

Taunton Deane Borough Council

Executive – 10 November 2010

Financial and Performance Monitoring – Quarter 2 2010/2011

Joint report of the Performance and Client Lead Officer and Financial Services Manager

(This matter is the responsibility of Executive Councillor Terry Hall)

1. Executive Summary




- 1.1 This report provides an update on the financial position and the performance of the Council to the end of Quarter 2 of 2010/11 (as at 30 September 2010).
- 1.2 The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets is an important part of the overall performance management framework.
- 1.3 **A high level summary of successes / improvements** (ie 'Green' alerts) in Quarter 2 include the following:
 - The General Fund Revenue shows a potential underspend of £299,000 (2.1%) against the budgeted net expenditure of £14.428m
 - Council Tax and NNDR debit collection rates are on course for the 2010/11 target and the Q2 results are an improvement on the same period last year
 - 99.8% of calls to the Customer Contact Centre were resolved at the first point of contact
 - Speed of processing Benefits claims (new and change of circumstances) are on course for the 2010/11 target and an improvement on the same period last year
 - Three key council projects are all reported as being on course (Housing Inspection project, Core Council Review, Project Taunton)
 - Sundry Debts - the level of overdue debt owed to TDBC fell by 34% between Quarter1 and Quarter 2
- 1.4 **A high level summary of areas off course / objectives not met** (ie 'Red' alerts) in Quarter 2 include:
 - The Housing Revenue Account is forecast for a £590,000 overspend for the year
 - Procurement benefits are behind the original forecast
 - Complaints – only 56% have been responded to within the 10 day target time
 - Two further 'Red' alerts due to lack of data (reporting problems) are: 'Net additional homes provided' and 'Ratio of Planned to Reactive Maintenance'

2. The Performance Scorecard (please see Appendix A)

2.1 **Scorecard explanation / key** - each section of the scorecard uses the same template and is structured as follows:

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

2.2 Key to performance alerts:

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

2.2 Please see the TDBC Scorecard at Appendix A for full details of 2010/11 Quarter 2 performance.

3. Quarter 2 – Financial Performance (April - September Budget monitoring)

3.1 A summary of key financial performance is found in the scorecard (Appendix A), section three – Managing Finances. A more detailed financial performance report can be found in **Appendix B**.

3.2 Finance Comment from the Strategic Finance Officer (Deputy S151 Officer)

During September, Southwest One Finance invested time in providing both financial awareness training for budget holders as well as hands on SAP training to launch a more robust budget monitoring process moving forward. This has been very successful.

The General Fund position is a small underspend representing 2.1% of the budget, which is a very healthy figure. The HRA position, even though this is an overspend and reduces the HRA reserve to £1.789m, keeps the reserve above the minimum balance position.

4. Legal Comments

There are no legal implications in this report.

5. Links to Corporate Aims

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

6. Environmental and Community Safety Implications

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

7. Equalities Impact

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

There is also further detail provided (in Appendix C) on the progress of Equality Action Plans, Equality Impact Assessments, and the Corporate Equality Scheme

8. Risk Management

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

9. Partnership Implications

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

10. Recommendations

- 10.1 It is recommended that the Executive review the Council's performance and financial position as at the end of Quarter 2, taking corrective action where necessary; and

10.2 The Executive recommend to Full Council that a Budget Reduction of £250,000 be approved regarding the savings from the revised Waste Collection and Recycling contract, returning these funds to General Fund Reserves

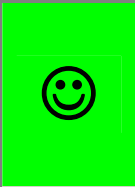
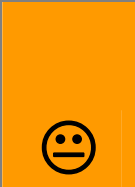
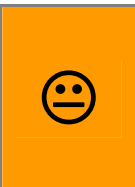
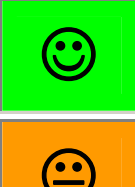

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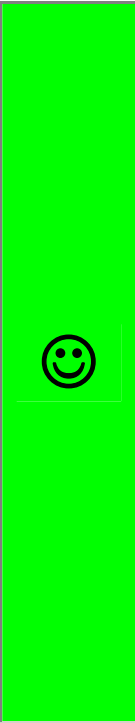
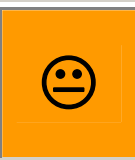

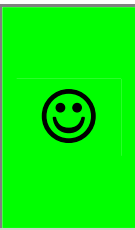
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1. CORPORATE STRATEGY AIMS

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
Tackling Deprivation & Sustainable Community Development (Aim 1)				
1.1	Objective 1 Focus on Taunton East, North Taunton & Rural Deprivation	Actions – Progress against key activities		<ul style="list-style-type: none"> ☺ a robust project management approach to the preparation of the Priority Areas Strategy & has been adopted & a project team is in place (includes: Data Analysis; Community Engagement; a 'vision') – on course for April 2011 ☺ an implementation plan is being developed at the same time as the strategy. Both will be approved by September 2011
		Index of Multiple Deprivation	N/A	The IMD is likely to be scrapped. Other PIs are needed & these will be refined as we develop the 'Priority Areas Strategy'
		Total staff volunteer hours	N/A	Scheme launched in August 2010, with 18 staff currently registered. Too early to undertake a quantitative assessment (should be available for Q3)
	Objective 2 'One-Stop' advice on skills, employment & training	Actions – Progress against key activities		<ul style="list-style-type: none"> ☺ All job club members receive weekly 1 to 1 support from qualified volunteers ☺ Taunton East - good progress (see below) ☹ Wellington - progress has been steadier, but TDBC Ec Dev team is supporting them with new marketing initiatives to increase take up of service. Ec. Dev. Unit is currently reviewing its Employment & Skills services to build on those already delivered, & create additional capacity to deliver them. Focus will be on local businesses to identify key skills they need to come out of the recession, & on increasing involvement in tackling worklessness.
		Number of people supported / back to work		<ul style="list-style-type: none"> ☺ Taunton East Job Club (Halcon, Lambrook & Lane) - in 11 months since it was set up (Nov 09 – Sep 10), it has: attracted 16 members (target 12); exceeded 'Jobs applied for' target by 18%; achieved 'job offers' target (= 3) ☹ Overall, the Wellington Job Club has been less successful, and is struggling to meet targets. However it is very close to achieving its aims for 'job offers'.
	Objective 3 Secure medium term future of N. Taunton Partnership & Link Partnership	Actions – Progress against key activities		SLA with North Taunton Partnership will be signed during October 2010. SLA with Link Partnership is still under development, but should be signed during the Autumn
		Funding secured		Funding secured for Year 1 (2010/11) with help of LSP contribution. Significant contribution secured from the PCT towards years 2 & 3, however the remainder is subject to TDBC (& other partners) budget setting and this is not yet certain.

