

WEST SOMERSET DISTRICT COUNCIL

Meeting to be held on Wednesday 20 February 2013 at 4.30 pm

Council Chamber, Williton

AGENDA

1. Apologies for Absence

2. Minutes

Minutes of the Meeting of Council held on 23 January 2013 to be approved and signed as a correct record – **SEE ATTACHED.**

3. Declarations of Interest

To receive and record any declarations of interest in respect of any matters included on the agenda for consideration at this meeting.

4. Public Participation

The Chairman to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public wishing to speak at this meeting there are a few points you might like to note.

A three-minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue. There will be no further opportunity for comment at a later stage. Your comments should be addressed to the Chairman and any ruling made by the Chair is not open to discussion. If a response is needed it will be given either orally at the meeting or a written reply made within five working days of the meeting.

5. Chairman's Announcements

6. Corporate Plan

To consider Report No. WSC 20/13, to be presented by Councillor Tim Taylor, Leader of the Council – **SEE ATTACHED.**

The purpose of the report is for Council to consider approving the Corporate Plan for 2013-16.

7. Annual Budget for 2013/14

To consider Report No. WSC 14/13, to be presented by Councillor K V Kravis, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to provide Members with all information required for Council to approve the revenue budget and capital programme for 2013/14.

COUNCILLORS ARE REMINDED TO CHECK THEIR POST TRAYS

RISK SCORING MATRIX

Report writers score risks in reports uses the scoring matrix below

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
Impact							

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

- Mitigating actions for high ('High' or above) scoring risks are to be reflected in Service Plans, managed by the Group Manager and implemented by Service Lead Officers;
- Lower scoring risks will either be accepted with no mitigating actions or included in work plans with appropriate mitigating actions that are managed by Service Lead Officers.

WEST SOMERSET COUNCIL

Minutes of the Meeting held on 23 January 2013 at 4.30 pm

in the Council Chamber, Williton

Present:

Councillor D D Ross Chairman
Councillor G S Dowding Vice-Chairman

Councillor M J Chilcott	Councillor H J W Davies
Councillor M O A Dewdney	Councillor J Freeman
Councillor P N Grierson	Councillor A P Hadley
Councillor B Heywood	Councillor A F Knight
Councillor K V Kravis	Councillor R P Lillis
Councillor E May	Councillor I R Melhuish
Councillor P H Murphy	Councillor S J Pugsley
Councillor K J Ross	Councillor D J Sanders
Councillor L W Smith	Councillor M A Smith
Councillor T Taylor	Councillor A H Trollope-Bellew
Councillor K H Turner	Councillor D J Westcott

Officers in Attendance:

Chief Executive (A Dyer)
Corporate Director (B Lang)
Corporate Manager Housing, Welfare and Economy (I Timms)
Revenues, Benefits and Debt Recovery Manager (S Farmer)
Principal Accountant (S Plenty)
Principal Benefits and Fraud Officer (P Lamb)
Meeting Administrator (K Kowalewska)

NOTE: Prior to the start of the meeting the Chairman announced that the meeting would not be recorded due to problems with the recording equipment.

C88 Apologies for Absence

Apologies for absence were received from Councillors A M Chick, S Y Goss, K M Mills and C Morgan.

C89 Minutes

(Minutes of the Meeting of Council held on 12 December 2012, circulated with the Agenda.)

RESOLVED that the Minutes of the Meeting of Council held on 12 December, 2012 be confirmed as a correct record.

C90 **Declarations of Interest**

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:

Name	Minute No.	Member of	Action Taken
Cllr P N Grierson	All	Minehead	Spoke and voted
Cllr P H Murphy	All	Watchet	Spoke and voted
Cllr K J Ross	All	Dulverton	Spoke and voted
Cllr L W Smith	All	Minehead	Spoke and voted
Cllr A H Trollope-Bellew	All	Somerset County	Spoke and voted
Cllr K H Turner	All	Brendon Hills	Spoke and voted
Cllr D J Westcott	All	Watchet	Spoke and voted

In addition, the following interests were declared:

Name	Minute No.	Description of interest	Personal or Prejudicial	Action Taken
Cllr G S Dowding	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr P N Grierson	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr A F Knight	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr I R Melhuish	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr S J Pugsley	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr D D Ross	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr T Taylor	C93	Owens a second home in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr A H Trollope-Bellew	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr D J Westcott	C93	Owens more than one property in West Somerset	Disclosable Pecuniary	Left the Chamber
Cllr H J W Davies	C96	In receipt of business rate relief	Disclosable Pecuniary	Left the Chamber

C91 Public Participation

Councillor Bill Vaughan, Williton Parish Council spoke in relation to Agenda Item 8 – Localisation of Council Tax Support – Funding Arrangements and asked that Members honour their commitment to forward on to parish and town councils the government grant proportionate to the reduction in council tax.

C92 Chairman's Announcements

18/12/2012	Devon and Somerset Fire Rescue Service at Exeter Cathedral
21/1/2013	Welcomed the Pupil Parliament, West Somerset Council Chamber

The Chairman was pleased to report that following Council's decision at the November meeting to write a letter to the Minister of Defence about the lack of recognition for veterans of the Arctic Convoys, the Government had decided to award them the Arctic Convoy Star.

The Vice-Chairman announced that on 16 January 2013 he had attended the Police and Crime Panel meeting where the appointment of Nick Gargan, the new Avon and Somerset Police Chief Constable was officially confirmed.

C93 Council Tax Technical Reform – Proposals to Amend Discounts and Exemptions

(Report No. WSC 2/13, circulated prior to the Meeting.)

The purpose of the report was to inform Council of the Government's decision to reform council tax discounts and exemptions relating to empty property and "second homes" effective from 1 April 2013, and to enable Council to agree recommendations made by Cabinet to increase the council tax base.

The Corporate Manager - Housing, Welfare and Economy presented the report and reported that the removal of the current second homes discount of 10% would raise a considerable sum of money. He drew Members' attention to the fact that probate was treated as separate in all cases, and the provisions would only apply once the property had moved from that status. He also advised that the recommendations, if approved, would raise a significant amount of council tax income and the Council would be able to use this money to fund the council tax localised support scheme to a more acceptable level of 85%.

Councillor K H Turner proposed the recommendations in the report which were seconded by Councillor D J Sanders.

In response to questions, the Revenues, Benefits and Debt Recovery Manager advised that the new charges and empty homes premium, if agreed, would commence on 1 April 2013.

An amendment to adopt option 3 as opposed to option 1 as set out in the report was proposed by Councillor P H Murphy and seconded by Councillor K J Ross to the effect that recommendation 2.3 be amended to read 'A 100% discount for vacant dwellings (empty and unfurnished properties) is granted for a reduced period of no more than 1 month'. The reason stated for the amendment was that this represented a correct balance between the Council's need to raise money and the need to recognise the difficulties faced in selling or re-letting the property after a period of emptiness.

During the debate on the amendment of reducing the period from 3 months to 1 month the following issues were raised:

- the number of properties available for rent could potentially decrease due to property owners who own second homes as a business concern not being able to afford to run them;
- low income families would be the most affected as there could be a possibility that rental costs would increase to cover the extra charge;
- a 3 month lull period was not unreasonable if a property was being refurbished between lettings or getting it ready for sale.

Members noted that Magna West Somerset Housing Association was a charitable organisation and therefore would be exempt from the charges being proposed.

On being put to the vote the amendment was CARRIED on the Chairman's casting vote.

This then became the new substantive motion on which there was no further debate.

RESOLVED (1) that the current discount of 10% awarded in relation to second homes is removed. (Properties that are furnished and not anyone's main residence.)

RESOLVED (2) that a 100% discount for uninhabitable properties (empty, unfurnished and undergoing major structural repair) is granted for up to twelve months as current class A exemption.

RESOLVED (3) that a 100% discount for vacant dwellings (empty and unfurnished properties) is granted for a reduced period of no more than 1 month.

RESOLVED (4) that an empty homes premium of 50% is applied after two years (empty and unfurnished properties only).

NOTE: In the absence of the Chairman and Vice-Chairman, who had left the chamber due to declaring disclosable pecuniary interests, Councillor E May chaired this item.

C94 **Draft Localised Council Tax Support Scheme**

(Report No. WSC 3/13, circulated prior to the Meeting.)

The purpose of the report was to advise Council of the proposed Council Tax Support Scheme for West Somerset; to advise of the feedback from the Scrutiny Committee and the public consultation relating to the scheme and the recommendations of the Scrutiny Committee; and to advise of the Equality Impact Assessment carried out using the consultation feedback provided from residents.

The Lead Member for Community and Customer presented the report and thanked officers for their work in achieving a scheme limiting the entitlement to 85% liability. The Chief Executive then went on to give an explanation on how this had been accomplished.

The Lead Member proposed the recommendations in the report which were seconded by Councillor K H Turner.

Members noted the results of the equality impact consultation exercise and accepted that the 85% liability would be the most appropriate scheme to adopt to protect and support the people of West Somerset in these current difficult times.

RESOLVED (1) that the results of the public consultation for the proposed scheme, the feedback obtained from West Somerset residents and the detailed Equality Impact Assessment, attached as Appendix C to the report, be noted.

RESOLVED (2) that a council tax support scheme that limits entitlement to 85% liability be adopted noting that this is dependent on the necessary income being available from council tax technical reform discount changes as detailed in report WSC 2/13.

RESOLVED (3) that, due to the high percentage of retired residents in West Somerset, it be noted that the impact of the 10% reduction in council tax support falls unfairly on working age people in West Somerset.

C95 **Localising Support for Council Tax – Funding Arrangements**

(Report No. WSC 1/13, circulated prior to the Meeting.)

The Lead Member for Resources and Central Support presented the report and emphasised the importance of parish and town councils and the services they deliver, and acknowledged the extent of the good work, time and effort put in by the parish and town council volunteers.

The Lead Member advised that the figures in Appendix A to the report would be amended to reflect the increase to the council tax base as a result of the change to recommendation 2.3 of the council tax technical reform proposals discussed under agenda item 6. She therefore proposed the amended recommendation which was duly seconded by Councillor E May.

The Chief Executive advised that the Department for Communities and Local Government had confirmed that the overall council tax support grant sum for 2014/15 would be the same but could not verify on how it would be allocated.

RESOLVED that £110,262 of the government Council Tax Support grant received of £368,208 is redistributed to parish and town councils be agreed, in accordance with details listed in Appendix A to the report (as amended).

C96 **Business Rates – Revised Discretionary Relief Scheme**

(Report No. WSC 8/13, circulated with the Agenda and additional papers and recommendation 2.3 circulated at the Meeting.)

Normally the purpose of the report would be to present, for Council approval, recommendations agreed at a recent meeting of Cabinet. However, due to a subsequent announcement on a change to associated government policy the recommendations agreed by Cabinet had been superseded by those in this report.

This item was presented by the Lead Member for Resources and Central Support who advised that the report provided an update following the introduction of new regulations on the business rate retention scheme. She reported that West Somerset Council would be responsible for 50% of any increase in mandatory relief and rather than making savings the Council would incur costs if this rate relief was awarded. Therefore, it was proposed to continue with the original scheme.

The Lead Member proposed the recommendations in the report subject to the inclusion of a further recommendation that the rural settlements list for 2013/14 was agreed as listed in Addendum B to the paper circulated at the meeting. These were seconded by Councillor K H Turner.

RESOLVED (1) that the current discretionary business rate relief scheme be extended for a further year commencing 1 April 2013 and terminating on 31 March 2014.

RESOLVED (2) that a report on the future of the Council's discretionary rate relief scheme be drafted and presented to Members before 31 October 2013.

RESOLVED (3) that the rural settlements list for 2013/14, as listed in Addendum 'B' to the paper circulated at the meeting, be agreed.

C97 **Standards Advisory Committee**

(Minutes of the Standards Advisory Committee held on 4 December 2012, circulated with the Agenda.)

The purpose of the report was to adopt the minutes of the Standards Advisory Committee held on 4 December 2012.

RESOLVED that the minutes of the Standards Advisory Committee held on 4 December 2012 be adopted.

C98 **Minutes and Notes for Information**

(Notes and minutes relating to this item, circulated via the Council's website.)

RESOLVED that the draft notes of the Minehead Panel held on 12 December 2012, be noted.

The meeting closed at 5.36 pm.

draft

Report Number: WSC 20/13

Presented by: Councillor Tim Taylor, Leader of the Council

Author of the Report: Bruce Lang

Contact Details:

Tel. No. Direct Line 01984 635200

Email: bdlang@westsomerset.gov.uk

Report to a Meeting of: Council

To be Held on: 20th February 2013

CORPORATE PLAN 2013-16

1. PURPOSE OF REPORT

- 1.1. The purpose of the report is for Council to consider approving the Corporate Plan for 2013-16.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The preparations and adoption of an appropriately focused Corporate Plan is essential to enable the Council to both establish and deliver its corporate priorities.

3. RECOMMENDATIONS

- 3.1. That Council approve the West Somerset Council Corporate Plan 2013-16, included at Appendix A, with or without modifications.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
The Council fails to deliver or meet its own priorities and objectives	Possible (3)	Major (4)	Medium (12)
<i>The mitigation is an agreed and fully resourced Corporate Plan</i>	Unlikely (2)	Major (4)	Medium (8)
Services and or major projects/initiatives are not delivered	Possible (3)	Major (4)	Medium (12)
<i>To mitigate this risk the Corporate Plan is supported by action plans in the Service Plans that are linked to the Medium Term Financial Plan</i>	Unlikely (2)	Major (4)	Medium (8)

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before the mitigation measures have been actioned and after they have.

5. **BACKGROUND INFORMATION**

5.1. **Introduction**

Corporate Plan - The purpose of a Corporate Plan is to bring focus and resources to the main priorities of the Council. It details the objectives and key tasks that the Council wants to achieve in order to deliver its vision. At the meeting of the Council held on 16 April 2012 a four year plan (2012-16) was approved with the intention that the priorities and objectives would remain constant for the four years with key tasks being liable to year on year change.

To deliver its primary purpose the Corporate Plan does need to be kept refreshed and up to date and hence the annual review. This review does need to reflect changing circumstances where they are significant. During the last 12 months it has become increasingly clear that Council's long term viability is uncertain and hence the draft plan, attached at Appendix A, has been significantly amended to reflect the reality of the position the Council is in.

The most fundamental change to the plan is for the Corporate Priorities to be reduced from six to two; these being:

Local Democracy: securing local democracy and accountability in West Somerset, based in West Somerset, elected by the people of West Somerset and responsible to the people of West Somerset; and

New Nuclear Development at Hinkley Point: maximising opportunities for West Somerset communities and businesses to benefit from the development whilst protecting local communities in the environment.

It is considered that, during these highly challenging and changing times, by focusing on just two priorities the Council will give itself the best chance of retaining local democracy within West Somerset and providing affordable local services for its residents.

It can be noted that elements of the previous six priorities, particularly housing, economy, environment and communities are incorporated in the New Nuclear Development at Hinkley Point priority, whilst resources and leadership corporate priorities will be integral to the Council delivering the Local Democracy priority.

Key measures to track progress by 31 March 2014 have been identified and are included in the plan and will be reported quarterly as part of the Council's performance management framework. The Plan also includes the Council's vision, core values and include a financial summary for 2013/14 which is, of course, subject to being confirmed in the approved budget.

The draft plan was considered at the meeting of the Cabinet held on 6th February, 2013 when it was resolved that Council be recommended to approve the Corporate Plan, with minor amendments, for 2013-16 as presented at Appendix A to this report.

5.1.2 **Service Plans** – To support the implementation of the Corporate Plan four service plans are being prepared to ensure the delivery of the objectives and associated key tasks to deliver the Corporate Priorities.

