

You are requested to attend a meeting of the Scrutiny Committee to be held in Meeting Room C - Flook House on 5 March 2019 at 6.15 pm.

Agenda

- 1 Apologies.
- 2 Minutes of the previous meeting of the Scrutiny Committee. (Pages 5 - 10)
- 3 Declarations of Interest.

To receive and record any declarations of disclosable pecuniary interests or personal or prejudicial interests in respect of any matters included on the agenda for consideration at this meeting.
(The personal interests of Councillors and Clerks of Somerset County Council, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes.)
- 4 Public Question Time.
- 5 Financial Monitoring 2018/19 as at 31 December 2018 (Pages 11 - 28)
- 6 Spotlight Review into Crime and Anti-Social Behaviour in Taunton Town Centre (Report of the Chairman of the Task and Finish Cllr Ian Morrell) - DEFERRED
- 7 Update on Preventative Measures for Unauthorised Encampments / Incursions on Open Spaces (Pages 29 - 32)

Bruce Lang
Assistant Chief Executive

25 February 2019

Members of the public are welcome to attend the meeting and listen to the discussions.

There is time set aside at the beginning of most meetings to allow the public to ask questions.

Speaking under "Public Question Time" is limited to 4 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chairman will be responsible for ensuring the time permitted does not overrun. The speaker will be allowed to address the Committee once only and will not be allowed to participate further in any debate.

Except at meetings of Full Council, where public participation will be restricted to Public Question Time only, if a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors begin to debate the item.

This is more usual at meetings of the Council's Planning Committee and details of the "rules" which apply at these meetings can be found in the leaflet "Having Your Say on Planning Applications". A copy can be obtained free of charge from the Planning Reception Desk at The Deane House or by contacting the telephone number or e-mail address below.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

Full Council, Executive, Committees and Task and Finish Review agendas, reports and minutes are available on our website: www.tauntondeane.gov.uk



The meeting rooms at both Brittons Ash Community Centre and West Monkton Primary School are on the ground floor and are fully accessible. Toilet facilities, with wheelchair access, are available.

Lift access to the Council Chamber on the first floor of Shire Hall, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are available through the door to the right hand side of the dais.



An induction loop operates at Shire Hall to enhance sound for anyone wearing a hearing aid or using a transmitter.

For further information about the meeting, please contact the Governance and Democracy Team on 01823 356356 or email democraticservices@tauntondeane.gov.uk

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Scrutiny Committee Members:

Councillor S Coles (Chairman)
Councillor F Smith-Roberts (Vice-Chair)
Councillor J Blatchford
Councillor N Cavill
Councillor W Coombes
Councillor E Gaines
Councillor A Gunner
Councillor T Hall
Councillor R Henley
Councillor R Lees
Councillor L Lisgo
Councillor S Martin-Scott
Councillor N Townsend
Councillor D Webber

Scrutiny Committee - 15 January 2019

Present: Councillor S Coles (Chairman)

Councillors F Smith-Roberts, N Cavill, W Coombes, A Gunner, T Hall, R Lees, L Lisgo, S Martin-Scott, N Townsend, D Webber, S Lees (In place of R Henley) and R Ryan

Officers: Tim Burton, Marcus Prouse and Clare Rendell

Also Present: Councillors P Berry and J Warmington and Mr B James from Persimmon Homes.

(The meeting commenced at 6.15 pm)

41. Apologies.

Apologies were received from Councillors J Blatchford and E Gaines.

The Chair expressed sorrow on behalf of the Committee on the recent passing of Scrutiny Member Councillor Tom Davies.

42. Minutes of the previous meeting of the Scrutiny Committee.

The minutes of the meeting of the Scrutiny Committee held on 12 December 2018, with amendments, were taken as read and were signed.

43. Declarations of Interest.

Members present at the meeting declared the following personal interests in their capacity as a Member or Clerk of County, Parish or Town Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr S Coles	All Items	SCC & Devon and Somerset Fire and Rescue	Personal	Spoke and Voted
Cllr N Cavill	All Items	West Monkton	Personal	Spoke and Voted
Cllr W Coombes	All Items	Stoke St Mary	Personal	Spoke and Voted
Cllr N Townsend	All Items	Kingston St Mary	Personal	Spoke and Voted
Cllr D Webber	All Items	Cheddon Fitzpaine	Personal	Spoke and Voted
Cllr J Warmington	All Items	Bishops Lydeard & Cothelstone	Personal	Spoke

44. Public Question Time.

Mrs J Calcroft spoke on Agenda Item 6 – Monkton Heathfield Urban Extension Policy Update.

I refer to agenda item 6 and would like to draw Councillors attention to page 21 of the report and in particular to sections 4.10, 4.11 and 4.21.

The Council's Core Strategy drawn up in 2012 was an employment led policy. In April 2016 we were told 'The Core Strategy review had commenced, whilst the Adopted Core Strategy remained current and in place, the review process would access new data that would update the Strategy'. It was almost 3 years since the review started. It must have been completed by now. She appreciated that some aspects of the Council's amended, new Local Plan could leave them vulnerable to challenge from developers because of recent changes in the National Planning Policy Framework (NPPF). But hopefully the data used to inform the new Core Strategy would place them in a more robust position with regard to the sustainability of Monkton Heathfield and later on with Staplegrove and Comeytrowe (the Garden Town trio in the Council's proposals referred to in paragraph 4.13). The Council needed more pro-active, robust policies to withstand challenges from developers. They should have irrefutable evidence to show the need for more employment to accompany increased housing. Increasing density requirements to cram in more houses, without the much needed road infrastructure which Councillors and the public recognised was needed but somehow eluded officers and Somerset County Council (SCC) Highways Authority was quite honestly crazy and inexcusable yet The Leader and his Executive colleagues 'complained' that others talk Taunton down! The officers report stated that employment land could now be considered for 'more appropriate' uses including houses. 'Quite frankly I'm getting tired of the Council's lack of teeth and its lack of carefully considered and well informed forward planning'. Way back last year when the NPPF consultation was underway, the Council should have better anticipated how proposals, if they went through, would make them more vulnerable at the hands of developers. Those proposals did not come out of the blue. It was known in advance that they could and indeed were likely to happen. Surely it would have been better for our Council to have reviewed aspects of certain policies in advance which would robustly stand up to scrutiny and demonstrate the need for an employment led local strategy rather than walk us blindly into most likely becoming a dormitory town for commuters who work and spend their monies elsewhere. So now we face the loss of some employment land. What next? Reading paragraphs 4.10 and 4.11 in the report raised concerns. Was the size of the Green Wedge the next to be compromised?

