

# Taunton Deane Borough Council

## Executive – 3 August 2017

### Financial Monitoring – Outturn 2016/2017

This matter is the responsibility of Executive Councillor Richard Parrish

Report Author: Jo Nacey, Financial Services Manager (Deputy Section 151 Officer)

#### 1 Executive Summary

- 1.1 This report contains information related to the Council's financial performance for the 2016/17 financial year. The outturn figures included are provisional subject to external audit review; the findings of which are to be reported to Corporate Governance Committee in September this year.
- 1.2 Monitoring the budget is an important part of the Council's performance management framework.
- 1.3 The revenue outturn position for the financial year 2016/17 is as follows:
  - The General Fund (GF) Revenue Outturn position for 2016/17 is a net underspend of £101k (0.7% of Net Budget).
  - The HRA is a 'Self-Financing' account for the Council's Housing Landlord function, which is budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2016/17 is a net underspend of £882k (3.3% of gross income).
- 1.4 The capital outturn position for 2016/17 is as follows:-
  - The General Fund profiled Capital Programme at the end of 2016/17 was £25.832m. The actual expenditure on the Capital Programme during 2016/17 was £10.256m, with £15.527m being carried forward to support delivery of approved schemes in 2017/18. This leaves a net underspend of £49k (0.1%) against the overall programme.
  - The HRA approved Capital Programme at the end of 2016/17 was £20.129m. This relates to schemes which will be completed over the next five years. The actual expenditure on the Capital Programme during 2016/17 was £10.762m, as summarised in Table 15 below, with £9.399m for planned investment to implement approved schemes in future years. A net overspend of £32k (1%) is reported against the overall programme.
- 1.5 The General Fund reserves balance as at 31 March 2017 stands at £2.186m. The

balance remains above the minimum reserves expectation within the Council's Budget Strategy (£1.600m).

- 1.6 The Housing Revenue Account (HRA) Reserve balance as at 31 March 2017 stands at £3.224m, which is above the minimum level (£1.800m) set within the Council's Budget Strategy and HRA Business Plan.
- 1.7 The total General Fund Earmarked Reserves balance as at 31 March 2017 is £17.344m, and for HRA Earmarked Reserves the balance is £6.847m, representing funds that have been set aside for specific purposes to be spent in 2017/18 or later years. This has grown largely in respect of funds committed to support growth and infrastructure development, future capital programme spending, the business rates funding volatility, creating a new council and funding set aside to support service restructuring and transformation projects. The majority of this is planned to be spent over the next two years, although experience shows this may be over a longer period.

## **2 Recommendations**

- 2.1 The Executive reviews the Council's financial performance and end of year position for the General Fund and the Housing Revenue Account, including pre-approved carry forwards and transfers to earmarked reserves.
- 2.2 The Executive is recommended to:-
  - (a) Note the reported General Fund Revenue Budget underspend of £101k in 2016/17 and the General Reserves Balance of £2.186m as at 31 March 2017.
  - (b) Recommend Full Council to approve the General Fund Revenue Budget Carry Forwards totalling £302,000 (as set out in table 3 of the report).
  - (c) Recommend Full Council to approve a General Fund Capital Programme Budget Carry Forward totalling £15,527,000 (as set out in Appendix D).
  - (d) Recommend Full Council to approve a Housing Revenue Account Capital Programme Budget Carry Forward totalling £9,399,000 (as set out in Appendix G).
  - (e) Recommend Full Council to approve £590,000 Supplementary Budget allocations in 2017/2018 for the Housing Revenue Account, utilising 2016/2017 underspends, for the following areas:
    - (i) £250,000 to provide additional technical development capacity to the in-house team for development appraisal work on complex sites.
    - (ii) £25,000 to replace the Halcon One Team Co-ordinator post until 31 March 2018.
    - (iii) £55,000 for additional officer capacity to address anti-social behaviour for a period of 18 months due to additional pressures on the team.

- (iv) £70,000 to fast-track replacement of Piper lifelines in Sheltered Housing where these are reaching the end of their operational life.
- (v) £40,000 to both revamp and upgrade Ladymead Road shops for remarketing as commercial premises or to make a change of use and convert to a One Team community hub.
- (vi) £150,000 to pilot a Fabric First approach to appraise options to address thermal performance and water ingress issues in some property types.

### 3 Risk Assessment (if appropriate)

#### Risk Matrix

Description	Likelihood	Impact	Overall
That the Authority overspends against the approved budget	2	4	8
<i>Regular budget monitoring reports are produced and managers actively manage the budgets under their responsibility</i>	1	4	4

#### Risk Scoring Matrix

<b>Likelihood</b>	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	Feasible	Low (3)	Low (6)	Medium (9)	Medium (14)	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
			<b>Impact</b>				
<b>Likelihood of risk occurring</b>		<b>Indicator</b>				<b>Description (chance of occurrence)</b>	
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%

#### **4 Background and Full details of the Report**

- 4.1 This report informs Members of the Council's financial outturn (a comparison of net spending against the budget for the year) for revenue and capital budgets in 2016/17 for the Council's General Fund (GF), Housing Revenue Account (HRA) and trading services.
- 4.2 The regular monitoring of financial information is a key element in the Council's Performance Management Framework. Crucially it enables remedial action to be taken in response to significant budget variances, some of which may be unavoidable. It also provides the opportunity to assess any consequent impact on reserves and the Council's the Medium Term Financial Plan.
- 4.3 The outturn figures contained in this report are provisional at this stage. The financial outturn has been taken into account when preparing the Council's Statement of Accounts, which was approved by the Assistant Director Strategic Finance (S151 Officer) on 31 May, and is then subject to review by the Council's External Auditor. Should the External Auditor identify any changes to the Accounts these will be reported to Corporate Governance Committee in September this year.
- 4.4 The outturn position reported for the General Fund contains some estimated figures for government subsidies on housing benefit and the total of business rates retention funding. These are based on unaudited claims, and it is possible that final figures post-audit could change. Should the final figures differ significantly from those used in this report an updated will be provided as part of 2017/18 budget monitoring reports.

#### **5 2016/17 Financial Performance**

- 5.1 Members will be aware from previous experience that the position can change between 'in-year' projections and the final outturn position, mainly due to demand-led service costs and income levels. The budget monitoring process involves a regular review of all budgets. Budget Holders, with support and advice from their accountants, review the position and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that assumptions and estimates will differ from the eventual outcome, and a number of risks and uncertainties have been highlighted in previous quarterly reports.
- 5.2 Forecasting for demand-led services has continued to be a challenge especially in the current economic climate.
- 5.3 The Council has continued to operate within the framework of its Budget Strategy and the overall financial standing at the end of the financial year is sound. The Reserve

balances for both the General Fund and the HRA are above their respective recommended minimums. An annual review of all Earmarked Reserves will continue with the aim of returning any surplus reserve balances to the General Fund Reserve. The Council continues to face challenges around profiling capital spend, and we will seek to improve accuracy of forecasting between financial years.

