

# Taunton Deane Borough Council

**Executive – 18 August 2010**

## **Financial and Performance Monitoring – Quarter 1 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 1 of 2010/11 (as at 30 June 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 1 include the following:
  - The General Fund Revenue shows a potential underspend of £62,000 (0.4%) against the budgeted net expenditure of £14.428m
  - Progress is largely on course for the objectives and key activities identified in the new corporate strategy (especially 'Tackling Deprivation' and 'Affordable Housing')
  - Council Tax and NNDR debit collection rates are on course for the 2010/11 target and the Q1 results are an improvement on the same period last year
  - Speed of processing planning applications has improved
  - 99.5% 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
  - Four parks have achieved Green Flag status, plus Swains Lane Nature Reserve in Wellington has gained a Green Pennant for the first time
  - Four key council projects are all reported as being on course (LDF Core Strategy, Housing Inspection project, Core Council Review, SAP implementation)
  - Staff sickness is on course to achieve the improvement target (9 days per FTE)
- 1.4 **A high level summary of areas off course / objectives not met** (ie 'Red' alerts) in Quarter 1 include:
  - The Housing Revenue Account is forecast for a £366,000 overspend for the year
  - Procurement benefits are behind the original forecast
  - Environmental Protection Team planned inspections were only 48% complete in Q1
  - Planning appeals allowed were 50% in Q1 (but on low numbers)
  - Swim visits (Tone Leisure) have declined by 2% in Q1 compared to previous year

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

2.2 Please see the TDBC Scorecard at Appendix A for full details of 2010/11 Quarter 1 performance.

## 3. Quarter 1 – Financial Performance (April - June 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)

“I am happy that the financial figures within this report are accurate. The HRA overspend, even though it is a significant figure can be met by the HRA reserve which is currently in a healthy state and is not a serious issue for the HRA.”

**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.

**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**

It is recommended that the Executive review the Council's performance and financial position as at the end of Quarter 1, taking corrective action where necessary.

**Contacts:**

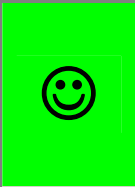
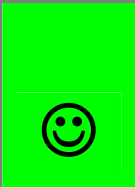
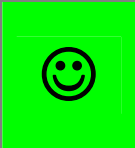
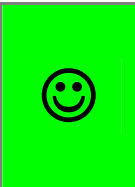

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## 1. CORPORATE STRATEGY AIMS

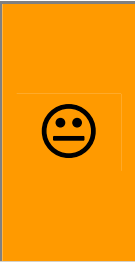


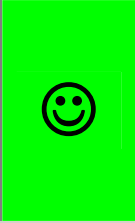
Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
<b>Tackling Deprivation &amp; Sustainable Community Development (Aim 1)</b>				
1.1	<b>Objective 1</b> Focus on Taunton East, North Taunton & Rural Deprivation	<b>Actions –</b> Progress against key activities		Community Development Plan – on course to deliver an ‘envisioning’ report by April 2011. Detailed project planning has commenced & partner support is now secured. Partners will adopt and embed a ‘total place’ approach within the plan to tackling deprivation.
		Index of Multiple Deprivation (IMD) score	N/A	The last IMD national ranking scores are from 2007. It is not yet known when these are to be updated
		Total staff volunteer hours	N/A	New staff volunteering pilot scheme to run August 10 to March 11. CMT have agreed to max 35 staff working up to 37 hours p.a (pro-rata) on projects.
	<b>Objective 2</b> ‘One-Stop’ advice on skills, employment & training	<b>Actions –</b> Progress against key activities		Good progress is being made. Job Club members receive weekly 1 to 1 support from qualified volunteers (ie help with CVs, preparation for interviews, and referrals to local training courses). The Ec. Dev. Unit is currently reviewing the services provided re Employment & Skills to build on the services already delivered, and create additional capacity to deliver them. The focus will be on opening a dialogue with local businesses to identify the key skills that they need to come out of the recession.
		Number of people supported / back to work		The Taunton East Job Club (Halcon, Lambrook and Lane) has a target for 12 Registered Members for the year. In the 7 months since it was set up (Nov 09 – May 10), it has already attracted 11 members. The aim is to achieve ‘job offers’ for 20% of Members, and this is also on target.
	<b>Objective 3</b> Secure medium term future of N. Taunton Partnership & Link Partnership	<b>Actions –</b> Progress against key activities		Priorswood Resource Centre & Link Centre - draft Service Level Agreement to be signed off by all partners during Sept 2010.
		Funding secured		<ul style="list-style-type: none"> <li>2010/11 funding secured (TDBC, PCT &amp; LSP contributions).</li> <li>Funding for 2011/12 and 2012/13 subject to on-going budget setting.</li> </ul>

Regeneration (Aim 2)				
1.2	<b>Objective 4</b> Facilitate the creation of a leading Green Knowledge economy	<b>Actions –</b> Progress against key activities		 Delay in identifying & delivering Ec Dev projects (due to CCR)  On-going work through Core Strategy, Development Mgt, & Ec Dev to try to identify increased supply of employment land  Ec Dev Strategy adopted March 2010, delivery plan to be produced Sept 10  Promotion of Taunton to businesses – progress on various fronts (eg programme of Business visits from August, Into Somerset partnership work)
		Number of jobs created	N/A	<b>2010/11 Target = 1000</b> Baseline & current performance yet to be determined by Ec. Dev. team
	<b>Objective 5</b> Facilitate Housing growth	<b>Actions –</b> Progress against key activities		 Core Strategy & Urban Extensions Supplementary Planning Document – some delay likely in clarifying growth numbers for T. Deane  5 year supply of housing land in Taunton town is marginal & could be affected by Strategic Housing Land Availability Assessment (SHLAA) review  SHLAA annual review – good progress reviewing all sites  Council owned land for housing – excellent progress on regeneration of council owned land
		Net additional homes provided	N/A	<b>2010/11 Target = 1000</b> A forecast will be made in Quarter 2 after the Strategic Housing Land Availability Assessment review has been completed.
		Supply of ready to develop housing sites		<b>Target = 5 year supply</b> (Borough wide) is on track  Ref: Core Strategy - Interim Sites report to Executive 16 June 2010
	<b>Objective 6</b> Deliver Infrastructure	<b>Actions –</b> Progress against key activities		 Campaign for improvements to Junction 25 – discussions on-going but lack of public funding nationally is a problem  Project Taunton – Delivery Team funded until end of 2011/12, but medium-term funding (beyond end of 2011/12) is a concern  Infrastructure Delivery Plan – some delay to implementing Infrastructure Delivery Plan in clarifying growth numbers for T. Deane