Mrs Calcroft's questions were:-

Where could members of the public access Taunton Deane Borough Council's reviewed Core Strategy?

How did the Council propose to ensure that new housing developments were truly sustainable if on-site local employment areas, which would include local shops as well as other 'jobs', were reduced and more residents of the new houses forced to travel further for their groceries and work?

Was cramming more houses on a site with less local employment opportunities not contradictory to paragraph 4.10 where the intention was to recognise a means to reduce CO2 emissions?

The Assistant Director for Planning and Environment gave the following response:-

The Core Strategy work had been carried out but they hadn't yet compiled a draft report or sent out for consultation. Some of the work had been guided by the Task and Finish Group that had recently carried out work on use of employment land. The calculations used had changed since 2012 when the Strategy was first compiled. Employment land had been highlighted.

Originally high density developments were used to minimise the need for green space developments. However, now the density had lessened, employment land could be used, even if it had previously been allocated.

45. **Call-in, by Councillors Libby Lisgo and Richard Lees, of the decision made by Executive Councillor Jane Warmington to agree to the appointment of Somerset Community Foundation to manage the processing of the TDBC Partnerships Grants Fund through a variation of the existing services contract.**

Considered report previously circulated, that detailed a Call-in, by Councillors Libby Lisgo and Richard Lees, of the decision made by Executive Councillor Jane Warmington to agree to the appointment of Somerset Community Foundation (SCF) to manage the processing of the TDBC Partnerships Grants Fund through a variation of the existing services contract.

This decision had now been called in by Councillors Libby Lisgo and Richard Lees for the reasons set out below:-

- 1) A lack of detailed information and concern about the unintended consequences of the change which was felt deserved a public explanation,
- 2) A lack of discussion over the principle of using an external organisation for this, concerns around transparency and reporting back to Members. More detail was required on how this would be reported back to the Council and how it ensured any funds were equitably distributed?
- 3) How the overall picture of the utilisation of this and the other funds managed by Somerset Community Foundation were managed across the area.

During the discussion, the following points were made:-

- Members thanked Executive Councillor Jane Warmington for the extra information presented at the meeting.
- Members suggested that when an Executive Decision was circulated, detailed information should be included especially if the item had not been discussed through the Scrutiny Committee.
- Members requested that an annual Grants Update Report was presented at the Scrutiny Committee.
The Governance and Democracy Specialist would add the item to the Scrutiny Work Programme.
- Concern was raised that the grant outcomes used to be published in the Weekly Bulletin, which no longer existed.
The SCF produced a regular report with the grant outcomes included, it was suggested that that report could be distributed to all Councillors.
- Members queried how the SCF set their fees.
The Executive Councillor was not sure but believed it was not proportional and might be based on hours spent on projects.

- Members queried what monitoring processes were in place and carried out by the SCF to show that the funds granted were spent in the manner applied for.
The monitoring forms included the application form showed how the checks were made for each grant.
- Members queried whether the SCF contract was renewed annually.
The funding agreement was set up to replace the old service level agreements and would be subject to review.

Resolved that the Scrutiny Committee decided to take no further action, in which case the decision of the Executive Councillor Warmington of 7 December 2018 would stand.

46. **Monkton Heathfield Urban Extension Policy Update.**

Considered report previously circulated, which identified the factual changes to Policy SS1 and other material considerations since the Core Strategy was adopted and sought Members approval for an approach to the delivery of employment land that was not strictly in accordance with Policy SS1 with regards to employment land delivery at Monkton Heathfield.

During the discussion, the following points were made:-

- Members highlighted with the formation of the New Council, it would take time to compile a new joint Local Plan and queried how long that would take.
The creation of a new Local Plan was a good aspiration and officers could have pushed out consultations for the TDBC Local Plan but they were aware that it would not have been adopted in time and would then fall under the New Council. WSC had adopted their Local Plan two years ago, with an early review date which would fall within the formation of the Local Plan for the New Council. Members were given an approximate time frame of 18 months between a review and adoption of a new Local Plan.
- Concern was also raised on how much of West Somerset was covered by Exmoor National Park and whether the New Council would meet the necessary housing requirements.
Exmoor National Park was a separate Planning Authority with their own requirements to provide new housing which was separate to that of WSC. WSC did not receive the same amount of larger and controversial applications as TDBC.
- Members queried whether the new Park and Ride was still on track and where it would be located.
The Park and Ride scheme was a specific requirement of the proposed development and was believed to be part of the 106 Agreement. It was due to be located at the Walford Cross end of the development.
- Members requested clarification on what employment land was.
Clarification was given and ideally employment land would be located on the peripheral of the development.
- An officer from the developers was present and advised the Committee that he had been working in partnership with all parties and they hoped to be able to submit a planning application by the end of March 2019.