### **General Fund Revenue Account – 2016/17 Outturn**

- 5.4 The Council has reported an overall net underspend of £101k (0.7% of Net Budget). Table 1 below provides a high-level summary of the outturn position:

**Table 1: GF Outturn Summary**

General Fund Outturn 2016/17	Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Net Expenditure on Services	12,812	14,143	1,331	9%
Other Operating Costs and Income	368	181	(187)	-1%
Earmarked Reserve Transfers	3,583	3,583	0	0%
Unearmarked Reserve Transfers	(25)	(25)	0	0%
Capital Financing and Debt Repayment	744	744	0	0%
Technical Accounting Adjustments	(3,086)	(4,331)	(1,245)	-9%
<b>Net Budget</b>	14,396	14,295	(101)	-0.7%
Funding – Grants, Business Rates and Council Tax	(14,396)	(14,396)	0	0%
<b>Net Variance</b>	<b>0</b>	<b>(101)</b>	<b>(101)</b>	

- 5.5 A Summary Statement of the General Fund Revenue Outturn by Portfolio is provided in **Appendix A**, and an explanation of the budget variances reported each quarter and at the year-end is provided in **Appendix B**.

### **Summary of Main Changes from Q2 to Outturn**

- 5.6 The Forecast Outturn as at Quarter 2 (September 2016) was a £271k underspend. The main differences between the reported variances at Quarter 2 and the year-end Outturn are summarised in Table 2 below.

**Table 2: Main Differences between Q2 and Outturn Variances**

	Q2	Change	Q4
	£000	£000	£000
Rent Allowances and Rebates	(221)	221	0
TDBC Assets	30	33	63
Crematorium	25	(80)	(55)
Car Parking	(34)	50	16
Revenues and Benefits	(75)	(21)	(96)
Deane Helpline	(15)	(38)	(53)
Council Tax Collection	(32)	(43)	(75)
Insurance	56	(33)	23
Waste Recycling	(46)	46	0
Homelessness	50	(50)	0

Community Open Spaces and Parks	11	0	11
Leisure Procurement	0	150	150
Interest Costs and Income	(20)	(114)	(134)
Other Variances	0	49	49
<b>TOTAL – over / (under) spend</b>	<b>(271)</b>	<b>170</b>	<b>(101)</b>

- 5.7 The main changes since the Quarter 2 report are explained as follows:
- 5.8 **Rent Allowances:** The Council included a contingency budget of £205k for anticipated housing benefit costs as rental costs for supported accommodation were being reviewed under 'Pathway for Adults' (P4A). This matter appears to have been resolved through provision of P4A support through social housing – with TDBC and Knightstone Housing – meaning full HB costs can be recovered through Subsidy. This situation may be reviewed again in 2018 therefore the contingency will be retained within the Council's MTFP but it is assumed this will not be needed in this year or next. There is also a small surplus projected of £16k under standard HB Subsidy arrangements.
- 5.9 **Assets:** The net overspend relates to voids for rented properties at Blackdown Business Park. This has increased to £63k from £30k as reported at Q2.
- 5.10 **Cemeteries and Crematorium:** An increased number of cremations has increased the income received by £55k at the end of Q4, as a demand led service, predicting income can be difficult.
- 5.11 **Car Parking:** The increased income forecast in the budget setting has not fully materialised, leading to an overspend of £50k.
- 5.12 **Revenues and Benefits:** Additional funding has been provided by Government for various welfare reforms, meaning service costs that had planned to be funded from earmarked reserves can now be funded from in-year surplus income plus additional Housing Benefit administration grant totalling £96k.
- 5.13 **Deane Helpline:** Q2 reported underspend of £15k in respect of staff savings and the additional income. This has increased by £38k in Q4 and reduces the overall cost of the service to the Council.
- 5.14 **Council Tax Collection:** This is in respect of recoverable court fees which are above budget estimates due to the increased volume of cases taken through the court as part of the Council's tax collection activity.
- 5.15 **Community Open Spaces and Parks:** This overspend is mainly as a result of additional temporary staffing of £11k. This resource, approved by Councillor Herbert, was needed to handle complaints of the parks service, an area which had previously not been addressed adequately.

- 5.16 **Insurance:** Premiums have increased more than anticipated as a result of increased claims. The General Fund share of this overspend is £23k.
- 5.17 **Leisure Procurement:** The overspend relates to the Leisure Procurement Project as no budget was allocated. A carry forward was required to cover this cost in 17/18.
- 5.18 **Interest Costs and Income:** Additional investment income received due to slippage within the capital programme leading to higher investment balances being held by the Authority, and through improved returns through use a new investment options.

**Carry Forwards to 2017/18**

- 5.19 In arriving at the net underspend of £0.101m for 2016/17, there are some recommended budget carry forwards where Member approval is sought. These are summarised and explained below:

**Table 3: Carry Forwards for Approvals**

		£
Transformation	Contribution towards staff cost to cover 1 day per week Transformation work.	3,000
Firepool	Transfer the balance remaining on the cost centre for Firepool to the new year 2017/18 to cover future costs.	62,340
Economic Development	In the budget setting meeting for 16/17 Full Council made a commitment to provide a sum of £40,000 to fund feasibility work to support the business case for Wellington Station. This sum was placed in the economic development revenue budgets. The study has not been completed. The monies therefore need to be carried forward to 17/18 to enable TDBC to deliver on FC commitment to provide an element of this funding.	40,000
HR	Funds required to resource ongoing and future training	34,000
Community Leisure	Leisure procurement project	150,000
Marketing	To cover the final costs of producing the new Taunton Visitors Guide.	2,500
Public Conveniences	Carry forward required to fulfil outstanding pre-transfer works costs and the one off payments to town and parish councils for the agreed transfer of public toilets.	10,000
<b>Total</b>		<b>301,840</b>

- 5.20 These funds have been transferred to earmarked reserves at the end of the financial year pending confirmation of budget carry forward approval.

## 6 Business Rates Retention

- 6.1 The Business Rates Retention (BRR) funding system is proving to be both challenging and volatile, with the Council facing significant risks particularly in respect of appeals against rateable values by rate payers. The required accounting arrangements also result in some 'timing differences' which can skew the funding position across financial years.

### ***General Fund Retained Business Rates Funding***

- 6.2 The council's share of business rates funding is directly linked to the total amount of business rates due and collected in the area. The amounts credited to the General Fund Revenue Budget in 2016/17 are based on business rates yield and BRR figures from different sources – a combination of the 2016/17 NNDR1 (Original Budget Estimate) and the 2016/17 NNDR3 (End of Year position):

### ***Business Rates Funding Timing Differences***

In Year Funding based on NNDR1 Original Budget Estimates (fixed amount for the year based on budget):
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- |   |
|---|
| <ul style="list-style-type: none"><li>• 40% Standard Share of BR Income</li><li>• Tariff to Government</li><li>• Share of Previous Year's Collection Fund Surplus/Deficit</li></ul> |
|---|

In Year Funding based on NNDR3 actual amounts due for the year (variable amount for the year based on actuals):
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- |   |
|---|
| <ul style="list-style-type: none"><li>• Section 31 Grant (Government-funded Reliefs/ Discounts)</li><li>• Levy Payment to Government</li><li>• Safety Net Receipt from Government</li></ul> |
|---|

- 6.3 At the end of the financial year there will be a Surplus or Deficit on the Business Rates Collection Fund, and this sum will be distributed in future years based on Standard Shares – so 40% for Taunton Deane Borough Council.
- 6.4 The following table summarises the net position in respect of retained business rates funding for the Council in 2016/17 based on required accounting entries.



