

**SWT Community Scrutiny
Committee**

**Wednesday, 29th June, 2022,
6.15 pm**

**Somerset West
and Taunton**

**The John Meikle Room - The Deane
House**

Members: Libby Lisgo (Chair), Dave Mansell (Vice-Chair), Simon Coles, Tom Deakin, Roger Habgood, Steve Griffiths, Dawn Johnson, Richard Lees, Mark Lithgow, Janet Lloyd, Andy Milne, Martin Peters, Andy Pritchard, Vivienne Stock-Williams and Ray Tully

Agenda

1. Apologies

To receive any apologies for absence.

2. Minutes of the previous meeting of the Community Scrutiny Committee

To approve the minutes of the previous meeting of the Community Scrutiny Committee held on 25th May 2022.

(Pages 5 - 12)

3. Declarations of Interest

To receive and note any declarations of disclosable pecuniary or prejudicial or personal 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 Participation

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak

before Councillors debate the issue.

We are now live webcasting most of our committee meetings and you are welcome to view and listen to the discussion. The link to each webcast will be available on the meeting webpage, but you can also access them on the [Somerset West and Taunton webcasting website](#).

5. Community Scrutiny Request/Recommendation Trackers

To update the Community Scrutiny Committee on the progress of resolutions and recommendations from previous meetings of the Committee.

6. Community Scrutiny Forward Plan

To receive items and review the Forward Plan.

(Pages 13 - 14)

7. Executive and Full Council Forward Plans

To review the Forward Plans of the Executive and Full Council.

(Pages 15 - 18)

8. Update from Avon and Somerset Police

Chief Inspector Justin French and Inspector Mike Griffiths have been invited by the Chair to update the Committee on the work of Avon and Somerset Police.

9. To Consider Report from Executive Councillor for Community - Councillor Chris Booth

To consider the report from Executive Councillor for Community, Councillor Chris Booth.

(Pages 19 - 20)

3.2 of the Scrutiny Terms of Reference state that the Scrutiny Committee may review and scrutinise and ask questions of the Leader, lead Councillors, the Executive in relation to their portfolios.

10. Housing Revenue Account Financial Monitoring - Outturn Position 2021/22

This matter is the responsibility of Executive Councillor Francesca Smith, Portfolio Holder for Housing

Report Author: Kerry Prisco, Management Accounting and Reporting Lead

(Pages 21 - 40)

This report contains information related to Somerset West and Taunton Council's (SWT) Housing Revenue Account's (HRA) financial performance for the 2021/22 financial year.

The outturn figures included are provisional subject to the completion of the external audit of the statutory financial statements. The audit is due to be completed between July and September with the findings due to be reported to the Audit and Governance Committee on 27th September this year.

A handwritten signature in black ink, appearing to read 'A Pritchard', with a horizontal line underneath.

ANDREW PRITCHARD
CHIEF EXECUTIVE

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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 3 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chair 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 Chair will normally permit this to occur when that item is reached and before the Councillors begin to debate the item.

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, and Committee agendas, reports and minutes are available on our website: www.somersetwestandtaunton.gov.uk

The meeting room, including the Council Chamber at The Deane House are on the first floor and are fully accessible. Lift access to The John Meikle Room, is available from the main ground floor entrance at The Deane House. The Council Chamber at West Somerset House is on the ground floor and is fully accessible via a public entrance door. Toilet facilities, with wheelchair access, are available across both locations. An induction loop operates at both The Deane House and West Somerset House 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 via email: governance@somersetwestandtaunton.gov.uk

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SWT Community Scrutiny Committee - 25 May 2022

Present: Councillor Libby Lisgo (Chair)

Councillors Dave Mansell, Simon Coles, Tom Deakin, Steve Griffiths, Roger Habgood, Dawn Johnson, Richard Lees, Mark Lithgow, Janet Lloyd, Andy Pritchard, Vivienne Stock-Williams and Ray Tully

Officers: Chris Hall, Sue Tomlinson, Katherine Church, Francisco Parreira, Sam Murrell and Jessica Kemmish.

Also Present: Councillors Dixie Darch, Brenda Weston and Loretta Whetlor.

Will O'Brien, VP Growth and Government Affairs, Zipp Mobility.

(The meeting commenced at 6.15 pm)

1. Appointment of Vice-Chair

The Community Scrutiny Committee resolved to elect Councillor Dave Mansell as the Vice-Chair of the Community Scrutiny Committee.

2. Apologies

Apologies were received from councillor Andrew Milne.

3. Minutes of the previous meeting of the Community Scrutiny Committee

The minutes of the previous meeting held on 23rd February 2022 were approved.

4. Declarations of Interest

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

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr M Barr	All Items	SCC & Wellington	Personal	Spoke and Voted
Cllr C Booth	All Items	Wellington and Taunton Charter Trustee	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr D Darch	All Items	SCC	Personal	Spoke and Voted
Cllr T Deakin	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted

Cllr D Johnson	All Items	SCC	Personal	Spoke and Voted
Cllr R Lees	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr L Lisgo	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr M Lithgow	All Items	Wellington	Personal	Spoke and Voted
Cllr J Lloyd	All Items	Wellington & Sampford Arundel	Personal	Spoke and Voted
Cllr D Mansell	All Items	SCC	Personal	Spoke and Voted
Cllr R Tully	All Items	West Monkton	Personal	Spoke and Voted
Cllr B Weston	All Items	Taunton Charter Trustee	Personal	Spoke
Cllr L Whetlor	All Items	Watchet	Personal	Spoke

5. **Public Participation**

There were no requests for public participation.

6. **Community Scrutiny Request/Recommendation Trackers**

It was raised that the fountain in Wellington Park which had previously been highlighted as not working at a meeting of the committee had now been fixed and was working.

The Chair noted the request and recommendation trackers.

7. **Community Scrutiny Forward Plan**

It was asked if an update on funds developers were asked to put towards developing sports pitches could be given to the Committee. Officers responded that there was a live list of such contributions, which were Community Infrastructure Levy or Section 106 payments, published on the council's website. An update could also be brought to a committee meeting as well if the Committee wanted a more detailed update.

It was raised that a report on homelessness would be beneficial given that Cannonsgrove would be closing in March 2023. The Chair responded that they believed that an update report was scheduled.

The Chair noted the Community Scrutiny Forward Plan.

8. **Executive and Full Council Forward Plans**

It was raised that an update on process change in regard to digital would be beneficial. The work of the Council on equalities was also raised as a potential topic for the Committee to consider.

The Chair noted the Executive and Full Council forward plans.

9. **Somerset West and Taunton, Department for Transport Escooter Trial**

The Portfolio Holder introduced the report and raised the following points:

- E-scooters had become increasingly familiar to everyone over the past few years and were often a topic of discussion.
- The report contained a significant amount of data on the progress of the e-scooter trial in Somerset West and Taunton.