The Assistant Director for Planning advised that they would prefer not to receive a planning application prior to the adoption of the Master Plan because the Plan guided all decisions made on planning applications.

- Members agreed the Master Plan was an important document.
- Concern was raised that residents urged the developers to complete the work they had already started prior to the start of the next phase. Some of the roads and public areas had not yet been adopted.
- Members queried what public input would be fed into the types of dwellings that would be built on the site.

Master Planning guided the decision on what types of dwellings were built. Those decisions were made at a higher level than individual applications.

- Members requested that community event details were circulated to all Councillors for the Taunton Deane area.
- Members requested that social housing should be built first .
The Master Plan should look at phased completion of social housing. The Housing Enabling Officer probably wouldn't want all social housing to be built first and that it needed to be done in stages to keep a balance of tenure on the site.

Resolved that the Scrutiny Committee noted the content of the report and supported, in principle, the release of a part of employment land south of Langaller Lane as set out in the report.

47. **Scrutiny Work Programme.**

Considered the Scrutiny Work Programme previously circulated.

The Governance and Democracy Specialist highlighted that two items that had not been included on the Work Programme:-

- The Brewhouse Update; and
- The Voluntary Grant Update.

Members were reminded that if they had an item they wanted to add to the agenda, that they should send their requests to the Governance and Democracy Specialist.

Resolved that the content of the Work Programme be noted.

(The Meeting ended at 8.10 pm)

Taunton Deane Borough Council

Scrutiny Committee – 5 March 2019

Financial Monitoring – 2018/19 as at 31 December 2018

This matter is the responsibility of the Leader of the Council, Councillor John Williams

Report Author: Andrew Stark, Interim Finance Manager

1 Executive Summary

1.1 This report provides an update on the projected outturn financial position of the Council for the financial year 2018/19 (as at 31 December 2018). This is expected to be the last progress report to TDBC Scrutiny/Executive this year. The end of year financial performance report is due in June/July and, whilst the report will be in respect of TDBC it will be presented to the new Council – Somerset West and Taunton. This will be presented alongside the end of year report for West Somerset too.

1.2 Monitoring the budget is an important part of the Council's performance management framework.

1.3 The current revenue forecast outturn for the financial year 2018/19 is as follows:

The General Fund (GF) Revenue Outturn is forecasting a net underspend of £124k.

The Housing Revenue Account (HRA) is forecasting underspend of £356k.

1.4 The current capital forecast position for 2018/19 is as follows:

The General Fund capital account is forecasting spend of £9.594m against a total Programme budget of £76.082m with £49.892m forecast to be spent in future years (£16.611m spent in previous years);

The HRA capital account is forecasting spend of £9.086m against a budget of £17.686m with £8.610m forecast to be spent in future years.

Any overspends or underspends in the capital forecast at this time are shown in **Appendix C**.

1.5 The General Fund reserves forecast balance as at 31 March 2019 is projected to be £2.088m. The balance remains above the recommended minimum reserves

level approved in the Council's Budget Strategy (£1.7m).

- 1.6 The Housing Revenue Account (HRA) Reserve forecast balance as at 31 March 2019 is £2.428m, which is above the recommended minimum level (£1.8m) set within the Council's Budget Strategy and HRA Business Plan.

2 Recommendations

- 2.1 It is recommended that Corporate Scrutiny notes the Council's forecast financial performance for 2018/19 financial year as at 31 December 2018.

3 Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
That the Authority overspends against the approved budget	3	4	12
<i>Mitigated by - Regular budget monitoring reports are produced and managers actively manage the budgets under their responsibility</i>	1	4	4

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
			Impact				

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

4 Background and Full details of the Report

- 4.1 This report provides the Council's forecast end of year financial position for revenue and capital expenditure as at 31 December 2018 for the Council's General Fund (GF), Housing Revenue Account (HRA) and trading services.
- 4.2 The regular monitoring of financial information is a key element in the Council's Performance Management Framework. Crucially it enables remedial action to be taken in response to significant budget variances, some of which may be unavoidable. It also provides the opportunity to assess any consequent impact on reserves and the Council's the Medium Term Financial Plan.
- 4.3 Members will be aware from previous experience that the position can change between 'in-year' projections and the final outturn position, mainly due to demanded service costs and income levels. The budget monitoring process involves a detailed review of the more volatile budgets and a proportionate review of low risk/low volatility budget areas.
- 4.4 Budget Holders, with support and advice from their accountants, regularly review the position and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that some unforeseen changes could influence the position at the year end, and a number of risks and uncertainties are highlighted within this report. However, the following forecast is considered to be reasonable based on current information.
- 4.5 It is clear that the organisation is undergoing major change at present with implementation of the new operating model under Transformation and the preparation for the new Somerset West Taunton Council taking effect in April 2019. All reasonable effort is being undertaken by budget holders and finance staff to ensure that budgets remain under control during this period of disruption.

5 2018/19 Forecast Outturn

General Fund Revenue Account – 2018/19 Forecast as at 31 December 2018

- 5.1 The Council is currently forecasting an overall net underspend of £124k. This is a small underspend compared to the Net Budget of £13m, and Gross Expenditure of £62m. It should be noted that this forecast assumes the costs of and savings from transformation are within budget.
- 5.2 A Summary Statement of the General Fund Revenue Outturn by Portfolio is provided in **Appendix A**.

