

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 9 July 2014 at 18:15.

Agenda

- 1 Apologies.
- 2 Minutes of the meeting of the Executive held on 11 June 2014 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests
To receive declarations of personal or prejudicial interests, in accordance with the Code of Conduct.
- 5 New Burdens Funding. Report of the Head of Revenues and Benefits (attached).
Reporting Officer: Heather Tiso
- 6 Financial Outturn 2013/2014. Report of the Assistant Director - Resources (attached).
Reporting Officer: Paul Fitzgerald
- 7 Corporate Performance Monitoring - Quarter 4 / Outturn 2013/2014. Report of the Performance Lead Officer (attached).
Reporting Officer: Dan Webb
- 8 Council Accommodation. Report of the Director - Housing and Communities (attached). See also confidential appendices at agenda item No. 10.
Reporting Officer: James Barrahan
- 9 Executive Forward Plan - details of forthcoming items to be considered by the Executive and the opportunity for Members to suggest further items (attached)

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

- 10 Council Accommodation - Confidential Appendices 1 and 2 (attached).
Paragraph 3 - Financial or Business Affairs.

Bruce Lang
Assistant Chief Executive

18 July 2016

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.

Except at meetings of Full Council, where public participation will be restricted to Public Question Time only, 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.

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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.



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Executive Members:-

Councillor M Edwards Communications (Deputy Leader))	(Business Development and Asset Management and Communications (Deputy Leader))
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 Management, Arts and Tourism)	(Portfolio Holder - Economic Development, Asset Management, Arts and Tourism)
Councillor J Hunt Climate Change)	(Portfolio Holder - Environmental Services and Climate Change)
Councillor J Adkins	(Portfolio Holder - Housing Services)
Councillor C Herbert	(Sports, Parks and Leisure)

Executive – 11 June 2014

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

Officers: Penny James (Joint Chief Executive), Shirlene Adam (Director – Operations), Alison North (Community Leisure Manager), Ann Rhodes (Planning Policy Officer), Nick Bryant (Policy Lead), Ian Timms (Assistant Director – Business Development) and Richard Bryant (Democratic Services Manager and Corporate Support Lead)

Also present: Councillors Coles, Horsley, Miss James, Morrell and A Wedderkopp. Ian Payne and Dave Bullock both from COACH; Robin Upton - White Young Green; Matt Ballard – Somerset County Council

(The meeting commenced at 6.15 pm.)

38. Apology

Councillor Edwards.

39. Minutes

The minutes of the meeting of the Executive held on 16 April 2014, copies of which had been circulated, were taken as read and were signed.

40. Public Question Time

Councillor Morrell stated that significant improvements to Taunton's High Street had been a key manifesto pledge of the Leader of the Council in the May 2011 election campaign. Please could it therefore be answered:-

1. Why was Taunton's High Street still a disgrace for the town and who would take responsibility for this inaction?
2. In relation to recent drainage works along the High Street:-
 - (i) Which contractor undertook the work?
 - (ii) Which local government officer and Councillor approved the appointment of this contractor?
 - (iii) Who had authority to sign this drainage work off as complete?
 - (iv) Despite the poor workmanship, had the work been signed off and by whom as finished and acceptable?
 - (v) Had the invoice been paid and for how much?
3. Who was the senior Taunton Deane Borough Council officer with responsibility for Taunton's High Street and:-

- (i) What High Street works have been delivered since May 2011?
- (ii) How much money, nevertheless the responsible local government authority, has been spent on Taunton's High Street since May 2011? A breakdown of costs is requested.
- (iii) What future work, including time-scales, is proposed?
- (iv) The break-down of costs involved in delivering the proposed schedule of works. A copy of the plan and costs is requested.
- (v) Has funding been allocated for the proposed works and, if not, can the current position and intent to achieve delivery be detailed.

In response, the Chairman (Councillor Williams) agreed that the improvement of High Street had been an election pledge. He stated that some improvement works had been done but there was still a long way to go before completion.

These works had identified that the services beneath the surface were 'in a state' and had to be brought up to standard before the desired enhancement works could be fully implemented. The works to the services had been expensive and had rapidly used up the limited funding available. Efforts would be continued to identify further funding sources.

Somerset County Council (SCC) as the Highway Authority was responsible for the sign off of works to the High Street. Some of these works remained outstanding. The use of different contractors had made it difficult to identify who was responsible for these incomplete works.

Councillor Williams commented on the replacement of paving in High Street with tarmac. He was aware that SCC used this method on the grounds of cost but was aware that there was a 'policy' which required paving to be properly replaced in sensitive areas of the town. He would be asking officers to liaise with SCC to ensure the correct surface was applied to the High Street in the future.

He promised Councillor Morrell a full written reply to the points he had raised.

41. **COACH Project Update**

Considered report previously circulated, concerning the proposed provision of a Centre for Outdoor Activity and Community Hub (COACH) on a site at French Weir, Taunton. The facility would be both a building, including a floodable boat store, and a community facility.

The intention was to provide a sustainable and functional permanent home for a wide variety of clubs and Community Groups as detailed in the business plan and the replacement of the public toilets as the current ones were sited on land that was required for the COACH scheme.

The Council had been working on the project since 2011 and approval to grant a long lease at a peppercorn rent had been granted subject to planning permission, funding and a business case. The Council had also awarded £40,000 to support the project in meeting design costs, land surveys and a planning application which had been granted permission in November 2013.

Reported that in March 2014 an application had been submitted to Sport England for grant funding. Initial discussions with Sport England had shown a good level of support for the project due to its unique nature.

With regard to contributory funding from the Council, noted that Executive Councillor Norman Cavill had made a decision in August 2013 to accept the Trustees' proceeds from the sale of land at Castle Street, Tangier (the site of the former Taunton Youth and Community Centre) on the understanding that the money would be ring fenced for capital funding of youth projects to be agreed at the appropriate time.

To support the COACH project in their application to Sport England a proportion of these funds - £200,000 - would be earmarked for the project as the required funding.

The COACH trustees had provided a Business Plan for Councillors to review, the main points of which were as follows:-

(a) Financial Summary - The figures and projections provided by COACH had taken a prudent stance which provided room for expansion and the prospect of enhanced returns. They were based on existing income and, as such, were reliable and robust. The Trustees were confident that the surpluses would be exceeded, providing further contingency. The support from Somerset College would be vital to ensure that the accounts and reporting were timely and accurate. Given the charitable status of the entity, returns would be required and this would be a new challenge for COACH which would require a systematic approach.

(b) Public Toilets - The proposed facility would use the site of the existing public toilets at French Weir. The COACH facility would provide public access toilets to replace that existing resulting in a saving to the Council of in the region of £8,000 per annum.

(c) Implications for the Council – The project was the responsibility of COACH as an organisation and there would be no legal responsibility for the Council to underwrite any losses or failure of the project.

Further reported that the extent of the land to be included in the proposed lease was as detailed in the report, with the proposed term being 125 years from a date to be agreed at a peppercorn rent. The lease would provide that the land should be developed and used in accordance with the planning permission granted and that there should be no rights to assign or sublet (save for casual hiring).

All other terms and conditions, including those relating to the provision of public toilets, would be agreed by the Council's Property Estates Team in consultation with the Executive Councillors for Leisure and Property.

To allow discussion to take place on the confidential appendices to the report, it was **resolved** that the press and public be excluded from the meeting because of the likelihood that exempt information would otherwise be disclosed relating to Clause 3 of Schedule 12A to the Local Government Act, 1972 and the public interest in

withholding the information outweighed the public interest in disclosing the information to the public.

Resolved that it be recommended to Full Council that:-

- (a) The grant of a long lease at a peppercorn rent on the terms and conditions set out in the report be approved;
- (b) A proportion of the funds - £200,000 – from the sale of the former Taunton Youth and Community Centre be assigned as funding for the COACH project to support the application for funding made to Sport England; and
- (c) When the funds were forthcoming from the sale, they be added to the Council's Capital Programme.

42. **Jurston Development Brief, Wellington**

Considered report previously circulated, informing Members of imminent consultation which was due to be undertaken on the Jurston Design Brief.

The Taunton Deane Core Strategy 2011-2028 Development Plan Document had been adopted in September 2012. This document had set the strategic framework for development across Taunton Deane for the period to 2028.

Jurston was part of the Cades/Jurston strategic development site. In the Core Strategy, it was identified in Policy SS4 as a new compact urban extension east of Wellington. Full details as to the wording of this policy was set out in the report.

The Core Strategy had also stated that the development of this strategic site would be further guided by a masterplan and design code to ensure a coordinated approach to the delivery of the site.

The promoters of the site, C J Fry, and their consultants, WYG, had worked with the Council to prepare a draft Development Brief for the site to guide its development. A copy of this document which encompassed the required masterplan and design code had been circulated to Members of the Executive.

It had been shaped by community and stakeholder involvement. The Prince's Trust had been commissioned to facilitate independent consultation with statutory consultees, local interest groups and societies, Councillors and officers from the County, District and Town Councils. The first phase of this process in October 2011 had identified key issues and opportunities relating to the site. The second phase in November 2011 had produced a collaborative vision, masterplan and delivery strategy for the site.

The draft Development Brief set out contextual information (location, history, planning policy, and consultation), constraints and opportunities presented by the site and a set of principles to guide the type, form, layout and look of development for it.

The Council intended to publish this document for public consultation prior to adopting it as a Supplementary Planning Document (SPD). Under the National Planning Policy Framework and Town and Country Planning (Local Planning) Regulations the Council could adopt such documents where they added value, detail and guidance to the existing policies in the Core Strategy Development Plan Document. Once adopted it would be an important consideration in the determination of a planning application for Jurston.

Resolved that:-

- (1) The report be noted; and
- (2) The publication of the Jurston Development Brief for public consultation be approved.

43. Superfast Broadband Extension – Request for Match Funding

Considered report previously circulated, concerning the proposed extension of superfast broadband in Taunton Deane.

Increasing the availability and take-up of superfast broadband was a key driver for enterprise and growth, and therefore remained a high priority. Extending deployment in under-served areas could also safeguard employment in areas which would otherwise place businesses at a serious disadvantage and support inclusion in the digital economy for consumers in rural areas.

Improving the availability of superfast broadband also had a role to play in increasing the resilience of the Council and its infrastructure for the communities particularly during events such as the severe flooding of the Somerset Levels during the past winter.

The current Connecting Devon and Somerset (CDS) Programme would deliver 90% superfast broadband coverage to the area by the end of 2016. This would leave 10% of the CDS area without any improvement in broadband speeds, which equated to approximately 90,000 premises.

This gap in broadband provision had been recognised by Government, which under the Superfast Extension Programme (SEP) had made available an additional £250,000,000 with the objective of bringing the United Kingdom (UK) up to 95% superfast broadband coverage by the end of 2017.

The Government had recently announced how this funding would be allocated. CDS had been granted £22,750,000 - the largest single allocation made to a programme in England. To draw down this funding the Government had stipulated that Local Authorities should provide 50% match funding.

Reported that Somerset County Council (SCC) had already taken the decision to agree an in principle capital match contribution of up to £2,000,000, which had to be confirmed by its Cabinet later in the month. Devon County Council had undertaken

a similar process resulting in an in principle capital match contribution of £2,000,000 too.

Following the in principle decision by SCC, the District Councils had been briefed on the SEP and asked to consider their own capital contributions to support a full application to BD:UK (Broadband Delivery UK) and asked collectively to contribute an additional £2,000,000.

Noted that in terms of an indicative capital contribution for each District Council and a figure for the number of additional premises expected to benefit from a superfast broadband connection, the CDS had analysed the latest available data. However, this could change as a result of a number of circumstances including a new procurement exercise which might alter the exact match funding.

Such an exercise would be required as the current contract with BT would breach materiality if funding in excess of 10% of the contract value (£94m) was to be introduced. A new procurement would also be required so that more appropriate technologies, such as wireless or 4G, could be deployed. Given the nature of the geography in question, CDS expected that these technologies would be required so as to ensure value for money and to deliver 95% superfast broadband coverage into deeply rural areas.

A detailed partnering agreement and governance arrangements would be required at a later date following full consultation with all of the Councils in Somerset who were able to make available a capital contribution.

Members were asked to note that the BD:UK Strategic Economic Plan guidance stated that any allocations not drawn down by local authorities could be redistributed to other local authority areas throughout the UK. Therefore, there was a danger that a proportion of the current SEP allocation could be reallocated to other Local Authorities if the full match funding requirement was not to be met.

Further reported that Taunton Deane Borough Council had been asked to agree in principle a capital funding commitment of £380,000 which could be spread over three years (£130,000 in 2014/2015, £130,000 in 2015/2016, and £120,000 in 2016/2017). It was estimated that this would deliver an additional 3634 superfast premises by the end of 2017 – in addition to the premises that would be delivered under the current CDS programme.

Although this proposal clearly met the Councils ambitions, there currently were very limited unallocated capital resources. Members would therefore need to prioritise their ambitions in terms of delivering capital schemes. If Broadband was to be the top priority, then it was recommended this should be funded from the Growth Reserve (which included the 2014/2015 New Homes Bonus funding).

Resolved that:-

- (1) The principle to fund the share of match funding requested from Taunton Deane Borough Council towards the Superfast Broadband Extension be agreed; and

- (2) Full Council be recommended to approve the inclusion of £380,000 within the Council's approved Capital Programme either from the previous years underspend or from the Growth Reserve subject to final agreement as to the area to be covered and the identification of alternative funding sources.

44. **Executive Forward Plan**

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

Resolved that the Forward Plan be noted.

(The meeting ended at 7.49 p.m.)

Taunton Deane Borough Council

Executive - 9 July 2014

New Burdens Funding

Report of Head of Revenues and Benefits

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

Executive Summary

This report seeks approval that the Executive utilise funding provided under the New Burdens doctrine.

The contents of this report were considered by Corporate Scrutiny on 19 June 2014. No changes were requested and the Committee supported the proposals and recommendations.

1. Background

- 1.1. Through the introduction of localised Council Tax Support, the Government recognised the importance of providing funding to meet the unavoidable additional, costs to a local authority in designing and administering a local Council Tax Support (CTS) scheme, in line with the New Burdens Doctrine.
- 1.2. The Local Government Finance Settlement provided new burdens funding allocations. The New Burdens funding for Taunton Deane Borough Council for localised CTS is £78,866 for 2014/15.
- 1.3. In addition, the Department for Work and Pensions have provided funding of £18,432 for 2014/15 intended to meet new burdens we will incur through the ongoing implementation of the following areas of welfare reform:
 - changes to Local Housing Allowance (LHA) (including the move to an annual up-rating cycle and changes to the shared accommodation rate)
 - the Removal of the Spare Room Subsidy (RSRS) (including the unintended exemption for certain pre-1996 cases)
 - the benefit cap
- 1.4. Therefore, the total new burdens funding available to Taunton Deane Borough Council is £97,298. The funding is not “ring-fenced” and while it is important to support effective administration for both localised CTS and Housing Benefit, we have the opportunity to ease administrative burdens in other key areas.

2. Proposals

2.1. Civica Council Tax Support Module

- 2.1.1. We use Civica OpenRevenues software to administer Council Tax. Civica initially deferred charges for the Council Tax Support module for our localised scheme but this is due from 2014/15.
- 2.1.2. The cost of this software is £7,000 with annual support and maintenance of £1,400.

2.2. Progress Version 11 Database Upgrade

- 2.2.1. In July 2014 Civica OPENRevenues will be moving to Version 11 of Progress (Database) in preparation for the next release due out in September 2014. All sites are required to be at Version 11 by September 2014.
- 2.2.2. Civica will perform this upgrade for us during working hours. Additionally they will conduct a health check post upgrade of our live database to check items such as database capacity.
- 2.2.3. The cost of this upgrade will be £2,000.
- 2.3. Council Tax Support Scheme redesign consultancy
- 2.3.1. On 1 April 2013 Council Tax Benefit (CTB) was abolished and replaced with a locally designed "Council Tax Support Scheme" (CTS). Only 90% of funding previously granted for CTB was given for localised CTS. However, those of pensionable age were protected from any reduction in support, so cuts could only apply to people of working age.
- 2.3.2. Funding for localised CTS is incorporated in the total Local Government Finance Settlement (LGFS) and is not separately identified. We have indicative figures the LGFS will reduce considerably in future years. Any decision to decrease the money paid out by CTS by the same proportion the LGFS is reduced could mean significant cuts in CTS available to working age recipients. While we are currently considering consultation responses on our CTS scheme for 2015/16, we need to look to the future.
- 2.3.3. Our aim is to completely redesign our CTS scheme for Working Age applicants from 2016/17 to:
- Protect applicants on a low income and those deemed to be vulnerable;
 - Incentivise work and maintain levels of support to assist those on low levels of earned income;
 - Reduce administration costs in anticipation of changes to administrative subsidy;
 - Be delivered within existing administrative frameworks and with minimal changes to software requirements; and
 - Reduce the level of expenditure across the scheme to deliver the savings required by billing and precepting authorities.
- 2.3.4. To achieve these aims we propose to obtain assistance through David Airey, a leading consultant in this field who worked with us in creating our current CTS scheme.
- 2.3.5. We hope to work in collaboration with the County Council (as the major preceptor) and the other Somerset District billing authorities of West Somerset, Sedgemoor, Mendip and South Somerset to design a "core" scheme for Somerset.
- 2.3.6. Any proposed scheme needs to be designed, modelled and tested in time for full public consultation in July/August 2015. The cost of extracting and modelling data for a re-designed CTS scheme would be in the region of £950.
- 2.3.7. The outline cost of consultancy assistance is £22k. Somerset County Council, as the major preceptor would be the major beneficiary of any reduction in funding for CTS and we have therefore requested they fund 75% (£16.5k) of the consultancy fee. Dependent on their response, this would leave participating billing authorities providing the remaining £5.5k.

2.4. Profiling Local Business Rates

- 2.4.1. The Local Government Finance Act 2012 places a new statutory requirement on all billing authorities to calculate how much business rate income each authority is likely to receive in the coming year. This forecast has to be submitted to the DCLG and relevant precepting authorities each January prior to the following financial year and continue to be monitored during the relevant financial year.
- 2.4.2. The Valuation Office Agency (VOA) release information on all outstanding proposals they have received on the 2005 and 2010 rating lists in our area. Taunton Deane receive data on a large number of potential appeals that we must evaluate and adjust our collection estimates accordingly. We have limited expertise in this element of the process so we are forced to utilise the national generic recommended percentages for these potential losses.
- 2.4.3. The Act also encourages Councils to maximise business rates collection by incentivising it through a retention scheme that, in simple terms enables us to retain 20% of additional rate income. Maximisation can be achieved by encouraging new growth in the borough and by ensuring the existing local rating list is accurate and reflects the correct values of existing commercial property in the borough
- 2.4.4. Whilst every Council is legally responsible for bringing matters to the attention of the VOA, in reality the local rating list has suffered from 23 years of neglect. Evidence of this has been demonstrated by research that highlights instances where:
- hereditaments are not in the 2010 rating list
 - properties are under-assessed due to floor value or size of hereditament
 - newly built and properties ready for completion have no completion notice served
 - properties that will soon be empty or where a change of occupier has occurred are not recognised.
- 2.4.5. Inform CPI Ltd have information from their existing rating database that will estimate the value of outstanding proposals and calculate the impact to assist us in preparing sound and prudent estimates of business rate income for the forthcoming financial year. This will include the effect of backdating, discounts and reliefs.
- 2.4.6. Their software, Analyse LOCAL, will monitor and estimate changes caused by:
- The evaluated success of lodged proposals
 - Valuation Office Notices (VON's) for tone reductions (SchemeWatch).
 - The retrospective issue of transitional certificates
 - VON's for Material Change of Circumstances (MCC) reductions
 - Losses due to historical audit cases
- 2.4.7. The report from Analyse Local will include all of the information necessary for us to ask the VOA to take the appropriate action. The product will remove the need for staff to forecast appeals, and as a bi-product, we will be alerted to properties that are available for let, to allow us target inspections more accurately.
- 2.4.8. The purchase of Analyse Local software for business rate forecasting and retention maximisation for an initial period of one year will cost £6,000. There will be an additional one-off contingency cost of 10% of the value of any new or increased

Rateable Value identified by Inform CPI through their RV Finder product that will be met from additional income generated.

2.5. Mobile working – Visiting/Inspection Officers

2.5.1. To better facilitate mobile working and ensure we are complying with Health and Safety provisions for lone workers we need to invest in mobile technology. We anticipate the cost of the hardware and software required is likely to be in the region of £5,000.

2.6. Cheque Printer and software

2.6.1. We need to replace our existing TROY MICR 2300 SEC.EX printer with a TROY M401DN MICR Secure Printer at a cost of £1,600.

2.6.2. We also need to upgrade the existing Cheqflow software at a cost of £1,350. This will include reconfiguration and remote installation.

2.7. Agency staffing provision - Benefits Team

2.7.1. As a consequence of Welfare Reform, we require additional capacity within the Benefits Team. To provide flexibility and allow us to utilise the resource when required at peak periods, we propose to use agency staff. Using agency staff is also relevant while the Council is working through restructuring under JMASS

2.7.2. We therefore propose an amount of £25,000 be allocated from the new burdens funding to cover the costs of agency staffing.

2.8. Agency staffing provision - Revenues Team

2.8.1. In 2013/14 it was agreed we could recruit a temporary Revenues Officer on a 1-year fixed term contract. That position has now come to an end.

2.8.2. While maintaining in-year Council Tax collection at 98.0% for 2013/14, the team have experienced significant additional work through recovery activity as a consequence of the reduction in help available through Council Tax Support in comparison with the help that used to be provided through Council Tax Benefit.

2.8.3. However, this work has fluctuated throughout the year and it is felt prudent to set aside provision for agency staffing to be utilised at peak times.

2.8.4. We therefore propose an amount of £25,000 be allocated from the new burdens funding to allow for agency staffing provision at peak times to maintain recovery activities. This will allow us to maintain collection levels and provide adequate support to our customers in agreeing realistic payment arrangements.

3. Finance Comments

- 3.1. The spending proposals outlined above are summarised in the following table. It would be prudent to assume at this stage, that TDBC fund the CTS Scheme redesign consultancy fee in its entirety. Any contribution from County and other participating Districts could then be used to ensure resilience of service delivery across the services and provide some contingency. The table also highlights the £1,400 that will need to be taken into account as part of budget setting for 2015/16.

Proposal	Initial Cost (£)	Ongoing (£)
Civica Council Tax Support Module	8,400	1,400 pa
Progress Version 11 Database Upgrade	2,000	0
CTS Scheme redesign consultancy and data modelling	22,950	0
Analyse Local software	6,000	0
Mobile working – Visiting/Inspection Officers Hardware/Software	5,000	0
Cheque printer and software	2,950	0
Agency staff – Benefits team	25,000	0
Temp staff – Revenues team	25,000	0
Total cost exposure	97,300	1,400
SCC contribution to CTS re-design	(16,500)	0
Total	80,800	1,400

4. Legal Comments

- 4.1. None arising from this report.

5. Links to Corporate Aims

- 5.1. Achieve financial sustainability by protecting the Council's overall financial exposure and risk.
- 5.2. Transforming Services - ensuring we remain customer focussed.
- 5.3. Transform the Way We Work – a performance focussed culture.

