

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 13 March 2013 at 18:15.

Agenda

- 1 Apologies.
- 2 Minutes of the meeting of the Executive held on 6 February 2013 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests
To receive declarations of disclosable pecuniary interests or personal or prejudicial interests, in accordance with the Code of Conduct.
- 5 Accounts Receivable - Write-offs. Report of the Performance and Client Lead (attached).

Reporting Officer: Paul Harding

- 6 Use of Housing and Planning Delivery Grant (HPDG) to Provide Staffing Resource to Support the Implementation of the Community Infrastructure Levy (CIL). Report of the Planning and Development Manager (attached).

Reporting Officer: Tim Burton

- 7 Quarter Three Financial and Performance Monitoring Report. Joint report of the Financial Services Manager and the Performance Lead Officer (attached).

Reporting Officers: Dan Webb
Paul Fitzgerald

- 8 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

26 June 2013

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)

Executive – 6 February 2013

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

Officers: Penny James (Chief Executive), James Barraah (Health and Housing Theme Manager), Stephen Boland (Housing Services Lead), Lesley Webb-Crookes (Housing Enabling Lead), Rosie Reed (Tenant Services Development Officer), Richard Sealy (Corporate and Client Services Manager), Maggie Hammond (Strategic Finance Officer), Paul Fitzgerald (Financial Services Manager, Southwest One) and Richard Bryant (Democratic Services Manager and Corporate Support Lead)

Also present: Councillors Coles, Horsley and A Wedderkopp.
Cathy Osborne (Savills Plc) and Wendy Lewis (Knightstone Housing Association)

(The meeting commenced at 6.15 pm.)

9. Minutes

The minutes of the meeting of the Executive held on 16 January 2013, copies of which had been circulated, were taken as read and were signed.

10. Halcon North Regeneration, Taunton – Creechbarrow Road Project

Considered report previously circulated, which outlined a proposed re-development scheme in the Creechbarrow Road Area of Taunton.

For several years, the Council had been considering the Halcon North area in terms of what action could be taken to tackle the high levels of deprivation in the area and to provide a greater level of support to this community. The previous regeneration project considered a preferred option of demolition of approximately 200 Council dwellings and a mixed tenure development, with significantly increased density.

Members last considered this issue in the Autumn of 2012 (Minute No 78/2012 refers) when it was accepted that smaller scale regeneration in Halcon North was preferred by local residents. It was therefore agreed that options should be explored with partners to access funding for smaller scale development whilst maintaining and improving retained Housing Revenue Account stock.

At the outset of the previous project, a competitive process was undertaken to appoint partners to work alongside the Council on the Halcon North project, and Knightstone Housing Association (KHA) were subsequently appointed. As part of the early design of the former project, KHA had appointed Boon Brown Architects to assist them with this task. As a result, both parties had built up a considerable knowledge of the area.

Throughout this process and in order to secure future funding KHA had bid for, and had been awarded, Homes and Communities Agency (HCA) subsidy funding for 30

Affordable Rented Homes (80% of Market rent). The investment in these new homes would be in the region of £4,000,000. Despite the larger project for the area not progressing, the allocated HCA funding remained and this had created an opportunity to consider a smaller regeneration project.

Key features of the HCA funding were:-

- It was allocated to the Halcon area. However, KHA could request for it to be transferred to any other site in Somerset if they wished, if it appeared that the HCA funding was not going to be spent within the prescribed timetable;
- The new housing to which it related had to be completed and the money spent by the end of March 2015;
- The timescale available to achieve construction and therefore HCA spend in this timescale was very challenging. Consequently KHA required a decision on this matter as soon as possible;
- The HCA would like to see developments to which funding related, on site by September 2013; and
- For a scheme to progress, land would need to be transferred with vacant possession to KHA for £1, being a HCA requirement.

Following discussions with partners, the potential for a much smaller redevelopment scheme had emerged that would secure the £4,000,000 KHA/HCA investment in the area, rather than it being lost to the Halcon Ward.

Attention was now focussed on a scheme on Creechbarrow Road, which was one of the four streets in the original project. Full details of the proposed redevelopment were submitted for the information of Members.

The scheme would involve all current residents being found alternative accommodation. All the current flats would then be demolished. One end of the site would be transferred to KHA upon which 30 affordable rented houses would be constructed. The remainder of the site would remain in Taunton Deane ownership, on which 57 new homes for Social rent would be built. In addition, the scheme would see the creation of a central green/play area and Community Hub building.

Whilst the project was housing driven, it was also designed to help tackle the deprivation in the area. In total, there was the potential for 87 new homes which represented a significant increase on the current situation in terms of better quality affordable housing and a potential investment of over £11,000,000 in this area.

The play/communal area would provide a new central focus and help integration of the new and the existing properties and provide a quality open space. The Community Hub building could house a multi-agency team working in the Ward and provide facilities for the community that would seek to address the serious issues of deprivation in the locality.

Whilst the increase in homes was significant, the potential increase in bed numbers was huge with 339 bed spaces likely with the new development compared with the 172 spaces which currently existed.

Reported that the new Housing Revenue Account (HRA) 30 Year Business Plan

included priorities in relation to the provision of more affordable housing, investment and support to vulnerable communities and sustainable development.

The HRA also had available to it additional borrowing headroom of £16,000,000. With the availability of very low interest rates and resources available in the Business Plan to fund such borrowing, the current climate and context were right to consider a scheme such as the one proposed.

The existing flats on the Creechbarrow Road site had been constructed in 1975/1976. Whilst they varied in condition, there were no significant issues of disrepair. The tenants of these properties comprised a broad age range and varied family compositions.

Submitted details of the KHA outline development of 30 dwellings which would consist of the following:-

- 9 x 1 Bed Flats;
- 8 x 2 Bed Flats;
- 2 x 2 Bed Houses;
- 8 x 3 Bed Houses; and
- 3 x 4 Bed Houses.

For regeneration projects it was usual for the Council to underwrite 50% of the “at risk” costs - the costs incurred in A scheme design prior to planning consent being obtained. In this case 50% of the at risk costs for the KHA portion of the site would be £32,000 if planning permission was not granted. It was recommended that Full Council should agree to underwrite these costs, which would be funded by the HRA as a revenue cost, if incurred.

The outline of the Taunton Deane part of the development consisted of 57 new properties in accordance with the mix below:-

- 19 x 1 Bed Flats;
- 19 x 2 Bed Flats;
- 4 x 2 Bed Houses;
- 9 x 3 Bed Houses;
- 4 x 4 Bed Houses;
- 1 X 5 Bed House; and
- 1 x 6 Bed House.

In addition at the end of Moorland Road, where two semi-detached houses were currently situated, there would be an additional eight, 2 bedroom flats, with a Community Hub building on the ground floor.

Finally, the scheme could be enhanced by additional new housing frontage being provided on the opposite side of this end of Moorland Road. The proposal therefore included three additional family homes on the site of Nos 2 and 4 Moorland Road.

The “at risk” costs for the Taunton Deane portion of the site were estimated to be £120,000. It was recommended that Full Council should agree to underwrite these costs, which would need to be funded by the HRA as a revenue cost, if incurred.

The estimated project costs for 57 new dwellings and the Community Hub building was £7,667,000.

Further reported that Savills Consultancy had been engaged to provide a report and initial views on the Taunton Deane part of the development. The company's report had been circulated to the Executive and the key conclusions were set out in the report. Savills felt that the benefits of having more homes (57), including large family houses and the Community Hub, available in place of the 42 smaller flats and four houses justified the slight additional net costs and the loss of net income from existing units.

The consultation discussions with the residents of Creechbarrow Road had included the following key points:-

- The Creechbarrow Road site was to be redeveloped;
- The existing dwellings would be replaced by a mixture of flats for the elderly, general needs flats and family homes;
- Taunton Deane and a Housing Association would be involved in the development;
- Taunton Deane would increase slightly the number of Council properties;
- Residents would be able to return to the area once development had finished if they wished to; and
- Assistance and support would be provided to residents throughout the process.

The responses from the residents were as follows:-

| Response to Proposed Creechbarrow Redevelopment | | | |
|---|----|-----------|--------------|
| Yes | No | Undecided | Unresponsive |
| 22 (including 5 leaseholders) | 10 | 2 | 8 |

During the consultation exercise residents provided a large amount of feedback on the proposed scheme which was reported together with the responses that had been received from leaseholders, the Ward Councillors, the Halcon Multi-Agency Group, Avon and Somerset Police, Halcon Primary School/Somerset County Council, ASDA, Lidl, Somerset Care (Lavender Court), the Tenant Services Management Board and the Halcon North Residents' Association.

Reported that there were some procurement issues to consider in relation to the proposal. Although the site would ultimately be in two parts in terms of ownership, in terms of development it would be desirable from a practical point of view to redevelop it as one. It was also worth noting that the Council's experience of managing its own new housing developments was very much in its infancy.

At the outset of the previous project, a competitive process was undertaken amongst partner Housing Associations, to appoint organisation(s) to work alongside the Council. One of the main issues was, whether any of the partners had access to grant money that they could bring forward. As time evolved, all partner Housing Associations apart from KHA had withdrawn from the process.

KHA had remained positive with encouragement and had indicated the likelihood of grant from the HCA being allocated in the new programme.

The use of existing framework agreements where competitive pre-selection activities had already been undertaken, presented the most efficient method to procure and give reassurance in terms of established arrangements.

There were four key requirements to consider for the scheme to progress:-

Development Agent – The Council did not have all the necessary skills, capacity and experience to undertake this project. A third party organisation to undertake development services on Taunton Deane's behalf was therefore required. A quote had been received from KHA to undertake this work which would enable them to project manage the whole site on behalf of both parties. Although the fee quoted was at a level where a procurement exercise would normally be required, it was recommended that Contract Procedure Rules should be waived to allow KHA to be appointed as Development Agents.

Architect – Boon Brown Architects had already been working on various schemes in this area with KHA. From a planning perspective there was an urgency to submit a planning application for the KHA part of the site to ensure the HCA funding was not lost. However, in order for this application to be considered in time, it was felt advisable to submit an application for the whole site using one architect. In order to achieve this, the Council would need to waive Contract Procedure Rules to enable Boon Brown to continue to act on the Council's behalf as the fee for this service would exceed procurement thresholds that would usually require an open procurement process.

Employers Agent – No agent had been appointed for either party in relation to the scheme. However, one would need to be appointed as soon as possible. KHA had undertaken a procurement exercise to pre-select on a framework agreement five firms who could undertake the role of Employers Agent. Under normal circumstances, the level of fee for this service would again exceed the relevant services aspect of Contract Procedure Rules. However, it was proposed to waive Contract Procedure Rules and undertake a mini competition from the KHA framework and appoint a joint Employers Agent.

Contractor – The estimated costs of building contractor works were likely to exceed EU procurement thresholds. In order for the Council to undertake EU compliant procurement and make the most efficient route to the market, the Council was proposing to access framework agreements established by the HCA which had been designed with Local Authority housing projects specifically in mind. It was proposed that Taunton Deane and KHA would jointly procure contractors for the project from a framework agreement set up and managed by the HCA.

Reported that the Council's Treasury Management advisors Arlingclose had been consulted on the potential additional borrowing the Council would be required to undertake in order to support this proposal. The company's advice was set out in the report.

If the recommendations in the report were accepted, much activity would be

required to take the scheme forward. This included:-

- For the KHA area, the timetable included in the report outlined the tasks required to meet the HCA completion timetable requirement;
- For the Taunton Deane area, a more detailed feasibility report would be provided for Members to consider, with final approval for the scheme to progress;
- For the project as a whole, a detailed project plan would be established with appropriate Governance arrangements in place; and
- One of the key activities would be supporting existing residents through the changes and arranging decanting at the appropriate time and that information would always be available on progress.

As far as financing of the project was concerned, Members would need to:-

- (i) Approve capital expenditure of around £7,700,000;
- (ii) Underwrite “at risk” costs of £152,000 from revenue resources; and
- (iii) Agree the preferred basis of funding – in a later report – but support the principle of borrowing £7,700,000.

Noted that as a proportion of the costs would be incurred in the current financial year, the sum of £200,000 should be added to the 2012/2013 Capital Budget to be funded from HRA reserves.

The proposed redevelopment at Creechbarrow Road had been considered by the Community Scrutiny Committee on 5 February 2013. Members had been supportive of the proposal.

Resolved that Full Council be recommended:-

(a) In relation to the proposed Knightstone Housing Association portion of the site:-

- (1) To agree the transfer the southern part of the Creechbarrow Road site, Taunton to Knightstone Housing Association for £1, in order to enable the development of 30 new affordable homes;
- (2) To approve the decant of the tenants currently occupying the southern end of the site (current property Nos 2-20) and transfer these properties with vacant possession to Knightstone Housing Association;
- (3) To accept to underwrite 50% of Knightstone Housing Association’s “at risk costs” of approximately £32,000, to be funded by existing Housing Revenue Account resources if required.

(b) In relation to the proposed Taunton Deane portion of the site:-

- (4) Subject to satisfactory detailed scheme appraisal, to approve the redevelopment of the Taunton Deane portion of the site broadly in

accordance with the sketch plan included within the report, and for that purpose to:-

- Progress the actions necessary to achieve vacant possession of the current properties including decanting, buy back of former right to buy properties or agreement of exchange of alternate property, the decommissioning of properties and securing the site;
- Progress the detailed design and site evaluation; and
- Preparation of a planning application;

(5) To approve in principle borrowing of £7,700,000 to fund the scheme within the Housing Revenue Account and identify any additional funding for the community hub and play aspects of the development;

(6) To agree to commit Taunton Deane to “at risk” costs of approximately £120,000, to be funded by Housing Revenue Account resources;

(7) To waive Contract Procedure Rules and:-

- Appoint Knightstone Housing Association as Development Agents to act on behalf of the Council in relation to this project;
- Appoint Boon Brown Architects to continue to act on the Council’s behalf in relation to this scheme; and
- Undertake a joint mini competition amongst the five Employers Agent firms on the Knightstone Housing Association framework and appoint, as appropriate, one company to act on the Council’s behalf in relation to this scheme;

(c) In relation to the project as whole:-

(8) To approve a supplementary estimate from the Housing Revenue Account reserves of £200,000, which would be added to the 2012/2013 capital budget, as a proportion of the costs would be incurred in the current financial year.

11. **Somerset Waste Partnership Draft Business Plan 2013-2018**

Considered report previously circulated, concerning the Somerset Waste Partnership’s (SWP) Draft Business Plan for the period 2013-2018. The draft Plan had been made available to Members.

The Draft Business Plan and associated Action Plan were the means by which the partnership described its business, evaluated changes to the operating environment, identified strategic risks and set out its priorities. The plan had a five year horizon with particular focus on the next 12 months. It was the primary means to seek approval for and to secure the necessary resources to implement its proposals from the partner authorities.

Comments on the Business Plan were requested by mid-February, to enable the Somerset Waste Board (SWB) to adopt both the Plan and its budget at its meeting

on 22 February 2013.

The Draft Business Plan had been brought together against the background of a continuing difficult economic situation. Subject to the actual settlement from Government, partners had not required the Board to deliver levels of savings for 2013/2014 that would impact on the public, but the outlook for 2014/2015 and beyond looked increasingly difficult.

The previous plan had assumed that levels of residual waste would continue to fall in accordance with the trend in recent years. This assumption was closely monitored in the first two quarters of 2012/2013 and had not been born out in practice across the County as a whole. This was causing a predicted overspend for the Somerset County Council in the region of £800,000. Around half of this increase was accounted for by high levels of garden waste due to the extended growing season. Reasons for the other half were being investigated.

The figures had indicated that Taunton Deane still had the lowest overall tonnage per household across the County. However, the tonnage Taunton Deane was recycling had dropped slightly, which would have detrimental implications for the level of recycling credits the Council received.

The reasons for this drop off in recycling were not clear and this was also being investigated with the Waste Partnership. Although reducing overall tonnage would help to achieve one of the Partnership's key objectives of waste minimisation, elements of the Cost Sharing Mechanism (CSM) did not incentivise Taunton Deane's reducing tonnage for certain types of waste. As a result, it was considered sensible for the benefit of all partners for elements of the CSM to be reviewed.

The Contract extension with May Gurney had been signed on 19 October 2012 and for the first time SWP was able to more closely predict the actual contract collection costs prior to December. The cost to the contractor of delivering the service was significantly higher than the payments made by SWP; the difference – and any profit – being made up from the sale of materials. As in previous years the threshold for sharing profit had not been reached.

Noted that the scope for significant further savings from the collection contract was limited unless major changes were made to the service design and/or frequency.

Reported that SWP had made one of 130 bids to the Department for Communities and Local Government's £250 million Weekly Collection Support Scheme fund. The Secretary of State's intention in setting up the fund was to encourage Councils to restore weekly refuse collection or not to move to fortnightly collection.

The Somerset Waste Board's view was that such a move was not necessary in Somerset for a number of reasons which were reported. However a bid was still submitted to collect Absorbent Hygiene Products (AHP) on a weekly cycle and, as a consequence, permitting a wider range of other dry recyclables to also be collected.

The Waste Board had been notified during November 2012 that its application had been unsuccessful. This bid funding would have been the sole source of funding for the project and it could not now be set up and delivered as hoped. SWP would

however consider including AHP collection as part of smaller scale “high diversion” trials where new materials would be added and collection frequencies possibly reviewed.

Further reported that SWP had carried out a Service Review which had resulted in a number of key areas for attention in 2013/2014. These areas had been reflected in the Draft Business plan and were summarised below:-

Waste Minimisation

- Encourage thinking – the Green Routine;
- Educative, positive engagement with communities where recycling was lower than average; and
- Reviewing households which had multiple refuse bins without apparent reason.

Viridor Contract Review – To undertake a wide scale review of the Strategic Partnering Arrangement with Viridor to:-

- Benchmark with other waste disposal authorities;
- Evaluate whether the current contract was fit for purpose over the remaining term to 2022;
- Evaluate options of non-landfill waste disposal options and how these might form part of a future plan; and
- Evaluate options for best value over the remaining term of the contract with an option to extend by up to nine further years.

Anaerobic Digestion (AD) – In 2011 SWP made significant progress on the development of an AD facility for food waste, culminating in the Board approving Head of Terms with Viridor. Construction had started and the facility was on schedule to start commissioning in Spring 2013 with a view to full operation by the autumn.

May Gurney Contract Review - With the collection system well established, the cost of collecting additional kerbside material was low while the benefits in terms of reduced landfill were high. SWP would continue to promote the basic “recycle for all its worth” message – particularly in low performing areas. In addition SWP would be seeking savings and service improvements from better integration of business processes between client and contractor.

Improved solutions for communal properties - SWP had for some time aspired to provide better solutions for communal properties and other properties that were not served or only partially served by Sort It Plus. Progress on this had been challenging and hampered by an unplanned lack of staff capacity during the autumn of 2012. This remained a key work stream.

Restructure of the Single Client Group - The service review had also led to an action to restructure the Single Client Unit to ensure the structure was well aligned to changing objectives and to promote better public service and clearer lines of accountability.

The Draft Business Plan had been considered by the Corporate Scrutiny Committee on 24 January 2013 and the detailed comments raised by Members were submitted

for consideration by the Executive.

Resolved that:-

- (1) The contents of the Draft Business Plan be approved; and
- (2) The Somerset Waste Board be requested to add the following further action to the Draft Business Plan:- “Investigate modification of the Cost Sharing Mechanism with particular regard to the way in which recycling credits were calculated. The aim being to further incentivise landfill avoidance ahead of dry recycling, for the benefit of all partners”.

12. **Treasury Management Strategy Statement and Investment Strategy**

Considered report previously circulated, which detailed the Treasury Management and Investment Strategies for the 2013/2014 financial year.

It was noted that Council debt was currently £94,999,000 which included the Housing Revenue Account self-financing debt of £85,200,000. Short-term interest rates were currently at 0.5% and this rate was expected to be at this level for the next financial year.

The Strategy had the preservation of capital as the most important factor in investing taxpayer’s money. Also noted that borrowing rates were currently low but the cost of carry had to be considered before taking on any debt.

Reported that the purpose of the Treasury Management Strategy Statement and investment Strategy (TMSS) was to approve:-

- The Treasury Management Strategy for 2013/2014 (Borrowing and Debt Rescheduling);
- The use of Specified and Non-Specified Investments; and
- The Prudential Indicators for 2013/2014, 2014/2015 and 2015/2016.

A full copy of the TMSS, which had been prepared by the Council’s Investment Consultants Arlingclose, was submitted for the information of Members.

The Treasury Management service was an important part of the overall financial management of the Council’s affairs.

The bank base rate had fallen to 0.5% in March 2009 and had remained at that level ever since. Arlingclose had suggested that the interest rates would remain low for even longer, until at least 2016 given the extension of austerity measures announced in the Chancellor’s Autumn Statement.

During 2012/2013, the ratings agencies had downgraded several sovereign ratings and individual institutions. The Council had responded by listening to and following advice from Arlingclose.

The TMSS had been written in continuing challenging and uncertain economic times. The current economic outlook had several key treasury management implications:-

- Investment returns were likely to remain relatively low during 2013/2014;
- Borrowing interest rates were currently attractive, but might remain low for some time; and
- The timing of any borrowing would need to be monitored carefully. There would remain a cost of carry – any borrowing undertaken that resulted in an increase in investments would incur a revenue loss between borrowing costs and investment returns.

As a result, the strategy looked to reduce exposure to risk and volatility by:-

- (1) Considering security, liquidity and yield, in that order;
- (2) Considering alternative assessments of credit strength;
- (3) Spreading investments over a range of approved counterparties; and
- (4) Only investing for longer periods to gain higher rates of return where there were acceptable levels of counterparty risk.

Further reported that the historically low interest rate situation had led to significant reductions in investment income in the past years which impacted directly on the Council's budget.

The Council's General Fund Capital Financing Requirement (CFR) for 2013/2014 was £7,688,000 which was currently funded through internal borrowing. The Council was able to borrow funds in excess of the current CFR up to the projected level in 2015/2016 of £7,086,000.

Resolved that Full Council be recommended:-

- (1) To approve the Treasury Management Strategy Statement and Investment Strategy; and
- (2) To approve the Prudential Indicators, set out in Appendix B of the Treasury Management Strategy Statement and Investment Strategy – a copy of which is attached to these Minutes.

13. **Draft General Fund Revenue Estimates 2013/2014**

Considered report previously circulated, regarding the Executive's 2013/2014 Draft Budget proposals, prior to submission to Full Council on 26 February 2013 for approval.

Each year the Council set an annual budget which detailed the resources needed to meet operational requirements. It was prepared within the context of the Medium Term Financial Plan (MTFP) which included the 2013/2014 proposals within a five-year rolling forecast.

Full Council had approved a Budget Strategy at its meeting on 5 October 2010. This had described the need to set a four year balanced budget for the period 2012/2013 to 2015/2016 in the face of unprecedented financial challenges and funding uncertainty for local government. The savings target over this period was in the region of 40%.

An update on the Budget Strategy had been reported to Members and this had confirmed that the Strategy, which contained updated financial projections, remained relevant.

Updates on the Medium Term Financial Plan and latest Budget Gap estimates had been reported to the Corporate Scrutiny Committee this year on a regular basis. The latest report in November had confirmed that the estimated budget gap had reduced to £500,000 for 2013/2014.

Building on the Budget Review undertaken in 2011, the Corporate Management Team had prepared a range of Service Options for Members to consider in order to reduce the Budget Gap further.

In order to allow for consultation and consideration of budget options, the 'traditional' Budget Consultation Pack had been issued to all Members just before Christmas. This included the Initial Service Options and other updated information related to 2013/2014 budget requirements. The Budget Gap at that stage had reduced to £44,000, although the pack made it clear that there were still some details to be finalised for the final budget proposals.

The Draft Budget had been presented to the Corporate Scrutiny Committee on 24 January 2013 where Members proposed one specific amendment in relation to the Unparished Area Fund, where it was suggested that the fund should not be split into specific ring-fenced 'pots' and that all expenditure should be subject to the bidding process through the Unparished Area Panel.

The Committee also recognised the continuing financial challenge faced beyond the next financial year and the need for the strategic review of services that would be driven through the implementation of the new Corporate Business Plan.

The General Fund Revenue Account was the Council's main fund and showed the income and expenditure relating to the provision of services. The Council charged for some of its services which meant that less had to be funded from local taxpayers and Central Government. The expenditure that remained was funded by Central Government via the Revenue Support Grant and Business Rates, other non-ringfenced grants and the Council Taxpayer.

As reported previously, the last Comprehensive Spending Review (CSR) headlines announced on 20 October 2010, indicated real term reductions of 28% (26% in real terms) across local authority "spending powers" over the four year period starting in 2011/2012.

The funding settlement for the past two years had seen the Council's formula grant reduce by £1,580,000 in cash terms (22.9%) cumulatively. The historic formula grant income for 2012/2013 was £5,310,000. The formula grant for 2013/2014 was

£5,024,000, which was a reduction of 5.4%.

A number of grants including the Council Tax Freeze 2011/2012 Grant and the Homelessness Prevention Grant, had been 'rolled in' to the main funding formula to provide an updated 'base' position. In addition, grant funding towards the cost of Council Tax Support had been incorporated into the funding formula allocation from 2013/2014.

From 2013/2014, funding for local authorities would be changing with the introduction of a new Business Rates Retention system. General grant funding from Government would be received in the form of Retained Business Rates and Revenue Support Grant.

Details of the provisional Finance Settlement had been issued by the Department for Communities and Local Government (DCLG) on 19 December 2012. This settlement information had been used for the draft budget. Reported that the final settlement had very recently been received which revealed that Taunton Deane would receive £55 less than that initially reported by the DCLG.