The Programme Manager for Climate Change delivered a presentation:

- There was an incident last week involving a collision between an e-scooter and a female pedestrian in Taunton which resulted in the police being called and the female pedestrian being taken to hospital. The report was submitted prior to that incident.
- The report was for information only to provide an update on the e-scooter trial.
- In July 2020 the Department for Transport brought forward their e-scooter trials as part of initiatives to support a green travel restart during the Covid-19 pandemic. Usage data was being collected during the trials, which 31 local authorities are participating in. The data collected would help to inform decisions around whether e-scooters would be legalised in future.
- Somerset West and Taunton's trial began in October 2020 in Taunton and in Minehead in June 2021. All trials around the country would end on 30 November 2022.
- The trial scheme was managed by Zipp on behalf of the council.
- The e-scooters were tracked by GPS and geo-fenced so that they would not work outside of a certain area. There were also no-go zones where the scooters would not work and slow zones where the speed of scooters were limited to 8mph. Outside of slow zones the e-scooters were limited to 15.5mph.
- The trial to date had been very successful. There were 12,364 users in Taunton and 7506 in Minehead. There had been 92,618 rides in Taunton and 19,550 rides in Minehead.
- People aged between 21 and 30 rode the e-scooters the most, followed by the age bracket of 16-20.
- Although the legal age for riding an e-scooter was 16 there were very few 16-year-olds registered to use the e-scooters.
- Operating hours were from 05:00am to 10:30pm. 74% of rides occurred during daylight hours.
- 14.4 tonnes of carbon savings were estimated to have been achieved in Taunton and 1.4 tonnes of carbon savings in Minehead based on journeys on e-scooters where users had specified that if they had not used an e-scooter they would have driven.
- The trial started in Taunton with 25 e-scooters, now had 100 e-scooters in Taunton and the trial started with 15 in Minehead and now had 50.
- E-scooters had registration numbers on them so they could be identified by the public. Each e-scooter also had a safety sticker and there were safety notices on lampposts.

- There had been a number of reports to the police regarding e-scooters, some about e-scooters which were privately owned and some Zipp owned e-scooters. Most reports to the police are not about misbehaviour or misuse but are incidental or calls relating to people stealing or damaging parts of the e-scooters.
- Some users had been banned from using the e-scooters by Zipp due to misuse. In Taunton 43 final warnings had been issued, in Minehead there had been 25. Eight people had been banned in Taunton and one in Minehead.
- Regarding the incident involving the collision between a Zipp e-scooter and a female pedestrian last week there was only one e-scooter involved. The pedestrian did not lose consciousness. Zipp provided the information needed to the police to identify the rider and the police commended them on their response.
- The Queen's Speech on 10th May 2022 announced the government's intention to bring forth a Transport Bill which would include detail on e-scooters however, no decisions had been made yet on the future of e-scooters.

During the debate the following points were raised:

- Officers were thanked for their presentation.
- It was asked how to make a complaint regarding an incident witnessed involving e-scooter use. Officers responded that if the incident was dangerous the police should be contacted but if it was a less severe complaint then the Council could be contacted.
- It was suggested that it should be made clearer to the public about how to report concerns. Officers responded that there was also information on the website on how to report concerns.
- Thanks were offered to Zipp as they always took complaints seriously and responded quickly and were a good and responsible operator.
- Concerns were raised about issues with individual riders not behaving appropriately, for example by riding on pavements. It was noted that it was good to see that some riders had been banned and others had received warnings and that Zipp were seeking to enforce the rules.
- It was asked if there had been a shift of behaviour on any particular routes in terms of stopping car usage. Officers responded that 15% of people said the journey they had made on an e-scooter would have otherwise been made in a car.
- It was raised that there was a large difference between the carbon savings in Taunton and Minehead. The Zipp representative responded that there was less carbon emissions saved through the Minehead scheme as there was more usage by tourists in Minehead and therefore usage was not replacing a car journey. The trial was also smaller and had been running for less time.
- Support was expressed for the scheme. It was asked what the warnings issued to users tended to be for. Officers responded that it was most commonly riding e-scooters on the pavement and having more than one person on an e-scooter.
- It was asked if there was a record of injuries obtained from e-scooter usage. The Zipp representative responded that there had been six incidents which had gone through Zipp's insurers regarding injuries on e-scooter in Taunton and one in Minehead. None of these had so far resulted in a claim.

- It was asked if e-scooter usage fell within the Road Traffic Act. Officers responded that this was the case.
- It was asked how it was checked if users had a valid driving licence. Officers responded users had to take an image of their driving license and their license was verified. The Zipp representative added that a photo of the user's face was also used to verify their driving licence belonged to them.
- Concerns were raised about users riding e-scooters on the road and safety, particularly if e-scooter use was made legal following the schemes ending in November. Officers responded that the government would hold a public consultation before changing the law.
- It was asked what happened if someone was part way through a journey at 10:30pm. Officers responded that users would be allowed to complete their journey if they had already started it.
- It was raised that some issues being discussed were less about e-scooters and more about people thinking about safe behaviour on highways and roads.
- It was raised that better infrastructure was needed for cyclists and e-scooter users.
- It was suggested that e-scooters were safer than some other forms of transport on Britain's roads and that research from the Royal Society for the Prevention of Accidents supported this.
- It was asked why there were not parking bays at some of the polar points of the geo fencing. It was responded by officers that the Council needed to know who owned the land to allocate a parking bay there and that the parking bay had to meet certain standards. However, members of the public could request new bays.
- It was asked how the number of e-scooters at different places at peak times was managed. The Zipp representative responded that e-scooters could be collected and moved around to a new location by the Zipp team when needed.
- It was asked what the lifetime of e-scooters was. The Zipp representative responded that e-scooters were retired from the fleet after two or three years.
- It was raised that on behalf of blind, partially sighted, deaf and elderly people something needed to be done to ensure riders did not use the pavement. Officers raised that they did meet with disability groups regularly. In some places scooters which made a noise were being trialled. The Department for Transport was also considering the impact of e-scooters for those with disabilities. The Zipp representative responded that lasers to highlight to anyone who was deaf that an e-scooter was approaching from behind were also being explored.
- It was asked if no go zones could be extended to footpaths. The Zipp representative responded that at present GPS technology was not accurate enough to allow for this however, new technologies would be considered as they emerged.
- It was asked what happened when an e-scooter was ridden into a no-go zone. It was responded by officers that the e-scooter would gradually come to a halt.
- It was asked what happened if an e-scooter ran out of battery on a journey. It was responded by the Zipp representative that e-scooters could not be hired if

their battery was below 30% and most often e-scooters would have their battery changed if it dipped below 50%.