6. Environmental and Community Safety Implications

- 6.1. Environmental and community safety implications have been considered, and there are not expected to be any specific implications relating to this report.

7. Equalities

- 7.1. There are not expected to be any direct equality issues relating to this report.
- 7.2. We have carried out an Equalities Impact Assessment (EIA) for the Revenues and Benefits Service and its various functions. Good practice already in place includes:
- Ensuring standard computer generated letters are written in Plain English
 - Using “StyleWriter” on word-processed letters to assist in writing in plain language
 - The ability to translate letters and decision notices into any language
 - Providing letters and decision notices in large print, Braille or on audio tape
 - Officers able to visit and assist customers in their homes

8. Risk Management

- 8.1. The proposals detailed in part 2 of this report will mitigate the Council's risk to ensure:
- Financial sustainability through our localised Council Tax Support scheme by protecting the Council's overall financial exposure and risk.
 - Effective and efficient allocation of staffing resource
 - Sound and prudent estimates of business rate income

9. Partnership Implications

- 9.1. Partnership implications have been considered, and there are not expected to be any specific implications relating to this report.

10. Recommendation

- 10.1. The Executive is invited to approve purchase of those goods and services detailed in part 2 of this report.

Heather Tiso

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Taunton Deane Borough Council

Executive – 9 July 2014

Financial Outturn 2013/2014

Report of the Assistant Director - Resources

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

IMPORTANT – PLEASE NOTE:

In order for this performance information to be debated in the most efficient manner at the Corporate 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 contains information related to the Council's financial performance for 2013/14 financial year. The outturn figures included are **provisional subject to external audit review**; the findings of which are to be reported to Corporate Governance Committee in September this year.

General Fund Revenue

The General Fund (GF) Revenue Outturn for 2013/14 is a Net Expenditure position of £13.453m, which is a £0.964m (6.7%) underspend against the Final Net Budget for the year. This report explains the significant factors leading to this position. This has been driven largely by above forecast income levels in parking, planning, burials/cremations; as well as cost reductions in the final months of the year. Section 6 of the report contains a number of proposals that the Executive Councillors are minded to present to Full Council which, if approved, would allocate £0.418m of the underspend or additional budget approvals for 2014/15.

The General Fund reserves balance as at 31 March 2014 stands at £2.480m. This balance would reduce to £2.022m if the allocations of £0.418m are approved. This remains above the minimum reserves expectation within the Council's Budget Strategy (£1.5m).

The Earmarked Reserves balance as at 31 March 2014 is £13.159m, representing funds that have been set aside for specific purposes to fund expenditure in 2014/15 or later years. This has grown largely in respect of funds committed to support future capital programme spending, a new business rates smoothing reserve, and funding set aside to support service restructuring and transformation projects. The majority of this is planned to be spent in 2014/15.

General Fund Capital

The General Fund approved Capital Programme at the end of 2014/15 was £17,973k. This relates to schemes which will be completed over the next five years. The profiled expenditure on Capital Programmes during 2014/15 was £4,350k, with £13,623k being carried forward.

Housing Revenue Account (HRA) Revenue

The HRA is a 'Self-Financing' account for the Council's Housing Landlord function, which is budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2013/14 is a net underspend of £0.861m (3.3% of gross income). This report explains the significant factors leading to this position.

The HRA Reserve balance as at 31 March 2014 stands at £3.059m, which is above the minimum level (£1.8m) set within the Council's Budget Strategy and HRA Business Plan.

The HRA Earmarked Reserves balance as at 31 March 2014 stands at £614k. This includes £404k related to the Social Housing Development Fund, which is earmarked to fund investment in new social housing provision within the Council's own housing stock (see Appendix H).

HRA Capital

The HRA approved Capital Programme at the end of 2014/15 was £20,363k. This relates to schemes which will be completed over the next five years. The profiled expenditure on Capital Programmes during 2014/15 was £8,647k, as summarised in Table 10 below, with £11,655k being carried forward and a net underspend of £61k being reported.

2 Purpose

- 2.1 This report informs Members of the Council's financial outturn for revenue and capital expenditure in 2013/14 for the Council's General Fund (GF), Housing Revenue Account (HRA) and trading services.
- 2.2 Effective financial management forms an important part of the Council's overall performance management framework. It is also vital that the Council maintains strong financial management and control in the face of continuing and unprecedented financial pressures as funding for council services is squeezed, and our community continues to face up to effects of wider economic pressure.
- 2.3 The outturn figures contained in this report are provisional at this stage. The financial outturn will be taken into account when preparing the Council's Statement of Accounts, which is due to be approved by the Strategic Director (S151 Officer) by the end of June, and is then subject to review by the Council's External Auditor. Should the External Auditor identify any changes to the Accounts these will be reported to Corporate Governance Committee in September this year.
- 2.4 The outturn position reported for the GF contains some estimated figures for government subsidies on housing benefit and the total of business rates retention funding. These are based on unaudited claims, and it is possible that final

figures post-audit could change. Should the final figures differ from those used in this report a further report will be presented to Members giving the updated position on subsidy and any implications for the Council's reserves.

3 2013/14 Financial Performance

- 3.1 Members have been presented with regular financial monitoring information, with quarterly performance reports submitted to Corporate Scrutiny and the Executive during the year. The reports provided members with: forecast outturn position and the likely impact on reserves; explanations for the forecast variances to budget; and links to operational performance.
- 3.2 There have been a number of significant challenges faced by the Council this year, and these have had an impact on the overall financial position for the authority. These include:
- The new Business Rates Retention scheme has presented some challenges during the year for the authority. Prudent practices have been put into place including the creation of a Business Rates Smoothing account earmarked reserve to help protect the authority from future financial fluctuations. However this is a high risk area which may impact on our ability to accurately forecast our financial position.
 - Forecasting for demand-led services has continued to be a challenge especially in the current economic climate. We plan to direct more focus on the higher risk / more volatile areas, with accountants supporting Budget Holders with more detailed trend analysis to further improve our forecasting in the future.
- 3.3 For the General Fund Revenue Budget, the forecast outturn as at Quarter 3 (December 2013) was a net underspend of £86k. The year end outturn position is a net underspend of £964k (6.7%). Although our actual underspend was higher than anticipated when the Q3 forecast was completed in January, this has changed largely due to much higher than expected income in some key services, plus managed reductions in spending in response to pressures identified at Q3. It is clear that the year end position is significantly different to earlier forecasts, and the Assistant Director Resources has committed to review the areas of significant change to determine where forecast estimation can be improved. Section 4 of the report below summarises the major variances to budget for the year and the main differences compared to the Quarter 3 Forecast.
- 3.4 For the HRA Revenue Budget, the forecast outturn as at Quarter 3 (December 2013) was a surplus variance of £240k (0.9% of gross income) for the year. The year end outturn position is a surplus variance of £861k (3.3%). Section 8 of the report below summarises the major variances to budget for the year and the main differences compared to the Quarter 3 Forecast.
- 3.5 The Council has continued to operate within the framework of its Budget Strategy and the overall financial standing at the end of the financial year is sound. The Reserve balances for both the General Fund and the HRA are above their respective recommended minimum. An annual review of all Earmarked Reserves will continue with the aim of returning any surplus reserves balances to the

General Fund Reserve.

- 3.6 General Fund Capital projects were reporting forecast budget carry forward of £11.654m at Q3 (December 2013). The year end outturn position is reporting actual budget carry forward of £13.623m to fund approved capital works. Please see section 7 for further information.
- 3.7 HRA Capital projects were reporting forecast budget carry forward of £10,646k (52%) at Q3 (December 2013), with a net underspend of £43k (0.2%) for the year. The year end outturn position is a net underspend of £62k (0.3%) and actual budget carry forward into 2014/15 of £11,655k (57%). Please see section 11 for further information.
- 3.8 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 a 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 assumptions and estimates will differ from the eventual outcome, and a number of risks and uncertainties have been highlighted in previous quarterly reports. The outturn has been reasonably close to forecast in the majority of budgets. However, there are high value differences on a small number of budgets that have contributed to the overall change since Q3.

4 General Fund Revenue Account - 2013/14 Outturn

- 4.1 The General Fund (GF) Revenue Outturn for 2013/14 is Net Expenditure (before general grants and council tax) of £13.453m against a final Net Budget of £14.472k, giving an underspend of £0.964m.

Table 1: GF Outturn Summary

General Fund Outturn 2013/14	Budget £'000	Outturn £'000	Variance	
			£'000	%
Net Expenditure on Services	12,238	13,197	959	7.8
Other Operating Costs and Income	198	269	71	35.0
Earmarked Reserve Transfers	5,410	5,501	91	1.7
Unearmarked Reserve Transfers	(2,369)	(2,369)	0	0.0
Capital Financing and Debt Repayment	1,532	1,518	(14)	(0.9)
Technical Accounting Adjustments	(2,537)	(4,663)	(2,126)	83.8
Net Budget	14,472	13,453	(1,019)	(7.0)
Funding - Grants and Council Tax	(14,472)	(14,417)	55	(0.4)
Net Variance	0	(964)	(964)	

- 4.2 A Summary Statement of the General Fund Revenue Outturn by Portfolio is provided in Appendix A, and an explanation of the budget variances reported each quarter and at the year end is provided in Appendix B.
- 4.3 The major underspends and overspends for the year relate predominantly to demand-led services where it is more difficult to predict income levels, and are summarised as follows:

Waste Collection & Recycling

- 4.4 This service has reported a net underspend against budget of £122k. This is mainly due to an over recovery of garden waste income due to an increase in demand for this service despite the increase in fees this year, with some minor variations on the contact price paid to budget. This service is able to forecast their year end outturn with a high degree of accuracy as the majority of income is received before the start of the financial year as customers pay upfront.
- 4.5 Over the past five years this service has seen a fluctuation in income received varying by £70k-£80k per year, as shown in Table 2 below. Whilst we have tried to budget for these fluctuations, it is very difficult to forecast accurately for these demand-led services. The forecast at Q3 was an underspend of £116k, with the outturn reported as an underspend of £122k.

Table 2: Garden Waste Income

Garden Waste Income	13/14 £000s	12/13 £000s	11/12 £000s	10/11 £000s	09/10 £000s
Actual Income Received	(474)	(403)	(322)	(396)	(475)
Decrease / (Increase) per year	(71)	(81)	74	79	
Budget	(360)	(414)	(514)	(514)	(346)
Variance to budget over (-) / under recovery	(114)	11	192	118	(129)

- 4.6 This service has already made early indications that they could be reporting a net underspend against budget in 2014/15, and this will be reflected in the Q1 forecast.

Parking

- 4.7 This service has reported a net underspend against budget of £439k. This is mainly due to an over recovery of income received for penalties (£72k) and parking income (£98k), and one-off savings from contract renegotiations for 2013/14 and 2012/13 (£165k). This service is not able to forecast their year end outturn with a high degree of accuracy as the majority of income is directly attributable to demand for public parking services within the town centre (approx. 95% of budget), which can be volatile.
- 4.8 Over the past five years this service has seen a fluctuation in income received varying by £42k-£435k per year, as shown in Table 3 below. Whilst we have tried to budget for these fluctuations, forecasting can be very difficult for these demand-led services which are also affected by environmental factors such as the weather (e.g. people having to work from home during the floods). It is also difficult to predict how one-off events (such as road work closures, concerts, and the provision of alternative parking) will change users' parking habits in the short-term and also the long-term.

Table 3: Parking Income

Parking	13/14 £000s	12/13 £000s	11/12 £000s	10/11 £000s	09/10 £000s
Actual Income Received	(3,892)	(3,782)	(3,851)	(3,893)	(4,328)
Decrease / (Increase) per year	(110)	69	42	435	
Budget	(3,683)	(4,096)	(4,433)	(4,336)	(4,161)
Variance to budget over (-) / under recovery	(209)	314	582	443	(167)
Change in budget	413	337	(97)	(175)	

- 4.9 This service will continue to use their income forecasting tool and work closely with their accountant in order to predict as accurately as possible the income due for 2014/15 and report any variances through the quarterly outturn reports. However it is important to note that there is a high level of risk that there could again be a large variance to budget due to the reasons discussed above, but also due to the impact of a temporary joint venture parking agreement with Premium Parking Solutions Ltd who will supply public parking at Firepool (commencing July / August). TDBC will only receive 50% of any income and, with a day parking rate less than that at Belvedere Road, the service is expecting TDBC parking income to fall. Initial estimates for this will be included in the Q1 forecast.

Planning Advice and Applications

- 4.10 Planning Advice: This service has reported a net underspend against budget of £47k. The over recovery of income is due to an increase in demand for pre-application advice and a spike in submission of applications, which we believe is linked to the introduction of CIL (Community Infrastructure Levy) on the 1 April 2014.
- 4.11 Applications: This service has reported a net underspend against budget of £186k. The over recovery of income is greater than predicted at Q3, with seven unexpected applications received in Q4 equating to £138k.
- 4.12 Over the past five years this service has seen a fluctuation in income received varying by £85k-£297k per year, as shown in Table 4 below. Whilst we have tried to budget for these fluctuations, it is very difficult to predict for demand-led services, especially with regards to the government bringing in new schemes e.g. CIL, and being able to forecast with confidence the improvement in economic growth.

Table 4: Planning Advice and Applications Income

Planning Advice and Applications	13/14 £000s	12/13 £000s	11/12 £000s	10/11 £000s	09/10 £000s
Actual Income Received	(992)	(907)	(610)	(704)	(554)
Decrease / (Increase) per year	(85)	(297)	94	(150)	
Budget	(764)	(779)	(587)	(496)	(773)
Variance to budget over (-) / under recovery	(228)	(128)	(23)	(208)	

- 4.13 This service will be monitoring income levels and will work closely with their accountant in order to predict as accurately as possible the income due for 2014/15 and report any variances through the quarterly outturn reports. However it is important to note that there is a high level of risk that there could again be a large variance to budget due to this service being demand-led.

Crematorium & Cemeteries

- 4.14 This service has reported a net overspend against budget of £64k, which is an improvement to the Q3 forecast of £176k. This overspend is mainly attributable to crematorium income and a general decline in funerals locally, the impact of the new crematorium opening in Pawlett, and the crematoriums in Honiton and Mendip are become busier as their profile increases.
- 4.15 In addition, the original assumption of receipts from the CAMEO scheme for the mercury abatement was also reduced as the new creators were not online until part-way through the year; the income from this scheme should increase in following years.
- 4.16 The reduction in income has been partially mitigated by a reduction in the use of the overtime budget due to the drop in work, the installation of more efficient cremators, and by minor savings this year in gas consumption due to the heat exchanger, as well as an underspend on Cemeteries.
- 4.17 Over the past five years this service has seen a fluctuation in income received per year varying by £17k - £177k per year, as shown in Table 5 below. This service also experiences significant variations in income received per month (for the majority of months) on a yearly basis that is inconsistent to income received in the same month the year before. Due to the nature of this demand-led service it is very difficult to predict income levels, building uncertainty into our forecasts.

Table 5: Crematorium Income

Crematorium Income	13/14 £000s	12/13 £000s	11/12 £000s	10/11 £000s	09/10 £000s
Actual Income Received	(1,331)	(1,479)	(1,302)	(1,285)	(1,347)
Decrease / (Increase) per year	148	(177)	(17)	62	
Budget	(1,443)	(1,417)	(1,340)	(1,296)	(1,519)
Variance to budget over (-) / under recovery	112	(62)	38	11	172

- 4.18 This service will continue to work closely with their accountant in order to predict as accurately as possible the income due for 2014/15 and report any variances through the quarterly outturn reports. However it is important to note that there is a high level of risk that there could again be a large variance to budget due to the nature of this service. The budget for 2014/15 for Crematorium income is £1,450k, therefore if the same level of income as 2013/14 is received, a deficit of £119k would result.

Housing Benefits

- 4.19 At Q3 this service was reporting a net over spend of £114k. The outturn position has improved to a net overspend against budget of £27k. This area has been known to report significant variances to budget at each quarter, and has done so over the past few years. This is due to this service being demand-led and experiencing continuous fluctuations in the number of people claiming benefits which is of course outside of TDBC control. In addition to this, due to the economic climate and cuts in welfare benefits, the customer's ability to repay overpaid benefits is severely compromised and consequently, despite best efforts, recovery rates have deteriorated. Debts levels have significantly increased since 2011/12. It is also important to note that a 1% change can amount to £180k (based on original budget 2013/14) which is why a small change in demand can amount to large budget variation.
- 4.20 We have analysed the four-weekly rent allowance payments made over the last four years, and there is on average an increasing trend year on year in total payments made, however there are some four-weekly peaks and troughs during the years.
- 4.21 This service will continue to work closely with their accountant and report any variances through the quarterly outturn reports. However it is important to note that there is a high level of risk that there could again be a large variance to budget due to the factors mentioned above, as well as understanding how the full implementation of Universal Credit will affect us in the future.

Insurance Premium

- 4.22 This service has reported a net underspend against budget of £117k. The overall cost to the Council has not reduced significantly from 2012/13 although there has been a reduction in the cost to the General Fund. This is due the premium being more heavily weighted towards insuring premises which has resulted in an increased cost to the HRA and a reduction to the General Fund.
- 4.23 The Forecast Outturn as at Quarter 3 (December 2013) was a £86k underspend. The main differences between the reported variances at Quarter 3 and the year end Outturn are summarised in Table 6 below.

Table 6: Main Differences between Q3 and Outturn Variances

	£'000	£'000
Q3 Forecast Underspend		(86)
Main changes to Q3 Reported Variances		
Cemeteries & Crematorium	(112)	
Housing Benefits	(87)	
Insurance	(44)	
Parking	(318)	
Planning	(145)	
Subtotal		(706)
New Variances		
Central Costs	26	
Welfare Funerals	(23)	
Assets Maintenance	66	
Council Tax Collection	(60)	
Benefits	(36)	
Strategy	(20)	
Other Minor Variances	(125)	
Subtotal		(172)
Year End Outturn Variance		(964)

- 4.24 The main changes since the Quarter 3 report are explained as follows:
- 4.25 **Cemeteries & Crematorium:** The number of funerals increased significantly in the last quarter, which is a reversal of the trend in the previous year when there was a severe winter, and was contrary to the basis of estimates in the Q3 forecast.
- 4.26 **Housing Benefits:** The change in forecast from Q3 is due to the entitlement to benefits by claimants, subsidy entitlement and overpayment recovery rates. These are volatile and fluctuate significantly throughout the year, consequently making accurate forecasting difficult.
- 4.27 **Insurance:** The change to forecast in Q3 is due to the release of a provision in respect of losses that have not fully materialised (MMI case), plus realignment of the apportionment of the premium between GF and HRA.
- 4.28 **Parking:** The actual income received has exceeded the Q3 forecast, through a combination of sales being higher than assumed, but also some areas where income has been under-estimated and expenditure over-estimated in earlier forecasts.
- 4.29 **Planning:** The service has adopted a cautious approach to forecasting planning income, and actual income has significantly exceeded the reported forecast. We believe this is driven by CIL as well as growth in demand through general upturn in the economy.

Variances that have occurred in the last quarter are detailed below:

- 4.30 **Central Costs:** The overspend of £34k relates to insufficient budget of £11k for pension 'past service' costs and £23k for pension strain on redundancies through the year.
- 4.31 **Welfare Funerals:** Due to the nature of the service, setting an accurate budget is very difficult, as it is demand-led and depends upon the value of the estate as to whether it is possible to recover our costs. Whilst we were unable to recover costs of £17k from deceased estates in 2011/12, this reduced to £10k in 2012/13, and has further reduced in 2013/14 to £6k (whilst the budget forecasted in 2013/14 was £29k).
- 4.32 **Assets Maintenance:** Whilst income received was on target the overspend on maintenance was higher than expected although it was an improvement on last year's overspend of £248.7k. This is mainly due to the previous forecast under-estimating costs. This will be closely managed in 2014/15 by the new budget holder.
- 4.33 **Council Tax Collection:** The over recovery of income is due to the introduction of localised Council Tax Support, where enforcement through the courts to collect debts has greatly increased. Consequently more debt and Council Tax Collection court costs have been recovered.
- 4.34 **Benefits:** The underspend is mainly attributable to a reduction in spend against budget for external audit fees and postage costs.
- 4.35 **Strategy:** The underspend of £19k mainly relates to the previous forecast under-estimating total salary costs, plus two further temporary/fixed term posts ended earlier than expected.
- 4.36 The General Fund Revenue Account outturn position for the year incorporates the overall performance of the DLO and Deane Helpline Trading Accounts, which are further explained later in this report.
- 4.37 Treasury performance (investments and borrowing) will be provided in the separate Treasury Management Outturn 2013/14 and 2014/15 Update Information Report to be issued this month.

5 General Fund Reserves

General Reserves

- 5.1 The General Fund Reserve balance at the start of the year was £3.943m. Following supplementary allocations (e.g. Pool & JMASS) during 2013/14 the balance at the end of the current financial year has reduced to £1.516m (see **Appendix C**). The underspend of £964k will be transferred to General Reserves at the end of the financial year, resulting in a year end balance of £2,480k. Section 6 of this report includes recommendations in respect of proposed use of the underspend which, if approved, would reduce the balance to £1,683k.

General Fund Earmarked Reserves

- 5.2 The Council can also set aside funds for specific purposes to be used in future years. **Appendix D** provides a summary of the earmarked reserves and their movement during the year.
- 5.3 The proposed balance carried forward to support General Fund spending in future years is £13.159m. This balance has increased by £5.650m during the year, mainly due to setting aside approved funds committed to supporting the Joint Management and Shared Service Transformation Project, to protect the authority from fluctuations in the new Business Rates Retention Scheme, and to future capital programmes. The majority of this is planned to be spent in 2014/15.
- 5.4 Transfers to reserves at the end of the financial year have been reviewed and approved by the S151 Officer.

6 **Recommendations for the use of the 2013/14 underspend**

- 6.1 A number of options have been considered by Executive Councillors in respect of opportunities to reinvest the underspend in services. The Executive would like to put forward the following proposals to Full Council for approval:

Table 7: Supplementary Requests of Underspend 2013/14

Bid Description	Bid (£'000)
Development of IT Strategy For TDBC	50
Cemetery Extension – Taunton*	121
Grass Cutting	50
Weed Spraying	10
Street Cleansing	42
Car Park Improvements	125
Capital Grants for Parish Play Equipment/Sports Halls/Clubs	20
TOTAL requested for approval	418

*a full business case is provided in **Appendix J**

Development of IT Strategy for TDBC £50k

- 6.1.1 Additional resources are required to assist the Council in developing an IT Strategy to consider how it needs to respond to issues such as the transformation agenda and expiration of some significant contracts. The IT Strategy will also consider the enhancement of Customer access; for example the use of IT in car park charging and other innovative uses.

Cemetery Extension – Taunton £121k

- 6.1.2 Please see **Appendix J** for the Business Case Report providing details on the need for an extension to the Taunton Cemetery. It is being requested to fund the capital requirement of £121k from 2013/14 general underspends and for this to be added to the 2014/15 Capital Programme (via RCCO). Please note that TDBC will continue to search for suitable land in Wellington to extend the provision of service in that area.