**Table 4: Business Rates Funding Outturn 2016/17**

	<b>Original Budget</b>	<b>Actual</b>
	<b>£000</b>	<b>£000</b>
40% Share of Business Rates Income	(16,331)	(16,331)
Tariff to Government (fixed amount)	13,843	13,843
Section 31 Grant funding for enhanced Small Business Rates Relief/Flooding Relief/Retail Reliefs	(530)	(714)
Renewable Energy Rates – 100% retained by TDBC	(197)	(231)
50% Levy Payment to Government	256	474
Pooling Dividend and other adjustment	0	(7)
<b>Sub Total</b>	<b>(2,959)</b>	<b>(2,966)</b>
Previous Year's Collection Fund Deficit	192	192
<b>Total Retained Business Rates Funding 2016/17</b>	<b>(2,767)</b>	<b>(2,774)</b>

- 6.5 Taking into account the inherent risks and uncertainties within the retention system, together with accounting timing differences referred above, a prudent balance is maintained in the Business Rates Smoothing Account Reserve. The balance on this reserve as at March 2017 is £1.937m providing funding to offset Collection Fund deficit carried forward to 2018/19 of £198k plus resilience to further funding volatility in future years.

## **7 General Fund Reserves**

### **General Reserves**

- 7.1 The following table summarises the movement on the General Reserves Balance during the year.

**Table 6: General Reserve Balance**

	£k
<b>Balance Brought Forward 1 April 2016</b>	<b>2,114</b>
<i>Supplementary Estimates</i>	
Transfer £200k to Creating a new Council	(200)
<i>Returns</i>	
Transfer P4A to General Reserve	171
<b>Budgeted Balance 31 March 2017</b>	<b>2,085</b>
Provisional Outturn 2016/17	101
<b>Projected Balance Carried Forward 31 March 2017</b>	<b>2,186</b>
Recommended Minimum Balance	1,600
Projected Balance above recommended minimum	586

- 7.2 The balance as at 31 March 2017 (subject to audit) is £2.186m. This is £586k above the recommended balance of £1.600m.
- 7.3 In view of the Council's future financial position the advice is maintain reserves above

the recommended minimum, to provide some resilience for unknown costs and to provide some flexibility to support measures to address ongoing financial sustainability.

### **General Fund Earmarked Reserves**

- 7.4 The Council can also set aside funds for specific purposes to be used in future years. **Appendix C** provides a summary of the earmarked reserves and their movement during the year.
- 7.5 The proposed balance carried forward to support General Fund spending in future years is £17.344m. This balance has increased by £434k during the year, mainly due to setting aside approved funds committed to supporting the Transformation Project, sums received for Garden Town Status, to protect the authority from fluctuations in the new Business Rates Retention Scheme, New Homes Bonus set aside for growth and infrastructure investment and the Accommodation Project for Deane House. The majority of this is planned to be spent over the next two years, although experience shows this may be over a longer period.
- 7.6 Transfers to reserves at the end of the financial year have been reviewed and approved by the S151 Officer.

### **Deane DLO Trading Account**

- 7.7 The DLO has two distinct areas operating: Building Maintenance and Grounds Maintenance (including the Nursery). The Building Maintenance section of the DLO will be operated through Housing Property Services from 2017/18. The following table provides a summary of the financial performance.

**Table 7: DLO Trading Account Outturn Summary**

	2016/17		
	Income £'000	Spend £'000	Net £'000
(Surplus)/Deficit for the year:			
Grounds Maintenance	(3,120)	3,084	(36)
Building Maintenance	(5,303)	5,251	(52)
Nursery	(121)	152	31
Operating (Surplus) / Deficit Before Recharges	<b>(8,544)</b>	<b>8,487</b>	<b>(57)</b>
Contribution to General Fund			101
Trading (Surplus)/Deficit After Adjustments and Contributions			44
<b>Deficit transferred from Trading Account Reserve</b>			<b>(44)</b>

- 7.8 The year-end financial statements report that the DLO made an overall deficit of £44k after contributing £101k to the General Fund. This deficit has been transferred from the DLO Trading Account Reserves (see table below) decreasing the reserve balance. The DLO reserve made a £200k contribution to Transformation, the reserve

at 31 March is £121k.

**Table 8: DLO Trading Account Reserve Position**

	£000
<b>Reserve balance brought forward 1 April</b>	<b>(365)</b>
Revenue Contribution to Transformation	200
Retained Trading (Surplus) / Deficit for the year	44
<b>Reserve balance carried forward 31 March</b>	<b>(121)</b>

*Note: figures in brackets = surplus funds held*

### **Deane Helpline Trading Account**

- 7.9 The Deane Helpline has reported a net deficit of £0.064m for the year, which is an underspend of £0.053m against the final budget and represents the net cost of the service to the General Fund. The summary of the trading account is as follows:

**Table 9: Deane Helpline Trading Account Position**

<b>Deane Helpline Trading Account</b>	<b>£000</b>
Total Income	(1,030)
Operating Costs	1,001
Gross Profit	(29)
Recharges and Capital Charges (excluding IFRS accounting adjustments)	93
Net Deficit for the Year	64
Budget for the Year	117
<b>Underspend against Budget</b>	<b>(53)</b>

## **8 Land Charges, Licencing and Taxi Licencing**

- 8.1 Under regulations the Council needs to report how its Licencing and Land Charges services perform in the financial year. These services set fees and charges based on estimated reasonable costs, and aim to break even each year. However, due to fluctuations in demand and costs the services may report an under or over-recovery in any one year and the Council therefore transfers any surplus/deficit to a self-financing reserve. During the next round of fees and charges setting adjustments will be made with the view achieving a break-even position on a three year rolling basis.

**Table 10: Licencing and Land Charges Self-Financing Reserves**

	Balance Brought Forward £	Under/(over)- recovery £	Balance Carried Forward £
Land Charges	(56,160)	0	(56,160)
Licencing	49,050	(50,000)	(950)
Taxi-Licencing	(19,640)	(16,970)	(36,610)

## **9 Taunton Unparished Area Fund (Special Expenses)**

- 9.1 The Council sets an annual budget for the Unparished Area of Taunton, which is funded through a “Special Expenses” Council Tax charge to households in the area plus funding provided towards the impact of Council Tax Support on the Unparished area tax base. The following table summarises the income and expenditure for the Fund in 2016/17.