**Affordable Housing (Aim 3)**

1.3	Objective 7 Making homes more affordable	Actions – Progress against key activities		<p> Progress being made in promoting several council owned sites to regenerate &amp; create mixed tenure communities</p> <p> TDBC has joined the Somerset West Private Sector Housing Partnership in March 2010 – to improve housing conditions and make private sector housing more affordable in the TD area.</p> <p> TDBC has commissioned a private sector stock survey condition update to identify priorities for improvements. This highlighted the level of non-decency in private sector stock + other issues (disrepair, energy efficiency, vulnerable households).</p> <p> Stalled sites - new Lead Officer appointed (starts in August) to bring forward stalled sites &amp; explore opportunities for cross authority partnership working</p>
		Number of affordable homes delivered		<p><b>2010/11 Target = 200</b></p> <p><b>On target.</b></p> <p>Up to the end of June we have completed on 11. With the number in the pipeline, we are confident of meeting the target.</p>
		% of non-decent council homes		<p>As at 1<sup>st</sup> April 2010 there were 32 properties declared as ‘non-decent’ (these being in the Voids process). Total stock 6078.</p> <p>Work carried out to 382 properties in 2009/10.</p> <p><b>2010/11 Target = max 0.5%</b> (ie 25 properties ‘non-decent’)</p>
		Tackling fuel poverty (NI 187)		<p><b>LAA Target 2010/11 = 16.3%</b> people receiving income based benefits living in homes with a low energy efficiency rating.</p> <p><b>TDBC result 2009/10 = 13%</b>. (LAA target was 17%)</p> <p>Action plan for ‘Affordable Warmth Strategy’ (Somerset West) is on target</p>

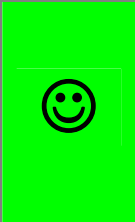
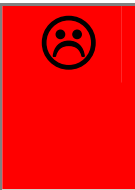

**Climate Change (Aim 4)**







1.4	<b>Objective 8</b> Meet the 10:10 challenge by reducing our carbon emissions	<b>Actions –</b> Progress against key activities		Action Plan agreed by Executive April 2010 and being implemented. The Action Plan currently expects to achieve around a 5.5% reduction in carbon emissions. Further initiatives are, therefore, being discussed and developed with managers; the Carbon Management Steering Group and with the Green Champions. A programme of ‘Smarter driver’ training has begun. Early indications are showing an average increase of 17% in mpg following the training.
		10% reduction in CO2 by Mar 11		The current actions currently expect to achieve around a <b>5.5% reduction</b> in carbon emissions. There are new actions which may achieve further reductions.
		Adapting to climate change		<b>2010/11 Target = level 3</b> (level 2 was achieved in 2009/10) Delivery of actions on target.
	<b>Objective 9</b> Work with communities to reduce carbon emissions across the Deane	<b>Actions –</b> Progress against key activities		LSP working group set up to drive development of the Community Energy Descent Plan/Climate Change Strategy. LSP workshop held in June 2010. Deane Energy Savers Scheme (DESS) set up - 11 volunteers will be trained to undertake basic energy efficiency surveys of households in fuel poor areas. Somerset districts awarded a Performance Reward Grant from the SSP to contribute towards carbon reduction projects within their organisations.
		Per capita CO2 emissions in TD area	N/A	No targets set - awaiting updated data from Defra. Latest data was a 3% reduction from 2006 to 2007





**2. SERVICE DELIVERY**






















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

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS																
2.1	<b>Ensuring development proposals are dealt with positively, with an emphasis on quality outcomes</b> Delivering the Development Management Service aims	Planning Applications Speed of Processing		<table border="1"> <thead> <tr> <th>Type</th> <th>Q1 results</th> <th>Targets</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>a) Major</td> <td><b>66.67%</b></td> <td>65%</td> <td>On target</td> </tr> <tr> <td>b) Minor</td> <td><b>78.87%</b></td> <td>75%</td> <td>On target</td> </tr> <tr> <td>c) Other</td> <td><b>86.14%</b></td> <td>85%</td> <td>On target</td> </tr> </tbody> </table>	Type	Q1 results	Targets	Comments	a) Major	<b>66.67%</b>	65%	On target	b) Minor	<b>78.87%</b>	75%	On target	c) Other	<b>86.14%</b>	85%	On target
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% of appeals allowed against the authority's decision (Target 25%)		<p><b>Quarter 1 = 50%</b> (2 out of 4 appeals allowed against the council's decision)                      All appeal decisions are reported to the Planning Committee. They are also reviewed to see if there are any trends in the decisions made which may require changes or alterations to the way appeals are handled or planning applications determined. Nationally, 31% of appeals were allowed during the same quarter.</p>																		
2.2	<b>Safeguarding the health, safety &amp; welfare of everyone in the Borough</b> Delivering the aims of the Environmental Health Service	Satisfaction with EH regulatory services (Target = 75%)	N/A	<p><b>Data available at end of year</b> (2009/10 = 90%)</p>																
		Food Safety compliance (Target = 80%)	N/A	<p><b>Data available at end of year</b> (2009/10 = 88%)</p>																
		Environmental Protection Team a) reactive tasks b) proactive tasks		<p>a) Requests for Service (e.g. pest control, dog warden, noise, odour, drainage, air pollution, public health).  <b>79% Total Service Requests</b> responded to within target time (411/522)                      b) Inspection Programme (e.g. Inspections of polluting industrial processes and private water supplies)  <b>48% Inspections</b> that should have been carried out that were carried out</p> <p>The target time for Service Request Responses is being reviewed, along with the level of response required.                      Staffing is currently lower than the number allocated in the CCR as two people left recently. Discussions are underway on how best to recruit to the vacant posts, in the meantime the specialist inspection work has been outsourced and it is anticipated to be back on track within a few months.</p>																

