

Taunton Deane Borough Council

Executive – 7 December 2011

Financial and Performance Monitoring – Quarter 2 2011/2012

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

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

1. Executive Summary

This report provides an update on the financial position and the performance of the Council to the end of Quarter 2 of 2011/12 (as at 30 September 2011).

The detailed 2011/12 financial position for Quarter 2 is provided in Appendix B although a high level summary is also included in the Scorecard (section 3).

The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets is an important part of the overall performance management framework.

4 'key issues' have been identified from analysis of the performance and financial data for Quarter 2 (these are described in section 4 of this report):

- Planning performance (speed of processing 'Major' applications)
- Health & Safety Inspections
- Car Parking (Off Street) income
- Building Control income

Analysis of the overall performance of the Council reveals a slightly improved position to the previous quarter, with 68% of all performance measures being on target (ie 'Green' alert). An improving trend is shown in the areas of: Managing Finances, Key Partnerships; People; and Corporate Management.

The Corporate Strategy section indicates that performance remains good in this area with 76% of all measures given 'Green' status alerts.

A declining trend is shown in the Service Delivery area due to 2 previously 'Green' alerts now shown as 'Amber'.

2. Introduction to the Performance Scorecard (please see Appendix A)

- 2.1 The TDBC Scorecard at **Appendix A** contains full details of Quarter 2 performance, however section 3 (below) of the report provides further information and guidance for members on the key issues that have been identified through analysis of the data. Additional commentary has also been provided by responsible officers and CMT where appropriate
- 2.2 Scorecard explanation / key

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

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

2.3 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	

2.4 A summary / overview of the Quarter 2 scorecard (appendix A) is in the table below

Section	No. of measures	Green	Amber	Red	N/A	Trend (from last quarter)
1) Corporate Strategy Aims	21	76% (16)	9% (2)	5% (1)	9% (2)	↔
2) Service Delivery	15	67% (10)	20% (3)	13% (2)		↓
3) Managing Finances	12	75% (9)	8% (1)	17% (2)		↑
4) Key Projects	6	67% (4)	33% (2)			↔
5) Key Partnerships	9	67% (6)	22% (2)	11% (1)		↑
6) People	6	50% (3)	17% (1)		33% (2)	↑
7) Corporate Management	11	55% (6)	27% (3)		18% (2)	↑
TOTALS	80	68% (54)	18% (14)	7% (6)	7% (6)	↑

KEY:

↑ = Improving (ie more Green, less Amber &/or Red alerts)

↓ = Worsening (ie less Green, more Amber &/or Red)

↔ = No change

3. Financial Performance (April 2011 - September 2011 Budget monitoring)

3.1 A summary of key financial performance is found in the scorecard (**Appendix A**), section three – Managing Finances.

3.2 A more detailed financial performance report can be found in **Appendix B**. This appendix provides details of the financial position and forecast outturn summaries for the: General Fund Revenue Account; General Fund Reserves; Housing Revenue Account; HRA Reserves; Earmarked Reserves; Deane DLO Trading Account; Deane Helpline Trading Account; Capital Budgets (GF & HRA).

3.3 Finance comments from the Strategic Finance Officer (Deputy S151 Officer):

- i) The economic climate continues to have a adverse impact upon on revenue budget position
- ii) The overspend on the General Fund continues to be monitored by CMT and has improved slightly from the Q1 estimates
- iii) The HRA is predicting an increase in repairs and maintenance costs due to higher than budgeted voids.
- iv) The capital programmes are currently predicting no significant issues.

4. Key issues arising from Quarter 2 Performance and Budget monitoring

The Corporate Performance Scorecard (appendix A) and Financial Position report (appendix B) have been analysed by the Performance and Financial Advisory teams, and 'Key Issues' identified. These 'Key Issues' have been subsequently considered by CMT to provide Members with the relevant information on: description of the issue; risks & impacts; reasons for the issue emerging; management actions and CMT comments.

There are other performance measures identified with 'Red' or 'Amber' alerts in the scorecard which are not included in this 'Key Issues' section as they have not been considered 'significant'. Members are invited to scrutinise any aspect of the performance and financial reports as usual, however it is recommended that the 'Key Issues' within this section require the closest scrutiny.

4.1 Planning performance – speed of processing planning applications

Description of the issues / areas of concern	Scorecard (appendix A) ref: 2.1 All 3 Key Performance Indicators (KPIs) measuring speed of processing Planning applications are off target (Major & Minor applications being significantly off target)
Risks & impact	Potentially poor customer service and reputational impact. (NB – there is no direct financial impact of missing these targets)
Reasons that the issues have emerged	<ul style="list-style-type: none"> • Delay in responses from SCC Highways continues to be a major constraint on our ability to meet target for major applications. We have also recently dealt with a number of complicated cases whereby a decision has been made that it is preferable to take time to reach a negotiated solution rather than refuse within 13 weeks and the potential of an appeal being lodged (with the work and delay that that entails) • Performance on minor and other applications for quarter 2 alone is in line with the targets, although the figure for the first two quarters together remain below target as a result of the poorer quarter 1 performance
Management actions & CMT comments	Planning managers are proactively monitoring team & individual performance on a weekly basis. Staff have been reminded of targets and policies.

4.2 Health & Safety Inspections (Environmental Health)

Description of the issues / areas of concern	<p>Scorecard (appendix A) ref: 2.2 Health & Safety intervention visits are off target (Q2 = 51%, having completed 44 out of 86 scheduled inspections, against a target of 90%). Also, the total number of H & S inspections completed has significantly decreased compared to the same period last year (44 compared to 247).</p>
Risks & impact	<p>All high risk premises will continue to have inspections of frequency according to their risk rating.</p>
Reasons that the issues have emerged	<ul style="list-style-type: none"> • The gas safety visits continue to be highly enforcement intensive requiring considerable officer input. This work is worthwhile due to the risk posed by unsafe gas appliances and installations • The decrease in H & S visits is because we are following HSE guidance on priority inspections, we are focusing on fewer but detailed inspections where gas is used and last year we did a number of 'desktop' assessments in line with guidance which boosted numbers. We have not had the capacity to do these as the gas work has been so enforcement intense. • The HSE has issued recent guidance to LA's that they should be reducing health and safety inspections by 20%. As such the Council has been targeting resources to inspect high risk premises and seeking to undertake alternative interventions on lower risk premises such as questionnaires or project work. • Health and safety inspections are carried out in line with a risk based intervention programme where some high risk premises will require annual visits, others in the first half of year 2. Other low risk premises may not require an intervention for a number of years, therefore the number of inspections won't be the same year on year.
Management actions & CMT comments	<p>The work programme will be revised to take this into account.</p>

4.3 Car Parking income (Off Street)

Description of the issues / areas of concern	<p>Financial Position report (appendix B) ref: 1.5a</p> <p>Although the forecast parking income has improved compared to Q1, the £400k shortfall of off-street income against budget is still significant. Income for on-street parking has increased and is forecast to exceed budget by £149k for the year. The net position is an income shortfall of £251k.</p>
Risks & impact	<p>The level of income is reliant on customer usage, which can be influenced by many factors beyond the Council's control. A repeat of last year's severe winter weather could have a detrimental impact on the current forecast.</p>
Reasons that the issues have emerged	<p>The number of people using the car parks in the district is down significantly on previous years which is likely to be due to wider economic factors such as the recession and cost of fuel, and use of alternatives such as Park & Ride.</p>
Management actions & CMT comments	<p>CMT will continue to monitor the overall position on the General Fund Revenue Account and aim to implement corrective action necessary 'in-year' to bring us back to our budget position (or reduce the overspend dramatically).</p>

4.4 Building Control

Description of the issues / areas of concern	<p>The income for Building Control fee-earning work for the first half of the year has fallen significantly below budget. The Building Control fee-earning service operates as a trading account, and the impact of the reduced income is expected to result in a deficit for the year.</p>
Risks & impact	<p>If the poor level of income continues Building Control Income is forecast to be below budget by £200k this financial year. This places a risk on general fund reserve balances as any loss on the trading account would need to be funded from reserves. There is no earmarked trading account reserve balance brought forward from previous years to mitigate any loss in the current year.</p>
Reasons that the issues have emerged	<p>The major cause of this is the current economic situation as there is relatively little building work being done. As a result of this there is increased competition for the small amount of building control work that does exist and historically a greater share would have been undertaken by the Council.</p>
Management actions & CMT comments	<p>The department is working hard to streamline its staffing. They have been running with an unfilled surveyor vacancy since the beginning of the year. An admin post has also recently become vacant and will not be filled. Any new vacancies arising will also be held vacant to manage expenditure down. Work is also being undertaken to review the hourly rate that the department charges to ensure that full cost are recovered, however there is a limit to the increase in fees that the current market could withstand.</p>

5. **Comments from Scrutiny**

This report was considered by the Corporate Scrutiny Committee on 24th November. The following comments and queries were raised:

- **Major Planning applications** – a request was made to the Growth & Development Manager to provide the Corporate Scrutiny Committee with evidence of how the issue of SCC Highways planning delays has been raised and their response to this
- **5 year supply of housing land** – concern was expressed at the level of exposure to the risk of extra costs to TDBC and risk of development where it was not wanted. It was also commented that in addition to the state of the housing market, another key issue is the high cost of infrastructure. The Growth & Development Manager will respond to the Corporate Scrutiny Committee, and a report has been submitted to the LDF Steering Group which identifies the issues and provides potential solutions.
- **Affordable Housing** – a request was made to clarify what the shortage of affordable homes is, and to confirm when the Nerrols farm development will be delivered.