The provisional settlement included a two-year 'funding baseline' which was effectively the grant settlement before local adjustments for Business Rates Retention, as summarised below:-

| | 2012/13 £k | 2013/14 £k | 2014/15 £k |
|----------------------------------|---------------|---------------|---------------|
| Formula Funding | 5,310 | 5,024 | 4,910 |
| Council Tax Support Funding | n/a | 638 | |
| Council Tax Freeze 2011/12 Grant | 138 | 138 | 138 |
| Homelessness Prevention Grant | 141 | 122 | 122 |
| Total Funding Baseline | 5,589 | 5,922 | 5,170 |

The Funding Baseline provided the 'pot' for Taunton Deane's funding, which was then split into two distinct headings:-

| | 2013/14 £k | 2014/15 £k | Change |
|---------------------------------|---------------|---------------|--------|
| Revenue Support Grant | 3,556 | 2,731 | -23.2% |
| Business Rates Funding Baseline | 2,366 | 2,439 | 3.1% |
| Total Funding Baseline | 5,922 | 5,170 | -12.7% |

The National Non Domestic Rates 1 (NNDR1) for 2013/2014 had been approved by Full Council on 24 January 2013. The projected Business Rates income from the NNDR1 had to be used alongside the "Total Funding Baseline" in the above table to produce the net funding position for budgeting purposes. Taking the NNDR1 into account the Council's funding under Business Rates Retention was projected to be £102,000 below the Baseline for 2013/2014:-

| | 2013/14 £k | 2014/15 £k |
|---|---------------|---------------|
| Net Business Rates Yield per NNDR1 | 38,395 | 39,890 |
| Share passed to Government, County and Fire authorities | -22,917 | - 23,934 |
| Share retained by TDBC | 15,478 | 15,956 |
| Tariff paid to Government | -13,214 | - 13,619 |
| 2013/14 Budget - Retained Business Rates Income | 2,264 | 2,337 |
| TDBC Business Rates Baseline (see previous table) | 2,366 | 2,438 |
| Impact of forecast Business Rates Yield on Funding | -102 | -101 |

Unlike the current grant system, where the Council's formula grant was fixed for the year, retained income from Business Rates funding would ultimately be based on the Business Rates outturn for the year. This introduced a new financial risk to the Council's budget. The figures as set out above would be used for budgeting purposes, and Business Rates funding would need to be incorporated into budget monitoring arrangements from 2013/2014 onwards.

The Budget for Funding was therefore proposed as follows:-

| | 2013/14 £k | 2014/15 £k | Change % |
|--------------------------------|---------------|---------------|---------------|
| Revenue Support Grant | 3,556 | 2,731 | -23.2% |
| Business Rates Retained Income | 2,264 | 2,337 | 3.2% |
| Total Funding Estimate | 5,820 | 5,068 | -12.9% |

New Homes Bonus Grant (NHB)

The New Homes Bonus (NHB) Grant had been in place since 2011/2012. It was funding allocated by the Government which incentivised or rewarded housing growth. The NHB grant was non-ringfenced which meant the Council would be free to decide how to use it.

Each year's Grant allocation would be payable for a six year period, so that from the sixth year of the scheme (2016/2017) onwards the Council should receive total annual NHB grant funding based on six years' grant allocations. This would provide an incentive to continue supporting housing growth to maintain and increase this funding stream.

In December 2012 the Government had announced the Provisional NHB Grant allocation of £1,726,671 for 2013/2014. Of this sum, £391,980 had been included in the draft budget for 2013/2014, allowing the Council to continue to support service delivery and ensure that the benefits of growth were maximized.

Within the Executive's final budget proposals, it was recommended that £2,375,000 of New Homes Bonus funding should be allocated to infrastructure projects to support economic growth and regeneration. Types of scheme were likely to fall into the following categories:-

- Additional flood prevention to enable the future growth of Taunton;
- Improvements to transport infrastructure and access; and
- Investment in key sites to improve their readiness for development for business, retail and leisure.

This allocation would commit the totality of NHB Grant received up to 2013/2014, and would include the use of the £1,040,000 currently held in the NHB Reserve.

Housing Benefit and Council Tax Administration Grant

Reported that this Grant was separate to the general funding provided through Revenue Support Grant and Business Rates. The provisional grant allocation for 2013/2014 was £692,000 which was £41,000 (5.6%) less than the grant for 2012/2013. This reduction had been taken into account within the MTFP.

Council Tax Base

The Government had recently issued new legislation, The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, effective from 30 November 2012. These regulations updated the rules for calculating the tax base for the district as a whole, and for each town/parish area within it, reflecting:-

- technical changes in Council Tax charges; and
- the introduction of the localised Council Tax Support (CTS) scheme (replacing the subsidised Council Tax Benefit system from April 2013)

The Council Tax Base of 37,280.60 Band D Equivalents, including the adjustment for Council Tax Support, had been approved at Full Council on 24 January 2013.

Council Tax for 2013/2014

Reported that a Council Tax Freeze for 2013/2014 had again been proposed.

Noted that the Council Tax calculation and formal tax setting resolution was to be considered separately. However, a Council Tax Freeze would mean that the Band D Council Tax would remain at £135.19. The Band D taxpayer would therefore receive all the services provided by the Council in 2012/2013 at a cost of £2.59 per week.

The Council Tax Base for 2013/2014 was 37,280.60 Band D Equivalents. The draft budget estimate for Council Tax income was therefore $37,280.60 \times £135.19 = £5,039,960$ (excluding Parishes and Special Expenses).

Council Tax Freeze Grant

The Council Tax Freeze Grant related to 2011/2012 of £137,000 per year had been rolled into the main Finance Settlement. The Council Tax Freeze Grant related to 2012/2013 was £140,000 based on the additional income a 2.5% Tax Increase would have generated for the Council, and was receivable for one year only.

Within the provisional Finance Settlement, the Government had confirmed its intention to offer a further Tax Freeze incentive scheme for 2013/2014, by offering Councils a grant equivalent to a 1% tax increase in lieu of a tax freeze. As a tax freeze was being recommended, the estimated Council Tax Freeze grant of £57,000 had been included within the Draft Budget. The Grant would be paid for two years only.

The Government had confirmed that Parish Councils would continue to be excluded from the Council Tax Freeze scheme, but any increase in Special Expenses levied by Taunton Deane for the unparished area of Taunton would count against an option to claim the Council Tax Freeze Grant for the Council.

Special Expenses / Unparished Area Budget

Special Expenses represented costs specifically arising in the Unparished area of Taunton. The Special Expenses budget in 2012/2013 was £47,380, which was a Band D Equivalent charge per year of £2.92.

The Draft Budget for 2013/2014 included a Tax Freeze for the Unparished area – the same as the Council's basic tax rate. The Band D charge for the Unparished area was therefore proposed to remain at £2.92 per year.

The tax base for the Unparished area of Taunton in 2013/2014 was 14,115.83 Band D Equivalents. The draft budget for Special Expenses was therefore 14,115.83 x £2.92 = £41,220.

Reported that the estimated funding raised from tax payers for Special Expenses had reduced in 2013/2014 as a result of the Council Tax Support scheme and related reduction in the tax base. At its last meeting, Full Council had approved an allocation of £6,500 as a share of the Council Tax Support Grant Funding included in the Finance Settlement.

The total draft budget and funding for the Unparished Area was therefore as follows:-

| | 2013/14 £ |
|--|---------------|
| <i>Expenditure:</i> | |
| Various Projects and Works, subject to bids to Unparished Area Panel | 47,720 |
| Total | 47,720 |
| <i>Funded By:</i> | |
| Special Expenses (Council tax) | 41,220 |
| TDBC Budget (notional share of CTS Grant Funding) | 6,500 |

| | |
|--------------|---------------|
| Total | 47,720 |
|--------------|---------------|

Access to the Fund was subject to a bid process during the year. The previous ring-fence of a sum of £15,000 for Youth Grants had been removed. It was proposed that the Unparished Area Panel should continue to receive bids (which could include bids related to youth initiatives) and consider these against the total budget.

Council Tax Support (CTS) Grant and Funding for Parishes

As referred to above, the Government had included grant funding towards the cost of Council Tax Support (CTS) within the provisional Finance Settlement. There was an expectation, albeit non-statutory, that a proportion of this funding would be passed down to parishes to reflect their reduction in Council Tax income as a result of the CTS Adjustment to their tax bases.

The timing of the announcement from Government in respect of this tax base adjustment and funding position had resulted in a grant amount being notified to each Parish to enable them to 'safely' set their precepts.

The total 'funding' for CTS to be passed on to Parishes, including the Unparished area, had been included in the draft budget as follows:-

| | £k |
|---|-------|
| Total Funding within Provisional Settlement | 638.3 |
| Allocation to Parish and Town Councils | 42.3 |
| Allocation to Unparished Area Budget | 6.5 |
| Amount retained by TDBC to offset Council Tax reduction | 589.5 |

Further reported that the draft Budget Proposals for 2013/2014 incorporated the provisional Settlement information and the measures that were proposed to address the overall budget gap in line with the approved Budget Strategy.

The draft Budget had closed the Budget Gap in full as shown in the following table. It included the implementation of a range of Service Options that reduced the underlying Base Budget position. The final adjustments to the draft Budget included one-off spending proposals in recognition of the short term nature of the Freeze Grant for 2013/2014 and the need to address the Budget Gap for 2014/2015 and beyond.

Updated 2013/2014 Budget Gap

| Ref | | £k |
|---|---|-------------|
| 2013/14 Budget Gap (Corporate Scrutiny 29 November 2012) | | 496 |
| | <i>Less: Initial Risk Allowance (29 Nov 2012) removed</i> | -160 |
| | <i>Add:</i> | |
| 1 | Land Charges net budget update | 40 |
| 2 | DLO Net Direct Costs – inflation and base updates | 56 |
| | | 96 |
| | <i>Less:</i> | |
| 3 | Provisional Finance Settlement | -184 |
| 4 | Revenues and Benefits | -100 |
| 5 | DLO Transformation Savings | -90 |
| 6 | Other minor changes | -14 |
| | | -388 |
| | 2013/14 Budget Gap as at 21 December 2012 | 44 |
| | Per Members' Budget Consultation Pack | |
| 7 | Support Service Recharges | -65 |
| 8 | Final move to detailed estimates | 65 |
| 9 | Updated Business Rates NNDR1 forecast | 33 |
| 10 | Service Options | -197 |
| | | -164 |
| | 2013/14 Budget Gap at 24 January 2013 | -120 |
| | Corporate Scrutiny | |
| 11 | Council Tax Freeze | 101 |
| 12 | Council Tax Freeze Grant (for 2 years only) | -57 |
| 13 | Welfare support (one-off in 2013/14) | 25 |
| 14 | Weed control | 35 |
| 15 | Extreme Weather contingency (one-off in 2013/14) | 16 |
| | Budget Gap/Surplus | Nil |

Noted that a detailed explanation for all of the proposals listed above were included in the report.

Reported that the Executive was minded to implement savings from a range of Service Options totalling £197,000, as summarised in the table below.

| | £ |
|------------------------------------|--------|
| Retained Finance Training | 3,000 |
| ICT Client and System Costs | 11,000 |
| Parking Services Staffing | 30,000 |
| Strategy Unit - Operating Costs | 6,500 |
| Public Relations - Operating Costs | 5,500 |
| Nature Reserves funding | 2,000 |
| Christmas Lights funding | 10,000 |

| | |
|---|----------------|
| | £ |
| Grounds Maintenance Budget not required | 47,600 |
| Public Conveniences | 4,500 |
| Open Spaces - Hanging Baskets | 4,000 |
| Housing Options funded by Homelessness Prevention Grant | 43,760 |
| External Audit fee savings | 25,000 |
| CEO/Directors - Operating Costs | 3,810 |
| SUBTOTAL | 196,670 |

Noted that Fees and Charges for 2013/2014 had been approved by Full Council on 11 December 2012, and the impact of these had been included in the draft Budget.

DLO Trading Account

As part of the DLO transformation, a number of proposed financial simplifications had been completed for the street cleansing and public toilet services during 2012/2013. This, in conjunction with the removal of fleet maintenance as an in house function, and the movement of some employees and functions within the DLO, had led to a reduction in the number of individual DLO trading accounts.

The changes to the normal week pattern, with a planned reduction of working hours from 39 to 37 per week, had created financial savings estimated at £170,000 (£90,000 General Fund, £80,000 Housing Revenue Account).

Taking these factors into account, the DLO Trading Account continued to budget for a net surplus of £101,000 as follows:-

| <i>DLO Trading Account 2013/14</i> | Costs £k | Income £k | Net £k |
|---|---------------------|----------------------|-------------------|
| Grounds | 2,371 | (2,488) | (117) |
| Building | 3,521 | (3,490) | 31 |
| Nursery | 100 | (115) | (15) |
| Grand Totals | 5,992 | (6,093) | (101) |

The forecast reserves position for 2013/2014 remained positive and provided some resilience to volatility in trading performance and future investment needs.

Deane Helpline Trading Account

The Deane Helpline was a stand-alone trading account service. In 2013/2014 the estimated deficit was £65,000, a reduction of £12,000 compared to the budget for 2012/2013. This deficit would need to be funded by the General Fund.

The draft budget was based on charges increasing by 2.6%, as previously approved by Full Council, and which was in line with the increases applied to service charges under the direction of the Government. This increased the weekly charges for existing clients by 25p to £4.40. Weekly charges for new clients would be increased by 11p to £4.54.

The price increase for new clients introduced in November 2010 would continue to adjust the financial position and correct the loss making problems in the service over the next few years as the ratio of customers on the old charges was reduced and those on the new charges increased.

The summary trading account was as follows:-

| Deane Helpline Trading Unit Estimates | 2012/13 £k | 2013/14 £k |
|--|-----------------------|-----------------------|
| Direct Operating Costs | 915 | 972 |
| Recharges | 94 | 77 |
| Income | (932) | (984) |
| Estimated Deficit | 77 | 65 |

Minimum Revenue Provision Policy

Before the start of each financial year, the Council was required to determine the basis on which it would provide for the repayment of borrowing undertaken for the purpose of financing capital expenditure. This annual provision, known as Minimum Revenue Provision (MRP), was designed to ensure that authorities made prudent provision to cover the continuing costs of their borrowing.

In 2008, the Government became less prescriptive offering Councils a number of options for calculating MRP. For the current financial year, the Council had determined to calculate MRP as follows:-

- for supported borrowing, 4% on outstanding debt;
- for unsupported borrowing, the debt associated with asset divided by the estimated useful life of the asset; and
- for capital grants and contributions to third parties, 4% (or 1/25th) per year on a straight line basis.

It was proposed the above policy remained in place for 2013/2014.

Draft General Fund Budget Summary 2013/2014

The following table compared the draft proposed budget with the original budget for the current year. The table provided a reconciliation to the Council's Basic Council Tax Requirement of £5,039,960:-

| | Original Estimate 2012/13 £ | Draft Estimate 2013/14 £ |
|---|--|---|
| Total Spending on Services | 13,276,860 | 13,372,730 |
| Capital Charges Credit | (2,434,180) | (2,537,430) |
| Revenue Contribution to Capital | 330,410 | 524,590 |
| Interest payable on Loans | 264,430 | 0 |
| Minimum Revenue Provision | 663,970 | 452,950 |
| Interest Income | (67,440) | (317,750) |
| Transfers to/from Earmarked Reserves | 309,480 | 1,171,220 |
| Transfer to General Reserves – Previous Years commitments | 39,900 | 0 |
| AUTHORITY EXPENDITURE | 12,383,430 | 12,666,310 |
| Less: New Homes Bonus | (1,039,720) | (1,726,670) |
| Less: Revenue Support Grant (RSG) | (103,600) | (3,556,140) |
| Less: Retained Business Rates (RBR) | (5,206,870) | (2,263,980) |
| Less: Council Tax Freeze Grant* (Surplus)/Deficit on Collection Fund | (277,000) (184,200) | (57,000) (22,560) |
| Expenditure to be financed by District Council Tax | 5,572,040 | 5,039,960 |
| Divided by Council Tax Base | 41,216.39 | 37,280.60 |
| Council Tax @ Band D | £135.19 | £135.19 |
| Cost per week per Band D equivalent | £2. 59 | £2.59 |

As stated above, the Council prepared its annual budget within the context of the MTFP. This provided estimates of the budget requirement and budget gap into future years. The following table provided a summary of the current indicative MTFP:-

| | 2013/14 £k | 2014/15 £k | 2015/16 £k | 2016/17 £k | 2017/18 £k |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| Net Expenditure | 11,464 | 11,994 | 12,724 | 13,237 | 13,594 |
| <i>Financed By:</i> | | | | | |
| Retained Business Rates | (2,264) | (2,337) | (2,396) | (2,457) | (2,519) |
| Revenue Support Grant | (3,556) | (2,731) | (2,047) | (1,610) | (1,260) |
| Tax Freeze Grant | (57) | (57) | 0 | 0 | 0 |
| Council Tax | (5,587) | (5,676) | (5,791) | (5,908) | (6,027) |
| Predicted Budget Gap | 0 | 1,193 | 2,490 | 3,262 | 3,788 |

Noted that the above estimates included the following main assumptions related to funding:-

- Revenue Support Grant for 2013/2014 and 2014/2015 were as set out in the provisional Finance Settlement. Retained Business Rates for 2013/2014 was based on the NNDR1 for the year. Estimated funding in subsequent years was projected to increase in line with inflation. Net funding from the two elements combined was estimated to reduce by c.10% year-on-year for the subsequent

three years. In addition it was assumed that the £137,000 Freeze Grant related to 2011/2012 would be removed in 2015/2016; and

- Council Tax would increase by 0% in 2013/2014, then by 2% per year thereafter.

Beyond 2013/2014, the MTFP included anticipated inflationary pressures related to staffing pay awards, price inflation on services and major contracts, as well as the estimated funding position over the next five years. The MTFP also assumed a number of fees and charges would increase each year in line with inflation.

General Reserves

Further reported that the reserves position was part of the overall financial framework that underpinned the Budget Strategy. The Section 151 Officer had reviewed the acceptable minimum reserves position in light of the prospective changes to Local Government funding reform, welfare reform and other risks which were likely to require a higher minimum reserves balance be maintained in future.

As a result, it was being recommended that the minimum acceptable reserves position should be increased to £1,500,000 (from £1,250,000), or £1,250,000 if funds were allocated to 'invest to save' initiatives. The Draft Budget for 2013/2014 would maintain reserves well above this minimum, but the MTFP showed that the Council was expected to face significant financial pressures in the medium term as shown in the following table:-

General Reserves Forecast

| | 2013/14 £k | 2014/15 £k | 2015/16 £k | 2016/17 £k | 2017/18 £k |
|------------------------------|---------------|---------------|---------------|----------------|----------------|
| Estimated Balance B/F | 3,079 | 3,079 | 1,886 | (604) | (3,866) |
| Predicted Budget Gap | 0 | (1,193) | (2,490) | (3,262) | (3,788) |
| Estimated Balance C/F | 3,079 | 1,886 | (604) | (3,866) | (7,654) |

Clearly the Council would not end up with the financial deficit as shown in this forecast, but this exemplified the scale of the financial challenge over the medium term. The Council would need to plan to deliver a sustainable financial position as part of the Corporate Business Plan and supporting financial strategy.

The Council's Section 151 Officer also had a duty in accordance with The Local Government Act 2003 to comment, as part of the budget setting process, on the robustness of the budget plans. In her response, Shirlene Adam had stated that she believed the Council's reserves to be adequate and the budget estimates used in preparing the 2013/2014 budget to be robust.

Noted that Equalities Impact Assessments had been undertaken on proposed budget savings items in line with the Council's statutory obligations. Copies of the assessments were submitted to enable them to be taken fully into account by Members in confirming the recommended budget proposals for 2013/2014.

Resolved that Full Council be recommended to agree the Draft General Fund Revenue Budget for 2013/2014 and that:-

- (a) the Section 151 Officer's Statement of Robustness, which applied to the whole budget including General Fund, Housing Revenue Account and Capital Budget proposals be noted and that the recommended increase to minimum acceptable level of reserves to £1,500,000, or £1,250,000 if funds were allocated to invest to save initiatives, be approved;
- (b) the Draft General Fund Revenue Budget 2013/2014, including a Basic Council Tax Requirement budget of £5,039,960 and Special Expenses of £41,220 be approved;
- (c) the transfer of any under/overspend in the 2012/2013 General Revenue Account Outturn to/from the General Fund Reserves be approved;
- (d) The Service Options set out in the report be approved and the Equalities Impact Assessments provided in the report and appendices be considered as part of the budget decision process;
- (e) the Minimum Revenue Provision (MRP) Policy with MRP calculated as follows, be approved:-
 - for supported borrowing, 4% on outstanding debt; and
 - for unsupported borrowing, the debt associated with the asset divided by the estimated useful life of the asset; and
 - for capital grants and contributions to third parties, 4% (or 1/25th) per year on a straight line basis; and
- (f) The General Reserves position and Medium Term Financial Plan projections, and the continuing financial challenge to address the Budget Gap for future years be noted.

14. Draft Capital Programme Budget Estimates 2013/2014

Considered report previously circulated, concerning the proposed General Fund and Housing Revenue Account (HRA) Capital Programmes for 2013/2014.

2012/2013 General Fund Capital Programme

In December 2012 the Government had provided a further allocation of £95,850 Disabled Facilities Grant (DFG) funding to the Council for the current financial year. It was recommended that this sum should be allocated as a Supplementary Estimate, increasing the approved 2012/2013 Capital Budget for DFGs from £696,880 to £792,730.

2013/2014 General Fund Capital Programme

The Draft General Fund Five-Year Capital Programme 2013/2014 to 2017/2018 totalled £7,337,000. This included future schemes that had already been approved during this year, plus further funded schemes as identified in the Members' Budget

Consultation Pack. The following table showed the schemes included in the 2013/2014 Draft Programme:-

Draft General Fund Capital Programme 2013/2014 to 2017/2018

| Project | Budget Approval £k | 13/14 £k | 14/15 £k | 15/16 £k | 16/17 £k | 17/18 £k | Total £k |
|---|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Schemes Approved During 2012/13 | | | | | | | |
| Orchard Car Park (Paul Street Multi Storey) Major Repairs | 503 | 126 | 126 | 126 | 125 | 0 | 503 |
| Swimming Pool Refurbishment | 1,270 | 1,270 | 0 | 0 | 0 | 0 | 1,270 |
| Loan to Somerset County Cricket Club | 1,000 | 1,000 | 0 | 0 | 0 | 0 | 1,000 |
| Subtotal | 2,773 | 2,396 | 126 | 126 | 125 | 0 | 2,773 |
| Schemes Submitted for Approval: | | | | | | | |
| Annual RCCO Funded Schemes | | | | | | | |
| PC Refresh | 60 | 60 | 60 | 60 | 60 | 60 | 300 |
| Members IT Equipment | 4 | 4 | 4 | 4 | 4 | 4 | 20 |
| DLO Vehicles | 180 | 180 | 180 | 180 | 180 | 180 | 900 |
| DLO Plant | 23 | 23 | 23 | 23 | 23 | 22 | 114 |
| Waste Containers (until 2016/17) | 50 | 50 | 50 | 50 | 50 | 0 | 200 |
| Play Equipment – Grants to Clubs | 46 | 46 | 46 | 46 | 46 | 46 | 230 |
| Play Equipment – Grants to Parishes | 20 | 20 | 20 | 20 | 20 | 20 | 100 |
| Play Equipment – Replacement | 20 | 20 | 20 | 20 | 20 | 20 | 100 |
| Subtotal | 403 | 403 | 403 | 403 | 403 | 352 | 1,964 |
| Grant Funded Schemes | | | | | | | |
| Disabled Facilities Grant | 287 | 287 | 300 | 310 | 320 | 310 | 1,527 |
| Affordable Housing Funded Schemes | | | | | | | |
| Grants to Registered Providers (Affordable Housing) | 349 | 349 | 425 | 171 | 0 | 0 | 945 |
| Capital Receipt Funded Schemes | | | | | | | |
| Taunton/Bridgwater Canal Grant | 10 | 10 | 10 | 0 | 0 | 0 | 20 |
| Revenue Reserve Funded Schemes | | | | | | | |
| Gypsy Site (site to be confirmed) | 108 | 108 | 0 | 0 | 0 | 0 | 108 |
| Sub-total | 1,157 | 1,157 | 1,138 | 884 | 723 | 662 | 4,564 |
| Total Funded Schemes | 3,930 | 3,553 | 1,264 | 1,010 | 848 | 662 | 7,337 |

Reported that approval was sought for budget allocations of £3,930,000 of capital expenditure. £3,553,000 of this sum was currently estimated to be required in 2013/2014. The shaded area in the table identified expenditure requirements from capital bids provided by services that would be subject to approval within future

budget reports.

Noted that a detailed explanation for all of the proposals listed above were included in the report.

Funding for capital investment by the Council could come from a variety of sources including:-

- Capital Receipts;
- Grant Funding;
- Capital Contributions (for example from another Local Authority or Section 106 Agreement funding);
- Revenue budgets/reserves (often referred as RCCO – Revenue Contributions to Capital Outlay); and
- Borrowing.

The estimated balance of uncommitted funds as at March 2013 would be £3,465,000. This included the allocation of New Homes Bonus funding to date as capital resources. In addition, further resources were projected to be available during the five-year term of the Programme.

The table below summarised the proposed funding of the five-year Initial Capital Programme:-

Draft Capital Programme 5-Year Funding Summary

| Funding Type | Total Funding Estimate (Table 3) £k | Draft Programme Expenditure (Table 1) £k | Total Uncommitted Funding £k |
|-------------------------------------|--|---|---|
| Housing RTB Capital Receipts | 560 | 0 | 560 |
| Affordable Housing Capital Receipts | 945 | 945 | 0 |
| General Capital Receipts | 1,138 | 790 | 348 |
| Growth Point Funding | 128 | 0 | 128 |
| Planning Delivery Grant | 46 | 0 | 46 |
| Capital Grant Reserves | 2,027 | 2,027 | 0 |
| RCCO – Annual Revenue Budget | 2,467 | 2,467 | 0 |
| RCCO – Earmarked Reserves | 108 | 108 | 0 |
| Borrowing (SCCC Loan) | 1,000 | 1,000 | 0 |
| Total | 8,419 | 7,337 | 1,082 |

A detailed explanation as to where the sources of the above funding originated was supplied for the information of Members.

Further reported that in addition to the proposed Initial Capital Programme a number of services had identified projects that had yet to be prioritised. There were also a number of projects that might come out of the Infrastructure Delivery Plan and Property Services review which would need to be considered as part of an updated

five-year programme. Such proposals would be presented for consideration as soon as possible during 2013/2014.