		Health & Safety intervention visits (Target = 90%)		<p><b>Quarter 1 actual = 56%</b> Officer time has been prioritised to deal with a number of problem food premises as the downturn in the economy is having an effect. The number of H&amp;S visits can be caught up within a few months as we have maternity cover commencing shortly.</p>								
		Licensing inspections (Target = 75%)	N/A	<p><b>Inspection program not yet established</b> Following Officer training, an inspection programme has been set for the rest of the year and will be reported on in Q2.</p>								
2.3	<p><b>Delivering customer driven services</b> To deliver customer focussed services, achieving high levels of customer satisfaction.</p>	85% of calls resolved at 1 <sup>st</sup> point of contact		<p><b>Quarter 1 actual = 99.5%</b> 201 calls of all calls answered transferred to back office which should have been deliverable within Customer Contact</p>								
		80% of calls answered within 20 seconds		<table border="1"> <thead> <tr> <th data-bbox="884 602 1304 651"></th> <th data-bbox="1304 602 2039 651">Quarter 1 actual %</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 651 1304 732"><b>Contact Centre (SWOne)</b></td> <td data-bbox="1304 651 2039 732"><b>83.92%</b> (41,956 calls. 6,747 not within 20 seconds of hitting CC system)</td> </tr> <tr> <td data-bbox="884 732 1304 781"><b>Deane House</b></td> <td data-bbox="1304 732 2039 781"><b>98.74%</b> (53,444 calls. 674 not within 20 secs)</td> </tr> <tr> <td data-bbox="884 781 1304 829"><b>DLO Depot</b></td> <td data-bbox="1304 781 2039 829"><b>94%</b> (9,646 calls. 579 not within 20 secs)</td> </tr> </tbody> </table>		Quarter 1 actual %	<b>Contact Centre (SWOne)</b>	<b>83.92%</b> (41,956 calls. 6,747 not within 20 seconds of hitting CC system)	<b>Deane House</b>	<b>98.74%</b> (53,444 calls. 674 not within 20 secs)	<b>DLO Depot</b>	<b>94%</b> (9,646 calls. 579 not within 20 secs)
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		Complaints measures -10 day response - % Complaints upheld		<p><b>62%</b> responded to within 10 day target (31 / 50) in Quarter 1 <b>36%</b> of complaints were upheld in Quarter 1 (where the outcome is known) (NB – still awaiting updates on outcome for 11 complaints) <b>Action:</b> The complaints process &amp; associated targets are currently being reviewed. A workshop was delivered to Managers &amp; Lead Officers in July.</p>								
		Benefits Service: Time to process new claims Target= 22 days		<p><b>Quarter 1 actual = 20.07 days</b> (Q1 2009/2010 was 20.13 days)</p>								
		Benefits Service: Time to process changes of circumstance Target = 8 days		<p><b>Quarter 1 actual = 8.49 days</b> (Q1 2009/2010 was 10.42 days) <b>Action:</b> Various improvements being implemented: pilot re processing at time of visit; process re-engineering; e-claims product launch shortly (to capture new claims &amp; changes electronically); &amp; plans for dealing with change of circumstances by phone.</p>								

		Landlord Services – satisfaction with repairs (Target = 98%)		Latest survey results from January 2010 = <b>98%</b>
2.4	<b>Ensuring the Borough is a clean and attractive place to live, work &amp; visit</b> Delivering Parks, Street Cleansing, Highways & Transport Services that are high quality and cost-effective	Street & environmental cleanliness targets.	N/A	Data will be available in Quarter 2.  Targets currently being developed
		Quality Assurance accreditation / Awards		We have four Green Flag Parks: Vivary Park, Victoria Park, French Weir & Wellington Park. We have also achieved Green Pennant status for Swains Lane Nature Reserve. The awards are judged annually & all three parks have maintained this status for many years. Taunton has won the South West in Bloom competition for the last few years; we compete against Bath & other large towns in our population class.