Grass Cutting £50k

- 6.1.3 To fund Highway verge maintenance across the Borough.

Weed Spraying £10k

- 6.1.4 To fund one additional 'weed spraying' to the pavements in Taunton and Wellington.

Street Cleansing £42.1k

- 6.1.5 This is to pay for the replacement of litterbins in Station Road (£4.8k), East Reach (£4.8k), and the Town Centre (£16k). Also to fund an additional caretaker post up to the 31 March 2015 (£16.5k).

Car Park Improvements £125k

- 6.1.6 To fund a variety of maintenance and improvement works to include priority pothole repairs, white-lining, resurfacing North Street Wellington and Canon Street Taunton car parks, upgrading older machines, and redecorating the Orchard Multi Storey stairwell and lobby.

Capital Grant for Parish Play Equipment/Sports Halls/Clubs £20k

- 6.1.7 When the Capital Budget for 2014/15 was approved in February 2014, bids for funding for parish play equipment grants and clubs/village hall grants remained on the "aspirational" list but were not approved at that stage. It is now requested that £20k is allocated for these particular schemes and added to the Capital Programme for 2014/15 (via RCCO) funded by the 2013/14 underspend.

7 General Fund Capital Programme

- 7.1 The General Fund approved Capital Programme at the end of 2014/15 was £17,973k. This relates to schemes which will be completed over the next five years. The Council is supporting this investment through the use of Capital Grants and Contributions, Revenue Funding and Borrowing. The profiled expenditure on Capital Programmes during 2014/15 was £4,350k, with £13,623k being carried forward.
- 7.2 The major area of capital spend during the year was the refurbishment of Station Road Swimming Pool. Other major areas included: grant support for private and social sector housing, costs related to the ongoing Mercury Abatement Works to the Crematorium, refurbishment of three lifts at the Orchard Multi-storey Car Park, the refurbishment and extension of Wellington Pavilion, and the development of the DLO new finance system.
- 7.3 A summary of the General Fund Capital Programme budget and outturn for the year is included in **Appendix E**.

8 Housing Revenue Account (HRA)

- 8.1 The HRA is a 'Self-Financing' account for the Council's Housing Landlord

function, which is budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Revenue Outturn for 2013/14 is a net surplus of £0.861m (3% of gross income).

Table 8: HRA Outturn Summary

	Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Gross Income	(25,915)	(25,861)	54	0%
Service Expenditure	13,209	12,318	(891)	-7%
Other Operating Costs and Income	2,902	2,893	(9)	0%
Earmarked Reserve Transfers	(705)	(705)	0	0%
Capital Financing and Debt Repayment	10,138	10,123	(15)	0%
Technical Accounting Adjustments	419	419	0	0%
Unearmarked Reserve Transfers	(48)	(48)	0	0%
Net Variance	0	(861)	(861)	

8.2 The HRA Revenue Outturn is provided in more detail in **Appendix F**, and an explanation of the budget variances reported each quarter and at the year end is provided in **Appendix G**.

8.3 The major elements of this underspend position are summarised as follows:

8.3.1 **Rental Income:** A one-off additional week of rental income (there were 53 rent payments due on weekly rents in 2013/14) allowed an increase in budget of £456k to be allocated to Maintenance budgets which in addition to the existing budget was ultimately not needed.

8.3.2 **Provision for Bad Debt:** Provision for Bad Debt has been increased for 2 years by £423k to £503k in the HRA Business Plan to allow for the expected reduction in rent income expected due to Welfare Reform. However as Welfare reform has not yet been fully implemented, with Universal Credit currently anticipated to start in 2015, this additional budget was not needed in 2013/14 and the Business Plan Review in 2013 has been amended reflect this. In addition to this the collection of arrears have been prioritised by the Estates Team further increasing the income received from rents and reducing the Provision for Bad Debt required. Lastly a recommendation from audit to change the calculation method further reduced the provision needed. Together these have led to an overall underspend of £507k.

8.3.3 **Specialist Works:** Additional consultancy work on non-traditional dwelling construction types, and the utilisation of underspends elsewhere to fund an earlier start than budgeted for some compliance works such as legionella testing and emergency lighting, have led to an overspend of £110k in this area.

8.3.4 The large change in variance from Quarter 3 to Outturn of £621k is mainly due to a greater than expected return of over recovered costs from the DLO. The overheads recovery rate is determined at the beginning of the year based on an anticipated volume of work. As the amount of work requested of the DLO by the HRA has been higher than budgeted, this has led to an over-recovery of overheads by the DLO. The HRA ring-fence enforces that this is reconciled at year end to protect both the General Fund and the HRA. A refund was therefore due to the HRA and has been actioned. Currently this reconciliation is extremely difficult to forecast, however it is expected that the upcoming change in systems at the DLO will greatly help in monitoring this in future.

9 Housing Revenue Account Reserves

HRA Unearmarked Reserves

- 9.1 The following table summarises the movement in the HRA Reserve balance in 2013/14:

Table 9: HRA Reserve

	£'000
Balance brought forward 1 April 2013	2,246
Original Budget – Contribution to Reserves	0
Supplementary Estimates	
Joint CEO restructure costs	(12)
Customer Access project costs	(36)
Returns	0
Net Budgeted Reserves Balance	2,198
Net Underspend (Overspend) for the Year	861
Balance carried forward 31 March 2014	3,059

- 9.2 As the table shows, the HRA Reserve balance has increased from £2.246m at the start of the year to £3.059m at 31 March 2014 (approx. £518 per property). This balance is significantly above the recommended minimum amount of approx. £1.8m (approx. £300 per property) stated within the Council's Budget Strategy and the HRA Business Plan.

HRA Earmarked Reserves

- 9.3 The Council can also set aside HRA funds for specific purposes to be used in future years. **Appendix H** provides a summary of the HRA earmarked reserves and the movements during the year. The balance at 31 March 2014 to support spending in future years is £614k.
- 9.4 The above balance includes £404k in the Social Housing Development Fund earmarked reserve. The opening balance on this reserve was £1,108k which was then supplemented by a £801k allocation from the HRA budget. £1,505k was then allocated in 2013/14 to fund the Social Housing Development capital programme, leaving a closing balance of £404k.

10 Recommendations for use of the 2013/14 HRA Underspend

- 10.1 The 2013/14 underspend has allowed the HRA Reserve to be increased to a level comfortably above the recommended minimum balance. This underspend has been caused by one-off items – additional rental income from an additional rent debit, and a delay in the introduction in aspects of the Welfare Reform agenda.
- 10.2 Therefore it is recommended that funds are allocated from the 2013/14 underspend for the following:

Community Development Reserve of £500k

- 10.2.1 To allow one-off investments in Community Development initiatives throughout

the Borough. The delegated authority for initiatives is proposed to be approved by the Portfolio Holder for Housing, Chair of Tenant Services Management Board and one of the Council's Statutory Officers.

Administration Support to March 2016 of £41k

10.2.2 Providing temporary administration support for area based teams for 2014/15 (part year) and 2015/16. In particular this resource will support Halcon One Team in its current operations, along with emerging multi public sector one teams in other areas of Taunton Deane.

11 HRA Capital Programme

11.1 The HRA approved Capital Programme at the end of 2014/15 was £20,363k. This relates to schemes which will be completed over the next five years. The Council is supporting this investment through the use of Capital Receipts, Revenue Funding and Borrowing. The profiled expenditure on Capital Programmes during 2014/15 was £8,647k, as summarised in Table 10 below, with £11,655k being carried forward.

11.2 The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development and acquisition of new stock.

11.3 **Appendix I** provides a breakdown of the HRA Capital Programme Outturn by scheme, and also sets out by scheme the proposed Carry Forward.

Table 10: HRA Capital Programme 2013/14 Outturn Summary

	£'000	%
Approved Capital Programme Budget	20,364	
Re-profiled forecast of spending to 2014/15	(11,655)	57%
Residual budget for 2013/14	8,709	
2013/14 Capital Expenditure Outturn	8,647	
Underspend	62	1%

11.4 The capital programme can be split into two distinct areas:

11.4.1 **Major Works:** Capital works on existing dwellings have increased significantly since the introduction of self-financing with spend of £6,561k in 2013/14, an increase of £1,866k (41%) from 2012/13. There is also £1,398k to fund works which have been re-profiled into 2014/15.

11.4.2 This represents a material increase in planned works such as replacement of kitchens, bathrooms, heating systems, roofs, doors, windows, adaptations, and includes the installation of over 90 Air Source Heat Pumps.

11.4.3 The major works capital expenditure has been fully funded from the Major Repairs Reserve. The Major Repairs Reserve is credited with the Major Repairs Allowance, which is charged to the HRA Revenue Budget based on the cost of depreciation to provide funding for capital maintenance of the stock.

- 11.5 **Development:** Self-financing has also allowed investment in HRA stock by building new dwellings and acquiring stock through buying back properties that had previously been sold under Right to Buy with a total budget of £12,343k.
- 11.6 Total spend on the development of additional dwellings in 2013/14 is £2,086k, with the remaining £10,257k, which largely relates to the new build programmes at Creechbarrow Road and the Social Housing Development Programme the Phase 1 sites, which are scheduled into 2014/15 and 2015/16.
- 11.7 Seven dwellings which had previously been sold under Right to Buy were reacquired on the open market at a total cost of £712k and put into the housing stock to rent. Each one had an individual business case to ensure value is added to the 30 year HRA Business Plan.
- 11.8 The HRA Development Programme expenditure of £2,086k has been funded from a combination of capital receipts (including Right to Buy receipts) and from the Social Housing Development Fund.

Right to Buy Sales and 'One for One' Replacement

- 11.9 In June 2012 the Council signed up to the Agreement to participate in the Government's 'one for one' Right to Buy (RTB) replacement scheme. This means that the Council can keep a significant proportion of capital receipts from RTB sales, provided the funding is used towards the replacement of affordable housing (either within the HRA, or through General Fund supported affordable housing schemes).
- 11.10 During 2013/14 there were 47 RTB sales completed (37 in 2012/13, 11 in 2011/12), with total capital receipts of £2,705k, giving an average receipt of £58k. The following table summarises how the receipts have been distributed.

Table 11: 2013/14 Right To Buy Capital Receipts Distribution

	£'000
Total Capital Receipts from 47 RTB Sales	2,705
Less:	
Pooling – Payment to HM Treasury	(309)
Subtotal – Retained by Taunton Deane	2,396
Allocation to General Fund Housing Capital Programme (Enabling)	(131)
Set aside for repayment of Self Financing Debt for sold properties	(912)
Allowable transaction costs	(61)
Retained Element for 'One for One' scheme	1,292
Transfer to HRA Capital Receipts Reserve	1,292

- 11.11 The 'one for one' Agreement means that the retained element of RTB income must be used to fund investment in new social/affordable housing within three years of receipt, and must not exceed 30% of total investment. In other words, every £3 of RTB funding used must be matched by £7 from other sources. Therefore £1,292k RTB retained receipts must be used towards total capital expenditure of £4,307k for new social/affordable housing schemes by March 2017.

11.12 This brings the total amount of additional receipts retained since April 2012 to £2,526k. Of this sum, £496k has already been allocated towards funding new affordable housing in the development capital programme and the remaining on track to be fully utilised within the timescales with a combination of buy backs and new build development schemes.

12 Deane DLO Trading Account

12.1 The DLO has two distinct areas operating as Building Maintenance and Grounds Maintenance (including the Nursery). The following table provides a summary of the financial performance.

Table 12: DLO Trading Account Outturn Summary

	2013/14		
	Income £'000	Expen- diture £'000	Net £'000
(Surplus)/Deficit for the year:			
Grounds Maintenance	(2,963)	2,279	(684)
Building Maintenance	(5,654)	4,859	(795)
Trading (Surplus) / Deficit Before Adjustments	(8,617)	7,138	(1,479)
Capital Charges & Income			151
Net Recharges			654
Offset IFRS* Technical Accounting Adjustments			241
Adjusted Trading (Surplus) before Contributions			(433)
Contribution to General Fund			101
Contribution from Trading Reserve			0
Trading Surplus After Adjustments and Contributions			(332)
Surplus transferred to Trading Account Reserve			332

12.2 The year end financial statements report that the DLO made an overall profit of £332k after contributing £101k to the General Fund. This surplus has been transferred to the DLO Trading Account Reserves (see below).

12.3 The DLO financial performance is up this year largely due to increasing work requests relating to the housing stock. Throughout the year work has continued to rise without the investment that would normally go with it, such as fleet and equipment. The DLO set their rates at the beginning of the year and when work increased the rates have not altered. Economies of scale and wider distribution of recharges have led to a greater than normal surplus being created.

12.4 The Trading Account Reserves Position balance brought forward of £138k relates to a retained trading surplus. The surplus for the year has enabled the DLO to set aside capital reserves to support investment in the service: £25k for fuel tanks; and £240k to fund vehicle replacement. The net trading reserve has therefore increased by £67k to £205k.

Table 13: DLO Trading Account Reserve Position

	£'000
Reserve balance brought forward 1 April	(138)
Retained Trading (Surplus) / Deficit	(332)
Transfer to Capital Replacement Reserve Fund	25
Transfer to Vehicle Replacement Reserve Fund	240
Other transfers	0
Reserve balance carried forward 31 March	(205)

Note: figures in brackets = surplus funds held

- 12.5 As agreed within the transformation plan, continuous improvement of DLO services will continue to improve all aspects of operational efficiency and effectiveness. The DLO is continuing to implement the replacement IT system with a 'go-live' date scheduled for 1st September 2014, and work also continues on the Depot Relocation Project.

Vehicle Replacement

- 12.6 The TDBC commercial vehicle fleet currently has 146 vehicles of which 5 are awaiting disposal with their replacement received in the last financial year. Of this total number approximately 60% are owned through capital purchases and 40% are leased.
- 12.7 The capital vehicles are replaced with the use of the annual capital fund (an RCCO) and the leases are funded by revenue and budgeted for within the services budgets. The procurement process for the replacements is supported by SWOne.
- 12.8 As part of the year end position approval is sought to transfer the DLO under spend of £240k into the DLO Vehicle Replacement Earmarked Reserve, with further approval to use this to support a managed fleet programme, thus adding this spending to the approved 2014/15 capital programme (funded from the reserve).

13 Deane Helpline Trading Account

- 13.1 During the year the Deane Helpline made a net overspend of £47k against the final budget. However, once IFRS and FRS17 Technical Accounting adjustments of £51k (which were not included for budget purposes) are reversed, this deficit reverts to a surplus against budget of £4k.
- 13.2 A considerable amount of work has been undertaken throughout 2013/14 to reduce costs and to increase income; and although operating the service within existing budgetary constraints will continue to be challenging, every effort is being made to ensure that potential difficulties and problems are managed.
- 13.3 There are no funds held in the Deane Helpline Trading Account Reserve.
- 13.4 The fundamental service review of Deane Helpline to address the costs to the General Fund of operating the service is ongoing, and various options are being explored.

14 Taunton Unparished Area Fund (Special Expenses)

- 14.1 The Council sets an annual budget for the Unparished Area of Taunton, which is funded through a "Special Expenses" Council Tax charge to households in the area. The following table summarises the income and expenditure for the Fund in 2013/14.

Table 14: Unparished Area Fund Income (-) and Expenditure

	£	£
Fund balance brought forward 1 April		(21,101)
Correction of Previous Fund Amount*		(47,050)
Special Expenses Precept for 2013/14		(47,720)
Expenditure funded in the year:		
Taunton Town Centre Company (Make Taunton Sparkle)	14,000	
Contribution to Somerset Businesses Against Crime (SWBAC)	18,000	
Contribution to Creative Innovation Centre (CIC)	2,700	
Contribution to Wilton And Sherford Community Association	600	
New Fence at Galmington Allotments	3,108	
Traditional Swing in Vivary Park	5,000	
Safe Space - Taunton Street Pastors	2,467	
New Gymnastics Equipment at YMCA, Lisieux Way	5,401	
Additional Grounds Maintenance Work Within The Town Centre Area	750	
Additional Grass Cutting on Roadside Verges	18,375	
Replacement Entrance Gates for Rowbarton Allotments Association	1,783	
New Pyracantha Hedging for Holly Close Allotments Association	220	
Enhanced Cleansing under Railway Bridges, Taunton Station	2,600	
Total Expenditure		75,004
Fund balance in hand carried forward 31 March		(40,867)

Note: minus (-) balance = funds in hand

*It has recently come to light that the Unparished Area Fund balance in 2010/11 was inadvertently transferred to general fund reserves instead of the Unparished Area Fund reserve account. This has been corrected in 2013/14.

- 14.2 The Fund is generally used to support minor works, worthwhile community activities and individual projects. Bids for funding are considered by the unparished Area Panel, and allocations to third parties have been published in the Weekly Bulletin through the year.

15 **Business Rates Retention**

- 15.1 2013/14 is the first year of operating the business rates retention scheme. The 'rules' and supporting guidance have been updated through the year, right through to the financial year end, making accurate forecasting difficult. The required accounting arrangements result in some unexpected 'timing differences' when elements of the funding system impact on the funding position across financial years. The amounts credited to the General Fund Revenue Budget in

2013/14 are based on different sources – a combination of the 2013/14 NNDR1 (Original Budget Estimate) and the 2013/14 NNDR3 (End of Year position):

Table 15: Business Rates Breakdown

Heading	Fixed or Variable	Source
40% Standard Share of BR Income	Fixed	2013/14 NNDR1
Tariff to Government	Fixed	2013/14 NNDR1
Levy Payment to Government	Variable	2013/14 NNDR3
Safety Net Receipt from Government	Variable	2013/14 NNDR3
Share of Previous Year's Collection Fund Surplus	Fixed	2013/14 NNDR1
Section 31 Grant (Government-funded Reliefs/ Discounts)	Variable	2013/14 NNDR3

- 15.2 At the end of the financial year there will be a Surplus or Deficit on the Business Rates Collection Fund, and this sum will be distributed in future years based on Standard Shares – so 40% for Taunton Deane Borough Council (TDBC).
- 15.3 The following table summarises the gain/loss for the council under the retention scheme by comparing the retained business rates income with the Funding Baseline set by Government. This will determine business rates income growth, which directly relates to the calculation of the Levy or Safety Net Payment due to/from central Government.

Table 16: TDBC Gain/Loss under the Retention Scheme

	Collection Fund £'000	TDBC General Fund £'000
Non Domestic Rating Income (Yield)	35,532	
*Add back Localism Reliefs	5	
*Add back ½ Small Business Rates Relief – funded by S31 Grant	1,127	
Adjusted Non Domestic Rating Income (Yield)	36,663	
40% Standard Share for TDBC		14,665
Tariff to Government (fixed amount)		(13,214)
Total Retained Income		1,451
TDBC Safety Net Threshold		2,188
NNDR Safety Net Entitlement		737

**The funding baseline is adjusted to avoid double-funding for the costs of enhanced Small Business Rates Relief, which is reimbursed to the Council via Section 31 Grant; and for Localism Reliefs to guard against authorities awarding reliefs to the extent that the authority trips into the safety net position.*

- 15.4 The following table summarises the net position in respect of retained business rates funding for the Council in 2013/14. The 'Actual for 2013/14' column reflects the information provided in 15.1 above.

Table 17: Business Rates Funding Outturn for TDBC

	Forecast Sept 2013 £'000	Forecast Dec 2013 £'000	Actual For 2013/14 £'000
40% Share of Business Rates Income (see above)	15,479	15,479	14,665
Tariff to Government (fixed amount)	(13,215)	(13,215)	(13,214)
Subtotal	2,264	2,264	1,451
Section 31 Grant – Impact of Reliefs	0	0	461
Safety Net Payment from Government	0	0	737
Total Business Rates Funding 2013/14	2,264	2,264	2,649

- 15.5 Gross rates payable increased with growth from £45,979,710 in 2012/13 to £47,639,006 in 2013/14, a 3.68% increase (2.84% RPI inflation and 0.84% net growth). The introduction of the Business Rates Retention system has introduced new financial risks for the Council. The council's share of business rates funding is directly linked to the total amount of business rates due and collected in the area. A potentially significant risk exists in respect of the costs of refunds and appeals, particularly where this results in refund that is back-dated to 2010 (or even earlier in a small number of cases). The total Gross Rateable Value of outstanding appeals with the Valuation Office as at 31 March 2014 = £36m.
- 15.6 Taking into account the inherent risks and uncertainties within the retention system, together with accounting timing differences referred above, it is recommended to maintain a contingency balance in a Business Rates Smoothing Account Reserve. A sum of £1.265m has been set aside (see Appendix D), providing some protection against differences which are larger than estimated. The requirement for this reserve will continue to be monitored as the retention system 'matures' and our level of certainty improves.

16 Legal Comments

- 16.1 None for the purpose of this report.

17 Links to Corporate Aims

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

18 Environmental and Community Safety Implications

- 18.1 None for the purpose of this report.

19 Equalities Impact

- 19.1 None for the purpose of this report.

20 Risk Management

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

21 Partnership Implications

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

22 Recommendations

The Executive are recommended to:

- (a) It is recommended that the Corporate Scrutiny Committee / Executive scrutinises the Council's (revenue and capital) performance for the year 2013/14, for the General Fund and the Housing Revenue Account, noting the pre-approved carryforwards and transfers to earmarked reserves.
- (b) Approve the Carry Forward of **General Fund Capital Programme Budget** totalling £13.623m (as set out in **Appendix E**).
- (c) Recommend that Full Council approves the Carry Forward of **Housing Revenue Account Capital Programme Budget** totalling £11.655m (as set out in **Appendix I**).
- (d) Approve General Fund Supplementary Estimates in 2014/15, utilising 2013/14 underspends, in the following areas:
 - i. Recommend that Full Council approves **£50k** to fund an **IT Strategy** for the Council in 2014/15.
 - ii. Recommend that Full Council approves **£121k** to be added to the General Fund **Capital Programme** for 2014/15 to fund the **Taunton Cemetery extension**, funded by RCCO.
 - iii. Recommend that Full Council approves **£50k** to fund additional **grass cuttings** in 2014/15.
 - iv. Recommend that Full Council approves **£10k** to fund additional **weed spraying** in 2014/15.
 - v. Recommend that Full Council approves **£42.1k** to fund **Street Cleansing** works in 2014/15.
 - vi. Recommend that Full Council approves **£125k** to be added to the General Fund **Capital Programme** for 2014/15 to fund **Car Park improvements**, funded by RCCO

- vii. Recommend that Full Council approves **£20k** to be added to the General Fund **Capital Programme** for 2014/15 to fund **Play Equipment grants** in 2014/15, funded by RCCO.
- (e) Approve HRA Supplementary Estimates in 2014/15, utilising 2013/14 underspends, in the following areas:
- i. Recommend that Full Council approves **£500k** to fund **Community Development** in 2014/15, with delegated authority for initiatives to be approved by the Portfolio Holder for Housing, Chair of Tenant Services Management Board and one of the Council's Statutory Officers.
 - ii. Recommend that Full Council approves **£41k** to fund **Administration Support** in 2014/15 and 2015/16.
- (f) Recommend that Full Council approves the transfers to the **DLO Trading Account** Earmarked Reserves to fund vehicle replacements and fuel tank purchases; and for this to be added to the General Fund **Capital Programme** for 2014/15.