Regeneration (Aim 2)				
1.2	Objective 4 Facilitate the creation of a leading Green Knowledge economy	Actions – Progress against key activities	☹	☺ Ec Dev Strategy delivery plan drafted Sept 10 & approved by Portfolio Holder ☺ TDBC prominent at Business Future Event at Somerset College (7-9 Oct) ☹ Work is ongoing on the Employment topic paper for the Core Strategy which will identify the level of requirements for supply of employment land in the short, medium and long term. ☹ Ongoing activities between TDBC & local businesses, new / potential investors to TD, & national marketing / PR campaigns to promote Taunton ('Into Somerset') - but number of businesses relocating to TD has been disappointing
		Number of jobs created	N/A	Job creation figures will be provided annually, supported by a quarterly Ec Dev reports showing progress of the locally economy. (2010/11 Target = 1000) (*however this now needs to be revised)
	Objective 5 Facilitate Housing growth	Actions – Progress against key activities	☹	☹ Adoption of Core Strategy (& Urban Extensions Supplementary Planning Document) pushed back to March 2012 due to abolition of RSS (NB – no financial penalties, so delay should not be a concern) ☺ New targets for housing agreed at Community Scrutiny 17 August
		Net additional homes provided	☹	No forecast available at Q2 due to delay in the development of a new IT database system relating to housing completions monitoring. A workaround is being explored & reporting is anticipated for Q3. The Council tax system shows 190 new properties from April to Sept 2010. (2010/11 Target = 1000) (*however this now needs to be revised)
		Supply of ready to develop housing sites	☹	Target = 5 year supply Identification of a 5 year supply of housing land in Taunton is progressing well & will meet the timetable for the Core Strategy. Strategic Housing Land Availability Assessment reviewed by Steering Group & SHLAA Panel Oct 10
	Objective 6 Deliver Infrastructure	Actions – Progress against key activities	☹	☹ Project Taunton – work ongoing to identify funding beyond March 2012 ☹ Infrastructure Delivery Plan (IDP) – behind original timetable of adoption by Sept 2010. IDP now to go to Exec & Full Council Feb 2011 ☹ Planning Obligations Supplementary Planning Document – as per IDP ☹ Wellington major transport infrastructure – also behind original timetable of adoption within LDF by Sept 2011. Included within IDP (as above) & within Core Strategy on adoption March 2012 ☺ Castle Green redevelopment funding secured & due to start work early 2011


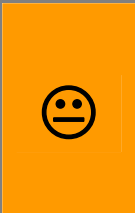
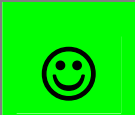

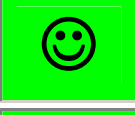
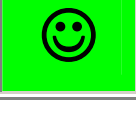
Affordable Housing (Aim 3)

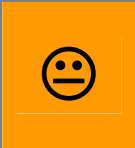

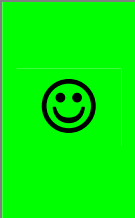
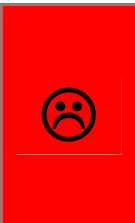
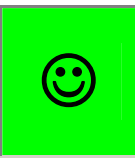
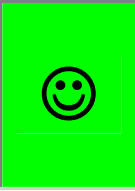
1.3	Objective 7 Making homes more affordable	Actions – Progress against key activities		<p>Exploring full range of affordable housing solutions and identifying and implementing the key actions:</p> <ul style="list-style-type: none"> ☺ Meeting with housing associations to discuss schemes in pipeline and identify future sites ☺ Meeting with developers to discuss stalled sites and how to progress ☺ Close liaison with Homes and Communities Agency for scheme investment and to utilize its new enabling role. ☺ Barriers to development and solutions being identified ☺ Regeneration sites identified and being progressed ☺ Halcon Project business case currently being prepared for presentation to Members spring 2011 <p>Improving conditions of the existing private sector and social housing stock:</p> <p>ON course in private sector, ie in Q1: approved 38 Disabled Facilities Grants; 144 properties brought up to Decent Homes Standard; 24 Houses in Multiple Occupation inspected; 20 privately rented properties made compliant with minimum statutory standard; 9 home improvement loans/grants approved; 4 empty properties brought back into use; 11 volunteers for Taunton Energy Savers Group trained; 100+ energy efficiency enquiries dealt with by our advisors, the Centre for Sustainable Energy</p>
		Number of affordable homes delivered		<p>2010/11 Target = 200</p> <p>11 units have been completed up to end of August 133 units are currently on site 65 units are ready to start on site but subject to grant funding.</p>
		% of non-decent council homes		<p>2010/11 Target = max 0.5% (ie 25 properties ‘non-decent’)</p> <p>ON course in Taunton Deane owned social housing stock: 100% Decent Homes compliance achieved and sustained throughout Q1.</p>
		Tackling fuel poverty		<p>TDBC result 2009/10 = 13%. (LAA target was 17% People receiving income based benefits living in homes with low energy efficiency).</p> <p>Due to changes in the National Indicator Set, future reports will focus on monitoring the action plan in place for the Somerset West Private Sector Housing Partnership.</p>

Climate Change (Aim 4)			
1.4	Objective 8 Meet the 10:10 challenge by reducing our carbon emissions	Actions – Progress against key activities	☺
		10% reduction in CO2 by Mar 11	☹
		Adapting to climate change	☹
1.4	Objective 9 Work with communities to reduce carbon emissions across the Deane	Actions – Progress against key activities	☺
		Per capita CO2 emissions in TD area	N/A
		<p>☺ Carbon Management Action Plan agreed by Executive April 2010 and is being implemented.</p> <p>☺ Further initiatives are being discussed and developed with managers; the Carbon Management Steering Group and with the Green Champions.</p> <p>☺ Current work on our ‘10% less’ 6 month campaign has started to raise staff awareness and further reduce carbon emissions. Nearly 300 staff attended one of the 22 ‘10% Less Campaign Roadshows’, and there are now 21 ‘Energy Champions’ who have signed up to support the campaign.</p>	
		<p>Quarter 1 carbon savings around 4-5%. The Action Plan currently expects to achieve around a 5.5% reduction in carbon emissions. Ongoing work including 10% less campaign and Carbon Management Plan actions seeking to increase this towards 10% saving target by spring 2011.</p>	
		<p>2010/11 Target = level 3 (NB - LAA target now removed, however TDBC will continue to work towards level 3 for 2011/12 rather than 2010/11) Level 2 reported to DEFRA spring 2010 (Comprehensive Risk Assessment).</p>	
		<p>☺ LSP working group set up to drive and co-ordinate the development of the plan. Public & business events are planned for early 2011 with the aim of expanding the group and further developing the strategy</p> <p>☺ Key elements underway including Deane Energy Savers Scheme (DESS) set up with 11 volunteers to undertake energy efficiency surveys of households</p> <p>☺ Awareness raising and visioning workshop held by LSP in late June 2010.</p> <p>☺ TDBC has been awarded a Performance Reward Grant (£17,500 for 2011/12) from the Somerset Strategic Partnership to contribute towards carbon reduction projects.</p> <p>☺ ‘Grantfinder’ now in place and other projects being investigated (eg wind turbine proposal in partnership with Somerset College</p> <p>☺ Actively looking into community projects for renewable energy (eg solar panels on council housing)</p> <p>☺ TDBC is supporting the Brendon Energy project in Wiveliscombe</p>	
		<p>No targets set (awaiting updated data from DEFRA). Latest data was a 3% reduction from 2006-07. This data is now unlikely to be forthcoming due to the removal of the National Indicator Set.</p>	