Service Plans are encouraged to be living documents that are subject to constant change in order reflect changing circumstances.

For 2013/14 the service plans will need to reflect the clear focus on two corporate priorities.

5.2 Performance Management

The monitoring of the delivery of the Corporate Plan will be achieved through the quarterly performance monitoring reports presented to Scrutiny and Cabinet.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1. The objectives under the local democracy corporate priority will be absolutely crucial to the Council delivering its Medium Term Financial Plan and maintaining its financial viability.
- 6.2. Budget monitoring will occur as part of the corporate performance monitoring and is reported regularly to Members. The figures shown in the Appendix are subject to confirmation as part of the 2013/14 budget process.

7. SECTION 151 OFFICER COMMENTS

- 7.1. Regular and robust monitoring through the performance management framework will be essential to ensure the Corporate Plan is being delivered. The increased focus on securing a sustainable (and affordable) future for the authority is to be welcomed.

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1. The Council commitment to equalities and diversity is reflected in the Council's Core Values of the Corporate Plan.

9. CRIME AND DISORDER IMPLICATIONS

- 9.1. There are no direct implications.

10. CONSULTATION IMPLICATIONS

- 10.1. The various discussions internally and externally regarding options for the Council's future has influenced the preparation of the draft plan and this was concluded by the Cabinet recommending the document to be adopted by Council.

11. ASSET MANAGEMENT IMPLICATIONS

- 11.1. Implications on the Council's assets would form part of the service plan actions.

12. ENVIRONMENTAL IMPACT IMPLICATIONS

- 12.1. There is specific reference to protecting environment under the New Nuclear Development at Hinkley Point priority.

13. LEGAL IMPLICATIONS

- 13.1. There are no direct implications.



West Somerset Council



Corporate Plan 2013-16



Front Cover photographs by:

Maxine Garner [Minehead]
Jane Lillis [Watchet]
Fred Owen [Exmoor Ponies]
Craig Palmer [Train]

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Foreword

West Somerset Council has been on a momentous journey over the past few years. In 2007 the Council faced significant financial and operational challenges. Yet, against a background of national economic decline and significant reductions in funding, with effective cross-party member cooperation and support from the staff, the Council succeeded in turning around its finances and was recognised as an improving authority with increased customer satisfaction. The Council achieved all this whilst making substantial financial savings and job redundancies.

As we approach the 2013/14 financial year we are confident of continuing to provide value for money services to the people of West Somerset efficiently and transparently. The Council does, however, need to plan for the future and look beyond the immediate horizon. For some time we have been having direct discussions with central government regarding future funding arrangements for the Council. In 2011 we invited the Local Government Association to conduct an independent review involving neighbouring authorities into West Somerset's financial circumstances. This review has confirmed that, based on current assumptions, West Somerset may become unviable as a unit of local democracy and governance over the longer term (probably in three or four years' time).

In the light of this outcome, we must not, and will not, shirk our responsibility to do what is best for those we serve, the people of West Somerset. Our Corporate Plan must reflect the reality the Council faces. Our vision remains to enable people to live, work and prosper in West Somerset with two clear priorities of (1) securing local democracy and accountability in West Somerset, based in West Somerset, elected by the people of West Somerset and responsible to the people of West Somerset and (2) maximising opportunities for West Somerset communities and businesses to benefit from the development of the proposed new nuclear power station at Hinkley Point, whilst protecting local communities and the environment.

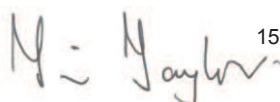
We will not be alone in our task as there is clear commitment from central government, the Local Government Association and our neighbouring authorities to work with us to secure local democracy and accountability in West Somerset. The next twelve months will be vital in this process and we are passionate in our determination to do what is best for the local community.

The plan clearly demonstrates the direction we are proposing to take and shows that key issues such as economic regeneration, tourism and the provision of affordable housing will still be addressed as part of the priority relating to the proposed Hinkley Point Project. This is important, as our ambition is to sustain local democracy and accountability in West Somerset, not just for its own sake but to meet the needs of the people we serve.

This Corporate Plan lays the foundation for what needs to be done, so that by the end of 2013/14 the Council will not only have continued to provide value for money services for its residents but will also have a clear pathway for preserving local democratic accountability in West Somerset for the foreseeable future.



Tim Taylor
Leader of the Council

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Adrian Dyer
Chief Executive



Management

The Council's Corporate Management Team is made up of the Chief Executive, a Corporate Director and the two Corporate Managers listed below. Corporate Management Team are responsible for working with the Council's Leader and Cabinet to develop, implement and review the corporate plan

Chief Officers

Adrian Dyer – Chief Executive

Bruce Lang – Corporate Director

Group Service Responsibility

Service Group	Corporate Manager	Chief Officer
Housing, Welfare & Economy	Ian Timms (IT)	Bruce Lang
Environment, Customer & Community	Steve Watts (SW)	Bruce Lang
Corporate Services	Bruce Lang	
Corporate Management	Adrian Dyer	

Area Panels

Area Panels are open public meetings that provide an opportunity for the community to have their say on what matters most to them in their area. As well as officers and elected members, representatives from the parishes, Somerset County Council, the Police and other public sector agencies will attend to hear issues and answer questions. The aim of the panel is to strengthen the links between the council and local communities. Each area panel meets 4 times a year.


Panel Area	Chief Officer
Minehead	Adrian Dyer
Watchet, Williton and Quantocks	Adrian Dyer
Dunster	Bruce Lang
Exmoor	Bruce Lang

Political Leadership

The Leader of the Council is accountable for the delivery of the corporate plan. The leader appoints a Cabinet of members who's role in relation to the corporate plan, is to provide guidance on the setting of the priorities and promote those council's priorities and objectives. Each member of the cabinet also has a particular responsibility for a designed portfolio and these are listed below

Portfolios

Lead Member

 Corporate Support & Performance <i>Actively championing West Somerset</i> Also, services including: Performance Management, Diversity & Equalities, Press & Media and Corporate Management	Councillor Tim Taylor [Leader of the Council]
 Resources & Central Support <i>Achieving financial sustainability</i> Also, services including: Asset Management, Human Resources, ICT and Finance	Councillor Kate Kravis
 Housing, Environmental Health & Licensing <i>Improving the quality and availability of housing</i> Also, services including: Housing, Food Safety and Licensing	Councillor Keith Turner
 Regeneration & Economic Growth <i>A thriving and increasingly varied local economy where people will have the skill to work and prosper</i> Also, services including: Economic Regeneration, Tourism, Car Parking and Public Convenience	Councillor David Sanders
 Community and The Customer <i>Championing strong local communities</i> Also, services including: Community Safety, Arts & Culture, Land Charges, Benefits, Council Tax, Business Rate, Website and Customer Services.	Councillor Dave Westcott
 Environment <i>Safeguarding the natural and built environment</i> Also, services including: Street Cleansing, Waste & Recycling, Park & Open Spaces, Planning Applications, Coastal Management and Climate Change	Councillor Chris Morgan
 Executive Support & Democracy <i>Supporting the democratic process</i> Also, services including: Electoral Services and Member Services	Councillor Steven Pugsley

The Council's Core Values

We will be supportive of one another; work as a team of teams and be flexible. We will show an ability to cope with change together with a commitment to ongoing learning and development.

Of others we will value people as individuals and the mix of personal, people, professional and technical skills they bring.

Our core values are that of:

Integrity – be honest, do what is right and stick to it

Fairness – treat everyone equally, respecting his or her individual needs and abilities

Respect – always show respect for everyone

Trust – show trust in our staff and Members

West Somerset recognises the importance of fair treatment and we are committed to ensuring everyone has access to our services and is treated equally and fairly.

The Council's aim is to seek to ensure that our policies, services and decision-making are as responsive and inclusive as they can be, and to promote equality of opportunity for all those living, working and visiting the district.

Purpose of the Corporate Plan

This Corporate Plan has been developed for our staff, councillors, residents and partners. It has three main aims, to clarify:

- ▶ The Council's overall vision, priorities for the district, portfolio aims and objectives and how we will deliver them
- ▶ What we stand for by way of principles and values
- ▶ The standards which we wish to be judged on

This Plan will inform our work programme and resource allocation, providing clarity and assurance on what we aim to achieve.

This Plan has been written to cover the period 2013-16

VISION

To enable people to live, work and prosper in West Somerset

By:

- Championing and enabling the people, local organisations and communities of West Somerset
- Working with partners, both inside and outside West Somerset

The plan sets out the overall vision for West Somerset and the two priorities that the council are focussing on for 2013-16. These two priorities are

- **Local Democracy:**

Securing local democracy and accountability in West Somerset, based in West Somerset, elected by the people of West Somerset and responsible to the people of West Somerset

- **New Nuclear Development at Hinkley Point:**

Maximising opportunities for West Somerset communities and businesses to benefit from the development whilst protecting local communities and the environment.

Under each priority there are a set of objectives and the key tasks that will be undertaken to deliver that objective.

We monitor and report our performance throughout the year to see whether we are on track to deliver the corporate plan. We also use the measures of progress to check that the key tasks are *delivering our priorities*

Priorities, Objectives and Key Tasks

The following provide details of the priorities, objectives and associated key tasks that contribute to the delivery of the Corporate Priorities and the strategic vision

Corporate Priority

Local Democracy:

Securing local democracy and accountability in West Somerset, based in West Somerset, elected by the people of West Somerset and responsible to the people of West Somerset

We will have achieved this priority of Local democracy if a financially sustainable and accountable model of local democracy remains at West Somerset by March 2016

Objective 1:

- Local democracy and accountability remains within West Somerset by establishing a resilient operating model that is financially sustainable and delivers effective, efficient services

Key Task 1.1

Research and evaluate alternative options for the future structure of the council where local democracy and accountabilities remain within the district.

Key Task: 1.2

Working with Taunton Deane Borough Council to draft a business case for the commissioning or sharing of services, management and staff

Key Task: 1.3

Implement any actions agreed as a result of any decisions taken in regard to collaboration or commissioning for the provision of services

Key Task: 1.4

Ensure that savings and income increases identified for the Medium Term Financial Plan for 2013/14 are achieved.

We will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Local democracy priority:

- Level of general reserves is at least £575,000
- The annual accounts 2012/13 are given an unqualified opinion
- The percentage West Somerset residents who are satisfied with council services is maintained at the 2012/13 level of 78%
- Overall satisfaction with the council by residents is maintained at the 2012//13 level of 78%

Objective 2:

- Maximise the funding opportunities from Central Government.

Key Task: 2.1

Enable and support new housing schemes to increase housing availability within West Somerset

Key Task: 2.2

Understand the impact that business rate retention has on the Medium Term Financial Plan, monitor regularly and report this impact to members.

We will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Local democracy priority:

- New Homes Bonus for 2014/15 is in excess of the accumulated total of £444k (based on 2012/13 figures)
- Business Rate Retention from economic growth is at least £205,729 in excess of the baseline funding level of £1,050,735

Corporate Priority

New Nuclear Development at Hinkley Point

Maximising opportunities for West Somerset communities and businesses to benefit from the development whilst protecting local communities and the environment.

We will have achieved this priority of 'New Nuclear Development at Hinkley Point' if by March 2016 we have demonstrated that local communities and businesses have benefited from the economic opportunities arising from the development.

Maximising opportunities for **communities**:

Objective 3:

✚ Communities in West Somerset can access and understand the process for accessing funding opportunities provided for by the development at Hinkley Point and are supported in delivering funded projects and initiatives

Key Task: 3.1

Develop a process for communities and organisations to access and bid for funding, maximising the potential investment in West Somerset from Hinkley Point related funding by May 2013

Key Task: 3.2

Improve the community's understanding of the funding available from WSC and Somerset Community Foundation through production of a communications strategy by July 2013

Key Task: 3.3

To support the community during the bidding process, maximising the number of successful bids and potential investment in West Somerset.

Key Task: 3.4

By July 2013 develop a programme of investment within West Somerset for the leisure funding provided directly to the council from the development at Hinkley Point

Going forwards, we will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Hinkley Point priority:

- 10 projects in West Somerset will have an approved funding bid by March 2014
- At least 2 Council promoted projects will have received the necessary funding approvals by March 2014

Maximising opportunities for **businesses** and the working age community

Objective 4:

✚ The economic opportunities that arise from the development and associated activities are maximised

Key Task: 4.1

Work with key partners and EDF Energy to support businesses and the local working age community to gain economic benefits from the development in terms of contracts awarded to local suppliers and increased employment opportunities.

Key Task 4.2

Work with key partners and EDF Energy to provide suitable access to skills, training and employment opportunities to benefit local residents and ensure that local businesses have the access to the skilled workforce that they require.

Key Task 4.3

Work with tourism partners to mitigate the negative effects of the development and take advantage of any opportunities created.

Going forwards, we will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Hinkley Point priority:

- 20 young people will have undertaken apprenticeship programmes by March 2014.
- 20 long-term unemployed have accessed employment/training opportunities by March 2014
- 50 West Somerset Residents have gained jobs through the jobs brokerage by March 2014
- 5 West Somerset businesses gained contracts on the Hinkley Point project by March 2014
- 50 individuals/tourism businesses will have received specific training/support by March 2014

Protecting local communities

Objective 5:

- ✚ The availability of housing supply within West Somerset is increased to mitigate the extra demands linked to Hinkley Point workers

Key Task 5.1

Using the Hinkley Point Housing Fund to provide 100 additional bed spaces in the West Somerset area by 31st Mar 2014

Key Task 5.2

Facilitate the delivery of 80 affordable homes within the West Somerset area by 31st Mar 2014

Key Task 5.3

To work with landlords and owners of empty properties to return 55 back into use across West Somerset with priority on the eastern area parishes.

Key Task 5.4

To work with landlords and owners to bring 400 properties up to the Decent Homes Standard making them available for use across the West Somerset area.

Going forwards, we will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Hinkley Point priority:

- Deliver 100 Additional bed spaces towards our 2016 target of 300
- Deliver 80 affordable house towards our 2016 target of 140
- Return 55 empty properties to use towards our 2016 target of 240
- Make 400 properties decent towards our 2016 target of 1100

Objective 6:

- ✚ The development at Hinkley Point is carried out in accordance with the approved plans and ensuing that the council actively monitors the development and responds to any complaints received in a timely and sound manner

Key Task: 6.1

By May 2013 to establish and maintain thereafter a programme of site visits to Hinkley Point and associated development sites to ensure that the development is carried out in accordance with the approved plans

Key Task: 6.2

To monitor and publicise Noise and Air Quality Data on the Councils website to enable communities affected to access data and, following the agreed complaints procedure, to respond appropriately to issues which arise from development activity.

Key Task: 6.3

By March 2015, working with partners to implement a range of community safety initiatives raising awareness of the development project, its potential impacts and preventative measures.

Going forwards, we will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Hinkley Point priority:

- Arranging at least 6 planned and unplanned site visits to the development site and associated development sites by March 2014
- Responding fully to all complaints made regarding the development within 20 working days

Protecting local environment

Objective 7:

✚ The effects on the environment by working with partners to positively respond to opportunities to enhance the environment in the affected communities using secured funding within Section 106 agreements are mitigated

Key Task: 7.1

By July 2013 develop a programme of investment within West Somerset for the ecology funding provided directly to the council from the development at Hinkley Point

Key Task: 7.2

To actively work with Somerset County Council to ensure that they develop a clear programme of investment within West Somerset for the contributions where the County Council is the initial recipient from the development at Hinkley Point.

Going forwards, we will use the following measures of progress during the period 1st April 2013 to 31st March 2014 to track our progress on delivering our Hinkley Point priority:

At least 2 Council promoted projects will have received the necessary funding approvals by March 2014

How we deliver the Corporate Plan

The Corporate Plan sets out our priorities and for each priority a number of specific and measurable objectives for the council to deliver.