6. **Finance Comments**

This report covers the financial position of the Council and comments from the Strategic Finance Officer are included in section 3 of this report.

7. **Legal Comments**

There are no legal implications in this report.

8. **Links to Corporate Aims**

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

9. **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).

10. **Equalities Impact**

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

11. **Risk Management**

Significant risks associated with each 'key issue' are identified in this report (section 3). See the scorecard section 7.4 for details of risk management progress within the council.

12. Partnership Implications

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

13. Recommendations

It is recommended that the Executive review the Council's performance and financial position as at the end of Quarter 2, taking corrective action or requesting further information from Theme Managers where necessary.

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1. CORPORATE STRATEGY AIMS

Tackling Deprivation & Sustainable Community Development (Aim 1)

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
1.1	Objective 1 Focus on Taunton East, North Taunton & Rural Deprivation	Index of Multiple Deprivation (IMD) score <i>For Information only</i>	 Red	IMD data is only published every 3 years, consequently this indicator will remain as 'Red' throughout this period and is ' <i>for information only</i> ' as it does not reflect current TDBC performance re delivery of this corporate aim. The latest IMD data for 2010 highlights that levels of deprivation within Taunton Deane are worsening (especially North Taunton & Taunton East). Our focus is on the delivery of the 'Priority Areas Strategy' (PAS) programme.
		Actions – Progress against key activities	 Green	<ul style="list-style-type: none"> Priority Areas Strategy (PAS) programme is progressing as expected and continues to receive the support of a wide range of partners across the public & voluntary sectors – progress is reported to Community Scrutiny regularly (last report August 2011). Following a successful 'Visioning day' the project is now working towards the preparation of a draft action plan for North Taunton & Taunton East. This is expected during December 2011. We are awaiting a decision from Communities & Local Govt on a proposed Community Budget pilot for Taunton Deane.
		Staff volunteer scheme	 Green	The pilot scheme has been completed and CMT will review in November
	Objective 2 'One-Stop' advice on skills, employment & training	Actions – Progress against key activities	 Green	<ul style="list-style-type: none"> Delivery capacity is being increased at Job Clubs by appointing a voluntary sector partner – 'ViSTA' TDBC is now responsible for the Priorswood Job Club, in addition to existing services at Halcon & Wellington
		Number of people supported / back to work	 Green	Significant increases in attendance have been experienced at both Job Clubs June – Sept, eg Wellington has doubled its number of attendees, from 12 to 25.
	Objective 3 Secure medium term future of N. Taunton & Link Partnerships	Funding & delivery against Service Level Agreement (SLA)	 Green	Funding secured for current financial year, however funding for 2012/13 is dependant on the TDBC Budget Review. Negotiating with both the Resource and Link Centres re inclusion of 'SMART' Performance Indicators within the Service Level Agreements.

Regeneration (Aim 2)				
Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
1.2	Objective 4 Facilitate the creation of a leading Green Knowledge economy	Actions – Progress against key activities	 Amber	<ul style="list-style-type: none"> • Reduced capacity in Ec Dev team (long-term sickness) affecting delivery plan • Proactive programme of events & PR for local businesses is on-going • Engaging with potential investors who might be interested in the new employment land allocations • Produced an employment land prospectus to promote available employment sites to investors. • Chief Exec of Into Somerset to inform Corp Scrutiny of progress 27th Oct • Engagement with the Hinkley supply forum to encourage Taunton Deane businesses to benefit from Hinkley supply opportunities
		Number of companies visited & supported	 Amber	The target is to visit approx 100 companies during the year. To date, approx 30 – 40 companies have been visited or engaged with on a 1-2-1 basis.
	Objective 5 Facilitate Housing growth	Actions – Progress against key activities	 Green	<ul style="list-style-type: none"> • Core Strategy published July 11 for formal representations. We are now summarizing & responding to issues raised, which are heard by the Inspector at examination early 2012. Anticipated that the plan will be adopted July 2012. • Annual review of the Strategic Housing Land Availability Assessment is to be completed & published by December
		Net additional homes provided	N/A	The target for 2011/12 = 700 dwellings Data is only available annually
		Supply of ready to develop housing sites	 Amber	Target = 5 year supply of housing land within Taunton by December 2011 Whilst the work is ongoing, it is likely that the assessment will show a marginal 5 year supply. This is primarily due to the state of the housing market as at Oct 2011
	Objective 6 Deliver Infrastructure	Actions – Progress against key activities	 Green	<ul style="list-style-type: none"> • Infrastructure Delivery Plan Published July 2011 (next annual review due summer 2012) • TDBC in process of developing interim policy on Planning contributions – to be introduced by end 2011/12. Consulting on a draft charging schedule early 2012. The document will be subject to formal representation & examination in autumn 2012 (adopted by end 2012/13).

Affordable Housing (Aim 3)

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
1.3	Objective 7 Making homes more affordable	Actions – Progress against key activities	 Green	<ul style="list-style-type: none"> • Good progress on bringing empty homes back into use and homes made decent in private sector housing • The new Housing Tenure type 'Affordable Rent' and its implications is now understood and being reported to CMT in November • The next 4 years of Homes & Communities Agency (HCA) Affordable Housing new build funding has been established through the Registered Providers framework agreements • TDBC is exploring a formal partnering arrangement with the Local Registered Providers
		Target of 200 affordable homes delivered	 Green	Forecast for 2011/12 = 219 (Q2 actual = 58 units with 161 in the pipeline) There are many schemes with planning that will complete this year, including units at: Hyde Lane (12); Wordsworth (18); Waterside House (Firepool) (95)
		% of non-decent council homes	 Green	0.22% were non decent (13 properties) Target = max 0.5% (25 properties)
		Somerset West Private Sector Housing Partnership	 Green	Measure
Energy efficiency	103 loft insulations; 88 cavity wall insulations; 12 boiler replacements; 10 night storage heater replacements; 13 gas heating system replacements			
No of private sector homes made Decent	Q2 = 60 Target = 25			
No of empty properties brought back into use	Q2 = 44 Target = 15			
No of statutory Disabled Facilities Grants* (approved & implemented)	Q2 = 17 in private sector stock, 9 in Council stock Target = 8 private sector, 12 in Council stock * implementation quite slow in Q1 but performance improved in Q2			
No of statutory housing standards interventions (enforcement activities)	Q2 = 20 Houses in Multiple Occupation inspected Target = 20 HMO inspections to be completed Q2 = 17 fitness conditions complaints dealt with Target = 10 fitness complaints to be dealt with			

Climate Change (Aim 4)

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
1.4	Objective 8 Meet TDBC's & partner organisation's internal climate change commitments	Actions – Produce and implement Carbon Management Plan (CMP)	 Green	<ul style="list-style-type: none"> • CMP (containing 49 actions) approved by Executive in August • A formal progress monitoring report will be produced in April 2012 • The Carbon Management Steering Group informally tracks progress quarterly and is also reported informally to staff in the quarterly Footprint Newsletter • The Green Champions have committed to 6 new projects for 2011/12 • The vehicle tracking system for DLO vehicles has been implemented • Cavity wall insulation for Deane House has commenced
		3% reduction in CO2 by Mar 12	 Green	The reduction in CO2 emissions for Q1/Q2 of 2011/12 compared to Q1/Q2 of 2010/11 is 10.8%. Please note as with previous quarterly reports this comparison excludes DLO mileage and emissions from Tone Leisure.
		Adapting to climate change	 Green	LAA target now removed, however Climate Change Adaptation plans were updated by Core Council Managers early 2010, and are currently included within the 2011/12 Core Council Service Plans.
1.4	Objective 9 Work with communities to reduce carbon emissions across the Deane	Actions – Progress against key activities	 Green	<ul style="list-style-type: none"> • Taunton Deane Partnership have agreed the setting up of working groups to coordinate the development of a Climate Change Strategy. Membership of the groups to be agreed Nov 2011. Strategy to be completed Dec 2013 • Work on creating an exemplar Low Energy House in partnership with a Housing Association started. Project aim - to achieve the highest possible level of energy efficiency at costs no higher than 15% above current standard house costs • Carbon reduction event for Deane SMEs planned for Jan 2012 in partnership with Carbon Trust, Somerset College and Federation of Small Businesses • Climate Change website with energy efficiency advice and information about renewables for residents and businesses launched in October 2011 • Council approved installation of Solar PV to about 720 council houses to be funded by an external company. TDBC gets a rental fee and tenants free use of the electricity generated over 25 years
		Per capita CO2 emissions in TD area	 Green	Latest data published in Sept 2011 showed an 11% reduction from 2006 to 2009 in Taunton Deane. At 5.8 tonnes per head, Taunton Deane is 7% better than the South West average, and 10% better the UK average. (NB - data published annually but 2 year time lag)

