

Executive – 5 July 2018

Present: Councillor Williams (Chairman)
Councillors Berry, Edwards, Habgood, Mrs Stock-Williams, Sully and Mrs Warmington

Officers: Andrew Stark (Interim Head of Financial Services), Richard Doyle (Corporate Strategy and Performance Officer) and Andrew Randell (Democratic Services Officer).

Also present: Councillor Morrell.

(The meeting commenced at 6.15 p.m.)

27. Apology

Councillors Beale, Edwards and Habgood.

28. Minutes

The minutes of the meetings of the Executive held on 5 April 2018 were taken as read and were signed.

29. Declaration of Interests

Councillors Mrs Stock-Williams and Mrs Warmington declared personal interests as Members of Wellington Town Council and Bishops Lydeard and Cothelstone Parish Council respectively.

30. Financial Monitoring Outturn 17/18

Considered report previously circulated, relating to the Council's financial performance for the 2017/2018 financial year. The outturn figures had been included within the Statement of Accounts which had been approved by the Council's External Auditors.

Monitoring the budget was an important part of the Council's performance management framework. Crucially it enabled remedial action to be taken in response to significant budget variances, some of which might be unavoidable. It also provided the opportunity to assess any consequent impact on reserves and the Council's Medium Term Financial Plan.

The revenue outturn position for the financial year 2017/2018 was as follows:-

- The General Fund (GF) Revenue Outturn position for 2017/2018 was a net underspend of £21,000 (0.1%).
- The Housing Revenue Account (HRA) was a 'Self-Financing' account for the Council's Housing Landlord function, which was budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2017/2018 was a net underspend of £446,000 (1.7% of gross income).

Reported that the year-end financial statements reported that Deane DLO had made an overall deficit of £9,000 after contributing £49,000 Corporate Costs. There had been a change to the structure of the DLO during 2017/18 with the building maintenance area being moved from the DLO and into the HRA. Therefore the DLO was now only made up of the one distinct operating area of Grounds Maintenance (including the Nursery).

The Deane Helpline had reported a net deficit of £67,000 for the year, which was an underspend of £69,000 against the final budget and represented the net cost of the service to the GF.

Under regulations the Council had to report how its Licencing and Land Charges services performed in the financial year. This was set out in the table below. These services set fees and charges based on estimated reasonable costs, and aimed to break even each year. When this did not occur, the Council could transfer any surplus/deficit to a self-financing reserve. During the next round of fees and charges setting, adjustments would be made with the view to achieving a break-even position on a three year rolling basis.

Licensing and Land Charges Self-Financing Reserves

	Balance Brought Forward £	Under/(over)-recovery £	Balance Carried Forward £
Land Charges	(56,160)	(43,390)	(99,550)
Licencing	(950)	20,780	19,830
Taxi-Licencing	(36,610)	36,610	0

With regard to the budget for the Unparished Area of Taunton, reported that although £31,451 had been allocated to a variety of schemes during the 2017/2018 financial year, £60,817 was available for allocation during the current year.

The capital outturn position for 2017/2018 was as follows:-

- The General Fund profiled Capital Programme at the end of 2017/2018 was £53,304,000. Of this, £13,883,000 had been spent in previous years and a further £4,869,000 had been spent during 2017/18. The actual expenditure on the Capital Programme during 2017/18 and future years was £34,259,000. This would leave a net underspend of £293,000 against the overall programme.
- The HRA approved Capital Programme at the end of 2017/2018 was £18,839,000. This related to schemes which would be completed over the next five years. The actual expenditure on the Capital Programme during 2017/2018 was £10,126,000, with £8,713,000 for planned investment to implement approved schemes in future years. A net overspend of £446,000 (1%) was reported against the overall programme.

Further reported that the GF Reserves balance as at 31 March 2017 stood at £2,299,000. The balance remained above the minimum reserves expectation within the Council's Budget Strategy (£1,700,000).

The HRA Reserves balance as at 31 March 2018 stood at £2,778,000, which was above the minimum level (£1,800,000) set within the Council's Budget Strategy and the HRA Business Plan.

The total General Fund Earmarked Reserves balance as at 31 March 2018 was £21,615,000, and for HRA Earmarked Reserves the balance was £6,990,000, representing funds that had been set aside for specific purposes to be spent in 2018/2019 or later years. This had grown largely in respect of funds committed to support growth and infrastructure development, future capital programme spending, the Business Rates funding volatility, creating a new Council and funding set aside to support service restructuring and transformation projects. The majority of this was planned to be spent over the next two years, although experience had shown this might be over a longer period.

Noted that the Outturn Report had also been considered by the Corporate Scrutiny Committee on 21 June 2018 and the recommendations contained within the report were supported.

Resolved that:-

- 1.1 The Executive reviewed the Council's financial performance and end of year position for the General Fund and the Housing Revenue Account, including pre-approved carry forwards and transfers to earmarked reserves.
- 1.2 The Executive is recommended to:
 - (a) Note the reported General Fund Revenue Budget underspend of £21k in 2017/18 and the General Reserves Balance of £2.299m as at 31 March 2018.
 - (b) Recommend Full Council to approve the General Fund Revenue Budget Carry Forwards totalling £1.195m (as set out in table 3 of the report).
 - (c) Recommend Full Council to approve a General Fund Capital Programme Budget Profile totalling £34.259m in 2018/19 and Later Years (as set out in Appendix B).
 - (d) Recommend Full Council to approve a Housing Revenue Account Budget Carry Forwards totalling £344k (as set out in table 14 of the report).
 - (e) Recommended Full Council to approve a Housing Revenue Account Capital Programme Budget Profile totalling £8.713m in 2018/19 and Later Years (as set out in Appendix D).

31. Quarter 4 2017/18 Performance Report

Considered report previously circulated, which detailed the performance of the Council for the final quarter of 2017/2018.

Regularly monitoring performance was a key element of the Council's Performance Management Framework. There were 34 individual measures which were reported within the Corporate Scorecard.

The Taunton Deane Corporate Scorecard contained details of the Quarter 4 2017/2018 position against the Council's key priorities, finance and corporate health indicators. It was stressed that this information was the situation at 31 March 2018.

Each action/measure had been given a coloured status to provide the reader with a quick visual way of identifying whether particular measures were on track or whether there might be some issues with performance or delivery or an action.

The table below provided an overview of the reported indicators within the Corporate Scorecard:-

GREEN 	AMBER 	RED 	TOTAL
20 (24)	12 (3)	2 (5)	34

(The figures in brackets related to Quarter 4 in 2016/17)

Submitted a comprehensive summary of each of the 35 performance measures. The two indicators on the scorecard allocated 'red' status were:-

- Facilitate the delivery of the affordable housing development pipeline to achieve 200 new affordable homes in 2017/18 with at least 10% being new build council housing.
- Customer Complaints Responded to within 20 working days.

Reported on the actions that would be taken in an attempt to meet the performance targets that had been set for these two indicators.

Resolved that the report be noted.

32. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

Resolved that the Forward Plan be noted.

(The meeting ended at 7.00 p.m.)