Appendices:

- A. General Fund Revenue Account Outturn Summary
- B. General Fund Revenue Account Outturn Variances
- C. General Fund Unearmarked Reserve Summary
- D. General Fund Earmarked Reserves Summary
- E. General Fund Capital Programme Outturn Summary
- F. Housing Revenue Account Outturn Summary
- G. Housing Revenue Account Outturn Variances
- H. Housing Revenue Account Earmarked Reserves Summary
- I. Housing Revenue Account Capital Programme Outturn Summary
- J. Cemetery Extension Business Case

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APPENDIX A

GENERAL FUND REVENUE ACCOUNT OUTTURN

Portfolio	Final Budget	Actual Expenditure	Variance
	£'000	£'000	£'000
Service Portfolios			
Community Leadership	618	668	50
Corporate Resources	1,990	2,357	367
Economic Development, Asset Management, Arts & Tourism	1,293	1,380	87
Environmental Services	4,219	4,455	236
General Services	266	671	405
Housing Services	2,579	2,536	(43)
Planning, Transportation & Communications	(1,431)	(1,714)	(283)
Sports, Parks & Leisure	2,703	2,844	141
Net Cost of Services	12,237	13,197	960
Other Operating Costs and Income			
Interest Payable and Debt Management Costs	0	0	0
Interest and Investment Income	(318)	(295)	23
Soft Loan	0	(15)	(15)
Capital Adjustments	(2,538)	(3,719)	(1,181)
Capital Financing from GF Revenue (RCCO)	789	789	0
Repayment of Capital Borrowing (MRP)	743	729	(14)
Transfers To/(From) Earmarked Reserves	5,411	5,501	90
Transfers To/(From) Unearmarked Reserves	(2,369)	(2,369)	0
IAS19 Pension Fund Adjustments	0	(928)	(928)
DLO Trading Account	(156)	(156)	0
Deane Helpline Trading Account	103	150	47
Authority Expenditure	13,902	12,884	(1,018)
Special Expenses	48	48	0
Borough Expenditure	13,950	12,932	(1,018)
Parish Precepts	522	522	0
Net Budget Requirement Before Funding	14,472	13,454	(1,018)
Revenue Support Grant	(3,556)	(3,556)	0
Retained Business Rates Funding	(3,559)	(3,505)	54
New Homes Bonus Grant	(1,747)	(1,747)	0
Local Services Support Grant	0	0	0
Council Tax Freeze Grant	(57)	(57)	0
Council Tax (Demand on Collection Fund)	(5,560)	(5,560)	0
Previous Year's Collection Fund Deficit/(Surplus)	7	7	0
Net Outturn for the Year	0	(964)	(964)

APPENDIX B

GENERAL FUND REVENUE ACCOUNT OUTTURN VARIANCES

Service / Heading	Explanation	Forecast Outturn Variances			Outturn
		Q1	Q2	Q3	Q4
COMMUNITY LEADERSHIP		0	0	0	(62)
Strategy	See section 4.40	0	0	0	(20)
Other minor variances					(42)
CORPORATE RESOURCES		218	128	24	(144)
Council Tax Collection	See section 4.38	0	0	0	(60)
Housing Benefit	See section 4.19	218	201	114	27
TDBC Assets	See section 4.37	0	0	(2)	64
Insurance Premium	See section 4.22	0	(73)	(73)	(117)
Benefits	See section 4.39	0	0	(15)	(51)
Other minor variances					(7)
ECONOMIC DEVELOPMENT, ASSET MANAGEMENT, ARTS & TOURISM		49	50	47	52
Priority Depot	There is currently a forecast under recovery of depot costs of £47k due to the fact that errors found in 12/13 budget were not corrected in time for the current year. However, recharge rates will be amended to ensure that the full cost of the depot is recovered in the year. Budgets have been updated and amended for 2014/15.	49	50	47	54
Other minor variances					(2)

ENVIRONMENTAL SERVICES		(92)	(87)	60	(99)
Crematorium & Cemeteries	See section 4.14	0	29	176	64
Household Waste Collection/ Recycling	See section 4.4	(92)	(116)	(116)	(122)
Welfare Funerals	See section 4.36	0	0	0	(23)
Other minor variances					(18)
GENERAL SERVICES		0	0	8	27
Central Costs	See section 4.35	0	0	8	34
Other minor variances					(7)
HOUSING SERVICES		12	(15)	(23)	(30)
Housing Standards	The overspend relates to an un-budgeted member of staff who has now been recharged below the line to the HRA, plus the costs of the energy efficiency helpline being incorrectly charged to capital instead of revenue. There is little change from Q3. £19k of debts re British Gas were written off in February 2013/2014.	0	0	35	35
B&B Accommodation	The demand for this service has been directly impacted by new Pathway to Independence (P2I) and Pathway for Adults (P4A) schemes, which has led to lower use due to successful prevention interventions. The minor change from Q3 represents an increase in demand towards the end of the year.	12	(15)	(58)	(48)
Other minor variances					(17)
PLANNING, TRANSPORT & COMMUNICATIONS		(91)	(214)	(226)	(706)
Off-Street Parking	See section 4.7	19	(77)	(121)	(439)
Public Transport Co-Ordination	The main reason for the underspend and the change from Q3 relates to the non-confirmation from Bishops Hull and Langford Budville Parish Council's that they wished to proceed in 2013-14 with the provision of new bus shelters in their parish as previously indicated.	0	0	(6)	(24)
Building Control – Fee Earning Account	This underspend is due to a current reduction in demand for this service. This service is offset by savings within the 'staffing' account.	35	35	45	75

Building Control – Staffing	This underspend is due to a current reduction in demand for this service. Consequently staff have been temporary redeployed (and charged) to Land Charges. The underspend also includes income recovered for staff costs due to new working arrangements with SDC. This service is netted off with the 'fee earning' account.	(82)	(69)	(56)	(75)
Planning Advice and Applications	See section 4.10	(63)	(103)	(88)	(233)
Other minor variances					(10)
SPORTS PARKS AND LEISURE		0	16	16	59
Community Parks and Open Spaces	Income received for pitch letting was reduced due to waterlogged pitches. The amount of budgeted income was far higher than has previously been achieved. This was recognised before the 2014/2015 budget was set and a more realistic income figure has been used.	0	16	16	32
Other minor variances					27
SUB TOTAL SERVICES		96	(122)	(94)	(903)
OTHER OPERATING COSTS & INCOME		89	(112)	8	(61)
Deane Helpline	See section 13	125	49	25	(4)
DLO	See section 12	0	0	0	0
Investment Income	The investment income is lower than budgeted for due to a combination of: (a) lower returns on investments than anticipated, and (b) a greater proportion being allocated to the HRA due to higher than expected HRA reserve levels.	0	0	29	23
MRP	An anticipated full year reduction in MRP due to the opening capital debt balance for the year being less than anticipated.	(32)	(32)	(32)	(13)
Other Minor Variances / Technical Adjustments	A number of minor variances across a wide range of cost centres, including variances in recharges.	(4)	(129)	(14)	(67)
TOTAL		185	(234)	(86)	(964)

GENERAL FUND UNEARMARKED RESERVES

APPENDIX C

	£'000	Current Budget £'000
Balance Brought Forward 1 April 2013		3,943
<u>Supplementary Estimates</u>		
Joint Management & Shared Services Project (Approved March 2013)	(67)	
Blackbrook Swimming Pool (Approved May 2013)	(1,500)	
Customer Access and Accommodation Project (Approved May 2013)	(70)	
Asset Strategy Project (Approved May 2013)	(40)	
Joint CEO Restructure Costs (Approved July 2013)	(35)	
Joint Management and Shared Services Business Case (Approved Nov 2013)	(900)	
Customer Access Strategy (Approved Dec 2013)	(144)	
Asset Strategy (Approved Dec 2013)	(90)	
Flood Relief* (Approved Feb 2014)	(40)	(2,941)
Redundancy Costs** (Approved Feb 2014)	(38)	
Mayoralty (Approved Feb 2014)	(17)	
<u>Returns</u>		
Return of Earmarked Reserves (Approved Dec 2013)	498	
SWAP trading surplus (Approved Dec 2013)	16	
		514
Budgeted Balance 31 March 2014		1,516
Underspend		964
Actual Balance		2,480
Allocation if Recommendations are approved		(418)
Residual Balance		2,022

* It is hoped all of this is not needed as contributions have been requested from the other Major Preceptors.

** Although up to £72,500 was approved only this amount was needed.

APPENDIX D

GENERAL FUND EARMARKED RESERVES

Reserve Heading	Balance at 31 March £'000	Transfers In 2013/14 £'000	Transfers Out 2013/14 £'000	Balance at 31 March £'000
Asset Management - General	338	20	-108	250
Asset Management - Leisure	773	176	-620	329
Capital Financing Reserve	991	3,372	0	4,363
CEO Initiatives	80	41	-17	104
Core Council Review	132	0	-132	0
DLO Trading Account	138	67	0	205
DLO Vehicle Replacement Reserve	0	241	0	241
Eco Towns Projects	120	0	-24	96
Growth & Regeneration Service Costs	559	50	-387	222
Homelessness Grant	123	26	0	149
Housing Enabling	208	4	-36	176
JM & SS Project	0	1,568	0	1,568
Local Plan Enquiry	362	138	-96	404
Monkton Heathfield	0	300	0	300
New Homes Bonus Reserve	1,040	1,354	-1,600	794
Performance & Client Consultancy	108	163	-60	211
Planning Delivery Grant	193	0	-41	152
Self-Insurance Fund	750	0	-250	500
Business Rates Smoothing Account Reserve	0	1,265	0	1,265
Troubled Families	246	249	-143	352
Other earmarked reserves	1,348	1,156	-1,026	1,478
GRAND TOTAL	7,509	10,190	-4,540	13,159

APPENDIX E

GENERAL FUND CAPITAL PROGRAMME OUTTURN

Scheme Heading	Budget £'000	Outturn £'000	Variance £'000	Carry Forward £'000
Swim Pool PV Cells	65	59	(6)	6
Total Community Leadership	65	59	(6)	6
PC Refresh Project	132	26	(106)	106
Members IT Equipment	8	2	(6)	6
IT Infrastructure	25	0	(25)	25
SCCC Loan	1,000	0	(1,000)	1,000
Gypsy Site	108	0	(108)	108
E-Secure Revs and Bens	10	10	0	0
Joint Mgt and Shared Service	1,010	0	(1,010)	1,010
Total Corporate Resources	2,293	38	(2,255)	2,255
Canal Grant	10	10	0	0
Waste Containers	107	71	(36)	36
Mercury Abatement	240	231	(9)	9
Chapel Roof	180	0	(180)	180
Total Environmental Services	537	312	(225)	225
Private Sector Health and Safety	0	(1)	(1)	0
Energy Efficiency	30	0	(30)	30
Landlord Acc Scheme	46	41	(5)	5
Wessex HI Loans	10	9	(1)	1
DFGs Private Sector	678	458	(220)	220
Grants to RSLs	1,541	283	(1,258)	1,258
Community Alarms	27	26	(1)	1
Total Housing Services	2,332	816	(1,516)	1,515
DLO Vehicles	180	175	(5)	5
DLO Plant	23	19	(4)	4
Project Taunton - Longrun Meadow Bridge C	108	5	(103)	103
Project Taunton - High Street Improvements	83	62	(21)	21
DLO New costing System	388	202	(186)	186
Project Taunton - Firepool	107	59	(48)	48
Project Taunton - Castle Green	295	59	(236)	236
Project Taunton - High St Retail	35	16	(19)	19
Project Taunton - Urban Growth	28	0	(28)	28
Project Taunton - Goodlands Gardens	0	(7)	(7)	0
Project Taunton - Coal Orchard	10	0	(10)	10
Project Taunton - Signage	7	6	(1)	1
Brewhouse	120	115	(5)	5
Thales	800	0	(800)	800
Creech Castle Improvements	375	0	(375)	375
Firepool Access	1,500	0	(1,500)	1,500
Total Ec Dev, Asset Management, Arts & Tourism	4,059	711	(3,348)	3,341

Scheme Heading	Budget £'000	Outturn £'000	Variance £'000	Carry Forward £'000
Accolaid Upgrade	20	20	0	0
Orchard Car Park	886	205	(681)	681
Canon Street Car Park	50	2	(48)	48
Total Planning, Transport & Communications	956	227	(729)	729
Grants to Clubs Play	178	66	(112)	112
Grants to Parishes	62	41	(21)	21
Replace Play Equip	96	90	(6)	6
Play Equip Long Run	2	2	0	0
Play Equip Greenway	1	1	0	0
Vivary Park Play	7	7	0	0
Wellington Recreation	6	6	0	0
Lambrook Green	27	35	8	0
Wellington Pavilion	269	269	0	0
Swains Lane Park	17	17	0	0
Station Road Swimming Pool	1,515	1,450	(65)	65
Wellington Skate Park	64	64	0	0
Wellington Sports Centre	126	126	0	0
Blackbrook Pool	5,353	5	(5,348)	5,348
Langford Budville Play	1	1	0	0
Taunton Athletics Club	6	6	0	0
Norton Fitzwarren Village Hall	1	1	0	0
Total Sports Parks and Leisure	7,731	2,187	(5,544)	5,552
GRAND TOTAL	17,973	4,350	(13,623)	13,623

APPENDIX F

HOUSING REVENUE ACCOUNT OUTTURN

	Original Budget 2013/14 £'000	Final Budget 2013/14 £'000	Actual 2013/14 £'000	Variance 2013/14 £'000
Income				
Dwelling Rents	(23,707)	(24,666)	(24,609)	57
Non Dwelling Rents	(588)	(588)	(574)	14
Charges for Services/Facilities	(168)	(173)	(190)	(17)
Contribution towards expenditure on estates	(189)	(189)	(189)	0
Supporting People	(299)	(299)	(299)	0
Total Income	(24,951)	(25,915)	(25,861)	54
Expenditure				
Management General	4,893	5,087	5,122	35
Maintenance	6,738	7,611	7,344	(267)
Capital Charges – depreciation	6,385	6,826	6,826	0
Provision for Bad Debt		503	(4)	(507)
Provision for Repayment of Borrowing	2,293	1,852	1,852	0
Debt Management expenses	8	8	0	(8)
IFRS Employee Benefits Adjustment	0	0	2	2
IAS19 Pension Fund Technical Adjustments	0	0	(146)	(146)
Total Expenditure	20,317	21,887	20,996	(891)
Net Cost of Services	(4,634)	(4,028)	(4,865)	(837)
Other operating costs and income				
Interest Payable	2,937	2,937	2,942	5
Interest Receivable	(35)	(35)	(49)	(14)
Net Operating Expenditure	(1,732)	(1,126)	(1,972)	(846)
Appropriations				
Transfer to/(from) Earmarked Reserve		(705)	(705)	0
Transfer Procurement Savings to GF	382	419	419	0
Revenue Contributions to Capital	1,350	1,460	1,445	(15)
(Surplus)/Deficit	0	48	(813)	(861)
Transfer to HRA Reserve Working Balance	0	(48)	813	861

APPENDIX G

HOUSING REVENUE ACCOUNT OUTTURN VARIANCES

No.	Service / Heading	Explanation	Forecast Variance			Outturn	
			Q1 £'000	Q2 £'000	Q3 £'000	Q4 £'000	Total £'000
1	Dwelling Rents	Dwelling rents are slightly lower than budget (0.2%) due to the increase in Right to Buys experienced in 2014/15 reducing rental income	(308)	(218)	543	40	57
2	Non-Dwelling Rents	Pressure on garage rents due to low take up of voids in some areas and a reduction in garage numbers due to redevelopment	13	(2)	0	3	14
3	Other Income	A small surplus on budget, however much of this is offset by additional expenditure in maintenance as it relates to leaseholder charges	12	(12)	5	(22)	(17)
4	Management	Savings from vacant posts have been partially offset by additional temporary staff	(41)	170	(92)	(154)	(117)
5	Maintenance	Early anticipated pressures in general maintenance and voids were offset by a virement from the additional rental income received for the 53rd week rent debit. However at year end the reconciliation of DLO works meant that this was no longer fully needed and so overall the budget is now underspent	654	425	(973)	(373)	(267)
6	Provision for Bad Debt	A combination of the delay in Universal Credit, a push from the Estates Team to reduce rent arrears, and a change in the way the provision is calculated (as suggested by audit) has led to additional rent income being received and a reduction in provision for bad debt	(330)	0	(73)	(104)	(507)
7	Interest Payable / Receivable	Additional interest received has led to a small underspend	0	5	(18)	4	(9)
8	Earmarked Reserves	Transfers to Social Housing Development Fund and other EMRs are on target	0	0	0	0	0
9	Revenue Contribution to Capital	Slippage within the capital budgets has led to the Revenue Contribution to Capital not being needed in 2013/14	0	(535)	535	(15)	(15)
10	Transfers to the General Fund	Transfers to the General Fund were in line with the target budget	0	38	(38)	0	0
	GRAND TOTALS	Note: A number of virements requested throughout the year have caused swings between service headings between quarters	0	(129)	(111)	(621)	(861)

HOUSING REVENUE ACCOUNT EARMARKED RESERVES

Reserve Heading	Balance 1 April £'000	Transfers In £'000	Transfers Out £'000	Balance 31 March £'000
Capital Financing Reserve - HRA Projects	79	0	0	79
CCR DLO Transformation (HRA resources)	65	0	(21)	44
Customer Access and Accommodation	0	36	0	36
Halcon Regeneration Scheme Project Costs	52	0	(28)	24
Social Housing Development Fund	1,108	801	(1,505)	404
Other Reserves	15	13	(1)	27
GRAND TOTAL	1,319	850	(1,555)	614

APPENDIX I

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME OUTTURN

Scheme Heading	Budget £'000	Outturn £'000	Variance £'000	Carry Forward £'000
Environmental Improvements	155	9	(146)	146
HRA Aids and Adaptations	135	103	(32)	0
HRA Air Source Heat Pumps	615	602	(13)	13
HRA Asbestos Works	219	218	(1)	0
HRA Bathrooms	1,035	827	(208)	208
HRA Community Alarms	100	17	(83)	83
HRA DFGs	339	282	(57)	31
HRA Door Entry Systems	245	224	(21)	21
HRA Doors	350	296	(54)	54
HRA Fascia's and Soffits	855	817	(38)	38
HRA Fire Safety Works in Communal Areas	250	156	(94)	94
HRA Heating Improvements	1,180	905	(275)	275
HRA IT Development	100	58	(42)	42
HRA Kitchens	460	412	(48)	48
HRA Meeting Halls	25	24	(1)	0
HRA Roofing	1,400	1,334	(66)	66
HRA Soundproofing	5	4	(1)	0
HRA Tenants Improvements	6	6	0	0
HRA Windows	306	255	(51)	51
Other External Insulations	2	1	(1)	0
Revise Bathroom Location	11	11	0	0
Sustainable Energy Fund	228	0	(228)	228
Total Major Works	8,021	6,561	(1,460)	1,398
HRA Creechbarrow Road	8,143	1,227	(6,916)	6,916
Buy Backs	717	712	(5)	5
Phase 1 Sites	3,483	147	(3,336)	3,336
Total Development	12,343	2,086	(10,257)	10,257
GRAND TOTAL	20,364	8,647	(11,717)	11,655

TAUNTON CEMETERY EXTENSION BUSINESS CASE

TAUNTON DEANE CEMETERIES AND CREMATORIUM**CEMETERY EXTENSION****1. Background**

- 1.1 A burial service has been provided at the Taunton Deane crematorium site since 1956, this cemetery was in situ before the crematorium opened in 1963.
- 1.2 The Council is not legally obliged to provide a burial service, but by offering this facility we are providing the community with a public service that is very welcomed whilst generating some income for the Authority.
- 1.3 Taunton Deane cemetery was originally divided into two sections; the first (Traditional Section) allowed for full grave memorials and provided a small Roman Catholic section, and the other (Lawn Headstone Section) was inter-denominational and allowed for upright headstones.
- 1.4 Since 1956 the cemetery has expanded and new sections continually planned and developed. Due to the pressures on capital resources we have been unable to provide for future demand, hence there is now an urgent need for capital funding.

2. Burial Sections

- 2.1 When the cemetery opened the service provided a separate Roman Catholic section. That section was eventually filled and now the Catholic community are content to use the main cemetery, and so Taunton Deane cemetery is currently inter-denominational.
- 2.2 In comparatively recent years our society has become increasingly diverse with many different religious, ethnic and secular groups becoming established.
- 2.3 The council's policy is to provide an inter-denominational cemetery thus meeting the needs of the majority without discriminating against any particular group. Given the difficulties experienced trying to find land to increase burial provision in Taunton and Wellington this policy would appear the only viable option.

3. Demand/Charges

- 3.1 During 2013 Taunton Deane cemetery sold 58 new graves for full burial and 49 new cremated remains graves.
- 3.2 Currently each new lawn grave will be charged at £585.00 and each cremated remains grave £429. When an interment takes place charges for burial will be

made depending on the depth of the grave required, which will be; £478, £585 or £650. Cremated remains interments are all charged at £113.

- 3.3 Before a memorial can be placed upon a grave the council will levy a memorial permit fee of £170 per headstone, this is also made against the memorial placed upon a cremated remains grave.
- 3.4 The demand for the provision of a cemetery is clearly demonstrated and the fees & charges provide the local authority with a steady income, albeit not with a high profit-making focus.

4. Current Performance

- 4.1 The service has under-recovered on income by £83k in 2013/14 mainly due to an overall reduction in the number of funerals. A new crematorium opened in Bridgwater and another in Honiton has taken some of the business. The forecast on Quarter 3 was overly pessimistic and the service has reduced the variance to budget in the last quarter as the number of funerals increased substantially. Other management action was taken to reduce costs. Total income amounted to:-

Details	Amount £
Sale of Urns and Caskets	1,252.00
Sale of Memorial Cards	2,554.99
Memorial Plaques and Tablets	23,275.83
Cremation Fees	1,275,367.12
Entries in the book of Memory	17,217.79
Interment Fees	97,162.57
Use of Chapel	4,698.16
Purchase of Rights	58,341.00

- 4.2 This means that it would not be possible this year to offer up a contribution to the proposed capital outlay. In previous years this may have been possible. It is also noteworthy that the service is required to maintain several existing cemeteries for which no income stream is available. The maintenance of cemeteries is for public benefit rather than an income generating activity.
- 4.3 It is also difficult and would be imprudent in this demand-led service to offer assurance that capital contributions could be made in future years to offset this bid.

5. Capital Bid

- 5.1 It is estimated that the cemetery will be full within the next 12 months, with only 50 burial graves available and a limited number of cremated remains graves.
- 5.2 Fortunately the land required to meet future demand is adjacent to the existing site, earmarked for burial and owned and managed by Taunton Deane Borough Council.

- 5.3 Some major preparation has already been completed; Persimmon Homes paid for the fencing and hedging around the perimeter of the field. An entrance has been provided and in consultation with the Environment Agency a small stream has been piped and levelled.
- 5.4 In order for the land to be accessible and in an appropriate condition to be used for graves, additional capital expenditure is urgently required. The timescales are particularly pressing as ideally the site would have time to establish before it is used, ie grounds and pathways etc would be mature and the site would appear complete and established. This may not be the case in this instance as the demand will be in the near future.
- 5.5 We have obtained a quote for the remaining works required and these are detailed in a quotation provided by Lance Povah, and estimated at £110k. See Appendices A and B. Further quotes will of course be obtained under procurement rules if approval is granted. A 10% contingency has been added to this figure as would be normal in construction projects.
- 5.6 Any adhoc and incremental revenue implications for the service would be limited and would be covered within the normal operating costs.