Table 1 - Summary of Significant Forecast Variances for the Year

	Staffing	Other	Income	Total
	£000	Expend	£000	£000
		£000		
Deane Helpline	57	(17)	(40)	0
Planning	149	38	(111)	76
Car Parking	0	(267)	267	0
Recycling	0	0	(76)	(76)
Bereavement Services	28	99	(191)	(64)
Environmental Health	0	0	(24)	(24)
Waste Collection	0	102	0	102
HR	0	46	0	46
Legal Services	0	46	0	46
Conduction of Elections	0	(26)	0	(26)
ICT	0	45	0	45
Council Tax collection costs	0	0	22	22
Rent Allowances/Rebates	0	0	(104)	(104)
Housing Benefits	0	0	(163)	(163)
Shopmobility	0	(20)	0	(20)
Leisure	0	(38)	0	(38)
Community Safety	0	51	0	51
Asset Management	160	(18)	(95)	47
DLO	0	100	0	100
Investment Income	0	0	(144)	(144)
Business Rates	0	617	0	617
Transfer from Business Rates smoothing reserve	0	0	(617)	(617)
TOTAL – over / (under) spend	394	758	(1,276)	(124)

5.3 The main variances to budget are explained as follows:

Asset Management: There is a projected overspend of £47k. The use of agency to cover a number of vacancies staff has led to one-off overspend of £160k on staff costs. This reflects the challenging market for property specialist roles. This has been offset by one-off recovery of historic bad debt income of £95k plus a forecast underspend of £18k on bus shelters. Opportunities to further mitigate the cost pressures will be explored during the remainder of the financial year.

Car Parking: Car parks are on budget. The income levels forecast in the budget setting has not materialised by £267k and there is an increase in the external contract of £41k. This has been offset by £308k savings in business rates and repairs and maintenance. Base budgets for both costs and income will be realigned for 2019/20 budget estimates.

Planning: Increased income of £111k has been invested in the delivery of planning services however, due to the challenging market for planning specialist

roles we have required agency staff to backfill which has contributed to increased spending of £187k, giving a projected overspend of £76k.

Leisure: A potential additional contract item for the spa from GLL has not materialised giving a saving of £38k.

Community Safety: There is a budget error in the CCTV contract of £51k.

Shopmobility: Savings on electricity, maintenance and grant has given underspend of £21k.

Waste Recycling: The service is projecting additional income from green waste collection services of £76k with demand for the service exceeding budget expectations. As this is a demand-led service the position can fluctuate, however as the majority of income is received early in the financial year for the annual kerbside collection service the forecast is expected to be reasonably accurate at this stage.

Waste Collection: Additional volume costs of £102k are being charged for the year by Somerset Waste Partnership.

Bereavement Services: The service has projected additional income of £64k. Bereavement services is a demand led service and usage has increased during the year producing additional income for the service of £191k which has been offset by planned maintenance by contractors, additional staffing of £34k to cover upturn in workload and additional cremator maintenance and repair of £60k and £33k for the purchase, lease and repair of plant and machinery.

ICT: Smartphone 8*8 rollout has increased revenue costs by £45k but enables greater efficiency and agile working.

Council Tax Collection: This projected shortfall of income of £22k is in respect of reduced recovery action.

Conducting Elections: Additional income and reduced election costs gives a projected underspend of £26k.

Environmental Health: WH Smith court case income gives additional income of £24k.

Homelessness: Cost of Bed and Breakfast expenditure is forecast to exceed budget estimates by £413k. This will be funded in 2018/19 by use of reserves and grants received. The council has a statutory duty to house people who find themselves homeless. The numbers of homeless have increased in 2018/19 compared to 2017/18. In April the Homelessness Reduction Act placed extra duties on the council to house the homeless until accommodation can be provided. In 2017/18 councils only had a duty to house the homeless for 28 days.

Rent Allowances/Rebates: There is a surplus under HB Subsidy arrangements of £104k.

Housing Benefits: Additional new burdens income of £163k.

Human Resources: Additional insurance and payroll software costs of £46k

Interest Costs and Income: Additional investment income of £144k has been received due to improved returns.

Business Rates

A summary of the new Retained Funding forecast is shown in the table below:

Table 2 – Business Rates Retention Estimates

Business Rates Retention Funding Estimates	2018/19 Budget £000	2018/19 Actual £000	2018/19 Difference £000
40% Standard Share of Business Rates Yield	15,219	15,219	0
Rates yield from renewable energy schemes	171	171	0
Tariff to Government	(12,781)	(12,781)	0
Levy Payment	(375)	(926)	(551)
Safety Net Income	0	0	0
S31 Grant	1,358	1,292	(66)
Net Retained Business Rates Funding	3,592	2,975	(617)

5.4 The forecast of Business Rates retained income is £617k lower than the 2018/19 budget. This is primarily due to accounting timing differences, where business rates income is projected to exceed budget – which will be received through the Collection Fund Surplus in 2019/20 – but this leads to a higher levy costs which we must account for in this financial year. The increase income reflects net growth, reduced provisions for appeals/refunds and a higher compensation factor allowed against Small Business Rates Relief. The budget assumed 50% whereas the actual percentage is 69.7%. S31 grants are also lower than budgeted.

5.5 The Council is part of the Somerset Business Rates Pool and should receive a pool dividend for its sharing of the pooling gain, which is currently estimated at £503k. This will be needed to meet the approved funding for transformation programme and transition resources approved by the Council in December 2018.

6 General Fund Reserves

General Reserves

6.1 The following table summarises the movement on the General Reserves Balance to 31 December 2018.

Table 3 - General Reserve Balance

	£000
Balance Brought Forward 1 April 2018	2,299
Transformation Programme	(335)
2018/19 Projected Outturn Variance – Q3 Forecast	124
Projected Balance 31 March 2019	2,088
Recommended Minimum Balance	1,700
Projected Balance above recommended minimum	388

- 6.2 The forecast balance as at 31 March 2019 is £2.088m. This would be £388k above the recommended minimum balance of £1.700m. The balance is only a forecast and can change which means it must be caveated at this stage. The final outturn for the year will be reported to the new Somerset West and Taunton Council in June/July this year.
- 6.3 Prudent advice is to maintain reserves above the recommended minimum, to provide some resilience for emerging costs and to provide some flexibility to support measures to address ongoing financial sustainability.
- 6.4 The funding for the Transformation Programme which the Council approved in December is included in Table 3 above.