The following table detailed the bids that had been received but were not included in the Initial Capital Programme:-

Capital Bids Not Included in Initial Capital Programme

| Project | 13/14 £k | 14/15 £k | 15/16 £k | 16/17 £k | 17/18 £k | Total £k |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Environmental Services | | | | | | |
| Taunton Crematorium – Book of Remembrance | 15 | 0 | 0 | 0 | 0 | 15 |
| Taunton Cemetery Extension | 50 | 50 | 0 | 0 | 0 | 100 |
| Wellington Cemetery Extension | 0 | 0 | 50 | 0 | 0 | 50 |
| Crematorium Chapel Roof | 0 | 90 | 90 | 0 | 0 | 180 |
| Housing Services | | | | | | |
| Grants to Registered Providers | 0 | 0 | 254 | 425 | 425 | 1,104 |
| Disabled Facilities Grants | 163 | 170 | 180 | 190 | 220 | 923 |
| Private Sector Health and Safety | 22 | 24 | 26 | 28 | 30 | 130 |
| Energy Efficiency | 25 | 140 | 160 | 180 | 180 | 685 |
| Landlord Accreditation Scheme | 60 | 60 | 60 | 60 | 60 | 300 |
| Wessex Home Improvement Loans | 90 | 120 | 180 | 180 | 180 | 750 |
| Deane Helpline Lifeline | 30 | 31 | 31 | 31 | 32 | 155 |
| Total Unfunded Bids 2013/14 – 2017/18 | 455 | 685 | 1,031 | 1,094 | 1,127 | 4,392 |

Reported that the total for unfunded bids was £4,392,000 over the five-year period. Compared with the £1,082,000 available resources balance, there was a funding gap of £3,310,000 which was expected to grow significantly once all bids were received.

There was an option to consider using future New Homes Bonus Grant allocations for 2014/2015 onwards. The projected annual grant was between £2-£3,000,000 from 2014/2015 onwards and currently £392,000 of the grant was committed each year for the annual revenue budget.

Other funding options included the Community Infrastructure Levy (for certain prescribed projects), borrowing or using general reserves, as well as seeking external sources of finance.

2013/14 Draft Housing Revenue Account Capital Programme

The proposed Draft HRA Capital Programme 2013/2014 totalled £19,600,000. This was part of a Five-Year Capital Expenditure Estimate of some indicative

£50,200,000 for the period 2013/2014 to 2017/2018. The programme reflected the priorities set out in the updated 30-Year HRA Business Plan which Full Council agreed last year.

The following table detailed the Draft Five-Year Programme for the schemes included in the 2013/2014 proposed Programme. As well as expenditure on continuing capital maintenance and improvements, the programme this year included expenditure on new Council housing.

Draft HRA Capital Programme 2013/2014 to 2017/2018

| Project | Budget Approval £k | 13/14 £k | 14/15 £k | 15/16 £k | 16/17 £k | 17/18 £k | 5-Year Total £k |
|---|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------------------|
| Capital Maintenance and Improvements | | | | | | | |
| Major Works | 5,701.4 | 5,701.4 | 5,701.4 | 5,701.5 | 5,735.5 | 5,735.4 | 28,575.2 |
| Improvements | 735.6 | 735.6 | 735.6 | 735.6 | 701.6 | 701.6 | 3,610.0 |
| Related Assets | 124.2 | 124.2 | 124.2 | 124.2 | 124.2 | 124.2 | 621.0 |
| Exceptional Works | 258.8 | 258.8 | 258.8 | 258.8 | 258.8 | 258.8 | 1,294.0 |
| Extensive Works | | | | | | | |
| Disabled Adaptations | 525.0 | 525.0 | 551.3 | 578.8 | 607.8 | 638.1 | 2,901.0 |
| IT Improvements | 200.0 | 200.0 | 200.0 | 100.0 | 0 | 0 | 500.0 |
| Extensions | 160.0 | 160.0 | 160.0 | 160.0 | 160.0 | 160.0 | 800.0 |
| Subtotal | 7,705.0 | 7,705.0 | 7,731.3 | 7,658.9 | 7,587.9 | 7,618.1 | 38,301.2 |
| Social Housing Development Programme | 4,200.0 | 2,100.0 | 2,100.0 | ? | ? | ? | 4,200.0 |
| Creechbarrow Road Project | 7,667.0 | 5,000.0 | 2,667.0 | 0 | 0 | 0 | 7,667.0 |
| TOTALS | 19,572.0 | 14,805.0 | 12,498.3 | 7,658.9 | 7,587.9 | 7,618.1 | 50,168.2 |

Reported that approval was sought for Capital Expenditure of £19,572,000. This comprised the Capital Maintenance and Improvement Works Programme budget for 2013/2014 at £7,705,000, plus £4,200,000 for Social Housing Development Phase 1 sites, and £7,667,000 for the Creechbarrow Road, Taunton Project. The shaded amounts for 2014/2015 – 2017/2018 were indicative only at this stage.

Noted that a detailed explanation of all of the proposals listed above were included in the report.

Reported that it was proposed that the HRA Capital Programme would effectively be funded in two parts.

The continuing capital maintenance and improvement would be fully funded from the Major Repairs Reserve and it was proposed that this Social Housing Development Programme (SHDP) Capital Budget would be funded through a combination of:-

- Revenue Contribution – from the Social Housing Development Fund;
- Capital Receipts – from Right to Buy and other HRA asset sales; and

- Borrowing.

HRA Capital Debt Position

In March 2012 the Council had to borrow £85,200,000 to 'buy-out' of the old HRA Subsidy system and move to self-financing. This sum was added to the £14,500,000 residual debt within the HRA from the previous system. The overall capital debt position for the HRA was summarised as follows:-

| | |
|--|-------|
| | £k |
| Historic Capital Financing Requirement (HRA CFR) | 14.5 |
| Self financing debt | 85.2 |
| Current HRA Capital Financing Requirement (capital debt balance) | 99.7 |
| Borrowing "headroom" | 16.1 |
| Capital Borrowing/Debt Limit | 115.8 |

The HRA Business Plan had been set on the basis that the total existing HRA debt balance of £99,700,000 would be repaid by 2030. The HRA Revenue budget included provision for the related principal and interest costs and the Business Plan indicated this repayment model remained affordable.

There was sufficient borrowing headroom to permit the potential additional borrowing of £2,400,000 from the SHDP Phase 1 developments and £7,600,000 for the Creechbarrow Road scheme. This headroom was projected to increase as the self financing settlement debt was redeemed.

Further reported that the Draft General Fund and HRA Capital Programmes were presented to the Corporate Scrutiny Committee on 24 January 2013 for review and comment. No specific amendments to the Draft Budget were formally recommended by the Committee.

Noted that Equalities Impact Assessments had been undertaken on proposed budget savings items in line with the Council's statutory obligations. Copies of the assessments were submitted to enable them to be taken fully into account by Members in confirming the recommended budget proposals for 2013/2014.

Resolved that Full Council be recommended to approve:-

- (a) a Supplementary Estimate of £95,850 in the 2012/2013 Capital Programme for Disabled Facilities Grants, to be funded by additional Government grant received in December 2012;
- (b) the General Fund Capital Programme Budget of £3,930,000. Of this amount, £3,553,000 be budgeted to be spent in 2013/2014 with the remainder in the following three years; and
- (c) the Housing Revenue Account Capital Programme of £19,572,000. Of this amount, £14,805,000 be budgeted to be spent in 2013/2014 with the remainder in the following two years.

15. **Draft Housing Revenue Account Estimates 2013/2014**

Considered report previously circulated, which set out in detail the proposed Housing Revenue Account (HRA) Estimates for 2013/2014.

2013/14 would be the second year of operating the HRA under self-financing arrangements. The Council remained on course to repay the settlement debt of £85,200,000 by 2030. The lower cost of borrowing this sum was reflected in the Draft Budget and had enabled the Council to fund the updated proposals in the HRA Business Plan and increase funding for housing development.

The Proposed Budget was based on assumptions and estimates on expenditure requirements and income projections, in order to deliver the updated Business Plan that was approved by Full Council in December 2012.

Dwelling rents for more than 6,000 properties provided annual income of over £23,000,000 for the HRA.

Local authorities had both the power and duty to set their own rent. However, in December 2000 Central Government had set out a policy for social rents in England to be fair, affordable and less confusing for tenants. Local Authorities and Housing Associations had been requested to bring rents into line over several years, using a national formula to set a target rent (also called 'formula rent') based on property values and average manual earnings in each area.

The previous subsidy system required Local Authorities to raise their 'average weekly rent' to meet the 'target' or 'formula' rent by the convergence date of 2015/2016, with a 'guideline rent' being the amount the Department for Communities and Local Government (DCLG) assumed should be charged, but to avoid unaffordable increases in any one year must not exceed the 'limit rent'. The Council continued to work towards the convergence date of 2015/2016 and had taken this into account in the draft rent calculations.

With the Retail Price Index for 2012 at 2.60%, increasing the actual average weekly rent paid by tenants to the target rent would make the rent paid higher than the guideline rent.

It was therefore proposed that the average weekly rent for dwellings for 2013/2014 should be set at the guideline rent of £77.21, an increase of 4.9% or £3.61 per week (and the amount used by DCLG when calculating Taunton Deane's debt settlement under HRA self-financing).

This would provide Taunton Deane with the funds expected to repay its settlement debt and keep rents charged within self-financing principles. It also met the Rent Policy as approved in the HRA Business Plan.

Noted that the various rents for 2013/2014 calculated from the formulae were as follows:-

| | 2012/13 | 2013/14 | % increase |
|--|---------|---------|------------|
|--|---------|---------|------------|

| | | | | |
|--------------------------------------|--|--------|--------|-------|
| Average weekly rent | <i>actually paid by tenants</i> | £73.60 | | |
| Formula (target) rent | <i>'fair rent' charged by all social housing providers</i> | | £79.93 | 8.60% |
| Guideline rent | <i>an affordable step towards formula (target) rent</i> | | £77.21 | 4.90% |
| Limit rent | <i>maximum acceptable step towards formula (target) rent</i> | | £78.18 | 5.82% |
| Proposed average weekly rent | | £73.60 | £77.21 | |
| Total increase over previous year £p | | £5.11 | £3.61 | |
| Total increase over previous year % | | 7.45% | 4.90% | |

Reported that Members could choose not to increase rents to the guideline amount. However, each 0.5% rent change would cost (or save) tenants an average of 37p per week (£19.14 per year) and would bring in (or reduce) HRA income by around £114,600 per year.

The £85,200,000 self-financing debt settlement in March 2012, was predicated on the assumption that Local Authority landlords would reach rent convergence by 2015/2016. Therefore if the rent increase for 2013/2014 was lower, then either savings in HRA costs would need to be made or dwelling-rent increases in future years would need to be higher.

Around 8% of HRA income came from non-dwelling rents, charges for services and facilities and contributions to HRA costs from leaseholders and others. It was proposed to increase these budget lines generally by 2.6% although garages rented by private tenants and owner occupiers were proposed to increase by 5%.

The HRA expenditure budgets were reported and significant changes included the following:-

- Management Expenses – These included the costs of the teams administering tenancies, collecting rents and arranging or planning maintenance work as well as a share of the Council's other relevant costs. Key points for 2013/2014 were:-
 - (a) The budget included standard corporate inflation assumptions;
 - (b) The cost of the Development Team had been included in line with the HRA Business Plan; and
 - (c) The budget for Transfer Removal Grants had been increased from £30,000 to £60,000 for two years.
- Maintenance – The cost for 2013/2014 was around £960 per property, based on the service's best estimate of work that could realistically be carried out and rising from 2012/13 by inflation only (2.6%).
- Provision for bad debts – This matched the Business Plan rise from 0.5% to 3% of income for three years from 2013/2014 due to the expected effects of

Welfare Reform. The increase in provision was £80,000 in 2013/2014.

- Depreciation – Cash reserved in the Major Repairs Allowance (MRA), had increased in line with expected national accounting rules and had been used towards £7,700,000 capital work that maintained housing stock in good condition.
- Debt Management Expenses – These related to bank charges and the costs of managing cash flow, borrowing and investments. No significant changes had been included in the budget proposals.
- Payment of Interest – The 2013/2014 budget for interest costs had reduced significantly compared to 2012/2013, reflecting the actual (discounted) rates applied to the self-financing debt settlement in March 2012. The Interest Payable budget had reduced by some £936,000, to £2,937,000 in 2013/2014. This cost was projected to reduce over the medium term as loans were repaid. This budget included a payment of £174,000 to the General Fund for “internal” borrowing by the HRA from the General Fund.
- Interest receivable – Interest income was based on average interest rates projected on to be receivable in relation to HRA balances during the year.

Also reported on appropriations, in the form of Revenue Contributions to Capital, Transfers to General Fund, Social Housing Development Fund and Provision for Repayment of Borrowing.

Further reported that as set out in the HRA Business Plan the recommended minimum unearmarked reserve balance for the HRA was £1,800,000 (approx £300 per property). There were no budgeted transfers to or from this balance in 2013/2014. The current projected balance in the current financial year was approximately £2,000,000, and this would provide some flexibility to fund additional one off costs, if required.

Further reported that the Draft Housing Revenue Account Budget was presented to the Corporate Scrutiny Committee on 24 January 2013 for review and comment. No specific amendments to the Draft Budget were formally recommended by the Committee.

Noted that an Equalities Impact Assessment had been included with the approved HRA Business Plan, upon which the Draft Housing Revenue Account Budget was based. A copy of the assessment was submitted to enable it to be taken fully into account by Members in confirming the recommended budget proposals for 2013/2014.

Resolved that Full Council be recommended to:-

- (1) approve the average rent increase of 4.9% for 2013/2014; and
- (2) agree the Draft Housing Revenue Account Budget for 2013/2014.

16. Council Tax Setting 2013/2014

Considered report previously circulated, which made recommendations on the level of Council Tax for 2013/2014.

The Localism Act 2011 had made significant changes to the Local Government Finance Act 1992, and now required the billing authority to calculate a Council Tax requirement for the year.

Submitted details of the Town and Parish Council Precepts (that had been received to date) for 2013/2014 which totalled £520,812.

This year, due to changes in the calculation of the Tax Base as a result of Council Tax Support, Parishes had been given an extended deadline for notifying the Council of their precept demands. Those that had not been received at the time of the meeting would be included in the Council Tax Setting report to Full Council on 26 February 2013.

The increase in the average Band D Council Tax for Town and Parish Councils was 8.7% which resulted in an average Band D Council Tax figure of £13.97 (subject to final precepts being received) (£12.85 for 2012/2013).

Under the new governance arrangements for the Police, the new Police and Crime Commissioner had announced last November the intention to freeze Council Tax for 2013/2014. The formal approval of the 2013/2014 precept was due shortly.

The provisional estimate for the precept would be £6,264,259 which resulted in a Band D Council Tax of £168.03. The precept would be adjusted by a Collection Fund contribution of £25,600.

Noted that at this stage, the precept figures for the Somerset County Council and the Devon and Somerset Fire Authority were shown as provisional amounts, assuming a 0% increase, pending their respective approval processes. It was likely this element of the total Council Tax determination would also be included in the report to Full Council on 26 February 2013.

The estimated balance on the Council Tax Collection Fund was forecast on 15 January each year. Any surplus or deficit was shared between the County Council, the Police and Crime Commissioner, the Fire Authority and ourselves, in shares relative to our precept levels.

The estimated balance on the Council Tax Collection Fund was a surplus of £215,940. Taunton Deane's share of this amounted to £22,560, and this had been reflected in the General Fund Revenue Estimates.

Resolved that Full Council be recommended to:-

- (a) Approve the following formal Council Tax Resolution, amended to reflect the proposed Council Tax Freeze in 2013/2014:-

- (1) That it be noted that on 24 January 2013 the Council calculated the Council Tax Base for 2013/2014:-
 - (i) for the whole Council area as 37,280.60 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act"); and,
 - (ii) for dwellings in those parts of its area to which a Parish precept related as in the attached Appendix B to these Minutes;
- (2) That the Council Tax requirement for the Council's own purposes for 2013/2014 (excluding Parish precepts) be calculated as £5,039,960;
- (3) That the following amounts be calculated for the year 2013/2014 in accordance with Sections 31 to 36 of the Act:-
 - (i) £86,044,042 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils. (*Gross Expenditure including amount required for working balance*)
 - (ii) £80,483,270 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act. (*Gross Income including reserves to be used to meet Gross Expenditure*)
 - (iii) £5,560,772 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act). (*Total Demand on Collection Fund.*)
 - (iv) £149.16 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts). (*Council Tax at Band D for Borough Including Parish Precepts and Special Expenses*)
 - (v) £520,812 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B). (*Parish Precepts and Special Expenses*).

(vi) £135.19 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates. (*Council Tax at Band D for Borough Excluding Parish Precepts and Special Expenses*);

- (4) To note that Somerset County Council, Avon and Somerset Police and Crime Commissioner and Devon and Somerset Fire Authority would issue precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area;
- (5) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate provisional amounts shown in the table in Appendix A to these Minutes as the amounts of Council Tax for 2013/2014 for each part of its area and for each categories of dwellings;
- (6) Determine that the Council's basic amount of Council Tax for 2013/2014 was not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992; and

(b) Note that if the above formal Council Tax Resolution was approved the total Band D Council Tax would be as follows:-

| | 2012/13 | 2013/14 | Increase |
|---|-----------------|------------------|----------|
| | £ | £ | % |
| Taunton Deane Borough Council | 135.19 | 135.19 | 0.00% |
| Somerset County Council | 1,027.30 | 1,027.30* | 0.00% |
| Avon and Somerset Police Authority / Police and Crime Commissioner | 168.03 | 168.03* | 0.00% |
| Devon and Somerset Fire Authority | 73.92 | 73.92* | 0.00% |
| Sub-Total | 1,404.44 | 1,404.44* | 0.00% |
| Town and Parish Council (average) | 12.85 | 13.97* | TBC% |
| Total | 1,417.29 | 1418.41* | TBC% |

* provisional figures

17. 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 8.11 pm.)

| | | | | | | | | |
|-----------------------------|--------|----------|----------|----------|----------|----------|----------|----------|
| | 954.88 | 1,114.03 | 1,273.17 | 1,432.32 | 1,750.61 | 2,068.90 | 2,387.20 | |
| Bradford on Tone | 949.16 | 1,107.35 | 1,265.54 | 1,423.74 | 1,740.12 | 2,056.51 | 2,372.90 | 2,847.48 |
| Burrowbridge | 952.26 | 1,110.97 | 1,269.68 | 1,428.39 | 1,745.81 | 2,063.24 | 2,380.66 | 2,856.79 |
| Cheddon Fitzpaine | 947.25 | 1,105.13 | 1,263.00 | 1,420.88 | 1,736.63 | 2,052.38 | 2,368.13 | 2,841.76 |
| Chipstable | 947.34 | 1,105.22 | 1,263.11 | 1,421.00 | 1,736.78 | 2,052.56 | 2,368.34 | 2,842.01 |
| Churchstanton* | 950.48 | 1,108.89 | 1,267.31 | 1,425.72 | 1,742.55 | 2,059.37 | 2,376.20 | 2,851.44 |
| Combe Florey | 949.17 | 1,107.36 | 1,265.56 | 1,423.75 | 1,740.14 | 2,056.53 | 2,372.92 | 2,847.51 |
| Comeytrowe | 944.19 | 1,101.55 | 1,258.92 | 1,416.28 | 1,731.01 | 2,045.74 | 2,360.47 | 2,832.56 |
| Corfe | 943.87 | 1,101.18 | 1,258.49 | 1,415.80 | 1,730.42 | 2,045.05 | 2,359.67 | 2,831.60 |
| Cotford St Luke | 949.85 | 1,108.15 | 1,266.46 | 1,424.77 | 1,741.38 | 2,058.00 | 2,374.61 | 2,849.54 |
| Creech St Michael | 955.16 | 1,114.35 | 1,273.55 | 1,432.74 | 1,751.13 | 2,069.51 | 2,387.90 | 2,865.48 |
| Durstun | 943.20 | 1,100.40 | 1,257.60 | 1,414.80 | 1,729.20 | 2,043.60 | 2,358.00 | 2,829.60 |
| Fitzhead | 953.88 | 1,112.86 | 1,271.84 | 1,430.82 | 1,748.78 | 2,066.73 | 2,384.69 | 2,861.63 |
| Halse | 944.92 | 1,102.41 | 1,259.90 | 1,417.39 | 1,732.36 | 2,047.34 | 2,362.31 | 2,834.77 |
| Hatch Beauchamp | 947.00 | 1,104.83 | 1,262.66 | 1,420.49 | 1,736.16 | 2,051.82 | 2,367.49 | 2,840.99 |
| Kingston St Mary | 944.92 | 1,102.41 | 1,259.89 | 1,417.38 | 1,732.35 | 2,047.33 | 2,362.30 | 2,834.76 |
| Langford Budville | 949.59 | 1,107.86 | 1,266.13 | 1,424.39 | 1,740.92 | 2,057.46 | 2,373.99 | 2,848.78 |
| Lydeard St Lawrence/Tolland | 949.15 | 1,107.35 | 1,265.54 | 1,423.73 | 1,740.11 | 2,056.50 | 2,372.88 | 2,847.46 |

| | | | | | | | | |
|-----------------|--------|----------|----------|----------|----------|----------|----------|----------|
| | 948.78 | 1,106.91 | 1,265.04 | 1,423.17 | 1,739.43 | 2,055.69 | 2,371.95 | |
| West Bagborough | 947.06 | 1,104.90 | 1,262.75 | 1,420.59 | 1,736.28 | 2,051.97 | 2,367.65 | 2,841.18 |
| West Buckland* | 948.85 | 1,106.99 | 1,265.13 | 1,423.27 | 1,739.56 | 2,055.84 | 2,372.12 | 2,846.55 |
| West Hatch* | 947.71 | 1,105.66 | 1,263.61 | 1,421.56 | 1,737.46 | 2,053.36 | 2,369.26 | 2,843.12 |
| West Monkton | 953.41 | 1,112.31 | 1,271.21 | 1,430.11 | 1,747.91 | 2,065.71 | 2,383.51 | 2,860.22 |
| Wiveliscombe | 951.53 | 1,110.12 | 1,268.71 | 1,427.30 | 1,744.48 | 2,061.66 | 2,378.84 | 2,854.60 |

(* provisional figures)

APPENDIX B

TOWN AND PARISH COUNCIL PRECEPTS

| Parish/Town Council | 2012/13 | | | 2013/14 | | | Council Tax Increase |
|---------------------|----------|----------------|--------------------|----------|----------------|--------------------|----------------------|
| | Tax Base | Precept Levied | Council Tax Band D | Tax Base | Precept Levied | Council Tax Band D | |
| | £ | £ | (£) | £ | £ | (£) | |
| Ash Priors | 84.83 | - | - | 81.46 | - | - | 0.00% |
| Ashbrittle | 95.72 | 1,800 | 18.80 | 86.74 | 2,000 | 23.06 | 22.62% |
| Bathealton | 89.28 | 500 | 5.60 | 84.83 | 500 | 5.89 | 5.25% |
| Bishops Hull | 1,114.92 | 22,000 | 19.73 | 1,052.00 | 20,750 | 19.72 | -0.04% |

| | | | | | | | | |
|--------------------------------|----------|--------|-------|----------|-----------|-------|---------|-----|
| Bishops Lydeard/Cothelstone | 1,120.81 | 25,185 | 22.47 | 1,021.90 | 28,489 | 27.88 | 24.07% | |
| Bradford on Tone | 293.94 | 5,500 | 18.71 | 285.01 | 5,500 | 19.30 | 3.13% | |
| Burrowbridge | 205.99 | 4,200 | 20.39 | 196.21 | 4,700 | 23.95 | 17.48% | |
| Cheddon Fitzpaine | 643.53 | 10,203 | 15.85 | 598.80 | 9,843 | 16.44 | 3.68% | |
| Chipstable | 133.31 | 1,950 | 14.63 | 129.81 | 2,150 | 16.56 | 13.23% | |
| Churchstanton | 337.87 | 7,299 | 21.60 | 342.98 | 7,299 | 21.28 | -1.49% | TBC |
| Combe Florey | 122.05 | 2,250 | 18.44 | 116.50 | 2,250 | 19.31 | 4.76% | |
| Comeytrowe | 2,111.95 | 25,000 | 11.84 | 1,967.11 | 23,290 | 11.84 | 0.02% | |
| Corfe | 133.48 | 2,500 | 18.73 | 132.02 | 1,500 | 11.36 | -39.34% | |
| Cotford St Luke | 821.67 | 16,000 | 19.47 | 752.62 | 15,300 | 20.33 | 4.40% | |
| Creech St Michael | 999.23 | 28,275 | 28.30 | 937.95 | 26,543.99 | 28.30 | 0.01% | |
| Durston | 59.10 | 600 | 10.15 | 58.64 | 607.37 | 10.36 | 2.02% | |
| Fitzhead | 122.29 | 2,995 | 24.49 | 113.55 | 2,995 | 26.38 | 7.69% | |
| Halse | 142.58 | 1,800 | 12.62 | 139.03 | 1,800 | 12.95 | 2.55% | |
| Hatch Beauchamp | 268.82 | 4,500 | 16.74 | 249.16 | 4,000 | 16.05 | -4.10% | |
| Kingston St Mary | 463.52 | 6,000 | 12.94 | 424.73 | 5,496 | 12.94 | -0.03% | |
| Langford Budville | 238.94 | 5,000 | 20.93 | 225.54 | 4,500 | 19.95 | -4.65% | |
| Lydeard St | | | | | | | 12.47% | |

| | | | | | | | |
|----------------------|-----------|---------|-------|-----------|----------|-------|--------|
| Lawrence/Tolland | 208.84 | 3,582 | 17.15 | 199.03 | 3,839.23 | 19.29 | |
| Milverton | 624.11 | 12,650 | 20.27 | 562.51 | 12,650 | 22.49 | 10.95% |
| Neroche | 255.27 | 4,500 | 17.63 | 239.15 | 4,446 | 18.59 | 5.46% |
| North Curry | 741.43 | 16,500 | 22.25 | 692.23 | 15,366 | 22.20 | -0.25% |
| Norton Fitzwarren | 931.94 | 25,060 | 26.89 | 903.16 | 25,871 | 28.64 | 6.53% |
| Nynehead | 164.15 | 4,250 | 25.89 | 165.34 | 4,250 | 25.70 | -0.72% |
| Oake | 333.34 | 5,000 | 15.00 | 317.34 | 5,000 | 15.76 | 5.04% |
| Otterford | 174.06 | - | - | 165.11 | - | - | 0.00% |
| Pitminster | 464.42 | 9,500 | 20.46 | 435.08 | 9,500 | 21.84 | 6.74% |
| Ruishton/Thornfalcon | 624.94 | 12,000 | 19.20 | 574.63 | 14,000 | 24.36 | 26.88% |
| Sampfard Arundel | 127.60 | 4,600 | 36.05 | 121.94 | 4,800 | 39.36 | 9.19% |
| Staplegrove | 748.42 | 10,710 | 14.31 | 708.57 | 10,000 | 14.11 | -1.38% |
| Stawley | 128.82 | 2,400 | 18.63 | 132.17 | 2,460 | 18.61 | -0.10% |
| Stoke St Gregory | 384.63 | 7,000 | 18.20 | 356.14 | 10,000 | 28.08 | 54.28% |
| Stoke St Mary | 210.86 | 3,008 | 14.27 | 198.25 | 3,008 | 15.17 | 6.36% |
| Taunton | 16,226.62 | 47,380 | 2.92 | 14,115.83 | 41,218 | 2.92 | 0.00% |
| Trull | 1,032.39 | 14,000 | 13.56 | 992.02 | 18,000 | 18.14 | 33.80% |
| Wellington | 4,852.37 | 104,798 | 21.60 | 4,290.56 | 97,396 | 22.70 | 5.11% |

TBC

| | | | | | | | | |
|--------------------|-----------|----------------|-------|-----------|----------------|-------|-------|-----|
| Wellington Without | 304.54 | 5,200 | 17.08 | 293.61 | 5,500 | 18.73 | 9.70% | |
| West Bagborough | 169.77 | 2,500 | 14.73 | 154.78 | 2,500 | 16.15 | 9.68% | |
| West Buckland | 448.31 | 8,000 | 17.84 | 424.77 | 8,000 | 18.83 | 5.54% | TBC |
| West Hatch | 143.00 | 2,330 | 16.29 | 136.11 | 2,330 | 17.12 | 5.06% | TBC |
| West Monkton | 1,184.22 | 27,664 | 23.36 | 1,077.78 | 27,664 | 25.67 | 9.88% | |
| Wiveliscombe | 1,128.51 | 23,500 | 20.82 | 1,027.90 | 23,500 | 22.86 | 9.79% | |
| Totals | 41,216.39 | 529,689 | 12.85 | 37,280.60 | 520,812 | 13.97 | 8.70% | |

Taunton Deane Borough Council

Executive - 13 March 2013

Accounts Receivable - Write-offs

Report of the Performance and Client Lead

(This matter is the responsibility of Executive Councillor Resources Vivienne Stock-Williams)

1. Executive Summary

The Council's Financial Regulations require Executive approval for the write-off of irrecoverable sundry debts which have an individual value greater than £10,000.