2. SERVICE DELIVERY

Excellent services - Customer driven - A dynamic organisation - Local focus

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS														
2.1	Ensuring development proposals are dealt with positively, with an emphasis on quality outcomes Delivering the Development Management Service aims	Planning Applications Speed of Processing		<table border="1"> <thead> <tr> <th>Type</th> <th>Q2 results (Apr– Sept)</th> <th>Target</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>a) Major</td> <td>54.5%</td> <td>65%</td> <td rowspan="3"> Approx 35 major planning applications are received per year (2% of all applications). This means the weighting of each individual case is such that although every effort is made to work within the target set, outside influences do play a major factor in the releasing of decisions. </td> </tr> <tr> <td>b) Minor</td> <td>78.2%</td> <td>75%</td> </tr> <tr> <td>c) Other</td> <td>84%</td> <td>85%</td> </tr> </tbody> </table>	Type	Q2 results (Apr– Sept)	Target	Comments	a) Major	54.5%	65%	Approx 35 major planning applications are received per year (2% of all applications). This means the weighting of each individual case is such that although every effort is made to work within the target set, outside influences do play a major factor in the releasing of decisions.	b) Minor	78.2%	75%	c) Other	84%	85%
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a) Major	54.5%	65%	Approx 35 major planning applications are received per year (2% of all applications). This means the weighting of each individual case is such that although every effort is made to work within the target set, outside influences do play a major factor in the releasing of decisions.															
b) Minor	78.2%	75%																
c) Other	84%	85%																
% of appeals allowed against the authority's decision (Target 25%)		Year-to-date results (April – September) = 37.5% (3 out of 8 appeals allowed against the council's decision) Quarter 2 results = 25% (1 out of 4 appeals allowed) Action: all appeal decisions are reported to the Planning Committee & reviewed for trends which may show changes in the process are needed. Training programme in place for Planning Officers.																
2.2	Safeguarding the health, safety & welfare of everyone in the Borough Delivering the aims of the Environmental Health Service	Satisfaction with EH regulatory services (Target = 75%)		Data not available until end of the year (2009/10 was 90%) Ongoing monitoring shows the team are highly likely to achieve the end of year target but no meaningful figure is available until the end of the year.														
		Food Safety compliance (Target = 80%)		Data not available until end of the year (2009/10 was 88%) Ongoing monitoring shows the team are highly likely to achieve the end of year target but no meaningful figure is available until the end of the year.														
		Environmental Protection Team		Requests for Service (e.g. pest control, dog warden, noise, odour, drainage, air pollution, public health). 89.9% Total Service Requests responded to within target time (1069 / 1189)														
		Health & Safety intervention visits (Target = 90%)		Quarter 2 actual = 90% (247/274 Inspections) Use of a temporary contractor has enabled the team to fully catch up.														






















		Licensing inspections (Target = 75%)		Quarter 2 actual = 70.8% (17/24 Insp) Officer training has now taken place and a catch up programme has enabled the team to improve from zero last quarter. It is anticipated that the team will be on target by the end of the third quarter.								
2.3	Delivering customer driven services To deliver customer focussed services, achieving high levels of customer satisfaction.	85% of calls resolved at 1 st point of contact		Quarter 2 actual = 99.8% (Contact Centre Only) Only 85 calls of all calls answered were transferred to back office which should have been deliverable within Customer Contact								
		80% of calls answered within 20 seconds		<table border="1"> <thead> <tr> <th></th> <th>Quarter 2 actual %</th> </tr> </thead> <tbody> <tr> <td>Contact Centre (SWOne)</td> <td>78.67% (Total 41,026 calls. 8,750 not within 20 seconds of hitting CC system)</td> </tr> <tr> <td>Deane House</td> <td>98.8% (Total 48,211 calls)</td> </tr> <tr> <td>DLO Depot</td> <td>93% (Total 9,601 calls)</td> </tr> </tbody> </table>		Quarter 2 actual %	Contact Centre (SWOne)	78.67% (Total 41,026 calls. 8,750 not within 20 seconds of hitting CC system)	Deane House	98.8% (Total 48,211 calls)	DLO Depot	93% (Total 9,601 calls)
			Quarter 2 actual %									
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		Deane House	98.8% (Total 48,211 calls)									
		DLO Depot	93% (Total 9,601 calls)									
		Complaints measures -10 day response - % Complaints upheld		56% responded to within 10 day target (48 / 85) as at end Q2 (April – Sept) 39% of complaints were upheld as at end Quarter 2 Action: Corporate Feedback figures are now being reported to Theme Managers quarterly for detailed analysis. A new Staff Guidance Manual is being drafted. An 'Information Report' will be circulated to members in Nov, with a detailed report of 2010 complaints going to Scrutiny in February 2011								
		Benefits Service: Time to process new claims Target= 22 days		Quarter 2 actual = 19 days (Q2 2009/10 was 20 days)								
Benefits Service: Time to process changes of circumstance Target = 8 days		Quarter 2 actual = 8.3 days (Q2 2009/10 was 10 days)										
Landlord Services – satisfaction with repairs (Target = 98%)	N/A	Survey results from the first 6 months of the year are being collated and will be available for reporting in Quarter 3 (2009/10 result = 98%)										

TDBC SCORECARD Q2 2010/11 (Appendix A)



2.4	Ensuring the Borough is a clean and attractive place to live, work & visit Delivering Parks, Street Cleansing, Highways & Transport Services that are high quality and cost-effective	Street & environmental cleanliness targets.		% of surveyed land that is assessed as having deposits of:			
				Type	Q2 results	Targets	Comments
				Litter	5%	6%	These results relate to the first of three rounds of inspections, a complete and final grading will not be known until the end of the year.
				Detritus	26%	20%	
				Graffiti	4%	4%	
				Fly posting	0%	1%	Final grading will not be known until the end of the year, but we are maintaining a high level of inspections around these incidents.
		Fly-tipping	Estimated 1 or 2 (Very Effective or Effective)	2			
Quality Assurance accreditation / Awards		Awarded green flags for the following Parks: Vivary, Wellington, French Weir and Victoria Parks; a special heritage award for Wellington Park; a green pennant for Swains Lane Local Nature Reserve. Taunton was also awarded a gold medal in the Britain in Bloom awards.					




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

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
3.1	Budget monitoring To control spending within approved budget total for the year	General Fund Revenue within 0.5% =  0.5 – 2% =  over 2% = 		2010/11 Forecast Outturn as at Quarter 2 = underspend of £299k (2.1%) against budgeted net expenditure of £14.428m This comprises net underspend of £309k on services and a net overspend of £10k on other operating costs. Further information is provided in appendix B of this report.
		General Fund Capital within 2% =  2 – 3.5% =  over 3.5% = 		2010/11 Forecast Outturn as at Quarter 2 = overspend of £15k (0.4%) against budgeted net expenditure of £3.879m Further information is provided in appendix B of this report.
		Housing Revenue (HRA) within 0.5% =  0.5 – 2% =  over 2% = 		2010/11 Forecast Outturn as at Quarter 2 = overspend of £590k The main items comprising this overspend are the negative subsidy payment and staff costs. Further information is provided in appendix B of this report.
		HRA Capital within 2% =  2 – 3.5% =  over 3.5% = 		2010/11 Forecast Outturn as at Quarter 2 = underspend of £38k (0.6%) against budgeted net expenditure of £6.058m Further information is provided in appendix B of this report.
3.2	Reserves To maintain an adequate reserve (based on financial risk analysis)	General Fund reserve >£1.25m =  £1 - £1.25m =  <£1m = 		Approved Balance is £1.564m as at March 2010. The current projected balance at March 2011 is £2.017m. This is above the minimum reserves expectation within the Budget Strategy.
3.3	Next year's budget gap	A balanced budget 2011/12		Work is underway to close the Budget gap for 2011/12. TDBC will not know the level of Government grant until late November or early December – until that point, the gap is just an estimate.