General Fund - Risk and Uncertainty

- 6.5 Budgets and forecasts are based on known information and the best estimates of the Council's future spending and income. Income and expenditure over the 2018/19 financial year is estimated by budget holders and then reported through the budget monitoring process. During this process risks and uncertainties are identified which could impact on the financial projections, but for which the likelihood, and/or amount are uncertain.
- 6.6 The following risks and uncertainties have been identified:
- 6.6.1 **Fluctuation in demand for services:** We operate a number of demand-led services and the levels of demand do not always follow a recognisable trend. We therefore have to caveat the forecasts in these areas to account for fluctuations.
- 6.6.2 **General Spend:** It is conceivable that, whilst budget holders are optimistic that they will spend all of their budget, we could see underspends of £50k-£100k by year end caused by the cumulative effect of minor underspends in a number of service areas.
- 6.6.3 **Year End Adjustments:** Certain items are not determined or finalised until the financial year end. For example, the final assessment of provisions required for bad debts, and final allocations of support service recharges. These can result in

potentially significant differences to current forecasts.

- 6.6.4 **Business Rates:** There are inherent risks and uncertainties within the Business Rates Retention system. The Council's share of business rates funding is directly linked to the total amount of business rates due and collected in the area. The figures are subject to volatility. Forecasts have to reflect this uncertainty. Due to delays caused by the additional work required on last year's accounts, the current forecasts still need to be prepared.
- 6.6.5 The Council carries protection against risk and uncertainty in a number of ways, such as insurances and maintaining reserves. This is a prudent approach and helps to mitigate unforeseen pressures.

Deane DLO Trading Account

- 6.7 As at 31 December 2018, the DLO is forecasting £100k overspend. There is a projected shortfall in external contract income with the county council. Any overspend will be transferred to the DLO trading reserve. Due to the complexities of the business and the significant sums involved in the DLO operation, the year-end outturn forecast is an estimate at this point in time. This forecast outturn needs to be flagged as a risk and will be continually monitored.
- 6.8 The Trading Account Reserves Position balance brought forward of £395k relates to a retained trading surplus of £80k, plus capital reserves and £315k to fund vehicle replacement.
- 6.9 As agreed within the transformation plan, continuous improvement of DLO services will enhance all aspects of operational efficiency and effectiveness.

Deane Helpline Trading Account

- 6.10 The Deane Helpline's net budget is £135k. The service is predicting to be on budget at year end. Forecast overspend in staffing of £57k due to increased sickness has been offset by additional income of £40k and IT contract saving of £17k.
- 6.11 There are no funds held in the Deane Helpline Trading Account Reserve, therefore any deficit would have to be underwritten by the General Fund.

General Fund Capital Programme

- 6.12 The total approved General Fund Capital Programme is currently £76.082m. This relates to schemes which will be completed over a number of years. Of this, Budget Holders are projecting that £9.594m will be spent during 2018/19 with £49.892m due to be spent in future years. £16.611m has been spent on 'current' schemes in previous years. Current in-year spend as at 31 December 2018 is £7.115m. There is overspend of £15k on Play Equipment. The Council is supporting this investment

through the use of Capital Grants and Contributions, Capital Receipts, Revenue Funding and Borrowing

- 6.13 The major areas of capital spend planned for future years include, £3.5m on Somerset Waste Partnership loan, £2.765m on Town Centre Regeneration and £2.669m on Major Transport Schemes. In addition, significant budget approvals have been made by Council within confidential reports – with figures not disclosed in order to protect the Council’s interests during procurement phase.
- 6.14 The major area of capital spend in 2018/19 is £650k on Disabled Facilities Grants, £3.192m on Deane House Accommodation backlog maintenance and improvements, £774k on Transformation costs, £1.135m on Parking Access and Signage, £428K on West Monkton Country Park, £129K on Coal Orchard and £334k on DLO vehicles.
- 6.15 A summary of the General Fund Capital Programme budget and forecast for the year is included in **Appendix C**.

7 Housing Revenue Account (HRA)

- 7.1 The HRA is a ‘Self-Financing’ account for the Council’s Housing Landlord function, which is budgeted to break-even (net of approved transfers to/from HRA Reserves). The current forecast HRA Revenue Outturn for 2018/19 is a gross surplus of £356k (1.3% of gross income).
- 7.2 The current forecast outturn for 2018/19 is provided in more detail in **Appendix B**.
- 7.3 The major under and overspends forecast for year are summarised as follows
- 7.4 **Leasehold Income:** Income from leaseholders is higher than budgeted by £65k to reflect the increased cost of maintenance on shared blocks.
- 7.5 **Housing Management:** Vacancies in tenant management, lettings, tenant empowerment, supported housing have created underspend of £351k.
- 7.6 **Insurance:** Insurance costs are higher than budget. Grounds maintenance costs for clearing properties are above budget. The forecast overspend for both is £215k.
- 7.7 **Responsive Maintenance:** A forecast underspend in maintenance of £172k in subcontractors used in electrical works as a result of better scheduling and securing cover for vacant posts.
- 7.8 **Interest Receivable:** Changes to reserve balances mean that the interest received on investments is forecast to be lower than budgeted by £66k.

HRA - Risk and Uncertainty

- 7.9 As with the General Fund, budgets and forecasts are based on known information and the best estimates of the Council’s future spending and income. Income and expenditure over the financial year 2018/19 is estimated by budget holders and then reported through the budget monitoring process. During this process risks and uncertainties are identified which could impact financial projections, but for which the likelihood and/or amount are uncertain.