This report recommends the write-off of 4 sundry debt accounts with a combined value of £81,217.14, as detailed in Appendix A to this report.

2. Background

- 2.1 Sundry debtors invoices are raised by a number of sections within the Council and are used to collect income for a variety of Council services. Examples include commercial rents, former tenant arrears, rechargeable DLO works and charges to tenants for repairs to Council properties.
- 2.2 In accordance with good financial management principles the Council has made a provision for bad debts. This provision recognises that a proportion of the authority's debts will prove irrecoverable. Common reasons for write-off include, unable to trace the debtor, debtor insolvency or where debtor has died with an insufficient estate.
- 2.3 Where a debt is deemed irrecoverable it is good practice to write-off the debt rather than continue to report it as a recoverable debt as this is likely to lead to a false impression of funds likely to be available to the Authority.
- 2.4 The Council's Financial Regulations require that irrecoverable sundry debts, with an individual value of up to £5,000 can be approved for write-off by the S151 officer, debts between £5,000 and £10,000 can be approved for write-off by the Chief Executive but sundry debts over £10,000 must be submitted to the Executive for approval.
- 2.5 Members are reminded that any debt that is written off may subsequently be re-raised should circumstances change, such as an unexpected dividend being received in an insolvency case or an absconded debtor being traced.
- 2.6 Officers have concluded that there is no further practicable recovery action available to the Council for the recovery of the amounts referred to within this report.
- 2.7 Each of the debts within this report are old, and as part of ongoing reviews of debt by CMT, have been identified as irrecoverable.

- 2.8 **These debts were included within a report which went before Corporate Scrutiny on 21st February 2013. The members of the scrutiny committee were unanimously in support of the recommendation that the debts, referred to within this report, be written-off.**
- 2.9 Responses to some questions coming out of the Scrutiny meeting are set out below as it is felt the responses will be helpful to the Executive.
- 2.10 Members asked about whether documented procedures exist for managing debts. It was confirmed that the Councils procedures for managing sundry debts are included within corporate debt management policy- approved by the Executive on 14th March 2012.
- 2.11 Officers were asked at what point a debt becomes a 'problem'? - The response given was that it is difficult to be precise, but generally if a debt is over 90 days old it is likely there is an issue and a stronger risk of problems. Services are asked to give particular focus on debts of this age although, through regularly running aged debt reports, all debts should receive scrutiny. The value of debts above 90 days old are reported 6 monthly to Corporate Scrutiny and are provided regularly to the s151 officer and CMT to ensure senior management visibility of these debts. CMT also have a regular review of the 'top 20' debts owed to TDBC to ensure the risks associated with those debts are being suitably managed. CMT most recently reviewed the corporate sundry debt position on 4th Feb 2013.
- 2.12 Members asked who is responsible for managing sundry debts? It was confirmed that ultimately all debts are 'owned' by the service which raised them and are responsible for ensuring the debts are pursued. Some debts are however raised on behalf of the Council by SWOne such as debts relating to our commercial property estate (which are raised and managed by SWOne property services) and some debts relating to employees (which are raised and managed by the SWOne HR team).
- 2.13 A question was asked concerning what steps were undertaken in pursuing debt eg letters, negotiation, dispute resolution, solicitors and court? Officers confirmed that all of these steps are available and can be considered on a case by case basis by services. The standard process which applies to sundry debts is set out within the debt management policy (page 71 refers). All debts raised will, for example be issued with a reminder notice and final notice by SWOne Accounts Receivable team where payment is overdue, as a matter of course. Additional steps, outside of the standard process, can be determined by services once a final notice has been issued. For elective services, e.g. where we have a choice on whether or not we provide a chargeable service we of course also have the option to withhold providing future services if debts are due.
- 2.14 Scrutiny also asked for the value of debts **under** £10,000 which have been written off under delegated powers by the S151 officer or the Chief Executive. It was confirmed that between 1st April 2012 and the date of the scrutiny meeting, £102,170 had been written off.
- 2.15 Scrutiny have asked for a summary of debts under £10,000 to be provided when further debts over £10,000 are before them, in order to provide a more complete picture of write-offs within the Council. It has been confirmed that this will be done.
- 2.16 The committee also asked for additional commentary to be provided relating to the debts in question. This has been done and is reflected in this report.

3. Details of debts submitted for write-off

3.1 Please refer to Appendix A to this report.

4. Finance Comments

4.1 There is sufficient bad debt provision within the Authority's accounts to cater for these write-off amounts.

5. Legal Comments

5.1 The Council's standing orders require Executive approval for the write-off of sundry debts which have an individual value above £10,000.

6. Links to Corporate Aims

6.1 There are no direct links to corporate aims.

7. Environmental and Community Safety Implications

7.1 There are no environmental and community safety implications associated with this report.

8. Equalities Impact

8.1 An initial equalities screening has taken place and has concluded that a full equalities impact assessment is not required in relation to this report.

9. Recommendations

It is recommended that the debts referred to within this report be written-off.

Contact: Officer Name Paul Harding
 Direct Dial No 01823 356309
 [e-mail](mailto:pharding@tauntondeane.gov.uk) address pharding@tauntondeane.gov.uk

Irrecoverable Sundry Debts.

| Cust Ref | Name | Details | Value (£) | Reason for Write-off |
|-----------------|--------------------------------|---|------------------|--|
| 1018486 | Wellsway Packaging Ltd | Rental of Unit 2, Blackdown Business Park, Wellington | £15,079.47 | This contract commenced Sept 2005 and was ended in Aug 2006. No payments made. The company went into liquidation. No prospect of dividend. |
| 1019673 | Mr K Thompson Deceased | Rental of unit 1A Blackdown Business Park | £17,071.92 | The customer is deceased. No prospect of further payment. Customer was in poor state of health and had been advised to petition for bankruptcy, which affected enforcement decisions. Occupied Dec 2006 to Jan 2009. (Rent £1125.00 per month + VAT). Paid £19,828.19. |
| 1018780 | Redacted - private individual. | The debt relates to a DLO building services job that was performed in 2006. | £18,972.00 | The outstanding sum is a disputed balance for works above the agreed contract that the client later refused to pay for as they deemed that they had not agreed to the cost of these extras. The undisputed element of the works has been paid. The total value of the original invoice was £38,277.00 + vat. |
| 1124647 | ILS Distribution Ltd | Rental of 1A Blackdown Business Park, Wellington | £30,093.75 | Customer was billed late. Billed issued 07/12/2010. Occupied 01/02/2009. The amount outstanding on the account relates to the period: 01.02.09 – 31.12.2010 (23 months @ £1125.00 per month + VAT) The customer has only paid £5,371.88 for period: 01.01.2011 – 30.04.2011 (4 months @ £1125.00 per month + VAT). Company had been referred to the Council's legal team for legal action but company liquidated. As a result of audit of asset management by SWAP they identified risk of invoices not being matched to properties . As a result, full reconciliation undertaken and working practices changed to avoid similar problem of late/missed billing arising. |

Total Value £81,217.14

Taunton Deane Borough Council

Executive – 13 March 2013

Use of Housing and Planning Delivery Grant (HPDG) to Provide Staffing Resource to Support the Implementation of the Community Infrastructure Levy (CIL)

Report of the Planning and Development Manager

(This matter is the responsibility of Executive Councillor Mark Edwards)

1. Executive Summary

The report seeks the Executive's approval to use uncommitted Housing and Planning Delivery Grant (HPDG), to provide staffing resources necessary to support the implementation of the Community Infrastructure Levy (CIL).

2. Background

Taunton Deane Borough Council needs to introduce the CIL if it is to maximise opportunities to fund the strategic infrastructure necessary to support the Borough's growth in years ahead.

The draft charging schedule is currently being consulted upon and it is hoped to introduce the levy from September 2013.

The introduction of CIL brings with it a range of administrative tasks as set down in the regulations. The Council will therefore need additional resource to administer the levy.

3. Proposal

It is therefore proposed to appoint a Community Infrastructure Levy Officer to administer the CIL process, including calculation, billing, collection and monitoring. This post may also initially have capacity to support monitoring of planning obligations (S106). The post would need to be evaluated but the indicative grade would be F (£22,958 - £26,276) which equates to £29,200 with on costs for 2013/14 at the bottom of the scale.

The CIL regulations allow the charging authority to top-slice five percent of

the levy for administration. Therefore, the full cost of this post will ultimately be funded through CIL. However, whilst it will take sometime to generate the necessary income, the need for the post is generated from implementation and it is therefore requested that HPDG is used to fund the post for a two year period.

The proposal was considered by the Corporate Scrutiny Committee on 21st February. Members of the Committee supported the use of HPDG for this purpose. Issues raised around the benefits of a fixed term contract will be considered in relation not only to the recruitment of this post, but also to any backfill arrangements.

4. Finance Comments

The current uncommitted balance on HPDG funds is £142k so if the use of HPDG is approved the remaining balance would be £84k. After the initial two years it is anticipated that the 5% slice of CIL income will fund the project.

If there is insufficient CIL income to support the post after two years the post will need to be re-evaluated. Confirmed with manager that non-staff costs will be absorbed within existing budget and eventually from the admin element of CIL income.

5. Legal Comments

The Legal and Democratic Services Manager has been involved throughout the project to develop CIL processes to ensure that the process accords with the regulations and that appropriate governance arrangements are in place.

6. Links to Corporate Aims

CIL will be able to deliver infrastructure aimed at Tackling Deprivation and Sustainable Communities; Regeneration and Climate Change. (Affordable Housing cannot be delivered through CIL).

7. Environmental Implications

Not appropriate

8. Community Safety Implications

Not appropriate

9. Equalities Impact

The role is needed to administer functions set out in regulations for which Government will have completed an EIA. An EIA has also been prepared

in relation to the proposal in this report.

10. Risk Management

If the Council fails to administer the CIL process as is set out in the regulations it could be open to legal challenge and loss of reputation

Failure to correctly calculate and monitor CIL could result in a loss of income which is necessary to provide infrastructure and support to our local communities.

The appointment of this post will significantly reduce that risk.

11. Partnership Implications (if any)

The post will form the pivotal contact point for all Agencies and Service Provides involved with CIL.

12. Recommendations

That the Executive approves the allocation of £58,400 of Housing and Planning Delivery Grant Earmarked reserve to fund the post of Community Infrastructure Levy officer for two years.

Contact: Mr Tim Burton
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Taunton Deane Borough Council

Executive – 13 March 2013

Financial and Performance Monitoring – Quarter 3 2012/2013

Joint report of the Performance Lead and Financial Services Manager

(This matter is the responsibility of Executive Councillor Mrs Vivienne Stock-Williams)

IMPORTANT – PLEASE NOTE:

In order for this performance information to be debated in the most efficient manner at the Scrutiny committee, we would encourage Members who have queries with any aspect of the report to contact the appropriate officer(s) named (at the end of the report) before the meeting so that information can be collated in advance or relevant officers can be invited to the meeting.

1. Executive Summary

This report provides an update on the forecast financial position and the performance of the Council to the end of Quarter 3 of 2012/13 (as at 31 December 2012). The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets is an important part of the overall performance management framework.

The detailed 2012/13 financial outturn forecast position as at Quarter 3 is provided in section 2 of this report although a high level summary is also included in the Scorecard (section 3).

The overall financial position for the Council remains within approved budget. Net underspends are reported within the General Fund and Housing Revenue Account.

The current forecast outturn for the financial year 2012/13:

- General Fund Revenue is an underspend of £346,000;
- Housing Revenue Account (HRA) is an underspend of £43,000. This is after allowing for a recommended budget transfer of £818k into the Social Housing Development Fund.

Analysis of the overall performance of the Council reveals that 63% of all performance measures are on target (ie Green alert). This is a similar position compared to the previous quarter (Quarter 2 was 60%) although there is a slight increase in 'Red' alerts (6 this Quarter compared to 3 at Quarter 2).

2. 2012/13 Financial Position – Quarter 3 Update

Introduction

- 2.1 The overall financial position for the Council remains largely similar in context to that reported for Quarter 2 (Forecast Outturn as at September). The various forecasts for the year show that the Council remains within budget overall, with net underspends being reported across revenue and capital budgets for both the General Fund and the Housing Revenue Account (HRA).
- 2.2 Members will be aware from previous experience that the position can change between 'in year' projections and the final outturn position. The budget monitoring process involves significant and detailed review of all budgets. Budget Holders, with support and advice from their accountants, regularly review the position and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that some unforeseen changes could influence the position at the year end, and a number of risks and uncertainty are highlighted in this report. However, the current forecast is considered to be reasonable based on current information.

General Fund Revenue Account - 2012/13 Forecast Outturn

- 2.3 The current forecast outturn for the Council's General Fund services is an under spend of £346k (3.0% of Net Budget) for the financial year 2012/13. This has been updated since the report to Corporate Scrutiny Meeting of 21 February 2013, to reflect the decision to allocate £35,000 regarding the Brewhouse from in-year underspends. The forecast as at Q2 was an underspend of £595k (5.1%). A summary of the General Fund Revenue Account budget and forecast for the year is included in **Annex A**.
- 2.4 There are a number of significant variances included within the reported net underspend, updated from the Q2 position as follows:
- a) **Car Parking Income:** As previously reported, parking income is forecast to fall below budget expectations, overall reflecting the current economic climate, the rising costs of motoring, driver choice, and the availability of the Park & Ride Schemes. The forecast shortfall has reduced compared to Q2, but remains a significant net under-recovery of income of £470k (Q2=£548k). Of this, £47k relates to income from the Royal Mail anticipated in the budget that has been delayed. The under-recovery has reduced due to an increase in the forecast income from parking fines. The above shortfall is partly offset by forecast savings in this year of £123k, following the transfer of On-Street Parking Services to SCC in June.
 - b) **DLO:** The DLO Manager is continuing to work with Finance to undertake a detailed review of DLO budgets. Whilst this work continues, there is some uncertainty about the projected position for the DLO. Additional support will be provided during February and March to complete this review, to provide more confidence in the financial information available, but in the meantime the DLO Manager is prudently

reporting a potential shortfall of £101k. This reverses the previously reported forecast surplus. DLO Trading Account reserves will help to mitigate the impact should the shortfall materialise at year end.

- c) **Council Tax Benefit (CTB):** The year end outturn position is estimated to be an over recovery by £68k (Q2=£104k). This is due to an updated assessment of the predicted amount of eligible benefit overpayments for which the Council will receive Subsidy from Government. It is worth noting that this is only a **1% variance** on a gross budget of £6.9m, and that the original budget was estimated as best as possible on an area that fluctuates significantly based on demand for this scheme. Members are reminded that 2012/13 is the final year of the CTB system, therefore this surplus will not be recurring.
- d) **Housing Benefit Subsidy:** In preparation for welfare reform the service has reviewed an increased volume of claims. This has resulted in an increased assessment of eligible benefit overpayments for which the Council will receive Subsidy from Government. The current forecast for this subsidy gain is £317k (Q2 = £50k). It is worth noting that this is only a 1% variance on a gross budget of £30.6m, and that the original budget was estimated as best as possible on an area that fluctuates significantly based on demand for this scheme. This is a potentially volatile budget, and it is conceivable that the year position could change by quite large amounts (but small %).
- e) **Somerset Waste Partnership:** The forecast year end outturn remains the same as at Q2, with an underspend of £107k. This reflects an underspend on contract costs (including a refund from 2011/12), which is partly offset by garden waste income being below budget. It should be noted that there is some volatility in the forecast for the waste contract with final figures confirmed at the end of the financial year. There is potential for an increased underspend on the contract, however the budget holder is working with the Partnership to clarify potential future costs for bin replacement and it is considered prudent to set aside any further savings in reserve for capital replacement costs.
- f) **Vacancy Factor and Pay Award:** The estimated budget surplus from savings and pay award as at Q2 was reported as a combined £134k. A large proportion of these savings have been reallocated through budget virement, therefore the forecast saving in year is reduced to £24k. There is potential for further vacancy savings to be reported at the year end.
- g) **Interest Payable:** Earlier in the year Members were advised of projected savings of £226k, following the allocation of the Council's entire external debt to the HRA following Self Financing (in line with CIPFA guidance). This budget has now been transferred to provide part of the funding for the approved £300k Business Growth Incentive Grant new budget this year.
- h) **Interest Receivable:** The forecast surplus from interest income has reduced to £185k (Q2= £244k). This reduction reflects a transfer of £74k of this budget (together with £226k per previous paragraph) to provide funding for the approved

£300k Business Growth Incentive Grant budget. This reduces the budget surplus on interest charged to the HRA from £174k (Q2) to £100k. The forecast surplus on interest earned on investments has increased by £15k this quarter, to £85k for the year.

- 2.5 Further information regarding the above and other reported variances to budget and the management action that has been taken, or is planned, is included in **Annex B**.

General Fund Reserves

- 2.6 The General Fund general reserves balance at the start of the year was £3.337m. Following approved budget allocations during 2012/13 the budgeted balance at the end of the current financial year is £3.138m (see **Annex C**).
- 2.7 If the current trend continues on all the budgets above, and the Council takes no further corrective action in the year, the potential underspend of £346k would be transferred to this reserve, increasing the potential balance to £3.484m by the end of the financial year.
- 2.8 This is well above the current minimum balance of £1.25m required in the Council's financial strategy, although Members should note that Within the 2013/14 Budget report, the Strategic Director/S151 Officer is recommending an increase in the minimum reserve balance to £1.5m. The forecast balance shown in the previous paragraph is well above this minimum level.
- 2.9 The reserves have been kept deliberately high in view of 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 the Council with some protection from financial risks in the short and medium term. This balance also provides some flexibility to considering funding one off revenue or capital schemes.

General Fund - Risk and Uncertainty

- 2.10 Budgets and forecasts are based on known information and the best estimates of future spending and income of the Council. The income and expenditure of the Council over the financial year 2012/13 is estimated by the budget holders in the Council and then reported through the budget monitoring process. During this process risks are identified which could affect the financial projections but the likelihood and/or amount are uncertain.
- 2.11 The following risks have been identified through the Q3 process:
- a) **Concessionary Fares:** As reported in Q2, there is a creditor accrual for £130k that has been brought forward from 2010/11 for a disputed SCC invoice. If this is resolved as not payable then a surplus variance of £130k will result.
 - b) **Planning Fees:** The anticipated 15% increase on Planning Fees was introduced in

November. The current forecast is based on prudent estimates of the increased income as a result, but it is feasible that planning income could further increase on the current forecast.

- c) **Legal costs:** Although not currently included in the forecast for this year, there is a possible requirement to establish a provision for legal costs in relation to health and safety investigations. This will be identified as part of the outturn report, and will reduce the reported underspend if needed.
- d) **Waste services:** It is recognised there is some potential volatility in the contract price, and the budget holder is currently working with the Partnership to clarify potential costs for bin replacement. These could potential result in the year end outturn being different to current forecast.
- e) **Benefit Subsidies:** As highlighted in the updated forecast in Q3, Council Tax Benefit and Housing Benefit Subsidies are extremely high value, and are potentially volatile. Whilst regular monitoring takes place during the year, there is a risk that very small percentages changes confirmed at the year end will have a material impact on the outturn compared to the current forecast.
- f) **DLO:** As referred above, work is ongoing to review the DLO budgets in detail. The current forecast is a best estimate at this stage, and the final outturn could be different to the Q3 estimates.
- g) **Year End Adjustments:** Certain items are not determine or finalised until the financial year end. For example the final assessment of provisions adjustments for bad debts, and final allocations of support service recharges. These can result in potentially significant differences to current forecasts.
- h) **Food Safety Inspections:** Officers are currently preparing a programme of additional work related to Food Safety Inspections, which it is proposed to fund from current year budget underspend. The estimated costs are expected to be in the region of £40k-£45k, and will be subject to Portfolio Holder decision under delegated powers. If approved, this would reduce the reported underspend position accordingly. This topic was discussed at Corporate Scrutiny, linked to the service impact highlight in the performance scorecard (ref Scorecard, appendix A, 2.2).

Forecast Outturn Summary – Housing Revenue Account

- 2.12 The current forecast outturn for the Council's Housing Revenue Account (HRA) is an underspend of £43,000 for the financial year 2012/13. This forecast takes into account the recommended budget virement included within this report, to transfer surplus interest budget to the Social Housing Development Fund.
- 2.13 A summary of the HRA revenue budget and forecast for the year is included in **Annex D**.
- 2.14 As advised to Members in the previous Financial Performance reports, there are

significant differences between the budgets and forecasts for interest payable and interest income, resulting largely from the better than budgeted interest costs associated with the Self-financing Settlement debt taken out in March 2012. A net surplus of £818k continues to be forecast. It is recommended that the **Executive be requested to approve a budget transfer in the current year to allocate £818k to the Social Housing Development Fund**, to contribute to the financing of housing development projects. This follows the principles agreed when the updated HRA Business Plan was approved in December 2012.

- 2.15 In addition, there are a number of forecast variances within various HRA income and expenditure budgets, but these produce a relatively small forecast net underspend of £44k. Further information regarding the reported variances and the management action that has been taken or is planned in relation to these is included in **Annex E**. Management are taking action to address the overall position on the HRA with a view to containing spending within the total budget by the end of the financial year.

HRA - Risk and Uncertainty

- 2.16 As with the General Fund, budgets and forecasts are based on known information and the best estimates of future spending and income of the Council. The income and expenditure of the Council over the financial year 2012/13 is estimated by the budget holders in the Council and then reported through the budget monitoring process. During this process risks are identified which could affect the financial projections but the likelihood and/or amount are uncertain.
- 2.17 The most significant risk to the current forecast is the potential underspend on the HRA Capital Programme (see 2.37 to 2.41 below). The Capital Programme for the current financial year is entirely funded from HRA revenue resources, therefore an underspend in the capital budget will result in a related underspend in the revenue budget. Should this underspend materialise at the end of the financial year, recommendations in respect of any surplus funds will be included within the Financial Outturn Report.
- 2.18 The Council carries protection against risk and uncertainty in a number of ways, such as insurances and maintaining reserves.

Housing Revenue Account Reserves

- 2.19 The HRA reserves (“working balance”) at the start of the year was £1.355m. Following approved budget allocations during 2012/13 the budgeted balance at the end of the current financial year is £1.883m (see **Annex F**).
- 2.20 If the current trend continues on all the budgets above, and the Council takes no further corrective action in the year, the potential underspend of £43k would be transferred to this reserve, increasing the potential balance to £1.926m by the end of the financial year. This will provide a relatively modest headroom above the recommended minimum working balance of £1.8m as set out in the HRA Business Plan.

Budget Changes

- 2.21 The Original Budget for the year was approved by Full Council on 21 February 2012. The budget requirement for the Council may not remain static for the whole financial year, and officers may request changes to approved budgets during the course of the financial year, either in the form of: transfers to/from general reserves, known as “Supplementary Estimates and Returns” (either General Fund or HRA); or transfers between budgets, known as “virements”. Virements that are above £50,000 in value require Executive approval.
- 2.22 **Proposed virements recommended for Executive approval are set out in Annex G.**
- 2.23 There are no new requested “Supplementary Estimates and Returns” in either the General Fund or HRA included in this report.