- It was asked if a credit card which did not match the name on the driving license could be used to pay for an e-scooter journey. Zipp responded that the card name and license name was not required to match.
- It was asked how often the Zipp team had to recover e-scooters which had to be recovered after they had been left in locations other than parking bays. The Zipp representative responded that journeys had to be ended at bays. If e-scooters were left elsewhere the users would continue to be charged until the Zipp team identified this had happened. This occurred a few times a week.
- It was suggested that more communication on safety was needed to users of e-scooters. It was raised that having notifications appear on safety in the app when it starts up may help to raise awareness of safety. Officers acknowledged the comments received regarding communications about e-scooters and that they would look into what more could be done around communications. The Zipp representative responded that users had to complete a compulsory induction via the app on safety before they first used the scooters. Messages around safety were also located by parking bays and posted on social media.
- Concerns were raised about the lights on e-scooters not being bright enough in the dark for them to be easily seen. The Zipp representative responded that the e-scooters were tested and met Department for Transport standards including for the brightness of lights. Lights were checked regularly.
- It was asked what feedback was received from customers who used the e-scooters. The Zipp representative responded that users were asked to score their experience after each ride and could contact customer services through the app or email.
- It was asked how many locations Zipp operated in. The Zipp representative responded that they also worked with Buckinghamshire Council. Zipp also had services in Ireland and Poland.
- The Chair thanked the Growth and Governance Affairs Manager from Zipp, the Programme Manager for Climate Change and the Project Officer for Climate Change.

10. **Ecological Emergency Action Plan**

The Portfolio Holder for Climate Change introduced the report:

- In September 2020 the Council declared an ecological emergency.
- The previous Carbon Neutrality and Climate Resilience Plan (CNCR) contained many actions linked to the ecological emergency, but this Ecological Vision and Action Plan expanded upon those actions.
- The Council had been working with Sedgemoor District Council since August 2021 on Climate Change and had worked with Sedgemoor to formulate the vision and action plan.

The Project Manager for Climate Change introduced the report:

- The vision and action plan completed the commitment made by the Council following the declaration of an ecological emergency in 2020.

- The vision and action plan had been formulated with input from members.
- The vision document was a strategic piece setting out the Councils' ambitions for tackling the ecological emergency.
- The action plan set out how targets and ambitions would be achieved. Some actions were specific to only one council, and some applied to both Sedgemoor and Somerset West and Taunton.
- This financial year no additional resource or budget was being requested. However, some statutory requirements could result in additional resource being required.
- There was a joint climate change delivery partnership with Sedgemoor. This had enabled collective work and set a good precedent for the new unitary council.
- Working with partnership organisations such as the Somerset Wildlife Trust would be required to meet the ambitions laid out in the report. Going forward the Council was in discussions to take the emergency vision and action plan into the new unitary council.

During the debate the following points were raised:

- It was asked about the action plan and the action around species on the red threatened species list and whether there should also be an ambition to avoid amber list species from becoming red list species. Officers responded that adding this to the action plan could be looked at, the aim was to protect all wildlife.
- Support for the action plan was given.
- It was asked why there was a joint plan with Sedgemoor and not with other Councils. It was responded by officers that this partnership had been formed before the unitary decision was taken.
- Both the local and global perspectives of the report, vision and action plan were praised.
- It was acknowledged that partnership working would be important.
- The intent to cease using peat in the Council's nurseries was praised as was the intent to restore peatland.
- Some areas where more could be done such as around coastal areas were highlighted.
- It was raised that it would be good to add an explanation of COP26 to the report.
- It was asked if a definition of further afield could be made clearer at the start of the vision document and instead replaced with 'and to lessen our impact on the natural world'. Officers responded that they would review the wording in the decision document.
- The Chair thanked the portfolio holder and Project Manager for Climate Change.

Councillors Richard Lees, Simon Coles and Janet Lloyd left the room during this item so they could not participate in the vote on it.

The Committee resolved to note the recommendations in the report:

2.1 The ecological vision and action plan are approved.

- 2.2 Existing governance arrangements identified in the Somerset West and Taunton /Sedgemoor District Council Joint Climate Change Delivery Partnership are maintained and used as a framework for delivery and monitoring of the action plan.
- 2.3 Somerset West and Taunton with Sedgemoor District Council lead the creation and delivery of ecological recovery.
- 2.4 Annual reporting will be undertaken in conjunction with CNCR reporting.

(The Meeting ended at 8.36 pm)

	COMMUNITY SCRUTINY	
Meeting	Draft Agenda Items	Lead PFH/ Lead Officer
27 July 2022	(SLM) Everyone Active Bi-Annual Report	Steve Hughes / PFH Sports, Parks & Leisure
SRD = 15 July	Review of Parking Strategies (TDBC & WSC)	Stuart Noyce / PFH Planning and Transport
Exec RD - 5 August	CCTV Review	S. Weetch / PFH Community, Chris Booth
Informal Exec RD - 5 July	Executive Cllr PFH Session - Environmental Services	Cllr Andy Sully
SMT RD - 22 June	<i>SWP Update - Recycle More</i>	<i>M. Green SWP / Stuart Noyce</i>
31 August 2022	HRA Financial Performance 2022/23 Q1	Kerry Prisco
SRD = 18 August		
Exec RD - 9 September		
Informal Exec RD - 9 August		
SMT RD - 27 July		
28 September 2022		
SRD = 16 September		
Exec RD - 7 Oct		
Informal Exec RD - 6 Sept		
SMT RD - 24 August	Marina Lease	
26 October 2022		J Stevens
SRD = 14 Oct		
Exec RD - 4 November		
Informal Exec RD - 4 Oct		
SMT RD - 21 Sept	HRA Financial Performance 2022/23 Q2	
30 November 2022		Kerry Prisco
SRD = 18 Nov		
Exec RD - 9 Dec		
Informal Exec RD - 8 Nov		
SMT RD - 26 Oct		
25 January 2023		
SRD = 13 Jan		
Exec RD - 3 Feb		
Informal Exec RD - 3 Jan		
SMT RD - 14 Dec	HRA Financial Performance 2022/23 Q3	
22 February 2023		Kerry Prisco
SRD = 10 Feb		
Exec RD - 3 March		
Informal Exec RD - 1 Feb		
SMT RD - 18 Jan	Health and Wellbeing Board Update	

EXECUTIVE

Executive Meeting	Draft Agenda Items	Lead Officer
15 June 2022	Ecological Vision and Action Plan	Katherine Church
venue =	Task and Finish Group Report on Council Housing Zero Carbon Retrofit	Marcus Prouse/Cllr Dave Mansell/Chris Brown/James Barrah
Exec RD = 3 June	Green Space Acquisition (confidential)	Jo O'Hara
Informal Exec RD = 4 May	North Taunton Woolaway Project Purchases	Jane Windebank
SMT RD = 20 April		
20 July 2022	GF Financial Monitoring – Outturn Position 2021/22	Kerry Prisco
venue =	HRA Financial Monitoring – Outturn Position 2021/22	Kerry Prisco
Exec RD = 8 July	Corporate Performance Report - Outturn Position 2021/22	Malcolm Riches
Informal Exec RD = 7 June	Information and Records Management Policy	Lauren Davis
SMT RD = 25 May	Digital Information Policy	Lauren Davis
	Member Information Policy	Lauren Davis
	LGR Implementation Committee	Amy Tregellas
	Connecting our Garden Communities	Graeme Thompson
17 August 2022		
venue =		
Exec RD = 5 August		
Informal Exec RD = 5 July		
SMT RD = 22 June		
21 September 2022	GF Financial Performance 2022/23 Q1	Kerry Prisco
venue =	HRA Financial Performance 2022/23 Q1	Kerry Prisco
Exec RD = 9 September	Corporate Performance Report Q1	Malcolm Riches
Informal Exec RD = 9 August	Firepool Design Guidance and Masterplan	Graeme Thompson
SMT RD = 27 July	CCTV	Sally Parry/Scott Weetch
	NO MORE ITEMS	
19 October 2022		
venue =		
Exec RD = 7 October		
Informal Exec RD = 6 September		
SMT RD = 24 August		
16 November 2022	Placeholder	Jonathan Stevens
venue =		
Exec RD = 4 November		