TDBC SCORECARD Q2 2010/11 (Appendix A)












3.4	Debt collection	Council Tax Target = 98%		Quarter 2 actual = 63.9% (Q2 2009/10 was 63.2%)	2010/11 forecast = 98%
		NNDR Target = 98.3%		Quarter 2 actual = 64.9% (Q2 2009/10 was 60.6%)	2010/11 forecast = 98.3%
		Housing Rent Target = 98.3%		Quarter 2 actual = 96.6% The teams are confident that arrears will continue to reduce in periods Quarter 3 and Quarter 4.	2010/11 forecast = 98.3%
		Sundry Debts		End of Quarter 2 (as at 30 th Sept)	Previous Quarter (as at 30 June 10)
		Current position	Invoiced balance	£3,200,000	£5,079,886
		Overdue debt	Aged debt over 90 days old (% & £)	70.6% £ 2,260,000	65.9% £ 3,348,548
		Processes in place		At the end of Quarter 1 (30 th June) the overdue balance was £4.02m. At the end of Quarter 2 (30 th Sept) the overdue balance was £2.64m. This represents a quarterly fall of 34% in the value of overdue invoices between Q1 and Q2.	
			<p>Reason for the amber alert : while certain parts of the collection and administrative process are working in a 'business as usual' manner (for example the production of invoices and most reminder notices and final notices) there are areas of the end to end process which remain outstanding.</p> <ul style="list-style-type: none"> The direction of travel is however positive and this quarter there has been a significant fall in the value of outstanding sundry debts. From over £5m to £3.22m Regular meetings are taking place between TDBC Client and the Accounts Receivable manager to drive the remaining issues to a 'business as usual' position. An Accounts Receivable update report will go before Corporate Scrutiny on 13th October. 		
3.5	Benefits subsidy	To achieve 100% subsidy		Projection for 2010/11 = 100% (by remaining in the lower threshold for LA error overpayments)	







<p>3.6</p>	<p>Transformation Projects Ensure TDBC realises benefits of the various transformation projects, including the adoption of a new procurement strategy</p>	<p>Procurement benefits target = £1.8m cumulative as at end Mar 2011 (Based on forecast in 2006/07)</p>		<p>From a total of £2.8m savings 'signed off' (for the lifetime of the contract), £529k cumulative savings delivered (as at 30th September)</p> <p>The 'Red' alert (cumulative benefits) is for four reasons;</p> <ul style="list-style-type: none"> • savings are significantly behind IBM original forecast • spend analysis reports (ie categories & local spend) not yet available in SAP, these are expected to be delivered in January • limited pipeline of future initiatives identified • The level of the Council's future spending is very uncertain in light of expected Government cuts. Less spending = decreased opportunity for delivering procurement savings. <p>A Procurement Progress Update is going to Corporate Scrutiny on 18th November. ACTION: Ian Conner of SW1 has started a series of meetings with the DLO to look at savings opportunities to assist the DLO Transformation and Procurement. Stuart Busfield (SW1) attended CMT 1st Nov to update on actions & further initiatives being worked on to close the gap (eg utilities category planning). In view of the changed economic situation since the original forecast was produced (2006/07), the savings forecast for the remaining years of the SWOne contract now require re-profiling – if less money is to be spent by TDBC, less money can be saved.</p>
	<p>Procurement benefits – repayment of reserves £800k (cumulative) required by end March 2011</p>			
	<p>CCR proposed savings 2010/11 = £521,000 for Themes 2 & 4</p>			
<p>3.7</p>	<p>Efficiency Savings</p>	<p>3.5% savings p.a (of 2007/08 baseline)</p>	<p>N/A</p>	<p>Central Government has recently changed the reporting of efficiency savings. The council is currently reviewing how this will effect our reporting of this internally and will report this again at Quarter 3.</p>

4. KEY PROJECTS








Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
4.1	Local Development Framework (LDF) Core Strategy To create a plan to deliver sustainable growth	Publish Core Strategy for consultation in Jan/Feb 2011 Adopt the LDF Core Strategy by end of 2011		Since abolition of Regional Spatial Strategy we have commissioned revised economic and housing projections. These new growth levels have had a knock on effect on the Infrastructure Delivery plan. We are now looking at Publishing the Core Strategy in March/April 2011 and Adoption in March 2012. Regular updates to Community Scrutiny are included on the forward agenda.
4.2	Housing Inspection project Achieve min “performing adequately” score in formal housing inspection (Autumn 2010 – Spring 2011)	Deliver project plan / work programme		Feedback from the Audit Commission Inspector in July 2010 was positive: good progress had been made since the “critical friend” inspection, particularly in the high risk areas, to move the Council away from the “weak” position identified in October 2009. The Project has since been evaluated against Housing Inspectors’ detailed feedback, Government announcements about housing regulation, the “localism” agenda, and the new direction of county-wide strategic housing work. Phase II of the Project will be more customer outcome focused, with the bulk of work in Landlord Services about getting the fundamentals right. Consolidated improvement plans for the Community, Growth and Strategy Themes also to be produced in October 2010 with Inspection Project Group to take a higher level role.
4.3	Core Council Review	Themes 1, 2 & 4		These themes have now been implemented and work is now under way to ensure that ‘thematic working’ is introduced throughout the authority – where staff will increasingly work across service boundaries and disciplines to help deliver the Council’s priorities.
		Theme 3 (DLO)		Full Council (on 6 Oct) approved the rescheduling of the outsourcing work until summer 2011, once the impact of the forthcoming Comprehensive Spending Review on all services has been determined and a four year budget strategy agreed. In the meantime, work on internal transformation will continue and proposals are recommended to come before Full Council in December 2010.
		Theme 5		Full Council (6 October 2010) approved a recommendation to determine the future of Theme 5 as part of the four year budget strategy, to be finalised after the May 2011 local elections.