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





Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
3.1	<b>Budget monitoring</b> To control spending within approved budget total for the year	<b>General Fund Revenue</b> within 0.5% =  0.5 – 2% =  over 2% = 		<b>2010/11 Forecast Outturn as at Quarter 1 = underspend of £62,000 (0.4%) against the budgeted net expenditure of £14.428m</b> This is made up of £41k underspend on services and a £21k underspend on other operating costs. Further information is provided in Appendix B of this report.
		<b>General Fund Capital</b> within 2% =  2 – 3.5% =  over 3.5% = 		<b>2010/11 Forecast Outturn as at Quarter 1 = Nil variance</b> Total forecast expenditure for the year is <b>£3.879m</b> in line with the current budget. No variance to this is currently reported.
		<b>Housing Revenue (HRA)</b> within 0.5% =  0.5 – 2% =  over 2% = 		<b>2010/11 Forecast Outturn as at Quarter 1 = £366,000 overspend (-239%)</b> This projected overspend for the year is predominantly related to an updated estimate of the negative HRA Subsidy payment due from TDBC to central government. Members will be aware that the HRA reserve is currently in a healthy state, being <b>£2.647m</b> (unaudited) at 31 March 2010 (approx £440 per property). This overspend, even though it is flagged as red, can be met by the reserve and is not a serious issue for the HRA
		<b>HRA Capital</b> within 2% =  2 – 3.5% =  over 3.5% = 		<b>2010/11 Forecast Outturn as at Quarter 1 = Nil variance</b> Total forecast expenditure for the year is <b>£6.058m</b> in line with the current budget. No variance to this is currently reported.
3.2	<b>Reserves</b> To maintain an adequate reserve (based on financial risk analysis)	<b>General Fund reserve</b> >£1.25m =  £1 - £1.25m =  <£1m = 		The GF Reserve was <b>£1.564m</b> at end March 2010 (unaudited). Based on the Q1 Outturn Forecast underspend above, and after taking into account the budgeted transfer to general balances in the Original Budget for 10/11 of £91k, the projected balance at the end March 2011 is <b>£1.718m</b> . This is well above the minimum reserves expectation within the Budget Strategy.
3.3	<b>Next year's budget gap</b>	A balanced budget 2011/12		The MTFP included a budget gap of £1.239m for 2011/12 (per budget approval in February 2010). This will need to be addressed through the detailed budget setting process for next year, which will take place in the coming months. This is shown as amber because of the current size of the potential budget gap.

# TDBC SCORECARD Q1 2010/11 (Appendix A)








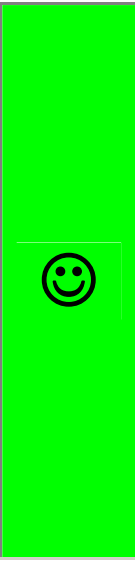
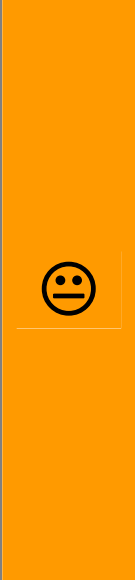






3.4	Debt collection	Council Tax Target = 98%		Quarter 1 actual = 35.37% (Q1 2009/2010 was 35.02%) 2010/11 forecast = 98.00% (last year was 97.7%)
		NNDR Target = 98.3%		Quarter 1 actual = 35.45% (Q1 2009/2010 was 32.07%) 2010/11 forecast = 98.30% (last year was 98.9%)
		Housing Rent Target = 98.3%		Quarter 1 actual = 93.4% 2010/11 forecast = 98.3% The teams are confident that arrears will continue to reduce in periods Qtr 2, Qtr 3 and Qtr 4.
		Sundry Debts position  (Quantifiable measures are being developed)		
<b>Outstanding debt</b>	<b>£5,079,886</b>	£5,858,866		
<b>Aged debt over 90 days old</b>	<b>78.91%</b>	58.03%		
<b>Value:</b>	<b>£ 3,348,548</b>	£ 2,957,488		
<p>The reason for the measure being amber is that 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 <b>areas of the end to end process which are either not operational</b> (for example post final notice recovery action and reminders for piper lifeline accounts and instalment plans) <b>or are not up to date</b> (for example the processing of correspondence, where there is currently a significant backlog). However, there has been progress in developing reminders for piper lifeline accounts and instalment plans which it is hoped will be tested and implemented shortly. Similarly, the correspondence backlog is being targeted and tracked weekly.</p> <p>The total debt between Q4 2009/10 and Q1 2010/11 has fallen. However, <b>the proportion of older debt has risen</b>. This is indicative of debts recently raised through SAP largely being collected promptly but <b>older debt, mostly migrated from the Council's legacy debtors system in April 2009, has stagnated</b>. Once post final notice action commences for these older debts it is expected that the proportion of older debts (above 90 days) will start to reduce. This will be through a combination of payments as well as write-offs for irrecoverable debts. This will be looked at again by Corporate Scrutiny in October.</p>				



3.5	<b>Benefits subsidy</b>	To achieve 100% subsidy		<b>Projection for 2010/11 = 100%</b> (by remaining in the lower threshold for LA error overpayments)
3.6	<b>Transformation Projects</b> Ensure TDBC realises benefits of the various transformation projects, including the adoption of a new procurement strategy	Procurement benefits Original estimated target at end Mar 2011 £1.8m. Minimum of £400k required in 2010/11 (cumulative £800k)		<b>£470k actual savings delivered</b> This is RED because savings are behind original forecast made in 2007. <ul style="list-style-type: none"> <li>• Monthly procurement update report to CMT in June – SW One Senior Manager will be challenged to produce plans to close the gap &amp; update on the changes from the original procurement saving plan</li> <li>• Lack of reliable spend reports in SAP is negatively impacting on speed of identifying further savings opportunities</li> <li>• SW One Procurement service are analysing baseline spend in 2007 against current spend and believe there is a 20% variation which will adversely impact on the savings profile estimate put forward by IBM at the outset of the ISiS project. TDBC do not necessarily accept this position.</li> <li>• Quarterly procurement report going to Change Programme Members steering group – next meeting 21<sup>st</sup> Sept.</li> <li>• Half yearly procurement report went to Corporate Scrutiny 29<sup>th</sup> July – a further update report was requested for 3 months time (Oct/Nov)</li> </ul> <b>Action:</b> 4 new savings initiatives due to be signed-off and commence this quarter. Temporary Staffing contact aggregation, hard Facilities Management (£198k savings), office supplies (£95k) and utilities (£168k) – please note savings will be spread over duration of respective contracts and will not be delivered in full during 2010/11.
		CCR proposed savings 2010/11 = £450k for Themes 2 & 4		Projected savings from CCR Themes 2 & 4 are being finalised during August. It is currently projected that these will be at least <b>£450k</b> , and the final amount will be confirmed in the Q2 report.
3.7	<b>Efficiency Savings</b>	3.5% savings p.a (of 2007/08 baseline)		The NI179 target set by the Government applies to the Somerset LAA; there is <u>no formal agreement</u> for TDBC's share of LAA target. However, based on an informal pro-rata estimate of the LAA stretched target, the projected cumulative 3-year 'value for money gains' requirement by the end of 2010/11 is £2.397m (11.5%). The value of cumulative ongoing gains from the previous two years is £1.414m (unaudited), therefore further gains of £983k will need to be achieved in 10/11 to meet the estimated 3-year requirement. The forecast for 10/11 gains will be formally reported in the Q2 report.