**Table 11: Unparished Area Fund Income and Expenditure**

	£	£
<b>Fund balance brought forward 1 April</b>		<b>(55,620)</b>
<b>Special Expenses Precept and CTRS Grant for 2016/17</b>		<b>(47,370)</b>
<i>Expenditure funded in the year:</i>		
Grant to Galmington Allotments Association	1,015	
St Mary Magdalene Church Bell Fund	3,000	
Taunton YMCA	1,280	
Grant YMCA	1,929	
POP Youth CIC	5,000	
Holway Local Action team	3,567	
Go Create Taunton CIC	3,000	
Galmington Allotment Association	1,950	
Blackbrook Community Primary School	3,000	
Wilton & Sherford Community Association	450	
The Polish Association	1,600	
Dog bins and emptying in Sherford Rd and Upper Holway Rd	2,090	
COACH external classroom	5,500	
North Taunton Partnership	1,365	
On Your Bike	2,717	
Taunton Trailblazers	2,446	
Wilton Scout Group	1,410	
Lisieux Way Methodist Church	1,038	
POP Youth CIC French Weir Youth Project	4,979	
Grant St Mary Magdalene	5,000	
Grant Taunton East Development Trust	7,450	
<b>Total Expenditure</b>		<b>59,786</b>
<b>Fund Balance in hand carried forward 31 March</b>		<b>(43,204)</b>

*Note: minus (-) balance = funds in hand*

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

## **10 General Fund Capital Programme**

- 10.1 The total approved General Fund Capital Programme was £25.832m. The Council is supporting this investment through the use of Capital Grants and Contributions, Revenue Funding and Borrowing. A net underspend of £49k (0.2%) is being reported

against the overall approved budget for the Programme.

- 10.2 The actual expenditure on the General Fund Capital Programme during 2016/17 was £10.256m. The major areas of capital spend during the year included the following: £1.567m for the loan to Somerset Waste Partnership, £1.160m in respect of Regeneration Schemes, £1.219m in respect of Housing Enabling and Housing Standards, £0.248m in respect of DLO vehicles and plant acquisition, £1.931m for the Blackbrook Swimming Pool, £2.455m for the Depot Relocation, £417k for new IT systems and equipment and £614k for Play Equipment etc.
- 10.3 Of the £15.527m due to be spent in future years, major areas include the following schemes: £690k relates to the JMASS IT Project, £375k on Creech Castle improvements, £790k in respect of the employment site in Taunton, £1.414m Grants to Registered Social Landlords (RSLs), £481k for Firepool Access, £653k for Disabled Facilities Grants (DFGs), £500k for Town Centre Regeneration, £1.124m for Major Transport Schemes, £995k for Transformation and £5.874m for Deane House refurbishment.
- 10.4 It is recommended that £15.527m of the 2016/17 capital budget, representing slippage on approved schemes or where budget profiles across financial years need to be updated, is carried forward for schemes that will be delivered or completed in 2017/18. A summary of the General Fund Capital Programme budget and outturn for the year, including an analysis of the recommended carry forwards, is included in **Appendix D**.

## **11 Housing Revenue Account (HRA)**

- 11.1 The HRA is a 'Self-Financing' account for the Council's Housing Landlord function, which is budgeted to break-even (net of approved transfers to/from HRA Reserves). The HRA Revenue Outturn for 2016/17 is a net surplus of £882k (3.3% of gross income).

**Table 12: HRA Outturn Summary**

	Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Gross Income	(26,769)	(27,117)	(348)	(1%)
Service Expenditure	14,233	14,046	(187)	0%
Other Operating Costs and Income	3,931	3,622	(309)	(1%)
Earmarked Reserve Transfers	(333)	(333)	0	0%
Capital Financing and Debt Repayment	8,715	8,677	(38)	0%
Technical Accounting Adjustments	223	223	0	0%
<b>Net Variance</b>	<b>0</b>	<b>(882)</b>	<b>(882)</b>	<b>3%</b>

- 11.2 The HRA Revenue Outturn for 2016/17 is provided in more detail in **Appendix E** to this report.
- 11.3 The Forecast Outturn as at Quarter 2 was an under-recovery of £0.129m. The main

differences between the reported variances at Quarter 2 and the year-end Outturn are summarised in Table 13 below.

**Table 13: Main Differences between Q2 and Outturn Variances**

	<b>Q2 £000</b>	<b>Change £000</b>	<b>Q4 £000</b>
Dwelling Rents and Service Charges	(280)	(68)	(348)
Housing Management	(59)	(46)	(105)
Repairs and Maintenance	212	(386)	(174)
Other Expenditure	38	55	93
Depreciation and Revenue Contribution to Capital Programme	0	(38)	(38)
Interest Payable	0	(259)	(259)
Interest Receivable	(40)	(11)	(51)
<b>Total</b>	<b>(129)</b>	<b>(753)</b>	<b>(882)</b>

- 11.4 The major under and over spends forecast for year are summarised as follows:
- 11.5 **Dwelling Rents and Service Charges:** Void rate is lower than budgeted leading to additional income of £68k. Income from service charges is £106k higher than budget.
- 11.6 **Leasehold Income:** Income from leaseholders is higher than budgeted by £135k to reflect the increased cost of maintenance on shared blocks.
- 11.7 **Housing Management:** There is underspend in IT costs of £44k as new IT systems were not implemented. RTB income of £39k was received which can now be included in the business plan. There was in year saving in Tenant Empowerment staffing of £22k.
- 11.8 **Repairs and Maintenance-Responsive and Voids:** There was underspend in responsive heating work of £19k and underspend on repairs to voids of £155k
- 11.9 **Other Expenditure:** Additional expenditure on grounds maintenance and contribution towards the e5 financial system.
- 11.10 **Interest Payable:** Due to healthy reserves, external borrowing has not yet been needed for the new development schemes, such as Creechbarrow Road. This has therefore reduced the interest payable in 2016/17.
- 11.11 **Interest Receivable:** Healthy reserves and an increasing interest rate has led to higher income from investments during 2016/17.

#### **Housing Revenue Account Unearmarked Reserves**

- 11.12 The HRA reserves at the start of the year were £2.675m and the Council approved allocations totalling £333k throughout 2016/17 reducing the budgeted balance to £2.342m. The surplus of £882k in 2016/17 increases the balance to £3.224m. This is

above the minimum recommended reserve level of £1.800m by £1.424m.

**Table 14: HRA Reserve Balance**

	<b>£k</b>
Balance Brought Forward 1 April 2016	2,675
<i>Supplementary Estimates</i>	
Initiatives approved utilising 2015/16 underspend – July Full Council	(333)
<b>Budgeted Balance March 2017</b>	<b>2,342</b>
Outturn 2016/17	882
<b>Balance Carried Forward 31 March 2017</b>	<b>3,224</b>
Recommended Minimum Balance	1,800
Balance above recommended minimum	1,424

- 11.13 If recommendation 2.2e (i. to vi.) is approved as part of this outturn report, this will be funded from the above reserves balance in 2016/17 thus reducing it to £2.634m. This would leave HRA general reserves at £834k above the recommended minimum balance.

#### **HRA Earmarked Reserves**

- 11.14 The Council can also set aside HRA funds for specific purposes to be used in future years. **Appendix F** provides a summary of the HRA earmarked reserves and the movements during the year. The balance at 31 March 2017 committed to support spending in future years is £6.847m.
- 11.15 The HRA earmarked reserves balance includes the Social Housing Development fund at £1.290m.
- 11.16 Also included within these reserves is £1.969m for the Electrical Testing contract and £1.147m for the Pre-Planned Maintenance Contract.
- 11.17 A total of £434k is in the earmarked reserve to cover the future loss of income due to non-payment of rent and charges. The Business Plan has allowed for a three year period of increased provision for non-payment of rent and to cover the initial period of Welfare Reform. However, a key component of Welfare Reform, Universal Credit, is being rolled out on a much slower timetable.