6. Funding

- 6.1 In order to fund the £121k capital outlay we could use unallocated balances within the Capital Financing Reserve. This would be a legitimate use with a tangible outcome. Alternatively, as we will be reporting a potential underspend for the Council overall this year, we could earmark this request as a first call to address the urgent need.
- 6.2 In either option, the revenue implications would be limited to a marginal reduction in interest income, when interest rates are very limited and this would avoid the need for borrowing against the service.

7. Recommendation

- 7.1 The long term provision of this service and whether it is cost effective is not addressed in this paper and will need detailed analysis and public consultation. The immediate need for the preparation of the grounds has made this an urgent request. The grounds will take time to establish and will still be “immature” in a year’s time if work started immediately.
- 7.2 The recommendation is therefore that in order to maintain this service and offer assurance to the public that the council values the service despite not being legally obligated to provide it, a capital bid be approved for £121k. The service would then have enough capacity at this site to operate for another 10 years.

Taunton Deane Borough Council

Executive committee – 9 July 2014

Corporate Performance Monitoring – Quarter 4 / Outturn 2013-14

Report of the Corporate Strategy & Performance 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 Executive 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 performance of the Council to the end of Quarter 4 of 2013/14 (as at 31 March 2014). The monitoring of the Corporate Strategy, service delivery, and performance indicators is an important part of the overall performance management framework.

The detailed financial position for Quarter 4 / 2013-14 outturn is provided in a separate report although a high level summary is also included in the Scorecard (section 3).

Analysis of the overall performance of the Council reveals that 71% of all performance measures are on target (ie Green alert). This is a similar position compared to the previous quarter (Quarter 3 was 71%), and an improved position compared to Quarter 4 last year (2012/13) which was 65%.

Total no. of measures (Corporate scorecard)	 Green	 Amber	 Red	N/A	Trend (from last quarter)
59	42 (71%)	13 (22%)	4 (7%)		↔

There are 4 indicators on the scorecard allocated 'red' status:

- Number of affordable homes delivered
- Business Improvement District (BID) ballot
- General Fund Revenue
- Housing (HRA) Revenue

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

2.1 The TDBC Corporate Scorecard at **Appendix A** contains full details of Quarter 4 / Outturn performance.

2.2 Scorecard explanation / key:

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

OBJECTIVES	MEASURES	ALERT	TREND	Performance data & comments (key risks/issues/achievements)
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)	 Compared to previous quarter, or same period previous year	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.

2.3 Key to performance alerts:

	Reasons for alert	Notes
 Green	Planned actions are on course	Justification for the Green alert will be provided.
	Performance indicators are on target	Key successes or exceptional performance will be outlined.
 Amber	Some uncertainty in meeting planned actions	The reason for the Amber alert will be made clear.
	Some concern that performance indicators may not achieve target	Mitigating actions will be outlined
 Red	Planned actions are off course	A brief high level summary is included within scorecard.
	Performance indicators will not achieve target	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

2.4 Summary / overview of the Quarter 4 scorecard (appendix A)

Section	No. of measures	 Green	 Amber	 Red	N/A	Trend (from last quarter)
Aim 1 - Quality Sustainable Growth & Development	10	5 (50%)	4 (40%)	1 (10%)		↓
Aim 2 - A Vibrant Economic Environment	8	7 (88%)		1 (12%)		↔
Aim 3 - A Vibrant Social, Cultural and Leisure Environment	10	8 (80%)	2 (20%)			↑
Aim 4 – A Transformed Council	5	3 (60%)	2 (40%)			↓
Managing Finances	14	10 (71%)	2 (14%)	2 (14%)		↔
Corporate Health	12	9 (75%)	3 (25%)			↑
TOTALS	59	42 (71%)	13 (22%)	4 (7%)		↔

KEY:

- ↑ = Improving (ie more Green, less Amber &/or Red alerts)
- ↓ = Worsening (ie less Green, more Amber &/or Red)
- ↔ = No change

3.4.1 The 'Joint Management Team' (Directors and Assistant Directors for TDBC and West Somerset) participated in a corporate performance review session on 2nd June. Key aspects of the Corporate Scorecard were reviewed, and where significant issues and risks were identified, management response actions were agreed.

3.5 'Directorate' and Service performance monitoring

3.5.1 Performance scorecards are under development for each new 'Directorate' (or group of services which are the responsibility of each Assistant Director). These will be reviewed by JMT as part of the overall corporate performance monitoring process, with risks and issues escalated as required to be managed at the most appropriate level.

3.5.2 'Exception and Highlight' reports for each Assistant Director are appended to this report (**appendix B**) – these provide a high-level overview and summary from their group of services / responsibility areas of the key issues, risks, achievements & successes, and priority objectives for the next quarter.

3.6 Performance Management Framework (PMF)

3.6.1 Following the decision to join up the management teams and share services between Taunton Deane and West Somerset Councils, some initial work has commenced to review and understand the respective Performance Management Frameworks (Corporate Business Planning, Service Planning, targets & measures, monitoring & reporting). Recommendations for a single aligned framework will be introduced during 2014/15.

3.6.2 The new Corporate Strategy and Performance Manager will consider the potential for aligning the processes and outputs to minimise duplication whilst continuing to fulfil the needs and expectations of the two separate democratic councils.

3.6.2 Some key principles have been identified and endorsed by the new Joint Management Team, including:

- Members will be involved in the development of a new framework
- The newly established PMF will need to recognise the demands of a single organisation serving two separate democratic councils - monitoring of the corporate priorities needs to reflect the separate democratic councils (eg separate reports will be produced for TDBC/Executive and WSC/Cabinet & regarding progress of delivering the corporate priorities)

3.7 A summary of the whole TDBC performance reporting framework is shown below. This indicates where other performance information can be obtained relating to a wide variety of services, partnerships, projects, and strategic aims and objectives.

What	Responsible officer	Where	When
Corporate scorecard & financial monitoring	Dan Webb / Paul Fitzgerald	~ JMT ~ Corporate Scrutiny ~ Executive	Quarterly
Assistant Director 'Exception & Highlight' reports	Assistant Directors	~ JMT ~ Members' Portal ~ PFH briefings	Quarterly
Corporate Programmes & major projects (Growth & Development, Transformation)	Programme & Project Managers	~ Programme & Project Boards ~ Member Steering / Advisory Groups (eg 'JPAG')	Various
Southwest One Performance / KPI monitoring	Richard Sealy	~ Corporate Scrutiny ~ Client KPI monitoring	6-monthly Monthly
Somerset Waste Partnership Performance monitoring report	Chris Hall	~ Waste Board ~ Members' Portal	Quarterly
Somerset Waste Partnership Annual business plan	Chris Hall	Corporate Scrutiny	Annual
Tone Leisure Performance report	Chris Hall	Community Scrutiny	6-monthly
Housing Services Performance indicators report	Simon Lewis	Tenant Services Management Board	Quarterly

Somerset West Private Sector Housing Partnership	Simon Lewis	~ SWPSHP Board ~ Client KPI monitoring	Quarterly Monthly
South West Audit Partnership (SWAP) - progress of audit plan	Richard Sealy	~ Corporate Governance Officer's Group ~ Corporate Governance committee	Quarterly
DLO transformation	Chris Hall	DLO Member's Steering Group	
Climate Change	Simon Lewis	Carbon Management Steering Group	Bi-monthly
Taunton Deane Partnership - Priority Areas Strategy	Simon Lewis	~ TDP Executive ~ TDP Board ~ Community Scrutiny	

4. Finance Comments

The Council's financial performance is included as a high-level summary as part of the Corporate Performance scorecard. This is an important element of the performance measures, in terms of managing public money effectively. A separate report is included on the agenda for this meeting that provides a comprehensive analysis of the Council's financial position and performance for the year.

5. Legal Comments

There are no legal implications in this report.

6. Links to Corporate Aims

As this report covers all aspects of the Council's performance, all Corporate Priorities are affected (ref Scorecard section 1)

7. Environmental and Community Safety Implications

Please see section 3.4 of the Scorecard for those areas contributing to the above

8. Equalities Impact

Ref scorecard section 6.5 for details of equalities progress within the council.

9. Risk Management

Ref scorecard section 6.6 for details of risk management progress within the council. Many of the measures in the Corporate & Theme scorecards are Key Performance Indicators (KPIs) or Early Warning Indicators (EWIs) directly linked to specific risks

included on the Council's Corporate Risk Register (or risk registers in place for Theme/Services and projects).

10. Partnership Implications

A number of corporate aims and objectives reported within the corporate scorecard are delivered in partnership with other organisations. Performance issues relating to specific partnerships are reported within the more detailed service scorecards (for example 'Corporate & Client'), as well as various other partner specific reports as described in the overall performance reporting framework – please see 3.5.4 above.

11. Recommendations

- 11.1 It is recommended that the Executive Committee review the Council's performance as at the end of Quarter 4, taking corrective action or requesting further information from members of the Joint Management Team (JMT) where necessary.

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TDBC CORPORATE SCORECARD Qtr 4 2013/14 (Appendix A)

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
SECTION 1) CORPORATE BUSINESS PLAN – strategic aims & objectives								
Aim 1) Quality Sustainable Growth & Development								
1.1	Objective 1 Increase number, quality & range of housing / affordable housing	Creechbarrow Rd redevelopment project	G	G	↔	Overall Project Status - A contract was issued to Galliford Try, a national construction firm on 20/12/13; the site has been under their management since that date. - The Knightstone Housing part of the site has legally been in their possession since 19/12/13. - Demolition works are scheduled to start on site in early April. - The challenge period for the Council requesting 'stopping up' of highway and footpath on the site at Creechbarrow Road expired on 27/02/14 with no objections and the process is now completed. - A community event was held in March attended by Galliford Try and the Project Team, KHA and Halcon One Team.	James Barrah	Housing
		HRA house building - phase 1 sites	G	G	↔	Contracts were signed on Wednesday 2nd April 2014 between TDBC and Henry Pollard & Sons Ltd, a building firm based in Bridgwater. Anticipated start on site date is the w/c 28th April. The build programme is projecting a Practical Completion date of early January 2015 for all three sites. Units delivered will be: ~ Normandy Drive – 8 x 1 bed flats (4 for wheelchair users) ~ Bacon Drive – 4 x 2 bed houses and 1 garage to replace a private garage. ~ West Bagborough – 1 x 4 bed house, 2 x 3 bed house, 2 x 2 bed house and 2 x 1 bed flats (one is suitable for wheelchair user).	James Barrah	Housing
		Number of affordable homes delivered	G	R	↓	Annual affordable homes target - 200 homes. 156 affordable homes have been completed during 2013/14. Material shortages, highways and Land Registry issues have delayed a further 49 affordable homes completing within this year (NB - issues now resolved and completions anticipated May / June). In addition there have been 99 sales through Help To Buy up to the end of Feb 2014, although this is not an affordable product and not included in the affordable housing figures it has replaced FirstBuy which was a recognised affordable product.	Kene Ibezi	Housing

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
		Facilitate delivery of urban extensions (Monkton Heathfield, Comeytrove / Trull & Staplegrove)	A	A	↔	<p>Monkton Heathfield (4500 new homes by 2018)</p> <ul style="list-style-type: none"> ~ Delivery Board operational ~ Discussions to secure swift delivery of Western Relief Road (WRR) to facilitate continued delivery (RISK - failure to deliver WRR will cause development to stall) ~ CPO, legal and viability advice being provided ~ Identified in LEP Strategic Economic Plan <p>Comeytrove / Trull & Staplegrove (3500 new homes by 2028)</p> <ul style="list-style-type: none"> ~ Discussions with land owners and developers progressing through planning (site allocations) ~ Identified in LEP Strategic Economic Plan 	Tim Burton	Planning Transport and Coms
		Maintain 5 year supply of ready to develop housing sites	G	G	↔	The Council has completed its annual Strategic Housing Land Availability Assessment (2013). The document is based upon extensive involvement from the development industry and shows in excess of a 5 year supply plus 5% buffer.	Tim Burton	Planning Transport and Coms
		Major Planning applications processed in target time	R	G	↑	<p>Target 60% of Major Development planning applications (large and small scale) determined within 13 weeks.</p> <p>Quarter 4 2013/14 = 89% (16 / 18 applications determined within 13 weeks).</p> <p>Full year 2013/14 = 69% (44 / 64 applications determined within 13 weeks).</p> <p>Last year 2012/13 = 59% (26 / 44 applications determined within 13 weeks).</p>	Tim Burton	Planning Transport and Coms
1.2	Objective 2 Delivering infrastructure	Firepool Project (achieve a 'development ready' regeneration scheme by April 2016)	A	A	↔	<p>Key milestone: by mid 2015 - Planning permission secured / resolution of 3rd party land issues / scheme viability assured</p> <p>Revised plan for scheme under discussion with Development Partner</p> <p>Key risks / dependencies:</p> <ul style="list-style-type: none"> ~ Peripheral 3rd party land ~ Planning policy issues and impact on existing Town Centre ~ Scheme viability ~ Management of potential flood issues 	Tim Burton / Tom Gillham	Ec Dec Asset Mgt Tourism
		Strategic Flood protection for Taunton (completion of long-term solution by 2019)	A	A	↔	<ul style="list-style-type: none"> ~ Pre-feasibility work and flood modelling completed ~ Interim Flood Risk Management guidance is being prepared to allow crucial town centre developments to come forward in the short-medium term. <p>Key risk: funding source not yet identified (£15m)</p>	Tim Burton	Ec Dec Asset Mgt Tourism
		Community Infrastructure Levy (CIL)	G	G	↔	<p>Target - Adopt CIL by April 2014.</p> <p>This project is now complete - CIL adopted 1 April 2014.</p> <ul style="list-style-type: none"> ~ Final Charging Schedule and Instalment Policy agreed by Community Scrutiny, Executive and Full Council. ~ Finalised Regulation 123 List produced. ~ CIL Officer in post. 	Tim Burton	Planning Transport and Coms

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
		Strategic Transport Initiatives (J25 capacity improvements, Toneway corridor & NE Taunton transport package)	G	G	↕	<p>M5 Junction 25 (target - completion of comprehensive transport infrastructure improvements by 2018) ~ included as Growth Deal priority for 2016-18 ~ Traffic modelling underway to inform Business Case</p> <p>Toneway corridor (target - improvements to 3 major junction pinch-points by 2018) ~ included as Growth Deal priority for 2016-18</p> <p>NE Taunton public transport (target - improvements by 2020, inc Bus priority measures between Monkton H and town centre and Park & Ride site) ~ included as Growth Deal priority for 2017-20</p> <p>Both SCC and the HA are working collaboratively with us on the projects.</p>	Tim Burton	Planning Transport and Coms

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
Aim 2) A Vibrant Economic Environment								
2.1	Objective 3 Improving perception of Taunton, attracting new businesses & supporting existing ones	Taunton Town Centre 'rethink' project	G	G	↔	The project is now complete - a report with recommendations was approved by the Executive 15 Jan 2014. The next stage is to agree a delivery process.	Brendan Cleere	Ec Dec Asset Mgt Tourism
		Marketing & promotion of Taunton	G	G	↔	Target - Complete programmes to market and promote Taunton Deane to businesses: 1. Taunton Means Business and Project Taunton merged into one 'Taunton' campaign - New website launched January 2014. Nnational marketing campaign ongoing. Developer and agent meeting in March 2014 2. Into Somerset - Ongoing liaison. Ongoing large enquiry in Henlade 3. Taunton Town Team - ceased with wind up of Town Centre co. could be rejuvenated in future.	Ian Timms	Ec Dec Asset Mgt Tourism
		Business Improvement District (BID)	A	R	↓	Target - Achievement of a successful BID ballot in April 2014. Ballot closed on 28th Feb. BID was unsuccessful, resulting in closure of the Town Centre Co. New work is being undertaken to shape the use of funds set aside for the Town Centre Co.	Ian Timms	Ec Dec Asset Mgt Tourism
		Taunton town centre shop vacancy rate	G	G	↔	Target - Vacancy rate lower than national average. Overall Vacancy rate is 5.85% against a national average of 14%. Current vacancy rate is now 4.9% in the Prime Retail areas and 8.6% in the Secondary Retail areas.	Ian Timms	Ec Dec Asset Mgt Tourism
2.2	Objective 4 Increasing economic activity	Employment & skills projects	G	G	↔	Target - Vista delivering targets within Job Club SLA Year-end position - Job Clubs held in Halcon, Priorswood and Wellington - figures for the year (2013/14) exceeded the set targets. Attendances = 2076 (target = 480), Jobs achieved = 56 (target = 48), Work Placements/ Training = 98 (target = 72)	Ian Timms	Ec Dec Asset Mgt Tourism
		Employment land (delivery & take-up)	G	G	↔	Target - Achieve 100% of employment land requirements as per Core Strategy by 2028. Employment land developed 2006-13 = 19,637 sq.m. office and 15.76 ha industrial which equates to 39.7% and 43.2% respectively of total requirements to 2028. A further 73,901 sq.m. office and 64.8 ha industrial land is committed or allocated for development. This is monitored annually. A second strategic employment site is to be sought through the Site Allocations Plan. <i>(NB - final 2013/14 annual data will be available in Qtr 1)</i>	Tim Burton	Planning Transport and Coms
		Inward investment	G	G	↔	Number of enquiries made as a result of us going outside the county and advertising further afield. 10 enquiries received from businesses looking to invest in the Borough during Q4 - one of the ten enquiries relates to relocation of 40 jobs to the area which is positive news.	Ian Timms	Ec Dec Asset Mgt Tourism
		Local Business Development and Support	G	G	↔	Target - Delivery of Business Support Action Plan (including delivery of 4 Business information events in 2013/14 and small business grants). ~ 33 grants awarded to new businesses (£18,000) plus 4 rural retailers (£6,600). ~ programme of business support events and forums delivered ~ 186 businesses attended Business Start up Workshops, delivered by Somerset Business Agency	Ian Timms	Ec Dec Asset Mgt Tourism

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
Aim 3) A Vibrant Social, Cultural and Leisure Environment								
3.1	Objective 5 Work with partners to improve the lives of our most vulnerable households	Priority Areas Strategy (PAS) – progress of projects	A	A	↔	A revised version of the PAS Action Plan was approved in October. However, we have yet to undertake any monitoring. This will commence in Qtr2 (monitoring of both individual project progress and collective progress towards delivery of outcomes) using a range of statistical data and narrative. Revised Project reports will be presented to the TDP Executive during Qtr 2, therefore this information will be available for the Quarter 2 corporate performance report.	Simon Lewis	Community Leadership
		Halcon One Team	G	G	↔	Early family intervention continues to be the main theme of the Halcon One Team approach. Significant improvements in early referrals to Family Support, Family Focus, Safeguarding, Debt Management are evidenced by falling crime, stabilised debt arrears to the LA and improving the look and feel to the Halcon Ward.	Simon Lewis	Community Leadership
		Health & Wellbeing strategy	G	G	↔	Target - Develop Action Plan by April 2014 Target achieved - the audit and action plan has been through Scrutiny and was approved by the Executive (subject to minor amends) during April. It now needs to be adopted and monitored by JMT. The audit and action plan will be presented to the Health and Wellbeing Board during June '14. It will also be debated by the TDP during May. The TDP have a limited amount of money to assist with the delivery of projects.	Simon Lewis	Community Leadership
		'Family Focus' (Troubled Families) project	A	G	↑	Number of families attached to the project continues to rise - we now have 290 families (approx) across Taunton Deane and West Somerset (Gov't target is 262 by March 2015) . During February we submitted the first significant 'success claim' for outcomes relating to Anti-Social Behaviour and education - we claimed 117 success for Taunton Deane and 47 success for West Somerset. This exceeds the Gov't target for 'claimed for success' at this point in time (target = 30% / achieved = 60% approx) and released £144k (approx) of money for the locality. There is another 'claims' window in May where we shall focus on identifying claims relating to employment. Two additional Family Support Workers were recently appointed. They are based at Hillside Children Centre and enable the project to expand in to North Taunton. Project updates are circulated to Members every two months and detailed scorecards are reported to Family Focus Strategic Group and TDP.	Simon Lewis	Community Leadership
3.2	Objective 6 Facilitate and support cultural and leisure opportunities	Swimming Pool projects	G	G	↔	Station Road: Practical completion of construction was completed Monday 19th May when the building was handed back to the Council. Operators prepared the building for customers and doors opened for first swims 23rd May in time for half term. Final payment and settlement amount will now be negotiated and agreed with the Contractors. Blackbrook Pool: Project continues to remain on programme. Pre planning consultation event held 29 April. Planning application submitted 20 May. During the planning consultation period the design team will progress next level of design detail in preparation for the procurement of the Contractors if/once planning consent is provided - to begin September 2014. Programme on track to start construction on site Jan/Feb 2015	Chris Hall	Sports Parks Leisure

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
		Develop a new community leisure strategy	A	A	↔	Target - Develop Community Leisure Strategy by April 2014 Work has begun on updating data and conducting research. Through this exercise it is clear that further time is required to complete further research and consultation. Delivery date is being re-assessed.	Chris Hall	Sports Parks Leisure
		Taunton town centre events programme	G	G	↔	Taunton Events Group activity in 2013/14: -Somerset in June - 15,000 additional visitors to the town centre, uplift of 25% -Taunton Shakespeare Festival in August - 550 audience over 4 performances. First event of this type, and various lessons learned over use of Castle Green for cultural events -Great Taunton Busk Off - September. 17 local artists busked in the town centre -Taunton Literary Festival - November -Taunton Christmas Fair and Lights - November / December - Production of The Tone magazine featuring events in Taunton Deane during March to May - New Events website commissioned as part of new Visit Taunton Deane web portal. Due to be completed in June	Ian Timms	Planning Transport and Coms
		Brewhouse theatre	G	G	↔	Target - Develop a sustainable solution for the Brewhouse Theatre. Short term funding agreement and tenancy entered in February. Ongoing negotiations to enter long term funding agreement and 10 yr lease. Final Lease of Brewhouse and Funding Agreement to be completed in June/July 2014. Monitoring Group to be established to check performance against grant monies committed by council.	Ian Timms	Planning Transport and Coms
	3.3 Objective 7 Maintain clean streets, good quality parks, open spaces and leisure & cultural facilities	Fly-tipping	A	G	↑	Enforcement action is taken by the Environmental Protection Team wherever there is evidence that can be pursued. Actual fly tip numbers are as follows: Q4 2013/14 = 131 (full year = 562, ie a 13% decrease on last year) Q4 Last year = 216 (full year = 647)	Chris Hall	Env Services Climate Change
		Parks & open-spaces	G	G	↔	Open Spaces continue to be maintained both by schedule and in response to incidents to ensure that there is a high standard of cleanliness across all open spaces and facilities with TD.	Chris Hall	Sports Parks Leisure