## 4. KEY PROJECTS


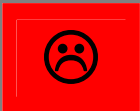
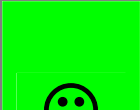
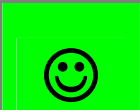
Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
4.1	<b>Local Development Framework (LDF) Core Strategy</b> To identify sites to accommodate the Regional Spatial Strategy growth requirements to the year 2026	Publish Core Strategy for consultation in Jan/Feb 2011  Adopt the LDF Core Strategy by end of 2011		The publication of the Core Strategy is now programmed for January/February 2011. The delay from the original timetable (Sept 2010) is primarily due to the abolition of the RSS and the need to review the evidence base, and review economic and demographic projections, as set out in the report to Community Scrutiny on 22 June. Other factors are the delay to the Infrastructure Delivery Plan arising from the need to review the SFRA and the infrastructure implications of the North Taunton Urban extensions. The Examination will now be in June/July and adoption at the end of 2011.
4.2	<b>Housing Inspection project</b> Achieve min “performing adequately” score in formal housing inspection (Autumn 2010)	Deliver project plan / work programme		Cross-theme Project Team meets regularly to monitor progress against outcome focused action plan. Key progress as at June 2010: <ul style="list-style-type: none"> <li>• Land Supply and Housing Viability Studies updated</li> <li>• Strategy Service Plan and Priorities for 2010/11 completed</li> <li>• Strategic Context, Housing Needs and Housing Supply sections of emerging Housing Strategy drafted – structure discussed with Government Office</li> <li>• Empty Homes Officer employed by Private Sector Partnership now working in Taunton Deane to bring more empty properties back into use</li> <li>• Further Audit Commission “Critical Friend” support arranged to assess improvement plan progress and to give further constructive challenges</li> <li>• Housing market intelligence and housing needs evidence base updated</li> </ul>
4.3	<b>Core Council Review</b>	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)		A project team has been established to implement members’ decision to explore outsourcing and internal transformation as potential future options for DLO services. Both options will contain proposals to address members’ key priorities to improve efficiency, deliver financial savings and increase the commerciality of DLO services. A final decision will be made by members in 2011, after the May elections.

		Theme 5		The Chief Executive will provide a progress report in the Autumn
4.4	<b>SAP implementation</b>	SAP Back Office Processing (BOP) system implementation		<p>The SAP BOP system was originally scheduled for launch in early 2009. Elements of the system were launched last year and are working (e.g. budgets, payments to suppliers, income posting, payroll, invoicing of debtors, the interface with the DLO systems).</p> <p>However, significant problems and delays were encountered in other areas of the system. We are currently implementing a plan to re-launch those areas of the system.</p> <p>A phased approach is being taken. Phase 1, which was successfully completed at the end of June 2010, has seen the completion of ‘sign-in’ checks by all staff to check that they have the correct access to the system. Phase 1 has also seen the successful completion of an exercise by a small group of staff to trial the use of the full ‘procure-to-pay’ functionality within the system. We have now moved to the next phase which involved training staff in the use of the ‘procure-to-pay’ functionality. Full ‘procure-to-pay’ functionality was implemented with effect from 1 August 2010.</p>
4.5	<b>Project Taunton</b> 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>Project progress &amp; development milestones achieved</p> <p>NB – full progress report produced by Project Director for Project Board quarterly</p>		<p>Overall, this project is ‘Amber’ because of the funding uncertainty.</p> <p>A summary of the key achievements and areas of concern is below:</p> <ul style="list-style-type: none"> <li> <b>Firepool</b> – Planning application for landscaping granted. Planning application for first phase submitted shortly.</li> <li> <b>Tangier</b> – Third Way underway.</li> <li> <b>Retail</b> – Discussions on-going. SPD to be completed by autumn.</li> <li> <b>Longrun Meadows</b> – Due to open August.</li> <li> <b>Funding</b> – Growth Points economic development funding remains available. A letter confirming our requirement was sent in July. Uncertainty as to when we will receive confirmation.</li> <li> <b>Castle Green &amp; Goodland Gardens</b> – A scheme will take place at Castle Green and its design and extent will be dependant on Growth Point funding allocation.</li> </ul>