## **12 Recommendations for use of the 2016/17 HRA Underspend**

- 12.1 The 2016/17 underspend has allowed the HRA Reserves to remain at a level comfortably above the recommended minimum balance.
- 12.2 It is therefore recommended that funds are allocated from the 2016/17 underspend in respect of the following, as set out in Recommendations 2.2e:

		£k
--	--	----

		£k
Technical Development Support	To fund supplemental technical development support capacity to help the in house team on complex sites.	250
Halcon One Team Co-ordinator	The Halcon One Team Co-ordinator has needed to move to other Police operational activities and this has left a significant gap in our ability to undertake effective One Team working in Halcon. The Police are reviewing this as part of their current restructure however the funding is needed now to replace the Co-ordinator post until 31/3/2018.	25
Anti-Social Behaviour post	Funding to provide additional capacity of 1 FTE for 18 months on anti-social behaviour. The current anti-social behaviour team is under significant and unsustainable pressure with a marked increase in drug and alcohol issues on our housing estates and associated anti-social behaviour. An increase in 'County Lines' activity which has included people 'cuckooing' in our properties has also contributed to our need for some additional capacity.	55
Piper Replacement	The current hardwired Piper lifelines in our sheltered housing is becoming obsolete and needs replacement. Although there is a replacement programme to do this, we require an immediate injection of funding to address some urgent schemes where there is a risk of the lifelines failing.	70
Ladymead Road	Ladymead Road commercial units have proactively been vacated due to lessees having financial difficulties. The funding is required, as an investigation is underway to consider; either revamp and upgrade the units for remarketing as commercial premises, or to make a change of use and convert to a community hub for Housing & Communities to work out from similarly as the One Team	40
Fabric First	There are a number of properties that have significant failure in thermal performance and water ingress, mainly from failing cavity insulation. It is therefore proposed that £150K of the underspend is used to address a selection of options as a pilot. There will be a need for a greater budget for Fabric First measures, which we will find from savings and reallocation of elemental capital works budgets going forward.	150
	<b>Total</b>	<b>590</b>

### 13 HRA Capital Programme

- 13.1 The HRA approved Capital Programme at the end of 2016/17 was £20.129m. This relates to schemes which will be completed over the next five years. The Council is



supporting this investment through the use of Capital Receipts, Revenue Funding and Borrowing. The profiled budget on the Capital Programme during 2016/17 was £10.762m, as summarised in Table 15 below, with the re-profiled amount of £9.367m (£9.399m less £32k overspend) being carried forward.

- 13.2 The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development and acquisition of new stock.
- 13.3 **Appendix G** provides a breakdown of the HRA Capital Programme Outturn by scheme, and also sets out the proposed Carry Forward.

**Table 15: HRA Capital Programme 2016/17 Outturn Summary**

	£'000	%
Approved Capital Programme Budget	20,129	47%
Profiled in later years	0	
2016/17 Capital Budget	20,129	
Re-profiled forecast of spending Carried Forward to 2017/18	(9,399)	
Residual budget for 2016/17	10,730	
2016/17 actual capital expenditure	10,762	
Overspend	32	

- 13.4 The capital programme can be split into two distinct areas:

**Major Works and Improvements:**

- 13.5 From a budget of £12.708m, a total of £9.272m was spent in 2016/17. This includes £1.552m on bathrooms, £4.234m on heating improvements, £667k on air source heat pumps, £386k on adaptations to improve accessibility and £1.894m on other programmed works on dwellings. A total of £539k was spent on related items such as asbestos removal and environmental improvements.

**Development:**

- 13.6 A total of £1.490m has been spent on new housing throughout 2016/17. The Creechbarrow Road and Weavers Arms developments include carry forwards of £3.994m with the schemes due to complete in 2017/18.
- 13.7 The bulk of the Social Housing Development Programme (£1.939m) has been carried forward to 2017/18.

**14 Links to Corporate Aims / Priorities**

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

**15 Finance / Resource Implications**

- 15.1 Contained within the body of the report.

## **16 Legal Implications**

16.1 There are no legal implications associated with this report.

## **17 Environmental Impact Implications**

17.1 None for the purpose of this report.

## **18 Safeguarding and/or Community Safety Implications**

18.1 None for the purpose of this report.

## **19 Equality and Diversity Implications**

19.1 None for the purpose of this report.

## **20 Social Value Implications**

20.1 None for the purpose of this report.

## **21 Partnership Implications**

21.1 A wide range of council services are provided through partnership arrangements e.g. GLL (formerly Tone Leisure) for leisure services and Somerset Waste Partnership for Waste and Recycling services. The cost of these services is reflected in the Council's financial outturn position for the year.

## **22 Health and Wellbeing Implications**

22.1 None for the purpose of this report

## **23 Asset Management Implications**

23.1 None for the purpose of this report.

## **24 Consultation Implications**

24.1 None for the purpose of this report.

## **25 Scrutiny Comments / Recommendation(s)**

25.1 The Council's outturn position was reported to Corporate Scrutiny on 20<sup>th</sup> July and the recommendations therein were supported.

### **Democratic Path:**

- **Scrutiny – 20 July 2017**
- **Executive – 3 Aug 2017**
- **Full Council – 3 October 2017**

**Reporting Frequency: Annually**

**List of Appendices (delete if not applicable)**

Appendix A	General Fund Revenue Account Outturn Summary
Appendix B	General Fund Revenue Account Outturn Variances
Appendix C	General Fund Earmarked Reserves Summary
Appendix D	General Fund Capital Programme Outturn Summary
Appendix E	Housing Revenue Account Outturn Summary
Appendix F	Housing Revenue Account Earmarked Reserves Summary
Appendix G	Housing Revenue Account Capital Programme Outturn Summary

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## APPENDIX A

### GENERAL FUND REVENUE ACCOUNT SUMMARY 2016/17

	Final Budget £000s	Actual Expenditure £000s	Variance £000s
<b>Service Portfolios</b>			
Community Leadership	501	503	2
Corporate Resources	1,532	1,390	(142)
Economic Development, Asset Management, Arts & Tourism	1,032	1,099	67
Environmental Services	4,609	4,572	(37)
General Services	1,278	2,528	1,250
Housing Services	2,676	2,686	10
Planning, Transportation & Communications	(2,145)	(2,138)	7
Sports, Parks & Leisure	3,329	3,503	174
West Somerset(Administration)	0	0	0
<b>Net Cost of Services</b>	<b>12,812</b>	<b>14,143</b>	<b>1,331</b>
<b>Other Operating Costs and Income</b>			
Deane Helpline Trading Account	117	64	(53)
DLO Trading Account	(101)	(101)	0
Interest and Investment Income	(364)	(498)	(134)
Parish Precepts & Special Expenses	716	716	0
Capital Financing from GF Revenue (RCCO)	564	564	0
Repayment of Capital Borrowing (MRP)	180	180	0
Transfers to Capital Adjustment Account	(3,086)	(3,086)	0
Transfers To/(From) Earmarked Reserves	3,583	3,583	0
Transfers To/(From) General Reserves	(25)	(25)	0
Transfers To/(From) Pension Reserve	0	(1,245)	(1,245)
<b>Total Other Operating Costs and Income</b>	<b>1,584</b>	<b>152</b>	<b>(1,432)</b>
<b>NET EXPENDITURE BEFORE GRANTS AND TAXATION</b>	<b>14,396</b>	<b>(14,295)</b>	<b>(101)</b>
Formula Grant and Council Tax Income	(10,513)	(10,513)	0
New Homes Bonus Grant	(3,883)	(3,883)	0
<b>TOTAL FUNDING</b>	<b>(14,396)</b>	<b>(14,396)</b>	<b>0</b>
<b>TOTAL (UNDER)/OVERSPEND FOR THE YEAR</b>	<b>0</b>	<b>(101)</b>	<b>(101)</b>