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
Aim 4) A Transformed Council – key projects of the transformation programme:								
Objective 8) Achieve financial sustainability; Objective 9) Transform services; Objective 10) Transform the way we work								
4.1	TDBC & West Somerset Joint Management & Shared Services (JMASS)		G	G	↔	Key project milestones: ~ 1 Jan 2014 - Joint Management team in post. ~ 1 Aug 2014 - structure for 4th & 5th tier officers to be in post. ~ 31 Mar 2015 - new structure complete. ~ 1 Apr 2015 - Terms and Conditions Harmonised. Achievements: The new Joint Management Team have been appointed. The appointments are within the reduced cost envelope agreed by both Councils. £750k Transformation Challenge Award funding won by the Councils as a result of bid submitted earlier in the financial year. Phase 1 tier proposed structure designed within affordability envelopes and consultation process commenced on time.	Richard Sealy	Corp Resources
4.2	Council Accommodation Project		G	G	↔	Following member approval to undertake detailed feasibility of the two shortlisted options (new build at Firepool and County Hall), DTZ consultations have been commissioned to undertake this work. Report due imminently which will progress to decision on preferred option at Full Council in July 2014. Member working group established to undertake site visits. Staff working group to be established and consultation with Unison commenced.	James Barrah	Corp Resources
4.3	Asset Strategy		G	A	↓	Following approval of new Asset Management Strategy, first required task regarding improvements to budget/cost coding for works to assets has been completed. Second task of recruiting temporary Estates Surveyor capacity to progress asset disposal reviews has been delayed whilst recruiting to vacant Assistant Director post and new JMASS property structure. Work expected to resume shortly on this element.	James Barrah	Ec Dec Asset Mgt Tourism
4.4	DLO depot relocation feasibility		G	A	↓	This project has a timeline that leads to a member decision making process prior to Christmas. This is subject to a procurement process to ensure any options for the future DLO operating locations are deliverable. Pressures are building to keep the preferred bidder for Priory Way engaged in the lead up to the final decision being made.	Chris Hall	Corp Resources
4.5	Southwest One Review		G	G	↔	Services returned on 1st Feb 2014 and project closed down (Services: Property, FM, Post Room, HR Advisory, Design & Print, Finance Advisory). Workstreams for: Contractual changes, HR, Finance, Logistics/Technical, Comms all completed. Services transitioning and being undertaken by appropriate Director/AD	Richard Sealy	Corp Resources

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
SECTION 2) MANAGING FINANCES								
5.1	Budget monitoring To control spending within approved budget total for the year	a) General Fund Revenue within 1% = ☺ 1 – 2% = ☹ over 2% = ☹	G	R	↓	The Council's net outturn for General Fund services is £964k (6.7%) below budgeted levels . This variance is due to a range of factors as outlined within the Financial Outturn report, but is significantly due to higher than expected income in the final quarter from demand-led services including Planning, Parking and Burials/Cremations. It is evident that income levels in these services is difficult to predict, but also in respect of planning and parking provides an indication of improvement in the local economy.	Paul Fitzgerald	Corp Resources
		b) General Fund Capital within 2% = ☺ 2 – 3.5% = ☹ over 3.5% = ☹	G	G	↔	The General Fund Capital Programme budget has increased during the year by £14,042k (from £3,931k) to give an overall approved budget of £17,973k. In practice this spending is anticipated to be spread over more than one year. The actual spend on capital for 2013/14 is £4,350k, with £13,623k of the General Fund Capital Programme budget being carried forward to reflect latest expenditure forecasts. The total forecast spend for the total programme is on budget.	Paul Fitzgerald	Corp Resources
		c) Housing Revenue (HRA) within 0.5% = ☺ 0.5 – 2% = ☹ over 2% = ☹	G	R	↓	There are a number of significant variances from both planned levels of income and expenditure. However, when these are netted together the actual outturn is a surplus of £861k (3.3%) - predominantly due to significant surplus against bad debt provision and an underspend on maintenance costs. HRA general reserves are currently £3.059m which is above the minimum required level of £1.8m.	Paul Fitzgerald	Corp Resources
		d) HRA Capital within 2% = ☺ 2 – 3.5% = ☹ over 3.5% = ☹	G	G	↔	The HRA Capital Programme budget has increased during the year by £792k (from £19,572k) to give an overall approved budget of £20,364k. In practice this spending is anticipated to be spread over more than one year, particular in respect of new housing development and acquisition. The actual spend on capital for the year is £8,647. The HRA Capital Programme has a net underspend of £62k and is reporting a budget carry forward of £11,787k to reflect latest forecast of expenditure.	Paul Fitzgerald	Corp Resources
		e) Council Tax Support within £25k = ☺ £25k-£50k = ☹ over £50k = ☹	G	G	↔	On Target: Budget £6,125k Expenditure £5,930k, leaving us with a safety net of £195k	Paul Fitzgerald	Corp Resources
		f) Business Rates Net rate yield	G	A	↓	2013/14 is the first year of operating the business rates retention system. As such, we need to include a significant provision in respect of appeals and refunds, which could be backdated to 2010 (or even 2005 in a small number of cases). Net retained income for the year is below original budget expectations , which is mitigated by government funding for reliefs and a Safety Net receipt. Refer to Financial Outturn 2013/14 report for further information.	Paul Fitzgerald	Corp Resources

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
5.2	Reserves To maintain an adequate reserve (based on financial risk analysis)	General Fund reserve >£1.25m = ☹ £1- £1.25m = ☹ <£1m = ☹	G	G	↔	The General Fund Reserve balance as at the 1 April 2013 was £3,943k. This has been significantly reduced during the year by subsequent allocations, including £1,500k to the Blackbrook Swimming Pool project. The budgeted balance of £1,516k is increased to £2,480k following the transfer of the underspend , which is above the minimum requirement of £1,500k. This provides limited flexibility to respond to new pressures or provide one-off funding for new initiatives.	Paul Fitzgerald	Corp Resources
5.3	Next year's budget gap	A balanced budget 2014/15	G	G	↔	The 2014/15 balanced budget was approved by Full Council on the 25 February 2014	Paul Fitzgerald	Corp Resources
5.4	Debt collection	a) Council Tax Target = 97.8%	A	G	↑	The target for Q4 (year-end outturn) = 97.8% Actual for Q4 (year-end outturn) = 98.0% Exceeded target (Last year 2012/13 outturn was 98.04%)	Paul Fitzgerald	Corp Resources
		b) NNDR Target = 98.4%	G	G	↔	The target for Q4 (year-end outturn) = 98.5% Actual for Q4 (year-end outturn) = 98.9% Exceeded target (Last year 2012/13 outturn was 98.88%)	Paul Fitzgerald	Corp Resources
		c) Housing Rent Target = max arrears £360k)	A	G	↑	By the end of quarter 4 we have met our arrears target of £360k. Actual arrears each quarter were. Q1: £416,216.93 arrears Q2: £411,360.11 arrears Q3: £437,105.92 arrears Q4: £351,209.80 arrears	Simon Lewis	Housing
		d) Sundry Debts position (In SAP only*)	A	G	↑	As at 1 April 2014 debt over 90 days old = £0.40m As at 1 April last year debt over 90 days old = £0.80m As at 1 April 2014 debt = £1.35m (£872k is not yet due for payment) As at 1 April last year debt = £1.56m During the course of the year (2013/14) there has been more robust management of sundry debts by services and regular monitoring by JMT. There has been a continuous improvement in the debt position .	Paul Fitzgerald	Corp Resources
5.5	Benefits subsidy	To achieve 100% subsidy	G	G	↔	The lower threshold for TDBC is £152k pa. The predicted outturn is £32k leaving us with a £120k safety net.	Paul Fitzgerald	Corp Resources
5.6	Procurement Transformation Project Ensure TDBC realises benefits of the various transformation projects	Value of Procurement Savings against target (based on 'loan' repayment figure)	A	A	↔	£3.178m of savings initiatives have been signed-off and agreed at 31st March 2014, of which £1.967m has been delivered ; the balance will be delivered in subsequent months /years. The Procurement Service are reviewing the 'pipeline' of further possible initiatives for TDBC to provide a clearer forecast of likely savings at the end of the current SW One contract (due to expire 2017). Their current best estimate is that at the end of the contract a total of £4.97m savings could be delivered.	Paul Fitzgerald	Corp Resources

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3. CORPORATE HEALTH (People, Customer Service, & Corporate Governance)																								
6.1	People	a) Staff sickness	A	G	↑	Target = 8.5 max working days lost per FT employee Actual for year = 8.2 days (BVPI 12) A reduction in 2.28 days absence per employee when compared to 2012/13 data (last year actual was 10.5 days). Delivery of a wellbeing and sickness absence plan has provided managers with additional support and data to address absence.	Richard Sealy	Corp Resources																
		b) Staff Turnover	G	G	↔	Target - max 12% (voluntary leavers as % of staff in post) Total turnover up to end of Q4 = 9.44% Voluntary turnover up to end of Q4 = 4.72%	Richard Sealy	Corp Resources																
6.2	Delivering customer driven services To deliver customer focussed services, achieving high levels of customer satisfaction.	a) Calls resolved at 1 st point of contact	G	G	↑	Target = 92 % (for Contact Centre) Quarter 4 actual = 97.72% / Year-end actual = 97.16% (Last year was 95.8% for the year)	Jill Sillifant	Corp Resources																
		b) Calls answered within 20 seconds	G	G	↔	Target = 80 % (for Contact Centre) Quarter 4 actual = 82.29% / Year-end actual = 81.46% (Last year was 82.23% for the year)	Jill Sillifant	Corp Resources																
		c) Calls abandoned	G	G	↑	Target = <5% (for Contact Centre) Quarter 4 actual = 2.19% / Year-end actual = 3.10% (Last year was 3.71% for the year)	Jill Sillifant	Corp Resources																
		d) Customer Feedback (Complaints & Compliments)	A	A	↔	Target = 100% of complaints responded to within 10 days. Full year (2013/14) = 77% (122/158*) <i>*NB: 15 complaints from Q4 not included - outcome not yet logged</i> <table border="0"> <tr> <td></td> <td><u>Qtr 4</u></td> <td><u>Year</u></td> <td><u>Last Year</u></td> </tr> <tr> <td>Total number of feedback</td> <td>= 80</td> <td>= 262</td> <td>= 226</td> </tr> <tr> <td>Total number complaints</td> <td>= 56</td> <td>= 173</td> <td>= 99</td> </tr> <tr> <td>Total number compliments</td> <td>= 16</td> <td>= 60</td> <td>= 115</td> </tr> </table>		<u>Qtr 4</u>	<u>Year</u>	<u>Last Year</u>	Total number of feedback	= 80	= 262	= 226	Total number complaints	= 56	= 173	= 99	Total number compliments	= 16	= 60	= 115	Richard Sealy	Corp Resources
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e) Freedom of Information (FOI) requests	G	G	↑	Target = 75% of queries answered within 20 working days of receipt. Qtr 4 (actual) = 85% Full year (2013/14) = 82% (538 / 656) <table border="0"> <tr> <td></td> <td><u>Year</u></td> <td><u>Last Year</u></td> </tr> <tr> <td>Total number of FOIs</td> <td>= 656</td> <td>= 482</td> </tr> <tr> <td>% closed within 20 day target</td> <td>= 82%</td> <td>= 77%</td> </tr> </table>		<u>Year</u>	<u>Last Year</u>	Total number of FOIs	= 656	= 482	% closed within 20 day target	= 82%	= 77%	Richard Sealy	Corp Resources									
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6.3	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	G	G	↔	As at the previous review point (Dec 2013) the Corporate Governance Action Plan included 8 'open' actions (3 actions carried over from previous years plus 5 new external audit recommendations (Grant Thornton audit findings 2012/13). The latest position is: <ul style="list-style-type: none"> • 4 of these actions are now considered 'closed' • Of the remaining 4 'open' actions, 2 are 'Green' (on track), and 2 are 'Amber' (some concern). 	Richard Sealy	Corp Resources																

Ref	OBJECTIVES	MEASURES	Alert LAST Qtr	Alert THIS Qtr	Trend	Performance data & comments (Key risks / issues / achievements)	JMT Owner	Portfolio
6.4	Audit & Inspection Ensure that statutory Audit & Inspection obligations are met	Internal audit findings	A	A	↔	<p>2013-14 Internal Audit Work: Indicative opinion based on 29 reviews as draft or final (further 8 in progress / drafting).</p> <p>The following audit assessments were reported in respect of these audits were complete or draft (draft reports could be subject to change):</p> <p>Green - Substantial assurance = 1 Green - Reasonable assurance = 10 Amber - Partial assurance = 5* Red - No assurance = 0 - No Rating = 1* - Non-Opinion = 7 - Follow-up Audit work = 5</p> <p>*Partials are: Data Centre Management - Final, Taunton Deane Priority Area Strategy - Final, Procurement Cards - Final, Contract Management - Draft, Creditors - Draft * No rating: Software Development Life Cycle - Draft</p>	Richard Sealy	Corp Resources
6.5	Equalities & Diversity Ensure compliance with general & specific duties of Equalities Act 2010	Delivery of corporate Equalities action plan	A	A	↔	<p>The Corporate Equality Action Plan is on track to be delivered during 2014/2015.</p> <p>24 of the 28 Actions within the plan are 'Green' and either on track or completed.</p> <p>4 of the actions are not on track however we are working with services across the Council to address delays.</p>	Simon Lewis	Community Leadership
6.6	Risk Management To ensure major risks are managed by embedding Risk Mgt Strategy	Delivery of RM Strategy & action plan	G	G	↔	<p>The Joint Management Team (JMT) has identified and assessed strategic risks facing the council - these are recorded on a refreshed Corporate Risk Register for 2014. This was reported to the Corporate Governance Committee 10th March 2014.</p> <p>JMT will continue to develop and implement appropriate Risk Response Action Plans, and will regularly monitor and review these.</p> <p>The Corporate Risk Management Strategy is being refreshed to reflect the new 'One Team' (JMASS) arrangements, and will be reported to Corporate Governance committee for approval in Sept.</p>	Richard Sealy	Corp Resources
6.7	Health & Safety To raise the standard of Health & Safety knowledge & performance	Delivery of Corporate H & S Action Plan	G	G	↔	<p>A new Health and Safety Operational plan will be live from April, with prioritised actions. This will include joint audit visits with Unison to key service areas based on risk.</p> <p>The reports to Corporate Governance have changed to better reflect the needs of the panel and will include specific feedback on learning points from incidents.</p> <p>New accident reporting procedures in place from April, to be communicated across the Council</p>	Chris Hall	Corp Resources

Quarter 4 Performance Exception & Highlight Report

APPENDIX B

Assistant Director's area		No. of measures	 Green	 Amber	 Red	N/A
ACE Team (Bruce Lang)	TDBC					
	WSC					

Key performance RED alerts	TDBC / WSC	Action / comment

Key performance AMBER alerts	TDBC / WSC	Action / comment
Loss of post from Democratic Services	TDBC/WSC	Re-allocating tasks to other Democratic Services staff and monitoring performance and using agency cover to back-fill if necessary
Demand for legal expertise/input into asset projects increasing	TDBC	An allocation of money to buy in additional expertise has been identified and asset projects encouraged to build in legal costs into their budgets
ICT PCN compliance- significant number of members not yet compliant	TDBC	Identifying those members concerned and rolling out use of tokens as soon as possible

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action
Twin coinciding issues of pre-election politics and creating a shared workforce could prejudice performance; extra challenge of social media to increase reputational risk	TDBC/WSC	Develop a Social media policy to be approved by both Councils by the end of 2014 and ensure that staff are aware of heightened political sensitivity
At a very busy time for electoral services – EU elections plus	TDBC/WSC	Prioritise what is done when

Quarter 4 Performance Exception & Highlight Report

APPENDIX B

the introduction of Individual Electoral Registration- onerous requirements of Electoral Commission could put undue pressure on the team		
New PR Post needs support which is not yet in place	TDBC/WSC	Plans to provide support from Democratic services plus commission external expertise where necessary plus Hinkley point support if specific monies become available.
Achievements & successes		TDBC / WSC
Establishment of new Electoral Services Team		TDBC/WSC
One Team joint staff publication launched		TDBC/WSC
Introduction of electronic voting at planning committee		TDBC
Use of social media by the mayor		TDBC
Priority objectives next quarter		TDBC / WSC
Moving legal partnership forward		TDBC/WSC
Successful European elections and introduction of Individual Electoral Registration		TDBC/WSC
Introduction of new sound system Sustain democratic service provision to both sets of elected members to an acceptable standard		TDBC TDBC/WSC
Hinkley Point related PR work, for example, launch of Community Impact Mitigation fund		WSC

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Assistant Director's area		No. of measures	😊 Green	😐 Amber	😞 Red	N/A
Operational Delivery (Chris Hall)	TDBC					
	WSC					

Key performance RED alerts	TDBC / WSC	Action / comment
Local Land charges performance is a concern as it is taking too long to return searches, this is delaying some property completions	TDBC	The volume of work has dramatically increased at a time when the team has been reduced. Temporary employees to support this are being recruited
DLO performance against the priorities for works completion is continuing to be a concern	TDBC	Work load spikes over the bad weather period have created a demand that is difficult to meet, additionally supply chain issues have created materials shortages e.g. fencing panels. Work continues to reduce the completion times to within priorities.

Key performance AMBER alerts	TDBC / WSC	Action / comment
Dulverton have been requesting information regarding services that they wish to take from the District Council and operate as a Town Council	WSC	Very little action taken on this due to other commitments and the complexity of some information required, street cleansing is contracted out, parking enforcement is about to be contracted to NSL etc.
Building Control has seen a surge in work requests which is placing strain on the team to deliver in a timely manner	TDBC	Managers across TDBC, WSC and Sedgemoor are talking to see how cross border support can be achieved.

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action
Parking Services long term sickness has caused significant disruption to the way the service is delivered	WSC	Bought in additional support from ex-employees and from NSL
Environment Agency have rejected the funding bid for the Blue Anchor coastal protection scheme	WSC	Considerable work will be required to get the scheme into a position where we can resubmit the bid.

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Achievements & successes	TDBC / WSC
Delivered an adequate service to support residents of Taunton Deane during the flooding incidents, as well as support requests for mutual aid.	Both
Complete the food safety inspections within the allocated time	WSC
Successful recruitment of 4 Building Services apprentices into permanent roles, leading to 4 apprentice vacancies to be fill soon. Once filled there will be 10 apprentices in the Building Control Service of the DLO	TDBC

Priority objectives next quarter	TDBC / WSC
Continue to work on the Blue Anchor coastal protection scheme	WSC
Bring decision making to report to Members for DLO relocation	TDBC
Open Station Road pool and conclude contractual issues	TDBC
Carryout public consultation and submit planning permission for Blackbrook Pool and SPA	TDBC
Work on final detail of NSL parking services transfer, including TUPE arrangements	WSC
Consultation matter for tier 4/5 restructure	Both
Work up a solution to the Firepool parking request by Members	TDBC
Complete module work streams assigned to TDBC and WSC for the Building Control Partnership project	Both
Resolve the public toilet options with Parish and Town Council's	TDBC
Corporate Health & Safety: <ul style="list-style-type: none"> - gain understanding of WSC arrangements and review / compare with TDBC. - Implement H & S KPI monitoring ready for reporting for Qtr 1 	Both

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Assistant Director's area		No. of measures	😊 Green	😐 Amber	😞 Red	N/A
BUSINESS DEVELOPMENT (Ian Timms)	TDBC					
	WSC					

Key performance RED alerts	TDBC / WSC	Action / comment
BID ballot unsuccessful	TDBC	Businesses failed to support BID proposals which would have generated significant funding for marketing the Town. New work is being undertaken to shape the use of funds set aside for the Town Centre Company.

Key performance AMBER alerts	TDBC / WSC	Action / comment

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action

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Achievements & successes	TDBC / WSC
Appointment of a new Public Relations Contractor for the Exmoor Tourism Partnership, who has already hit the ground running setting up two press visits for visiting journalists.	WSC
Submitted a successful bid to Locality to undertake some additional research in Williton and Watchet in respect of what is needed to overcome the barriers for some communities to access training, skills and employment opportunities.	WSC
Working with the National Skills Academy for Retail to provide a master class with Rowland Gee (former Chief Executive of Hugo Boss) and follow-up training for High Street traders.	WSC
Planning well underway for the first West Somerset Tidal Technologies Conference.	TDBC
Held Investor Forum attended by 13 businesses, procurement event attended by 92 businesses with key partners as speakers.	TDBC
Flooding- Business Support Grant. In excess of 60 businesses were visited during the first week of March to promote the new Business Support grant. The grant is available to all small and medium sized businesses that have been affected by the floods and suffered an adverse effect on their activities/lost a significant amount of trade. In quarter 4 there were 34 approvals, 28 were paid with 6 waiting on bank details. Post flooding support to tourism business given with specific participation in visit England campaign.	TDBC
TIC served 7,834 customers and dealt with 2,376 telephone calls in the last quarter. Total throughput of customers and enquiries 16,497.	TDBC
Completed distribution of grants for businesses to value of £16,000 and £6000 rural grants fund.	TDBC
Brewhouse Reopened. Tenancy at will granted. £46,000 of funding provided in line with budget. TIC acting as ticket agent.	TDBC

Priority objectives next quarter	TDBC / WSC
Agree a plan for this year.	TDBC/WSC

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Assistant Director's area		No. of measures	😊 Green	😐 Amber	😞 Red	N/A
PROPERTY and DEVELOPMENT (James Barrah / Kene Ibezi / Tom Gillham)	TDBC					
	WSC					

Key performance RED alerts	TDBC / WSC	Action / comment
Repairs performance within priority time.	TDBC	Ongoing efforts to address multiple issues.
End of year re charge adjustment of £700K back to HRA from DLO.	TDBC	Will attempt to plan into HRA end of year position.
Managing expectations in both Councils to “fix” a range of property related longstanding projects all at the same time.	TDBC/ WSC	

Key performance AMBER alerts	TDBC / WSC	Action / comment
Effective procurement of new HRA Capital contracts.	TDBC	
Sufficient support and capacity to deliver Housing Property aspects of Open Contractor implementation.	TDBC	Kene has been tasked to work on this area as early priority.
Risk of lack of continuity between handover from Interim AD to new AD and potential for loss of momentum on key projects.	TDBC/WSC	Need to clarify timescale for retaining interim AD and budget position to support this.

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action
Question raised by Corporate HS officer re CDM compliance in Housing Property work.	TDBC	Ongoing scoping of solution and response.
Slow progress on HRA development schemes pipeline.	TDBC	More focus required to move forward two potential schemes.
Ongoing high numbers of agency staff in Housing Property.	TDBC	Plan to resolve via JMASS.
Continuity of property related on site activities in WSC placing significant pressure on office staff.	WSC	Plan to recruit agency temp tech officer post to allow substantive post holder to provide handover and leave via JMASS route.
Valuer capacity at TDBC, significant resource pulled in to support higher profile cases, results in backlog in day to day	TDBC	Request for end of year underspend to support temp valuer to assist catch up.