Corporate priorities are refreshed annually (starting in early summer), in order to respond to local, regional or national changes. This refresh is undertaken by the council using a range of methods and information, including:

- Feedback from the previous years' plan and the associated performance information.
- Customer feedback, for example through customer surveys, feedback from elected Members or customer complaints
- Statistical information about the demography of the District
- Budgetary information, including the Medium Term Financial Plan.

The Corporate Plan then informs service planning, the medium term financial plan, budget setting and service delivery (through staff work programmes and personal development reviews). This link from community consultation through to staff delivery is often referred to as the 'Golden Thread' as illustrated below:



How we manage our performance

Performance management matters to everyone at West Somerset Council. It is the tool to ensure that we are serving our communities and residents well. Cabinet & councillors use it to check that policy decisions are being carried out and that local people are being well served.

Managers use performance management to ensure that the services, teams and individuals are performing to agreed service levels and that services respond to what is important to local people

Performance Management helps us to:

- Prioritise our work
- Keep track of and meet our corporate objectives
- Provide value for money
- Motivate & manage our staff
- Improve the outcomes for our residents

A framework for managing and monitoring performance is vital to demonstrate efficient and effective use of resources and a corporate calendar incorporating all the elements of the Performance Management Framework has been adopted and is being implemented.

We monitor the progress of the Corporate Plan and service plans on a quarterly basis to ensure that we remain focused and stay on track to deliver what we set out to. We also assess our performance by consulting with our partners and customers, benchmarking against other similar local authorities and learning from good practice.

Updates on key performance indicators and performance against the corporate plan and service plans are reported to both Scrutiny & Cabinet on a quarterly basis.

Performance Management is one of the key roles of Scrutiny. Besides Scrutinising performance against the corporate plan and service plans they will also carry out investigations into areas of poor council performance and scrutinise the process for preparing the medium financial plan and budget to ensure it reflects the corporate plan's priorities.

We take an integrated approach to performance that allows decisions to be made based on data that are accurate and complete. At the end of each quarter, Service Leads and Group Managers report on their performance indicators against targets, progress towards achieving key tasks and variances in financial spend.

Performance monitoring and review is a key process to recognise good performance and understand the ingredients that have achieved success. It will help to identify good practice and enable us to apply the learning to other areas where appropriate and gives recognition to those that deliver good performance

Finance

The corporate plan is supported by our Medium term Financial Plan and the Council's Annual capital programme.

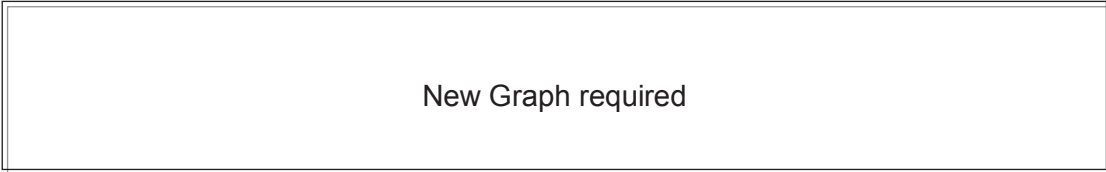
The purpose of the Medium Term Financial plan is to give an indication of the financial health of the Council over the next three fiscal years. It covers the General Fund (revenue and revenue implications of the capital programme) and makes recommendations on the use of resources and the levels at which balances should be maintained. It also seeks to highlight the key service and financial pressures, which will impact upon the budgets over that time period.

In order to ensure that resources are in place when required to meet the council's aspirations, investment in major new capital projects and decisions to increase or reduce ongoing revenue expenditure should only be agreed having considered the risks of doing so.

West Somerset Council Budget 2013/14		
Group Service Area	Original Estimate 2012/13 £	Forward Estimate 2013/14 £
Expenditure		
Corporate Services	£1,687,268	£1,585,829
Housing Welfare & Economy	£709,709	£877,959
Environment, Customer and Community	£2,542,626	£2,510,827
	£4,939,603	£4,974,615
Financed By		
Council Tax	£2,063,144	£1,772,613
Revenue Support Grant (Incl. Formula Funding)	£2,236,296	£1,579,297
Business Rate Retention		£1,141,521
New Homes Bonus		£383,956
Benefits Administration Grant		£272,850
Council Tax Support Grant Paid to Parish/Town Councils		-£110,262
New Burdens Grant		£32,680
Collection Fund (Surplus) / Deficit	(£33,280)	
Contribution from Reserves	£606,883	
	£4,939,603	£5,072,655
(Surplus) / Deficit		(£98,040)

2013/14 - EXPECTED EXPENDITURE

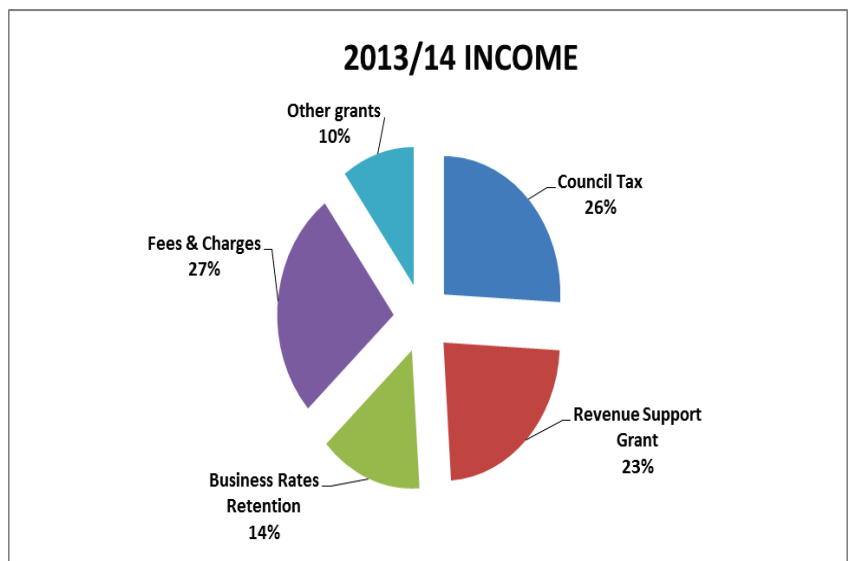
Net of income the Council plan to spend a total of £4.974m in 2013/14 on providing services to the local community.
This is used to deliver the corporate priorities as listed below:



SUMMARY OF SERVICES INCLUDED IN THE PORTFOLIOS:

- CORPORATE SUPPORT & PERFORMANCE SERVICES:
Performance Management, Diversity & Equalities, Press & Media and Corporate Management
- RESOURCES AND CENTRAL SUPPORT SERVICES:
Asset Management, Human Resources , ICT and Finance
- HOUSING, ENVIRONMENTAL HEALTH AND LICENSING SERVICES:
Housing, Food Safety and Licensing
- REGENERATION AND ECONOMIC GROWTH SERVICES:
Economic Regeneration, Tourism, Car Parking and Public Convenience
- COMMUNITY AND CUSTOMER SERVICES
Community Safety, Arts & Culture, Land Charges, Benefit, Council Tax, Business Rate, Website and Customer Services
- ENVIRONMENT SERVICES:
Street Cleansing, Waste & Recycling, Park & Open Spaces, Planning Applications, Coastal Management and Climate Change
- EXECUTIVE SUPPORT & DEMOCRACY SERVICES
Electoral Services and Member Services

In 2013/14 the government have changed the way local government is funded. In addition to the Revenue Support Grant and Council Tax Councils are able to retain a proportion of their Business Rates.



Managing Risk

Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being.

The council's Service Planning process requires weaknesses, opportunities and threats to be identified and used to create and refresh service-based risk registers within each Group of services.

Corporate Management Team maintains the Corporate Risk Register in its own service plan and considers high-scoring risks from Group Plans. Additional risks may be identified

- During team meetings
- In internal audit reports and associated action plans,
- Through the drafting of committee reports
- External reviews including peer reviews
- Through the internal service review process

Risks are also identified in committee reports to help inform the debate. Relevant risks within those committee report summaries (at the front of each report) will be added to service or corporate risk registers as Group Managers or CMT deem appropriate.

The Council's aim is to seek to ensure that our policies and services are as responsive and inclusive as they can be, and to promote equality of opportunity for all those living, working and visiting the district.

If you require further information please contact:

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Report Number: WSC 14/13
Presented by: Cllr Kate Kravis, Lead Member for Finance & Resources
Author of the Report: Adrian Dyer, Chief Executive
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Tel. No. Direct Line 01984 635212
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Report to a Meeting of: Council
To be Held on: 20th February 2013
Date Entered on Executive Forward Plan N/A
Or Agreement for Urgency Granted:

ANNUAL BUDGET & COUNCIL TAX SETTING 2013/14

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to provide Members with all information required for Council to approve the revenue budget and capital programme for 2013/14.

2. RECOMMENDATIONS

It is recommended that that Council consider the following Cabinet recommendations:

- 2.1. That Council initially considers the Equalities Impact Assessment (**Appendix 'D'**) in accordance with guidance contained in paragraph 7 of this report and the assessment itself.
- 2.2. That in response to the Equalities Impact Assessment referred to in recommendation 2.1 above public toilet facilities for both males and females remain available in Blenheim Gardens during the period April to October each year. The reduction in efficiency savings being £1,550
- 2.3. That Council Tax in 2013/14 is increased by 3.7% **making a Band D charge £137.82**
- 2.4. The revenue budget for 2013/14 as amended and presented in **Appendix B** is approved,
- 2.5. The draft schedule of savings as shown in **Appendix B, Table 12** as amended and presented is approved.
- 2.6. The capital programme in **Appendix C, Table 13** as amended and presented is approved.
- 2.7. The revised Medium-Term Financial Plan in **Appendix B, Table 9** as amended and presented is approved.

3. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
The obvious key risk is that the Council suddenly becomes financially unsustainable resulting in it being unable to deliver services.	Likely (4)	Catastrophic (5)	Very High (20)

<i>The mitigation is that a budget is approved that reflects a Medium Term Financial Plan that demonstrates sustainability</i>	Rare (1)	Catastrophic (5)	Low (5)
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The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before the mitigation measures have been actioned and after they have.

4. BACKGROUND INFORMATION

- 4.1 All necessary background information has been provided in the Budget setting paper 2013/14 (**Appendix A**) plus further **Appendices B – D**, provided with this report
- 4.2 Trying to construct a reliably accurate MTFP and associated budget for 2013/14 has been particularly difficult this year, the prime reason being uncertainty surrounding levels of government funding that could be expected. This uncertainty was compounded by the fact that the government were, from 1st April 2013 radically changing the way local government was to be financed with the introduction of a scheme which allows Councils to retain a proportion of its business rate income as core funding. The scheme also allows Councils to retain a proportion of additional business rate income generated as a result of economic growth. Further financial ambiguity was created with the Localisation of Council Tax Support (benefit) and Technical Reforms to Council Tax.
- 4.3 Timing has also been a crucial issue in that the Government's Autumn Statement was not published until 5th December 2012 leading to the announcement of details of the local government financial settlement being delayed until 19th December 2012. This left three working days prior to the Christmas break to understand the implications of the settlement and draft a report containing an updated MTFP for presentation to a meeting of Cabinet on 9th January 2013, the agenda for which had to be despatched prior to Christmas.
- 4.4 The Financial Settlement for West Somerset plus further predicted significant future reductions in Government Rate Support Grant Funding means that the Council needs to make considerable savings over the next few years. In response Council agreed the following approach at its meeting held on 12th December 2012.

“RESOLVED (2) that, subject to due diligence being carried out, the practicalities of the Council becoming either a Commissioning Authority as described in paragraphs 4.19 – 4.24 of the report or a Collaborative Authority sharing management and services as described in paragraph 4.18 (bi) of the report are investigated and including working with the other Councils to investigate and examine the Department of Communities and Local Government Report on Mutual and co-operative approaches to delivering local services.

RESOLVED (4) that work is commenced on the drafting of necessary protocols that would apply during the process of the Council establishing itself as a Commissioning or Collaborating Authority. That special regard is given to the protocol covering future staffing arrangements.

RESOLVED (5) that members approve the Council and Taunton Deane Borough Council working together to draft a business case for the commissioning or sharing of services, management and staff.

RESOLVED (6) that the protocols and associated business case referred to in recommendations 2.4 and 2.5 above are completed as soon as is practicable for due diligence to be undertaken for presentation to a future meeting of Council for consideration.”

- 4.5 In these times and circumstances, It is very important that the council has clear priorities to ensure that it is able to focus its limited resource on the things that are important for West Somerset. The draft Corporate Plan 2013-16 identifies just two priorities as described below: -

Local Democracy:

Securing local democracy and accountability in West Somerset.

New Nuclear Development at Hinkley Point:

Maximising opportunities for West Somerset communities and businesses to benefit from the development whilst protecting local communities and the environment.

5. FINANCIAL/RESOURCE IMPLICATIONS

- 5.1 The detailed implications are contained within the appendices to this report.

6. SECTION 151 OFFICER COMMENTS

- 6.1 The council's forecast financial position at the end of 2012/13 shows minimum risk-assessed balances of at least £500,000 in place, with earmarked reserves financing a number of one-off projects that feature outside of the on-going revenue budget.
- 6.2.1 The changes in the funding of Local Authority services has made the budget setting process much more challenging this year, with changes to the Council Tax Support Scheme, Council Tax Reform and the retention of Business Rates.
- 6.3 Whilst the council is able to set a budget for 2013/14, using savings already identified, the long term financial forecast shows significant savings are still required to set a balanced budget for 15/16 and from then onwards.
- 6.4 It is a requirement of the Local Government Act 2003 that the Section 151 Officer advises on the adequacy of reserves and the robustness of the budget.
- 6.4.1 *Adequacy of Reserves* - An assessment of reserves was made for the 2012/13 budget, the major change since then has been in the way that Local Government is funded and to be prudent a further £75,000 of reserve is recommended to cover the increased risk around Council Tax Support and Reform income, and to reflect the increased risks due to the general reduction in government grant. General Fund and Earmarked Revenue Reserves at 31 March 2013 are forecast to be above minimum risk-assessed levels and I recommend that the current and future Councils maintain them at no less than £575,000.
- 6.4.2 *Robustness of the Budget* - It is the assessment of the Section 151 Officer that the budget as presented does provide a robust budget based on all the information available at the time of writing.

7. EQUALITY & DIVERSITY IMPLICATIONS

- 7.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.**

The three aims the authority **must** have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

8. **CRIME AND DISORDER IMPLICATIONS**

8.1 There are no specific implications from the recommendations in the report.

9. **CONSULTATION IMPLICATIONS**

9.1 As has been stated in paragraph 7 above there has been the necessary relevant consultation concerning those proposed savings initiatives that were judged to require a Equalities Impact Assessment.

9.2 The Scrutiny Committee received a report in January 2013 to highlight the overall budget position and given the opportunity to scrutinise the financial planning process. The relevant draft minutes of the meeting, including concerns that they wish Cabinet to consider are listed below.

During the debate the following points were made:

Specific comments relating to the reports:-

- i. Certain elements of table 1 including references to rate support grant and contribution from/to reserves to be made clearer, and
- ii. The drafting of a business case to be included in any reference to the proposed working with Taunton Deane Borough Council

Comments relating to the proposed list of savings: -

- i. Consideration be given to making more savings than those currently listed,
- ii. Questioning whether the proposed increase in car park charges will actually deliver the anticipated increase in income,
- iii. That the possibility of deriving extra income for the provision of pre-application of planning advice be progressed as soon as possible,
- iv. That the various options for providing face to face contact in Minehead be continued to be explored in the shorter term.