Housing Revenue Account General Reserves

- 7.10 The HRA reserves at the start of the year were £2.778m. The forecast underspend of £356k less the funding of additional Transformation and Transitional costs for 2018/19 reduces the balance to £2.428m. This is above the minimum recommended reserve level of £1.800m by £628k, providing a level of resilience to unplanned fluctuation in costs.

Table 3: HRA Reserve Balance

	£k
Balance Brought Forward 1 April 2018	2,778
Budget transfer to Reserve for BAU Transitional costs	(178)
Budget transfer to Transformation re Programme variance	(172)
Transformation Programme Funding	(356)
Forecast Outturn 2018/19 (as at 31 December 2018)	356
Forecast Balance Carried Forward 31 March 2019	2,428
Recommended Minimum Balance	1,800
Forecast Balance above recommended minimum	628

8 HRA Capital Programme

- 8.1 The HRA approved Capital Programme is £17.686m. This relates to schemes which will be completed over the next five years. The Council is supporting this investment through the use of Capital Receipts, Revenue Funding and Borrowing.
- 8.2 **Appendix C** provides a breakdown of the HRA Capital Programme Outturn by scheme.
- 8.3 The capital programme can be split into three distinct areas:
- 8.4 **Major Works:** £7.499m of the capital budget in the HRA relates to major works on existing dwellings and includes works such as kitchens, bathrooms, heating systems, roofs, doors and windows. Actual spend at 31 December 2018 is £4.333m. Forecast expenditure to 31 March is £5.781m.
- 8.5 **Improvements:** A total of £2.535m capital budget relates to such as disabled facilities adaptations, asbestos removal, environmental improvements and extensions. Actual spend to 31 December 2018 is £501k. Forecast expenditure to

31 March is £1.217m.

- 8.6 **Development:** The remaining budget of £7.652m is for the provision of new housing through Creechbarrow Road, Weavers Arms and the Social Housing Development Programme. Actual spend to 31 December 2018 is £1.959m with forecast expenditure to 31 March £2.088m.

9 Links to Corporate Aims / Priorities

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

10 Finance / Resource Implications

- 10.1 Contained within the body of the report.

11 Legal Implications

- 11.1 There are no legal implications associated with this report.

12 Environmental Impact Implications

- 12.1 None for the purpose of this report.

13 Safeguarding and/or Community Safety Implications

- 13.1 None for the purpose of this report.

14 Equality and Diversity Implications

- 14.1 None for the purpose of this report.

15 Social Value Implications

- 15.1 None for the purpose of this report.

16 Partnership Implications

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

17 Health and Wellbeing Implications

- 17.1 None for the purpose of this report.

18 Asset Management Implications

18.1 None for the purpose of this report.

19 Consultation Implications

19.1 None for the purpose of this report.

20 Scrutiny Comments / Recommendation(s)

20.1 Scrutiny comments and recommendations are invited at this meeting, and will be provided to the Executive as a verbal update due to timing of meetings and issuing of agendas.

Democratic Path:

- TDBC Scrutiny – 5 March 2019
- TDBC Executive – 6 March 2019

Reporting Frequency: Quarterly (except Quarter 1)

List of Appendices

Appendix A	General Fund Revenue Account Outturn Summary
Appendix B	Housing Revenue Account Outturn Summary
Appendix C	General Fund and Housing Revenue Account Capital Programme Outturn Summary

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APPENDIX A

GENERAL FUND REVENUE ACCOUNT SUMMARY 2018/19

	Current Budget £000s	Forecast Outturn £000s	Forecast Variance £000s
Service Portfolios			
Corporate Management	1,589	1,609	20
Growth and Development	2,200	2,276	76
Housing and Communities	2,935	2,982	47
Operations	6,083	5,960	(123)
Transformation	(279)	(279)	0
Somerset Rivers Authority	72	72	0
Net Cost of Services	12,600	12,620	20
Other Operating Costs and Income			
Deane Helpline Trading Account	135	135	0
Interest Payable	170	170	0
Interest and Investment Income	(614)	(758)	(144)
Parish Precepts	773	773	0
Capital Financing from GF Revenue (RCCO)	402	402	0
Repayment of Capital Borrowing (MRP)	400	400	0
Transfers to Capital Adjustment Account	(2,295)	(2,295)	0
Transfers To/(From) Earmarked Reserves	2204	1,587	(617)
Transfers To/(From) General Reserves	0	0	0
Total Other Operating Costs and Income	1,175	414	(761)
NET EXPENDITURE BEFORE GRANTS AND TAXATION	13,775	13,034	(741)
Business Rates and Council Tax Income	(10,210)	(9,593)	617
New Homes Bonus Grant	(3,565)	(3,565)	0
TOTAL FUNDING	(13,775)	(13,158)	617
PROJECT (UNDER)/OVERSPEND FOR THE YEAR	0	(124)	(124)

APPENDIX B

HOUSING REVENUE ACCOUNT SUMMARY 2018/19

	Current Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Income			
Dwelling Rents	(24,141)	(24,159)	(18)
Non Dwelling Rents	(628)	(635)	(7)
Charges for Services/Facilities (Service Charges, Rechargeable Repairs, Leaseholder Charges)	(1,444)	(1,509)	(65)
Contributions Towards Expenditure	(430)	(454)	(24)
Total Income	(26,644)	(26,758)	(114)
Expenditure			
Repairs and Maintenance	6,774	6,601	(173)
Housing Management	6,302	5,951	(351)
Capital Charges – Depreciation and Revenue Contribution to Capital	6,659	6,428	(231)
Other Expenditure	1,779	1,995	216
Provision for Bad Debt	502	502	0
Total Expenditure	22,016	21,477	(539)
Other Costs & Income			
Interest Payable	2,742	2,742	0
Interest and Investment Income	(132)	(66)	66
Provision for Repayment of Debt	1,821	1,821	0
RCCO Contribution	0	231	231
Social Housing Development Fund	1,170	1,170	0
Transfers To/(From) Earmarked & Other Reserves	(986)	(986)	0
Total Other Costs & Income	4,615	4,912	297
NET (SURPLUS)/DEFICIT FOR THE YEAR	(13)	(356)	(356)