2. SERVICE DELIVERY

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

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS			
2.1	Ensuring development proposals are dealt with positively, with an emphasis on quality outcomes Delivering the Development Management Service aims	Planning Applications Speed of Processing	 Red	Type	Quarter 2	Targets	Comments
				a) Major	44% ↑ (8/18)	65%	Delay in responses from SCC Highways continues to be a major constraint on our ability to meet target for 'major' applications. Refer to main report – 'Key Issues' (section 4.1) for further detail
	b) Minor	70% ↑ (96/137)	75%				
	c) Other	84% ↔ (325/389)	85%				
		% of appeals allowed against the authority's decision	 Green	Quarter 2 = 18% (Target max 25%) Out of 11 appeals, a total of 2 appeals allowed against the council's decision			
2.2	Safeguarding the health, safety & welfare of everyone in the Borough Delivering the aims of the Environmental Health Service	Satisfaction with EH regulatory services	 Green	Quarter 2 = 99% (Target = 75%) (Last year 2010/11 actual was 98%)			
		Food Safety compliance	 Green	Quarter 2 = 90% (Target = 80%) (Last year 2010/11 actual was 93%)			
		Environmental Protection Team reactive tasks	 Green	Quarter 2 = 90% Total Service Requests* responded to within target time (1068/1190). (* Requests for Service e.g. pest control, dog warden, noise, odour, drainage, air pollution, public health).			
		Health & Safety intervention visits (Commercial premises only)	 Red	Quarter 2 actual = 51% (44 out of 86 inspections) (Target = 90%) The gas safety visits continue to be highly enforcement intensive requiring considerable officer input. This work is worthwhile due to the risk posed by unsafe gas appliances and installations. The work programme will be revised to take this into account. Refer to main report – 'Key Issues' (section 4.2) for further detail			
		Licensing inspections	 Green	Quarter 2 actual = 63% of annual inspection programme completed (91 out of 144 inspections). The target is to complete min 75%. Overall number of inspections has increased due to Licensing Service implementing a more comprehensive risk based inspection programme than was previously in force.			

TDBC SCORECARD Q2 2011/12 (Appendix A)



2.3	Delivering customer driven services To deliver customer focussed services, achieving high levels of customer satisfaction.	Calls resolved at 1 st point of contact	Green	Quarter 2 actual = 96.2% (Target 85%) Only 3.8% (1422) of all calls answered were transferred to back office which should have been deliverable within Customer Contact																																			
		Calls answered within 20 seconds	Amber	Quarter 2 actual = 78% (29265 / 37424 calls) (Target = 80%) The Client Team are working with the Customer Contact and ICT services to understand the issue and causes, and to reduce the risk of repeated failure. A 'KPI Failure Report' has been issued to the Client Team – this provides reassurance that the Customer Contact service mitigated the problem where possible.																																			
		Calls abandoned	Amber	Quarter 2 actual = 5.8% (Target <5%) Explanation as per above measure.																																			
		Complaints measures -10 day response - % Complaints upheld	Amber	<table border="1"> <thead> <tr> <th></th> <th colspan="2">Total no. complaints</th> <th colspan="2">% 10 day response</th> <th colspan="2">% upheld</th> </tr> <tr> <th></th> <th>Q2</th> <th>Q2 last year</th> <th>Q2</th> <th>Q2 last year</th> <th>Q2</th> <th>Q2 last year</th> </tr> </thead> <tbody> <tr> <td>TDBC</td> <td>34</td> <td>25</td> <td>68%</td> <td></td> <td>38%</td> <td></td> </tr> <tr> <td>SWP</td> <td>11</td> <td>11</td> <td>91%</td> <td></td> <td>63%</td> <td>73%</td> </tr> <tr> <td>Total</td> <td>45</td> <td>36</td> <td>73%</td> <td>72%</td> <td>44%</td> <td>42%</td> </tr> </tbody> </table>		Total no. complaints		% 10 day response		% upheld			Q2	Q2 last year	Q2	Q2 last year	Q2	Q2 last year	TDBC	34	25	68%		38%		SWP	11	11	91%		63%	73%	Total	45	36	73%	72%	44%	42%
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Total	45	36	73%	72%	44%	42%																																	
Benefits Service: Time to process new claims	Green	Quarter 2 actual = 19.16 days (Target = 22 days) 2011/2012 forecast = 20 days (Q2 last year 2010/11 was 19.02 days)																																					
Landlord Services – satisfaction with repairs	Green	98.37% satisfied overall with the repairs service (Target = 98%)																																					
2.4	Ensuring the Borough is a clean and attractive place to live, work & visit Delivering Parks, Street Cleansing, Highways & Transport Services that are high quality & cost-effective	Street & environmental cleanliness: Fly-tipping target	Green	The year-end projection is to achieve a Grade 2 (= 'effective').																																			
		Quality assurance accreditation / Awards	Green	Taunton was awarded a Gold medal in the Britain in Bloom competition and the judges commented that <i>'the standard of street cleansing was exceptional'</i> and <i>'the street floral displays were outstanding'</i> . In the same competition Vivary Park was awarded a heritage award and there were three local neighbourhood awards given. The four Green Flags (French Weir, Victoria, Vivary and Wellington Parks), Heritage Award (Wellington Park) and the Green Pennant (Swains Lane) have all been successfully retained.																																			

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

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS		
3.1	Budget monitoring To control spending within approved budget total for the year	General Fund Revenue within 0.5% =  0.5 – 2% =  over 2% = 	 Red	2011/12 Forecast Outturn as at Quarter 2 = overspend of £0.316m (= 2.7%) against budgeted net expenditure of £11.873m There are various under- and overspend variances leading to the net forecast position. The most significant factor is a reduction in income within parking and building control. Further information is provided in appendix B of this report.		
		General Fund Capital within 2% =  2 – 3.5% =  over 3.5% = 		 Green	2011/12 Forecast Outturn as at Quarter 2 = underspend of £0.021m (excluding slippage) (=0.6%) against budgeted net expenditure of £3.607m The underspend is only minor compared to budget and relates to one scheme. There is however significant estimated slippage of £1.607m expenditure into next financial year. Further information is provided in appendix B of this report.	
		Housing Revenue (HRA) within 0.5% =  0.5 – 2% =  over 2% = 			 Green	2011/12 Forecast Outturn as at Quarter 2 = overspend of £318k (0.14% of Total Income) There are various under- and overspend variances leading to the net forecast position. Budgeted Total Income (excluding Negative Subsidy) is £22.837m and the variance represents 0.14% of this total. The most significant factor is an increase in forecast repairs and maintenance costs for due to higher than budgeted voids. Further information is provided in appendix B of this report.
		HRA Capital within 2% =  2 – 3.5% =  over 3.5% = 				 Green
3.2 Reserves To maintain an adequate reserve (based on financial risk analysis)	General Fund reserve >£1.25m =  £1 - £1.25m =  <£1m = 	 Green	The estimated reserves position as at March 2012 is £2.321m, taking into account the current forecast overspend. This is well above the minimum balance required in the Council's financial strategy. However, the Council aims to keep balances high in order to help manage financial pressures over the medium term. Please refer to Appendix B for further information.			
3.3 Next year's budget gap	A balanced budget 2012/13		 Amber	The Budget for 2012/2013 has not yet been agreed and given the current gap the measure remains amber.		

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS	
3.4	Debt collection	Council Tax Target = 97.8%	 Green	Quarter 2 actual = 63.53% (Q2 last year 2010/11 was 63.93%)	2011/2012 forecast = 97.8%
		NNDR Target = 98.4%	 Green	Quarter 2 actual = 64.55% (Q2 last year 2010/11 was 64.92%)	2011/2012 forecast = 98.4%
		Housing Rent Target = 98.3%	 Green	Quarter 2 = 96.59% (Q2 last year 2010/11 was 96.63%)	2011/2012 forecast = 98.3%
		Sundry Debts position In SAP only*	 Green		End of Quarter 2 (as at 1st Oct 2011)
Outstanding debt	£2.23m	£2.64m			
Aged debt over 90 days old	£2.12m	£2.26m			
A detailed Debt Recovery report was taken to Corporate Scrutiny committee 27 October.					
3.5	Benefits subsidy	To achieve 100% subsidy	 Green	Projection for 2011/12 = 100% (by remaining in the lower threshold for LA error overpayments)	
3.6	Procurement Transformation Project Ensure TDBC realises benefits of the various transformation projects	Value of Procurement Savings against target	 Red	Red alert because figures are currently not available from SW1. This is due to the current vacancy of the Benefits Tracking Manager (with effect end August) – a specialist role currently being recruited to. A Procurement report is going to Corporate Scrutiny in December.	

4. KEY PROJECTS

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
4.1	Local Development Framework (LDF) Core Strategy To create a plan to deliver sustainable growth	- Publish Core Strategy for consultation in Mar/Apr 2011 - Adopt the LDF Core Strategy in March 2012	 Amber	The Published Plan Core Strategy was further delayed due to practical difficulties in publishing the document within the Purdah period running up to Local Elections in Spring 2011. The Plan was Published in July 2011 and is now anticipated to be adopted in July 2012. The Council is now in the process of summarising and responding to the issues raised through the Published Plan. The Plan will be submitted to the Secretary of State and Planning Inspectorate by the end of October / early November 2011.
4.2	DLO transformation project	To deliver the specified benefits (financial and non-financial) of the DLO transformation	 Green	The transformation plan was approved by Full Council on 16 Aug 2011 is on course to deliver the specified benefits. Progress is overseen by the DLO Transformation Members' Steering Group.
4.3	Budget Review Programme	- Deliver a budget strategy for a balanced budget 2012/13 - 15/16 - Agree future priorities & set a new Corporate Strategy (2012-16)	 Green	The project has delivered a wide range of options for delivering a balanced budget, however work is now required with political groups to agree a package of savings over the four years that will be acceptable at Full Council. There has been slippage by a month from the original timetable to allow further work to be undertaken on validating numbers and ensuring HR issues are dealt with appropriately. The Corporate Strategy will be updated by the start of the 2012/13 financial year.
4.4	SAP BOP (Back Office Processing) system re-launch	SAP Back Office Processing (BOP) system implementation	 Amber	All business critical elements of SAP have been launched and have been in use for some time. Regular updates are provided to Change Members Steering Group (last update 5 th October). Current focus is on launching PREDs appraisal module in SAP. Initial pilot has uncovered 2 defects which require fixing. 1 fix made, the other is pending. No further progress possible until this defect fixed. A larger pilot will then be put in place and training workshops for managers will be organised.