Earmarked Reserves

- 2.24 Earmarked reserves are finite revenue and capital funds that are held in the Council’s Balance Sheet for specific purposes. The funds can be withdrawn over one or more years but do not form part of the Council’s Base Budget.
- 2.25 The Earmarked Reserves balance at the start of the year was £7.071m. This included £6.597m for General Fund and £0.475m for the HRA.
- 2.26 A Summary Statement of Earmarked Reserves is included in **Annex H**. This shows the opening balances and the amounts transferred to and from reserves during the year to date.

Deane DLO Trading Account

- 2.27 The forecast year end outturn position has changed this quarter, from a surplus in Q2 to a deficit in Q3. The DLO Manager is currently reporting a potential under-recovery against budget of £101k, based on a best estimate at this stage. However, there is a risk that the year end position will be different to the Q3 best estimate, and the DLO Manager is continuing to work with the Finance Advisory service to conduct a detailed review of historic DLO budgets and to improve the quality of financial information and forecasting. It is anticipated that some of the current difficulties in financial reporting will be addressed when the replacement for the DLO’s costing system (COSY) is implemented.
- 2.28 The DLO is experiencing a number of changes this financial year, including a number of services transferring out of the trading account, the ongoing replacement IT project, and the ongoing relocation project.
- 2.29 The DLO has recently been successful in obtaining new business related to grounds maintenance, which will commence in April 2013. This will help improve the overall financial performance in the Trading Account.

- 2.30 A Trading Account Summary and Reserves Position Statement for the DLO is included in **Annex I**. The trading account reserves are reported as part of the General Fund Earmarked Reserves balance.

Deane Helpline Trading Account

- 2.31 The Deane Helpline Trading Account is forecast to broadly remain on budget, therefore no material variances to budget declared at this time by Deane Helpline management. Income is projected to exceed budget by approximately £27k, but this is offset by increased costs notably on staffing/overtime which is due to the nature of the service. There are no trading account reserves, therefore the budgeted deficit of £89k this year is a cost to the General Fund.

Forecast Outturn Summary – General Fund Capital Programme

- 2.32 The current forecast outturn for the Council's General Fund Capital Programme is Net Expenditure of £5,200k, compared to the budget of £7,424k. The forecast underspend is therefore £2,224k (30%) for the financial year 2012/13. However, £2,176k of this underspend relates to slippage (timing of spend) on projects into 2013/14, with an actual underspend on project budgets of £48k (0.6%).

- 2.33 A summary of the General Fund Capital Programme budget and forecast for the year is included in **Annex J**.

- 2.34 Explanations for variances on capital projects are as follows:

a) **Climate Change Initiatives £40k**

Slippage is being reported against this project of £40k. A request will be coming forward to Members to consider installing solar PV cells on the tennis centre roof at Blackbrook Pavilion, to be funded from this budget next year. It is therefore **recommended that £40k of the budget is carried forward to 2013/14.**

b) **PC Refresh Project £15k**

It is currently forecast that expenditure of £15k will be deferred until next financial year. A new five year rolling programme for the replacement of PC's is currently being prepared which will determine when the cost is incurred. It is therefore **recommended that £15k of the budget is carried forward to 2013/14.**

c) **ICT Infrastructure Maintenance £35k**

This project has not yet been started due to on-going discussions with partners. The cost of the project to TDBC is currently unknown and the timescale for spend has not yet been determined. It is therefore **recommended that the £35k budget is carried forward to 2013/14.**

d) **Members IT Equipment £3k**

This budget is required for new IT equipment for Members. The majority of the new equipment required so far this year has been funded from the PC Refresh budget.

The budget holder has requested that any underspend at the year end is carried forward into 2013/14.

e) **DLO System £388k**

The timeline for the implementation of this project has been updated, resulting in a significant proportion of this budget will not be spent until the new financial year. It is currently estimated that the project will be completed midway through 2013/14, and the budget holder has requested that any underspend at the year end is carried forward into 2013/14.

f) **Project Taunton – Longrun Meadow Bridge C £95k**

There has been slippage reported on this project of £95k. This is due to the Environmental and ecological issues identified by the Environment Agency have caused unplanned delays with this project, with an underspend in the current year due to slippage of £95k. The budget holder has requested that any underspend at the year end is carried forward into 2013/14.

g) **Project Taunton – Firepool £40k**

It is currently forecast that there will be slippage in spending into next financial year of around £40k. The budget holder has requested that any underspend at the year end is carried forward into 2013/14.

h) **Project Taunton – Castle Green £300k**

It is forecast that £300k of the 2012/13 budget will need to be slipped into 2013/14 to fund the second phase of the redevelopment of Castle Green. The second phase involves moving the bus stops from Castle Way, resurfacing of Castle Way, and installation of additional planters next to the Mecca building. This work is not expected to begin until the new financial year. The budget holder has requested that any underspend at the year end is carried forward into 2013/14.

i) **Project Taunton - Urban Growth £48k**

There has been a genuine underspend reported against this budget due to the company being used to deliver the project going into administration. Other options have been explored to deliver this project including delivering some of it in house. The underspend will be returned to unallocated capital resources.

j) **Project Taunton – Coal Orchard £10k**

A new masterplan is required for this project which is connected to the Town Centre Retail project. This is not due to happen until next financial year therefore it is **recommended that the £10k budget is carried forward to 2013/14.**

k) **Crematorium Mercury Abatement £179k**

The estimated slippage reported on this project of £179k is due to the works on the third cremator not due to be completed until the end of May 2013. The budget holder has requested that any underspend at the year end is carried forward into 2013/14.

l) **Waste Containers £46k**

Based on figures provided by SWP it is estimated that the total spend on replacement bins for 2012/13 will be £55k leaving a budget of £46k available for future requirements. The waste infrastructure grant given by SCC has also been removed earlier this year, resulting in estimated increased costs to the districts in the partnership in the future. Final figures will not be confirmed until the year end therefore the budget holder has requested that any underspend at the year end is carried forward into 2013/14.

m) **Grants to RSL's £414k**

There is slippage reported on the grants to RSL's capital budget of £414k. Normally 50% of TDBC grants are paid on commencement and the remaining 50% on completion. These resources are all allocated to schemes such as the affordable housing scheme Parmin Close, but payment will not be required before April 2013. It is therefore **recommended that £414k budget is carried forward to 2013/14.**

n) **Landlord Accreditation Scheme £25k**

Slippage is reported on this project due to a staff vacancy within the Somerset West Private Sector Housing Partnership. There is therefore a slight backlog on applications which will be recovered in 2013/14. Final figures will not be confirmed until the year end therefore the budget holder has requested that any underspend at the year end is carried forward into 2013/14.

o) **DFG's Private Sector £86k**

There is slippage on this project of £86k due a staff vacancy within the Somerset West Private Sector Housing Partnership. The new officer starts in February who will then be able to start dealing with the waiting list bringing down waiting times in 2013/14. Increased occupational therapist recommendations are anticipated due to the stabilisation of staffing at Adult Social Care.

p) **Acolaid Upgrade £20k**

The slippage reported here is due to the requirements for CIL still being determined, and the majority of the cost will now be incurred in the new financial year. Final figures will not be confirmed until the year end therefore the budget holder has requested that any underspend at the year end is carried forward into 2013/14.

q) **Paul Street (Orchard) Car Park £225k**

Tenders for works have recently been received and are currently being evaluated. The first phase of works will be lift replacement which is expected to be completed by the end of March. The remaining works cannot be started until the work on the lift is completed and is therefore not expected to be carried out until the new financial year. Final figures will not be confirmed until the year end therefore the budget holder has requested that any underspend at the year end is carried forward into 2013/14.

r) **Wellington Pavilion £255k**

The project has commenced but is not expected to be completed until May 2013.

The majority of the cost is therefore anticipated to be incurred in the new financial year. Final figures will not be confirmed until the year end therefore the budget holder has requested that any underspend at the year end is carried forward into 2013/14.

- 2.35 In summary, officers are recommending Budget Carry Forwards totalling £514k on the General Fund programme. There will be further carry forward requests at the end of the financial year once final outturn figures are confirmed.

GF Capital Programme Risk and Uncertainty

- 2.36 The main issues regarding risk and uncertainty in the General Fund capital programme from a financial perspective is timing of expenditure. As highlighted above, there is likely to be a significant amount of slippage into 2013/14.

Forecast Outturn Summary – Housing Revenue Account Capital Programme

- 2.37 The current forecast outturn for the Council's Housing Revenue Account Capital Programme is net expenditure of £4.958m (Q2=£5.192m) against a budget of £5.5m. The forecast underspend is therefore £542k (9.9%).
- 2.38 There are a number of factors that affect the delivery of capital works and the service is applying a sensible flexible approach in response to prevailing circumstances and opportunities. The forecasts from the Housing department show that the forecast is realistic and they are looking to accelerate spend where it is possible, with no reduction in value for money, so that the budgets are spent as fully as possible in 2012/13. Although quarter 3 spend is low to date, as was quarter 1 and 2, improved staffing in the service following restructure and increasing spend elsewhere in line with the Business Plan will assist in acceleration of the work programme and spend throughout the rest of the year. This will be further enhanced by the improved accuracy and deployment of the Housing stock database.
- 2.39 The Theme Manager has reported that any underspend at the year end will be surplus, and can be returned to unallocated HRA resources. A potential recommendation will be considered at the year end for these resources to be added to the Social Housing Development Fund.
- 2.40 A summary of the HRA Capital Programme budget and forecast for the year is included in **Annex K**.

HRA Capital Programme Variances

- 2.41 The following information provides some explanation for the reported variances in the capital programme, and identifies recommended budget virements which are summarised in **Annex G** and total £1,425k. main areas of risk and uncertainty in the Housing Revenue Account capital programme are detailed below:

a) Kitchens

An additional budget of £180k has been requested funded from underspends elsewhere. The Service has been improving kitchens in void properties where they do not achieve the Decent Homes standard. It has been reported previously that we have been unable to improve all our kitchens to the standard so far due to denial of access by the tenant. Improving kitchens whilst void redresses the situation.

b) Bathrooms

Highly competitive tender price from current contractors will allow greater number of units than the 200 originally planned to be delivered. Consideration is being given to extend the contract into the next financial year until such time as it is replaced with the new, longer-term contract planned to commence in the summer. An additional budget of £220k funded from underspends elsewhere has been requested due to some of the bathrooms still being more than 30 years old. The aim is to cover an additional 60 units compared to projections at the beginning of the year to reduce the number of bathrooms over 30 years old.

c) Windows

An additional budget of £250k funded from underspends elsewhere has been requested to ensure that all properties have double glazing by the end of the year. The programme has increased by 100 units to cover this. The Service intends to visit the very earliest properties that had uPVC windows with a view to updating them to current levels of heat efficiency and security.

d) Heating

A reduction in the budget of £620k is requested which will go towards increasing other HRA capital programme budgets detailed in this section (this amount has been revised since the Corporate Scrutiny Meeting based on updated information). Consultation with tenants in priority need i.e. with current solid fuel or larger properties with electric heating has produced mixed results with not as much interest as expected. Overall there is not enough interest to achieve target number of installations which will impact on spend this year. The extension of the successful air source heat pumps programme has been considered in smaller properties to support this project.

e) Doors

An additional budget of £120k funded from underspends elsewhere has been requested. There was a priority list of 75 doors to be replaced which has been completed in 2012/13. An increase to the programme of 500 additional units is planned to replace ply panel front doors.

f) Fire Safety Works in Communal Areas

An additional budget of £25k funded from underspends elsewhere has been requested. This is to do work identified as a high priority following the fire in a communal area in a block of flats in Dorchester Road. This has now been rolled out across the Borough with improved safety in circulation areas being the main benefit to all concerned.

g) Cladding

The total budget of £500k will not be spent this year and has been requested to go towards funding increases in other HRA capital programme (this comment has been revised since the Corporate Scrutiny Meeting based on updated information). Feasibility plans are being prepared but the decision on whether to do the works is delayed due to possible redevelopment works.

h) Fascias and Soffits

A reduction in the budget of £285k has been requested to go towards increasing other HRA capital programme budgets detailed in this section. Work is due to start on this in February and the full programme will no longer happen this year.

i) Air Source Heat Pumps

An additional budget of £375k funded from underspends elsewhere has been requested. This project has been highly successful to date and competitive pricing from tendering will allow a higher number of units to be delivered. This is now being executed on site to maximise the cost advantage that this particular project has been demonstrating.

j) Door Entry Systems

An additional £75k funded from underspends elsewhere has been requested. Priority schemes were historically for sheltered accommodation but this is no longer the case. The programme will be increased to 25 schemes but the specification of the doors has improved and therefore it is more expensive than anticipated.

k) Soundproofing

A reduction in the budget of £18k has been requested to go towards increasing other HRA capital budgets detailed in this section. The issue with doing the work required is that ground floor and first floor flats need to be done together meaning they need to be vacant at the same time.

l) DDA Work

An additional £20k funded from underspends elsewhere has been requested which will double the budget to be spent in 2012/13. The reason for the requested increase is because there was no spend in 2011/12. The work is a combination of fire safety work and possibly heating improvements to ensure that any housing shared facilities, such as meeting halls, will be fit for purpose.

m) Asbestos Work

An additional £135k funded from underspends is required. Increased works within existing dwellings such as roofing, bathroom refurbishment, loft insulation and storage heater replacement has led to a higher incidence of asbestos needing to be removed to enable safe working. Handling and disposal are particularly expensive so this has exacerbated the situation.

n) Tenant Improvements

A reduction in the budget of £2k has been requested to go towards increasing

other HRA capital budgets detailed in this section.

o) **Community Alarms**

An additional £25k funded from underspends elsewhere has been requested. This is to fund expenditure in the current year as there was no budget allocation in 2012/13.

3. The Corporate Performance Scorecard (please see Appendix A)




3.1 The TDBC Scorecard at **Appendix A** contains full details of Quarter 3 performance.

3.2 Scorecard explanation / key:




Each section of the scorecard uses the same template and is structured as follows:

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|---|--|---------------------------------|---|
| | Strategic & corporate objectives categorised in the 7 sections of the scorecard | Key performance indicators (& targets where possible) used to measure the objective. | Red, Amber or Green (see below) | A brief summary highlighting reasons for and issues surrounding the alert reported (see Green, Amber, Red below). Also any known problems that may jeopardise attainment. Where relevant, CMT will provide further information in addressing under performance. |

3.3 Key to performance alerts:

| | Reasons for alert | Notes |
|---|---|--|
|  Green | Planned actions are on course | Justification for the Green alert will be provided. Key successes or exceptional performance will be outlined. |
| | Performance indicators are on target | |
|  Amber | Some uncertainty in meeting planned actions | The reason for the Amber alert will be made clear. Mitigating actions will be outlined |
| | Some concern that performance indicators may not achieve target | |
|  Red | Planned actions are off course | A brief high level summary is included within scorecard. Where the Corporate Management Team consider a Red alert to be a priority issue requiring further detail and explanation, a separate one page information sheet for more detail will be appended to the report |

3.4 A summary / overview of the Quarter 3 scorecard (appendix A) is in the table below

| Section | No. of measures |  Green |  Amber |  Red | N/A | Trend (from last quarter) |
|----------------------------|-----------------|--|--|--|-------------------|---------------------------|
| 1) Corporate Strategy Aims | 18 | 13 (72%) | 4 (22%) | | 1 (6%) | ↔ |
| 2) Service Delivery | 15 | 11 (73%) | 2 (13%) | 2 (13%) | | ↑ |
| 3) Managing Finances | 12 | 7 (58%) | 2 (17%) | 3 (25%) | | ↔ |
| 4) Key Projects | 7 | 5 (71%) | 2 (29%) | | | ↑ |
| 5) Key Partnerships | 8 | 4 (50%) | 2 (25%) | 1 (12%) | 1 (12%) | ↓ |
| 6) People | 6 | 2 (33%) | 3 (50%) | | 1 (17%) | ↔ |
| 7) Corporate Management | 10 | 6 (60%) | 4 (40%) | | | ↑ |
| TOTALS | 76 | 48 (63%) | 19 (25%) | 6 (8%) | 3 (4%) | ↔ |

KEY:

↑ = Improving (ie more Green, less Amber &/or Red alerts)

↓ = Worsening (ie less Green, more Amber &/or Red)

↔ = No change

3.5 Proposed scorecard review 2013/14

3.5.1 The current corporate performance scorecard was introduced in 2009/10 (Quarter 3) and has remained largely unchanged since then. CMT have recognised the need for a review of the structure and content of the scorecard to better reflect the Council's priorities and to improve the range of services represented. This is now particularly relevant considering the change from the current Corporate Strategy to the new Corporate Business Plan this year.

3.5.2 Once the new Corporate Business Plan is approved (expected at Full Council in March 2013) CMT will conduct a full review of the scorecard and recommended changes will then be discussed with Members in workshops early in Quarter 1 (2013/14).

4. Comments from Scrutiny

This report was considered by the Corporate Scrutiny Committee on 21st February. During the discussion of this item, Members made the following comments:

- Climate Change – concerns expressed that this is no longer seen as important by the Council
- The meter readings issue needs to be resolved – *TDBC Officers have requested the Strategic Procurement Service (SPS) to work with the energy suppliers (Gas & Electric) to work towards a solution for minimum 6-monthly readings. In the interim, TDBC Officers at key sites (Deane House, Priory Depot, Crematorium, & multi-storey car parks) have read meters – this will allow comparison to be made with supplier estimates.*
- Business Rates measure – the Chairman considered that this should be a ‘Red alert’ (rather than ‘Amber’) due to the difficulties some businesses are having paying this
- Sundry Debts – a request was made to provide the ‘cost of carry’ – *the Finance team will provide a response with an up-to-date assessment*
- The committee would welcome the opportunity for Members to input into the scorecard refresh for 2013/14

5. Finance Comments (from the Strategic Finance Officer / Deputy S151 Officer):

- i) The budget monitoring process has been improved to in turn improve the year end projection. There is always a risk that unforeseen events will change the forecast however the current forecast is considered to be reasonable based in current information
- ii) The economic climate continues to have an adverse impact upon aspects of our revenue budget (mainly car parking income)
- iii) Although underspends of some £400k in the General Fund have been allocated since Quarter 2, further net underspends have been reported that mean the overall position is similar to Quarter 2.
- iv) CMT and managers will continue to monitor the budget position throughout the year.
- iii) The HRA, and both capital programmes are currently predicting no significant issues

6. Legal Comments

There are no legal implications in this report.

7. Links to Corporate Aims

As this report covers all aspects of the Council’s performance, all Corporate Priorities are affected.

8. Environmental and Community Safety Implications

Please see the following sections of the Scorecard for those areas contributing to the above: 2.4 (Service Delivery – ‘Street Scene’); 5.4 (Somerset Waste Partnership).

9. Equalities Impact

Ref scorecard section 7.3 for details of equalities progress within the council.

10. Risk Management

Ref scorecard section 7.4 for details of risk management progress within the council.

11. Partnership Implications

Ref scorecard section 5 for details of the council's key partnerships.

12. Recommendations

- 12.1 It is recommended that the Executive Committee review the Council's performance as at the end of Quarter 3, taking corrective action or requesting further information from Theme Managers where necessary.
- 12.2 The Executive is requested to note and support the proposed budget virements and carry forwards highlighted within the report and Annex G.





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1. CORPORATE STRATEGY AIMS





Tackling Deprivation & Sustainable Community Development (Aim 1)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|---|---|--|--|
| 1.1 | Objective 1 Focus on Taunton East, North Taunton & Rural Deprivation | Index of Multiple Deprivation (IMD) score | <i>For Info only</i> | IMD data is only published every 3 years - the latest IMD data for 2010 highlights that levels of deprivation within Taunton Deane are worsening (especially North Taunton & Taunton East). Our focus is on the delivery of the 'Priority Areas Strategy' (PAS) programme – see below. |
| | | Actions – Progress against key activities |  Green | Projects within the PAS are grouped in to 4 priorities. The first 'PAS project performance scorecard' was presented to the TDP Board in Dec 2012. The following RAG status was agreed: <ul style="list-style-type: none"> • Priority 1) Encourage strong, informed & active communities: Amber; • Priority 2) Improve access to services, information & advice: Amber; • Priority 3) Improve the lives of our most vulnerable households: Green; • Priority 4) Improve the look and feel of the local area: Green. For Priority 1, the amber status relates to the uncertainty of continued partnership funding for the Link and Resource Centres. This has now been resolved for 2013/14 (see Objective 3 below). There is also a need to recruit more volunteers (Halcon) to support Community Activity Days. For Priority 2, the amber relates to uncertainty regarding the progress of some projects; the difficult local & national economic conditions ref rationalization of public assets, and staff / volunteer turnover within 'advice hubs' making continuity of service provision difficult in some circumstances. |
| | | The TDP now need to understand whether the projects are delivering against the overall aims of the PAS. An appropriate assessment regime is to be developed – this will be considered at the next TDP Board meeting – Feb 2013. | | |
| | Objective 2 'One-Stop' advice on skills, employment & training | Actions – Progress against key activities |  Green | Vista is successfully delivering Job Clubs as per the Service Level Agreement (SLA). Cllr Cavill has agreed to extend the SLA on a temporary basis to the end of June 2013. |
| | | Number of people supported / back to work |  Green | SLA targets – 40 attendances per month (combined); 4 jobs per month; 6 'soft' outcomes (placements, training etc). The project had exceeded its job outcomes target for the quarter, helping 44 people find work. A further 99 people progressed towards employment by undertaking voluntary work and/or a training course |
| | Objective 3 Secure medium term future of N. Taunton & Link Partnerships | Funding & delivery against Service Level Agreement (SLA) |  Amber | Funding for 2012/13 is secure and this is the final year of a 3 year agreement. Future funding has not been agreed, and will be considered by TDBC's new Grants Panel during February. The TDP has agreed partnership funding for 2013/14. The content of the SLA is currently being renegotiated between TDBC, TDP, and the Link/Resource Centres in order to agree measurable outcomes and clarity on the roles and responsibilities of the respective organisations. |




Regeneration (Aim 2)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|--|--|--|--|
| 1.2 | Objective 4 Facilitate the creation of a leading Green Knowledge economy | Actions – Progress against key activities |  Green | <ul style="list-style-type: none"> Local Investment Fund designed and launched in December 2012 to support businesses creating new jobs. Currently liaising with 2 companies, proposing 140 jobs. Award of 10 New Business grants during 2012/13 (31 enquiries since September 2012). 2 Rural business grants awarded (a further 3 pending). Currently preparing a business support strategy to focus TDBC resources New inward investment marketing & fulfillment programme launched in Nov 12. Promotional campaign, called Taunton Means Business, strengthened through appointment of media agency to raise awareness of website. Ongoing liaison with numerous potential inward investors & local investors. Engagement with the Hinkley supply forum on-going to encourage Taunton Deane businesses to benefit from Hinkley supply opportunities Programme of public events and activities delivered on Castle Green during weekend in the run-up to Christmas. Poor weather hampered the programme but some valuable lessons learned over the use of the space. Extensive support given to Cllr Kelly Durdan for “<i>Make Taunton Sparkle</i>” event Working closely with the Taunton Town Centre Company to restructure the governance of the company and progress a further BID proposal mid 2013 The Taunton stage of the Olympic Torch relay was delivered successfully in May 2012 – lessons learned document produced and distributed amongst key partners |
| | | Businesses benefiting from Ec Dev funded events & services |  Green | During 2012/13 approx 190 businesses have been supported since April. The target is to benefit approx 100 businesses during the year. |
| | Objective 5 Facilitate Housing growth | Actions – Progress against key activities |  Green | The Core Strategy was formally adopted in September 2012 (however it is currently subject to pending legal challenge). Officers are in the process of preparing an Issues and Options Plan which will outline further site allocations (report going to Community Scrutiny 6 th November). This plan will be published for public consultation on 24 Jan 2013. |
| | | Net additional homes provided |  Amber | The target for 2012/13 = 700 dwellings (Data is only available annually). Completions in 2011/12 were 490, a shortfall of 210 against the projection. Initial informal projections indicate that the target is unlikely to be met this year. |
| | | Supply of ready to develop housing sites |  Green | Target = 5 year supply of housing land within the Borough. The 2012 SHLAA identified a five year supply of 5.57 years. A recent appeal was dismissed where the Inspector found that a 5 years supply does exist. |
| | Objective 6 Deliver Infrastructure | Actions – Progress against key activities |  Amber | TDBC has adopted an interim policy on Planning Infrastructure. The council has published its preliminary draft Community Infrastructure Levy (CIL) charging schedule. The document will be formally published for representations on 1 st Feb for 6 weeks. There is still considerable work required to ensure that CIL is implemented following receipt of the Inspector’s report. |