Informal Exec RD = 4 October		
SMT RD = 21 September		
21 December 2022	GF Financial Performance 2022/23 Q2	Kerry Prisco
venue =	HRA Financial Performance 2022/23 Q2	Kerry Prisco
Exec RD = 9 December	Corporate Performance Report Q2	Malcolm Riches
Informal Exec RD = 8 November		
SMT RD = 26 October		
18 January 2023		
venue =		
Exec RD = 6 January		
Informal Exec RD = 6 December		
SMT RD = 23 November		
15 February 2023		
venue =		
Exec RD = 3 February		
Informal Exec RD = 3 January		
SMT RD = 14 December		
15 March 2023	GF Financial Performance 2022/23 Q3	Kerry Prisco
venue =	HRA Financial Performance 2022/23 Q3	Kerry Prisco
Exec RD = 3 March	Corporate Performance Report Q3	Malcolm Riches
Informal Exec RD = 1 February		
SMT RD = 18 January		

FULL COUNCIL

Meeting	Report Deadline	Draft Agenda Items	Lead Officer
05 July 2022	23 June 2022	PFH Reports	
		Green Space Acquisition (confidential)	Jo O'Hara
		Ecological Vision and Action Plan	Katherine Church
		Decision taken under the urgency rule	Chris Hall
		Petition - TACC	Sarah Ellwood
		Scheme of Delegation	Kevin Williams/Marcus Prouse
		Capital Supplementary Budget for the Blue Anchor Coastal Defence Scheme	Steve Hughes
		Six Monthly Commercial Property Investment Performance	Joe Wharton
		SCC Joint Scrutiny Committee for Local Government Reorganisation	Amy Tregellas/Kevin Williams
06 September 2022	24 August 2022	PFH Reports	
		Constitution Update	Amy Tregellas/Kevin Williams
		Community Governance Review for the Unparished Area of Taunton	Marcus Prouse/Kevin Williams
		Placeholder	Joe Wharton
		Placeholder	Jonathan Stevens
04 October 2022	TBC	Firepool Design Guidance and Masterplan	Graeme Thompson
		SPECIAL MEETING - TO BE CONFIRMED	
06 December 2022	24 November 2022	PFH Reports	
		Review of the Commercial Property Investment Activity and Performance Report	Joe Wharton
		Appointment of Returning Officer for Taunton Parish Council Elections	Marcus Prouse/Kevin Williams
		CCTV	Sally Parry/Scott Weetch
07 February 2023	26 January 2023	PFH Reports	
		Delegation of Returning Officer for Potential Parish Election 2023	
28 March 2023	16 March 2023	PFH Reports	
		Scrutiny Annual Reports x 2	

		Audit and Governance Annual Report	

Full Council Meeting – 8 February 2022

Report of Councillor Chris Booth - Community

One Teams

- In Halcon, we have been supporting skate sessions through Halcon Skate club. These are free Skateboarding Session suitable for beginners and those still learning (most suited to ages 6- 13 years)over a period of six weeks from mid-January. Skateboards and helmets can be provided and this is free to access at All Saints Church Hall on Thursday evenings.
- We have also been working with Neroche Woodlanders on Wild Explorers, aimed at getting Parent and Toddler Groups more active and outside.
- We continue to work with partners to drive down youth-related antisocial behaviour and violence across east and north Taunton.
- In Wellington, a multi-agency approach to young people will see the introduction of counselling sessions as well as access to the Resilience Voyage 'drugs bus', which aims to educate about risks and harms in drug use as well as discussing other social issues. The bus is also being deployed in West Somerset.

Youth Unlimited

In North Taunton we have been able to provide support to youth outreach sessions through the SCC funded youth resilience fund. This will help to ensure that the most at risk young people are helped to access employment hubs and training opportunities as well as being able to discuss mental health issues with trained youth workers from Youth Unlimited. This will be starting again in the next few weeks as nights get lighter and continue through the summer.

Minehead Eye

In Minehead, similar opportunities are being offered through the Minehead Eye project and will again be helping young people to access employment and training as well as giving access to wider youth facilities and guidance.

Somerset Art Work

Project working with young parents(target age 18-29), enrichment art activities with signposting to other services alongside. Will work with schools and health visitors to identify. Planning for at least 10 sessions. Church Hall and artist booked with a proposed start date of 4th March.

Somerset Skills & Learning

Halcon & North Taunton have jointly procured Somerset Skills and Learning for a 4 week online course for young unemployed. Despite widespread publicity, the take up was poor.

Food Pantries

The Local Food Pantries are starting to grow and we now have interest in new Pantries in Wellington, Minehead, Wiveliscombe and Watchet. These take some time to get off the ground and may not be running until later in the spring. We are grateful however for the support of our first pantry at Rowbarton in Taunton, who

have been able to facilitate visits and provide practical support and answers to questions that the potential new providers have. More information is available here:
Email: TheLocalPantry@somersetwestandtaunton.gov.uk

Report Number: SWT 86/22

Somerset West and Taunton Council

Community Scrutiny – 29 June 2022

Housing Revenue Account Financial Monitoring – Outturn Position 2021/22

This matter is the responsibility of Executive Councillor Francesca Smith, Portfolio Holder for Housing

Report Author: Kerry Prisco, Management Accounting and Reporting Lead

1 Executive Summary / Purpose of the Report

- 1.1 This report contains information related to Somerset West and Taunton Council's (SWT) Housing Revenue Account's (HRA) financial performance for the 2021/22 financial year. The outturn figures included are provisional subject to the completion of the external audit of the statutory financial statements. The audit is due to be completed between July and September with the findings due to be reported to the Audit and Governance Committee on 27th September this year.
- 1.2 The challenging economic operating environment, as well as regulatory and political demands have continued to place financial pressure on the HRA during 2021/22. The service has had a backlog of responsive and planned maintenance and compliance works to deliver during the year as well as the rising costs of materials causing further financial pressure.
- 1.3 Covid has continued to impact business operations by causing further delays on the delivery of the capital programme, as such the Housing Senior Management Team have proposed budget returns to realign the capital programme. The reduced spend on the capital programme during the year did have a positive financial impact as this increasing investment income. The impact of Covid has increased costs in other areas of the business such as deep cleaning on sheltered accommodation and staffing requirements to maintain tenancy support.
- 1.4 In addition, there have been two other financial one-off adjustments this year that has helped the outturn position. The first is the successful Open Contractor project that identified major repairs undertaken as part of the voids process that could be capitalised to reduce pressure on the revenue account. The second, is that a debtors imbalance has been resolved resulting in a favourable one-off adjustment.
- 1.5 The unstable economic operating environment along with regulatory and political pressures means that the service is still experiencing high levels of volatility and financial movements that are high risk. Whilst the year end position is an underspend, resulting in a small increase on general reserves which may look favourable this level may not be sufficient with the level of volatility being experienced. Therefore, the service needs to deliver ongoing efficiency savings and manage spend closely during 2022/23 to provide more financial capacity to enable the business to flex against

changing and competing demands.