## APPENDIX B

### GENERAL FUND REVENUE ACCOUNT FORECAST VARIANCES

	Port- folio	Cost Centre Description	Q2 £k	Q4 £k	Total £k		Management Action
1	ECD	TDBC Assets	30	33	63	A number of vacant properties in Blackdown Business Park has led to a projected shortfall in rental income of £63k. Work is underway to let these properties where possible.	Budget holder will review empty properties with the aim of letting the properties
2	COR	Council Tax collection	(32)	(43)	(75)	This projected underspend of £75k is in respect of additional court fees recovered through enforcement of our debt recovery processes. There is increased volume of cases taken through the court as part of the Council's tax collection activity.	Budget holder will monitor court fees
3	COR	Rent Allowances	(221)	221	0	The Council included a contingency budget of £205k for anticipated housing benefit costs as rental costs for supported accommodation were being reviewed under 'Pathway for Adults' (P4A). This matter appears to have been resolved through provision of P4A support through social housing – with TDBC and Knightstone Housing – meaning full HB costs can be recovered through Subsidy. This situation may be reviewed again in 2018 therefore the contingency will be retained within the Council's MTFP but it is assumed this will not be needed in this year or next. There is also a small surplus projected of £16k under standard HB Subsidy arrangements.	Budget holder to review budgets

	Port- folio	Cost Centre Description	Q2 £k	Q4 £k	Total £k		Management Action
4	COR	Revenues and Benefits	(75)	(21)	(96)	Additional funding has been provided by Government for various welfare reforms, meaning service costs that had planned to be funded from earmarked reserves can now be funded from in-year surplus income plus additional Housing Benefit administration grant totalling £96k.	Budget holder to review budgets
5	COR	Insurance	56	(33)	23	Premiums have increased more than anticipated by £80k as a result of increased claims. The General Fund share of this projected overspend is £23k.	
5	PTC	Car Parking	(34)	50	16	This is due to a loss of income as the increased income forecast in the budget setting has not fully materialised.	Budget holder will review income budgets as part of budget process
6		Deane Helpline	(15)	(38)	(53)	There is a projected over-recovery against the net trading account budget due to an increase in income and savings due to the change in staffing rota. The changes to the staff rota were introduced in 2016/17.	Budget holder will review costs
8	ENV	Crematorium	25	(80)	(55)	An increase in gas costs and DLO increased prices has led to a pressure of £25k. Management will seek to control costs where possible to mitigate the cost pressure, but this may not be covered in full. The increase in income is due to an unexpected increased volume in this demand led service	Budget holder will continually monitor income and expenditure
9	ENV	Waste Recycling	(46)	46	0	The service projected additional income from green waste £46k with demand for the service exceeding budget expectations. As this is a demand-led service the position can fluctuate.	Budget holder will monitor expenditure

	Port- folio	Cost Centre Description	Q2 £k	Q4 £k	Total £k		Management Action
10	HSG	Homelessness	50	(50)	0	This projected one-off overspend of £50k relates to legal costs of removing a person from a site and trying to provide suitable alternative accommodation. There is no base budget to cover the costs of this particular case. The service underspent to cover this overspend.	Budget holder will monitor expenditure
11	SPL	Community Open Spaces & Parks	11	0	11	This overspend is mainly as a result of additional temporary staffing of £11k. This resource, previously approved, was needed to handle complaints of the parks service, an area which had previously not been addressed adequately.	Budget holder to monitor expenditure
12	SPL	Leisure Procurement	0	150	150	The overspend relates to the Leisure Procurement project as no budget was allocated in 2016/17. A carry forward was required to cover the cost in 2017/18	Budget Holder to monitor expenditure
13	COR	Interest Receivable	(20)	(114)	(134)	Additional investment income has been received due to the interest charge on the loan given to Somerset Waste Partnership £20k and a high level of reserves.	Budget holder to monitor income
14		Other Variances		49	49	Total of all other overspends/underspends.	
		<b>GRAND TOTAL</b>	<b>(271)</b>	<b>170</b>	<b>(101)</b>		

Key: Portfolios

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

## GENERAL FUND EARMARKED RESERVES

## APPENDIX C

Earmarked Reserve Heading	Balance at 1 April 2016 £000	Transfers In 2016/17 £000	Transfers Out 2016/17 £000	Balance at 31 March 2017 £000
DLO Vehicle Replacement	25	0	(25)	0
Capital Financing Reserve - General Fund Projects	3,089	225	(2,525)	789
Climate Change	53	0	0	53
Asset Management - Tone Leisure	223	33	(59)	197
Brewhouse Refurbishment	61	24	(29)	56
CCTV	7	10	(7)	10
Bursary Account General Provisions	4	0	(4)	0
CEO Initiatives	78	25	0	103
Corporate Training	127	0	(60)	67
2017/18 Savings Contingency	0	164	0	164
DLO Trading Account	365	0	(244)	121
DLO Vehicle Replacement	316	0	0	316
Agile Working	0	70	0	70
Elections	0	22	0	22
Member Technology	0	70	0	70
FE Colthurst Trust Bequest Accounts	1	0	0	1
General Fund General Carry Forwards	699	302	(572)	429
Healthy Workplace	6	0	0	6
Housing Enabling	185	8	0	193
Self-Insurance Fund	485	0	0	485
Local Plan Enquiry General Provisions (LDF)	136	22	(61)	97
Planning Delivery Grant (Revenue)	102	0	(25)	77
Strategic Director SA	84	0	0	84
Travel Plan	93	137	(81)	149
Vivary Park Trading Account	0	27	0	27
Asset Management - General Services Non-HRA	289	0	0	289
Housing Loans to Private Sector Mortgagees	10	0	0	10
BRR Smoothing Reserve	2,008	120	(191)	1,937
Youth Homelessness Fund	4	0	0	4
Corporate Services Clienting	93	40	(70)	63
Eco Towns Projects Funding	304	0	(66)	238
Voluntary and Community Grants	0	3	0	3
Growth and Regeneration (NHB)	4,162	3,491	(3,422)	4,231
CLG Preventing Repossessions Fund	25	0	0	25
Housing Benefit Grant	1	0	0	1
Strategy	1	0	0	1
Growth & Regeneration Service	88	1	(89)	0