Affordable Housing (Aim 3)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS | | | | | | | | | | | | | |
|--|--|---|---|---|---|---------|--|----------------------------|---|---|--|--|---|---|---|--|---|
| 1.3 | Objective 7 Making homes more affordable | Actions – Progress against key activities |  Green | <ul style="list-style-type: none"> Affordable Housing Development Partnership is continuing to facilitate the delivery of affordable housing in the borough. The partners are actively working on a range of housing schemes. Work is underway to develop the affordable housing supplementary planning document Actions are being taken to raise the profile of affordable housing available in the Borough through website work and leaflets in Deane House main reception. The extra care scheme, Parmin Close proceeding well. Consultation and visits to all tenants is on target. Knightstone is preparing a bid to Dept of Health for additional funding. Target for planning application submission early Spring 2013 | | | | | | | | | | | | | |
| | | Target of 200 affordable homes delivered |  Amber | <p>2012/13 pipeline currently shows 216 homes, with 105 completions to date. All pipeline schemes currently on target to complete by 31 March 2013, but there is a risk of 28 units slipping into 2013/14 delivery. Additional affordable homes currently not forecast may complete through the private developers 'FirstBuy' programme. The 2012/13 affordable housing target is 200 units.</p> | | | | | | | | | | | | | |
| | | % of non-decent council homes |  Green | <p>0.03% were non decent as at end Dec 2012 Target = max 0.5% (25 properties)</p> | | | | | | | | | | | | | |
| | Somerset West Private Sector Housing Partnership Objective: Better standards and interventions in the private sector stock, by improving housing conditions | | |  Green | <table border="1"> <thead> <tr> <th>Measure</th> <th>Quarter 3 - cumulative performance 2012/13</th> </tr> </thead> <tbody> <tr> <td>Energy efficiency measures</td> <td>170 actual year-to-date (Annual target = 220). Despite end to Warm Streets. To be replaced by ECO DECC pilot</td> </tr> <tr> <td>No of private sector homes improved to Decent Homes</td> <td>25 made decent Annual Target = 10 completed applications Above target due to Accreditation programme</td> </tr> <tr> <td>No of empty properties brought back into use</td> <td>45 empty properties brought back into use (Annual Target 55).</td> </tr> <tr> <td>No of statutory Disabled Facilities Grants approved & implemented</td> <td>36 completed + 31 approved Annual Target = 78 completed applications</td> </tr> <tr> <td>No of statutory housing standards interventions (enforcement activities)</td> <td>63 Houses in Multiple Occupation (HMO) inspected (Annual target = 90) 53 statutory housing interventions (Annual target = 150)</td> </tr> </tbody> </table> | Measure | Quarter 3 - cumulative performance 2012/13 | Energy efficiency measures | 170 actual year-to-date (Annual target = 220). Despite end to Warm Streets. To be replaced by ECO DECC pilot | No of private sector homes improved to Decent Homes | 25 made decent Annual Target = 10 completed applications Above target due to Accreditation programme | No of empty properties brought back into use | 45 empty properties brought back into use (Annual Target 55). | No of statutory Disabled Facilities Grants approved & implemented | 36 completed + 31 approved Annual Target = 78 completed applications | No of statutory housing standards interventions (enforcement activities) | 63 Houses in Multiple Occupation (HMO) inspected (Annual target = 90) 53 statutory housing interventions (Annual target = 150) |
| | | Measure | Quarter 3 - cumulative performance 2012/13 | | | | | | | | | | | | | | |
| | | Energy efficiency measures | 170 actual year-to-date (Annual target = 220). Despite end to Warm Streets. To be replaced by ECO DECC pilot | | | | | | | | | | | | | | |
| | | No of private sector homes improved to Decent Homes | 25 made decent Annual Target = 10 completed applications Above target due to Accreditation programme | | | | | | | | | | | | | | |
| No of empty properties brought back into use | | 45 empty properties brought back into use (Annual Target 55). | | | | | | | | | | | | | | | |
| No of statutory Disabled Facilities Grants approved & implemented | 36 completed + 31 approved Annual Target = 78 completed applications | | | | | | | | | | | | | | | | |
| No of statutory housing standards interventions (enforcement activities) | 63 Houses in Multiple Occupation (HMO) inspected (Annual target = 90) 53 statutory housing interventions (Annual target = 150) | | | | | | | | | | | | | | | | |
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Climate Change (Aim 4)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|--|--|--|--|
| 1.4 | Objective 8 Meet TDBC's & partner organisations' internal climate change commitments | Actions – Produce and implement Carbon Management Plan (CMP) |  Green | <ul style="list-style-type: none"> • An updated CMP for 2012/13 (containing 41 actions) was reported to and adopted by the Executive 20 June – an annual progress report is due in May/June 2013 • Current CMP for 2012/13 contains 45 actions of which by Jan 2013: <ul style="list-style-type: none"> ○ 25 were either completed or on track of completion ○ 16 actions that were off track or where uncertainties exist with regard to successful delivery by April 2013 ○ 4 actions that had been cancelled for technical or other reasons • Solar PV array on Taunton Pool generated over 15,000kWh of electricity and an income of £3,400 to the Council between Jun-22 and Dec-31 • Tone Leisure have installed smart meters to all their sites in October 2012 • Scoping of energy efficiency measures proposed by Schneider Electric for leisure sites and Deane House in progress. An internal working group consisting in the process of drawing up a package of measures to be priced- up by Schneider on the basis of guaranteed savings. SWOne haven't confirmed yet whether they are interested in progressing the proposals for Deane House. Current work focus on clarifying status of measures on which more detailed information is required from Schneider. A formal project report will be prepared once the package has been priced-up and the working group has agreed a way forward. Anticipated report to Scrutiny in February / March 2013. |
| | | 3% reduction in CO2 by Mar 13 | N/A | Carbon savings in 2011/12 = -2.1% (TDBC sites: -6.2% / Tone Leisure sites: +3%) Unable to provide up-to-date Co2 reduction data at this time We have an issue around getting actual meter readings for TDBC sites. Since TDBC changed gas and electricity suppliers in October 2011, we have only been given estimated meter readings for our gas and electricity usage, which don't reflect our actual consumption |
| | Objective 9 Work with communities to reduce carbon emissions across the Deane | Actions – Progress against key activities |  Green | Taunton Deane Partnership has agreed the setting up of working groups to coordinate the development of a Carbon Management & Resilience Strategy for Taunton Deane. Scoping workshops with community stakeholders were held in January & July. A directory of all services available to general public has been produced. The strategy document is at an advanced draft stage. Work on a website is progressing. All Stakeholders to reconvene in March 2013. Strategy to be completed Dec 2013. |
| | | Per capita CO2 emissions in TD area |  Green | Latest data published in Sept 12 showed a 9% reduction from 2005 to 2010 in Taunton Deane. At 5.9 tonnes per head, Taunton Deane is 8% better than the South West average, and 11% better than the UK average. |






















2. SERVICE DELIVERY*Excellent services - Customer driven - A dynamic organisation - Local focus*

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS | | | |
|-----|--|--|--|---|-----------|--|--|
| 2.1 | Ensuring development proposals are dealt with positively, with an emphasis on quality outcomes Delivering the Development Management Service aims | Planning Applications Speed of Processing |  Green | Type | Quarter 3 | Targets | Comments |
| | | | | a) Large-scale major | 80% | 65% | Year-to-date = 67% (6/9 applications determined in under 13 weeks) |
| | | | | b) Small-scale major | 71% | 65% | Year-to-date = 70% (14/20 applications determined in under 13 weeks) |
| | | | | c) Minor | 68% | 75% | Q3 below target due to high percentage of applications required to be determined via the Planning Committee. Year-to-date = 79% (195/246) |
| | | | | d) Other | 89% | 85% | Year-to-date = 90% (494/551 applications determined in under 13 weeks) |
| | | % of appeals allowed against the authority's decision |  Green | Quarter 3 = 14% (target max 25%) Year-to-date = 20% | | (7 appeals lodged with 1 allowed) (10 appeals lodged, with 2 allowed) | |
| 2.2 | Safeguarding the health, safety & welfare of everyone in the Borough Delivering the aims of the Environmental Health Service | Satisfaction with EH regulatory services |  Green | Quarter 3 = 99% (target = 75%) | | | |
| | | Food Safety compliance |  Green | Quarter 3 = 86% (target = 80%) 930 out of 1071 premises compliant | | | |
| | | Food Inspection |  Red | Quarter 3 = 55% (196 done / 358 due) (Target = 100%) New e Coli guidance has meant that butchers in particular are now subject to even more rigorous checks. Two officers need to attend and this is having an effect on the number of visits that can be carried out. Ongoing health & safety investigations have also depleted the numbers of staff who are able to carry out food safety inspections. This situation will not improve markedly in the short term. <i>The percentage of high risk food safety inspections carried out that should have been carried out' (include all A-C rated premises and unrated)</i> | | | |
| | | Environmental Protection Team reactive tasks |  Green | Quarter = 92% (824 / 897) total of service requests responded to in target time (service requests; pest control, dog matters not warden, noise, odour, drainage, air, pollution, public health) | | | |
| | | Licensing applications (apps processed within 14 days) |  Red | Quarter 3 = 91% (882 / 962) (target = 95%) Licensing has been involved in a far greater number of events during 2012/13 which have each required significant input & advice. Examples include: the Olympic Torch Relay, Elton John, the Cosmo Festival, and a new event for 2012 'Make Taunton Sparkle'. | | | |

As at: 05/03/2013 **TDBC SCORECARD Q3 2012/13** (Appendix A)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|--|---|----------------------|---------------------|-------------------|-----------------------|------------------------------|----------------------------------|-----------------------|--|----|------------|----|------------|----|------------|----|------------|----|----|--|-----|--|-----|----|----|
| 2.3 | Delivering customer driven services To deliver customer focussed services, achieving high levels of customer satisfaction. | Calls resolved at 1 st point of contact | Green | Quarter 3 actual = 96.06% (Target for Contact Centre = 92%) | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Calls answered within 20 seconds | Green | Quarter 3 actual = 84.78% (Target = 80%) (5,093 out of 33,461 calls answered waited longer than 20 seconds) | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Calls abandoned | Green | Quarter 3 actual = 3.06% (Target <5%) (1,055 calls out of a total of 34,519 calls offered abandoned) | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Complaints measures -10 day response - % Complaints upheld | Amber | <table border="1"> <thead> <tr> <th colspan="2">Total no. complaints</th> <th colspan="2">% 10 day response</th> <th colspan="2">% complaints upheld</th> <th colspan="2">Total no. compliments</th> </tr> <tr> <th>Q3</th> <th>Q3 last yr</th> <th>Q3</th> <th>Q3 last yr</th> <th>Q3</th> <th>Q3 last yr</th> <th>Q3</th> <th>Q3 last yr</th> </tr> </thead> <tbody> <tr> <td>17</td> <td>63</td> <td></td> <td>44%</td> <td></td> <td>45%</td> <td>18</td> <td>26</td> </tr> </tbody> </table> There is a notable reduction in level of feedback recorded. The Customer Feedback system is being 're-launched' across TDBC in March/April. | Total no. complaints | | % 10 day response | | % complaints upheld | | Total no. compliments | | Q3 | Q3 last yr | Q3 | Q3 last yr | Q3 | Q3 last yr | Q3 | Q3 last yr | 17 | 63 | | 44% | | 45% | 18 | 26 |
| | | Total no. complaints | | % 10 day response | | % complaints upheld | | Total no. compliments | | | | | | | | | | | | | | | | | | | | |
| | | Q3 | Q3 last yr | Q3 | Q3 last yr | Q3 | Q3 last yr | Q3 | Q3 last yr | | | | | | | | | | | | | | | | | | | |
| 17 | 63 | | 44% | | 45% | 18 | 26 | | | | | | | | | | | | | | | | | | | | | |
| Benefits Service: Time to process new claims | Green | Quarter 3 actual = days 21.98 (Target = 22 days) 2012/2013 forecast = 22 days (Q3 last year 2011/12 was 18.78 days) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Landlord Services – satisfaction with repairs | Amber | 96.5% satisfied overall with the repairs service (target = 98%) There have been some logistical issues with our gas contractor which has resulted in issues of appointments not being met. We have had discussions with Alhco and improvements have been made. | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2.4 | Ensuring the Borough is a clean and attractive place to live, work & visit Delivering Parks, Street Cleansing, Highways & Transport Services that are high quality & cost-effective | Fly tipping – grade will not be known until final quarter | Green | <table border="1"> <thead> <tr> <th>Type</th> <th>Q3 results</th> <th>Targets</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>Fly-tipping 417 incidents</td> <td>Grade 2 (estimate) = 'effective'</td> <td>Grade 2</td> <td>Fly tipping incidents in Q3 are the lowest this year at 108. The grade is made up the number of incidents and the number of actions taken.</td> </tr> </tbody> </table> | Type | Q3 results | Targets | Comments | Fly-tipping 417 incidents | Grade 2 (estimate) = 'effective' | Grade 2 | Fly tipping incidents in Q3 are the lowest this year at 108. The grade is made up the number of incidents and the number of actions taken. | | | | | | | | | | | | | | | | |
| | | Type | Q3 results | Targets | Comments | | | | | | | | | | | | | | | | | | | | | | | |
| Fly-tipping 417 incidents | Grade 2 (estimate) = 'effective' | Grade 2 | Fly tipping incidents in Q3 are the lowest this year at 108. The grade is made up the number of incidents and the number of actions taken. | | | | | | | | | | | | | | | | | | | | | | | | | |
| Quality assurance accreditation / Awards | Green | No new results are available and performance remains stable. | | | | | | | | | | | | | | | | | | | | | | | | | | |

3. MANAGING FINANCES (ref Appendix B for detailed budget monitoring)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|---|---|--|--|
| 3.1 | Budget monitoring To control spending within approved budget total for the year | General Fund Revenue within 0.5% =  0.5 – 2% =  over 2% =  |  Red | 2012/13 Forecast Outturn as at Quarter 3 = underspend of £346k (=3.0%) against budgeted net expenditure of £11.596m. Detailed commentary regarding the financial position is included within this report. |
| | | General Fund Capital within 2% =  2 – 3.5% =  over 3.5% =  |  Green | 2012/13 Forecast Outturn as at Quarter 2 = underspend of £48k (0.6%) against budgeted expenditure of £7.424m. Slippage of £2.176m expenditure into 2013/14 is also projected. Detailed commentary regarding the financial position is included within this report. |
| | | Housing Revenue (HRA) within 0.5% =  0.5 – 2% =  over 2% =  |  Green | 2012/13 Forecast Outturn as at Quarter 2 = underspend of £43k (0.17% of gross income). Detailed commentary regarding the financial position is included within this report. |
| | | HRA Capital within 2% =  2 – 3.5% =  over 3.5% =  |  Red | 2012/13 Forecast Outturn as at Quarter 2 = underspend of £542k (9.9%) against budgeted expenditure of £5.5m. Detailed commentary regarding the financial position is included within this report. |
| 3.2 | Reserves To maintain an adequate reserve (based on financial risk analysis) | General Fund reserve >£1.25m =  £1 - £1.25m =  <£1m =  |  Green | The estimated reserves position as at the 31 st March 2013 is £3.138m . This could rise to £3.519m based on current forecast outturn position. This is well above the minimum balance of £1.25m required in the Council's financial strategy. However, the Council aims to keep balances high in order to help manage financial pressures over the medium term. Detailed commentary regarding the financial position is included within this report. |
| 3.3 | Next year's budget gap | A balanced budget 2013/14 |  Green | The Executive has presented a balanced budget for 2013/14 for consideration by Full Council on 26 th Feb. The medium term financial position remains challenging and the work on the Corporate Business Plan will need to now progress with haste to ensure this is resolved for future years |

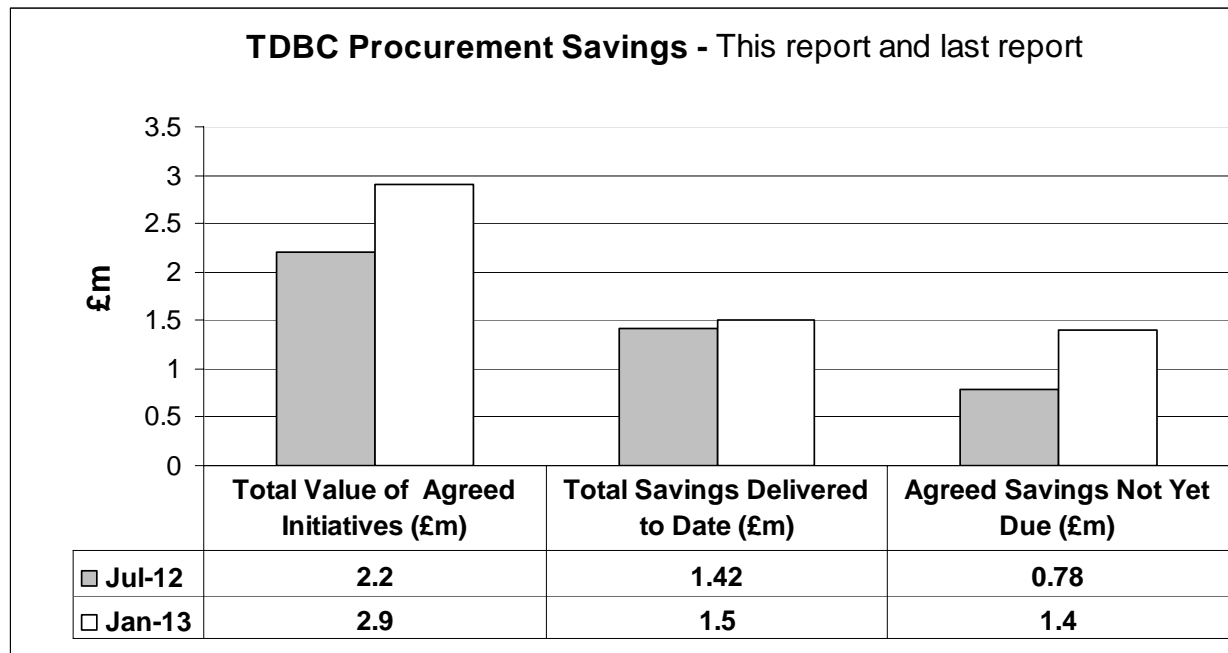
3. MANAGING FINANCES (ref Appendix B for detailed budget monitoring)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS | | | | | | | |
|-----------------------------------|--|---|-----------|---|--|--|---------------------------------|-------------------------|---------------|---------------|-----------------------------------|
| 3.4 | Debt collection | Council Tax Target = 97.8% | Green | Quarter 3 actual = 91.67% 2012/2013 forecast = 97.80% (Q3 last year 2011/12 was 91.62%) | | | | | | | |
| | | NNDR Target = 98.4% | Amber | Quarter 3 actual = 88.84% 2012/2013 forecast = 98.40% (Q3 last year 2011/12 was 90.83%) The economic downturn is affecting our ability to recover outstanding business rates. We are up to date with recovery action. We are assisting businesses with extending the instalment arrangements from 10 to 12 and this has impacted on cash collected in comparison to previous years at the end of Q3. | | | | | | | |
| | | Housing Rent Target = 98.3% | Green | Quarter 3 = 96.62% 2012/2013 forecast = 98.3% (Q3 last year 2011/12 was 96.59%) This is a cumulative target and is a slight improvement on the figure for Q3 last year. The team have worked exceptionally well to achieve this despite an unusually high level of staff absence. | | | | | | | |
| | | Sundry Debts position In SAP only* | Amber | <table border="1"> <thead> <tr> <th></th> <th>End of Quarter 3 (as at 1 Jan 2013)</th> <th>Last year (as at 1 Jan 2012)</th> </tr> </thead> <tbody> <tr> <td>Outstanding debt</td> <td>£1.77M</td> <td>£3.42M</td> </tr> <tr> <td>Aged debt over 90 days old</td> <td>£1.04M</td> <td>£1.94M</td> </tr> </tbody> </table> <p>Corporate Debt is now a standing item on the CMT Corporate Review day sessions (Qtr 3 review session 4th Feb 2013).</p> <p>Both aged debt and overall balances continue to be lower in 2012/13 than the corresponding times in 2010/11 and 2011/12.</p> | | End of Quarter 3 (as at 1 Jan 2013) | Last year (as at 1 Jan 2012) | Outstanding debt | £1.77M | £3.42M | Aged debt over 90 days old |
| | End of Quarter 3 (as at 1 Jan 2013) | Last year (as at 1 Jan 2012) | | | | | | | | | |
| Outstanding debt | £1.77M | £3.42M | | | | | | | | | |
| Aged debt over 90 days old | £1.04M | £1.94M | | | | | | | | | |
| 3.5 | Benefits subsidy | To achieve 100% subsidy | Green | Projection for 2012/13 = 100% (by remaining in the lower threshold for LA error overpayments) | | | | | | | |
| 3.6 | Procurement Transformation Project Ensure TDBC realises benefits of | Value of Procurement Savings against target | Red | A procurement update report went before Corporate Scrutiny on 24 th January 2013. Procurement savings remain significantly behind the original IBM projection and this is the principle reason for the red status. However, the Sw One Strategic Procurement Service continues to work on savings initiatives on our behalf. | | | | | | | |

As at: 05/03/2013 **TDBC SCORECARD Q3 2012/13** (Appendix A)

the various transformation projects








The present position is that **£2.9m of procurement savings have been agreed and approved.** £1.5m of these savings have to date been delivered. The remaining £1.4m of savings is to be delivered during the remainder of the Sw One contract as shown in the table below:







4. KEY PROJECTS

| Ref | PROJECT | Status | Key milestones | RAG | Key accomplishments | Key risks & issues |
|--|--|--------|--|-----|---|---|
| 4.1 | Corporate Business Plan (Simon Lewis) | 😊 | Corporate Scrutiny 29 Nov | 😊 | Directors meeting 14 Jan - progress report & project steer | Political support for CBP? |
| | | | Exec 16 Jan 2013 | 😊 | CBP presented to Executive 16 Jan. (Full Council 22 Jan) | Organisational / Service prioritisation & profiling not yet understood |
| | | | Full Council approval 22 Jan 13 | 😊 | | Impact of WSC? |
| | | | Actions / Requests / Recommendations: ~ Implementation & delivery plan being developed - approval from CMT in Feb. ~ Directors currently scoping the 4 new projects. ~ Launch CBP to Leads - workshop planned Feb to achieve awareness, understanding & buy-in | | | |
| 4.2 | Community Infrastructure Levy (Tim Burton) | 😐 | Final Charging Schedule approval by Full Council (July) | 😊 | Governance presentation to other Authorities regarding Governance | Delays in providing information to Consultants could result in delay re Members & consultation which could potentially be impacted upon by Purdah. |
| | | | Administration of the process | 😊 | Consultants work completed | |
| | | | Agree governance arrangements (by April) | 😐 | | Rumours circulating that the Government are going to move the goalposts. |
| | | | CIL implementation (Sept 2013) | 😐 | | |
| Actions / Requests / Recommendations: • Phil Bisatt to report to Executive on 16 January 2013 • Brief regular customers on implications of CIL. February 2013 • Completion of Section 123 list | | | | | | |
| 4.3 | DLO Relocation feasibility study (Sue Tomlinson) | 😊 | Marketing of the DLO site starts 14/01/13 - complete and preferred bids selected 04/13 | 😊 | Communications plan being delivered (press releases, staff & other groups briefed) | Concerns over initial costs for alternative locations. Eg SWOne feasibility budget for compression on existing site £2.8m which out ways possible capital receipt for sale of the land. |
| | | | Business Case Drafted 04/12 | 😊 | Marketing activities delivered (Sales PDF signed off, Estates Gazette booked, sales board booked) | |
| | | | Full council decision 23/07/13 | 😊 | | |
| | | | Actions / Requests / Recommendations: ~ focus will be on managing queries from interested parties via Savills ~ finalising the site options appraisal for alternative sites ready for our members briefing (19 Feb) | | | |





As at: 05/03/2013 **TDBC SCORECARD Q3 2012/13** (Appendix A)

| Ref | PROJECT | Status | Key milestones | RAG | Key accomplishments | Key risks & issues |
|-----|---|---|--|---|---|--------------------|
| 4.4 | Swimming Pools (Alison North / Sue Tomlinson) |  | Spa visit 24/25 Jan |  | Successful Members briefing 14/01/13 | |
| | | | Business case completion - Scrutiny & Exec reports (Feb/March) |  | Reassurance from Ian Connor (SPS) re OJEU-B | |
| | | | | | Contact made with external legal consultant, and re engaged with Finance | |
| | | | Actions / Requests / Recommendations: ~ Spa visit booked 24/25 Jan ~ Business plan / timeline to be finalised and circulated ~ Start drafting the communications plan | | | |
| 4.5 | Welfare & Finance Reform (Paul Harding) |  | Council Tax Support |  | Supplementary NNDR1 completed and issued to major preceptors & CLG by deadline. | |
| | | | Council Tax Empty & Second Homes Changes |  | Decision made (and agreed by group leaders and Som districts) not to participate in rate pool for 2013/14 due to risks and uncertainty surrounding Hinkley refund in particular as well as diminishing surplus of the pool model. | |
| | | | Rate Retention scheme starts 1st April |  | Executive approved NNDR1 and C Tax base (16 Jan - hopefully!) | |
| | | | Actions / Requests / Recommendations: ~ NNDR1 to be signed off by S151 officer and sent to CLG by 31 Jan. ~ Action implementation comms plan ~ Continue to test Civica | | | |




As at: 05/03/2013 **TDBC SCORECARD Q3 2012/13** (Appendix A)

| Ref | PROJECT | Status | Key milestones | RAG | Key accomplishments | Key risks & issues |
|--|--|---|--|--|--|---|
| 4.6 | Flood Alleviation Solutions (Mark Green) |  | To be determined | | Progress with initial appraisal of the key issues associated with the delivery of the preferred solution(s); especially compliance with the Water Framework Directive and other key legislation. <i>* see notes below</i> | Project management, governance and 'ownership' issues need to be better defined |
| | | | | | | TDBC resource currently applied to this project is inadequate |
| | | | | | | Comms strategy requires further work and development having regard to the level of political and press/public interest in all things flood related. |
| | | | Actions / Requests / Recommendations: Project to date has produced all agreed outputs on time and within budget but there remains a HUGE amount of work to be done, the necessary budget to complete later phases of work does not currently exist and project management/governance and 'ownership' needs to be strengthened and clarified going forwards. In addition, some elements of work are time and outcome critical to the delivery of other important projects; including the delivery of key regeneration sites, later phases of planned growth at Monkton Heathfield and, more immediately, the council's planning DPD and CIL processes. <i>* Initial indications are that the preferred strategic solution is unlikely to have any 'showstopping' issues associated with its delivery but that further and more detailed on-site work will be required...possibly taking until April '13. This will require landowner consent..not currently forthcoming.</i> | | | |
| 4.7 | Taunton Town Centre 'Master' Plan (Ian Franklin) |  | Prepare project brief & plan for sign-off March 2013 |  | Discussions held with Taunton Economic Advisory Board and Project Taunton Steering Group | This could result in a major change in strategy for town centre regeneration. |
| | | | Interim reports and recommendations (April '13) |  | Workshop held with growth team managers and directors | Resourcing implications |
| | | | Consultation (date?) | | | |
| | | | Final report & Council approval (date ?) | | | PR to be carefully managed from the start |
| Actions / Requests / Recommendations: NEW PROJECT - a solution for the future protection & development of Taunton town centre retailing ~ Agree key activities and prepare high level programme – initial meeting arranged for 21/1/13 – key milestones will be agreed at this meeting ~ Vital to arrange programme to cover planning issues | | | | | | |