1.6 The **revenue outturn position** for the financial year 2021/22 is as follows:

- a) The HRA Revenue Outturn position for 2021/22 is a net underspend of £170k (0.6% of gross income).
- b) The HRA is a ring-fenced, self-financing account used to manage the Council's Housing Landlord function, which is budgeted to break even (net of approved transfers to/from HRA Reserves). As the HRA Net Budget is net £nil with costs wholly offset by income and reserves, performance is reported against gross income for monitoring purposes.

1.7 The **capital outturn position** for 2021/22 is as follows:

- a) The actual spend on the HRA Capital Programme during 2021/22 was £12.708m (see **Appendix A**). The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development of new stock.
- b) A budget return of £11.847m is being proposed across the HRA Capital Programme. Section 10 and **Appendix A** provides more information.
- c) A carry forward of £95.022m is being proposed for schemes in 2022/23 and future years (see **Appendix A**).

1.8 The **reserves position** for 2021/22 is as follows:

- a) The **unearmarked reserves** are projected to be £3.413m which is £1.413m above the recommended minimum balance of £2m.
- b) The **earmarked reserves** are projected to be £54k and are committed to support spending in future years.

2 Recommendations

2.1 The Executive is recommended to:

- a) Note the reported Housing Revenue Account Budget underspend of £170k in 2021/22 and the HRA General Reserves Balance of £3.413m as at 31 March 2022.
- b) Note the Capital Outturn position.
- c) Approve the proposed reductions to the Capital Programme Budget of £11.847m for underspends on schemes where budget is no longer required, and the continuation of £95.022m approved budget rolled forward for the 2022/23 Housing Revenue Account Capital Programme (as per **Appendix A**).

3 Risk Assessment

3.1 This is a retrospective report therefore no risk assessment has been completed. Risk assessments regarding budget monitoring were carried out during the year and included with these reports. Financial risks and uncertainties are included in budget setting and budget monitoring reports presented to Members.

- 3.2 The challenging economic operating environment continues to place ongoing financial pressure on the business with rising costs of materials, fuel and utility costs as seen nationally. In addition, the sector faces regulatory demands to maintain Decent Homes Standards and Lettable Standards, as well as meeting compliance safety checks. There is also political pressure to build new homes and achieve carbon neutrality by 2030. All these components place financial pressure on the business, and therefore it is paramount that the service delivers on the financial strategy to find and embed ongoing efficiency savings of £650k over the next three years (Full Council 8 February 2022) and maintain the strength of general reserves to provide increased resilience and flexibility for management and members to mitigate short term pressures.

4 Background and Full details of the Report

- 4.1 This report informs Members of SWT's financial outturn (a comparison of net spending against the budget for the year) for revenue and capital budgets in 2021/22 for the Council's Housing Revenue Account (HRA).
- 4.2 Scrutiny and the Executive have received quarterly budget monitoring reports throughout the year which have highlighted variances from budgets and comments from the budget holders, as well as summarising the main risks and uncertainties as explained above. The forecast position has fluctuated during the year.
- 4.3 The outturn figures contained in this report are provisional at this stage. The financial outturn has been taken into account when preparing the Council's Draft Statement of Accounts, which is due to be approved by the Assistant Director – Finance (S151 Officer) at the end of June, and is now subject to review by the Council's External Auditor. Should the External Auditor identify the need for any changes to the Accounts these will be reported to the Audit and Governance Committee on 27th September this year.

5 2021/22 Financial Performance

- 5.1 Members will be aware from previous experience that the position can change between 'in-year' projections and the final outturn position, mainly due to demand-led service costs and income levels. The budget monitoring process involves a regular review of all budgets. Budget Holders, with support and advice from their finance business partners, 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 assumptions and estimates will differ from the eventual outcome, and several risks and uncertainties have been highlighted in previous budget monitoring reports.

5.2 The Council has continued to operate within the framework of their Financial Strategy and the overall financial standing at the end of the financial year is sound. The Reserve balances for the HRA is above the recommended minimum, which provides added financial resilience which is prudent given the scale of risk and uncertainty. The Medium Term Financial Plan also incorporates planned use of reserves to support the 2022/23 budget, and the current reserves balance is sufficient to support this approach.

6 Housing Revenue Account

6.1 The HRA is a ring-fenced account used to manage the Council's housing stock of approximately 5,700 properties, with the Council acting as the Landlord. The HRA operates as a 'self-financing' service, with costs of the properties and associated services funded by housing rents and specific fees and charges. The HRA is working within a 30-year business plan, reflecting the long-term nature of the housing assets, and plans to break-even each year.

6.2 **Revenue Outturn Position:** The revenue outturn position for the financial year 2021/22 for the HRA is a net underspend of £170k (0.6% of gross income). The end of year position is closer to budget compared to the £354k overspend forecast at Q3. Table 1 below shows a high level summary of the revenue outturn against budget.

Table 1: HRA Revenue Outturn Summary

	Current Budget £000	Outturn £000	Forecast Variance	
			£000	%
Gross Income	-27,667	-27,919	-251	0.9%
Service Expenditure	15,354	15,956	602	2.2%
Other Operating Expenditure and Income	12,313	11,793	-521	-1.9%
Total	0	-170	-170	-0.6%

6.3 The department variances to budget are shown in Table 2, with explanations for the variances set out below.

Table 2: Main Outturn Variances

	Current Budget £000	Outturn £000	Q4	Q3	Q2	Q1
			Variance £000			
Gross Income:						
Dwelling Rents	-24,951	-24,629	322	424	291	29
Non-Dwelling Rents	-704	-702	2	-54	8	6
Charges for Services / Facilities	-1,623	-1,490	133	-95	-27	-42
Other Income	-389	-462	-73	-44	-2	-2
One-Off Debtors Adjustment	-	-635	-635	-	-	-
Sub-Total Gross Income	-27,667	-27,919	-251	231	270	-9
Service Expenditure:						
Development & Regeneration	219	37	-182	-64	-265	-43