Comments regarding the process by which Scrutiny is currently asked to view the budget process:

- i. That in future consideration be given to giving greater detail of the proposed budget possibly at Cost Centre level.

Other comments:

- i. The committee be provided with a report on action being taken by the Building Control service to generate increased income.
- ii. That the committee be provided with details of income generated from excess car parking notices issued during 2012/13 to date,
- iii. That it be noted that the committee were very aware of the difficult pressures currently facing staff at the council in terms of the available capacity to meet demands placed upon them.

RESOLVED (1) that Committee note the financial funding process as set out in the report;

RESOLVED (2) that Cabinet are advised of the points raised by the Committee as set out above.

10. ASSET MANAGEMENT IMPLICATIONS

10.1 Maintenance of the council's estate has been included in the capital programme, as informed by the Asset Management Group and Asset Management Plan.

11. ENVIRONMENTAL IMPACT IMPLICATIONS

11.1 There are none directly in respect of this report.

12. LEGAL IMPLICATIONS

12.1 It is a legal requirement that the council sets a balanced budget, i.e. one that does not result in a deficit using available sources of revenue (including reserves). Further legal requirements relating to the setting of Council Tax and the new Business Rate Retention scheme are listed in **Appendix 'A'**.

Appendix A

West Somerset Council Budget Setting Papers 2013/14

This paper brings together the background information for the Tax Set for the General Fund for the financial year commencing 1 April 2013.

The Council
COUNCIL TAX 2013/14
SECTION 151 OFFICER.
To be submitted 20th February 2013

1. Legal Requirement

The District Council is required to set the Council Tax for the financial year starting 1 April 2013 by no later than 11th March each year (3 weeks before the new financial year). West Somerset is the billing authority for the district area and must, therefore, set and collect the Tax on behalf of Somerset County Council, Avon and Somerset Police Authority and Devon and Somerset Fire and Rescue. As well as its own expenditure on the provision of services, it must also take account of local precepts issued by the parishes and towns in the District.

Once the Council Tax has been set the process of billing taxpayers can begin. The tax set meeting is arranged for 20th February 2013, by which time all the precepts should have been received. Any precepts not received will be assumed at 2012/13 figures. Parish precepts will be advised to Council on 20th February 2013.

A new government policy on Business Rate Retention is being introduced on 1st April 2013. In brief this places a number of new legal requirements on billing authorities that includes the calculation and notification to the Secretary of State by 31st January of the following: -

- The authority's estimate of the amount specified by paragraph 1 of Schedule 1 to the Draft Non Domestic Rating (Rates Retention) Regulations 2013.
- The amount of its central share of its non-domestic rating income for the relevant year
- The amount of each relevant precepting authority's share of non-domestic rating income for the relevant year
- The authority's estimate of the amounts (if any) specified by paragraphs 2 and 3 of Schedule 2 to the Draft Regulations
- The amount of each relevant precepting authority's share of the estimate of any amount to be deducted from the central share payment in accordance with regulation 4(1) of the draft Regulations
- The authority's estimate of the amount specified by regulation 7(1) (payments with respect to county matters) for the relevant year
- The authority's estimates of the amount of its actual and deemed rating for the year in accordance with the draft Non-domestic Rating (Transitional Protection Payments) Regulations 2013

For the purpose of this scheme the Council's relevant precepting authorities are Somerset County Council and the Devon and Somerset Fire and rescue Authority.

2. Business Rate Retention Scheme

As described above all local authorities are required to submit what is called a NNDR1 (National Non Domestic Rates) form by 31st January each year. A summary of the detailed current draft NNDR1 form is shown below at **table 1**

Summary of Draft NNDR1 Form 2013/14 – Table 1

Gross Yield		£14,543,929
Less Deductions:		
Refunds	£2,000,000	
Write-Off's	£100,000	
Mandatory Relief	£1,670,351	
Discretionary Relief	£203,372	
Other Deductions	£183,001	£4,156,724
Net Yield		£10,387,205
Amounts Retained		
Government (Central) Share (50%)	£5,193,603	
WSC Share (40%)	£4,154,882	
SCC Share (18% of 50%)	£934,848	
Devon & Somerset Fire & Rescue Share (2% of 50%)	£103,872	£10,387,205
WSC Retained		£4,154,882
Less: Tariff to Government (fixed amount)		£2,922,502
Sub Total		£1,232,380
Less: WSC Baseline Funding (fixed amount)		£1,050,663
Gross Retention		£181,717
Less: Maximum 50% Levy Payment to Government		£90,859
NET AMOUNT RETAINED BY WSC		£90,859

The net amount retained is fundamentally influenced because of an anticipated business rate refund of £1,500,000 being made in respect of Hinkley Point, making the overall estimated total £2,000,000. In normal circumstances it is estimated that refunds would total £500,000.

Table 1.1 below shows how refunds totalling an anticipated £500,000 in 2014/15 affect the net amount retained figure. These figures can be cross referenced to those in the MTFP at table 9.

Example of retention figures if refunds are at a level of £500,000 – Table 1a

Gross Yield		£14,543,929
Less Deductions:		
Refunds	£500,000	
Write-Off's	£100,000	
Mandatory Relief	£1,670,351	
Discretionary Relief	£203,372	
Other Deductions	£183,001	£2,656,724
Net Yield		£11,887,205
Amounts Retained		
Government (Central) Share (50%)	£5,943,603	
WSC Share (40%)	£4,754,882	
SCC Share (18% of 50%)	£1,069,848	
Devon & Somerset Fire & Rescue Share (2% of 50%)	£118,872	£11,887,205
WSC Retained		£4,754,882
Less: Tariff to Government (fixed amount)		£2,922,502
Sub Total		£1,832,380
Less: WSC Baseline Funding (fixed amount)		£1,050,663
Gross Retention		£781,717
Less: Maximum 50% Levy Payment to Government		£390,859
NET AMOUNT RETAINED BY WSC		£390,859

To assist with understanding the wider impacts on the Councils finances Scrutiny Committee have recently initiated a special review with the aim of reporting their conclusions to Cabinet

3. Comparison between MTFP as previously reported and the current budget

The Cabinet received an updated Medium Term Financial Plan (MTFP) for 2013-2016 on 9th January 2013. This forecast that with savings of £289,735 there would be a budget deficit in 2013/14 of £19,407. The report also identified that further savings of £527,718 would be required by March 2016 to enable the Council to set a balanced budget in 2015/16. The MTFP is constantly being updated to include new information, including recognition of refinements from the financial settlement, budget monitoring, and refinement of estimates. An extract of the current MTFP is shown at **table 2**, whilst a summary of previously unreported changes are shown in **table 4** below.

Following Scrutiny's comments on the layout of the MTFP, the contributions to and from General Fund Reserves are shown on separate lines.

Medium Term Financial Plan (extract) and Budget – Table 2

	MTFP (Cabinet 9 th January 2013)		Budget	
	2012/13	2013/14	2012/13	2013/14
EXPENDITURE				
Net Expenditure	5,169,506	5,082,696	5,172,156	5,089,046
MTFP Assumptions	-	210,977	-	264,983
Savings Target	-86,810	-289,735	-83,110	-379,414
TOTAL Net Expenditure	5,082,696	5,003,938	5,089,046	4,974,615
INCOME				

Council Tax	1,965,006	1,785,167	1,965,006	1,772,613
Formula Grant	2,242,000		2,242,000	
Revenue Support Grant	125,000	1,579,405	125,000	1,579,297
C Tax Support Admin. Grant	279,000	272,850	279,000	272,850
New Homes Bonus	#151,000	383,956	##214,000	383,956
Business Rate Retention		1,050,735		1,232,380
Business Rate Retention Levy	-	-	-	-90,859
C Tax Support – Grant to Parishes		-110,262		-110,262
C Tax Support – New Burdens Funding		32,680		32,680
Collection Fund	33,280	-10,000	33,280	
TOTAL Income	4,795,286	4,984,531	4,858,286	5,072,655
(Surplus) / Deficit	287,410	19,407	230,760	(98,040)
Contribution to Earmarked Reserves		-78,805		-202,343
Contribution from Earmarked Reserves	411,400	-	411,400	88,038
Revenue Reserve Balance B/Fwd.	934,877	1,058,867	934,877	1,115,517
Revenue Reserve Balance C/Fwd.	1,058,867	960,654	1,115,517	1,099,251

Actual figure received £239,000 (£88,000 used to fund services)

Actual figure received £239,000 (£25,000 used to fund services)

The MTFP sets the context for the budget in 2013-14 and beyond. Historically, members have agreed to direct funding toward council priorities and to set a minimum risk assessed level of revenue reserves at £500,000.

However, as from 1st April 2013 there is, under the new Business Rate Retention Scheme, the potential for the amount the Council retains to drop to a minimum £971,863, this compares to an estimated £1,153,599 (£1,232,380 minus £90,859) in the 2013/14 budget. To mitigate this increased risk the minimum level of revenue reserves has been increased to £575,000. In addition because it is anticipated that a large refund of business rates will be made in 2013/14 a sum of £169,663 (£1,153,599 minus £971,863) is being transferred from revenue reserves to a specific earmarked reserve. There is also a risk that the cost of Council Tax Support, which is demand led, will increase.

4. The General Fund 2012/13

The proposed budget for 2013/14 is based on levels of funding including, Rate Support Grant (including an element of formula grant), Various Other Grants, New Homes Bonus, Council Tax, Baseline Funding through Business Rate Retention (including an element of Formula Grant) and Business Rate Retention in excess of its baseline funding.

Of these funding streams the Council has no ability to influence the level of Revenue Support Grant, Various Other Grants and its Baseline Funding through Business Rate Retention. Of the others it has a limited ability to increase Council Tax because of government policies and limited ability to generate significant amounts of New Homes Bonus because of planning policies that cover the majority of the district. That only leaves the ability to generate Business Rate Retention by encouraging economic growth that generates increased business rate income. But like other funding streams the ability to do this is limited. The exception to this is the proposed future new nuclear development at Hinkley Point. The balance in the equation is the net cost of its services, with contributions from revenue and / or earmarked reserves available as one-off revenue income. This is shown in **table 3** below.

West Somerset Council Budget 2013/14 - Table 3

Revenue Budget 2013/14	£
Net Expenditure	5,335,929
Less: Savings identified	(379,414)
Cost of services	4,974,615
FINANCED BY	
Council Tax	1,772,613
Revenue Support Grant	1,579,297
C Tax Support Admin. Grant	272,850
New Homes Bonus	383,956
Business Rate Retention	1,232,380
Business Rate Retention Levy	-90,859
C Tax Support – Grant to Parishes	-110,262
C Tax Support – New Burdens Funding	32,680
Collection Fund	-
Income	5,072,655
DEFICIT / (SURPLUS) IN YEAR	(98,040)
General Fund Balance	
Year End General Fund 2012/13	1,115,517
Use of balances 2013/14 (Surplus)	98,040
Transfer to Earmarked Reserves	-202,343
Transfer from Earmarked Reserves	88,038
Year End General Fund 2013/14	1,099,251

It is good accounting practice to demonstrate the link between the proposed net expenditure for the coming year (13/14) and that of the current (12/13) year. This relationship is shown in table 3.1 below.

Reconciliation of Net Expenditure 2012/13 to 2013/14 – Table 3.1

Description	Amount	Balance
Net Expenditure 2012/13 Budget		£4,939,603
Increase in salaries (annual pay award and increments)	£44,136	
Increase in pension deficit recovery payments	£40,000	
Collection of waste from Village Halls	£5,300	
Waste - Contract Inflation less Increased Recycling credits & Green Waste Income	-£10,000	
General Inflation	£30,000	
Reduction in Interest on borrowing	-£15,000	
Business Rates Cost of Collection Grant now funded as part of Business Rate Retention	£72,000	
Business Rates Cost of giving Discretionary Relief now funded as part of Business Rate Retention	-£56,000	
SCC - Charging for Ecology advice on planning matters	£5,600	
Minimum Revenue Provision	£20,000	
Assets of Community Value - Compensation Contingency	£20,000	
Homelessness Prevention Grant income taken out of base budget	£50,000	
Rural Housing Project	£12,500	

Benefits Administration Grant income taken out of base budget	£279,000	
Savings Achieved in excess of those in base budget in 2012/13	-£83,110	£414,426
		£5,354,029
Savings target 2013/14		-£379,414
Net Expenditure in MTFP (20th February 2013)		£4,974,615
# Report to Cabinet 6th February 2013 - Tables, 2, 3, 4, 9 and 10		

5. Changes since the budget was presented to Scrutiny in January 2013

Budgets have been further refined following recent and more detailed budget monitoring and a greater understanding of the finer details of the government's financial settlement. A reconciliation of the proposed current budget for 2013/14 and that presented to Cabinet on 9th January 2013 and again on 6th February 2013 is shown in **table 4** below. Changes that relate to the current year and other years have been included in the MTFP but not itemised.

Changes to budget since Cabinet 9th January 2013 - Table 4

Description of Change	£
Net Expenditure Reported to Cabinet 9th January 2013	5,003,938
Waste – Cost of collecting waste from Village Halls (£2,650 12/13 & £2,650 13/14) <i>[Increased Expenditure]</i>	5,300
Adjustment to net cost of salaries <i>[Increased Expenditure]</i>	17,256
Business Rates – Collection Grant included in Business Rate Retention Scheme <i>[Reduction in base budget income]</i>	72,000
Business Rates – Cost of Discretionary Relief included in Business Rate Retention Scheme <i>[Reduction in Expenditure]</i>	-56,000
Reduction in LGA Subscription <i>[Reduction in Expenditure]</i>	-598
Increase in additional costs associated with not replacing the Car Parking Managers Post (£3,700 12/13 & £2,644 13/14) <i>[Increased Expenditure]</i>	6,344
The expected additional income from increasing planning fees has been reduced from £25,000 to £16,500 <i>[Reduction in Income]</i>	8,500
The proposed increase in car parking fees has been deleted <i>[Reduction in Income]</i>	7,748
Introduction of charging for pre planning application advice <i>[Increased Income]</i>	-20,000
Section 106 Agreements administration fees from developers <i>[Increased Income]</i>	-10,000
Rent of Office Space in West Somerset House <i>[Increased Income]</i>	-4,000
Net Expenditure Reported to Cabinet 6th February 2013	5,030,488
Somerset County Council are starting to charge for Ecology advice in relation to planning matters. <i>[Increased Expenditure]</i>	5,600
The contribution to the Rural Housing Project has been reinstated following a negotiated reduction of £12,500 pa (50%) <i>[Increased Expenditure]</i>	12,500
Revenues staffing capacity – reduction in hours <i>[Reduction in Expenditure]</i>	-1,850
Public Conveniences – additional cost of keeping the toilets in Blenheim Gardens, Minehead open April – October each year. <i>[Increased Expenditure]</i>	1,550
Licensing – No proposed increase in fees <i>[Reduced Income]</i>	2,671
Building Control – Estimated increased in additional fees <i>[Increased Income]</i>	-9,300

Result from quarter 3 budget monitoring exercise to refine budgets – 87 budgets amended to reflect a reduction in expenditure or an increase in income – 49 amended to reflect the opposite.	-67,044
TOTAL	4,974,615
Income Reported to Cabinet 9th January 2013	4,984,531
Share of growth from Business Rate Retention [<i>Increased Income</i>]	205,729
Recalculation of Council Tax [<i>Reduction in Income</i>]	-12,554
Deletion of Estimated Deficit on Collection Fund [<i>Increase in Income</i>]	10,000
Levy on growth from Business Rate Retention [<i>Reduction in Income</i>]	-£102,865
Income Reported to Cabinet 6th February 2013	£5,084,841
Revised government financial settlement	-180
Business Rate Retention – Recalculation of net yield	-24,012
Business Rate Retention – Subsequent recalculation of government levy.	12,006
TOTAL	5,072,655
General Fund Balance Reported to Cabinet 6th February 2013	£988,199
Reduction in net expenditure	55,873
Reduction in income	-12,186
Increased amount transferred to Earmarked Reserves	-20,673
Increased amount transferred from Earmarked Reserves	88,038
TOTAL	1,099,251

6. The District Council's Budget-Setting Process – Principles

The figures in the budget are calculated based on the following assumptions

- Council Tax is increased by 3.7%
- A 1% pay award to staff
- Pension Deficit Recovery will increase by £40,000
- The total amount of business rate refunds and write-offs does not exceed £2,100,000
- A contingency sum of £20,000 to fund compensation payments in relation to the 'Assets of Community Value Scheme'
- A Minimum Revenue Provision of £20,000 is required
- The repayment of an outstanding loan in February 2014.