5. KEY PARTNERSHIPS

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS | | | | |
|-------|--|--|--|--|--|------------------------------------|----------------------|--------------------|
| 5.1 | Southwest One | Efficient delivery of in-scope services (basket of KPIs) |  Green | Key Performance Indicators – Quarter 3 (2012/13) | | | | |
| | | | | | No. of indicators | No. of times measured in Q3 | No. on Target | % on target |
| | | | | Monthly | 13 | 13 | 13 | 100% |
| | | | | Quarterly | 9 | 9 | 9 | 100% |
| | | | | Annually | 21 | 0 | 0 | - |
| Total | 43 | 22 | 22 | 100% | | | | |
| | | | Quarter 3 KPI failures ☹️ | | Quarter 3 Successes 😊 | | | |
| | | | No KPI failures to report for Q2 | | All SWOne services have achieved contracted KPI targets. | | | |
| | | Progress against key business objectives |  Green | <ul style="list-style-type: none"> All SWOne Service Development Plans (SDPs) are agreed and in the progress of being delivered through this financial year. We are currently discussing and agreeing 2013/14 SDPs with SWOne. Discussions are taking place with SWOne ICT to develop and agree an ICT Strategy. | | | | |
| 5.2 | Tone Leisure 'More people, more active, more often' | Target 1% increase in total leisure visits |  Green | Tone Leisure (Taunton Deane) usage has grown nearly 1% on last year in Quarter 3 and is in line with budgeted growth (+1%). The strong growth in Quarter 2 was not repeated with a challenging December experienced across most income areas, but especially Health and Fitness and swimming. To therefore hit budgeted usage growth of 1% is very encouraging and shows October and November were strong months for Tone. For the full year usage is 2% up on last year. | | | | |
| | | Progress against Tone Leisure key business objectives |  Amber | Tone Leisure's sales position remains challenging and adrift of the budget position. However, cost savings are more than making up for this shortfall in Quarter 3 with a positive variance of £29k. The full company profit and loss position remains positive with a small surplus forecast at the year end. The last Tone Leisure performance report was taken to Community Scrutiny 6 Nov 2012. | | | | |









As at: 05/03/2013 **TDBC SCORECARD Q3 2012/13** (Appendix A)

| | | | | |
|-----|---|---|--|--|
| 5.3 | Somerset Waste Partnership To increase participation in the recycling service through promotion and enforcement | % of household waste sent for reuse, recycling & composting | N/A | <p>Quarter 3 = FIGURE NOT PROVIDED – See notes below* (Target = 45.4%)</p> <p>Last quarter (Q2) was 48.1% (Quarter 3 last year 2011/12 was 46.5%)</p> |
| | | Residual household waste |  Red | <p>Quarter 3 = 100.8 kg per household (Target = 380 kg per household) (Quarter 3 last year 2011/12 was 89.3 kg per household)</p> <p>It should be noted that 89.3kg in the same period last year was a particularly low figure and the Q3 figure is more typical. The target for 12/13 seems, on reflection, to have been ambitious compared with the actual outturn of 391kg / hh in 2011/12. We predict that once the uplift in the number of households adjustment is made at year end, we will have a similar outcome to 2011/12, but above the target.</p> |
| | | Progress against key business objectives |  Green | <p>SWP draft Business Plan 2013 – 2018 was taken before the Executive committee 6 Feb 2013.</p> <p>* Notes re issue above - The Q3 data provided to SWP by May Gurney covering Q3 recycling operations in Taunton Deane appeared to be significantly out of line both with both historical performance for TDBC and the Q3 results for the other four districts. SWP's Managing Director asked May Gurney's Contract Manager to undertake a major internal review of the way that May Gurney were accounting for recycling materials, in particular those arising from the Walford Cross Depot which serves most of Taunton Deane, along with the Ilminster and Chard areas of South Somerset.</p> <p>Preliminary results of this review exercise identified issues with the way that material movements were recorded in Q3 and this has had a major bearing on the figures provided. The review involves re-examining a large amount of weighbridge and associated data and May Gurney have been given further time in order to fully investigate and correct the data. It is important to resolve this fully as there may be financial (recycling credit income) as well as performance implications for Taunton Deane.</p> <p>This situation underlines the importance of collating and reviewing detailed data regularly. SWP apologise for the gap in information for the recycling rate indicator and will advise the TDBC and the Somerset Waste Board of the outcome of the review, the remedial actions taken or required, and the revised figure at the earliest opportunity.</p> |
| 5.4 | South West Audit Partnership | Target min 90% of 2012/13 Audit plan delivered |  Amber | <p>77% of planned audits as at end of Quarter three were completed or are at draft report (please note would be 100% under previous year's definition)</p> <p>There were a total of 35 reviews planned for quarters one, two and three. 27 are at a report stage. 100% of the audit plan is expected to be delivered as there are only a further 5 reviews scheduled for quarter 4, of which all 5 have started the initiation stage. Those still in progress in quarter 3 have materially completed the field work and are preparing the report.</p> |







6. PEOPLE (Human Resources)

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|---|--|--|--|
| 6.1 | Staff Sickness Reduce sickness absence through strong absence management, revised policies & procedures, & training | Target = 8.5 working days max lost per FT employee |  Amber | As at end November 2012, the year-end forecast = 10.05 days (using original BVPI definition). Amber status due to quarter 3 and 4 sickness generally higher. Ongoing work in this area during quarter 3 includes- <ul style="list-style-type: none"> - Absence management meetings being held with staff and support to managers for these - Sickness Absence Policy currently being reviewed, meeting held and redrafting underway - Wellbeing and sickness action plan agreed with Retained HR and Penny James. - Co-ordinated a flu vaccination programme at both Deane House and the DLO provided via ASDA - Supported managers with employees who are long-term absent from work by completing 7 home visits, and an Occupational Health case conference |
| 6.2 | PRED / Training Plans Maintain effective performance management of people and establish & deliver development needs | 100% completion of PREDs | N/A | A detailed annual response will be provided in Q4. |
| | | 100% completion of Learning & Development plans |  Amber | All learning development plans submitted for 2012-13 and budget allocated. 2013/14 plans currently being collated for allocation decisions to be made at the end of February 2013. |
| | | 100% delivery of 'essential' training activities (corporate training plan) |  Amber | All training requests received from TDBC have been delivered by SWOne. Some of the "essential" activities within the corporate training plan were placed on hold at the request of TDBC hence corporately a rating of amber has been given. |
| 6.3 | Staff Turnover | Target 12% (voluntary leavers as % of staff in post) |  Green | Total turnover = 10.7% Voluntary turnover = 5.25% Early retirement / redundancy = 0.2% Ill-health retirement = 0.2% Other (End of contract/ dismissal) = 1.45% TUPE = 3.6% The overall turnover result has been significantly altered by the TUPE transfer of Car Parking staff in mid June 2012. |
| 6.4 | Improve Staff Satisfaction | Results from staff survey / resulting action plan |  Green | Action Plan produced and agreed with Retained HR and Penny James. To be taken to Leads meeting for Leads to own and take forward. |

7. CORPORATE MANAGEMENT

| Ref | OBJECTIVES | MEASURES | ALERT | ISSUES (current & future) and IMPACTS |
|-----|--|--|--|---|
| 7.1 | Corporate Governance Action Plan Deliver the action plan, focussing on high priority areas | Deliver 95% of High priority Actions, and 80% of Medium priority actions by target dates |  Amber | The most recent report of all <i>External</i> audit recommendations was in December, and showed that 81% (22 of all 27 actions) were on track (with 78% of High Priority actions, ie 7 / 9 actions). Work is underway to better understand the status of all <i>Internal</i> audit recommendations. A recent report produced by SWAP indicated that there are currently in the region of 200 'live' actions. |
| 7.2 | Audit & Inspection Ensure that statutory Audit & Inspection obligations are met | Internal audit findings |  Green | 2012-13 Internal Audit Work: In relation to quarters one, two and three there were 35 reviews. The following audit assessments were reported in respect of these audits where complete or draft (draft reports could be subject to change): <ul style="list-style-type: none">  Substantial assurance = 3  Reasonable assurance = 12  Partial assurance = 6  No assurance = 0 Non-Opinion = 2 Follow-up Audit work = 4 Internal Audit (SWAP) reports quarterly on audit plan progress, assurance levels and priority recommendations to the Corporate Governance Committee (next report due March 2013). |
| | | 2011/12 Final Accounts unqualified |  Green | The 2011/12 accounts received an unqualified opinion |
| 7.3 | Equalities & Diversity Develop practices & policies based on Equalities Framework for Local Govt | Council reports including Equality Impact Assessments (EIA) (Target 100%) |  Amber | A report is being taken to the Corporate Governance committee in March to update members on our progress. A recent SWAP report has identified weaknesses in the Council's approach to Equalities especially around the consistency of Impact Assessments and equality analysis leading to lack of awareness of impacts by decision makers. An action plan is in place to address these weaknesses. Performance against our target of 100% Council reports having EIAs was 100% in Qtr 3 (5/5 reports) |

As at: 05/03/2013 **TDBC SCORECARD Q3 2012/13** (Appendix A)

| | | | | |
|-----|--|--|--|--|
| 7.4 | Risk Management To ensure major risks are managed by embedding Risk Mgt Strategy | Delivery of RM Strategy & Policy & Procedures |  Green | Risk Management processes continue to be implemented at strategic, operational and project levels throughout the Council. CMT now review the corporate and Theme risk registers as part of quarterly performance reviews. Project risks are highlighted and considered at monthly 'Programme Management Group' meetings (a recently launched new corporate projects 'board'). |
| 7.5 | Value for Money / Benchmarking To ensure that Services provide excellent value for money | Council Tax charges – in lowest quartile |  Green | TDBC remains in the lowest quartile in 2012/13 (compared with all English Districts). <i>Council Tax average band D tax bill - amount paid to local services (excluding parishes)</i> |
| | | Target efficiency savings at areas with poor VfM |  Green | The Audit Commission's Annual Governance Report (2011/12) includes the 'value for money conclusion', and was reported to the Corporate Governance committee 24 Sept – an unqualified conclusion was issued stating that TDBC has ' <i>proper arrangements to secure economy, efficiency and effectiveness in out use of resources</i> '. Work will continue to understand 'value for money' and develop benchmarking to support decisions in allocating resources as part of the corporate business planning process. |
| 7.6 | Asset Management Develop the Council's Asset Management arrangements | Implementation of Asset Mgt Plan (AMP) |  Green | On 16/01/13 a new Asset Management Plan for 2013 – 16 was adopted by Executive |
| | | Target 70% of maintenance spend planned |  Amber | The retained Property Client has taken better control of the budget. Previously budgets were managed by different people and it was difficult to target funds in this way. |
| 7.7 | Health & Safety To raise the standard of Health & Safety knowledge & performance | Delivery of H & S Action Plan |  Amber | The consolidation and compliance audit process has moved into more detailed phase with audits having been completed within 3 of the 4 Theme areas. Where audits have taken place Managers have been given clear action points and have taken ownership of the plan which will enable further roll out of the process. The retirement of the Corporate H&S Advisor has meant that the audit program for the final theme (Community and Commercial Services) will be on hold pending appointment of a replacement to the post. The staff intranet site has been updated to share all of the Policies and information produced to date. |

GENERAL FUND REVENUE ACCOUNT SUMMARY 2012/13

| | Original Budget £k | Current Budget £k | Forecast Outturn £k | Forecast Variance £k | |
|--|--------------------------|-------------------------|---------------------------|----------------------------|---------------|
| Service Portfolios | | | | | |
| Community Leadership | 1,103 | 1,194 | 1,174 | (20) | |
| Corporate Resources | 1,238 | 1,118 | 787 | (331) | |
| Economic Development, Asset Management, Arts & Tourism | 1,162 | 1,548 | 1,576 | 28 | |
| Environmental Services | 4,510 | 4,342 | 4,250 | (92) | |
| General Services | 1,227 | 1,427 | 1,401 | (26) | |
| Housing Services | 2,572 | 2,604 | 2,463 | (141) | |
| Planning, Transportation & Communications | (1,095) | (1,063) | (769) | 294 | |
| Sports, Parks & Leisure | 2,584 | 2,652 | 2,672 | 20 | |
| Net Cost of Services | 13,301 | 13,822 | 13,554 | (268) | (1.9%) |
| Other Operating Costs and Income | | | | | |
| Deane Helpline Trading Account | 77 | 88 | 88 | 0 | |
| DLO Trading Account | (101) | (101) | 0 | 101 | |
| Interest Payable and Debt Management Costs | 264 | 0 | 0 | 0 | |
| Interest and Investment Income | (67) | (132) | (317) | (185) | |
| Council Tax Freeze Grant | (277) | (278) | (278) | 0 | |
| New Homes Bonus Grant | (1,040) | (1,040) | (1,040) | 0 | |
| Local Services Support Grant | 0 | (60) | (60) | 0 | |
| Parish Precepts & Special Expenses | 530 | 530 | 530 | 0 | |
| Capital Expenditure Funded from Revenue (RCCO) | 330 | 497 | 497 | 0 | |
| Repayment of Capital Borrowing (MRP) | 664 | 664 | 650 | (14) | |
| Transfers to Capital Adjustment Account | (2,434) | (2,434) | (2,434) | 0 | |
| Transfer to/(from) Earmarked Reserves | 309 | (90) | (70) | 20 | |
| Transfer to/(from) General Reserves | 40 | 130 | 130 | 0 | |
| Total Other Costs and Income | (1,705) | (2,226) | (2,304) | (78) | 3.5% |
| NET EXPENDITURE BUDGET BEFORE FUNDING | 11,596 | 11,596 | 11,250 | (346) | (3.0%) |
| Formula Grant and Council Tax Income | (11,596) | (11,596) | (11,596) | 0 | |
| Projected (Under)/Overspend for the Year | 0 | 0 | (346) | (346) | (3.0%) |

Highlighted amounts have been updated since the Q3 report to Corporate Scrutiny

ANNEX B

GENERAL FUND REVEUE ACCOUNT FORECAST VARIANCES TO BUDGET 2012/13

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|--------------------------------|---------------------------|----------|----------|-------------|--|---|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | COM | Community Safety | 30 | (1) | | 29 | Budgeted income from SCC no longer available due to changes in grant system. Minor forecast updates in Q3. | Budget holder will review on a monthly basis. |
| | COM | Strategy Unit | (27) | 9 | | (18) | Forecasting an over-recovery of income by £12k, plus a £12k underspend on staff costs, partially offset by an overspend of £5k on non-pay expenditure. Q3 updated as £9k of underspend reallocated to fund project costs. | Budget holder will review on a monthly basis. |
| | COM | Community Development | 0 | (28) | | (28) | Reflects updated allocation of costs to the HRA - 85% compared to 50% assumed in the original budget. | |
| | COR | NNDR Collection | 19 | 0 | | 19 | Overspend relates to discretionary rate relief paid in arrears exceeding budgeted estimate. | None available due to nature. |
| | COR | Rent Allowances & Rent Rebates | (50) | (267) | | (317) | Forecast surplus on Housing Benefit Subsidy for subsidised overpayments has increased significantly in Q3. This is following an increase in volume of cases reviewed in preparation for welfare reform. Represents only 1% variance to budget. | Budget holder will review on a monthly basis. |
| | COR | Council Tax Benefit | (104) | 36 | | (68) | During Q3 an updated assessment was completed of the predicted amount of eligible benefit overpayments for which the Council will receive Subsidy from Government. It is worth noting that this is only a 1% variance to budget. | Budget holder will review on a monthly basis. |
| | COR | HR | (49) | 49 | | 0 | Previously forecast underspend in Q2 has been reversed as budget virements have reallocated resources to fund spending pressures elsewhere. | No further action proposed |
| | COR | Land Charges | 40 | (43) | | (3) | Forecast overspend in Q2, regarding unbudgeted building control charges of £40k, has been absorbed with significant surplus on income now forecast for the year. | Budget holder will review on a monthly basis. |

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|----------------------------|---------------------------|----------|----------|-------------|--|--|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | COR | Legal Services | (57) | 57 | | 0 | Underspend on staff costs identified in Q2 has been re-prioritised to provide additional legal service capacity to focus on recovery of outstanding debts from customers. See requested budget virement in Annex G. | Budget holder will review on a monthly basis. |
| | COR | Retained HR | 22 | (18) | | 4 | Forecasting an overspend due to the costs for agency staff covering HR Retained Manager post, however projected staff vacancy costs in latter part of financial year mitigate this cost pressure. | Budget holder will review on a monthly basis. |
| | COR | Register of Electors | 0 | 17 | | 17 | Software costs not included in the budget. | |
| | ECD | Property budgets | 0 | (15) | | (15) | Through the ongoing review of property-related budgets the Theme Manager has identified forecast underspends totalling £15k | Budget holder will review on a monthly basis. |
| | ENV | Somerset Waste Partnership | (107) | 0 | | (107) | Savings are projected on contract costs (£75k), contingent budgets (£16k), and refund from 11/12 (£44k); offset by an under recovery of income (£28k). The potential underspend could be higher than reported however the budget holder proposes a budget virement to reserves to fund future bin replacement costs. The forecast therefore remains unchanged from Q2. | Budget holder will review on a monthly basis. |
| | ENV | Flood Defences | (11) | 42 | | 31 | The updated forecast in Q3 reflects the exceptional costs associated with the severe flooding in recent weeks. Costs are largely related to provision of sandbags. | Budget holder will review on a monthly basis. A contingency budget allocation is proposed for 2013/14. |

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|--|---------------------------|----------|----------|-------------|---|---|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | ENV | Business Support Theme 4 | (28) | 0 | | (28) | Forecasting an operational under spend on staff costs due to backfill arrangements for two maternity leave, a new starter opted out of the pension that was previously budgeted for, a new starter budgeted at the top of the grade is paid at the bottom of the grade, and a post that was budgeted for but is to be paid for by HRA. Part of this under spend has been approved as a virement in the current year only to cover non-pay expenditure. | Budget holder will review on a monthly basis. |
| | ENV | Pest Control | 10 | 2 | | 12 | Forecast under recovery of income due to the reduction in demand for wasp visits due to the wet summer experienced this year. Minor changes identified for Q3. | Budget holder will review on a monthly basis. |
| | ENV | Licences | (15) | (11) | | (26) | Forecasting an over recovery of income due to the additional demand for events licences for the Olympic and Jubilee events this year. Managed savings on equipment identified by budget holder in Q3 to offset overspends in other cost centres. | Budget holder will review on a monthly basis. |
| | GEN | Corporate Management – Pay Award and Vacancy Factor | (133) | 109 | | (24) | Savings related to pay award (£69k) and surplus vacancy savings (£64k) identified up to Q2. A number of budget virements to fund various service costs have been identified during Q3, which reduces the forecast surplus for the year to £24k. | Budget holder will review on a monthly basis. |
| | HSG | Housing Standards | 56 | (42) | | 14 | Forecast overspend due to no longer being affiliated with organisations such as 'Home Aid', therefore no income is now expected from other sources. Also staff costs are overspent as a temporary member of staff backfilling a post is costing more than the post was originally budgeted for and other non-pay expenditure over spends. For Q3 the forecast position has improved with planned capitalisation of staff costs, plus a £27k windfall from refunds of previous housing grants. | Budget holder will review on a monthly basis. |

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|---|---------------------------|----------|----------|-------------|---|---|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | HSG | Housing Enabling | (32) | 14 | | (18) | Forecasting over recovery of income by £29k due to a decision to increase partnership income and additional income for affordable housing open days, plus an under spend of £3k due to car leasing costs budgeted for twice in error. Forecast surplus to budget updated for Q3. | Budget holder will review on a monthly basis. |
| | HSG | B&B Accommodation | 10 | (14) | | (4) | Forecasting an over spend due to an increase in demand for bed and breakfast accommodation. Forecast income updated for Q3, mitigating previous shortfall. | Budget holder will review on a monthly basis. |
| | HSG | Leasehold Dwellings | (15) | 6 | | (9) | Forecasting an over recovery of income from the HRA not budgeted for. Minor changes identified in Q3. | Budget holder will review on a monthly basis. |
| | HSG | Homelessness Admin | 35 | (34) | | 1 | Forecast over spend due to write off of £73k offset in part by £43k of bad debt impairment already accrued. | Budget holder will review on a monthly basis. |
| | HSG | Housing Advice | (31) | 9 | | (22) | Forecast under spend due to maternity backfill arrangements costing less plus two posts budgeted for pension that has not been used. Forecast surplus reduced for Q3 due to receptionist contract costs exceeding budget estimates. | Budget holder will review on a monthly basis. |
| | HSG | Shared Estate Costs - GF Contribution | 0 | (41) | | (41) | A review of the budget for estate management and maintenance costs within the HRA has identified a reduction in the appropriate share to be charged to the General Fund for ex-HRA properties. The initial Q3 forecast underspend has been updated from £76k to £41k underspend, as it is proposed to transfer £35k budget to Environmental Health for additional Food Safety Inspections work. | No further action planned. Updated information reflected in the 2013/14 budget. |

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|----------------------------|---------------------------|----------|----------|-------------|--|---|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | PTC | Off-Street Parking | 548 | (78) | | 470 | As identified in Q2, budget pressure identified due to income shortfall on: <ul style="list-style-type: none"> • Parking Charges £332k; this is partly due to delayed implementation of an element of the agreed Transport Strategy, plus a reduction in usage • Travel Plan £12k; • Royal Mail £47k; delayed contract (£22k for 20 season tickets at Wood Street; £25k lease for 30 spaces at TDBC car park) • Penalty income £39k; Q2 forecast was £117k shortfall, but updated in Q3 for recent trend and better management information from SCC • Season tickets £64k Forecasting underspend in Service Costs of £24k on direct expenditure as a result of the new service delivery contract. | Budget holder will review on a monthly basis. |
| | PTC | On-Street Parking | (120) | (3) | | (123) | Forecast under spend of £123k due to the service being transferred to SCC from the 11th June 2012. The variance has arisen because the budget was set as if the service was to remain with TDBC, as the possible outsourcing arrangements had not yet been confirmed. It should be noted that this variance may increase when support service recharges are run at year end, as the consumption of these services will have reduced. Minor update of income forecast in Q3. | Budget holder will review on a monthly basis. |
| | PTC | Planning | 0 | (56) | | (56) | The Government passed legislation in November to increase planning fees by 15%. This has contributed to the forecast underspend. The forecast allows for increased costs of appeals. | Budget holder will review on a monthly basis. |
| | PTC | Public Relations | | (14) | | (14) | Various underspend on publicity and promotions, fees and hired services, and other overheads | Budget holder will review on a monthly basis. |

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|-----------------------------|---------------------------|----------|----------|-------------|--|---|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | PTC/ OTH | Building Control | 36 | 5 | | 41 | Forecasting an under-recovery of income by c£57k and an overspend of £10k for the Acolaid Licence, partly offset by an unbudgeted income recharge of c£40k to Land Charges. Minor changes to forecast identified in Q3. The variance also includes £20k budgeted transfer from earmarked reserve that is not possible due the projected overspend on the service overall. | The Budget Holder, Theme Mgr and Strategic Director are looking at cost reduction measures now in order to help manage the shortfall further. |
| | SPL | Environmental Maintenance | 20 | 10 | | 30 | Forecasting to overspend which has increased in Q3. A significant element relates losing part of the SCC grass verge contract as identified in Q2. | Budget holder will review on a monthly basis. |
| | SPL | Vivary Park Trading Account | 31 | (1) | | 30 | Forecasting an under spend of c.£11k due to the flooding which cancelled events such as the bandstand concert and c.£3k budget not needed on rents, plus a consequential under recovery of car parking income of c.£45k due to the flooding which cancelled events such as the Circus. | Budget holder will review on a monthly basis. |
| | Var | Insurance | (28) | 28 | | 0 | A surplus of £28k was identified in Q2 related to confirm premium costs for 2012/13. This surplus has now been reallocated to fund pressures in other cost centres. | Budget holder will review on a monthly basis. |
| | DLO | DLO Trading Account | (147) | 248 | | 101 | Forecast underspend of £83k on staff costs due to the Stores staff, who were transferred back with budget to the DLO (from SWONE). Further surplus of £64k identified on historic contractor and agency budgets no longer required. However, during Q3 the DLO Manager has identified concerns with accuracy of the forecast and is continuing to work with the Finance Advisory service to investigate. | DLO Manager to review budgets and forecasts with additional support from Finance Advisory. |
| | | Various minor variances | (14) | (11) | | (25) | Net of other minor variances | |
| | OTH | Interest Payable (GF) | (226) | 226 | | 0 | Under spend due to General Fund (GF) now being debt free and therefore not due to pay any of the originally budgeted interest payments. This may change if the Authority decided to take on any short term loans during the year. | Budget holder will review on a monthly basis. |

| # | Port- folio | Cost Centre Description | Forecast Variance Updates | | | | Variance explanation | Management Action |
|---|----------------|-----------------------------|---------------------------|------------|----------|--------------|---|---|
| | | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| | OTH | Interest Receivable (GF) | (244) | 59 | | (185) | Over recovery of interest receivable (£70k) due to better interest rate received on GF investments than originally budgeted for, due to uncertainty around interest rates during budget setting; and HRA now paying (174k) to borrow from the GF. | Budget holder will review on a monthly basis. |
| | OTH | MRP (repayment of debt) | (14) | 0 | | (14) | Our repayment of debt is slightly less than budgeted for. | No further action. |
| | | GRAND TOTAL | (595) | 249 | | (346) | | |

Key: Portfolios

| | |
|-----|--|
| COM | Community Leadership |
| COR | Corporate Resources |
| ECD | Economic Development, Asset Management, Arts & Tourism |
| ENV | Environmental Services |
| GEN | General Services |
| HSG | Housing Services (Non-HRA) |
| PTC | Planning and Transportation/Communications |
| SPL | Sports, Parks & Leisure |
| OTH | Other Central Costs and Income |