Community Resilience	154	175	21	9	8	14
Tenancy Management	2,901	3,254	353	329	54	128
Maintenance	3,429	4,408	979	1,083	682	354
Assets	1,277	1,080	-197	-232	-137	-53
Compliance	2,317	2,305	-12	-326	438	233
Performance	5,057	4,697	-360	-175	-187	-13
Sub-Total Service Expenditure	15,354	15,956	602	624	593	620
Central Costs / Movement in Reserves:						
Revenue Contribution to Capital	-	-	-	-	-	-
Interest Payable	2,669	2,808	139	150	-	-
Interest Receivable	-	-389	-389	-358	-	-
Change in Provision for Bad Debt	180	116	-64	-	-	-
Depreciation	7,663	8,261	598	-293	-293	-
Capital Debt Repayment	1,821	1,069	-752	-	-	-
Capital Grants and Contributions	-	-599	-599			
Other Operating Expenditure	-	382	382			
Movement In Reserves	-20	145	165	-	-	-
Sub-Total Central Costs / Movement in Reserves:	12,313	11,793	-521	-501	-293	-
Net Surplus(-) / Deficit for the Year	-	-170	-170	354	570	611

Gross Income

- 6.4 **Dwelling Rents:** the budgeted income for 2021/22 is £24.951m, which reflects an assumption of 2% void losses and applying a 52-week year. The outturn position for dwelling rent income is an under recovery against budget of £322k which is in part due to stock reductions related to the North Taunton regeneration scheme, timings of RTB sales and levels of voids. This includes £119.5k of write offs during the year (see section 7).
- 6.5 **Non-Dwelling Rents:** the budgeted income for 2021/22 is £704k. Overall this has come in on target against budget. There was a slight under recovery on garages rental income offset by a slight over recovery on shop lease income.
- 6.6 **Charges for Services / Facilities:** The budgeted income for 2021/22 for the **Service Charge Income for Dwellings** (after discounts have been applied to tenants such as Piper Charge to Sheltered Housing and Extra Care) less an average 2% void loss and applying a 52-week year, is £1.380m. The outturn position resulted in £14k under recovery of income.
- 6.7 The budget income for 2021/22 for income for **Leaseholder Charges for Services** is £233k. Leaseholds are invoiced a year in arrears. The routine repairs were low due to COVID and lockdown. The major repairs were also lower and capped at £250 this year. In addition to this, following a successful tender, building insurance premiums have now dropped meaning less of a recharge to our customers. Therefore £109k less income was billed to leaseholders.

- 6.8 The budgeted income for **Meeting Halls** for 2021/22 is £10k. The outturn position showed less than £1k of income was received due to COVID restrictions preventing this service to be provided. The meeting halls were re-opened at the end of September 2021.
- 6.9 **Other Income:** This includes (a) photovoltaic income which over recovered, (b) active recharging of voids repairs to tenants as part of their lease agreement and (c) various small additional contributions towards spend on the One Teams.
- 6.10 **One-Off Debtors Adjustment:** This variance has been offset during 2021/22 by a one-off favourable correcting adjustment of £720k to the HRA. This correction was necessary to update and accurately reflect the Academy system debtors position within the financial management system (FMS). A prior-year audit of the accounts had identified an imbalance between the two systems. Following a subsequent and thorough investigation, the cause of the imbalance has now been identified as being the result of rent account adjustments (refunds of overpayments to tenants) not having been fed through to the FMS. The system processes are now being updated. Whilst £85k of the correction related to 2021/22, the system error dates to before the merger of the two former councils into SWT, therefore having accumulated over several years.

Service Expenditure

- 6.11 **Development & Regeneration:** The underspend relates to a few posts held vacant for the early part of the year. The delivery of new development projects has not required this resource as the service has focused on establishing a development pipeline. The development pipeline of 342 units is now established and following procurement and planning this resource in the structure will be required as the service increasingly moves into delivery from 2022/23. This also relates to the capitalisation of staffing costs as part of the Right To Buy scheme.
- 6.12 **Tenancy Management:** This area covers lettings, supported housing, rent recovery, leaseholders and other tenancy management support activities. The total current budget is £2.901m. The outturn position is an overspend of £353k. This relates to a number of different areas including (a) an overspend related to the upgrade of the controlled entry systems to flat blocks where we are now incurring expenditure relating to contracts and the maintenance of the systems that are higher than before, (b) an overspend due to increased levels of cleaning in supported housing settings required in light of COVID plus the cost for a range of compliance requirements, (3) an overspend related to a significant increase in activity following the implementation of annual tenancy reviews to identify and help resolve issues (for example house clearance due to hoarding), and (4) an overspend on staffing costs due to additional resource drafted in to help the team manage challenging workloads throughout COVID and backfilling long term sickness.
- 6.13 **Maintenance:** The overspend of £979k relates to the ongoing repairs and maintenance of the housing stock either tenanted or void activity undertaken to ensure our Lettable Standard is met. Whilst this is a very demand led and reactive service based on the needs of the tenants, this service has experienced an increase in cost pressures as inflation drives up the cost of materials (as seen nationally). The

assumed ongoing impact of this pressure is reflected in the rebasing of budgets for 2022/23. This year the team has also incurred additional costs to deliver the backlog of repairs following COVID restrictions. The year end position was also less than originally expected due to the successful Open Contractor project that identified major repairs undertaken as part of the voids process could be capitalised reducing pressure on the revenue account.

- 6.14 **Assets:** The underspend of £197k relates to a number of staff vacancies during the year across the capital investment and asset management team, reduced cost of the Housing Partnership, reduction in repairs and maintenance spend on other non-dwelling assets and a reduced spend on SAP EPC and stock validation costs caused by a lack of available resources to undertake the work during COVID.
- 6.15 **Compliance:** The improvements implemented as part of the Open Contractor project have meant that an appropriate level of overheads have now been allocated to this service area which have reduced the predicted overspend over the course of the year. The final outturn position is an underspend of £12k (0.52%) of the approved budget.
- 6.16 **Performance:** Of the total budget of £5.057m, £3.9m relates to shared costs such as support services, pension deficit, and governance, leaving £1.1m on operating costs such as staffing, insurance, training, travel, stationery, printing and bank charges, as well as the Tenants Empowerment and Tenants Action Group. The underspend of £360k is (a) a reduction in cost for the shared support staff, (b) the funding of the pay award from general reserves where the costs are shown elsewhere within services and (c) underspends in both Tenants Empowerment and Tenants Action Group costs.

Central Costs and Movement in Reserves

- 6.17 **Interest Payable:** there is an overspend of £139k on interest payable. This is the difference between the estimated and actual cost of refinancing existing debt of £20m in March 2021, and two loans on variable rates of interest.
- 6.18 **Interest Receivable:** The reduction in the capital outturn position (see section 10) compared to the original projections has reduced the current year capital financing requirement for the HRA. Therefore, with investments exceeding the capital financing requirement, this has resulted in internal investment income of £389k.
- 6.19 **Change in Provision for Bad Debt:** This is a technical accounting entry which considers the year end arrears position and makes a provision within the accounts for the possibility of non-payment. This will change year-on-year depending on the level of arrears held at the end of each financial year and the aged profile of the arrears. This year the change in expected credit losses (provision for bad debt) has increased by £116k which is an underspend of £64k against the budget of £180k.
- 6.20 **Depreciation:** Depreciation is transferred to the Major Repairs Reserve (MRR) and must be used to fund the capital programme and/or repay capital debt. Depreciation is calculated at the end of the financial year and is based on each of the major components of each property e.g. kitchen, bathroom, roof, etc.
- 6.21 In prior years, elements of the depreciation calculation saw some components of the assets having a useful life over 100 years. There has been a recommended technical

accounting update requiring components to have a maximum useful life of 70 years. This has been applied to the calculation for 2021/22 resulting in an increase in the dwelling depreciation charge. This financial impact has been managed strategically in 2021/22 by reducing the voluntary repayment of debt through the revenue account and replacing this with existing capital receipts to eliminate the financial impact on repaying debt as well as the impact on the revenue account.