7. The Council Tax charge for 2013/14

The tax base is calculated by taking the number of chargeable dwellings in the District converted to the equivalent number of band D properties. This figure is then typically reduced to reflect potential losses in collection. However, the calculation for 2013/14 is more complicated in that account has to be taken of a reduction to reflect the Local Council Tax Support Scheme, a increase to reflect Technical Council Tax Reforms and finally a further reduction to take account of anticipated increases in lost collection as a result of the new Council Tax Support Scheme.

Details of the calculation for 2013/14 are shown in **table 5** below

Council Tax Base Calculation – Table 5

	Tax Base
Gross Tax Base	14,853.90
Reduction for Council Tax Support	-2,053.35
Increase for Council Tax Reforms	276.39
	<u>13,076.94</u>
Losses in Collection	-215.14
Net Total	<u><u>12,861.80</u></u>

The Council Tax charge for the year is simply the District's precept requirement divided by the Tax Base.

$$\frac{\text{Council Tax Requirement 2013/14}}{\text{Tax Base (number of Band Ds) Equivalent}} = \frac{\underline{\underline{£1,772,613}}}{12,861.80} = \underline{\underline{£137.82}} \text{ per band D}$$

The Council will continue to receive a government grant equal to a 2.5% increase in council tax in 2013/14 for freezing its Council Tax in 2011/12. In addition, a one-off grant equal to a further 2.5% is available to authorities that freeze their council tax in 2012/13. For 2013/14 the government are again encouraging local authorities to freeze their council tax by offering a two year grant equivalent to a 1% increase.

As far as 'capping' increases in council tax the government have set a general 2% threshold, any increase exceeding this limit would trigger the requirement for a referendum to be held. However, those District Councils whose average (Band D) level of council tax charge is in the lower quartile nationally may increase their charge by up to £5.00 per annum. It has been confirmed that West Somerset Council's level of Council Tax is in the lower quartile and it is therefore possible to increase the charge of £132.90 by a maximum 3.76%. Consequently, it is proposed that the level of Council Tax is increased by 3.7% or £4.92 per annum (just under 9.5p per week)

8 Grant Settlement

Spending Power

Government grant is not the only way that councils receive their money. A local council has income from various sources; from business rates through the new retention system, fees and charges and from the local council tax. The Government has looked at these funding sources in the round in assessing the relevant spending power of each council. It has taken account of council income from council tax, start-up funding assessment and grants. It considers, therefore, that it is fairest and most accurate to look at a council's overall 'spending power' rather than simply their grant levels.

Accordingly, the main headline figures used in the initial financial settlement announcement was that there was a national reduction in spending power of 1.7% in 2013/14 with many councils gaining and none suffering a reduction in excess of 8.8%. West Somerset Council's Spending Power has actually increased in 2013/14 by 0.9%.

West Somerset Council's Spending Power – Table 6

	2012/13	2013/14
Council Tax	£1,965,000	£1,965,000
Start Up Funding Assessment	£2,704,000	#£2.630,000
Community Right to Challenge Grant	£9,000	£9,000
Community Right to Bid Grant	£5,000	£8,000
Council Tax Freeze Grant 12/13	£49,000	
Council Tax Freeze Grant 13/14		##£20,000
New Homes Bonus	£238,000	£383,000
TOTAL	£4,970,000	£5,015,000

Sum includes £110,262 government Council Tax Support grant which is being passported to Parish and Town Councils. A corresponding figure is not in the 12/13 figure and if for comparison purposes it is deducted from the 13/14 figure the

respective total Spending Power totals are - £4,970,000 in 12/13 and £4,904,738 in 13/14 (1.3% Reduction)

The government have assumed in their assessment of Spending Power that the Council will not be increasing their Council Tax charge, but will be taking the 'Freeze Grant' equivalent to £20,000 for each of the next two years.

Start-Up Funding

This is an assessment by government of what the councils need to spend in certain areas and then disaggregated between Revenue Support Grant and Business Rate Retention Baseline Funding. These two figures when added together amount to the total of government funding being made available.

West Somerset Council's Start-Up Funding – Table 7

	2013/14
Revenue Support Grant	
Formula Funding	£1,298,730
Council Tax Freeze Grant 2011/12	£29,432
Council Tax Support Funding	£221,110
Homelessness Prevention Grant	£30,025
Total	£1,579,297
Business Rates Baseline Funding	
Formula Funding	£864,009
Council Tax Freeze Grant 2011/12	£19,581
Council Tax Support Funding	£147,098
Homelessness Prevention Grant	£19,975
Total	£1,050,663
OVERALL TOTAL	£2,629,960

9 New Homes Bonus

The New Homes Bonus (NHB) commenced in April 2011, is intended to reward local authorities by granting them an amount of money for each new Band D equivalent property that is entered onto the valuation list. There is an additional grant for empty properties brought back into use and for new affordable homes.

The concept of this grant is that it will be an accumulative award for six years, in the seventh year the first year's award will be replaced by that in the seventh and so on. Having regard to the Councils financial situation the New Homes Bonus has been used to generally finance the Councils net expenditure rather than being ring-fenced for a specific purpose. Details of the grants awarded in the first three years are shown in **table 8**.

Summary of New Homes Bonus to date – Table 8

Income	2011/12	2012/13	2013/14
Year one (2011/12)	91,342	91,342	91,342
Year two (2012/13)		143,293	143,293
Year three (2013/14)			149,321
Sub total	91,342	234,635	383,956
Year one (2011/12) affordable homes bonus payment	Nil	3,920	Not Known
Total payable	91,342	238,555	383,956

10 The Medium Term Financial Plan 1st April 2013 to 31st March 2016

The Government has announced the provisional levels of grant funding that the Council can expect to receive in 2014/15. The most worrying aspect concerns the amount of Revenue Support Grant the Council can expect to receive which has been cut by 23.3%, from £1,579,297 to £1,210,808. Furthermore it is anticipated that this trend will continue into 2015/16 and as such it has been estimated that there will be a further 18.9% reduction.

On the other hand whereas Business Rate refunds and write-offs are expected to total £2,100,000 next year it is anticipated that they will revert in future years to normal levels of around £600,000. This would result in the amount of Business rates being retained by the Council increasing by £300,000. **It must be nevertheless stressed that the reality is that we have no confirmation from any source of the potential amount of any refund to EDF concerning the Business Rates payable in respect of Hinkley Point.**

Other key assumptions in future years include: -

- Council Tax Increases 2014/15 & 2015/16 of £3.6% and 3.5% respectively
- Pay awards of 2.5% in 2014/15 and 2015/16
- Continuing increasing pension deficit payments of £40,000 pa
- Minimum Revenue Provision of £100,000 in 2014/15
- Reductions in Revenue Support Grant of £368,405 in 2014/15 and an additional £228,879 in 2015/16
- Zero Economic Growth
- New Homes Bonus rising from £383,956 in 2013/14 to £647,956 in 2015/16
- Continuing levels of government grant regarding the local Council Tax Support Scheme
- Efficiency savings of £674,891 in addition to those in the approved 2012/13 budget

A copy of the current MTFP is shown in **table 9** below.

Medium Term Financial Plan (MTFP) – Table 9

	2012/13	2013/14	2014/15	2015/16
EXPENDITURE				
Net Expenditure	5,172,156	5,354,029	5,221,465	5,325,816
Savings Target	-83,110	-379,414	-54,529	-196,161
TOTAL Net Expenditure	5,089,046	4,974,615	5,166,936	5,129,655
INCOME				
Council Tax	1,965,006	1,772,613	1,836,427	1,900,702
Formula Grant	2,242,000			
Revenue Support Grant	125,000	1,579,297	1,210,808	982,121
C Tax Support Admin. Grant	279,000	272,850	272,000	272,000
New Homes Bonus	#214,000	383,956	444,956	647,956
Business Rate Retention		1,232,380	1,832,452	1,832,452
Business Rate Retention – Levy		-90,859	-390,859	-390,859
C Tax Support – Grant to Parishes		-110,262	-112,467	-114,717
C Tax Support – New Burdens Funding		32,680	59,659	-
Collection Fund	33,280			
TOTAL Income	4,858,286	5,072,655	5,152,976	5,129,655
(Surplus) / Deficit	230,760	(98,040)	13,961	-
Contribution to Earmarked Reserves		202,343	159,659	100,000
Contribution from Earmarked Reserves	411,400	(88,038)	(12,500)	
Revenue Reserve Balance B/Fwd.	960,654	1,115,517	1,099,252	938,132
Revenue Reserve Balance C/Fwd.	1,115,517	1,099,252	938,132	838,132

Actual figure received £239,000 (£25,000 used to fund services)

In 2013/14 the transfer to earmarked reserves includes £169,663 in respect of business rate retention liabilities and £32,680 new burdens funding grant which is to be used in the implementation of the local council tax support scheme. The transfer of £88,038 from earmarked reserves is balances that no longer require earmarking and include £60,164 new homes bonus (£12,500 to fund contribution to Rural Housing Project), £19,539 lift improvement funding and £8,335 LSP funding.

In 2014/15 the £159,659 transferred to earmarked reserves includes £59,659 new burdens funding and £100,000 potential business rate retention liabilities. The transfer from earmarked reserves is the final balance from new homes bonus and is to fund a £12,500 contribution to the Rural Housing Project.

Appendix B

Revenue Budget 2012/13

1. Council Spending - Budget Book

The budget is presented in Service Plan format, to provide information on the resources allocated to each of the Corporate Priorities. A copy is attached here at **table 10** below -

Revenue Budget 2013/14 -Table 10

Outturn 2011/12	Budget Book 2013/14 Expenditure	Budget 2012/13	Budget 2013/14
£1,658,938	Corporate Director	£1,687,268	£1,585,829
£551,038	Group Manager - Housing & Community	£709,709	£877,959
£2,421,684	Group Manager - Environment & Services	£2,542,626	£2,510,827
£4,631,660	Total	£4,939,603	£4,974,615
	Income		
£2,014,513	Council Tax	£2,063,144	£1,772,613
	Revenue Support Grant and Other Grants		£1,579,297
£2,530,154	Formula Grant / Revenue Support Grant	£2,236,296	
	C Tax / Housing Benefit Admin Grant		£272,850
	New Homes Bonus		£383,956
£69,510	Transition Grant		
	Retention of Business Rates (net of gov. levy)		£1,141,521
	C Tax Support Grant to Parish/Town Councils		-£110,262
	New Burdens Funding		£32,680
£20,560	Collection Fund (Surplus) / Deficit	£33,280	
	Contribution from Reserves	£606,883	
£4,634,737	Total	£4,939,603	£5,072,655
(£3,077)			(£98,040)

A more detailed analysis of the revenue budget by service area is included at **Addendum 1** to this Appendix.

2. Predicted Revenue Outturn position at 31st March 2013

Budget monitoring to the end of the second quarter of 2012/13 (i.e. 30th September) has identified a forecast underspend of £99,097. This will increase the amount available in the General Fund at 31st March 2013 but none will have an on-going impact on the base budget. A summary of the variances is shown in **table 11** below.

A similar monitoring exercise is currently being undertaken on the figures from the end of the third quarter i.e. 31st December). At the same time the opportunity is being taken to undertake a comprehensive review of the appropriateness of individual budgets in relation to previous actual spending patterns and the likely outturn this year.

Quarter 2 Performance Report Variances - Table 11

Variance £	Adjustment in 2012/13 Budget
24,100	Planning – Increase in Income
10,400	Planning Policy - Non employment of Programme Officer
28,300	Housing Benefits - Increased Income - Overpayments
36,297	Net Underspend from numerous various budgets
99,097	

3. Savings identified in the 2012/13 Budget

The Cabinet and members of the council's Corporate Management Team have been working together during the autumn of 2011 to agree a savings package that will

deliver a balanced budget in 2012/13 and maintain reserves at minimum levels. Member seminars have also been held to ensure awareness of the issues facing the council and the need for savings. The package of savings measures as presented to both Cabinet and Scrutiny in January '13, including those not included in the base budget for the current year, are shown in **table 12** below: -

Savings proposals for the 2012/13 Budget - Table 12

	2012/13	2013/14	Total
External Audit Fees	£48,000		£48,000
Car Parking – staff costs (Managers post deleted)	£11,626	£8,304	£19,930
Licensing - staff costs (reduction in hours)	£6,525	£6,525	£13,050
Finance - staff costs (vacant post deleted)	£4,609		£4,609
Revenues - staff costs (vacant post deleted)	£11,262		£11,262
Revenues - staff costs (vacant post deleted)	£10,850		£10,850
Benefits - staff costs (vacant post deleted)	£18,313		£18,313
Housing - staff costs (vacant post deleted)	£6,525		£6,525
Benefits - staff costs (existing staff, reduction in hours)	£1,224	£6,220	£7,444
Finance - staff costs reduction (Group Managers post replaced part-time)	£22,676	£11,198	£33,874
Health & Safety - cease annual subscription to technical indexes		£6,000	£6,000
Executive Support staff costs reduction (PR & Media Post deleted)		£41,125	£41,125
Planning Policy - External specialist support not required 13/14		£28,000	£28,000
Finance - reduction in cost of financial management system		£40,000	£40,000
HR - reduction in cost of private health care scheme		£1,500	£1,500
HR – reduction in staff training		£5,000	£5,000
Planning - government approved increase in fees		£16,500	£16,500
Internal Audit – Reduction in the number of audits		£10,000	£10,000
Veolia Contract - savings identified other than permanent closure of public toilets		£22,000	£22,000
Open Spaces - MTC to contribution towards cost of planting		£3,000	£3,000
Reduction in LGA Subscription		£598	£598
Veolia Contract - closure of 5 public toilets		£34,450	£34,450
Benefits - reduce external processing capacity		£6,000	£6,000
Building Control – 5% Increase fees and charges		£12,400	£12,400
Licensing – 5% Increase fees and charges		£0	£0
(Homelessness - reduction in prevention budget		£6,000	£6,000
Environmental Health - cease rodent & pest service		£11,700	£11,700
West Somerset House – Rent of Space (D & SF&R)		£4,000	£4,000
Planning - Pre Planning Application Advice fees		£20,000	£20,000
Planning - Section 106 Administration fees		£10,000	£10,000
Revenues – staff capacity reduction in hours		£1,850	£1,850
Various Budget Refinements as a result of monitoring exercise		£67,044	£67,044
TOTAL	£141,610	£379,414	£521,024

Note 1 -As has been previously reported it is estimated that £58,500 of the £159,457 savings included in the current years base budget will not be achieved meaning that the net effect on the base budget for 2013/14 will be £376,545.