## 5. KEY PARTNERSHIPS

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS																									
5.1	<b>Local Strategic Partnerships</b> Support Somerset LSP Support Taunton Deane LSP	LAA PIs (NIS) on target	N/A	<p>The performance of the Somerset Local Area Agreement (LAA) is reported to the SSP Joint Board &amp; Joint Executive Team, and to the Taunton Deane LSP. The 2009/10 LAA Outturn report identifies:</p> <ul style="list-style-type: none"> <li>- 26 Performance Indicators were on or above target</li> <li>- 16 Performance Indicators were below target</li> <li>- 22 Performance Indicators were unknown</li> </ul> <p>More detail can be found on the Somerset Strategic Partnership website.</p>																									
5.2	<b>Southwest One</b>	Efficient delivery of in-scope services (basket of KPIs)		<b>Key Performance Indicators – Quarter 1 (2010/11)</b>																									
				<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>No. of indicators</th> <th>No. of times measured in Q1</th> <th>No. on Target</th> <th>% on target</th> </tr> </thead> <tbody> <tr> <td>Monthly</td> <td>13</td> <td>39</td> <td>38</td> <td>97.4</td> </tr> <tr> <td>Quarterly</td> <td>12</td> <td>12</td> <td>12</td> <td>100</td> </tr> <tr> <td>Annually</td> <td>23</td> <td>0</td> <td></td> <td></td> </tr> <tr> <td><b>Total</b></td> <td><b>48</b></td> <td><b>51</b></td> <td><b>50</b></td> <td><b>98.04%</b></td> </tr> </tbody> </table>		No. of indicators	No. of times measured in Q1	No. on Target	% on target	Monthly	13	39	38	97.4	Quarterly	12	12	12	100	Annually	23	0			<b>Total</b>	<b>48</b>	<b>51</b>	<b>50</b>	<b>98.04%</b>
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Social & economic development	N/A	<p>The SWOne contract includes 'deliverables' that support socio-economic development in the area, eg supporting new &amp; small businesses, &amp; promoting Somerset to businesses.</p> <p>A summary of progress of programmes &amp; activities will be included in the SWOne report to Corporate Scrutiny in November. Measures &amp; outcomes to be developed in 2010/11</p>																											








5.3	Tone Leisure More people, more active, more often	PI – Target 2% increase in total leisure visits		Quarter 1 actual = 259,866 total visits = approx 767 more visits than Q1 2009/10 (= +0.3%)
		PI – Target 3% increase in swim visits		Quarter 1 actual = 99,981 total visits = approx 2087 less visits than Q1 2009/10 (= -2%)
		Progress against Tone Leisure key business objectives		Tone Leisure produces quarterly progress reports on their corporate business plan. A full report for Q1 from Tone Leisure will be presented to Community Scrutiny Committee on 17 August 2010. The 2009/10 Outturn report (Community Scrutiny 22 June 2010) concludes that “Tone Leisure are generally satisfied with 2009/10 business performance, particularly given the difficult economic climate”.
5.4	Somerset Waste Partnership To increase participation in the recycling service through promotion and enforcement	PI - % of household waste sent for reuse, recycling & composting (Target = ?%)	N/A	<b>Quarter 1 actual = 47.8%</b> (2010/11 target or forecast = not available until Aug) It should be noted that the forecast for 2010-11 does not take into account any further recession or economic growth effects, any increased waste minimisation, or recycling capture or participation, beyond the effect of Sort-It+. The TDBC Qtr 1 recycling rate remains the highest of all of the five Somerset Districts. <b>Action:</b> With the rollout of ‘Sort It+’ across the Borough during 2010-11 and any improvement to the economy, these can only increase the recycling rate even further.
		PI – Residual household waste (Target = ?kg per household)	N/A	<b>Quarter 1 actual = 93.6 kg per household</b> (2010/11 target or forecast = N/A) It should be noted that the forecast for 2010-11 does not take into account any further recession or economic growth effects, any increased waste minimisation, or recycling capture or participation, beyond the effect of Sort-It+. However, TDBC Qtr 1 result for residual waste landfilled remains the lowest of all the five Somerset Districts.
		Progress against key business objectives		The roll-out of ‘Sort It Plus’ is a key achievement (all 5 of the Somerset Districts will now be on line by the end of the financial year 2010-11, resulting in further cost savings). We are confident in achieving over 50% recycling by the end of 2010-11.
5.5	South West Audit Partnership	Target min 90% of 2010/11 Audit plan delivered	N/A	...% of planned audits in Quarter 1 were completed or are in progress  Data not available for reporting until Quarter 2

## 6. PEOPLE (Human Resources)

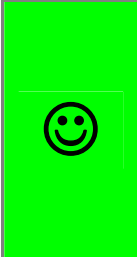
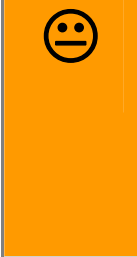



Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
6.1	<b>Investors in People (IiP)</b> Achieve IiP re-accreditation, by delivering the IiP action Plan	Milestones achieved in IiP Action Plan.		On target with achievement of milestones in new action plan.
		IiP accreditation by March 2011		New action plan April 2010-March 2011 to be agreed with IiP Assessor by the end of May. This will work towards accreditation by March 2011. Current position is 85% achievement of IiP standard (33/39 strands)
6.2	<b>Staff Sickness</b> Reduce sickness absence through strong absence management, revised policies & procedures, & training	Target = 9 working days max lost per FT employee		<b>Quarter 1 actual = 2.15 days      2010/11 forecast = 8.6 days</b>  <b>Action:</b> Additional work to support the further reduction in sickness absence has been agreed as part of a Sickness Absence Action Plan agreed with Corporate Scrutiny in March 2010. This issue was reported again at the same committee 21st June.
6.3	<b>PRED / Training Plans</b> Maintain effective performance management of people and establish & deliver development needs	100% completion of PREDs		<b>70%</b> of staff have had a PRED in the last 12 months. No further reviews complete yet as these are not due until autumn 2010 <b>Action:</b> people management training planned for 2010, and standards & policies will also be reinforced
		100% completion of training plans		<b>90% complete</b> for last year. Plans for 2011/12 due in October.
		100% delivery of 'essential' training activities (corporate training plan)		<b>60% (estimate)</b> of 2010/11 Corporate training plan due in Q1 was delivered. <b>Action:</b> A new corporate training plan for 2010/11 is in place, and a delivery plan is still being discussed with SWOne. Some actions are complete, others are underway and cover a longer period and some have not been started. Reasons for less than 100% completion are varied but mainly due to SWone not delivering some of areas down to them on time, eg management development, changed priorities (staff briefings & survey have taken some precedence), still awaiting a strategy eg project groups and some areas with a long time span where more activity will be seen later in the year (eg H&S training)