<p>4.5</p>	<p>Halcon Project</p>	<p>Recommendation to Members Community Scrutiny and Executive in September</p>	 <p>Green</p>	<p>Project is on track and the first stage is now complete. A report recommendation has been presented Community Scrutiny and Executive. This report was subject to an unsuccessful “call-in” by elected Members.</p>
<p>4.6</p>	<p>HRA Reform - Guide TDBC through the Governments plans to radically change council housing finance, including plans to abolish the negative subsidy system and replace it with a self financing model.</p>	<p>Monitor progress against required outputs for each workstream as detailed in the project outline</p>	 <p>Green</p>	<p>Phase 1 of the project is nearly complete with Phases 2 & 3 commencing in November 2011. The 1st draft of the new HRA Business Plan 2012-2042 is complete and will be presented to Tenant Services Management Board (TSMB) on the 24th October 2011 and Community Scrutiny Committee on the 8th November 2011. Consultation events have been held to provide tenants, Councillors, staff and Taunton Deane Borough Council’s partners with the opportunity to shape the business plan. The Treasury Management Workstream Lead and Treasury Management Advisors, Arlingclose, have recommended the proposed borrowing option for Taunton Deane Borough Council which will also be presented to Community Scrutiny Committee on the 8th November 2011. A sharepoint site has been created to keep staff updated and informed of the HRA Reform Project and CMT, MCSG and TSMB continue to be informed of its progress through the monthly project dashboards.</p>

5. KEY PARTNERSHIPS

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS																																		
5.1	Taunton Deane Partnership (TDP)	PIs to be developed for 2011/12 to measure the 3 priorities	 Green	The TDP is delivering against 3 priorities: <ul style="list-style-type: none"> • Priority Areas Strategy (PAS) – TDP continues to provide effective leadership & governance to the project. Work now commenced on developing a draft Action Plan for North Taunton and Taunton East. This will be presented to Community Scrutiny during early part of 2012 (alongside a review of TDP objectives) • Planning Cycles – methodology agreed which outlines an approach to aligning resources to the delivery of the PAS. As part of this, a joint bid (TDP / SCC) has been submitted to Communities and Local Government (CLG) for Taunton Deane to become a Community Budget pilot area. We are waiting on the final decision. If we are given the okay, then Community Budgets will become the focus of this priority • Promoting Taunton Deane – A vision has been drafted and key partners identified. TDP is currently working to agree the scope of this priority 																																		
5.2	Southwest One	Efficient delivery of in-scope services (basket of KPIs)	 Green	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="5" style="background-color: #00FF00; text-align: center;">Key Performance Indicators – Quarter 1 (2011/12)</th> </tr> <tr> <th></th> <th style="text-align: center;">No. of indicators</th> <th style="text-align: center;">No. of times measured in Q2</th> <th style="text-align: center;">No. on Target</th> <th style="text-align: center;">% on target</th> </tr> </thead> <tbody> <tr> <td>Monthly</td> <td style="text-align: center;">13</td> <td style="text-align: center;">39</td> <td style="text-align: center;">36</td> <td style="text-align: center;">92.3%</td> </tr> <tr> <td>Quarterly</td> <td style="text-align: center;">9</td> <td style="text-align: center;">9</td> <td style="text-align: center;">9</td> <td style="text-align: center;">100%</td> </tr> <tr> <td>Annually</td> <td style="text-align: center;">21</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">43</td> <td style="text-align: center;">48</td> <td style="text-align: center;">45</td> <td style="text-align: center;">93.75%</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="background-color: #FF0000; color: white; text-align: center;">KPI failures ☹️</th> <th style="background-color: #00FF00; color: white; text-align: center;">Successes 😊</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> Customer Contact - % of calls answered in 20 seconds – this failed in August - Abandoned call rate – less than 5% - this failed in August and September ICT - TDBC System availability averaged indicator – this failed in July </td> <td style="vertical-align: top;"> Revenues & Benefits - have succeeded in a recent reassessment of the Customer Excellence Standard which included very positive feedback </td> </tr> </tbody> </table>	Key Performance Indicators – Quarter 1 (2011/12)						No. of indicators	No. of times measured in Q2	No. on Target	% on target	Monthly	13	39	36	92.3%	Quarterly	9	9	9	100%	Annually	21	0	0	0	Total	43	48	45	93.75%	KPI failures ☹️	Successes 😊	Customer Contact - % of calls answered in 20 seconds – this failed in August - Abandoned call rate – less than 5% - this failed in August and September ICT - TDBC System availability averaged indicator – this failed in July	Revenues & Benefits - have succeeded in a recent reassessment of the Customer Excellence Standard which included very positive feedback
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TDBC SCORECARD Q2 2011/12 (Appendix A)



	Southwest One	Social & economic development	Amber	The TDBC & SCC Economic Development teams continue to work with South West One to develop the delivery of an online Business Incubator.
5.3	Tone Leisure 'More people, more active, more often'	Target 1% increase in total leisure visits	Red	Overall usage is 5% adverse to budget at end of Quarter 2 (502,664 visits). Total visits for the period were 248,038, 11,988 less than the same period last year (-5%). Health and Fitness usage continued to grow at 8%, 5% above target, but Leisure Activity usage declined in the quarter -7%. Swimming usage improved slightly on Quarter 1, but still finished the quarter 11% adverse to the same period in 2010/11 and remains 7% adrift of target. Casual swimming continues to run 13% down on last year.
		Progress against Tone Leisure key business objectives	Green	Tone Leisure uses the Balanced Scorecard to set its key objectives. Of the 24 objectives, the vast majority are on track, or action plans in place to achieve them by the year end. A Tone Leisure overview & performance report was presented to Community Scrutiny 8 th November and concludes " <i>Quarter 2 continues to demonstrate the challenging environment Tone Leisure is operating in.... there is much work to do in the second half of the year to return the contract to plan</i> "
5.4	Somerset Waste Partnership To increase participation in the recycling service through promotion and enforcement	% of household waste sent for reuse, recycling & composting	Green	Quarter 2 = 47.1% (Target = 45.4%) (Quarter 2 last year 2010/11 was 47.6%)
		Residual household waste	Amber	Quarter 2 = 201 kg per household (Target = 380kg per household) (Quarter 2 last year 2010/11 was 186.4 kg)
		Progress against key business objectives	Green	The small reduction in performance compared to last year is believed to be due to the effects of the economic downturn on waste arisings, with less recyclables and more non-recyclables. SWP will be building on the trial of doorstep canvassing undertaken earlier this before the end of 2011/12 with further targeted campaigns aimed at boosting participation in recycling. During Quarter 2, recycling services have primarily been promoted through the local press, Deane Dispatch and the Recycle for All It's Worth campaign, which continued to gain good coverage in the local press and distributed newsletters and posters to community groups and local volunteer Recycling Champions.
5.5	South West Audit Partnership	Target min 90% of 2010/11 Audit plan delivered	Green	100% of planned audits in Quarter 2 were completed or are in progress.

6. PEOPLE (Human Resources)

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS
6.1	Staff Sickness Reduce sickness absence through strong absence management, revised policies & procedures, & training	Target = 8.5 working days max lost per FT employee	 Green	Quarter 2 actual = 4.35 days (year-to-date) 2011/12 forecast = 8.71 days Last years TDBC target was 9 days, and the actual was 9.62 days
6.2	PRED / Training Plans Maintain effective performance management of people and establish & deliver development needs	100% completion of PREDs	N/A	PREDs (staff appraisals) are 100% up-to-date (where due) for Theme 1. Theme 2 (Growth & Development) & 3 (DLO) not due until quarters 3 - 4. Themes 4 (Community Services) PRED data yet to be collated.
		100% completion of training plans	 Amber	76% of 2011/12 training plans have been completed (ie service training plans received as part of the annual service Learning & Development budget allocation). This figure remains as last time as it is a task completed once a year so it will not change. Where training plans were not submitted, a Corporate Training budget has not been allocated.
		100% delivery of 'essential' training activities (corporate training plan)	 Green	There was one training activity due to be completed in the period which was around 'Negotiation and Influence' and this has been completed. Work was completed in support of a request to look at Business Improvement Techniques and this was completed as requested.
6.3	Staff Turnover	Target 12% (voluntary leavers as % of staff in post)	 Green	Total turnover = 1.3% Voluntary turnover = 1.14% Early retirement / redundancy - 0 Ill-health retirement - 0 Other (End of contract/ dismissal) = 0.16%
6.4	Improve Staff Satisfaction	Results from staff survey / resulting action plan	N/A	The 2011/12 Staff Survey is due to be conducted during November. Results will then be compared to last year's.