Note 2.- In real terms there is an additional saving as a result of the contribution to the 'Rural Housing Project' being reduced from £25,000 to £12,500. This increases the actual savings total from £521,024 to £533,524

ADDENDUM 1

Corporate Director

<u>2011-12 Outturn</u>		<u>2012-2013 Budget</u>	<u>2013-2014 Budget</u>
£74,506	Corporate Director	£74,595	£75,423
£73,367	Employee Costs	£73,325	£74,153
£768	Transport Related Expenditure	£1,000	£1,000
£370	Supplies & Services	£270	£270
£136,673	Executive Support Team	£136,694	£96,668
£135,946	Employee Costs	£136,294	£96,268
£726	Transport Related Expenditure	£400	£400
£30,833	Member Services	£45,362	£45,818
£30,833	Employee Costs	£45,312	£45,768
£0	Transport Related Expenditure	£50	£50
£0	Supplies & Services	£0	£0
£61,257	Elections	£50,595	£48,703
£26,268	Employee Costs	£26,365	£26,653
£50	Transport Related Expenditure	£90	£90
£49,792	Supplies & Services	£24,140	£22,960
-£14,853	Income	£0	-£1,000
-£32,560	Land Charges	-£23,261	-£22,991
£24,840	Employee Costs	£24,989	£25,259
£29	Transport Related Expenditure	£40	£40
£115	Supplies & Services	£110	£110
£19,244	Third Party Payments	£16,100	£16,100
-£76,787	Income	-£64,500	-£64,500
£437,941	Corporate & Democratic Core	£440,352	£411,965
£236,657	Employee Costs	£233,216	£239,661
£10,532	Transport Related Expenditure	£10,000	£10,000
£179,222	Supplies & Services	£185,836	£151,752
£11,531	Third Party Payments	£11,300	£10,552
£41,904	Postages	£40,000	£42,000
£41,904	Supplies & Services	£40,000	£42,000
£95,006	Information Team	£73,586	£74,319
£87,054	Employee Costs	£65,451	£66,184
£39	Transport Related Expenditure	£100	£100
£7,913	Supplies & Services	£8,035	£8,035
£124,561	Legal	£130,452	£133,893
£28,357	Employee Costs	£28,552	£28,843
£91	Transport Related Expenditure	£100	£50
£20,062	Supplies & Services	£11,050	£12,000
£86,018	Third Party Payments	£90,750	£93,000
-£9,967	Income	£0	£0
£68,011	Human Resources	£185,772	£220,879
£61,912	Employee Costs	£57,792	£52,899
£97	Transport Related Expenditure	£150	£150
£6,001	Supplies & Services	£127,830	£167,830
£31,496	GM Corporate Services	£0	£0

£31,019	Employee Costs	£0	£0
£477	Transport Related Expenditure	£0	£0
£0	Supplies & Services	£0	£0
£370,891	Finance	£324,279	£278,102
£278,204	Employee Costs	£267,589	£261,777
£310	Transport related expenditure	£480	£480
£80,472	Supplies & Services	£60,710	£20,845
£11,905	Income	-£4,500	-£5,000
£68,490	Internal Audit	£68,300	£58,300
£68,490	Third Party Payments	£68,300	£58,300
£36,795	Investment & Interest	£27,750	£52,750
£52,850	Supplies & Services	£62,750	£67,750
-£16,055	Income	-£35,000	-£15,000
£62,384	Insurance	£65,000	£70,000
£63,924	Supplies & Services	£65,000	£70,000
-£1,540	Insurance recharged	£0	£0
£50,750	GM Finance & IT	£47,792	£0
£49,587	Employee Costs	£47,472	£0
£1,162	Transport related expenditure	£320	£0
£0	Supplies & Services	£0	£0
£1,658,938	Total	£1,687,269	£1,585,829

Group Manager - Housing and Community

<u>2011-12 Outturn</u>		<u>2012-2013 Budget</u>		<u>2013-2014 Budget</u>	
-£57,640	Licensing		-£53,424		-£64,549
£32,584	Employee Costs	£32,676		£19,351	
£175	Transport Related Expenditure	£300		£100	
£4,447	Supplies & Services	£5,800		£4,600	
-£94,845	Income	-£92,200		-£88,600	
£11,136	Housing Bed & Breakfast		£5,000		£10,000
£21,835	Supplies & Services	£25,000		£20,000	
-£10,700	Income	-£20,000		-£10,000	
£66,399	Housing Temporary Accommodation		£56,450		£18,450
£139,275	Premises Related Expenditure	£176,300		£88,300	
£1,638	Supplies & Services	£150		£150	
-£74,514	Income	-£120,000		-£70,000	
-£13,191	Housing Homelessness Admin		-£9,000		£29,500
£36,809	Supplies & Services	£41,000		£29,500	
-£50,000	Income	-£50,000		£0	
£0	Housing Enabling		£0		£12,500
	Supplies & Services			£12,500	
£17,958	Housing Private Sector Renewal		£54,516		£55,206
£0	Employee Costs	£37,516		£39,706	
£17,958	Third Party Payments	£17,000		£17,000	
	Income			-£1,500	
£122,567	Planning Policy		£118,149		£91,235
£81,436	Employee Costs	£81,699		£82,785	
£624	Transport Related Expenditure	£1,450		£1,450	
£52,507	Supplies & Services	£35,000		£7,000	
-£12,000	Income	£0		£0	
£166,536	Housing Staff		£164,913		£163,321
£164,430	Employee Costs	£163,813		£172,691	
£1,765	Transport Related Expenditure	£1,000		£1,200	
£341	Supplies & Services	£100		-£10,570	
£68,931	Food Safety		£72,269		£74,774
£63,203	Employee Costs	£67,269		£69,774	
£2,227	Transport Related Expenditure	£1,500		£1,500	
£3,501	Supplies & Services	£3,500		£3,500	
£22,360	Environmental Health		£25,900		£14,700
£11,002	Supplies & Services	£11,900		£12,400	
£33,085	Third Party Payments	£29,200		£17,500	
-£21,726	Income	-£15,200		-£15,200	
£109,792	Environmental Health Staff		£73,193		£73,917
£105,540	Employee Costs	£69,093		£69,817	
£3,680	Transport Related Expenditure	£3,500		£3,500	
£572	Supplies & Services	£600		£600	
£40,636	Economic Development		£49,710		£4,340

£50,189	Employee Costs	£94,205	£50,431
£2,413	Premises Related Expenditure	£0	£0
£727	Transport Related Expenditure	£1,090	£1,090
£3,000	Third Party Payments	£3,000	£3,000
£3,413	Supplies & Services	£150	£50
-£19,106	Income	-£48,735	-£50,231
£43,792	Tourism	£33,526	£34,042
£32,591	Employee Costs	£32,676	£33,042
£1,051	Transport Related Expenditure	£850	£1,000
£10,150	Supplies & Services	£0	£0
£0	Income	£0	£0
£55,812	GM Housing & Community	£57,223	£53,713
£55,219	Employee Costs	£55,123	£55,763
£417	Transport Related Expenditure	£350	£350
£177	Supplies & Services	£1,750	£200
	Income		-£2,600
-£23,150	CT Benefits	-£10,000	-£10,000
£3,173,152	Transfer Payments	£2,750,000	£3,190,000
-£3,196,302	Income	-£2,760,000	-£3,200,000
-£239,423	HB Admin	-£190,905	£82,095
£88,326	Supplies & Services	£88,095	£82,095
-£327,749	Income	-£279,000	£0
-£94,395	HB Rent Allowance	-£40,000	-£40,000
£68,015	Supplies & Services	£0	£0
£13,005,325	Transfer Payments	£13,500,000	£13,585,000
-£13,167,736	Income	-£13,540,000	-£13,625,000
£2,410	HB Non HRA Rent Rebate	£20,000	£5,000
£69,703	Transfer Payments	£230,000	£70,000
-£67,293	Income	-£210,000	-£65,000
£149,938	Benefits Staff	£153,793	£128,994
£149,101	Employee Costs	£187,260	£146,494
£837	Transport related expenditure	£1,000	£1,000
£0	Income	-£34,467	-£18,500
-£42,728	CT Collection	-£37,300	-£37,300
£15,628	Supplies & Services	£20,250	£20,250
-£58,356	Income	-£57,550	-£57,550
£56,984	NDR Relief	£56,000	£0
£56,984	Supplies & Services	£56,000	£0
-£80,177	NDR Collection	-£78,450	-£6,450
£1,051	Supplies & Services	£0	£0
-£81,228	Income	-£78,450	-£6,450
£166,489	Revenues Staff	£188,146	£184,470
£166,181	Employee Costs	£187,356	£183,680
£308	Transport Related Expenditure	£790	£790
£551,038	Total	£709,709	£877,959

Group Manager - Environment & Services

<u>2011-12 Outturn</u>		<u>2012-2013 Budget</u>		<u>2013-2014 Budget</u>	
-£24,120	Roughmoor Depot		-£17,310		-£19,725
£15,269	Premises Related Expenditure	£21,790		£21,900	
£2,097	Supplies & Services	£2,500		£0	
-£41,485	Income	-£41,600		-£41,625	
-£75,823	Estates - Assets		-£41,902		-£28,462
£0	Employee Costs	£50		£50	
£14,288	Premises Related Expenditure	£30,684		£28,520	
£0	Transport Related Expenditure	£80		£80	
£3,256	Supplies & Services	£12,756		£31,500	
-£93,367	Income	-£85,472		-£88,612	
-£49,470	Roughmoor Enterprise Centre		-£70,700		-£62,050
£16,604	Premises Related Expenditure	£19,300		£18,850	
	Third Party Payments			£4,500	
-£66,074	Income	-£90,000		-£85,400	
£60,117	Estates		£66,441		£67,288
£60,117	Employee Costs	£66,441		£67,288	
£64,251	West Somerset House		£91,995		£80,346
£61,730	Premises Related Expenditure	£83,120		£84,346	
£27,954	Supplies & Services	£33,875		£25,000	
-£25,433	Income	-£25,000		-£29,000	
£28,537	Contact Centre		£30,300		£30,900
£31,864	Premises Related Expenditure	£29,708		£30,308	
£272	Supplies & Services	£592		£592	
-£3,599	Income	£0		£0	
£190,439	Public Conveniences		£159,801		£121,690
£4,990	Employee Costs	£4,978		£5,040	
£97,508	Premises Related Expenditure	£98,123		£101,100	
£119,074	Third Party Payments	£99,500		£99,500	
-£31,133	Income	-£42,800		-£83,950	
-£429,588	Parking - Off Street		-£388,125		-£366,175
£56,354	Premises Related Expenditure	£61,800		£66,800	
£4,008	Transport Related Expenditure	£5,700		£4,500	
£42,256	Third Party Payments	£42,300		£50,900	
£0	Supplies & Services	£3,000		£3,000	
-£532,205	Income	-£485,925		-£491,375	
£0	Approved Savings	-£15,000		£0	
-£150	Public Transport		£0		£0
-£150	Income	£0		£0	
£25,268	VIIC		£1,865		£4,700
£27,509	Employee Costs	£2,340		£2,340	
£6,772	Premises Related Expenditure	£10,830		£13,665	
£18,275	Supplies & Services	£24,295		£24,295	
-£27,288	Income	-£35,600		-£35,600	
£98,399	Parking Staff		£102,097		£82,425
£97,545	Employee Costs	£100,747		£81,565	

£854	Transport Related Expenditure	£860	£860
£0	Supplies & Services	£490	£0
£34,182	Building Control	£33,540	£19,121
£170,800	Employee Costs	£148,970	£108,316
£6,212	Transport Related Expenditure	£4,870	£4,870
£6,553	Supplies & Services	£3,700	£42,485
-£149,384	Income	-£124,000	-£136,550
£13,633	Coast Protection	£19,700	£16,200
£10,659	Supplies & Services	£17,550	£14,050
£2,624	Third Party Payments	£2,500	£2,500
£350	Income	-£350	-£350
£126,427	Development Control	£80,043	£60,530
£266,687	Employee Costs	£245,145	£249,225
£4,216	Transport Related Expenditure	£2,770	£5,000
£15,655	Supplies & Services	£10,660	£16,260
£2,333	Third Party Payments	£0	£0
-£162,463	Income	-£178,532	-£209,955
£2,109	Flood Defence	£10,500	£11,500
£3,474	Supplies & Services	£10,500	£11,500
-£1,365	Income	£0	£0
£253,096	Open Spaces	£210,653	£216,760
£147,182	Employee Costs	£148,146	£149,603
£43,139	Premises Related Expenditure	£10,200	£6,200
£16,968	Transport Related Expenditure	£19,200	£19,200
£58,267	Supplies & Services	£56,657	£51,207
-£12,460	Income	-£23,550	-£9,450
£445,614	Street Cleansing	£433,185	£433,000
£5,669	Employees Cost	£185	£0
£14,792	Supplies & Services	£20,740	£20,740
£432,635	Third Party Payments	£418,260	£418,260
-£7,482	Income	-£6,000	-£6,000
£891,031	Waste	£1,016,080	£990,880
£1,103,600	Third Party Payments	£1,081,080	£1,076,380
-£212,569	Income	-£65,000	-£85,500
£14,594	Community Development	£15,754	£49,988
£14,594	Employee Costs	£14,644	£61,854
£0	Transport Related Expenditure	£1,000	£0
£0	Supplies & Services	£110	-£11,866
£88,343	Community Links	£65,247	£65,247
£98,670	Supplies & Services	£65,247	£65,247
-£10,327	Income	£0	£0
£56,678	Community Safety	£39,663	£36,067
£65,913	Employee Costs	£53,449	£54,017
£840	Transport Related Expenditure	£450	£450
£4,374	Supplies & Services	£2,500	£2,500
-£14,450	Income	-£16,736	-£20,900
£55,516	GM Environment & Services	£55,563	£56,203
£55,041	Employee Costs	£55,223	£55,863
£353	Transport Related Expenditure	£340	£340

£123	Supplies & Services	£0	£0
£19,479	Harbour	£0	£0
£4,226	Employee Costs	£0	£0
£11,169	Premises Related Expenditure	£0	£0
£16,231	Supplies & Services	£0	£0
-£12,147	Income	£0	£0
£0	Watchet Harbour	£12,242	£11,902
£0	Premises Related Expenditure	£4,700	£4,610
£0	Supplies & Services	£9,000	£8,750
£0	Income	-£1,458	-£1,458
£0	Minehead Harbour	£3,808	£2,025
£0	Premises Related Expenditure	£6,350	£6,150
£0	Supplies & Services	£11,200	£10,702
£0	Income	-£13,742	-£14,827
£0	Brunel Way Depot	£38,060	£37,300
£0	Premises Related Expenditure	£40,560	£38,300
£0	Income	-£2,500	-£1,000
£0	Barnsclose Units	-£7,360	-£7,300
£0	Premises Related Expenditure	£3,640	£2,200
£0	Income	-£11,000	-£9,500
£0	Farmers Market	-£1,200	£0
£0	Employee Costs	£7,000	£6,500
£0	Supplies & Services	£1,800	£1,500
£0	Income	-£10,000	-£8,000
£264,361	IT	£298,347	£314,728
£93,097	Employee Costs	£91,702	£105,508
£153	Transport related Expenditure	£460	£460
£172,610	Supplies & Services	£206,185	£208,760
-£1,499	Income	£0	£0
£72,327	Central Telephones	£79,000	£79,000
£72,334	Supplies & Services	£79,000	£79,000
-£7	Income	£0	£0
£57,529	Design and Print	£67,500	£67,500
£5,494	Employee Costs	£0	£0
£52,322	Supplies & Services	£67,500	£67,500
-£287	Income	£0	£0
£142,688	Customer Services	£137,839	£139,239
£138,841	Employee Costs	£137,519	£138,919
£63	Transport Related Expenditure	£320	£320
£2,421,684	Total	£2,542,626	£2,510,827

1. Capital Strategy

The Council approved its Capital Strategy 2012-15 as part of the budget report presented to Cabinet and Council in February 2012. The substance of this strategy will not have changed in 2013 albeit that the Council's Corporate Priorities will have.