6.4	<b>Staff Turnover</b>	Target 12% (voluntary leavers as % of staff in post)		<p><b>Total turnover = 2.7%</b>  <b>Voluntary Turnover = 1.1%</b>                      Early Retirement/Redundancy = 0.65%                      Ill Health Retirement = 0%                      Other (End of Contract/Dismissal) = 0.95%</p>
6.5	<b>Improve Staff Satisfaction</b>	Results from staff survey / resulting action plan		<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><b>Action:</b> An action plan has been developed and communicated to staff. Implementation has begun, though the impact will take some while to show through.</p>
6.6	<b>Embed 'thematic working'</b> Develop new ways of working and behaviours that are more flexible, involve project working and less rigid structures.	Results from staff survey. Positive evidence in cross organisational working, effective project teams, greater staff flexibility leading to improved organisational performance		<p>Major communication/engagement events (staff briefings) held during May &amp; 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.</p> <p>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	<b>Corporate Improvement Plan</b> Deliver the action plan, focussing on high priority areas	Deliver 95% of High priority Actions, and 80% of Medium priority actions by target dates		<b>77%</b> of High priority actions on target or completed <b>95%</b> of Medium priority actions on target or completed Based on detailed report considered at Corporate Governance Committee 28 June 2010. <b>ACTION:</b> Quarterly updates to Corporate Governance Committee and CMT. The Corporate Improvement Plan is undergoing a review due to the abolition of CAA, as this may mean less detailed external audit recommendations.
7.2	<b>Audit &amp; Inspection</b> Ensure that statutory Audit & Inspection obligations are met, and scores maximised	Internal audit findings		There were 8 audits completed in Quarter 1. The findings were:  Comprehensive assurance = 1 (Free Swimming initiative)  Reasonable assurance = 2 (Council Tax/NNDR, Housing Benefits)  Partial assurance = 4 (Asset mgt, Main Accounting, Payroll, Street Cleansing)  No assurance = 1 (Creditors) Ref: Internal Audit Plan progress review (SWAP) report to Corporate Governance Committee 28 June 2010  Action plans have been identified & are being implemented as a result of each of these audits (these are summarised within the same SWAP report).
		2009/10 Final Accounts unqualified		External audit are undertaking substantive testing of the significant items in the accounts, which will determine their accuracy overall. This will be reported in Quarter 2.
7.3	<b>Equalities &amp; Diversity</b> Develop practices & policies based on Equalities Framework for Local Govt ('achieving' level)	Themes/Service areas delivery of Equality Action Plans	N/A	Once the service planning process in fully complete, the Strategy Officer will monitor delivery of Equality Action Plans within each Theme or Service. The detail will be included in a separate quarterly report to Executive (from Quarter 2)
		Council reports including Equality Impact Assessments	N/A	The Strategy Officer will monitor completion of Equality Impact Assessments within all council reports. The detail will be included in a separate quarterly report to Executive (from Quarter 2)



7.4	<b>Risk Management</b> To ensure major risks are managed by embedding Risk Management Strategy	Delivery of RM Strategy Action Plan		<p>91% of actions are on target or completed          Based on detailed report considered at Corporate Governance Committee 28 June 2010.</p> <p><b>ACTION:</b> Quarterly updates to Corporate Governance Committee and CMT          Current priorities: review of arrangements &amp; an audit of risk management status in partnerships; completion of Service/Theme risk registers</p>
7.5	<b>Value for Money / Benchmarking</b> To ensure that Services provide excellent value for money	Council Tax charges – in lowest quartile	N/A	TDBC 2010/11 precept is within <b>lowest ...% nationality</b>  <b>Information not available at this time.</b>
		Target efficiency savings at areas with poor VfM		<p>Amber because more work needs to be done to determine 'Value for Money' analysis of service areas.</p> <p>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)</p>
7.6	<b>Asset Management</b> Develop the Council's Asset Management arrangements	Implementation of Asset Mgt Plan		<p>The AMP was adopted by Executive on 16<sup>th</sup> July. The Asset Management Group met on 8<sup>th</sup> July to review ongoing initiatives and prioritise new ones.</p> <p>Some ongoing delays due to resourcing, notably clarifying budgets to enable the full condition survey to proceed. Once undertaken the planned maintenance programme can be developed, agreed and implemented. Ambiguity on budgets to complete works needs resolving.</p> <p><b>Action:</b> Finance to continue to work with Property &amp; FM to improve budget structure and confirm available funds, prior to programme being developed.</p>
		Target 70% of maintenance spend planned		Not yet able to report % of planned to reactive maintenance spend ratio due to budget code reporting problems.
7.7	<b>Health &amp; Safety</b> To take Health & Safety forward	Delivery of H & S Action Plan		<p>H &amp; S action plan = 20% completed</p> <ul style="list-style-type: none"> <li>No significant injury accidents or incidents or trends to report for this quarter</li> <li>We are confident that the Action Plan will be completed this year.</li> </ul>

## Appendix B

### 2010/11 Budget Monitoring Update (Quarter 1)

#### 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 1 (Q1).
- 1.2 The Q1 budget monitoring of the General Fund Revenue shows a forecast underspend of £62,000 (0.4%) against budgeted Net Expenditure of £14,428k. This underspend, together with the budgeted 'bottom-line' surplus, i.e. budgeted transfer to the general fund balance, of £92,000, would result in an increase of £154,000 in General Fund Reserves leading to a final balance of £1.718m in March 2011.
- 1.3 The Q1 budget monitoring of the HRA shows a forecast overspend of £366,000 against a budgeted Net Expenditure of £153,000. This would result in a decrease of £519,000 in HRA Reserves leading to a final balance of £2.128m in March 2011.
- 1.4 There are no projected Capital Programme budget variances for both the General Fund and HRA at this time.