- 6.22 For 2021/22 the dwelling depreciation charge was £8.005m and the other land and buildings depreciation charge was £256k; a total of £8.261m against a budget of £7.663m which has resulted in an overspend of £0.598m compared to the original budget. The budget for next year has already been increased.
- 6.23 **Capital Debt Repayment:** The HRA has consistently provided a provision within the revenue account to maintain the repayment of debt. For 2021/22 this has been strategically reduced by the increase seen in dwelling depreciation as result of the change in technical accounting requirements (as mentioned above) which is why an underspend of £752k against budget is being reported.
- 6.24 **Capital Grants and Contributions:** During 2021/22 the service has received additional funding of £470k from the Hinkley Housing Strategy Fund approved by Full Council on 25 August 2020 towards the social housing development scheme at Seaward Way. This provides a positive financial impact as it reduces the borrowing requirement and thus the cost of borrowing for this scheme.
- 6.25 The service has also received £129k of new external grant funding from Homes England as part of the Rough Sleeping Action Programme (RSAP). This funding has fully financed the HRA purchase of a new property reserved for temporary accommodation and helped to refurbish two other properties.
- 6.26 **Other Operating Expenditure:** This overspend relates to £382k for the annual payment Right to Buy (RTB) payment to the Department for Levelling Up, Housing & Communities (DLUHC) which is fully funded by RTB capital receipts that is contained within the Movement in Reserves.
- 6.27 **Movement In Reserves:** The outturn of £145k is related to technical accounting entries including (a) a credit of £382k which is the movement from RTB capital receipts to offset the RTB annual payment (see above), (b) a debit of £129k and £470k which is the movement of the capital grants and contributions being moved to the balance sheet (see above), (c) a credit of £20k for the general fund contribution towards the Open Contractor project manager, and (d) a credit of £52k to offset the amortisation charge within the accounts.

7 Debt Write Off

- 7.1 The total amount of debtor write-offs made during 2021/22 amount to £119.5k, of which £99.6k related to dwelling rental income and £19.9k of non-dwelling rental and other charges such as repairs and court costs. Of this there were no individual customers where individual debts greater than £25,000 that were written off.

8 HRA Earmarked Reserves

- 8.1 The Council can set aside HRA funds for specific purposes to be used in future years. The table below provides a summary of the HRA earmarked reserves and the movements during the year.
- 8.2 The HRA Earmarked Reserves at the beginning of 2021/22 totalled £1.107m. Of this £869k was approved to be returned to General Reserves by Full Council on 5 October 2021 and a further £175k by the Executive on 15 December 2021. The balance as at 31 March 2022 is £54k and this has been committed to support spending in future years.

Table 3: Balance of HRA Earmarked Reserves held at 31 March 2022

Description	Balance b/f £000	Transfer In £000	Transfer Out £000	Balance c/f £000
One Teams	26	0	-20	6
Social Housing Development Fund	849	0	-849	0
Contribution to Transformation	175	0	-175	0
Lettings – Home Moves Plus	57	43	-52	48
Total	1,107	43	-1,096	54

9 HRA Unearmarked Reserves

- 9.1 The table below summarises the movement on the HRA unearmarked reserves during the year.

Table 4: HRA Unearmarked Reserves Balance

	£000
Balance Brought Forward 1 April 2021	2,686
Approved In-Year Transfers In	1,044
Approved In-Year Transfers Out	-487
Provision Outturn 2021/22	170
Balance Carried Forward 31 March 2022	3,413
Future Use of Reserve in 2022/23	-200
Projected Balance	3,213
Recommended Minimum Balance	2,000
Balance above recommended Minimum Operational Target	1,213

- 9.2 The HRA general (unearmarked) reserves at the start of the year were £2.686m. This is £686k above the minimum recommended reserve level of £2m. Remaining at or above these targets provides added financial resilience to in year pressures through volatility and unforeseen cost increases and income reductions.
- 9.3 General reserves have increased by £1.044m through the return of earmarked reserves that are no longer required for their original purpose (approved by Full Council on 5 October 2021 and the Executive 15 December 2021).
- 9.4 General reserves have decreased by £487k to fund in-year pressures such as the 1.75% pay award, project manager costs for the OC review, share of corporate costs as well as additional staffing capacity for monitoring performance on complaints, compliance administrator, stock condition surveyors and procurement support.

- 9.5 The balance as at 31 March 2022 (subject to audit) is £3.413m, which is £1.413m above the recommended minimum balance of £2m. The projected balance on reserves as at 31 March 2022 provides sufficient capacity to support the approach of the Medium Term Financial Plan which incorporates the planned use of £200k of reserves to support the 2022/23 budget.
- 9.6 The remaining balance of £1.213m provides some financial resilience and flexibility for management and members to mitigate short term pressures within the HRA. However, the unstable economic operating environment along with regulatory and political pressures means that the current levels of reserves may not be sufficient. Therefore, the service needs to deliver the financial strategy to find and embed ongoing efficiency savings of £650k over the next three years to provide more financial capacity to enable the business to flex against changing and competing demands.

10 HRA Capital Outturn Position

- 10.1 The HRA **approved Capital Programme** at the end of 2021/22 is £119.438m (see **Appendix A**). This consists of £13.800m of new schemes approved by Full Council on 8 February 2021 plus £104.527m of previously approved schemes carried forward from prior years. In addition, £1.111m of supplementary budgets were approved by Full Council on 29 March 2022.
- 10.2 The HRA approved Capital Programme relates to in-year works and longer-term schemes that will be completed over the next ten years. The Council is financing this investment through the Major Repairs Reserve, Capital Receipts, Capital Grants, Revenue Funding and Borrowing.
- 10.3 The **actual spend** on the HRA Capital Programme during 2021/22 was £12.708m (see **Appendix A**). The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development of new stock. The actual spend during 2021/22 will be financed using a combination of Capital Grants, Capital Receipts, Major Repairs Reserve and borrowing.
- 10.4 The capital outturn position is reporting an **overspend** of £138k (see **Appendix A**) for the fully funded purchase of a new property reserved for temporary accommodation (see paragraph 6.25 above) and preliminary professional advice on a new scheme that proposes to regenerate non-traditional properties in Oake.
- 10.5 The capital outturn position is also reporting proposed **capital budget returns** of £11.847m (see **Appendix A**). The Housing Senior Management Team have reviewed projected capital expenditure and are confident that the remaining capital slippage and new approved budget for 2022/23 will be sufficient to meet the capital asset management plan over the next 12 months. These budget returns will positively impact the financial position of the HRA's 30-Year Business Plan and the Council's treasury management strategy.
- a) A budget return of £4.972m on Major Works relates to ongoing delays in delivery of some capital schemes in 2021/22 due to the impact of Covid. This is due to both available contractor resources to deliver programmed works as well as tenants not providing access to their home due to anxiety around catching Covid. In addition,

supply chain material shortages on a range of construction products has further hampered completions. A review of works still necessary to be undertaken to ensure we meet, for example, the Decent Homes Standard and safety compliance works has been completed and 'slippage' monies from the 2021/22 budgets added to the 2022/23 budgets.