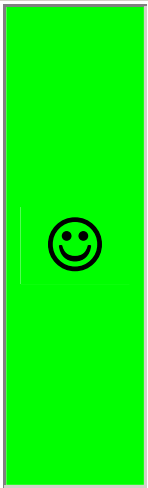
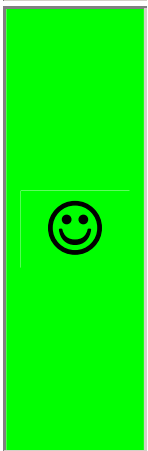
<p>4.4</p>	<p>SAP implementation</p>	<p>SAP Back Office Processing (BOP) system implementation</p>		<p>We are in the process of implementing a plan to re-launch elements of the SAP system. The re-launch is being implemented in phases.</p> <p>Phase 1 was successfully completed in June and saw the completion of 'sign-in' checks by all staff and the completion of a pilot exercise on the 'procure-to-pay' functionality.</p> <p>Phase 2 involved the provision of detailed face-to-face training during July to staff using the 'procure-to-pay' functionality. This was followed by the switchover to using the full 'procure-to-pay' functionality in August. To date this has been very successful.</p> <p>Phase 3 has involved detailed face-to-face training being provided to budget holders during September to assist them in using the Finance system. Further phases will involve the launching of the Corporate Feedback system in November. However, the launch of the HR 'claiming & notifying' functionality has been delayed, as we are not yet in a position to launch these functions to all staff. The impact on the Council of this delay is minimal and does not affect service delivery.</p> <p>Why is this amber – because, whilst the re-launch plan is largely on-track, we have had to delay the launch of the claiming & notify functionality.</p> <p>ACTION: Progress updates regularly reported to Change Programme Member Steering Group (last meeting 21 Sept) and SAP Task & Finish Group (7 Oct)</p>
<p>4.5</p>	<p>Project Taunton Improving quality of life, boosting business opportunity, building quality developments, improving transport infrastructure, developing sustainable communities and making the most of waterside living and working</p>	<p>Project progress & development milestones achieved</p> <p>NB – full progress report produced by Project Director for Project Board quarterly</p>		<ul style="list-style-type: none"> ☺ Firepool - working well with St Modwen & positive progress being made. Planning permission granted for 1st phase of Riverside public realm works. Resolution passed to grant planning permission for actual development (commercial offices & residential development) ☺ Cricket Club – SCCC considering possibility of building a hotel & new stand in St James St car park ☺ Museum – refurb of fabric completed, fitting out will commence. Due to re-open Aug 2011 ☺ Castle Green - redevelopment funding secured & due to start work early 2011 ☺ Tangier – 3rd Way road & bridge construction is well underway & on course for completion shortly after Christmas. Midas intend to start work on their site on the 1st phase ☺ NIDR – Govt backing now given for scheme. Funding to start March 2012 (subject to final business case from SCC being approved) ☺ Longrun Meadows – successful grand opening 28 Aug. TDBC now responsible for management of the area ☺ Urban Initiatives making good progress on Masterplanning growth of Taunton

5. KEY PARTNERSHIPS																									
Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS																					
5.1	Local Strategic Partnerships Support Somerset LSP Support Taunton Deane LSP	LAA PIs on target *	N/A	<p>* The Dept for Communities & Local Government announced that all local improvement targets in LAAs have been revoked from 10th October.</p> <p>Taunton Deane LSP – there is an impending review (led by a Local Improvement Advisor & funded by the South West Regional Improvement and Efficiency Partnership), as reported at Community Scrutiny 17 August 2010</p>																					
5.2	Southwest One Efficient delivery of in-scope services (basket of KPIs)			Key Performance Indicators – Quarter 2 (2010/11)																					
				<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>No. of indicators</th> <th>No. of times measured in Q2</th> <th>No. on Target</th> <th>% on target</th> </tr> </thead> <tbody> <tr> <td>Monthly</td> <td style="text-align: center;">13</td> <td style="text-align: center;">39</td> <td style="text-align: center;">37</td> <td style="text-align: center;">94.8%</td> </tr> <tr> <td>Quarterly</td> <td style="text-align: center;">12</td> <td style="text-align: center;">12</td> <td style="text-align: center;">12</td> <td style="text-align: center;">100%</td> </tr> <tr> <td>Annually</td> <td style="text-align: center;">23</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">48</td> <td style="text-align: center;">51</td> <td style="text-align: center;">49</td> <td style="text-align: center;">96%</td> </tr> </tbody> </table>		No. of indicators	No. of times measured in Q2	No. on Target	% on target	Monthly	13	39	37	94.8%	Quarterly	12	12	12	100%	Annually	23	0	0	N/A	Total
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Customer Contact - % of calls answered in 20 seconds - Abandoned call rate Both the above failed in August & September.	Finance - Statement of accounts – accuracy unqualified.																								
	Social & economic development		N/A	The SWOne contract includes ‘deliverables’ that support socio-economic development in the area, eg supporting new & small businesses, & promoting Somerset to businesses. A summary of progress of programmes & activities will be included in the SWOne report to Corporate Scrutiny in November. Measures & outcomes to be developed in 2010/11																					







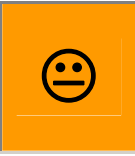
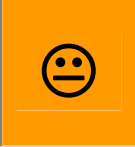
5.3	Tone Leisure More people, more active, more often	Target 2% increase in total leisure visits		Quarter 2 actual = 522,344 total visits = approx 1723 more visits than Q2 2009/10 (= +0.3%)
		Progress against Tone Leisure key business objectives		<p>☹ St James St small pool closure (July – Dec) – TD awaiting £25K income loss claim</p> <p>☹ Asset management planning is challenging (condition surveys being done)</p> <p>☺ Energy usage down 10%</p> <p>☺ The Community Development Team continue to deliver a high volume of community sports & health projects</p> <p>A full report for Q2 from Tone Leisure will be presented to Community Scrutiny Committee 9th Nov. The report concludes that “Tone Leisure is experiencing some effect from the pressures of the current economic climate”. It also outlines “the need for the Council to reach some firm decisions and timescales surrounding future swimming pool provision within Taunton Deane” following the ongoing maintenance issues at St James Street Baths. The Swimming Task & Finish Group (19 Oct) has been presented with initial findings & outline plans, and these will be followed up in the next meeting late November.</p>
5.4	Somerset Waste Partnership To increase participation in the recycling service through promotion and enforcement	% of household waste sent for reuse, recycling & composting (Target = 48%)		<p>Quarter 2 actual = 47.4% 2010/11 forecast = 48%</p> <p>2009/10 outturn = 45.5%</p>
		Residual household waste (Target = 369kg per household)		<p>Quarter 2 actual = 93.1kg 2010/11 forecast = 369kg</p> <p>2009/10 outturn = 381kg</p>
		Progress against key business objectives		SWP Business Plan is in place and was presented to Community Scrutiny in January 2010. Progress against this is monitored at the SWP Main Board where TDBC is represented by Alison North. Sort It + continues to rolled out successfully – progress will be reported to Community Scrutiny in December
5.5	South West Audit Partnership	Target min 90% of 2010/11 Audit plan delivered		<p>86% of planned audits in Quarter 2 were completed or are in progress. SWAP have fallen behind on delivery of the Audit Plan due to recruitment and staff absence issues. Plans have been put in place in catch up in Q3 & Q4 to ensure that performance is back on track.</p>

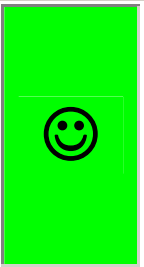




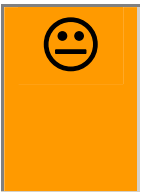
6. PEOPLE (Human Resources)