#### 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 £14.366m giving an **underspend of £62k (0.4%)**.
- 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 £154k against the General Fund revenue account, as shown in the following table.

	Budget £'000	Forecast £'000	Variance	
			£'000	%
Net expenditure on services	15,389	15,348	(41)	0.3%
Other operating costs	969	948	(21)	2.0%
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	-
<b>Net Expenditure</b>	<b>14,428</b>	<b>14,366</b>	<b>(62)</b>	<b>0.4%</b>
Grants and Local taxation	(14,520)	(14,520)	0	
<b>Net (Surplus)/Deficit for the Year</b>	<b>(92)</b>	<b>(154)</b>	<b>(62)</b>	

- 2.3 The key variances are explained as follows:

Budget Area	Explanation	Outturn Forecast Variance £'000	
<b>Expenditure on Services</b>			
<b>Corporate Resources</b>			
NNDR	The NNDR on the TDBC assets is underspent due to refunds from previous year re valuations	(60)	☺
<b>Environmental Services</b>			
Crematoria Salaries	Expected savings on salaries at the crematoria due to staffing restructure	(10)	☺
Crematoria Premises	Invoice for works completed in 09/10 not paid for or accrued for in 09/10	16	☹
<b>Planning, Policy &amp; Transportation</b>			
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	☹
NNDR	The NNDR for the car parks is underspent against budget	(22)	☺
<b>Subtotal – Total Service Expenditure Net Variance</b>		<b>(41)</b>	<b>☺</b>
<b>Other Costs and Income</b>			
Investment Income	There is an expected increase in investment income	(21)	☺
<b>Subtotal Authority Expenditure Net Variance</b>		<b>(21)</b>	<b>☺</b>
<b>Grand Total – General Fund Revenue Net Variance</b>		<b>(62)</b>	<b>☺</b>

### Other Potential Risks and Issues

- 2.4 As this is the Q1 Forecast, it is very early in the financial year. 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:
- 2.4.1 Land charges: In the last few days we have been given notice by DEFRA that we will no longer be able to charge for personal searches of the local land charges register. These searches are currently charged at £22 each. The impact of this on the income for land charges is currently being investigated and will be reported fully within the Q2 report.
- 2.4.2 Waste Contract: At this time we are still waiting for confirmation of the expected saving from the Sort It Plus scheme. The current estimate is in the region of £200k for a full year.
- 2.4.3 Planning Income: The recently approved increase in fees for pre-planning advice is unlikely to have a significant impact on planning income, as this a very minor proportion of total. At the end of Q1, planning fees are below year-to-date



budget, but July's figures show enough of an upturn that at this stage no overall decrease in income is expected for the year.

### 3 General Fund - Reserves

3.1 The balance on 1st April 2010 is £1.564m (subject to audit). The projected surplus of £154k would increase General Fund Balances to £1.718m in March 2011.

### 4 Earmarked Reserves

4.1 The earmarked reserves are currently being reviewed by the Section 151 Officer and a full report will be presented to members in August. The balance at 1st April 2010 is £8.827m (subject to audit).

### 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. Currently there are no reported forecast variances against this total.

### 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 £519k, giving a reported overspend against budget of £366k, as shown in the following table.

	Final Budget £'000	Outturn £'000	Variance	
			£'000	%
Net cost of services	(1099)	(699)	400	-36%
Other operating costs and income	1122	1088	(34)	-3%
Transfers to/from reserves	130	130	0	-
<b>Net (Surplus)/Deficit for the Year</b>	<b>153</b>	<b>519</b>	<b>366</b>	<b>-239%</b>

6.2 The key variances are explained as follows:

Description of Variance		Outturn Forecast 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	⊗
Investment Income	There is an expected increase in interest receipts.	-34	☺
<b>Net variation</b>		<b>+366</b>	⊗

### Other Potential Risks and Issues

6.3 As this is the Q1 Forecast, it is very early in the financial year. In addition to the current forecast variances shown above, managers have identified one issue at this stage where there is a risk of future variances but there is uncertainty in

terms of likelihood and/or amount.

- 6.3.1 Tenant Empowerment: there is a potential overspend estimated to be between £30k and £90k in this service. The full effect will be dependant upon the timing of staff coming into post and the usage of the training budget. This is planned to be funded from HRA reserves and it is proposed to include this in the Q2 monitoring report when a more accurate forecast will be possible.

## **7 HRA Reserves**

- 7.1 The balance on 1st April 2010 is £2.647m (subject to audit). The current projected deficit of £519k would decrease HRA Reserves to £2.128m in March 2011.

## **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. Currently there are no reported forecast variances against this total.

## **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 As highlighted to the Executive in the 2009/10 Budget Outturn Report in June, the income projection is currently under review. This is expected to be completed by the end of September. In the interim there would appear to be a possibility of £50k deficit due to the Yarlinton contract being included at budget setting although the contract subsequently did not go ahead. The forecast will be firmed up and any estimated variance included in the Q2 monitoring report.

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