The Council's approach to funding its capital programme is:

- Through the disposal of land and buildings
- By maximising third party contributions from grant funding or private sector investment
- Use of borrowing, as a last resort, in accordance with the Prudential Code and with full regard of the impact on the revenue budget

The Council will not assume the use of any ongoing revenue funding to support the capital programme during 2013-16, other than one-off use of earmarked reserves that have been historically set aside from revenue sources.

2. Capital Receipts

West Somerset has taken out very limited borrowing and been able to take advantage of the capital receipt to maintain an ongoing capital programme to deliver a range of projects.

However, the Council now has very limited capital receipts from that original balance. The Council will continue to seek to maximise the receipts achievable. This will mean disposal of some land and assets in order to re-invest sums receivable to achieve our aspirations. Land assets already identified for disposal include – two sites at Seaward Way, Minehead; former Aquasplash site, Minehead; Townsend Farm, Carhampton; a site in Simonsbath and the East Wharf, Watchet.

3. Use of Receipts

The Council is reliant on the achievement of additional capital receipts for investment in new and emerging capital projects and will seek to maximise receipts for this purpose. More importantly the ability to repay a outstanding loan of £3.5m that is due to mature in February 2014 will be dependent upon future capital receipts from the disposal of assets.

4. Borrowing

Where borrowing is required, as a last resort, the Council has agreed that this will be done through the most financially economical method of balancing its investment and borrowing portfolio to finance balance sheet debt liability previously financed from internal resources. This is mainly dependent upon prevailing PWLB rates.

The Council will only undertake new borrowing for capital purposes where appropriate, but only when full regard has been taken of the revenue implications of so doing. Revenue budgeting for new borrowing will take account of both the principle and interest payments required in order to minimise the need to refinance loans when they expire.

5. Approach to Borrowing

As outlined above the Council is committed to minimising the amount of new loans taken out to fund its capital programme in the light of the clear need to minimise the impact on the revenue budget. It will only consider new borrowing for material capital

projects with a clear long-term benefit and where the business case can be established. Borrowing as a method of funding capital projects will whenever possible be resisted.

6. Direct Revenue Funding

There is no capacity within the revenue budget to fund capital schemes on an ongoing basis from revenue resources in 2013/14. The capital programme and financing strategy will be developed in this knowledge.

As part of its housing and regeneration programmes the Council will also consider the gifting or allocation of either land or property as its contribution to the wider outcomes.

7. Approval of Capital Schemes

Initially all schemes are submitted by a Group Manager to the Corporate Management Team (CMT), consisting of all Group Managers, the Director and Chief Executive, for their review. At each stage any scheme must be submitted on the Council's approved capital submission document (Project Appraisal Report – PAR), which allows for each to be assessed against a range of criteria.

In deciding whether to approve a scheme CMT will give full regard to the Council's Corporate Plan, Service Plans and the Medium Term Financial Plan. Each bid must clearly define the outcomes sought from the proposed project.

8. Bids for Capital Resource in 2012/13 to 2014/15

A summary of the proposed approved capital bids for resources in 2013/14 are shown in **table 13**. Unlike previous capital programmes which covered a period of three years it is felt to be prudent, because of the Council's weak financial position, to plan no further than one year ahead.

Capital Programme 2013/14 – Table 13

	2013-2014	Financed By
Housing		
Clanville Housing (Assumes Purchase and Selling)	£0	Future Capital Receipt
Sale of Land - Seaward Way	£50,000	Future Capital Receipt
Sale of Land – Former Aquasplash site	£50,000	Future Capital Receipt
Sale of Land - Field Study Centre, Simonsbath	£5,000	Future Capital Receipt
Sale of Land - Townsend Farm, Carhampton	£5,000	Future Capital Receipt
Disabled Facilities Grants	£96,000	Capital Grant
Decent Homes	£84,000	Capital Grant
	£290,000	
IT Projects		
Annual Hardware Replacement Program	£65,000	Useable Capital Receipt
Card Bureau Service	£0	
Backup Solution	£18,000	Useable Capital Receipt
2003 Domain Upgrade	£7,000	Useable Capital Receipt
MS Exchange Upgrade	£5,700	Useable Capital Receipt
Finance System	£50,000	Useable Capital Receipt
Microsoft Licence	£13,636	Useable Capital Receipt
	£159,336	
Environmental Services		
Watchet East Wharf Warehouse - Renovation	£27,000	Useable Capital Receipt
Watchet East Wharf Warehouse – Railings	£3,000	Useable Capital Receipt
Roughmoor Enterprise Centre, Williton – CCTV	£6,500	Useable Capital Receipt
Cliffs above Quay Street, Minehead	£7,000	Useable Capital Receipt
Dulverton Mill Leat	£10,000	Useable Capital Receipt
Watchet Harbour, West Pier - Impounding Wall	£17,000	Useable Capital Receipt
Watchet Harbour, West Pier – Ladders	£5,000	Useable Capital Receipt
Watchet Harbour, West Pier - Replacement Fendering	£3,000	Useable Capital Receipt
The Esplanade, Watchet - Replacement Lanterns	£2,000	Useable Capital Receipt
Wheddon Cross Car Park - Contribution – Resurfacing	£2,000	Useable Capital Receipt
Car Parks PCN Enforcement Hand Held Computer	£2,500	Useable Capital Receipt
Beach Rake	£8,000	Useable Capital Receipt
Public Conveniences	£50,000	Useable Capital Receipt
Coast Protection	£5,000	Useable Capital Receipt
	£148,000	
Grand Total	£597,336	

In terms of unapplied capital receipts the anticipated balances are shown in **table 14** below: -

Unapplied Capital Receipts, Forecast balances - Table 14

	2013/14
Unapplied Capital Receipts	£
Opening balance at 1 April 2012 (per accounts)	(1,511,400)
Expected transactions during 2012/13 & 2013/14	(5,572,221)
Forecast balance at 31 March 2014	(7,083,621)
Less Capital Receipts Applied in 2012/13	187,700
Less estimated use in 2013/14 (table 13 above)	417,336
Loan Maturity February 2014	3,500,000
Forecast balance at 31 March 2014	(2,959,285)

9. Minimum Revenue Provision

The revenue impact of the Capital Programme takes place in two of forms: -

1. Loss of interest on internally borrowed sums
2. Minimum revenue provision (set-aside for non-financed capital expenditure)

10. Earmarked Reserves

A summary of the 'earmarked' reserves and the forecast position at the year-end is shown in **tables 15** below.

Earmarked Reserves - Table 15

Description	Balance at 1 st April 2012	2012/13		2013/14 Known Commitments	Estimated Balance 31/3/14
		Amounts Received	Estimated Amounts Applied		
New Home Bonus [12/13 - Used to support General Fund Balance, 13/14 - £47,664 to support General Fund Balance ; £12,500 Rural Housing Project, Balance earmarked for Rural Housing Project]	72,664	238,555	-238,555	-60,164	12,500
Economic Regeneration - Remains of Foot & Mouth Fund [12/13 - Used to fund capital]	27,500		-27,500		
Housing Benefit – Additional government grant [to combat economic downturn]	13,224				13,224
Area Based Grant – Balance of Working Neighbourhood Fund [12/13 - On-going projects previously approved, employment costs and to fund capital, 13/14 – Years employment costs including redundancy contingency]	219,011		-132,948	-86,063	
W.S.C. Sustainability [Invest to save initiatives]	44,753				44,753
Community Safety [Grant to cost service]	8,832		-8,832		
Land Charge [Grant towards cost of retrospective refunds]	34,356		-1,004		33,352
Tourism Reserve [Used to fund Brochure]	9,750		-9,750		
Hinkley Point Planning Performance Agreement [Used to support General Fund Balance]	411,381		-411,381		
Seaside Town Reserve [12/13 & 13/14 – £10,000 Support M'hd Old Hospital English Heritage bid for funding; £8,137 Signage M'hd Enterprise Park; £10,000 Blenheim Gardens Bandstand; £50,000 Regal Lift; £70,000 Employments costs (Vision Manager & Apprentice)]	199,237		-77,300	-70,837	51,100
LIFT Reserve - Balance of external improvement grant. [12/13 - Used to fund internal training; 13/14 transferred to General Fund]	35,693		-16,154	-19,539	
Mary Portas – Town Team Fund		10,000			10,000
Lorry Park Reserve [Used to fund capital]	46,000		-46,000		
LSP Share of monies reclaimed [12/13 - Used to fund Olympic Torch / Tour of Britain; 13/14 – transferred to General Fund]	13,335		-5,000	-8,335	

Hinkley Point Development Consent Order <i>[Used to scrutinise the planning process]</i>	71,277		-71,277		
Tourism Marketing <i>[Used to fund brochure]</i>	11,840		-11,840		
Mortgage Rescue Programme – Government Grant <i>[NOT ring fenced used on various housing related initiatives]</i>	60,000		-25,000		35,000
Business Rate Retention <i>[To fund the loss in the amount retained as a result of a decrease in the net business rate yield].</i>				169,663 -169,663	
New Burdens Government Grant <i>[Additional funding to cope with the potential impacts of welfare reforms]</i>				32,680	32,680
TOTAL	1,278,853	248,555	-1,082,541	-212,258	232,609

West Somerset Council

Equality Impact Analysis Record Form 2013

When reviewing, planning or providing services West Somerset Council needs to assess the impacts on people.

Public bodies must demonstrate that they have given due regard to the General Equality Duties in relation to setting policy and making decisions, as set out in Section 149 of the Equality Act 2010.

Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.

The three aims the authority **must** have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

Name of policy/ practice/ service or function	Annual Budget 2013/14 & MTFP – Savings Options
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Section 1 Why are you completing the Impact Assessment (please \checkmark as appropriate)

Proposed new policy or service	Change to policy or service	Budget/Financial Decision	
		\checkmark	

1.1. Information about the new policy or change to the policy (explain the proposal and reason for the change)

As part of the financial planning process a number of budgetary savings have been identified and incorporated into the MTFP. WSC have set a savings target in 2013-14 of £289,735 to address the forecast gap in funding. In developing the savings target a number of informal member seminars have been held between June and November 2012, which have focused on the Council's weak financial standing and the options for savings. The savings options identified will be made through a combination of efficiency savings, service reductions and income generation.

The individual proposals which have been identified as having a possible impact on either service users or staff are:

- Permanent closure of 5 toilets – this was the subject of a separate EIA
- Reduction of Housing Prevention Budget
- Reduction in Benefits Processing Budget
- Cessation of Rodent & Pest Control Subsidy

- Deletion of 5 unfilled vacancies on the establishment
- Reduction in HR training for staff
- Increase in Fees & Charges

Section 2: Evidence used in the assessment

To inform the decision of the permanent closure of 5 toilets in the district, a full public consultation was undertaken during September/October 2012. Key points from the consultation are attached.

Section 3: What are the community impacts of your proposal?

Closure of 5 public toilets – This is identified as an area with potentially the biggest impact, hence the decision to undertake a public consultation in 2012. The reduction in available facilities will affect all groups of people but in particular the consultation confirmed that particularly the elderly, disabled, children and those with certain medical conditions would be most affected. There was a strong message coming out from the consultation that respondents held Blenheim Gardens as a valued facility because of its location in a public park. Respondents cited the social, cultural and economic (tourism) implications associated with closing Blenheim Gardens toilets and also the impact to those with disabilities, young children and elderly people all of whom are most likely to need such a facility close to hand.

Reduction of Housing prevention budget – The proposal is to make a reduction of £6000 from £29,000 to £23,000. This is a pot of money for one off housing option emergencies. The judgement has been made that there will be no impact on service users as there are already processes in place to take account of such events.

Reduction in Benefits processing budget – The proposal is to make a reduction of £6000. This budget covers the cost of external benefit claim processing. The processing work will be absorbed in-house and therefore a judgement has been made that there will be no impact on service users. Benefit processing times will be monitored carefully so that early detection of any drop in performance can be identified.

Cessation of Rodent & Pest Contract Subsidy – This is a non statutory service. The service is currently subsidised by the Council and is delivered through a private contractor. There is a further discount for those on Income Support, Attendance Allowance, Disability Living Allowance & Pension Credit. There may be an impact for low income families.

Deletion of 5 unfilled vacancies – Unfilled posts in Finance, Revenues & Benefits and Housing are proposed to be deleted. The work has been absorbed and therefore it is judged that there will be no impact on service users. As the posts are currently unfilled there will be no job losses from this proposal.

Reduction in HR training budget – The proposal is to make a reduction of £5000 in the budget. This reduction reflects the overall reduction in the number of employees in the organisation and therefore it is judged that the impact will be minimal.

Increase in Fees & Charges – A 5% Increase in fees are proposed across Car parks, Licensing

and Building Control. Although, affecting all residents there will be a greater impact for those on lower incomes.

3.1. Equality Impact Assessment

With reference to the analysis above, for each of the ‘protected characteristics’ in the table below please record your conclusions with evidence around equality impact in relation to the savings proposal/service change. Record negative and positive impacts.

Protected Group	Findings
Age (includes all age groups)	<p><u>In reference to toilet closures:</u> Older People (60+) – Are more likely to suffer from incontinence problems and other health related issues that require them to use the toilet more frequently. Lack of toilet facilities will result in older people staying at home. Children – Young children are less likely to be able to wait to use the toilet and mothers with babies may need baby changing facilities.</p> <p>No impact identified for other savings proposals</p>
Disability (includes mental health)	<p><u>In reference to toilet closures:</u> Some of the toilet locations identified for closure include disabled access. (Market Street, Watchet, Central, Porlock, Blenheim Gardens, Minehead). Those with mobility problems may find it harder to get to alternative facilities. People with illnesses such as Colitis, Crohn’s Disease, IBD, Prostate Cancer could be disadvantaged as these illnesses require frequent trips to the toilet. Lack of toilet facilities prevent disabled people from taking part in everyday activities and going out.</p> <p>No impact identified for other savings proposals</p>
Gender (Sex)	No impact identified (all savings proposals)
Gender reassignment	No impact identified (all savings proposals)
Marriage and civil partnership	No impact identified (all savings proposals)
Pregnancy and maternity	<p><u>In reference to toilet closures:</u> Pregnant women are more likely to need the toilet more frequently and will be disadvantaged if there are a lack of facilities.</p> <p>No impact identified for other savings proposals.</p>
Race (includes Gypsy and	No impact identified (all savings proposals)

Travellers, ethnic origins, colour and nationality)	
Religion and belief including non-belief	No impact identified (all savings proposals)
Sexual orientation (includes heterosexual, gay, bisexual)	No impact identified (all savings proposals)

Other Groups (non statutory)

Socio-economic (low income individuals & families)	In relation to the increases in fees and charges and the cessation of the subsidised pest control service there may be an impact on low income families.
Rural Isolation (West Somerset is a rural district with poor transport networks which can affect the way we deliver services)	No impact identified (all savings proposals)
Other (Are there other groups other than those already considered e.g. carers, military)	<u>In reference to toilet closures:</u> Carers who look after older people and young people may be disadvantaged. No impact identified for other savings proposals

3.2: What is the cumulative equality impact of your proposal?

You may have identified an impact on the lives of a group as a result of your individual savings proposal. However, taken together with other savings changes the cumulative impact of these decisions may be considerable and the combined impact may not be apparent where decisions are taken in isolation.

It has been identified that there could be an impact on low income families with some of the budget proposals. Low income families are less resilient to the affect of increase in the cost of services and reduction of services within the general context of austere times and the general rise in cost of living.