## GENERAL FUND EARMARKED RESERVES

## APPENDIX C

Earmarked Reserve Heading	Balance at 1 April 2016 £000	Transfers In 2016/17 £000	Transfers Out 2016/17 £000	Balance at 31 March 2017 £000
Costs				
Health and Safety	0	7	0	7
Food Inspections	73	0	(75)	(2)
Youth Fund Youth Project	2	0	0	2
Homelessness Grant	164	0	0	164
Waste Earmarked Reserve	50	84	0	134
Debt Recovery	61	0	(20)	41
Legal Civica Hosting Costs	12	0	0	12
Neighbourhood Planning Grant	64	60	(2)	122
Revenues and Benefits	0	30	0	30
Designated Public Spaces Order	5	0	0	5
JM & SS Project	226	70	(271)	25
Asset Strategy	104	70	(141)	33
Land Charges Self Financing	56	0	0	56
Individual Registration	42	18	(35)	25
Customer Access & Accommodation Project	121	1,643	(95)	1,669
Monkton Heathfield Planning	689	0	(132)	557
Licensing Self Financing	(49)	50	0	1
Parking	0	95	0	95
Specialised Planning Legal	160	0	(88)	72
Taxi Licensing	20	21	(4)	37
ICT Strategy	50	0	0	50
Resources Service Costs	368	138	(318)	188
SWOne Succession Planning/SAP Replacement	1,253	13	(447)	819
TDBC Transparency	0	8	0	8
Economic Development & Growth Initiatives	315	0	0	315
Transformation	0	2,004	(25)	1,979
Garden Town Grant	0	512	0	512
<b>Total</b>	<b>16,910</b>	<b>9,617</b>	<b>(9,183)</b>	<b>17,344</b>

## Appendix D

### TAUNTON DEANE BOROUGH COUNCIL - CAPITAL PROGRAMME 2016/17

Project	EXPENDITURE				
	Total Programme Budget	Actual Spend (Outturn)	Projected Spend Carried Forward 2017/18	Forecast Total Spend	Scheme Budget Variance (Underspend)/Overspend 16/17
	£	£	£	£	£
<b>General Fund</b>					
* 800000 PC Refresh Project	77,600	21,161	56,439	77,600	
* 800001 Members IT Equipment	12,600		12,600	12,600	
* 800002 DLO Vehicles	244,000	84,471	159,529	244,000	
* 800003 DLO Plant	25,800	12,847	12,953	25,800	
* 800004 PT Longrun Meadow Bridge C	133,300	127,286	6,014	133,300	
* 800009 Waste Containers	93,000	93,000		93,000	
* 800010 Paul Street Car Park	675,700	134,727	540,973	675,700	
* 800012 Grants to Halls & Sportsfields	58,300	15,787	42,513	58,300	
* 800013 Play Equipment Grants to Parishes	29,100	7,098	22,002	29,100	
* 800014 Replace Play Equipment	70,400	68,738	1,662	70,400	
* 800016 Energy Efficiency	29,900				(29,900)
* 800017 Landlord Accreditation Scheme	5,000				(5,000)
* 800018 Wessex Home Improvement Loans	5,000				(5,000)
* 800019 DFGs Private Sector	1,108,900	455,801	653,099	1,108,900	
* 800020 Grants to RSLs	2,146,400	731,754	1,414,646	2,146,400	
* 800040 IT Infrastructure	19,300	14,551	4,749	19,300	
* 800042 DLO System	61,100	35,705	25,395	61,100	
* 800045 PT Castle Green	172,300	500	171,800	172,300	
* 800056 Greenway Rec Play Eqpt	7,365	7,365		7,365	

## TAUNTON DEANE BOROUGH COUNCIL - CAPITAL PROGRAMME 2016/17

Project	EXPENDITURE				
	Total Programme Budget	Actual Spend (Outturn)	Projected Spend Carried Forward 2017/18	Forecast Total Spend	Scheme Budget Variance (Underspend)/Overspend 16/17
	£	£	£	£	£
* 800058 Swimming Pool PV Cells	5,600				(5,600)
* 800059 Vivary Park Play	24,219	24,219		24,219	
* 800061 Play Area Taunton Green	3,350	3,350		3,350	
* 800063 Wellington Recreation	32,055	32,055		32,055	
* 800068 French Weir Park	2,031	2,031		2,031	
* 800075 Gypsy Site	50,000	16,732	33,268	50,000	
* 800076 Station Road Pool	27,700		27,700	27,700	
* 800101 GF Community Alarms	31,370	30,959		30,959	(411)
* 800102 Blackbrook Pool	2,083,800	1,931,152	152,648	2,083,800	
* 800103 Brewhouse	5,000		5,000	5,000	
* 800105 Creech Castle Improv	375,000		375,000	375,000	
* 800106 Taunton Employment Site Development	794,400	4,625	789,775	794,400	
* 800111 Joint Mgt & Shared Services	694,800	4,967	689,833	694,800	
* 800112 Crematorium Chapel Roof	20,000		20,000	20,000	
* 800113 Firepool Land Assembly	1,433,400	951,990	481,410	1,433,400	
* 800122 Farriers Green	1,643	1,643		1,643	
* 800125 Stoney Furlong	859	859		859	
* 800128 Hudson Way	16,204	16,204		16,204	
* 800129 Churchinford	24,355	24,355		24,355	
* 800132 Hamilton Park	46,963	46,963		46,963	
* 800137 CSM Recreation Ground	16,974	16,974		16,974	
* 800138 Spec Exp play grants	16,800		16,800	16,800	
* 800146 Bishops Lydeard	94,911	94,911		94,911	

## TAUNTON DEANE BOROUGH COUNCIL - CAPITAL PROGRAMME 2016/17

Project	EXPENDITURE				
	Total Programme Budget	Actual Spend (Outturn)	Projected Spend Carried Forward 2017/18	Forecast Total Spend	Scheme Budget Variance (Underspend)/Overspend 16/17
	£	£	£	£	£
* 800147 Depot Relocation	2,807,700	2,454,877	352,823	2,807,700	
* 800150 Creech St Michael	1,240	1,240		1,240	
* 800151 S106 Wellington Basins	2,386	2,386		2,386	
* 800152 Cems & Crems Vehicles	14,730	13,403		13,403	(1,327)
* 800155 Heavitree Way S106	7,464	7,464		7,464	
* 800157 Broadband SEP	380,000		380,000	380,000	
* 800158 Victoria Park	37,252	37,252		37,252	
* 800160 Youth Project Capital	281,500	261,473	20,027	281,500	
* 800167 Ride on Mowers	60,000	58,250		58,250	(1,750)
* 800168 Cremator Brick Work	20,000		20,000	20,000	
* 800169 Cemetery IT System	50,000		50,000	50,000	
* 800170 Town Centre Regeneration	500,000		500,000	500,000	
* 800171 SAP Replacement System	131,835	131,835		131,835	
* 800172 Wellington Bowling Club	19,216	19,216		19,216	
* 800173 Wellington Community	18,441	18,441		18,441	
* 800174 Wellington Petanque	16,170	16,170		16,170	
* 800175 Galmington Allotments	1,552	1,552		1,552	
* 800176 Humphreys Road	7,140	7,140		7,140	
* 800178 Corfe	21,625	21,625		21,625	
* 800179 The Shoulders	11,235	11,235		11,235	
* 800180 Dobree Park	41,690	41,690		41,690	
* 800182 Gordon Hawkins Playi	8,160	8,160		8,160	
* 800183 Galmington Park	5,025	5,025		5,025	