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
6.1	Investors in People (IiP) Achieve IiP re-accreditation, by delivering the IiP action Plan	Milestones achieved in IiP Action Plan.		Broadly on target with achievement of milestones
		IiP accreditation by March 2011		Action Plan agreed and incorporated into Organisational Development Strategy. Current position is 85% achievement of standard (33/39 strands)
6.2	Staff Sickness Reduce sickness absence through strong absence management, revised policies & procedures, & training	Target = 9 working days max lost per FT employee		5 month actual = 3.9 days 2010/11 forecast = 9.36 days This is Amber because the latest forecast shows that the target will not be met. (NB the forecast in Quarter 1 was 8.6 days)
6.3	PRED / Training Plans Maintain effective performance management of people and establish & deliver development needs	100% completion of PREDs		80% of staff have had a PRED in the last 12 months (staff survey 2010). Theme Managers have committed to the completion of all outstanding by Dec.
		100% completion of training plans		90 % complete. For current year
		100% delivery of 'essential' training activities (corporate training plan)		80 % of the 2010/11 Corporate training plan due in Quarter 2 was delivered. Progress has been made in management development delivery and staff briefing sessions. Decisions by CMT to postpone some training until next year have also improved to % due position. There is some slippage in management development and H&S training.
6.4	Staff Turnover	Target 12% (voluntary leavers as % of staff in post)		Total turnover = 4.25% (Projection 8.5%) Voluntary Turnover = 2.8% (Projection 5.6%) Early Retirement/Redundancy = 0.65% (Projection 1.3%) Ill Health Retirement = 0% Other (End of Contract/Dismissal) = 0.8% (Projection 1.6%)

<p>6.5</p>	<p>Improve Staff Satisfaction</p>	<p>Results from staff survey / resulting action plan</p>		<p>The staff survey achieved a 45% return rate which is higher than the national average for such surveys. Staff events during May and June have provided further, more detailed information on the messages arising from the survey. Key positive messages reflected a pride in working for TDBC, good teamwork, and enjoyment of the job. Areas where more work needs to be done to improve staff satisfaction are understandably around raising staff morale and managing future changes. Ensuring that management is visible is also key.</p> <p>An action plan has been developed and communicated to staff. Implementation has begun, particularly to improve CMT visibility and corporate communications though the impact will take some while to show through. These actions are now part of a regularly reviewable Organisation Development strategy.</p>
<p>6.6</p>	<p>Embed 'thematic working' Develop new ways of working and behaviours that are more flexible, involve project working and less rigid structures.</p>	<p>Results from staff survey. Positive evidence in cross organisational working, effective project teams, greater staff flexibility leading to improved organisational performance</p>		<p>Major communication/engagement events (staff briefings) held during May & June – 2 separate events. The Corporate Organisational Development plan sets down other initiatives for developing thematic working. This will be a long term initiative that will take time to embed, but progress is being made. The 2010 Staff Survey revealed that 64% of staff consider that 'co-operation between teams is good'.</p>

7. CORPORATE MANAGEMENT

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
7.1	Corporate Improvement Plan Deliver the action plan, focussing on high priority areas	Deliver 95% of High priority Actions, and 80% of Medium priority actions by target dates	N/A	The Corporate Improvement Plan is currently undergoing a full refresh. The next update to Corporate Governance Committee and CMT /Theme Managers is due in December. A draft Audit Commission 'Value for Money' Conclusion report has been received, which contains 18 new recommendations.
7.2	Audit & Inspection Ensure that statutory Audit & Inspection obligations are met, and scores maximised	Internal audit findings Target: 100% being reported as "Reasonable" or "Comprehensive" assurance		There were 9 audits completed in Quarter 2. The findings were:  Comprehensive assurance = 1 (Data Quality – Performance Indicators)  Reasonable assurance = 5 (Building Control, Fees & Charges, Customer Services, Register of Interests – Members, Register of Interests – Officers)  Partial assurance = 0  No assurance = 0 Other reports at draft / being drafted = 3 (Procurement, Cash Handling – Licensing, DLO Due Diligence) Internal Audit Plan progress review (SWAP) reported to Corporate Governance Committee 27 September 2010
		2009/10 Final Accounts unqualified		Audit Commission Annual Governance Report 2009/10 presented to Corporate Governance Committee 27 September. The Council received an "unqualified" opinion on the 2009/10 accounts
7.3	Equalities & Diversity Develop practices & policies based on Equalities Framework for Local Govt ('achieving' level)	Themes/Service areas delivery of Equality Action Plans		Theme/Service areas Equality Action Plans form part of each Theme/Service Plan. 4 of the 6 corporate themes have completed EAPs, but most require further development. Overall completion of EAP actions =% A separate report on progress of these plans is found in Appendix C
		Council reports including Equality Impact Assessments		All reports to Council, submitted since April 2010, have been reviewed to ascertain the number of reports containing full Equality Impact Assessments. % of reports to Members which include a EIA = 25% A separate report on progress of these plans is found in Appendix C

7.4	Risk Management To ensure major risks are managed by embedding Risk Management Strategy	Delivery of RM Strategy Action Plan		11/12 actions are on target or completed. Detailed report considered at Corporate Governance Committee 27 Sept 2010. External Audit report concludes that TDBC met the 'Value for Money' criteria for Risk Management in 2009/10. ACTION: Quarterly updates to Corporate Governance Committee and Theme Managers meetings. Client Team working with key partners to assess joint partnership risks. CMT due to review Corporate Risk Register in December.
7.5	Value for Money / Benchmarking To ensure that Services provide excellent value for money	Council Tax charges – in lowest quartile		TDBC 2010/11 Council Tax precept is within lowest 20% of all English Districts
		Target efficiency savings at areas with poor VfM		Amber because more work needs to be done to determine 'Value for Money' analysis of service areas. The Council has however significantly reduced its expenditure and re-prioritised services recently in order to balance its budget. The Core Council Review has been a key factor in this which aims to ensure the Council is fit for purpose to deliver our vision through widening roles and new ways of working. It is also delivering substantial efficiency savings. (See also Ref 3.7) ACTION: a new project group has been established to undertake data gathering & VfM analysis for all TDBC services & functions, which will inform the new Budget Strategy (MTFP)
7.6	Asset Management Develop the Council's Asset Management arrangements	Implementation of Asset Mgt Plan		Amber because the status of each AMP action is not yet clear. The AMP was adopted by Executive on 16 th July. ACTION: The Asset Management Group meets monthly to review ongoing initiatives and prioritise new ones. Budgets have now been agreed and condition surveys are progressing. The Asset Management Group will continue to monitor progress & will provide a 'RAG' status for each action by Q3
		Ratio of 70:30 Planned: Reactive Maintenance		Not yet able to report % of planned reactive maintenance spend ratio due to budget code reporting. The Client Lead Officer is working with SWOne Finance & Property Services to resolve this by end Quarter 3.
7.7	Health & Safety To take Health & Safety forward	Delivery of H & S Action Plan		The H&S action plan has been reviewed and is progressing. It is to be further updated following H & S audit, & then approved by CMT. Updates are reported to Corporate Governance Committee (last meeting 27 Sept). The key issue is that H & S competence training has not yet taken place, but this is imminent. New measures for monitoring H & S are being developed.