Section 4: ACTION PLAN

This table must be completed where all negative impacts have been identified, and the steps that could be taken to avoid, reduce or mitigate the impact or to promote improved equality of opportunity or good relations.

Identified Issue/Negative Impact	Action needed to mitigate impact	Who is responsible	By When	Expected action
Reduced toilet facilities in selected locations across the district	Continue to discuss with Parish Councils, Town Councils and other stakeholders the transfer of facilities where possible	Steve Watts	On-going	Closures
	Improve signage to alternative facilities within the same village/town.	Steve Watts	31 st March 2013	Public sites

Section 5. Monitoring and review/ mainstreaming into service plans

Please indicate whether any of your actions have been added to service or work plans and your arrangements for monitoring and reviewing progress/ future impact?

Actions will be entered into relevant officers workplans.

Section 6: Publishing the completed assessment

How will the assessment, consultation & outcomes be published and communicated.

Assessment will be published on Council website

Section 7: Sign Off

Completed by:	S Rawle
Date:	29/1/2013
Reviewed by:	
Date:	

Decision-making processes

Where linked to decision on proposals to change, reduce or withdraw service/ financial decisions/ large-scale staffing restructures

Attached to report (title): Budget 2013/14

Date of report: 6th February, 2013

Author of report: Adrian Dyer

Audience for report e.g. Cabinet

Outcome from report being considered

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Summary of Public Toilets Consultation

In response to continuing reductions in funding from Central Government the Council is reviewing its provision of public conveniences across the district.

At the meeting of Full Council on the 19th September it was agreed in principal to close public conveniences in 5 identified locations. This would be subject to a wider public consultation to fully understand the impact of closures on communities.

The Council currently operates 17 public toilets in 10 locations across West Somerset.

Under the Public Health Act 1984, WSC is under no statutory obligation to provide public conveniences.

In considering the future of public toilets at the locations identified, it is important that service users are given the opportunity to express their views on the service.

In order to find out the public's views on potential toilet closures a consultation exercise has been run from the 10th September 2012 to the 31st October 2012. Views were specifically sought on the potential closure of toilets located at the Carousal, Minehead (not disabled); Blenheim Gardens, Minehead (ladies, gents and disabled); Blenheim Gardens, Minehead (ladies, gents and disabled), Church Street, Dunster, Central Car Park, Porlock and Market Street, Watchet (not disabled).

The online survey was open from 10th September, 2012 to 31st October, 2012. The survey was open to all members of the public through the WSC website. Paper surveys were also made available at Council offices in Williton and Minehead and notices concerning the consultation were placed in all 5 locations.

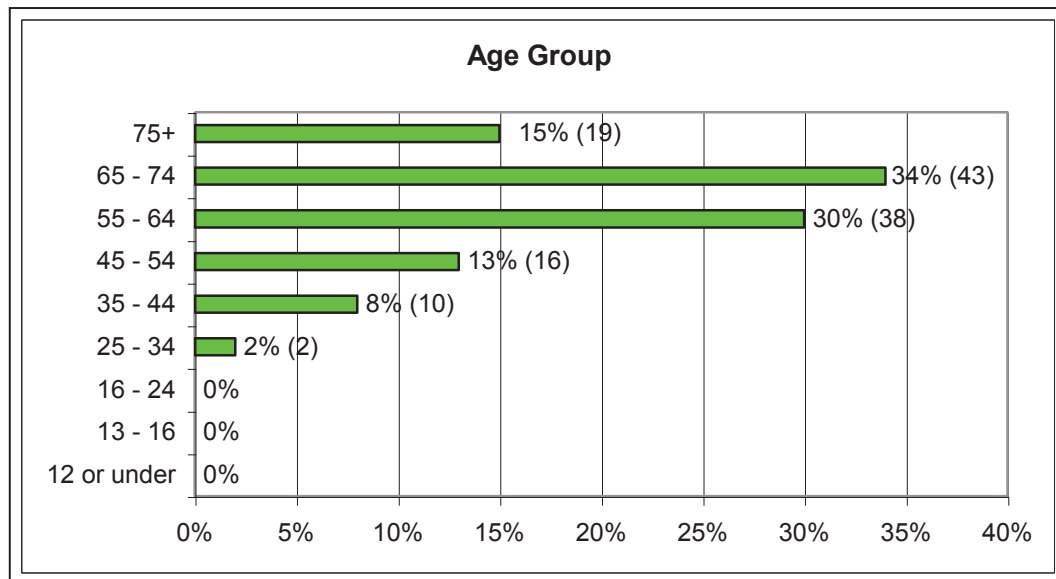
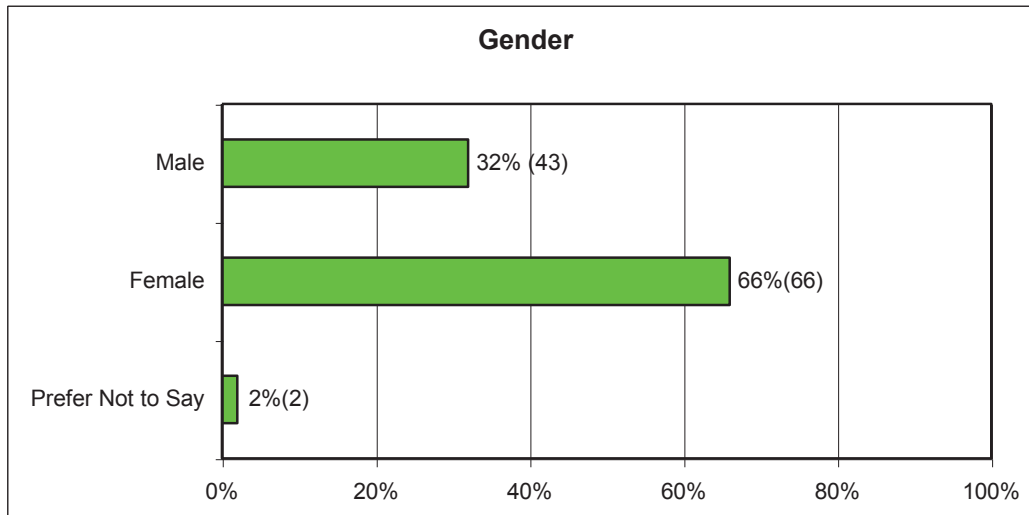
The total number of respondents was 132.

We asked people whether they agreed or disagreed with the proposal to close the toilets in the specified locations. 95% of respondents were in disagreement with the proposal. Respondents were also given the opportunity to provide comments about the proposal and asked to give any alternative suggestions for the closure of toilets.

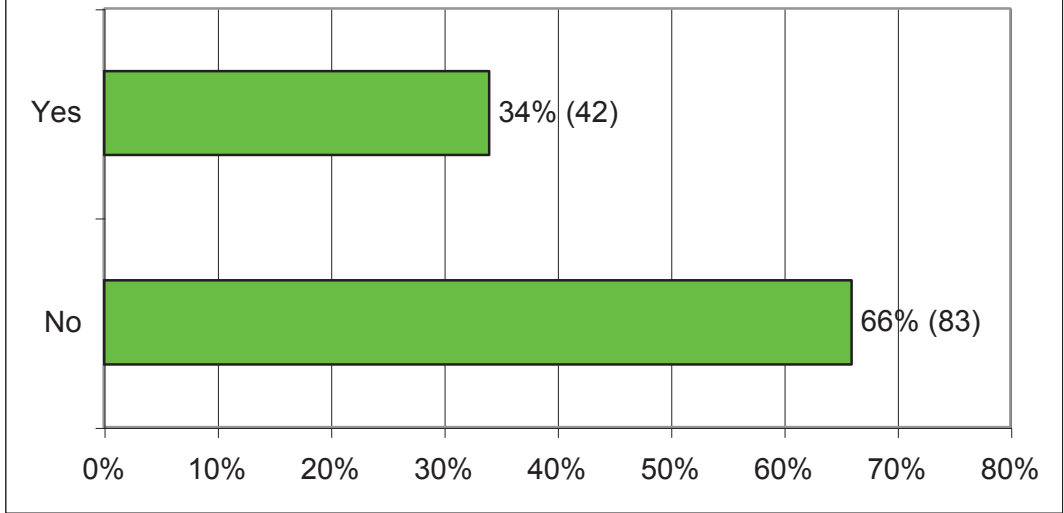
The proposal to close the toilets in Blenheim Gardens drew the most comments from consultees and there was strong opposition to this as an option. Given the popular use of the Gardens for leisure, relaxation and culture events during the summer months, it was seen essential that these toilets should remain open.

Profile of Respondents

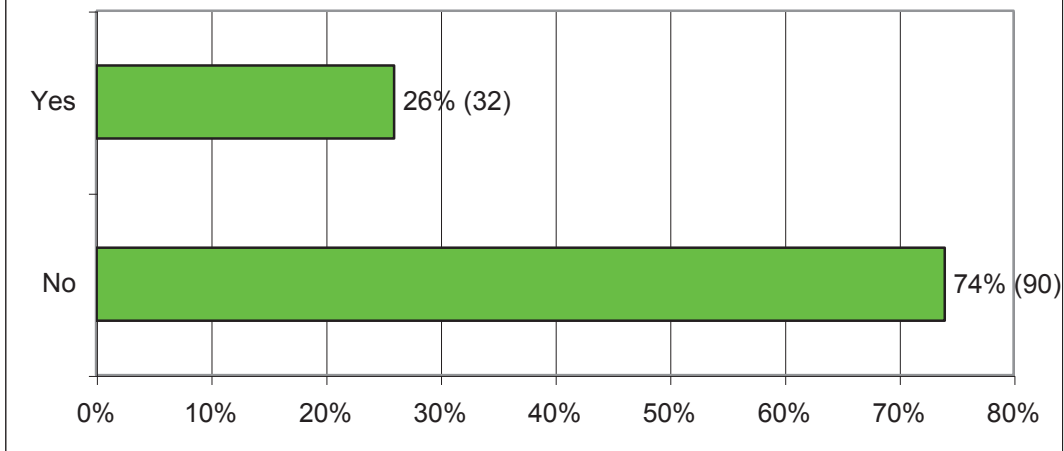
Not all respondents provided profile information, but for the respondents who did give details, a summary is as follows:



Do you consider that your day-to-day activities are limited because of a health problem or disability



Do you have caring responsibilities for anyone in your family, such as children or an elderly relative?



Summary of Key Points from Consultation

Comments on closure of specified sites

Blenheim Gardens

- Blenheim Gardens particularly valued because of number of people using the gardens in the summer. Especially, elderly and families with children who would find Summerland Rd too far to walk.
- Blenheim Gardens host band concerts and festivals so good toilet facilities need to be available
- The tearooms in Blenheim Gardens make a need for toilet availability
- People with certain medical conditions may need to use toilets urgently
- Minehead wants to encourage visitors & Blenheim Gardens is the 'jewel in the crown'. Lots of people use the gardens and tearooms
- Needs to be upgraded and refurbished
- Everyone expects to find toilets in a public park
- People often spend a long time enjoying the gardens and do not want to leave and enter the town to access a toilet especially if this may entail crossing a busy main road with young children
- Closing Blenheim will result in people going behind bushes
- When spending time in the park I have nearly always had to take my children up to the toilets as when they need the toilet they NEED to go NOW
- I think the toilets in Blenheim Gardens are a particularly important facility given that people, including families with young children, often spend several hours in the park
- It is a wonderful park especially in the summer when they have weekly bands where families and OAP can spend a lovely day in the gardens
- I am certain the gardens themselves would be soiled by people who could not wait to find a toilet.
- My family use the toilets in Blenheim Gardens every time we visit Minehead
- Toilets are vitally important here – café, concerts, old folk sit in the gardens all day
- I frequently use the Blenheim Gardens loos as they are far more pleasant than those in the Co-Op car park
- Would become a very unpleasant place to visit if the toilets were closed, how many people would be going in the bushes making a mess
- A young child demanding the toilet under your new proposals would have to cross a main road (which is dangerous) and visit toilets at least 200 yards away from the park
- Reluctantly agree that, in order to save money, some toilet closures must take place. Those that I would support:- Blenheim Gardens, Church St Dunster. Both of these are underused due to poor signage

Carousel

- These appear to be in constant use and to remove them would be a serious 'inconvenience' to the very visitors on whom Minehead relies for its very existence
- Unfortunately some of the toilets we do have are rather grim e.g by the Carousel and need a make over.
- The Carousel toilets on the front are used by many visitors when the coach companies drop people off at the Strand
- Carousel seems to be widely used. I have been several times and find queues waiting.
- Carousel should be passed to private ownership, the offer is there.
- Short sighted and unhelpful for those trying to promote tourism

Market Street, Watchet

- People comment that they are not happy paying and many complain they are claustrophobic and unpleasant
- My suggestion is to demolish Market St but totally refurbish those in Harbour Rd using some of the £500k EDH tourism donation
- With the high number of visitors to Watchet it is necessary to have two sets of loos, Market Street included

Church Street, Dunster

- Church St toilets are greatly used during the tourist season, especially for people spending more than a couple of hours around the village
- A vital facility for our village. By retaining their presence, you are providing for many visitors in the locality of the church, the Tithe Barn, The Village Gardens, Memorial Gardens, The High Street, West Street, The Allotments, The Cemetery, Gallox Bridge and the Packhorse Play Area
- Those that I would support (for closure) : Blenheim Gardens, Church St. Both of these are under used due to poor signage.

Porlock

- Central Car Park is a long stay car park – need facilities when arrive. If you are disabled/elderly the Doverhay ones are too far away and involve crossing a busy and dangerous road and the pavements are discontinuous en route

General

- West Somerset is a visitor destination so toilets should be kept open to encourage tourism
- Visitor numbers will drop
- Tourist coastal resorts need public toilets
- Large population of elderly who have pressing, short notice needs for readily accessible toilets
- Summerland Avenue are in a dreadful condition and being an elderly local person I feel ashamed to visit it and know that visitors to the area need also use it, or them
- Signage is poor, visitors unable to find them
- For workmen who are required to use public toilets, free ones should be available
- What about expectant mums
- You can't expect pubs and restaurants to provide this facility if one hasn't been their customer
- I agree that toilets can be closed where there is more than one in the village
- I will worry that the bushes and flower beds will become polluted
- I think there is a definite need to consider the hygiene implications should the toilets be closed

Comments with reference to Disabled/Elderly

- Inadequate provision of toilets for disabled people in Minehead. Toilets at Quay West and Summerland are unfit for purpose. Cubicles too small and unable to close the door. Soap dispenser out of reach
- It will be a long walk for older people whose mobility might be impaired or whose bladder control might not be what it once was
- A significant number of older men suffer from prostate problems
- In an area with a preponderance of elderly people many on medication which necessitate frequent loo visits, they will stay at home because of the lack of facilities
- I have Colitis, which means that sometimes I need the toilet at very short notice
- I would change my shopping habits to somewhere where there are not fewer (toilets)
- I like many men over 60 years have a prostate problem and am usually desperate to get to the toilet

Comments with reference to young children/families

- As a parent I know they wouldn't be able to wait until we go out of the park to find the next public convenience
- If closed this will lead to children going behind the bushes
- Important facilities for families and young children
- The families with young children and the elderly are particularly likely to need a toilet
- Small children often use the gardens with their families and toilets need to be available for relatively speedy use if 'accidents' are to be avoided

Comments on alternatives to closure

- Increase Council Tax
- Work with traders/businesses to look at alternative solutions to closure
- Community toilet schemes
- Reduce in size to unisex facilities
- Sponsorship (e.g. Butlins)
- Charging policy for all toilets
- Work in partnership with local business/community groups/parish councils/churches
- Use of advertising space to raise income
- Reduce facilities where more than one in a village
- Incorporate facilities in other community buildings (Old Hospital)