7. CORPORATE MANAGEMENT

Ref	OBJECTIVES	MEASURES	ALERT	ISSUES (current & future) and IMPACTS															
7.1	Corporate Governance Action Plan Deliver the action plan, focussing on high priority areas	Deliver 95% of High priority Actions, and 80% of Medium priority actions by target dates	 Amber	The 2011/12 Corporate Governance Action Plan currently includes 32 actions, with the status as at end September being: <table border="1"> <thead> <tr> <th></th> <th><u>High priority actions</u></th> <th><u>Total actions</u></th> </tr> </thead> <tbody> <tr> <td>Completed</td> <td>= 17% (3/18)</td> <td>= 28% (9/32)</td> </tr> <tr> <td>Green (on course)</td> <td>= 55% (10/18)</td> <td>= 47% (15/32)</td> </tr> <tr> <td>Amber (some concern)</td> <td>= 28% (5/18)</td> <td>= 25% (8/32)</td> </tr> <tr> <td>Red (off course)</td> <td>= 0</td> <td>= 0</td> </tr> </tbody> </table> A detailed report is due at the Corporate Governance Committee in December.		<u>High priority actions</u>	<u>Total actions</u>	Completed	= 17% (3/18)	= 28% (9/32)	Green (on course)	= 55% (10/18)	= 47% (15/32)	Amber (some concern)	= 28% (5/18)	= 25% (8/32)	Red (off course)	= 0	= 0
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Red (off course)	= 0	= 0																	
7.2	Audit & Inspection Ensure that statutory Audit & Inspection obligations are met	Internal audit findings	 Amber	2011-12 Internal Audit Work: In relation to quarters 1 & 2 there were 6 audits completed, 10 at draft report stage and 5 in progress. The following audit assessments were reported in respect of these audits where complete or draft (draft reports could be subject to change): <table border="1"> <tbody> <tr> <td> Comprehensive assurance</td> <td>= 0</td> </tr> <tr> <td> Reasonable assurance</td> <td>= 5</td> </tr> <tr> <td> Partial assurance</td> <td>= 9</td> </tr> <tr> <td> No assurance</td> <td>= 0</td> </tr> <tr> <td>Non-Opinion</td> <td>= 2</td> </tr> </tbody> </table> Internal Audit (SWAP) reports quarterly on audit plan progress, assurance levels & priority recommendations to the Corporate Governance Cttee (next report end Dec).	 Comprehensive assurance	= 0	 Reasonable assurance	= 5	 Partial assurance	= 9	 No assurance	= 0	Non-Opinion	= 2					
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2010/11 Final Accounts unqualified	 Green	The audit of the 2010/11 accounts has taken place and an unqualified opinion has been given (as reported to Corporate Governance Committee 26 Sept).																	
7.3	Equalities & Diversity Develop practices & policies based on Equalities Framework for Local Govt ('achieving' level)	Themes/Services Equality Action Plans	N/A	As at Quarter 2 progress updates are not available for all Equality Action Plans															
		Council reports including Equality Impact Assessments (EIA)	 Amber	We are seeing a steady increase in the number of reports coming through that include Equality and Diversity considerations, and that have an EIA attached and the quality of these are improving. Some reports that do not attach EIA's still do not provide Members with a clear explanation of how the Equality legislation was considered, what evidence was used and how the conclusions were drawn. Members are urged to challenge this, to enable them to comply with their responsibilities under the current Equality legislation.															

7.4	Risk Management	Delivery of RM Strategy & Policy & Procedures	 Green	A progress update on Corporate Risk Management was reported to the Corporate Governance committee 26 September. CMT have conducted a 6-monthly review of the Corporate Risk Register – the overall Risk Exposure to TDBC remains unchanged since February.
7.5	Value for Money / Benchmarking To ensure that Services provide excellent Value for Money (VFM)	Council Tax charges – in lowest quartile	 Green	TDBC remains in lowest quartile in 2011/12. TDBC = £136 (average Band D), compared to £168 average for all English Districts
		Target efficiency savings at areas with poor VfM	N/A	The Annual Governance Report for 2010/11 has been prepared by the Audit Commission and concludes that “ <i>TDBC has proper arrangements in place to secure value for money (economy, efficiency and effectiveness in its use of resources)</i> ”. 3 year analysis of Revenue Estimate Data (total service expenditure, cost per head 2009/10 to 2011/12) indicates that TDBC has remained in the lowest cost quartile for the 3 year period. Further work to be completed during 2011/12 to use comparative information eg benchmarking to inform strategic decisions on the allocation of resources.
7.6	Asset Management Develop the Council’s Asset Management arrangements	Implementation of Asset Mgt Plan (AMP)	 Green	Condition surveys now completed for all corporate buildings. Two-thirds of the AMP actions are either completed or on target. The remainder are Amber status. Much of the Amber action points should be completed as the feasibility work, being undertaken as part of the police accommodation, progresses.
		Target 70% of maintenance spend planned	 Green	Discussions ongoing with budget holders to agree maintenance spend and plan for the future.
7.7	Health & Safety To raise the standard of Health & Safety knowledge & performance	Delivery of H & S Action Plan	 Green	Delivery continues on the 5 priority issues within the 2011/12 Health and Safety Forward Plan. The completion of local management roles and responsibilities continues and will capture any required changes from the budget review. Work continues on the detail within the employee H&S competency framework. A review of all high level H&S risks will be carried out in November. Accident data and trend information is regularly reported to Corporate Governance Committee. Percentage compliance figures against the H&S KPI one Management competency and KPI two Management systems will be available in Jan 2012

Appendix B

IMPORTANT – PLEASE NOTE:

In order for the financial performance to be debated in the most efficient manner at the Executive Board, Members who have queries with any aspect of this Appendix are requested to contact the appropriate officer(s) named above before the meeting so that information can be collated in advance or relevant officers can be invited to the meeting.

2011/12 Financial Position – Quarter 2 Update

PART A: REVENUE BUDGETS

1 Forecast Outturn Summary – General Fund Revenue Account

- 1.1 The purpose of this appendix is to provide an update of potential budget issues.
- 1.2 The current forecast outturn for the Council's General Fund services is an overspend of £316k for the financial year 2011/12.
- 1.3 A summary of the General Fund Revenue Account budget and forecast for the year is included in **Annex A**.
- 1.4 The forecast overspend in the previous quarter (Q1) was £805k so there has been a large reduction of £489k. This is predominately due to revised forecasts on planning and car parking income.
- 1.5 The significant changes to the forecast in this quarter are in the following areas:
 - a) **Car Parking Income:** The forecast for car parking income reported to Members at Q1 was that there would be a shortfall at the end of the year of £562k. The position for Q2 has improved and the forecast shortfall of income for on-street and off-street parking combined is now £251k at the end of the year. Off-Street income is predicted to be under budget by £400k by the end of the year. The car parks that have been particularly impacted are commuter and Wellington car parks, which we believe is a reflection of the current economic climate, the recession and price of fuel. On-Street income is estimated to be over budget by £149k if the current trend continues.
 - b) **Planning Income:** The forecast for planning income reported to members at Q1 was that there would be a shortfall of income of

£140k at the end of the year. The income trend during Q2 and the first couple of weeks of Q3 (with large planning applications received) has improved, and the service is now projecting income is on target to meet the budget. As shown in the movement between Q1 and Q2 forecast, this is a potentially volatile income stream therefore the current forecast is the budget holder's best estimate at this stage.

- c) **Building Control Income:** There was a shortfall in building control income predicted at Q1 of £40k. The estimate has now been revised and the predicted shortfall is £200k. This is partly due to the reduced number of applications received due to the economic downturn and the affect this has had on the construction industry, but also related to the changes in the building control charging system. There is also now increased competition from other Approved Inspectors that the service is in direct competition with.
- d) **Licensing:** There was a £73k shortfall on licensing income being projected at Q1, largely due to the impact of the recession on local businesses and subsequent reduction in licensing applications. The variance now being reported at Q2 is a 'net overspend' for the service of £25k. This is due to a projected shortfall of income of £50k, offset by an overall reduction in expenditure of £25k.
- e) **SWOne Contract Savings:** There were expected savings on the SWOne contracts of £90k reported at Q1 due reduced recharge of staff secondee costs resulting from the zero pay award for staff in the current year. The position has not changed for Q2.
- f) **Property Services:** Additional income of £39k has been reported from the rental of premises on the Firepool site.
- g) **Crematorium:** A reduction in income is being reported for the Crematorium at Q2 of £44k. This is due to a reduction in the number of cremations in comparison to the previous year. There is also an overspend on maintenance of the cremators predicted of £10k, this is due to the increased maintenance required on them due to their age, and delays with the new cremators installation.

1.6 Further information regarding the reported variances to budget and the management action that has been taken, or is planned, is included in **Annex B.**

2 General Fund Reserves

2.1 The General Fund general reserves balance at the start of the year was £2.94m. Projected movements in the current year include the budgeted transfer to reserves in the original budget, and the use of reserves to fund DLO Transformation and Core Council Review Theme 5 costs. The projected balance at the end of the current financial year is £2.64m before considering any potential overspend in the current year. If the current trend continues on all the budgets above, and the

Council takes no further corrective action in the year, the potential overspend of £316k would be funded by this reserve – reducing the potential balance to £2.32m by the end of the financial year.