As at: 02/11/2010

TDBC SCORECARD Q2 2010/11 (Appendix A)



Appendix B

2010/11 Budget Monitoring Update (Quarter 2)

1 Introduction and Summary Financial Position

- 1.1 This report updates the Committee on the forecast financial position of the Council for the 2010/11 financial year, as at the end Quarter 2 (Q2).
- 1.2 The Q2 Forecast for the General Fund Revenue Budget shows a projected underspend of £299,000 (2.1%) against budgeted Net Expenditure of £14,428k.
- 1.3 General Fund Reserves are currently projected to be in excess of £2m in March 2011, which is above the minimum expectation within the Council's Budget Strategy.
- 1.4 The Q2 Forecast for the HRA shows a projected overspend of £590,000 against a budgeted Net Expenditure of £153,000. There is also a transfer of £113,000 from the HRA reserves to fund the DLO transformation project in this year.
- 1.5 HRA Reserves are currently projected to be £1.789m in March 2011, which is above the minimum expectation within the Council's Budget Strategy.
- 1.6 There are minor reported net variances to the capital programme of £23,000 (0.2%) against the budget of £9.937m.

2 General Fund Revenue

- 2.1 The approved budget for the year included Net Expenditure of £14.428m. The current forecast for the year is net expenditure of £14.129m, giving an **underspend of £299k (2.1%)**.
- 2.2 The Net Budget, after taking into account income from Council Tax and General Government Grants, is a surplus of £92k. The forecast outturn is therefore a net surplus of £391k against the General Fund Revenue Account, as shown in the following table.

	Budget £'000	Forecast £'000	Variance	
			£'000	%
Net expenditure on services	15,389	15,080	(309)	-2.0%
Other operating costs	969	979	10	1.0%
Capital adjustments	(1,930)	(1,930)	0	-
Capital costs funded from revenue	0	0	0	-
DLO trading account	(73)	(73)	0	-
Deane Helpline trading account	(43)	(43)	0	-
Transfers to earmarked reserves	116	116	0	-
Net Expenditure	14,428	14,129	(299)	2.1%
Grants and Local taxation	(14,520)	(14,520)	0	
Net (Surplus)/Deficit for the Year	(92)	(391)	(299)	

2.3 The key variances are explained as follows:

Budget Area	Explanation	Changes To Forecast Variance		Projected Year End Variance £'000	
		Q1 £'000	Q2 £'000		
Expenditure on Services					
Corporate Resources					
NNDR	The NNDR on the TDBC assets is underspent due to refunds from previous year re valuations	(60)	0	(60)	☺
Conducting of Elections	As there are unlikely to be any by elections in this financial year an underspend is predicted.		(21)	(21)	☺
Car Leasing	There are no lease cars in Legal Services so this budget will be underspent.		(3)	(3)	☺
Environmental Services					
Crematoria	A one-off cost for works completed in 09/10 but charged to the 10/11 budget (£16k), partially offset by savings on staff costs through service restructure (-£10k).	6		6	☹
Cemeteries	Increase in cost of tree maintenance due to Health and Safety requirements (£6k) partially offset by projected increase in fee income (-£3k).		3	3	☹
Waste Collection and Recycling	Savings arising as the remainder of the District Councils joining Sort It Plus. £180k is an ongoing saving and £70k is one-off in 10/11.		(250)	(250)	☺
Licensing Equipment	Expected increase in funeral costs to be met by TDBC (£15k) partially offset by underspend on equipment (-£12k).		3	3	☺
Planning, Policy & Transportation					
Car Parking (off street) Income	An increase in the VAT rate was announced in the emergency budget 22 June 2010, to apply from Jan 2011. As a result of this the net income from off street parking will be reduced.	35	0	35	☹
NNDR	The NNDR for the car parks is underspent against budget	(22)	0	(22)	☺
Subtotal – Total Service Expenditure Net Variance		(41)	(268)	(309)	☺

Budget Area	Explanation	Changes To Forecast Variance		Projected Year End Variance £'000	
		Q1 £'000	Q2 £'000		
Other Costs and Income					
Investment Income	The expected increase in investment income has been reigned back in light of current circumstances.	(21)	16	(5)	☺
Revenue Funding of Capital expenditure	Capital overspend unfunded that will be met from revenue (see below)		15	15	⊗
Subtotal Authority Expenditure Net Variance		(21)	31	10	⊗
Grand Total – General Fund Revenue Net Variance		(62)	(237)	(299)	

- 2.4 The savings on Waste Collection and Recycling are significant, and recognise the amended contract position following Sort It Plus being accepted by all authorities in Somerset. It is recommended that the £250k savings is returned to General Fund Reserves.

Other Potential Risks and Issues

- 2.5 In addition to the current forecast variances, managers have identified a number of areas where there are risks of future variances but at this stage there is uncertainty in terms of likelihood and/or amount. These include:
- 2.5.1 Land charges: In the Q1 report we noted the change in charging regime for personal searches of the land charges register. This does not seem to have had any noticeable impact on the income for the land charges department to date.

3 General Fund - Reserves

- 3.1 The balance on 1 April 2010 is £1.564m. The projected surplus of £391k, plus the transfer of £62k from earmarked reserves (see 4.1 below) gives a projected General Fund Reserves Balance of £2.017m in March 2011.

4 Earmarked Reserves

- 4.1 The earmarked reserves were reviewed by the Strategic Finance Officer and a recommendation was approved by members in October to move £62k from the Earmarked Reserves to General Fund reserves. The balance of the Earmarked reserves therefore stands at £8.765m at 31 October.

5 General Fund – Capital

- 5.1 The current budget totals £3.879m for 2010/11, which includes £1.027m carried forward from the previous year for slippage.
- 5.2 There is a reported overspend on the Neroche Project of £14,700 due to the invoice for the final instalment being paid in the current financial year when it related to the previous year. Although reported as an overspend here this amount will be funded from revenue.

6 Housing Revenue Account (HRA)

6.1 The approved budget for the year is a net deficit of £153k. The forecast outturn is a net deficit of £743k, giving a reported overspend against budget of £590k, as shown in the following table.

	Final Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Net cost of services	(1099)	(501)	598	-53%
Other operating costs and income	1122	1116	(8)	-0.7%
Transfers to/from reserves	130	130	0	-
Net (Surplus)/Deficit for the Year	153	745	590	-380%

6.2 The key variances are explained as follows:

Description of Variance		Outturn Forecast Variance at Q1 £'000	Outturn Forecast Variance at Q2 £'000	Total Variance £'000	
Negative Subsidy payment	There is a forecast overspend due to an updated estimate of the HRA Negative Subsidy Payment for the year. This may deviate if the related interest rate changes. A better indication will be available when the second advance return is completed in Q2.	400	0	400	⊗
Staffing	Funding of Technical Surveyor for aids and adaptations on council stock		27	27	⊗
Correction to budgets	There is a forecast overspend due to an error in budget setting. This relates to staff recharged into the HRA from the general fund.		200	200	⊗
Training	A saving will be made on training budgets		(21)	(21)	☺
Emergency Cover Rota	Saving will be made on ECR		(8)	(8)	☺
Investment Income	The expected increase in investment income	(34)	26	(8)	☺

Description of Variance		Outturn Forecast Variance at Q1 £'000	Outturn Forecast Variance at Q2 £'000	Total Variance £'000	
	has been reigned back in light of current circumstances.				
Net variation		366	224	590	⊗

Other Potential Risks and Issues

6.3 No other specific risks and issues have been identified at this time.

7 HRA Reserves

7.1 The balance on 1 April 2010 is £2.647m. The current projected deficit of £745k would decrease HRA Reserves to £1.902m in March 2011. The further transfer of £113k from the HRA reserves to fund the DLO transformation project will further deplete reserves to £1.789m.