ANNEX C

GENERAL FUND RESERVES SUMMARY 2012/13

| | £k | Current Budget & Forecast £k |
|---|-------|---------------------------------------|
| Balance Brought Forward 1 April 2012 | | 3,337 |
| Original Budget 2012/13 – Repay Previous Invest to Save Funding | | 40 |
| Approved Budget Carry Forward into 2012/13 (21 June 2012) | | (86) |
| | | <u>3,291</u> |
| Supplementary Estimates | | |
| Cremator Replacement Mercury Abatement Project funding (Executive 11th July 2012) | (113) | |
| Flood Alleviation Works on North Curry Moor (18th July 2012) | (10) | |
| Lease car scheme | (89) | |
| | | <u>(212)</u> |
| Returns | | |
| Surplus Earmarked Reserves | 59 | |
| | | <u>59</u> |
| Budgeted Balance March 2013 | | <u>3,138</u> |
| Projected Outturn 2012/13 | | <u>346</u> |
| Projected Balance Carried Forward 31 March 2013 | | <u>3,484</u> |

ANNEX D

HOUSING REVENUE ACCOUNT SUMMARY 2012/13

| | Original Budget £'000 | Current Budget £'000 | Forecast Outturn £'000 | Forecast Variance £'000 | Forecast Variance % |
|---|-----------------------------|----------------------------|------------------------------|-------------------------------|---------------------------|
| Income | | | | | |
| Dwelling Rents | (22,736) | (19,193) | (19,244) | (51) | 0% |
| Non Dwelling Rents | (554) | (577) | (528) | 49 | -8% |
| Supported, Sheltered & Extra Care | (364) | (3,753) | (3,760) | (7) | 0% |
| Other Income (Service Charges, Rechargeable Repairs, Leaseholder Charges and GF Contribution) | (547) | (733) | (894) | (161) | 22% |
| Total Income | (24,201) | (24,256) | (24,426) | (170) | 1% |
| Expenditure | | | | | |
| Supervision & Management | 3,252 | 3,611 | 3,572 | (39) | -1% |
| Maintenance | 7,515 | 6,420 | 6,640 | 220 | 3% |
| Capital Charges - Depreciation | 6,270 | 6,270 | 6,270 | 0 | 0% |
| Provision for Bad Debt | 80 | 80 | 80 | 0 | 0% |
| Debt Management Expenses | 8 | 8 | 8 | 0 | 0% |
| Other Expenditure (Communal and Rechargeable Costs, Insurance Excess, and Tenants Forum) | 87 | 878 | 824 | (54) | -6% |
| Total Expenditure | 17,212 | 17,267 | 17,394 | 127 | 1% |
| Other Costs & Income | | | | | |
| CDC Costs | 231 | 231 | 231 | 0 | 0% |
| Interest Payable | 3,873 | 3,873 | 2,945 | (928) | -24% |
| Interest and Investment Income | (127) | (127) | (17) | 110 | -87% |
| Transfers To/(From) Earmarked & Other Reserves | 2,524 | 2,524 | 3,342 | 818 | 32% |
| Total Other Costs & Income | 6,501 | 6,501 | 6,501 | 0 | -13% |
| NET (SUPLUS)/DEFICIT FOR THE YEAR | (488) | (488) | (531) | (43) | 9% |

ANNEX E

HOUSING REVENUE ACCOUNT FORECAST VARIANCES TO BUDGET 2012/13

| | Cost Centre Description | Forecast Variances Updates | | | | Variance explanation | Management Action |
|---|-------------------------|----------------------------|-------------|----------|-------------|---|--|
| | | Q2 £k | Q3 £k | Q4 £k | Total £k | | |
| 1 | Interest Payable | (928) | 928 | | 0 | The forecast underspend for interest on borrowing, related to self-financing debt, is recommended to be reallocated £110k to Interest Receivable and £818k to the Social Housing Development Fund. The budget virements will remove the previously reported variance to budget in Q2. | Budget virement proposed |
| 2 | Interest Receivable | 110 | (110) | | 0 | The forecast overspend estimated in Q2 of £110k is due to receiving less interest on HRA investments than originally budgeted for. A budget virement from the underspend on Interest Payable is proposed to address the budget virement. | Budget virement proposed |
| 3 | Income | (222) | 52 | | (170) | Forecasting an over recovery of income due to lower than budgeted voids combined with a large one-off easement which have been offset in part by a pressure in garage rental income caused by to low take-up in some areas. Additional unbudgeted income of £202k is expected across leaseholder charges and rechargeable repairs, which is matched with corresponding expenditure. The budgeted contribution from General Fund for shared amenities has been updated during Q3, with an expected income reduction of £76k for the HRA. | Budget holder will review on a monthly basis as per the HRA Business Plan. |
| 4 | Expenditure | 212 | (85) | | 127 | Forecasting an over spend due to higher than expected levels of general maintenance, including rechargeable repairs, which have been offset in part by the slippage of some pre-planned maintenance work into next year. It is likely that welfare reform will lead to additional moves within the housing stock leading to a larger number of voids in the short term. Combined with some major work starting on void properties in Halcon. Savings against budget on insurance premiums and repairs costs, each at £45k under budget, have helped to reduce the reported overspend in Q3. | Budget holder will review on a monthly basis as per the HRA Business Plan. |
| 5 | Transfer to SHDF | 828 | (828) | | 0 | Forecast in Q2 assumed transfer of £828k to Social Housing Development Fund, to be funded from net underspends in other budget lines. This Q3 Report includes a budget virement proposal, therefore no variance to budget on the transfer to SHDF now reported. | Consider transfer of any further net underspends at year end |
| | TOTALS | 0 | (43) | | (43) | | |

ANNEX F**HOUSING REVENUE ACCOUNT RESERVES SUMMARY 2012/13**

| | £k | Current Budget & Forecast £k |
|--|--------------|---------------------------------------|
| Balance Brought Forward 1 April 2012 | | 1,355 |
| Original Budget 2012/13 – Transfer from Revenue Account to increase reserves | | <u>488</u> |
| | | 1,843 |
| Supplementary Estimates | | |
| Creechbarrow Road Project (Approved Exec 6/2/13, subject to Full Council approval) | <u>(200)</u> | (200) |
| Returns | | |
| Surplus Earmarked Reserves | <u>240</u> | 240 |
| Budgeted Balance March 2013 | | <u>1,883</u> |
| Projected Outturn 2012/13 | | <u>43</u> |
| Projected Balance Carried Forward 31 March 2013 | | <u>1,926</u> |

BUDGET VIREMENTS FOR APPROVAL

| # | Amount £ | Fund | From Heading | To Heading | Explanation |
|---|----------------|---------------------------------------|----------------------------------|------------------------------------|--|
| 1 | 60,000 | GF | Legal Services | Earmarked Reserves | Transfer savings in Legal Services to Earmarked Reserves, to fund fixed term staff costs and court costs in 2013/14 to pursue recoverable outstanding debts. |
| 2 | 110,000 | HRA | Interest Payable | Interest Receivable | Allocated surplus interest savings to offset shortfall in interest receivable budget. |
| 3 | 818,000 | HRA | Interest Payable & Receivable | Social Housing Development Fund | Allocate surplus interest savings to the Social Housing Development Fund to provide additional resources to finance housing development projects. |
| | 988,000 | Total Revenue Budget Virements | | | |

| # | Amount £ | Fund | From Service / Heading | To Service / Heading | Explanation |
|----|------------------|--------------------------------------|---------------------------|-------------------------------------|--|
| 1 | 180,000 | HRA | | Kitchens | See HRA Capital Programme Variances section in the main body of the report for further details. The transfers reflect the current estimates of individual elements within the overall programme of capital maintenance and improvement works. Allocate surplus interest savings to the Social Housing Development Fund to provide additional resources to finance housing development projects. |
| 2 | 220,000 | HRA | | Bathrooms | |
| 3 | 250,000 | HRA | | Windows | |
| 4 | 120,000 | HRA | | Doors | |
| 5 | 25,000 | HRA | | Fire Safety Works in Communal Areas | |
| 6 | 375,000 | HRA | | Air Source Heat Pumps | |
| 7 | 75,000 | HRA | | Door Entry Systems | |
| 8 | 20,000 | HRA | | DDA Works | |
| 9 | 135,000 | HRA | | Asbestos removal | |
| 10 | 25,000 | HRA | | Community Alarms | |
| | 1,425,000 | Sub-total – Capital Virements | | | |
| 11 | 620,000 | HRA | Heating Systems | | |
| 12 | 500,000 | HRA | Cladding | | |
| 13 | 285,000 | HRA | Fascias and Soffits | | |
| 14 | 18,000 | HRA | Soundproofing | | |
| 15 | 2,000 | HRA | Tenants Improvements | | |
| | 1,425,000 | Sub-total – Capital Virements | | | |

ANNEX H

SUMMARY STATEMENT OF EARMARKED RESERVES 2012/13

| GENERAL FUND | Balance | Transfers | Transfers | Current |
|---|--------------|--------------|----------------|--------------|
| | B/F | In | Out | Balance |
| | £'000 | £'000 | £'000 | £'000 |
| <i>For General Fund revenue purposes</i> | | | | |
| Growth & Regeneration Service Costs | 886 | 0 | (340) | 546 |
| Asset Management - Tone Leisure | 784 | 0 | (70) | 714 |
| Self Insurance Fund | 750 | 0 | 0 | 750 |
| New Homes Bonus Reserve | 392 | 648 | 0 | 1,040 |
| Local Plan Enquiry General Provisions | 238 | 22 | (42) | 218 |
| Planning Delivery Grant - Revenue | 237 | 0 | (25) | 212 |
| DLO Trading Account Reserve | 222 | 0 | (16) | 206 |
| Asset Management - General Services | 218 | 0 | 0 | 218 |
| Housing Enabling | 218 | 0 | (2) | 216 |
| Home Improvement Agency | 192 | 0 | (192) | 0 |
| Eco Towns Projects Grant Funding | 149 | 0 | 0 | 149 |
| CCR Property Services Restructuring Pension Costs | 147 | 0 | (15) | 132 |
| Performance & Client Consultancy | 144 | 0 | (36) | 108 |
| Youth Homelessness Fund | 133 | 0 | (47) | 86 |
| Land Charges | 101 | 0 | 0 | 101 |
| CEO Initiatives | 60 | 0 | (1) | 59 |
| Olympic Torch Event Support | 60 | 0 | (39) | 21 |
| Corporate Training | 58 | 7 | (19) | 46 |
| LABGI | 38 | 0 | (20) | 18 |
| Other Reserves | 514 | 311 | (243) | 582 |
| <i>For General Fund capital financing purposes</i> | | | | |
| DLO Vehicle Replacement Reserve | 117 | 202 | 0 | 319 |
| Capital Financing Reserve - General Fund Projects | 939 | 242 | 0 | 1,181 |
| GENERAL FUND EARMARKED RESERVES TOTAL | 6,597 | 1,432 | (1,107) | 6,922 |

| HOUSING REVENUE ACCOUNT | Balance | Transfers | Transfers | Current |
|---|------------|-----------|--------------|------------|
| | B/F | In | Out | Balance |
| | £'000 | £'000 | £'000 | £'000 |
| <i>For HRA revenue purposes</i> | | | | |
| HRA Heating Reserve | 240 | 0 | (240) | 0 |
| CCR DLO Transformation (HRA resources) | 78 | 0 | 0 | 78 |
| Other Reserves | 14 | 0 | 0 | 14 |
| <i>For HRA capital financing purposes</i> | | | | |
| Capital Financing Reserve - HRA Projects | 79 | 0 | 0 | 79 |
| Halcon Regeneration Scheme Project Costs | 65 | 0 | 0 | 65 |
| HOUSING REVENUE ACCOUNT EARMARKED RESERVES TOTAL | 475 | 0 | (240) | 235 |

The above General Fund and HRA Earmarked Reserve Balances are a snapshot of balances at the time of publication. Further transfers are expected before the final balances as at 31 March 2013 are reported.

ANNEX I

DEANE DLO TRADING ACCOUNT AND RESERVES SUMMARY

| | Expenditure Budget £'000 | Income Budget £'000 | Net Budget £'000 | Forecast £'000 | Forecast Variance £'000 |
|--|--------------------------------|---------------------------|------------------------|-------------------|-------------------------------|
| TRADING ACCOUNT PERFORMANCE 2012/13 | | | | | |
| Admin | 360 | 0 | 360 | 159 | (201) |
| Stores | 112 | 0 | 112 | (129) | (241) |
| Grounds | 2,259 | (2,512) | (253) | (90) | 163 |
| Building | 3403 | (3,710) | (307) | 47 | 354 |
| Cleansing | 0 | 0 | 0 | 0 | 0 |
| Nursery | 103 | (116) | (13) | 13 | 26 |
| Transport | 0 | 0 | 0 | 0 | 0 |
| DLO Net (Surplus) / Deficit | 7,567 | (7,668) | (101) | 0 | 101 |
| TRADING ACCOUNT RESERVES POSITION | | | | | |
| Balance B/F | | | 222 | 222 | |
| Transfer from 2012/13 Trading Account – Grounds Maintenance | | | 0 | (16) | |
| Transfer from reserve to vehicle purchases | | | | (120) | |
| Funding available for projected overspend | | | | (86) | |
| Estimated Balance C/F | | | 222 | 0 | |

NB 1 These forecast figures have been provided by managers from the DLO and require some caution because the situation may alter prior to year end.

NB 2 The stores and admin cost centres are recharged entirely at year end. Stores profit is split between DLO cost centres leaving a Nil cost and the Admin cost is split 55.97% to general fund leaving the remaining forecast balance to be split between the various DLO cost centres

GENERAL FUND CAPITAL PROGRAMME 2012/13 FORECASTS

| | | | | | | | ANALYSIS OF VARIANCE | |
|-------------------------------------|--------------------------------|-----------------|------------------|------------------|------------------|-----------------------------------|-----------------------|-------------------------------|
| Budget Holder | Project | Original Budget | Current Budget | Actuals To Date | Forecast Outturn | Over/(Underspend) at year end (£) | Slippage Into 2013/14 | Over/(Under) spend For Scheme |
| | | £ | £ | £ | £ | £ | £ | £ |
| Roger Mitchinson | Climate Change Initiatives | 0 | 100,000 | 55,431 | 60,000 | (40,000) | (40,000) | 0 |
| Leadership | | 0 | 100,000 | 55,431 | 60,000 | (40,000) | (40,000) | 0 |
| Louise Dance | PC Refresh Project | 60,000 | 79,940 | 6,582 | 65,000 | (14,940) | (14,940) | 0 |
| Richard Sealy | ICT Infrastructure Maintenance | 0 | 35,000 | 9,559 | 0 | (35,000) | (35,000) | 0 |
| Richard Bryant | Members IT Equipment | 6,690 | 4,000 | 0 | 500 | (3,500) | (3,500) | 0 |
| Resources | | 66,690 | 118,940 | 16,141 | 65,500 | (53,440) | (53,440) | 0 |
| Chris Hall | DLO Vehicles | 280,000 | 418,840 | 206,301 | 418,840 | 0 | 0 | 0 |
| Chris Hall | DLO IT System | 0 | 400,000 | 0 | 11,845 | (388,155) | (388,155) | 0 |
| Cyril Rowe | DLO Plant | 20,000 | 20,000 | 11,712 | 20,000 | 0 | 0 | 0 |
| Mark Green | PT Longrun Meadow C | 40,000 | 108,000 | 2,931 | 13,000 | (95,000) | (95,000) | 0 |
| Mark Green | PT COACH Project | 40,000 | 40,000 | 0 | 40,000 | 0 | 0 | 0 |
| Mark Green | PT Public H and S | 10,000 | 10,000 | 0 | 10,000 | 0 | 0 | 0 |
| Mark Green | PT High Street | 100,000 | 133,000 | 5,456 | 133,000 | 0 | 0 | 0 |
| Mark Green | PT Longrun Farm | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mark Green | PT Firepool | 0 | 468,000 | 6,298 | 428,000 | (40,000) | (40,000) | 0 |
| Mark Green | PT Castle Green | 0 | 1,679,000 | 1,375,677 | 1,379,000 | (300,000) | (300,000) | 0 |
| Mark Green | PT High St Retail | 0 | 60,000 | 76,369 | 60,000 | 0 | 0 | 0 |
| Mark Green | PT NIDR | 0 | 35,000 | 0 | 35,000 | 0 | 0 | 0 |
| Mark Green | PT Urban Growth | 0 | 58,000 | 0 | 10,000 | (48,000) | 0 | (48,000) |
| Mark Green | PT Goodlands Gardens | 0 | 0 | (6,271) | 0 | 0 | 0 | 0 |
| Mark Green | PT Coal Orchard | 0 | 10,000 | 0 | 0 | (10,000) | (10,000) | 0 |
| Mark Green | PT Bus Station | 0 | 11,000 | 7,602 | 11,000 | 0 | 0 | 0 |
| Mark Green | PT Sineage | 0 | 22,000 | 3,018 | 22,000 | 0 | 0 | 0 |
| Mark Green | PT Consultancy | 0 | 20,000 | 0 | 20,000 | 0 | 0 | 0 |
| Simon Lewis | HPDG Firepool Weir | 0 | 4,080 | 0 | 4,080 | 0 | 0 | 0 |
| Total Ec Dev and Arts | | 490,000 | 3,496,920 | 1,689,092 | 2,615,765 | (881,155) | (833,155) | (48,000) |
| Ian Clark | Taunton/Canal Grant | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0 | 0 |
| Paul Rayson | Mercury Abatement | 0 | 1,079,290 | 227,878 | 900,290 | (179,000) | (179,000) | 0 |
| Richard Sealy | Waste Containers | 50,000 | 101,180 | 16,190 | 55,000 | (46,180) | (46,180) | 0 |
| Total Environmental Services | | 60,000 | 1,190,470 | 254,068 | 965,290 | (225,180) | (225,180) | 0 |
| Jo Humble | Grants to RSL's | 0 | 694,600 | 107,960 | 280,460 | (414,140) | (414,140) | 0 |
| Paul Harding | Private Sector H and S | 25,000 | 35,830 | 60,631 | 35,830 | 0 | 0 | 0 |
| Paul Harding | Energy Efficiency | 62,000 | 62,000 | (5,780) | 62,000 | 0 | 0 | 0 |
| Paul Harding | Landlord Acc Scheme | 90,000 | 90,000 | 0 | 65,000 | (25,000) | (25,000) | 0 |

GENERAL FUND CAPITAL PROGRAMME 2012/13 FORECASTS

| | | | | | | | ANALYSIS OF VARIANCE | |
|---|-------------------------------|------------------|------------------|------------------|------------------|-----------------------------------|-----------------------|-------------------------------|
| Budget Holder | Project | Original Budget | Current Budget | Actuals To Date | Forecast Outturn | Over/(Underspend) at year end (£) | Slippage Into 2013/14 | Over/(Under) spend For Scheme |
| | | £ | £ | £ | £ | £ | £ | £ |
| Paul Harding | Wessex HI Loans | 62,000 | 62,000 | 0 | 62,000 | 0 | 0 | 0 |
| Paul Harding | DFGs Private Sector | 450,000 | 686,050 | 307,550 | 600,000 | (86,050) | (86,050) | 0 |
| Richard Burge | Community Alarms | 0 | 4,500 | 0 | 4,500 | 0 | 0 | 0 |
| Total Housing | | 689,000 | 1,634,980 | 470,361 | 1,109,790 | (525,190) | (525,190) | 0 |
| Tracy Ann-Biss | Accolaid Upgrade | 20,000 | 20,000 | 872 | 0 | (20,000) | (20,000) | 0 |
| John Lewis | Paul St Car Park | 218,000 | 409,530 | 25,336 | 185,000 | (224,530) | (224,530) | 0 |
| Total Planning and Transportation | | 238,000 | 429,530 | 26,208 | 185,000 | (244,530) | (244,530) | 0 |
| Alison North | Replacement Lift Station Road | 0 | 0 | (9,297) | 0 | 0 | 0 | 0 |
| Debbie Arscott | Grants to Clubs Play | 46,000 | 46,000 | 46,224 | 46,000 | 0 | 0 | 0 |
| Debbie Arscott | Grants to Parishes | 20,000 | 32,420 | 1,364 | 32,420 | 0 | 0 | 0 |
| Debbie Arscott | Replace Play Equip | 20,000 | 20,000 | 24,416 | 20,000 | 0 | 0 | 0 |
| Debbie Arscott | Play Equip Long Run | 0 | 0 | 24,949 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Play Equip Greenway | 0 | 0 | 1,325 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Langford Budville VH | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Vivary Park Play | 0 | 0 | 14,184 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Fitzhead Tythe Barn | 0 | 0 | (182) | 0 | 0 | 0 | 0 |
| Debbie Arscott | Play Area Taunton Green | 0 | 0 | 3,087 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Popham Hall | 0 | 0 | (8,902) | 0 | 0 | 0 | 0 |
| Debbie Arscott | Wellington Recreation | 0 | 0 | 3,360 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Goodlands Gardens | 0 | 0 | 1,108 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Lambrook Green | 0 | 0 | 7,924 | 0 | 0 | 0 | 0 |
| Debbie Arscott | French Weir Park | 0 | 0 | 25,352 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Cotford St Luke Play | 0 | 0 | 1,498 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Lyngford Skate Ramps | 0 | 0 | 2,433 | 0 | 0 | 0 | 0 |
| Debbie Arscott | Wellington Pavillion | 0 | 355,070 | 22,527 | 100,000 | (255,070) | (255,070) | 0 |
| Total Sports Parks and Leisure | | 86,000 | 453,490 | 161,371 | 198,420 | (255,070) | (255,070) | 0 |
| TOTAL GENERAL FUND CAPITAL PROGRAMME | | 1,629,690 | 7,424,330 | 2,672,672 | 5,199,765 | (2,224,565) | (2,176,565) | (48,000) |

HRA CAPITAL PROGRAMME 2012/13 FORECASTS

| | | | | | | | ANALYSIS OF VARIANCE | |
|------------------|--------------------------|------------------|------------------|------------------|------------------|-----------------------------------|-----------------------|-------------------------------|
| Budget Holder | Project | Original Budget | Current Budget | Actuals To Date | Forecast Outturn | Over/(Underspend) at year end (£) | Slippage Into 2013/14 | Over/(Under) spend For Scheme |
| | | £ | £ | £ | £ | £ | £ | £ |
| Phil Webb | HRA Kitchens | 0 | 180,000 | 29,501 | 180,000 | 0 | 0 | 0 |
| Phil Webb | HRA Bathrooms | 740,000 | 960,000 | 472,898 | 960,000 | 0 | 0 | 0 |
| Phil Webb | HRA Roofing | 960,000 | 960,000 | 514,016 | 960,000 | 0 | 0 | 0 |
| Phil Webb | HRA Windows | 415,000 | 665,000 | 459,606 | 665,000 | 0 | 0 | 0 |
| Phil Webb | HRA Heating Improvements | 1,200,000 | 230,000 | 1,673 | 230,000 | 0 | 0 | 0 |
| Phil Webb | HRA Doors | 120,000 | 240,000 | 118,485 | 240,000 | 0 | 0 | 0 |
| Phil Webb | HRA Fire Safety Work | 150,000 | 175,000 | 94,678 | 175,000 | 0 | 0 | 0 |
| Phil Webb | HRA Cladding | 500,000 | 349,500 | 0 | 0 | (349,500) | 0 | (349,500) |
| Phil Webb | HRA Facias and Soffits | 505,000 | 220,000 | 103 | 220,000 | 0 | 0 | 0 |
| Phil Webb | HRA Heat Pumps | 225,000 | 600,000 | 265,533 | 600,000 | 0 | 0 | 0 |
| Shari Hallet | HRA IT Development | 15,000 | 15,000 | 11,533 | 15,000 | 0 | 0 | 0 |
| Phil Webb | HRA Door Entry Systems | 75,000 | 150,000 | 1,416 | 150,000 | 0 | 0 | 0 |
| Paul Harding | HRA Aids and Adaptations | 200,000 | 200,000 | 89,412 | 110,588 | (89,412) | 0 | (89,412) |
| Phil Webb | HRA Soundproofing | 20,000 | 2,500 | 0 | 2,500 | 0 | 0 | 0 |
| Phil Webb | HRA DDA Work | 20,000 | 40,000 | 2,239 | 40,000 | 0 | 0 | 0 |
| Phil Webb | HRA Asbestos Work | 50,000 | 185,000 | 32,096 | 185,000 | 0 | 0 | 0 |
| Phil Webb | HRA Tenants Improvements | 5,000 | 3,000 | 650 | 3,000 | 0 | 0 | 0 |
| Paul Harding | HRA DFG's | 300,000 | 300,000 | 109,315 | 196,754 | (103,246) | 0 | (103,246) |
| Richard Burge | Community Alarms | 0 | 25,000 | 28,804 | 25,000 | 0 | 0 | 0 |
| TOTAL HRA | | 5,500,000 | 5,500,000 | 2,231,956 | 4,957,842 | (542,158) | 0 | (542,158) |

17/04/2013, Report:Customer Access and Accommodation Project Authorisation
Reporting Officers:Joy Wishlade

15/05/2013, Report:Swimming Pool Provision in Taunton
Reporting Officers:Alison North

10/07/2013, Report:Financial Outturn Report 2012/2013
Reporting Officers:Paul Fitzgerald

10/07/2013, Report:Creechbarrow Road Development Update Report
Reporting Officers:James Barrah
Contains exempt information requiring private consideration: Yes
Exempt reason:The report may contain some commercially sensitive information.

10/07/2013, Report:Taunton Deane Corporate Business Plan
Reporting Officers:Simon Lewis

10/07/2013, Report:Community Infrastructure Levy Instalment Policy
Reporting Officers:Phil Bisatt

10/07/2013, Report:Land at Creedwell Orchard Housing Estate, Milverton, Taunton
Reporting Officers:Joy Wishlade
Contains exempt information requiring private consideration: Yes
Exempt reason:The report contains commercially sensitive information throughout.

10/07/2013, Report:Extension of Somerset Aster Living Care and Repair Contract
Reporting Officers:Simon Lewis

07/08/2013, Report:Planning toolkit for handling large scale and complex development proposals
Reporting Officers:Tim Burton

13/11/2013, Report:Review of the Statement of Community Involvement
Reporting Officers:Ann Rhodes