- 2.2 The reserves have been kept deliberately high in order to fund the costs of change that will emerge from the Budget Review Programme – either in terms of redundancies or investment in technology. Such a reduction in the reserve during 2011/12 will have an impact on the Council's ability to fund such costs over the medium term.
- 2.3 A summary of the movement in the General Fund Reserves Balance is included in **Annex C**.

3 General Fund - Risk and Uncertainty

3.1 Budgets and forecasts are based on known information and the best estimates of future spending and income of the Council. The income and expenditure of the Council over the financial year 2011/12 is estimated by the budget holders in the Council and then reported through the budget monitoring process. During this process risks are identified which could affect the financial projections but the likelihood and/or amount are uncertain. The following risks have been identified through the Q2 process:

- a) **Car Parking:** The multi-storey car park is an early 1970's concrete structure which has a limited life. Structural surveys have been carried out and have identified a need for works to be carried out to extend the life of the car park. These works have been delayed due to the inclusion of the structure in the proposed Project Taunton retail redevelopment. The structure will reach a point where if it is not repaired the Council will have to consider closing the 600 space car park on safety grounds this will impact on the income received. A capital bid for these works is proposed for 2012/13.
- b) **Earmarked Reserves:** The Strategic Finance Officer is in the process of reviewing earmarked reserves and will report her findings to Corporate Scrutiny on 24 November 2011. This could result in surplus earmarked reserves being identified and potentially returned to the General Fund Revenue Account. Any surplus reserves will be reflected within the Q3 Performance Report.

4 Forecast Outturn Summary – Housing Revenue Account

- 4.1 The forecast outturn reported at Q1 for the Council's Housing Revenue Account (HRA) was Net Expenditure of £9k making the forecast underspend at Q1 £166k for the financial year 2011/12. The position at Q2 is showing that the forecast outturn for 2011/12 is an overspend against budget of £318k.
- 4.2 A summary of the HRA revenue budget and forecast for the year is included in **Annex D**.

- 4.3 The significant changes in the forecast are in the following areas:
- a) **Income – Non Dwelling Rents:** Projected income from garage rents has been reviewed and the outturn forecast is now £60k below budget. This is mainly due to increased voids, and there is also a higher proportion of garages rented by HRA tenants, who pay a lower rent than private tenants.
 - b) **Income – Government Subsidy:** The final audited subsidy claim for 2010/11 shows that the payment to government due for last financial year is £120,000 (c.2%) greater than estimated at the year end. This difference is payable in the current financial year.
 - c) **Management Costs:** Management costs are being controlled downwards across various expenditure headings (e.g. staff training) by the service, in order to help offset maintenance cost pressures.
 - d) **Maintenance:** Projected maintenance costs have been reassessed since Q1 and a significant increase is now forecast resulting in a projected overspend of £758k. This is largely due to an increase in void numbers and associated repairs and maintenance costs exceeding previous expectations.
 - e) **Interest Costs:** Interest costs have been reviewed resulting in a projected saving in the year of £165,000. This is due to a lower than estimated Consolidated Rate of Interest (CRI) than when the budget was set.
 - f) **Earmarked Reserves:** There is a projected £190k surplus in the Heating Reserve which is recommended to be returned to the HRA in the current year. This is because the majority of costs replacing hot and cold water tanks and platforms in the past 2-3 years have been funded from the annual HRA budget without drawing down this reserve.

4.4 Further information regarding the reported variances to budget and the management action that has been taken or is planned specifically in relation to those is included in **Annex E**. Management are taking action to address the overall position on the HRA with a view to containing spending within the total budget by the end of the financial year.

5 HRA - Risk and Uncertainty

5.1 As with the General Fund budgets and forecasts are based on known information and the best estimates of future spending and income of the Council. The income and expenditure of the Council over the financial year 2011/12 is estimated by the budget holders in the Council and then reported through the budget monitoring process. During this process risks are identified which could affect the financial projections but the likelihood and/or amount are uncertain. The following risks to the HRA have been identified through the Q2 process:

- a) The service plan to undertake a review during Q3 of former tenant arrears which could lead to substantial debt write-off in the current year. At the end of the last financial year, former tenant arrears more than two years old stood at £291k. No allowance is currently included in the forecast for this risk, so this could add to the projected overspend in Q3.
- 5.2 The Council carries protection against risk and uncertainty in a number of ways, such as insurances and maintaining reserves.

6 Housing Revenue Account Reserves

- 6.1 The HRA general reserves “working balance” at the start of the year was £1.593m. The projected balance at the end of the current financial year is currently £0.995m taking into account: planned transfers to/from reserves within the original budget; estimated requirement to part-fund DLO Transformation and Core Council Review theme 5 costs; as well as the current forecast outturn position. This brings the forecast balance very close to the recommended minimum working balance of £0.9m as set out in the Council’s financial strategy framework.
- 6.2 A summary of the movement in the HRA Reserves Balance is included in **Annex F**.

7 Budget Changes

- 7.1 The Original Budget for the year was approved by Full Council on 22 February 2011. The budget requirement for the Council may not remain static for the whole financial year, and officers may request changes to approved budgets during the course of the financial year, either in the form of: transfers to/from general reserves, known as “Supplementary Estimates and Returns” (either General Fund or HRA); or transfers between budgets, known as “virements”.
- 7.2 Virements that are above £50,000 in value require Executive approval. There are no transfers submitted for approval this quarter.
- 7.3 There are no new requested “Supplementary Estimates and Returns” in either the General Fund or HRA included in this report. Previously agreed commitments against reserves are shown in Annex C and F.

8 Earmarked Reserves

- 8.1 Earmarked reserves are finite revenue and capital funds that are held in the Council’s Balance Sheet for specific purposes. The funds can be withdrawn over one or more years but do not form part of the Council’s Base Budget.
- 8.2 The Earmarked Reserves balance at the start of the year was £7.440m. This included £6.859m for General Fund and £0.581m for the HRA.

- 8.3 A Summary Statement of Earmarked Reserves is included in **Annex H**. This shows the opening balances and the amounts transferred to and from reserves during the year.

9 Other Usable Reserves and Funds

Section 106 Funds and Commuted Sums

- 9.1 Section 106 Funds and Commuted Sums are currently being looked at as part of a wider project. It was anticipated that this could be included as part of the Q2 report but due to time constraints this has not been possible. It is on track to be reported in the Q3 report.

10 Deane DLO Trading Account

- 10.1 There are no variances to budget declared at this time by DLO management.
- 10.2 A Trading Account Summary and Reserves Position Statement for the DLO are included in **Annex I**. The trading account reserves are reported as part of the General Fund Earmarked Reserves balance.

11 Deane Helpline Trading Account

- 11.1 Deane Helpline is declaring a forecast reduction of income of £7k. This is mainly due to income from a contract with North Somerset Housing included in the budget that has not started yet.
- 11.2 A Trading Account Summary and Reserves Position Statement for the Deane Helpline are included in **Annex J**. The trading account reserves are reported as part of the General Fund Earmarked Reserves balance.

PART B: CAPITAL BUDGETS

12 Forecast Outturn Summary – General Fund Capital Programme

- 12.1 The current forecast outturn for the Council's General Fund Capital Programme is Net Expenditure of £1.979m, compared to the budget of £3.607m. The forecast underspend is therefore £1.628m (45%) for the financial year 2011/12. £1.607m relates to slippage into 2012/13 and £21k is a genuine underspend.
- 12.2 A summary of the General Fund Capital Programme budget and forecast for the year is included in **Annex K**.
- 12.3 The forecast variances for the year are in the following areas:
- a) **Car Park Payment Equipment Replacement:** There is an underspend of £21k on the car park payment equipment replacement project. This is due to the original bid being on a worst case scenario.

- b) **IT Improvements:** There will be a planned underspend on the IT Improvements budget at the end of the year of £35k this will need to be slipped into 2012/13 to fund the IT Infrastructure Project that was planned to be delivered within the current financial year when the budget was originally set.
- c) **Crematorium Mercury Abatement:** Work to install the new cremators and associated mercury filtration equipment has been delayed. Although our machines are currently being manufactured, it is currently anticipated that work will actually start on site at the Crematorium in mid spring 2012 and therefore will not be completed until 2012/13 financial year. The reasons for the delay are that the supplier of the equipment has been delayed in providing certain technical information to Southwest One property team, and there have been changes in the design specification such that final drawings and tenders for ancillary works have been delayed. In addition there have been some unforeseen problems with the condition of our existing flue liners that have to be addressed. Officers are currently working with equipment suppliers and Southwest One property team to produce a more definitive timetable for the planned works. Consequently the majority of expenditure for this project will now fall in 2012/13.
- d) **Grants to RSL's:** There is currently slippage of £754k being reported in this area. Of this amount £242k is committed to be spent in 2012/13 the remaining £512k remains unallocated at this point in time. The budget holder currently anticipates that this will be fully committed for the Halcon project.

12.4 Further information regarding the reported variances to budget and the management action that has been taken or is planned is included in **Annex L**.

13 GF Capital Programme Risk and Uncertainty

13.1 The main areas of risk and uncertainty in the General Fund capital programme are detailed below:

- a) **Grants to RSL's budget:** It is currently reported that some of this budget will be allocated to the Halcon project if it goes ahead. The Halcon project is still under discussion so until this is confirmed the amounts allocated from this budget will not be known.