**TAUNTON DEANE BOROUGH COUNCIL
CAPITAL PROGRAMME 2018-19**

Appendix C

Project Code	Project Code Description	Completed Scheme £	Programme Budget £	Approved Budget 2018-19 £	Actual Spend In Previous Years £	Actual Spend 2018-19 £	Predicted Spend 2018-19 £	Projected Spend 2019-20 and Beyond £	Forecast Total Spend £	Programme Variance 2018-19 £
Growth Programme										
XT032	Other Town Centre Regeneration	No	2,777,000	875,000	1,260,063	324,707	324,709	1,192,228	2,777,000	0
XT068	Major Transport Schemes	No	4,150,000	650,000	145,540	802,037	802,037	3,202,423	4,150,000	0
XT069	Taunton Strategic Flood Alleviation	No	5,635,000	483,000				5,635,000	5,635,000	0
XT079	Employment Site Enabling & Innovation	No	3,737,000	85,000	10,000			3,727,000	3,737,000	0
XT096	Marketing Promotion & Inward Investment	No	242,000	29,000				242,000	242,000	0
XT110	Preparation of LDOs	No	59,000					59,000	59,000	0
Total Growth Programme			16,600,000	2,122,000	1,415,603	1,126,744	1,126,746	14,057,651	16,600,000	0
IT Projects										
XT001	Members IT Equipment	No	24,000	12,260	11,442	3,630	12,558	0	24,000	0
XT039	Joint Management and Shared Service	No	804,897	515,833	29,967	0	774,930	0	804,897	0
XT054	PC Refresh	No	390,400	50,000	340,400	787	50,000	0	390,400	0
XT056	Cemetery IT System	No	50,000	50,000	0	25,050	50,000	0	50,000	0
XT070	Transformation	No	995,000	825,080	169,921	344,238	407,330	417,749	995,000	0
Total IT Projects			2,264,297	1,453,173	551,730	373,705	1,294,818	417,749	2,264,297	0
Major Projects										
XT035	Coal Orchard	No	10,567,990	10,412,990	281,441	129,497	129,496	10,157,053	10,567,990	0
XT036	Lisieux Way	No	3,108,500	3,096,620	11,964	12,674	50,000	3,046,536	3,108,500	0
XT047	Blackbrook Pool	No	6,505,300	103,960	6,398,161	41,091	107,139	0	6,505,300	0
XT052	Somerset Waste Partnership Loan	No	3,500,000	3,500,000	0	0	0	3,500,000	3,500,000	0
XT060	Orchard Car Park Major Repairs (Paul Street)	No	887,000	520,490	365,700	6,826	400,000	121,300	887,000	0
XT076	Deane House Accommodation	No	5,873,600	4,091,930	1,813,174	3,191,705	3,191,705	868,721	5,873,600	0
XT094	Firepool Hotel	No	15,677,900	15,677,900				15,677,900	15,677,900	0
XT095	Crematorium Waiting Room	No	400,000	340,830	59,175	127,957	340,825	0	400,000	0
XT099	Somerset Coast YMCA Loan	Yes	750,000	750,000				750,000	750,000	0
Total Major Projects			47,270,290	38,494,720	8,929,615	4,259,750	4,969,165	33,371,510	47,270,290	0
Housing										
XT020	Grants to Registered Providers (Affordable Housing)	No	2,392,800	1,953,808	1,180,254	182,938	182,938	1,029,608	2,392,800	0
XT028	Disabled Facilities Grants	No	3,414,357	1,286,659	1,932,986	254,573	650,000	831,371	3,414,357	0
Total Housing Projects			5,807,157	3,240,467	3,113,240	437,511	832,938	1,860,979	5,807,157	0
Other Projects										
XT002	Special Expenses - Play Grants	No	20,000	11,000	9,004	0	10,996	0	20,000	0
XT019	Youth Project Capital	No	281,470	20,030	261,473	0	0	19,997	281,470	0
XT021	Gypsy Site	No	108,500	91,770	16,732	0	0	91,768	108,500	0
XT029	Project Taunton - Longrun Meadow Bridge	No	138,300	4,200	134,100	0	0	4,200	138,300	0
XT040	DLO Vehicle Acquisitions	No	1,271,540	341,520	937,063	111,271	334,477	0	1,271,540	0
XT041	Waste Containers	No	535,910	104,590	433,726	72,000	102,184	0	535,910	0
XT048	Play Equipment - Grants to Halls and Sports Fields	No	189,300	40,180	173,721	9,813	11,100	4,479	189,300	0
XT049	Play Equipment - Grants to Parishes	No	87,500	34,330	82,157	6,500	6,500	0	88,657	1,157
XT050	Play Equipment - Replacement	No	261,027	105,181	205,390	69,403	69,403	0	274,793	13,766
XT051	Community Alarms	No	253,736	28,000	225,736	5,022	28,000	0	253,736	0
XT057	DLO Plant	No	138,000	47,880	90,124	47,910	47,910	0	138,034	34
XT090	Crematorium Project	No	94,000	62,850	31,155	49,979	49,979	12,866	94,000	0
XT097	Norton Fitzwarren Hillfort	No	165,000	165,000	0	1,300	165,000	0	165,000	0
XT098	West Monkton Country Park	No	479,000	479,000	0	428,274	428,274	50,726	479,000	0
Total Other Projects			4,023,283	1,535,531	2,600,381	801,472	1,253,823	184,036	4,038,240	14,957