8 HRA Capital Programme

8.1 The current budget totals £6.058m for 2010/11, which includes £1.498m carried forward from the previous year for slippage. The following are reported as variances to the Capital programme:

Choice Based Lettings reported underspend of £18,000
Cash Incentive Scheme reported underspend of £20,000

9 DLO Trading Performance

9.1 The DLO is budgeted to make a surplus of £73k. There is no currently no variance forecast against this budget for the year.

10 Deane Helpline

10.1 The Deane Helpline is budgeted to make a £43k surplus for the year after transfer to general fund reserves of £80k. Currently there are no reported forecast variances against this total.

10.2 The problems with the income for the Deane Helpline are still unresolved although work continues on this. There is a possible loss of income of £37,000 due to the change in methodology for charging but this figure is far from certain. There are some savings being made on lease car costs and in other parts of the service. A full report will be available at quarter 3.

11 Accounts Payable

11.1 On 1 August 2010 the "Procure to Pay" element of SAP was re-launched. This allows for invoices to be automatically paid if there is a purchase order quoted that has been goods receipted in SAP. This re-launch has resulted in a significant increase in the number of invoices that are being paid automatically. For those invoices that are not paid in this way staff are asked to either provide a purchase order or supply codes to pay the invoice. This process is working well

with approximately one week's worth of invoices with our staff at anyone time, to supply further information for payment.

12 Accounts Receivable

- 12.1 Problems with the implementation of the new SAP system on 1 April 2009 had an impact on outstanding debt levels for the Council. During 2010 significant progress has been made and debt levels are now below the level they were when SAP was implemented. Migrated debt has reduced significantly from £3.54m on 1 April 2009 to £1.19m. Total overdue (e.g. excluding invoices issued but where the balance is not yet due) has **fallen 34%** between Q1 and Q2 from £4.02m to £2.64m.
- 12.2 Regular monitoring of the volume of the transactions in the Accounts Receivable system and budget monitoring is showing that users are now routinely raising debts using SAP.

A more detailed report on the debt position was provided to Corporate Scrutiny on 21 October 2010.

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Appendix C.

Equalities and Diversity Performance Monitoring Quarter 2 2010/2011

1. % of Equality Action Plan actions completed																							
	<table border="1"> <thead> <tr> <th>Theme</th> <th>Alert</th> <th>Equality Action Plan completed</th> </tr> </thead> <tbody> <tr> <td>Growth and Development</td> <td>0% complete</td> <td>Yes - Requires development</td> </tr> <tr> <td>Democratic Services</td> <td>55% complete</td> <td>Yes - Requires development</td> </tr> <tr> <td>Performance and Client</td> <td>13% complete</td> <td>Yes - Requires development</td> </tr> <tr> <td>Community Services</td> <td>0% complete</td> <td>No</td> </tr> <tr> <td>Strategy Unit</td> <td>46% complete</td> <td>Yes</td> </tr> <tr> <td>DLO</td> <td>0% complete</td> <td>No</td> </tr> </tbody> </table>	Theme	Alert	Equality Action Plan completed	Growth and Development	0% complete	Yes - Requires development	Democratic Services	55% complete	Yes - Requires development	Performance and Client	13% complete	Yes - Requires development	Community Services	0% complete	No	Strategy Unit	46% complete	Yes	DLO	0% complete	No	
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Community Services	0% complete	No																					
Strategy Unit	46% complete	Yes																					
DLO	0% complete	No																					
Table 1																							
2. % of reports to Members which include an EIA?																							
Overall	25%																						
Community Scrutiny	33%																						
Corporate Scrutiny	17%																						
Executive	29%																						
3. Key Areas of Progress																							
<ul style="list-style-type: none"> • Collection of data and area profiling (Strategy Unit, Housing Services) • Engagement (All themes have engaged with the 3 equality forums, Disability, Gypsy and Traveller, Migrant Workers and consultation exercises are being impact assessed) • Partnerships (Strategy and SouthWest 1) • Equal employment opportunities (HR) • Member challenge (Members) 																							
4. Key Areas of Concern																							
<ul style="list-style-type: none"> • Some Themes have not completed their Equality Action Plan in full (see table 1) and are not delivering outcomes. Action is not being taken to mitigate or remove discriminatory practises. • Equality Impact Assessments have not been completed in some service areas (Growth and Development and Community Services, HR) so discrimination may remain hidden. • Most Scrutiny and Executive reports do not contain Equality Impact Assessments. Members are not given important information to help to debate major or high equality risk decisions. 																							

5. Progress against the Corporate Equality Scheme Objectives

Objective 1: Know our communities and improve engagement

Good progress has been made by the Strategy Unit and Housing Services. Some Themes are not collecting or using current data to inform service delivery or complete Equality Impact Assessments (EIA). Good progress has been made with engagement. Three forums are now in place, the Taunton Disability Discussion Group, Gypsy and Romany Traveller Group and the Migrant Worker forum.

Objective 2: Provide Response Services

Good progress has been made in some Themes. Equality Impact Assessments have not been completed within the Community Services or Growth and Development Themes. Some Equality Impact Assessments are outstanding for the Performance and Client and Legal and Democratic Themes. All Themes have Equality Action Plans however these need further development as most are incomplete.

Objective 3: Work with Partners to ensure equal access and life chance

Good progress has been made with Partners. SouthWest One has adopted TDBC's EIA processes, and employees are attending EIA training. TDBC is working in partnership with Avon and Somerset Constabulary, SCC and SouthWest One to embed Equalities into the procurement process. Ensuring all contracts are Impact Assessed for Equality issues and contracts include terms relating to Equalities and Diversity.

Objective 4: Improve Challenge and Scrutiny

EIAs are being written into some reports to Scrutiny and Executive. Some Member champions are challenging Equality Issues during debate. Members are visiting and talking to Equality Groups to gain a better understanding of the issues they face. No progress has been made to provide training to Members.

Objective 5: Promote Equality of Opportunity as an Employer

Good progress has been made. HR have reviewed all employment policies to take into account the new requirements placed on employers by the Equality Act 2010. Key staff have received training. No formal EIA's have been carried out on the policy changes. The staff survey has been completed with additional engagement to help profile the employee base and identify issues. No progress has been made to provide equality awareness training for staff.

Objective 6: Promote inclusion in the community and participation

Some progress has been made through working with community groups to encourage wider representation. By pooling resources with other local authorities in Somerset we have been able to engage with various hard to reach community groups to promote participation.