14 Forecast Outturn Summary – Housing Revenue Account Capital Programme

14.1 The current forecast outturn for the Council's Housing Revenue Account Capital Programme is net expenditure of £4.299m which is the same as the current budget.

- 14.2 The service management is undertaking a detailed review of spending. There is currently a relatively minor overspend predicted for decent homes works, but this will be offset by managed savings against two other schemes. Management are also reviewing planned capital spend in the current year budget to see what may be safely delayed to be met from next year's budget. This is to ensure capital spending overall remains within the total capital budget for 2011/12.
- 14.3 A summary of the HRA Capital Programme budget and forecast for the year is included in **Annex M**.

15 HRA Capital Programme Risk and Uncertainty

- 15.1 The main areas of risk and uncertainty in the Housing Revenue Account capital programme are detailed below:
- a) The service is currently working with finance officers to ensure that maintenance works are correctly allocated between capital and revenue spending. This may see some movement in costs between capital and revenue, and this will be reported in Q3 if there is a significant impact on the forecast outturn.

16 Recommendations

- 16.1 Recommendations related to this appendix are included in the main body of the covering report. It is important that Members note the budget issues outlined in this report, but recognise that some of the forecasts may change at Q3 depending on the performance over the next couple of months. A full report will be provided in Q3.

17 Contact Officers:

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GENERAL FUND REVENUE ACCOUNT SUMMARY 2011/12

	Original Budget £'000	Current Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	%
Service Portfolios					
Communications & Community Leadership	1,121	1,335	1,332	(3)	
Corporate Resources	1,730	1,910	1,909	(1)	
Economic Development & the Arts	837	939	923	(16)	
Environmental Services	4,284	4,237	4,250	13	
General Services	1,413	1,442	1,438	(4)	
Housing Services	2,264	2,333	2,287	(46)	
Planning Policy & Transportation	(1,366)	(1,322)	(915)	407	
Sports, Parks & Leisure	2,546	2,552	2,548	(4)	
Net Cost of Services	12,830	13,426	13,772	346	2.6%
Other Costs and Income					
Interest Payable and Debt Management Costs	226	226	196	(30)	
Interest and Investment Income	(69)	(69)	(69)	0	
Council Tax Freeze Grant	(137)	(137)	(137)	0	
Parish Precepts and Special Expenses	503	503	503	0	
Transfers To/(From) Earmarked Reserves	(150)	(745)	(745)	0	
Capital Expenditure Funded from Revenue (RCCO)	130	130	130	0	
Repayment of Capital Borrowing (MRP)	371	371	371	0	
Transfers to Capital Adjustment Account	(1,930)	(1,930)	(1,930)	0	
Total Other Costs and Income	(1,055)	(1,651)	(1,681)	(30)	1.8%
NET EXPENDITURE BUDGET BEFORE FUNDING	11,776	11,775	12,091	316	2.7%
Formula Grant and Council Tax Income	(11,873)	(11,873)	(11,873)	0	
Net (Surplus)/Deficit for the Year	(98)	(98)	218	316	
Met by Transfer to (from) General Fund Balance	98	98	(218)	(316)	

ANNEX B

GENERAL FUND REVEUE ACCOUNT FORECAST VARIANCES TO BUDGET 2011/12

#	Port- folio	Service / Heading	Forecast Variance			Explanation	Management Action
			Q1 £'000	Q2 £'000	TOTAL £'000		
1	COR	Council Tax Benefit	55	0	55	Due to the current economic climate overpayment recovery is estimated to be lower than budgeted for	Attempts will be made in year to recover these budgets and the matter will be addressed at budget setting for 2012/13.
2	COR	Rent Rebates to HRA Tenants	65	0	65	Due to the current economic climate overpayment recovery is estimated to be lower than budgeted for	
3	COR	SWOne Contracts	(90)	0	(90)	Reduction in contract cost due to no pay award for staff in 2010/11.	No further action. Saving to offset other budget pressures.
4	COR	Strategy	0	(5)	(5)	Small underspends in the Strategy Department	No further action. Saving to offset other budget pressures.
5	ECD	Tourist Information Centre (TIC)	55	0	55	Income budget overstated during budget setting.	Attempts will be made to fund the gap and the issue has been taken into account for budget setting 2012/13.
6	ECD	Property Services	0	(39)	(39)	Additional income received from Firepool. See 1.5 (f) of this appendix for detailed explanation.	No further action. Saving to offset other budget pressures.
7	ENV	Licensing	73	(48)	25	Under recovery of income and reduction in expenditure. See 1.5 (d) of this appendix for detailed explanation.	
8	ENV	Crematorium	0	54	54	Reduction in income and increased maintenance costs. See 1.5 (g) of this appendix for detailed explanation.	
9	ENV	Public Conveniences	0	(30)	(30)	Underspends forecast on Electricity and Water Rates.	No further action. Saving to offset other budget pressures.
10	HSG	Contribution to HRA	(17)	0	(17)	The fees and hired and supplies and services budgets here are no longer required.	No further action. Saving to offset other budget pressures.

#	Port- folio	Service / Heading	Forecast Variance			Explanation	Management Action
			Q1 £'000	Q2 £'000	TOTAL £'000		
11	PTC	Off Street Parking	640	(240)	400	Loss of Income due to reduction in parking numbers. See 1.5 (a) of the appendix for detailed explanation.	
12	PTC	On Street Parking	(78)	(71)	(149)	Greater income from parking permits than budgeted for. See 1.5 (a) of the appendix for detailed explanation.	No further action. Saving to offset other budget pressures.
13	PTC	Planning Services	140	(140)	0	Large planning applications received so income on track. See 1.5 (b) of the appendix of this report for detailed explanation.	
14	PTC	Building Control	60	140	200	Underachievement of income. See 1.5 (c) of the appendix of this report for detailed explanation.	
15	VAR	Various Salaries	(93)		(93)	Vacancy savings reported over the vacancy factor budget.	No further action. Saving to offset other budget pressures.
16	VAR	Pay Award	0	(80)	(80)	1% Pay award include in the budget no longer required.	No further action. Saving to offset other budget pressures.
17	VAR	Various	(5)	0	(5)	Minor variances	No further action. Saving to offset other budget pressures.
18	OTH	Interest Payable	0	(30)	(30)	Interest payable forecast to be lower than budget	No further action. Saving to offset other budget pressures.
GRAND TOTALS			805	(489)	316		

Key: Portfolios

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

GENERAL FUND RESERVES SUMMARY 2011/12

	Original Budget £'000	Current Budget & Forecast £'000
Balance Brought Forward 1 April	2,937	2,937
Repayment of Invest to Save Schemes:		
Invest to Save Repayment - Restructuring	101	101
Invest to Save Repayment - ISIS Transformation	200	200
Planned Use of Reserves within Original Budget:		
Funding of 2011/12 Costs	(203)	(203)
Net Budgeted Movement in General Fund Reserves	98	98
Estimated use of reserves - Core Council Review Theme 5 (subject to approval)		(62)
Estimated use of reserves - DLO Transformation (estimated worse case)		(336)
Projected Balance before 2011/12 Outturn		2,637
Forecast underspend (overspend) for the year		(316)
Projected Balance Carried Forward 31 March	3,035	2,321

HOUSING REVENUE ACCOUNT SUMMARY 2011/12

	Original Budget £'000	Current Budget £'000	Forecast Outturn £'000	Forecast Variance £'000	%
Income					
Dwelling Rents	(21,196)	(21,196)	(21,196)	0	
Non Dwelling rents	(586)	(586)	(526)	60	
Charges for Services Facilities	(497)	(497)	(497)	0	
Supporting People	(299)	(299)	(299)	0	
Contribution towards expenditure on Estates	(259)	(259)	(259)	0	
Government Subsidy	7,002	7,002	7,122	120	
Total Income	(15,835)	(15,835)	(15,655)	180	-1%
Expenditure					
Management General	4,476	4,476	4,211	(265)	
Maintenance	5,902	5,902	6,660	758	
Capital Charges - Depreciation	3,938	3,938	3,938	0	
Provision for Bad Debt	50	50	50	0	
Debt Management Expenses	15	15	15	0	
Total Expenditure	14,381	14,381	14,874	493	3%
Other Costs and Income					
CDC Costs	188	188	188	0	
Interest payable	617	617	452	(165)	
Interest and Investment Income	(97)	(97)	(97)	0	
Transfers To/(From) Earmarked Reserves	130	130	(60)	(190)	
Capital Expenditure Funded from Revenue (RCCO)	361	361	361	0	
Transfers to Procurement Savings	430	430	430	0	
Total Other Costs and Income	1,629	1,629	1,274	(355)	-22%
NET (SURPLUS)/DEFICIT FOR THE YEAR	175	175	493	318	182%
Met by Transfer to (from) HRA Reserves Balance	(175)	(175)	(493)	(318)	