Externally Funded Projects										
XT083	Community Infrastructure Grants	No	116,034	116,034	0	116,034	116,034	0	116,034	0
Total Externally Funded Projects			116,034	116,034	0	116,034	116,034	0	116,034	0
Total GF			76,081,061	46,961,925	16,610,569	7,115,216	9,593,524	49,891,925	76,096,018	14,957
HRA Schemes										
Major Works										
XH002	Kitchens		650,000	650,000	0	432,964	620,029	29,971	650,000	0
XH003	Bathrooms		950,000	950,000	0	660,385	899,000	61,000	950,000	0
XH004	Roofing		109,780	109,780	0	0	108,590	1,190	109,780	0
XH005	Windows		200,790	200,790	0	259,490	300,007	0	300,007	99,217
XH006	Heating Improvements		1,400,000	1,400,000	0	1,227,476	1,532,967	0	1,532,967	132,967
XH007	Doors		100,000	100,000	0	(2,635)	(845)	100,845	100,000	0
XH008	Fire Safety Work		1,000,000	1,000,000	0	226,090	394,536	605,464	1,000,000	0
XH010	Fascia's and Soffits		700,000	700,000	0	319,004	409,614	290,386	700,000	0
XH011	Air Source Heat Pumps		350,000	350,000	0	300,230	313,714	36,286	350,000	0
XH012	Door Entry Systems		250,000	250,000	0	20,772	391,196	0	391,196	141,196
XH016	Community Alarms		0	0	0	11,344	11,344	0	11,344	11,344
XH018	Insulation		800,000	800,000	0	855,446	799,479	521	800,000	0
XH019	Ventilation		100,000	100,000	0	22,334	11,144	88,856	100,000	0
XH001	Major Repairs and Improvements		888,610	888,610	0	0	0	515,230	515,230	(384,724)
Total Major Works			7,499,180	7,499,180	0	4,332,900	5,780,775	1,729,749	7,510,524	0
Improvements										
XH020	Vehicles		214,800	214,800	0	109,176	121,000	93,800	214,800	0
XH103	Extensions		82,690	82,690	0	43,003	82,690	0	82,690	0
XH203	Sewerage Treatment		20,000	20,000	0	0	0	20,000	20,000	0
XH201	Meeting Halls		131,000	131,000	0	11,245	1,231	129,769	131,000	0
XH301	Asbestos Works		662,830	662,830	0	167,305	122,173	540,657	662,830	0
XH204	Unadopted Areas		30,000	30,000	0	0	0	30,000	30,000	0
XH205	Related Assets		80,000	80,000	0	0	80,000	0	80,000	0
XH402	DFGs		563,330	563,330	0	31,725	381,000	182,330	563,330	0
XH401	Aids and Adaptations		81,970	81,970	0	25,620	81,970	0	81,970	0
XH102	Environmental Improvements		225,000	225,000	0	113,133	152,528	72,472	225,000	0
XH202	Garages		49,380	49,380	0	0	34,062	15,318	49,380	0
XH601	IT Systems		394,000	394,000	0	0	160,000	234,000	394,000	0
Total Improvements			2,535,000	2,535,000	0	501,207	1,216,654	1,318,346	2,535,000	0
Social Housing Development Programme										
XH501	Creechbarrow Road		1,131,030	1,131,030	0	759,813	836,523	294,507	1,131,030	0
XH500	Social Housing Development Fund		5,178,020	5,178,020	0	780,197	900,000	4,278,020	5,178,020	0
XH506	Weavers Arms		1,015,410	1,015,410	0	363,965	309,280	706,130	1,015,410	0
XH508	North Taunton		0	0	0	3,923	0	0	0	0
XH509	12 Moorland Close		277,630	277,630	0	49,679	36,620	241,010	277,630	0
XH510	Outer Circle		49,880	49,880	0	0	5,795	44,085	49,880	0
XH511	Laxton Road		0	0	0	1,400	0	0	0	0
Total Social Housing development Programme			7,651,970	7,602,090	0	1,958,977	2,088,218	5,563,752	7,651,970	0
Sub-total - HRA Schemes			17,686,150	17,636,270	0	6,793,084	9,085,647	8,611,847	17,697,494	0
Capital Programme Total			93,767,211	64,598,195	16,610,569	23,403,653	16,200,863	18,205,371	67,589,419	14,957

Taunton Deane Borough Council

SCRUTINY 5 MARCH 2019

UPDATE

TACKLING UNAUTHORISED
ENCAMPMENTS

BACKGROUND & ACTIVITY OVER LAST 2 YEARS.....

Site	No of issues 2017/18	No. of issues 2018/19	Cost of clean up £	Action Taken	Work Planned
Wellsprings Rd	2	3	£5k	Legal notices	Landscaping in order to restrict vehicular access to site. / Removable Bollards
Blackbrook Centre	2	2	£4k	Legal notices	Removable Bollard
Higher Holway	1	1		Small ditch on access route prevents vehicular access.	None
Firepool Site	2	0		Barrier erected limiting access to vehicles over 2.1m (6'10').	None
Cleeve Road Playing Field	1	1		Legal Notices / Bollards	None
Hamilton Park	1	0		??	Replace Wooden Post With Metal Post

WELLSPRINGS ROAD....



CONCLUSION

- Focussing On Priority Areas
- Work Planned Pre Easter Holiday Period
- Future Updates Required
 - Investigation of Injunction Powers
 - Progress Re Otterford B Site