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tasks.		
Achievements & successes		TDBC / WSC
Excellent progress by Interim AD to move forward WSC property issues and former TDBC Project Taunton projects. In particular Thales / Firepool/ Quantock House / Monkton Heathfield employment land / Firepool parking scheme / High Street and Castle square works completion / Seaward way disposal / Aquasplash disposal and East Wharf Dev Agreement.		TDBC/WSC
Former SW1 Property Estates team back to TDBC, and moved to Deane House without issues.		TDBC
TDBC Housing Property delivered end of year catch up on capital programme.		TDBC
Creechbarrow Road scheme on site and phase 1 sites on site shortly.		TDBC
New AD appointed and underway with induction.		TDBC/WSC

Priority objectives next quarter	TDBC / WSC
Progress and resolve Firepool Third Party issues.	TDBC
Initiate Longrun Bridge install.	TDBC
Induction of Kene to initially take ownership of Housing aspects of role	TDBC / WSC
Close down end of year budgets in particular HRA	TDBC
Create structured approach to briefing Asset Mgt PfH's in both Councils that may also address poor Asst Mgt Groups in both areas.	TDBC/WSC
Initiate consultation and approval of Community Asset Transfer doc.	TDBC/WSC
Progress East Wharf-Watchet lease issues	WSC
Progress WSC land sales as quickly as possible and ensure finance are regularly updated..	WSC
Progress new Asst Mgt Strategy at WSC.	WSC

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Assistant Director's area		No. of measures	☺ Green	☹ Amber	☹ Red	N/A
SOUTHWEST ONE SERVICES (Jill Sillifant)	TDBC	18 KPIs	16		2	

Key performance RED alerts	TDBC	Action / comment

Key performance AMBER alerts	TDBC	Action / comment
Procurement services		The savings pipeline has undergone a full review and has been revalidated. The Service Delivery Plan for 2014/15 has been agreed.
ICT		Although improvements have been made in service delivery as a whole, some concerns still remain

RISKS (RED, and any NEW risks)	TDBC	Risk response action
New risk – Planning for 2017: dependencies and interdependencies of other JVCo partners		A Planning process for 2017 has been established and is under way

Achievements & successes	TDBC
Customer Services <ul style="list-style-type: none"> • Telephony refresh • Good progress with service automation • Service shortlisted for regional shared services award 	
HR <ul style="list-style-type: none"> • Successful transfer of staff back to TDBC • Reduction in sickness absence from 10.46 days to 8.2 days 	
Property Good progress being made with Atrium property management system	

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Priority objectives next quarter	TDBC
Customer services progress with automation	
Procurement “round tables”	

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Assistant Director's area		No. of measures	😊 Green	😐 Amber	😞 Red	N/A
RESOURCES (Paul Fitzgerald)	TDBC	13	9	1	2	1

Key performance RED alerts	TDBC	Action / comment
The council is reporting significant underspends against both General Fund and HRA Revenue Budgets.		Significant variations have been experienced in the final quarter of the year in respect of demand led services in the General Fund. The HRA has also received a higher than expected refund from the DLO in respect of over-recovery of overheads due to higher work volumes.

Key performance AMBER alerts	TDBC / WSC	Action / comment

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action

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Achievements & successes	TDBC / WSC
Council Tax (Actual 98.0% v Target 97.8%) and Business Rates (Actual 98.9% v Target 98.4%) collection rates exceeded targets for 2013/14. Highly commendable performance in view of economic conditions and impact of welfare reform	TDBC
Council Tax Support costs below gross budget for the year by £195k. This will contribute to the Council Tax Collection Fund Surplus, to be shared by TDBC and major preceptors	TDBC
Housing Benefit Subsidy 100% achieved – below error rate thresholds therefore no loss in subsidy entitlement	TDBC
The Assistant Director Resources has progressed the design of the Tier 4/5 management structure for the JMASS implementation – this is on track	TDBC & WSC
The Finance team has been supporting the JMASS project, which has required significant input for AD restructure costings etc. A significant number of projects have been supported alongside maintaining 'core' business.	TDBC

Priority objectives next quarter	TDBC / WSC
Progress with Tier 4/5 implementation to deliver savings target for Resources	TDBC & WSC
Completion of financial year outturn and draft (unaudited) Statement of Accounts	TDBC & WSC
Establish arrangements for 2014/15 budget monitoring, and flex to respond to organisation changes. Looking further ahead - also need to review fundamental process for financial monitoring and reporting as shared services.	TDBC & WSC
Continued support to JMASS project including costings for AD proposals and tracking delivery of business case savings target	TDBC & WSC
Progress the development of cost sharing principles and methodology for shared services with West Somerset Council	TDBC & WSC
Single Fraud Investigation Service (SFIS) – prepare outline plan in respect of DWP implementation timeline and provide briefing for affected staff	TDBC & WSC
MTFP Refresh and review/development of financial strategies to deliver sustainable financial position	TDBC & WSC
Progress the development of business case for 'Corporate Counter-Fraud' function	TDBC & WSC
Analyse results of Council Tax Support (CTS) consultation, and establish Action Plan to review the CTS Policy for 2015/16	TDBC

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Assistant Director's area		No. of measures	😊 Green	☹️ Amber	😞 Red	N/A
CORPORATE SERVICES (Richard Sealy)	TDBC					
	WSC					

Key performance RED alerts	TDBC / WSC	Action / comment
I have not yet developed a new quarterly report for the services which now comprise Corporate Services & consequently have not populated this section. Any key areas of concern will be flagged under the risks section.		

Key performance AMBER alerts	TDBC / WSC	Action / comment
DITTO		

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action
The contractual constraints of the SWO contract and/or issues with ICT pricing prevent or delay our ability to progress the ICT changes required to facilitate shared service delivery	Both	(This risk is AMBER at present). Working closely with the ICT service to challenge pricing where required & to negotiate flexibility in terms of solutions. This is time consuming but is working at present.
Potential significant impact on service delivery during May/June resulting from the implementation of the tier 4/5 structure.	Both	Affected staff being encouraged to plan their workload for May/June. Will have a better idea of the potential impact once affected staff have completed their options forms in May.

Achievements & successes	TDBC / WSC
Transition of services & functions into Corporate Services (West Somerset & returning SWO services)	Both
Maintenance of service delivery – haven't dropped any balls	Both
Development of draft structure delivering £156k savings	Both
Progression of ICT issues & projects – the Taunton to Williton line is in place, wifi & Windows 7 rollout for DH is progressing	Both
Joint portfolio holder meetings in place & working well	Both

Priority objectives next quarter	TDBC / WSC
Implement the tier 4/5 structure & produce a draft tier 6 structure	Both
Maintain service delivery	Both

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Progress the ICT projects required to support the joined-up staffing structure	Both
Progress the SWO succession planning & ICT issues	TDBC

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Assistant Director's area		No. of measures	😊 Green	😐 Amber	😞 Red	N/A
Housing and Community Services (Simon Lewis)	TDBC	40*	20 (50%)	8 (20%)	8 (20%)	4 (10%)
	WSC					

* Include Housing Services and Housing Assets

Key performance RED alerts	TDBC / WSC	Action / comment
Private Sector Housing <ul style="list-style-type: none"> Local Authority Major Aids and Adaptions: 59 applications were completed against a target of 84 but many were referred to the Minor Works budget. Local Authority Major Aids and Adaptions, end to end completion time. The 34 week end to end completion figure is not on target (22 weeks). Removing exceptions the figure would have been 27 weeks for Quarter 4 	TDBC	<p>The success of the County reablement programme in Taunton Deane has reduced demand for major aids and adaptations, pushing demand to minor works. The 2014/15 budget has been reduced accordingly.</p> <p>Assistant Director to revisit with SWPSHP Manager to understand why performance is so far off target.</p>

Key performance AMBER alerts	TDBC / WSC	Action / comment
<ul style="list-style-type: none"> Local Authority Major Aids and Adaptions, spend against budget – £282,092 committed spend at end of Q4 against a £339,100 budget. Underspend predicted. 	TDBC	Will be reported as part of year-end monitoring. These underspends were predicted as at Quarter 3

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action
Risk of the Housing Service having substantially reduced collection rates on introduction of Universal Credit	TDBC	Budget includes provision for this for 2014/15. Housing Action Plan in place and being refreshed New structure proposes to bring in additional focus to prevent this
Achievements & successes		TDBC / WSC
HRA rent collection figures on target, despite challenging sickness issues in team		TDBC
Increase in homelessness prevention and reduction in people in temporary accommodation		TDBC / WSC

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Safeguarding arrangements and training put in place	WSC
Health and Wellbeing Audits of Councils completed; Councils progressing to becoming dementia friendly organisations	TDBC / WSC
Draft Housing bid for EDF funds completed with Sedgemoor DC. Further work now needed to refine	WSC

Priority objectives next quarter	TDBC / WSC
Implement Tier 4/5 structure safely and professionally, supporting affected staff and ensuring any interim arrangements are robust	TDBC / WSC
Commence Tier 4/5 review of SWPSHP (June / July)	TDBC / WSC
Develop an outline proposal for a renewables capital project for the Council to bring in ongoing feed-in tariffs for Council (July / August)	TDBC
Develop options appraisal to respond to SCC funding changes for Supported Housing	TDBC
Complete draft tenancy policy	TDBC
Develop business case to identify viability of a shared countywide Homefinder Somerset operational model	TDBC / WSC
Develop proposals on how Councils will respond to Universal Credit and impact on rent collection for HRA as well as quality of life issues for residents	TDBC / WSC
Tenants Services Management Board elections go to plan	TDBC
Finalise bids for EDF funding for Housing	WSC / TDBC

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Assistant Director's area		No. of measures	😊 Green	😐 Amber	😞 Red	N/A
PLANNING & ENVIRONMENT (Tim Burton)	TDBC					
	WSC					

Key performance RED alerts	TDBC / WSC	Action / comment

Key performance AMBER alerts	TDBC / WSC	Action / comment
Major Planning applications submitted with a Planning Performance Agreement (PPA). Target – 30%; Actual Q4 – 10%. 8 Large scale application received of which 1 has a PPA. 11 smallscale major planning applications received of which 1 has a PPA.	TDBC	The types of major application received during Q4 are generally of a development type that does not need a Planning Performance Agreement as they do not raise complex planning issues, e.g. applications to vary planning conditions on existing major applications

RISKS (RED, and any NEW risks)	TDBC / WSC	Risk response action
Lack of supply of convenient Gypsy and Traveller sites and limited options to remedy despite progress with the potential purchase of a site by TDBC.	TDBC	“Call for Sites” currently underway
Failure to maintain 5 year supply of housing sites.	TDBC	Five year and 5% buffer, but looking to progress SADMP as a matter of urgency to extend potential supply.
Workload capacity and potential consequential delay in delivering timetable for adoptions of SADMP	TDBC	Close project management
Failure to deliver Monkton Heathfield Western Relief Road (WRR) delays delivery of urban extension and potential failure to secure second round tranche of CLG capacity funding.	TDBC	Taking legal advice; assessing viability; and securing planning permission for road

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Implication and governance of CIL.	TDBC	Close management
J25 modelling work	TDBC	Reliant upon timing of related modelling outlook from HA/SCC on the surrounding road network.
Toneworks – Lack of solution that might accommodate Fox Brothers.	TDBC	Discussions on going
Tier 4/5 implementation – Joint project	TDBC/WSC	Mindful of need to ensure staff have access to appropriate information in a timely manner

Achievements & successes	TDBC / WSC
Preparation of report on consultation for SADMP and preparation of additional evidence base for proposed published plan (July 2014).	TDBC
Preparation for annual monitor reports on Housing and Employment land availability.	TDBC
Clear the remaining backlog of major planning applications.	TDBC
Improve performance in dealing with Major Planning Applications – target achieved.	TDBC
Deal with volume of applications submitted in response to the CIL implementation date.	TDBC
Successful end of year close down re budgets	TDBC
£46,000 from the Environment Agency re "River Tone Upstream Storage Study"	TDBC
Appeals Allowed. Target – no more than 25%; Actual – 18%. 11 Appeals were decided in Q4 with 2 allowed and 9 dismissed. For the entire year, 20 appeals were decided with 5 allowed and 15 dismissed. The target of no more than 25% of appeals allowed was met.	TDBC

Priority objectives next quarter	TDBC / WSC
Agree next steps for Tone Works and Tonedale sites.	TDBC
Substantive progress on WRR issue.	TDBC

Taunton Deane Borough Council

Executive – 9 July 2014

Council Accommodation

Director of Housing and Communities, James Barrah

(This matter is the responsibility of Executive Councillor Cavill)

1. Executive Summary

This report presents a detailed feasibility study of two future options for Taunton Deane Borough Council Office Accommodation. The two options considered are a new build at Firepool and a move to County Hall. These two options are the Council's preferred accommodation solutions following an options appraisal exercise in December 2013. Members are requested to consider the evaluation and make a decision on the Council's preferred option so that detailed planning, commercial negotiation and project management can commence.

2. Introduction and Context

- 2.1 Taunton Deane Borough Council currently has its main office at Deane House. Deane House was built in 1987 and other than some minor internal changes, has had little refurbishment since then. It performs at EPC (Energy Performance Certificate) Level E and some of its infrastructure is coming to the end of its natural life. The building now needs significant investment.
- 2.2 At the same time the Council has the challenge of meeting an unprecedented budgetary challenge and is considering all ways of cutting overhead costs in order to safeguard investment in front line services. This report therefore further considers the future options for the Council's office requirements.
- 2.3 This review focuses on the future of the Council's main office base and looks at options for this. However accommodation cannot be considered in isolation or purely just as a financial and "bricks and mortar" issue. Whilst this report considers a detailed financial and qualitative evaluation of the two options, in making the key leadership decision on a preferred future solution the Council must be mindful of the following factors:

- That the Council's accommodation solution is just one part of our wider transformation agenda which also includes:-
 - IT enablement.
 - Our approved Customer Access strategy and in particular moving customers away from face to face interactions to more efficient service channels.
 - Agile and flexible ways of working for staff (remote and home working).
 - The implications of JMASS and a single workforce supporting two Councils.

- The extent and ambition of the Council to seize the current opportunity to improve the service provided to customers by joining up services at the point of face to face delivery in a Town centre location with other public sector partners.

- The ability for the Council to be as flexible as possible in future to generate ongoing efficiencies to assist in meeting the challenges of our MTFP, including the likelihood of further reductions in head count.

2.4 Deane House currently offers 4355 sqm NIA (Net Internal Area). It is currently occupied by around 400 staff mainly from Taunton Deane Borough Council and Southwest One. This includes the Southwest One Call Centre. All of these currently have a desk that they consider "theirs". The Audit Partnership and Tone Leisure also have small offices within the building. Occupancy surveys show that desks are vacant for 40% of the time.

2.5 Deane House costs the Council around £650,000 per annum to occupy. Staying at Deane House will involve significant additional cost. The building is too large for the Councils current requirements. A full Condition Survey has been carried out on the building with recommendations of what work is needed to make it fit for purpose office accommodation. The building requires some £4.3M (inc fees) of expenditure on M&E and backlog, of which c. £3M will need to be spent during the course of the next 2-5 years. Without this investment, the Council runs the risk of the building becoming unfit for purpose.

2.6 Other organisations which have chosen to rationalise their office accommodation have at the same time incorporated new ways of working. The outcome of introducing these ways of working is to reduce the amount of office space provided utilising the fact that desk spaces are occupied on for example a 60% basis. So in this case every ten employees would be provided with six workstations. These programmes are described as "Smart Office" or "Agile Working" and rely on investment to enable the ongoing savings to be made. The terminology we have adopted is "Smart Office".

2.7 The evaluation of our accommodation needs includes a range of qualitative criteria, including the importance of a flexible accommodation solution. In addition the evaluation focusses on a “best assessment” of the accommodation needs for the Council as we currently understand them. However it is important to note that this context continues to evolve and change with increasing pace, and as such our accommodation requirement will continue to alter. Key known variables that will have an influence on this issue to a greater or lesser extent include:-

- Contract end for Southwest One 2017 and the extent of any shared services (eg Call Centre) post any decision regarding the future of Southwest One.
- The extent of utilisation of West Somerset House in light of interest from other partners.
- End of present contract for Tone Leisure, 2019.
- Depot relocation project.
- Extent of IT investment and enablement.
- Outcome of JMASS staff proposals.
- Materialisation of community hubs where Taunton Deane Borough Council’s staff may be located eg Halcon and Priorswood.

2.8 A DTZ study from as far back as 2008 (“Local Authority Office Accommodation: A determination to Change”) stated two key findings from their survey of local authorities’ approach to accommodation:

- Reductions in space per employee and improved sustainability credentials were cited as the main achievements; nearly half of the Councils believed that major change projects had significantly contributed to improvements in staff performance.
- Over 40% of respondents reported significant success in implementing new work space strategies including flexible working, improvements in space utilisation ratios and reductions in staff to desk ratios.

2.9 In the last five years since this study, many authorities have embraced this change, including several within Somerset (Somerset County Council, Mendip District Council, Sedgemoor District Council). All have found that it is possible to reduce desk space requirements by circa 40% by introducing new ways of working and investing in modern office space and equipment. All have then sought to share accommodation with other public and community sector

colleagues in order to minimise overhead costs. This sharing has brought the additional significant benefit of closer working between organisations and improved access for customers by introducing one stop shop approaches.

- 2.10 An example of this approach is “Shape Mendip”, based in the District Council Offices in Shepton Mallett. Here the District Council hosts Somerset County Council, the Police and a range of many other public sector agencies and partners at the Council Offices in Shepton Mallett. The facility is branded as “Shape Mendip” and not any single organisation and offers customers an increasingly joined up service at a refurbished reception facility. The refurbished offices now accommodate a greater number of staff, consequently freeing up other public sector assets for regeneration or release of capital receipts.

3. Background

- 3.1 During the second half of 2013 an internal review and high level option appraisal was undertaken. This work culminated in the following Council resolution:-
- (1) The Key Principles against which the Council’s future accommodation needs would be made be accepted as the correct ones;
 - (2) Option 3 – Move to County Hall and Option 4 – New build at Firepool be adopted as the preferred options for the provision of the main office base of Taunton Deane Borough Council as the options which best met the Key Principles; and
 - (3) Officers be requested to carry out full feasibility reports on the preferred options.
- 3.2 Following this and subsequent to a procurement process, the property consultancy “DTZ” were appointed to undertake detailed feasibility study of the two preferred options. The confidential report at Appendix 1 is the culmination of this stage of the exercise.

4. Review Process and Criteria

- 4.1 During the course of the review a refresh exercise of the previous assessment undertaken by Taunton Deane Borough Council has been undertaken with regard to Taunton Deane Borough Council’s floor space requirements, and financial assumptions. This provides some fine tuning of the previous work and also allows the utilisation of Deane House as a baseline or comparison with which to contrast the two options being assessed.
- 4.2 The review process has also included further engagement with elected members to re-test the Key Principles used in the qualitative evaluation exercise. This has

resulted in confirmation that the principles being used are the correct ones and established a ranking of these issues, as follows:

Key Principle	Rank
Asset Retention	1
Premises that are able to change as the authority changes (expand/contract)	2
Opportunities to add value by close working or shared/integrated services with other partners	2
Improvement in environmental sustainability	4
Located within Taunton	4
Make sense for the public purse/taxpayer (public perception)	4
Support the regeneration of Taunton	7
Deliverable within the next three years	8

4.3 In addition the review process has now included consideration of potential increased usage of West Somerset House to accommodate the single staff structure supporting both Councils. There is the potential for additional workstations to be provided in West Somerset House on the basis of a more efficient desking layout and the introduction of Smart Office ways of working, thereby reducing the Taunton space requirement. However this would require some one off enabling investment to achieve the full potential capacity of this office; be subject to member approval at West Somerset Council and would require a payment from Taunton Deane Borough Council to West Somerset Council to ensure there is not any cross subsidy taking place between the two authorities. Consequently two floor space requirements are considered in the report dependent on whether full utilisation of West Somerset House can be made.

4.4 The appraisal process brings together two areas of analysis:-

- (1) Financial. A discounted Cashflow Model is utilised, this enables the projected costs of each option over a 25 year period, with a discount factor applied to convert the aggregated sums into Net Present Cost (NPC). The NPC's are then capable of direct comparison.
- (2) Non Financial. The options are tested against the Key Principles outlined above, with weighting applied to reflect the ranking of these principles applied by members.

5. Firepool Option Overview

This option incorporates a new build development immediately adjacent to the new Viridor building. Within this two sub options have been considered:- a 25 year commercial lease; and a Long (999 year) Lease (Virtual Freehold). Dialogue has been maintained with the Council's development partner (St

Modwen) throughout the review process. It is important to note that St Modwen's ability to provide a building exclusively for Taunton Deane Borough Council's use based on a reduced space requirement for Taunton Deane Borough Council is restricted. It is therefore likely that a larger building would be provided with the remainder of the space built on a speculative basis. Therefore Taunton Deane Borough Council would be sharing the building with another tenant(s). As part of an ongoing dialogue with St Modwen a number of further variants options have been considered including a smaller building for sole TDBC occupancy. However none of these have improved the financial evaluation of this wider option.

6. County Hall Option Overview

Throughout the life of the review the plans for a Taunton Public Service Hub at the County Hall site have continued to evolve. The "offer" from Somerset County Council is to occupy refurbished Smart Office accommodation in either A or B block. This will include a new shared public reception and new shared member debating space centred around A block. The reception area may involve a new glass atrium/extension between A and B blocks, incorporating other partners and services such as the Library. As outlined in the DTZ report there is significant interest from a wide range of other public sector organisations in coming to the site, primarily relating to a refurbished C Block. Firm intent has been expressed by the Police.

The County Council intends to make its investment decision on the redevelopment of County Hall as a public sector hub in the next few months. This is so it has enough time to get the accommodation ready to meet the deadlines set by other public service agencies moving to the campus. If the Council wishes to shape the design of County Hall to meet its own needs then there is an imperative to confirm its intention this summer.

7. Option Assessment – Overall VFM Outcome

Once both the Financial and Non-Financial Scores are finalised, the two scores are combined to derive an Overall Value for Money Outcome.

Before the scores are combined, a weighting is applied to represent the comparative importance of the Financial and Non Financial elements. It has been agreed that Financial aspects carry more importance to the Council than the Non Financial aspects. The overall agreed weightings were, therefore, financial 60% and Non Financial 40%.

In addition, it was recognised that there were different elements of the Financial analysis that would carry different weightings. As agreed with the Council, different weightings applied to these also as follows:-

- Revenue Costs 45%
- Capital investment 30%
- Longer term impact (Net Present Cost) 25%

The following is the outcome of the Overall Value for Money assessment:

	60%	40%	100%	
	Financial Scoring	Qualitative Scoring	Total Combined Scoring	VFM Ranking
DH SQ+	48.67	95.15	67.26	4
SCC 25- Year Lease	97.68	100.00	98.61	1
Firepool LL	73.46	98.79	83.59	2
Firepool 25 Year Lease	76.09	68.48	73.05	3

The above concludes that, when combining the Financial and Non-Financial scores, an accommodation solution at County Hall is shown to be the best overall Value for Money Option.

A Virtual Freehold at Firepool ranks in second place.

Remaining in occupation of Deane House and investing in the building fabric and services, ranks in last place.

8. Deane House Disposal

Both the options under consideration assume the subsequent disposal of Deane House and the wider site. Resource will need to be targeted to address this issue and to ensure the Council does not retain a costly liability and that the financial and regeneration benefits of this key town centre site are realised for the benefit of the Council and the Community.