ANNEX E

HOUSING REVEUE ACCOUNT FORECAST VARIANCES TO BUDGET 2011/12

#	Port- folio	Service / Heading	Forecast Variance			Explanation	Management Action
			Q1 £'000	Q2 £'000	TOTAL £'000		
1	HSG	Non-Dwelling Rents	0	60	60	Garage rents income is projected to fall below budget mainly due to voids. See also para 4.3a in Annex B.	Continue to monitor, and seek to minimise voids where within management control.
2	HSG	Negative Subsidy	0	120	120	Balance of negative subsidy payable related to 2010/11, compared to estimate of the final claim made at the end of last financial year. See also para 4.3b in Annex B.	None.
3	HSG	Management	0	(265)	(265)	Managed savings across various budget headings (e.g. staff training). See also para 4.3c in Annex B.	Continue to manage controllable costs to help balance the budget overall.
4	HSG	Maintenance	(168)	926	758	Significant increase in projected costs, largely due to increased voids and associated repairs and maintenance costs. See also para 4.3d in Annex B.	Review planned maintenance spend in order to reduce spending in the current financial year in order to remain within overall budget.
6	HSG	Interest Payable	0	(165)	(165)	Interest payments predicted to be lower than expected. See also para 4.3e in Annex B.	None.
7	HSG	Earmarked Reserves		(190)	(190)	Surplus balance within the Heating Reserve. See also para 4.3f in Annex B.	Recommended to return surplus balance to the revenue account.
8	HSG	Other	2	-2	0	Minor variations.	None.
GRAND TOTALS			(166)	484	318		

HOUSING REVENUE ACCOUNT RESERVES SUMMARY 2011/12

	Original Budget £'000	Current Budget & Forecast £'000
Balance Brought Forward 1 April	1,593	1,593
Planned Use of Reserves within Original Budget:	(175)	(175)
Estimated use of reserves - DLO Transformation		(84)
Estimated use of reserves - Core Council Review Theme 5		(21)
Net Budgeted Movement in HRA Reserves		1,313
Forecast underspend (overspend) for the year		(318)
Projected Balance Carried Forward 31 March	1,418	995

BUDGET VIREMENTS FOR APPROVAL

#	Amount £	Fund	From	To	Explanation
			Service / Heading	Service / Heading	
1					
2					
3					
	0 TOTAL VALUE OF BUDGET VIREMENTS				

This new table is included to show Members how budget virements will be presented in future. No virements are requested this quarter.

SUMMARY STATEMENT OF EARMARKED RESERVES 2011/12

Ref		Balance B/F £'000	Transfers In £'000	Transfers Out £'000	Current Balance £'000
EARMARKED RESERVES - GENERAL FUND					
902460	Capital Financing Reserve - General Fund Projects	762			762
902487	Self Insurance Fund	750			750
902366	Asset Management Leisure	632			632
902477	Housing Enabling	599			599
902430	DLO Trading Account Reserve	569	101	(101)	569
902542	Housing & Planning Delivery Grant	474		(84)	390
902501	LABGI	423			423
902514	Local Plan Enquiry General Provisions	311			311
	Other smaller earmarked reserve accounts	2,339	392	(669)	2,062
		6,858	493	(854)	6,497
EARMARKED RESERVES - HOUSING REVENUE ACCOUNT					
902480	Capital Financing Reserve - HRA Projects	79			79
904210b	CCR DLO Transformation (HRA Resources)	113			113
902483	HRA Heating Reserve	390			390
		582	0	0	582
GRAND TOTAL		7,440	493	(854)	7,079

DEANE DLO TRADING ACCOUNT AND RESERVES SUMMARY

	Expenditure Budget £'000	Income Budget £'000	Net Budget £'000	Forecast £'000	Forecast Variance £'000
TRADING ACCOUNT PERFORMANCE 2011/12					
Highways	662	(682)	(20)	(20)	0
Grounds	2,665	(2,707)	(42)	(42)	0
Building	4,041	(4,057)	(16)	(16)	0
Cleansing	777	(778)	(1)	(1)	0
Nursery	82	(110)	(28)	(28)	0
Transport	123	(117)	6	6	0
DLO Net (Surplus) / Deficit	8,350	(8,451)	(101)	(101)	0

TRADING ACCOUNT RESERVES POSITION

Balance B/F	569	569
Transfer from 2011/12 Trading Account	101	101
Budgeted Transfer (to)/from General Fund	(101)	(101)
Estimated Balance C/F	569	569

DEANE HELPLINE TRADING ACCOUNT AND RESERVES SUMMARY

	Expenditure Budget £'000	Income Budget £'000	Net Budget £'000	Forecast £'000	Forecast Variance £'000
TRADING ACCOUNT PERFORMANCE 2011/12					
Telecare	0	0	0	107	107
Emergency Response	0	0	0	168	168
Control Centre	0	0	0	506	506
Other	980	(880)	100	(674)	(774)
Deane Helpline Net (Surplus) / Deficit	980	(880)	100	107	7

TRADING ACCOUNT RESERVES POSITION

Balance B/F			0	0
Transfer from 2011/12 Trading Account			(100)	(107)
Budgeted Transfer (to)/from General Fund			100	100
Estimated Balance C/F			0	(7)

ANNEX K

GENERAL FUND CAPITAL PROGRAMME SUMMARY

Scheme/Portfolio	Original Budget £'000	Current Budget £'000	Forecast Outturn £'000	Slippage £'000	Under/ Overspend £'000	Net Variance £'000
Corporate Resources						
IT Improvements	60	70	35	(35)	0	(35)
ICT Infrastructure Maintenance	35	35	35	0	0	0
Deane House Boiler	0	55	55	0	0	0
Members IT Equipment	0	6	6	0	0	0
Total	95	166	131	(35)	0	(35)
Economic Development, Asset Management, Arts and Tourism						
DLO Vehicle Acquisitions	150	202	202	0	0	0
HPDG Firepool Weir	0	10	10	0	0	0
Total	150	212	212	0	0	0
Environmental Services						
Mercury Abatement Works	235	1,296	478	(818)	0	(818)
Crematorium Music System	14	4	4	0	0	0
Crematorium Mower	15	15	15	0	0	0
Taunton/Bridgwater Canal	10	10	10	0	0	0
Waste Initiative	0	15	15	0	0	0
Total	274	1,340	522	(818)	0	(818)
Planning Policy and Transportation						
Town Centre Improvements	8	8	8	0	0	0
Parking Strategy – Payment Equipment Replacement	0	1	1	0	0	0
Payment Equipment Replacement – New Coinage	0	31	10	0	(21)	(21)
Total	8	40	19	0	(21)	(21)

Scheme/Portfolio	Original Budget £'000	Current Budget £'000	Forecast Outturn £'000	Slippage £'000	Under/ Overspend £'000	Net Variance £'000
Sports Parks and Leisure						
Play Equipment – Grants to Clubs	46	113	113	0	0	0
Play Equipment – Grants to Parishes	20	20	20	0	0	0
Play Equipment – Replacement Programme	20	20	20	0	0	0
Wheelspark Hamilton Gault	0	26	26	0	0	0
Play Area - Lyngford	0	27	27	0	0	0
Play Area - Greenway	0	52	52	0	0	0
Total	86	258	258	0	0	0
Housing						
Disabled Facilities Grants – Private Sector	359	610	610	0	0	0
Private Sector Renewal Grants	0	65	65	0	0	0
Grants to RSL's	450	916	162	(754)	0	(754)
Total	809	1,591	837	(754)	0	(754)
Total General Fund Capital Programme	1,422	3,607	1,979	(1,607)	(21)	(1,628)

ANNEX L

GENERAL FUND CAPITAL PROGRAMME FORECAST VARIANCES TO BUDGET 2011/12

#	Portfolio	Service / Heading	Forecast Outturn Variance				Explanation	Management Action
			Q1 £'000	Q2 £'000	Q3 £'000	TOTAL £'000		
1	Planning Policy and Transportation	Car Parking	(21)	0	0	(21)	This is due to the cost of replacing the car parking machines to accept the new coinage being introduced being less than the original bid which was the worst case scenario.	
2	Corporate Resources	IT Improvements	(35)	0	0	(35)	This is due to some of this budget for this project being needed to fund the Infrastructure Project in 2012/13.	This budget will need to be carried forward into 2012/13.
3	Environmental Services	Crematorium	0	(818)	0	(818)	It is anticipated that work will start on this project in February 2012 and will therefore not be completed until 2012/13. The reason for the delay is due to an unforeseen problem with the flue liners.	This budget will need to be carried forward into 2012/13.
4	Housing Services	Housing Enabling	0	(754)	0	(754)	Slippage is being reported by the budget holder due to projects not starting until 2012/13.	This budget will need to be carried forward into 2012/13.
GRAND TOTALS			(56)	(1,572)	0	(1,628)		

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME SUMMARY

Scheme	Original Budget £'000	Current Budget £'000	Forecast Outturn £'000	Forecast Variance		
				Slippage £'000	Under/ Overspend £'000	Net Variance £'000
Decent Homes	3,654	3,654	3,689	0	35	35
Integrated Housing Management System	15	15	0	0	(15)	(15)
Door Entry Systems	20	20	20	0	0	0
Aids and Adaptations	200	200	200	0	0	0
Soundproofing	20	20	20	0	0	0
DDA Work	20	20	0	0	(20)	(20)
Asbestos Works	20	20	20	0	0	0
Community Alarm Systems	45	45	45	0	0	0
Tenants Improvements	5	5	5	0	0	0
Disabled Facilities Grants – HRA Stock	300	300	300	0	0	0
Total HRA Capital Programme	4,299	4,299	4,299	0	0	0