

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE GOVERNANCE COMMITTEE 10 DECEMBER 2009

REPORT OF THE FINANCIAL SERVICES MANAGER

This matter is the responsibility of Executive Councillor Henley (Leader of the Council)

NATIONAL INDICATOR 179 (NI179) – 2008/09 OUTTURN

1 Executive Summary

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| 1.1 This report details the Council's final outturn figures and forecast information for National Indicator 179. |
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2 Introduction

- 2.1 NI179 superseded the Annual Efficiency Statement (AES) in 2008, and is defined as:

“the total net value of ongoing cash releasing value for money gains since 2008/09.”

- 2.2 This indicator focuses on the value of cashable efficiencies generated by the Council and this feeds into the LAA. This report details the 2008/09 outturn figures and also provides forecast data for 2009/10.

3 2008/09 Outturn Performance

- 3.1 Members may recall that the government target for the local authority sector was increased in 2008 to 3% per annum from 2.5%, and these are required to be wholly cashable. Individual targets for each Council were discontinued, unless as agreed as part of a Local Area Agreement (LAA).
- 3.2 TDBC has included this indicator within its LAA and has stretched the target from 3% of net revenue and capital expenditure to 3.5%, in common with the other Somerset councils. For TDBC this means that the target for 2008/09 was just over £700k per annum.
- 3.3 The Performance Report submitted to the Executive in June 2009 reported in year gains of £574,000, which leads to cumulative cashable gains of £922,000. Follow audit this has been reduced to in year gains of £494,000 with ongoing cumulative gains of £842,000. This is well in excess of the target required under the LAA.
- 3.4 This report does not contain a detailed schedule of the particular areas where we have generated efficiencies but the table below does give this information in summary form. Should any Member require the detailed efficiencies then please contact the officer named below.

Sector	Total £000
<i>Brought Forward:</i> Surplus Ongoing Efficiencies from 2007/08 (per Backward Looking AES)	348
<i>2008/09 In Year Gains:</i>	
Environmental Services	157
Social Housing (including HRA)	22
Corporate Resources	118
Procurement	161
Other	36
Total in year gains	494
Cumulative Total Carried Forward	842

4 Forecast

- 4.1 As reported in the Q2 Performance Report to Executive on 2nd December 2009, the forecast performance for cumulative gains to be achieved by March 2010 is £884,000. This remains on target.

5 Recommendations

- 5.1 As central government funding becomes more limited it will become increasingly important for the Council to generate value for money gains to ensure that the Council can continue to meet its targets and also produce a balanced budget.
- 5.2 The Corporate Governance Committee are requested to note the final NI179 audited achievement for 2008/09 and forecast for 2009/10 to date against stretched targets.

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