Options to be considered and progressed for the site:

- Straight unconditional sale.
- Seek outline planning permission and then dispose.
- Unconditionally or conditionally.
- Unconditional sale in part or plots.

Other Joint Venture type proposals where the Council retains an interest in the site in conjunction with a partner organisation will also need to be assessed.

9. Potential Next Steps

Any agreement to move Taunton Deane Borough Council's accommodation from Deane House to either County Hall or Firepool would involve many substantial next steps and tasks to implement, this in turn will require significant resource. A more detailed assessment of these tasks and potential timescale is included in the DTZ report, however these steps can be summarised in the table below:-

Role/Task	Responsibility	Source internally or externally
Lead Member And Director Project Sponsor	To take overall responsibility for the Project. To act as the main point of Senior Contact within the Council. To provide updates to Members. To monitor the overall budget and spend related to the Project.	Internal
Project Management (internal)	To take responsibility for the day to day progress of the project and the Project Programme. To liaise with Officers and Advisors as necessary to monitor their activities and performance against the agreed programme.	Internal
Project Management (external)	To take overall responsibility for the performance of the External Advisory Team eg the agents, the works administrators and the development consultants. To act as the main point of Senior Contact within the External Advisory Team liaising regularly with the Project Champion. To attend Member presentations. To monitor the overall spend of the External Advisory Team against the agreed advisory budget.	External.

	To recommend and co-ordinate additional advisory services (eg space planning, valuation, planning) if essential to the delivery of the Project.	
Agency	<p>To negotiate Heads of Terms for the occupation of Block A.</p> <p>To instruct solicitors to draft the Agreement for Lease and Lease.</p> <p>To comment on the drafting of the Agreement for Lease and Lease as required ensuring it meets the Council's requirements.</p>	External
Space Planning	<p>To undertake space planning at:</p> <p>West Somerset House County Hall</p>	External
Due Diligence	To undertake a survey of the appropriate Block at County Hall to ascertain potential future repairing obligations.	External
Fit Out and Works Monitoring	<p>To agree the layout and the application of the Smart Office specification to TDBC space.</p> <p>To liaise day to day with SCC's Contracts Manager.</p> <p>To represent TDBC at site meetings (potentially weekly once works are on site).</p> <p>To monitor the quality of workmanship and progress against an agreed programme.</p> <p>To monitor costs (if they impact upon TDBC).</p> <p>To sign off practical completion of the fit out works.</p>	External
Development	To prepare a Development Brief and	External

<p>Consultancy (and planning)</p>	<p>Marketing Strategy for Belvedere Road.</p> <p>To co-ordinate any pre disposal site/value maximisation activities.</p> <p>To act on the Council's behalf in the disposal of Belvedere Road.</p> <p>To confirm that Best Consideration has been achieved.</p> <p>To act on the Council's behalf in the submission of an outline planning application (if required).</p>	
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10. Project Management Costs

Some cost estimates have been acquired to support the project via external project management support and other professional services. These will be subject to further negotiation and suitable scrutiny via procurement.

The anticipated third party costs to see the project through to completion in 2017 are in the region of £250,000. This figure includes the costs associated with the disposal of the Deane House site. It is important to note that these costs would be incurred for both new accommodation solutions being considered.

It is therefore recommended a budgetary provision is made of £250,000 for project implementation split proportionately between the General Fund and Housing Revenue Account.

If members do not agree to progress the recommended option and therefore remain at the Deane House site, this will also necessitate significant project management costs in order to scope and procure the investment required to allow ongoing occupation of Deane House.

11. Consultation and Governance

At the time of the previous report on this matter a consultation response was provided from Unison which was considered by the Executive in making its decision at that time on the two preferred options.

Subsequently a further response to the current report has been provided by Unison. This is attached at Appendix3.

Following establishing the Councils preferred option a staff consultative and working group will be established to assist the project team in moving the issue forward.

A small working group of Members has been established to assist with the project. To date some site visits have been undertaken. In addition a Members Briefing session was held recently where representatives of Mendip District Council (Shape Mendip), Somerset County Council (County Hall) and St Modwen (Firepool Option) provided further background information on what has been achieved elsewhere and the options being considered by the Council. It has been suggested that there could be some benefit in a representative member group to have an oversight of all our transformation work. This could be an evolution of the "JPAG" arrangement set up for the JMASS project.

In addition a staff working / consultative group will be established to support the detailed design of the project and provide detailed operational feedback. This will be set up once a preferred option is identified.

The report was considered by Corporate Scrutiny on the 19th June, who did not support the recommendation. Concerns were raised about the Qualitative aspects of the assessment, future parking provision and the potential loss of a Council Asset.

The report has also been considered by the Tenants Services Management Board on the 30th June. The board were split on the issue with some members of the Board supporting the recommendation and others not. In terms of detailed design of any future option the board were particularly concerned to ensure there will be adequate provision for services to tenants, such as payment facilities, interview rooms and visitor parking. In relation to the Deane House site the board were keen to support a potential future use for affordable housing provision.

12. Finance Comments

Given the nature of the financial comments these are on a confidential paper, this is attached at Appendix 2.

13. Legal Comments

At this stage there are significant legal implications to consider however significant legal input will be required once a preferred option is identified.

14. Links to Corporate Aims

This work is a key project identified in the Council's current business plan under Aim 4: A Transformed Council and to Transform the way we work.

15. Environmental Implications

Deane House currently operates at an EPC rating of E. The two options considered will improve this position:

Option 1: New Build Firepool – Likely EPC rating A/B.

Option 2: County Hall – Predicted EPC rating after refurbishment is B or good C.

16. Community Safety Implications

No significant implications identified.

17. Equalities Impact

A high level assessment suggests both options do not raise any specific equalities issues. However once a preferred option is identified a detailed Equalities Impact Assessment will be undertaken.

18. Risk Management

Key risks of the options have been considered as part of the feasibility study. Once a preferred option is known a full risk assessment of the project will be undertaken as part of the project management process.

Risks that will be included in this process include:-

- Mitigation and “plan B” if the preferred option does not materialise for example if agreement is not reached on heads of terms.
- How reliant the options are on the participation and sign up by other partners?
- Delays on the disposal of the Deane House site.

19. Partnership Implications

The two options considered present varying degrees of opportunity to align the work of the Council more closely with key partners, most notably the County Hall option presents a significant opportunity to further join up services with SCC, ASP etc by the creation of a public sector campus at County Hall.

20. Recommendations

That Executive recommend to Full Council:-

1. That the Council's preferred option for its main office accommodation, reception and member debating space is at County Hall, subject to the County Council confirming its intent to develop the site and the agreement of Heads of Terms, detailed commercial negotiations and design.
2. That delegated authority is provided to the Director of Housing and Communities to progress this project to completion, in consultation with the Portfolio Holder for Asset Management.
3. That a Supplementary Estimate of £250,000 for project related costs, funded by £210,000 (84%) from General Fund Reserves and £40,000 (16%) from HRA Reserves based on the current level of usage of Deane House by General Fund and HRA services.
4. That approval is provided to initiate steps to facilitate either the disposal of the Deane House site on the most favourable terms or entering into a regeneration project which enables retention of the site and derives benefit to the council.
5. Subject to 4. Above that a suitable investment will be made in an income deriving asset of equivalent value to the receipt derived from the Deane House site disposal.

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[e-mail](mailto:j.barrah@taundeane.gov.uk) address) j.barrah@taundeane.gov.uk

Background Papers

Taunton Deane Borough Council's Executive Report 4 December 2013 – Future Options for Council Accommodation.

Appendices

1. Confidential DTZ report: Operational Offices Options – Value for Money Assessment – June 2014.
2. Confidential paper – financial comments section.
3. Unison response.

Appendix 3

Council Accommodation

Comments from UNISON

General

The proposal shows signs of being an attempt to rush Taunton Deane into renting space at County Hall, even though this is arguably not the best option for the Borough Council, its staff or the future of Taunton. It also seems doubtful that it is in fact cheaper than a new-build office at Firepool.

Nowhere does the report address the negative economic impact that closing its offices would have on the north end of the town centre. This is likely to be quite significant. Elsewhere, public investment in new buildings continues to be used as a tool of regeneration – Taunton Deane is proposing to disinvest, with the associated economic decline.

It seems wrong for the crucial information on which a decision will be taken to be contained in a confidential appendix. The financial information and assumptions must be placed in the public domain, and not hidden behind a cloak of ‘commercial confidentiality’.

Comments on the Report by the Director of Housing and Communities

- 2.3 ‘Moving customers away from face-to-face interviews’ is a concept that has recently been criticised by the National Pensioners Convention – millions of older people are not on line, and are unlikely to acquire access to the Internet in the foreseeable future.
- 2.9 The ‘Public Sector Hub’ idea is based on an urban myth. People do not approach the Council on, say a planning or environmental health issue and then decide to engage with a range of other, unrelated public sector services.
- 2.10 The example quoted of the ‘hub’ at Shepton Mallet is different in one very important respect to what is now being proposed. In that case, Mendip District Council retain control of their own offices – as do all the other Districts in Somerset. The District Councils are then able to rent space to other agencies. This is the exact opposite of what is being proposed for Taunton, which will leave the Borough Council as a tenant.

The ‘hub’ concept may therefore work for the other Districts, but it does not work for Taunton Deane, and will leave the Borough Council in the unique position amongst the other Somerset Districts of having no accommodation of its own.

Once the Borough Council moves in to rent part of County Hall, it will have the

County Council's 'thumb on its windpipe'. There is no guarantee that the occupation of part of County Hall would in future not become markedly less convenient or more expensive from the Borough Council's point of view – the situation will be largely outside its control. This is conceded by the Council's own finance officers who state that '...although a 6% cap has been factored in for the first 5 years, we currently have no indication of how the lease/rental cost may move beyond that horizon'.

There is another sense in which it would be wrong for the Borough Council to end up as a tenant of the County Council. County Hall has empty space in significant part because the authority has deliberately cut staff and services, to the point that some of the latter are now almost laughably bad. (The County can't even cut the highway verges regularly in Taunton). It is not clear exactly what value would be added (to use the jargon) by moving in with the County Council. Taunton Deane will in reality be paying rent to subsidise a cuts programme by a County Council which has already managed to part company with two Chief Executives, and is if anything diverting investment away from Taunton Deane to other parts of the County (exemplified by its designation of the modest town of Frome as a growth area).

- 4.2 Although there is inevitably a degree of subjectivity in these exercises, it seems hard to justify why 'public perception' should be given such a high rating. Surely what matters is what is genuinely the best value for money. It would be a mistake to base a decision on a hypothetical, superficial public reaction to a new council office building if that was actually the more cost-effective option. Besides, the Council could also point to its vacation and sale of the much larger site of the Deane House.

Other local authorities, such as Northamptonshire, are proposing new council office buildings to allow them to vacate rented accommodation elsewhere in their area. Yet Taunton Deane is proposing to sell its own accommodation, move some of its staff to less convenient locations and pay rent to another party!

- 4.3 It seems clear that plans are being considered to require up to 115 Taunton Deane staff to work from West Somerset House at Williton. Apart from being extraordinary to suggest that one third of the Council's workforce should be relocated 15 miles away in a neighbouring local authority, this does not seem physically possible. It is not solely a question of accommodating the additional desks within the offices at Williton. The centre of Williton would not be able to accommodate the car parking required by the additional staff (at times it is already almost impossible to find space to park at Williton), and being in a much more rural location than Taunton, most people will have no option but to drive to work.

One can well imagine the reaction from traders and the local community who would find that their car parks were full up with Council employees, and that there was nowhere for shoppers etc. to park.

Williton would also be a highly inconvenient location for many TDBC employees to have travel to work – as well as being 15 miles (35-40 minutes)

from Taunton, it is very much further for people who currently live south, east or west of the County town. Already a great deal of time is being staff by staff travelling between Taunton and Williton – a round trip takes 1 – 1.5 hours out of the working day.

- 4.4 It is not clear why a DCF (discounted cash flow) of 25 years is used. A new office building could be expected to have a significantly longer life than 25 years. Use of a shorter period of time could well have the effect of skewing the analysis. 60 years is used for some forms of transport investment.

After 25 years the Borough Council will be in inferior office accommodation at County Hall that will then be 75 years old (over 100 years in the case of A Block).

- 6.0 The Taunton Public Service Hub seems a deeply flawed concept, for a variety of reasons. For example, it seems extraordinary for it to be suggested that the library might be located there, and on the first floor – County Hall would not be a convenient location for users of the facility, being remote from the main shopping area; indeed almost invisible from any public thoroughfare.

If the library is not to occupy its current site in Paul Street, the question arises as to what will happen to the Borough Council's Tourist Information Centre. That cannot sensibly move to County Hall – it needs to be in an accessible location in the town centre for visitors to Taunton (as indeed, does the library!)

It seems clear that this proposal is being rushed through to suit the County Council's internal deadline for its 'public sector hub'. It would be entirely wrong for this to occur – adequate time must be allowed for any proposals to be formulated, and concerns properly answered.

- 8.0 The proposal appears to rely on a rushed sale of the Deane House site within 3 years. Such haste seems highly unlikely to result in an acceptable form of development on what is a key site in the middle of Taunton. It seems that Planning Policy staff have not been consulted about this, which seems wholly unacceptable. The Council will also need to address the future of Flook House, whose position prevents the Deane House site from having a proper frontage to Station Road. This is not mentioned anywhere.

- 9.0 Although the report refers to 'be that County Hall or Firepool...' the references in the ensuing table imply that County Hall has already been decided upon and that this process is not therefore a genuine consultation on alternatives. Given the major implications for the terms and conditions and staff arising from a change of workplace location, this is not appropriate. As already noted, some aspects of what is being proposed appear fundamentally unsound.

Comments on the DTZ paper

It is not clear why it apparently costs 8 times more per annum to occupy Deane

House than the annual energy costs. No breakdown is given to support the statement made.

Why has the option of a new build on the Council's own land, rather than a virtual freehold or lease, not been addressed?

Section 2 – Future Operational Office Requirement

Whilst DTZ state that the current space standards at Deane House are too generous, there is reason to think that the standard proposed of 6 sq m per person is too low: staff in Sedgemoor have sometimes found themselves with nowhere to work owing to too few desks having been provided. Forcing staff to work at home to alleviate space problems would not be acceptable.

As already noted, the suggestion that up to 115 Taunton Deane staff may in future work at Williton, is not realistic. Such a proposal raises serious concerns in terms of staff travel to work, and parking at Williton (which is in short supply already).

Section 4 – Overview of the Options

It seems clear from the DTZ report that no other public sector organisation has actually committed to taking up surplus space at County Hall. The County Council may well be seeking to induce Taunton Deane to move there to stave off the embarrassment of its 'public sector hub' not actually working.

The Borough Council is being offered part of Block A at County Hall, which is a listed building accompanied by the constraints that this designation imposes.

It appears that the County Council is only prepared to make 900 sq m of floorspace available, which is substantially less than the Borough Council requires. Even on this basis, however, it appears that Taunton Deane will have to pay an annual rent plus rates of around **£250,000**.

It appears that the County Council propose to charge TDBC a substantial sum for each parking space they require as part of the relocation. The County Council are proposing to allocate 25 parking spaces to Taunton Deane, but this figure is grossly inadequate.

Taunton Deane currently has around 65 'Essential car users', and there is no reason to think that this number will decline in future. It may even increase, given the emphasis on shared services and greater travelling between sites, as staff will be required to cover a wider range of duties. On top of this, there are also around 100 employees who are defined as 'casual users', many of whom are currently able to park at The Deane House.

The Borough Council would have to fund the purchase and running costs of additional pool cars, and provide space for them on-site, to meet the travel requirements of staff who would no longer be able to bring their own vehicle to the Council's offices.

Essential car users have contractual rights, which despite previous comments from UNISON, the Council is clearly ignoring. This risks the possibility of a dispute with its employees over staff travel, as well as interfering with the efficient conduct of the Council's business.

The provision of parking based on TDBC's current operational requirements is likely to cost the Council **an additional £100,000** per annum. This would increase the running costs at year 5 by 16% per annum – around 20% more than the Firepool option – a much more substantial difference than appears to have been allowed for.

The difference would be even greater based on the revenue estimates of the Council's own finance officers.

For reasons explained, the assumed figure in parking charges that would have to be paid to the County Council appears a significant underestimate.

The quality of accommodation in Block A can only be guessed at, as there will be no 'comfort cooling'...

Section 6 – Options Assessment – Financial

The figures need to be recalculated taking account of the need to pay for more than 25 car parking spaces in the County Hall option, which will increase significantly the Running Costs. Also, the DCF should be varied.

Section 7 – Options Assessment – Non-Financial

Tables such as the one in this section should be treated with scepticism.

No analysis has been attempted of the negative impact on the Station Road area of the closure of the Borough Council's activities.

No analysis has been undertaken of the negative effect of the Borough Council failing to invest in its own regeneration scheme at Firepool – a marked contrast to locations elsewhere in the country.

Phil Bisatt
Branch Secretary, Taunton Deane UNISON
13 June 2014

08/10/2014, Report:Smoke Free Zone Pilot

05/02/2015, Report:Capital Programme 2015/2016

Reporting Officers:Steve Plenty

05/02/2015, Report:General Fund Revenue Budget 2015/2016

Reporting Officers:Steve Plenty

05/02/2015, Report:Housing Revenue Account Estimates 2015/2016

Reporting Officers:Steve Plenty

05/02/2015, Report:Relocation of TIC to the Market House – request for funding

Reporting Officers:Ian Timms

05/02/2015, Report:Somerset Waste Board Business Plan

Reporting Officers:Chris Hall

05/02/2015, Report:Support and Funding for the Arts and Creative Industries - CICCIC

Reporting Officers:Ian Timms

11/02/2015, Report:Creation of the Somerset Building Control Partnership

Reporting Officers:Chris Hall

11/03/2015, Report:Discretionary Reduction in Council Tax Liability Policy and Discretionary Housing Payment Policy

Reporting Officers:Dean Emery

11/03/2015, Report:Establishment of the Somerset Growth Board

Reporting Officers:Dan Webb

11/03/2015, Report:Creation of the Somerset Building Control Partnership

Reporting Officers:Chris Hall

11/03/2015, Report:Funding request from Creative Innovation Centre Community Interest Company (CICCIC)

Reporting Officers:Ian Timms

22/04/2015, Report:Universal Credit and Local Support

Reporting Officers:Mark Antonelli

10/06/2015, Report:Deane DLO Relocation

Reporting Officers:Chris Hall

Contains exempt information requiring private consideration: Yes

Exempt reason:Some of the information contained in the report is likely to be of a confidential nature.

08/07/2015, Report:Q4 Performance Report

Reporting Officers:Paul Harding

08/07/2015, Report:Proposed Compulsory Purchase Action - Land at Monkton Heathfield

Reporting Officers:Julie Moore

Contains exempt information requiring private consideration: Yes

Exempt reason:The report is likely to contain confidential information.

08/07/2015, Report:Financial Outturn Report

Reporting Officers:Paul Fitzgerald

09/09/2015, Report:Write Off Report

Reporting Officers:Steve Read

09/09/2015, Report:Firepool Land Assembly - Confidential

Reporting Officers:Tom Gillham

Contains exempt information requiring private consideration: Yes

Exempt reason:The report will contain confidential information relating to land-holdings and other related material.

09/09/2015, Report:Citizens Advice Bureau Constructions Skills

Reporting Officers:Matt Parr

09/09/2015, Report:Proposed Apprentice Post in Housing and Communities

Reporting Officers:Martin Price

03/12/2015, Report:Council Tax Support Scheme 2016/17

Reporting Officers:Heather Tiso

03/12/2015, Report:Proposed Sheltered Housing Service Model Report

Reporting Officers:Gary Kingman,Stephen Boland

03/12/2015, Report:Fees and Charges 2016/2017

Reporting Officers:Steve Plenty

03/12/2015, Report:Local Development Orders – Progress Report

Reporting Officers:Tim Burton

03/12/2015, Report:Q2 Financial Monitoring 2015/2016

Reporting Officers:Steve Plenty

03/12/2015, Report:New Homes Bonus Report

Reporting Officers:Dan Webb

04/02/2016, Report:Treasury Management Strategy Statement, Annual Investment Strategy and MRP Policy 2016/17

Reporting Officers:Paul Fitzgerald

04/02/2016, Report:Earmarked Reserves Review

Reporting Officers:Steve Plenty

04/02/2016, Report:Capital Programme 2016/2017

Reporting Officers:Steve Plenty

04/02/2016, Report:General Fund Revenue Budget 2016/2017

Reporting Officers:Steve Plenty

04/02/2016, Report:Housing Revenue Account Budget 2016/2017

Reporting Officers:Steve Plenty

04/02/2016, Report:Corporate Strategy 2016/2020

Reporting Officers:Paul Harding

04/02/2016, Report:Somerset Waste Partnership Business Plan

Reporting Officers:Chris Hall

09/03/2016, Report:Community Asset Transfer Policy – Taunton Deane Borough Council and West Somerset Council

Reporting Officers:Tim Child

Contains exempt information requiring private consideration: Yes

Exempt reason:Yes. The report may contain some commercially sensitive information.

09/03/2016, Report:Q3 Performance Report

Reporting Officers:Paul Harding

09/03/2016, Report:Corporate Equality Objectives

Reporting Officers:Christine Gale

09/03/2016, Report:Q3 - Financial Performance report

Reporting Officers:Steve Plenty

09/03/2016, Report:Housing Revenue Account Business Plan Review

Reporting Officers:James Barra

24/03/2016, Report:Creedwell Orchard, Milverton Option Agreement – Proposed Extension of the Trigger Date

Reporting Officers:Adrian Priest

Contains exempt information requiring private consideration: Yes

Exempt reason:The report may contain a confidential appendix.

21/04/2016, Report:Empty Homes Strategy and review of Empty Property Coordinator

Reporting Officers:Mark Leeman

21/04/2016, Report:Superfast Broadband Phase 2 report

Reporting Officers:Ian Timms

09/06/2016, Report:Car park variable message signage and pay on foot – Request for budget allocation

Reporting Officers:Ian Timms

09/06/2016, Report:TDBC revised Corporate Debt Policy

Reporting Officers:Dean Emery

07/07/2016, Report:Housing Revenue Account Business Plan Review

Reporting Officers:James Barrah

07/07/2016, Report:Q4 - Financial Outturn report

Reporting Officers:Steve Plenty

07/07/2016, Report:Q4 Performance Report

Reporting Officers:Paul Harding

04/08/2016, Report:Housing Company

Reporting Officers:James Barrah

04/08/2016, Report:Report on Grants Policy

Reporting Officers:Christian Trevelyan,Mark Leeman

08/09/2016, Report:Review of Deane Helpline

Reporting Officers:Chris Hall

Contains exempt information requiring private consideration: Yes

Exempt reason:The report may contain some commercially sensitive information.

08/09/2016, Report:Update on Coal Orchard Consultation

Reporting Officers:Ian Timms

09/11/2016, Report:Review of Council Tax Support Scheme

Reporting Officers:Heather Tiso

09/11/2016, Report:Deane Lottery

Reporting Officers:Angela Summers