## TAUNTON DEANE BOROUGH COUNCIL - CAPITAL PROGRAMME 2016/17

Project	EXPENDITURE				
	Total Programme Budget	Actual Spend (Outturn)	Projected Spend Carried Forward 2017/18	Forecast Total Spend	Scheme Budget Variance (Underspend)/Overspend 16/17
	£	£	£	£	£
* 800184 Priorswood Park	5,025	5,025		5,025	
* 800185 West Bagborough Cric	10,179	10,179		10,179	
* 800186 Creech St Michael Vi	2,362	2,362		2,362	
* 800187 Brittons Ash Communi	8,173	8,173		8,173	
* 800189 Childrens Wood	2,500	2,500		2,500	
* 800190 Turners Allotments	1,237	1,237		1,237	
* 800191 SCC Waste Vehicle Loan	1,567,216	1,567,216		1,567,216	
* 800192 E5 System Implementation	232,165	209,091	23,074	232,165	
* 800193 COACH Grant (S106 funded)	5,500	5,500		5,500	
* 800194 Taunton Rugby Club	40,765	40,765		40,765	
* 800196 St James Pool Demolition	249,300	26,584	222,716	249,300	
* 800197 Flooding Alleviation	250,000		250,000	250,000	
* 800198 Major Transport Schemes	1,200,000	76,000	1,124,000	1,200,000	
* 800199 Transformation	995,000		995,000	995,000	
* 800201 Deane House Accommodation	5,873,600		5,873,600	5,873,600	
* 800203 CIL Grants	118,155	118,155		118,155	
* 800204 COACH Loan	50,000	50,000		50,000	
<b>GF TOTAL</b>	<b>25,832,037</b>	<b>10,256,001</b>	<b>15,527,048</b>	<b>25,783,049</b>	<b>(48,988)</b>

## APPENDIX E

### HOUSING REVENUE ACCOUNT OUTTURN SUMMARY

	Budget £'000	Actual £'000	Variance £'000
<b>Income</b>			
Dwelling Rents	(24,614)	(24,682)	(68)
Non Dwelling Rents	(610)	(590)	20
Charges for Services/Facilities (Service Charges, Rechargeable Repairs, Leaseholder Charges)	(995)	(1,242)	(247)
Contributions Towards Expenditure	(549)	(602)	(53)
<b>Total Income</b>	<b>(26,768)</b>	<b>(27,116)</b>	<b>(348)</b>
<b>Expenditure</b>			
Repairs and Maintenance	6,122	5,948	(174)
Housing Management	6,299	6,194	(105)
Capital Charges – Depreciation and Impairment	6,725	6,725	0
Other Expenditure	1,812	1,905	93
Provision for Bad Debt	223	223	0
<b>Total Expenditure</b>	<b>21,181</b>	<b>20,995</b>	<b>(186)</b>
<b>Other Costs &amp; Income</b>			
Interest Payable	3,011	2,752	(259)
Interest and Investment Income	(81)	(132)	(51)
Revenue Contribution to Capital	983	945	(38)
Provision for Repayment of Debt	1,007	1,007	0
Social Housing Development Fund	1,000	1,000	0
Transfers To/(From) Earmarked & Other Reserves	(333)	(333)	0
<b>Total Other Costs &amp; Income</b>	<b>5,587</b>	<b>5,239</b>	<b>(348)</b>
<b>NET (SUPLUS)/DEFICIT FOR THE YEAR</b>	<b>0</b>	<b>(882)</b>	<b>(882)</b>

## HRA EARMARKED RESERVES

## APPENDIX F

<b>Earmarked Reserve Heading</b>	<b>Balance at 1 April 2016 £000</b>	<b>Transfers In 2016/17 £000</b>	<b>Transfers Out 2016/17 £000</b>	<b>Balance at 31 March 2017 £000</b>
Capital Financing Reserve (HRA)	79	0	0	79
Halcon Regeneration Scheme	24	0	0	24
Leasehold Schemes HRA Advanced Payments	10	0	0	10
HRA Carry forwards	2,080	457	(1,739)	798
Tenants Forum	4	0	0	4
Social Housing Development Fund	290	1,000		1,290
Customer Access & Accommodation	36	0	(11)	25
Community Development Fund	206		0	206
One Teams	258	0	0	258
Pre Void and Tenant	138		(45)	93
Lettings Contingency	97	0	(23)	74
Employment and Skills	138	0	0	138
Electrical Testing	607	1,362	0	1,969
Pre-planned Maintenance	674	473	0	1,147
Insurance Works Smoothing	0	173	0	173
Contingency for Bad Debt	0	434	0	434
Agile Working	0	10	0	10
Members Technology	0	10	0	10
SAP Replacement	105	0	0	105
<b>Total</b>	<b>4,746</b>	<b>3,899</b>	<b>(1,818)</b>	<b>6,847</b>

## APPENDIX G

## HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME OUTTURN

Scheme	Total Programme Budget 2016-17 £	Actual Spend (Outturn) 2016-17 £	Projected Spend Carried Forward 2017/18 £	Scheme Budget Variance (Underspend)/Overspend 2016-17 £
<b>Major Works</b>				
Kitchens	120,000	228,802		108,802
Bathrooms	1,450,000	1,552,072		102,072
Roofing	100,000	1,208		(98,792)
Windows	50,000	14,717		(35,283)
Heating Improvements	2,604,000	4,234,322		1,630,322
Doors	450,000	503,693		53,693
Fire Safety Works in Communal Areas	225,000	122,843		(102,157)
Fascias and Soffits	750,000	722,299		(27,701)
Air Source Heat Pumps	680,000	667,555		(12,445)
Door Entry Systems	300,000	274,330		(25,670)
Other External Insulations	10,000	25,550		15,550
HRA Major Repairs and Improvement I	4,004,000	-	2,395,000	(1,609,000)
<b>Total Major Works</b>	<b>#####</b>	<b>8,347,391</b>	<b>2,395,000</b>	<b>(609)</b>
<b>Improvements</b>				
Aids and Adaptations	120,000	108,899	11,101	-
DFGs	315,000	277,218	37,782	-
Garages	30,000	-	30,000	-
Meeting Halls	71,000	28,846	42,154	-
Unadopted Areas	21,000	26,479		5,479
Asbestos Works	331,000	345,023		14,023
Tenants Improvements	5,000	-		(5,000)
Sustainable Energy Fund	224,000	-	224,000	-
Environmental Improvements	291,000	115,814	175,186	-
Extensions	158,000	905	157,095	-
Community Alarms	5,000	5,021		21
IT Development	394,000	-	394,000	-
PV Systems	-	16,260		16,260
<b>Total Improvements</b>	<b>1,965,000</b>	<b>924,465</b>	<b>1,071,318</b>	<b>30,783</b>
<b>Social Housing Development Programme</b>				
Creechbarrow Road	2,099,000	778,450	1,321,000	450
Phase 1: Vale View, West Bag	-	422		422
Phase 1: Bacon Drive	-	3,336		3,336
Phase 1: Normandy Drive	-	(1,939)		(1,939)
Buybacks	-	108		108
Social Housing Development Program	1,950,000	11,068	1,939,000	68
Weavers Arms	3,372,000	698,696	2,673,000	(304)
<b>Total Social Housing Development F</b>	<b>7,421,000</b>	<b>1,490,141</b>	<b>5,933,000</b>	<b>2,141</b>
<b>Total HRA</b>	<b>#####</b>	<b>#####</b>	<b>9,399,318</b>	<b>32,315</b>