- b) A budget return of £99k for Related Assets and £73k for Exceptional and Extensive relates to a number of factors resulting in a recognition that the annual budget is sufficient in future years and that the underspend does not need to be carried forward.
 - c) A budget return of £404k for Vehicles. The capital expenditure budget estimate for 2022/23 was £155k, however revised estimates to include a proportion of the fleet to be electrical vehicles have increased estimated capital expenditure by £65k. Therefore £65k of the budget will be carried forward with the remainder of £404k being returned.
 - d) A budget return of £212k for Aids and Adaptations and DFGs relates to a number of factors resulting in a recognition that the annual budget is sufficient in future years and that the underspend does not need to be carried forward.
 - e) A budget return of £6.087m for Social Housing Development schemes relates to budget allocated in 2021/22 (plus prior year slippage) to meet the Council's "1-4-1 Agreement" target spend under the Right to Buy (RTB) scheme (see section 11). However, this target has been achieved through new build schemes instead and is projected to continue to do so in future years.
- 10.6 The total budget to be **carried forward** into 2022/23 and future years is £95.022m (see **Appendix A**). There was also £14.379m of new capital budget approved by Full Council on 8 February 2022. This gives a total approved capital budget of £109.401m to be spent in 2022/23 and future years.

11 HRA Right To Buy (RTB) Capital Receipts

- 11.1 The RTB scheme is a government scheme that enables tenants to purchase their homes at a discount, subject to meeting qualifying criteria. During 2021/22 the Council sold 35 homes through the RTB Scheme.
- 11.2 Through a "1-4-1 Agreement" with the Treasury / DLUHC, the Council can retain a small proportion of these RTB receipts and use them to fund new social housing. From the 1 April 2021, the Government issued a policy change allowing these receipts to now account for up to 40% (previously 30%) spend on new social housing costs, with the remaining 60% coming from other funds such as revenue funding or borrowing.
- 11.3 This policy change also increased the timeframe that these receipts must be spent to five years (previously 3 years) of the capital receipt or returned to Government with interest at 4% over base rate from the date of the original receipt. To date, the Council has successfully spent all of their retained 1-4-1 receipts with no returns being made to the Treasury / MHCLG.

11.4 During the financial year 2021/22 the total attributable spend on eligible RTB schemes was £2.627m. This was spent on a variety of social housing development schemes.

12 Links to Corporate Strategy

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

13 Community Scrutiny Comments / Recommendations

13.1 The report will be considered by Community Scrutiny on 29 July 2022. Any comments and / or recommendations will be updated and presented to the Executive for consideration.

Democratic Path:

- Community Scrutiny – 29 June 2022
- Executive – 20 July 2022
- Full Council – No

Reporting Frequency: Annually

List of Appendices

Appendix A	HRA Capital Outturn Position 2021/22
Appendix B	HRA Original v Current Budget Position

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Appendix A: HRA Capital Outturn Position 2021/22

HRA Capital Programme Summary:

	Approved Budget as at 31 March 2022	Actual Capital Outturn 2021/22	Under (-) / Overspend on Completed Projects	Underspend - Budget No Longer Required	Remaining Approved Budget (ongoing projects)	Net 2022/23 Budget Additions Approved (Feb 2022)	Total Approved Budget 2022/23 and future years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Major Works	14,530	5,662	-0	-4,972	3,896	11,051	14,947
Fire Safety	1,756	315	0	0	1,441	2,133	3,574
Related Assets	130	31	0	-99	0	120	120
Exceptional & Extensive	294	221	0	-73	0	350	350
Vehicles	469	0	0	-404	65	155	220
ICT & Transformation	746	394	0	0	351	200	551
Aids & Adaptations & DFGs	370	158	0	-212	0	370	370
Sub-Total Majors & Improvements	18,294	6,781	-0	-5,760	5,753	14,379	20,132
Social Housing Development	101,145	5,927	138	-6,087	89,269	0	89,269
Total HRA	119,438	12,708	138	-11,847	95,022	14,379	109,401

Note: The approved budget for future years includes all Social Housing Development schemes approved for their duration plus one year of major works and improvements.

Appendix A: HRA Capital Outturn Position 2021/22 (cont.)

HRA Capital Programme Detail Listing:

Scheme Name	Approved Budget as at 31 March 2022	Actual Capital Outturn 2021/22	Under (-) / Overspend on Completed Projects	Underspend - Budget No Longer Required	Remaining Approved Budget (ongoing projects)	Net 2022/23 Budget Additions Approved (Feb 2022)	Total Approved Budget 2022/23 and future years
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Major Works	14,530	5,662	-	-4,972	3,896	11,051	14,947
HRA C Major Repairs Capital Programme	-	-	-	-	-	-	-
HRA C Major Repairs & Improvements	5,821	182	-1,669	-3,971	-	150	150
HRA C Kitchens	2,095	323	-	-	1,772	1,922	3,694
HRA C Bathrooms	1,020	114	-	-	906	507	1,413
HRA C Roofing	432	213	-	-	219	2,500	2,719
HRA C Windows	640	1,568	928	-	-	1,211	1,211
HRA C Heating Improvements	878	648	-	-	230	1,348	1,578
HRA C Doors	100	128	28	-	-	703	703
HRA C Fascias and Soffits	309	694	385	-	-	192	192
HRA C Air Source Heat Pumps	1,037	722	-	-315	-	-	-
HRA C Door Entry Systems	400	97	-	-	303	57	360
HRA C Community Alarms	-	-	-	-	-	10	10
HRA C Insulation	495	71	-	-424	-	300	300
HRA C Ventilation	40	15	-	-25	-	276	276
HRA C Kitchen rep'd due to dam (voids)	243	443	200	-	-	95	95
HRA C Bathroom rep'd due to da (voids)	86	213	127	-	-	95	95
HRA C Underground Drainage	50	9	-	-41	-	100	100
HRA C Environmental Improvements	100	46	-	-54	-	420	420
HRA C Electrical Testing	466	168	-	-	297	670	967
HRA C Sewerage Treatment Plant	50	-	-	-	50	100	150

HRA C Unadopted Areas	50	0	-	-	50	150	200
HRA C Scaffolding	50	7	-	-43	-	30	30
HRA C Water - Planned Maintenance	100	-	-	-100	-	215	215
HRA C Water - Safety Compliance	69	-	-	-	69	-	69
Fire Safety	1,756	315	-	-	1,441	2,133	3,574
HRA C Fire Safety Works	1,756	315	-	-	1,441	2,133	3,574
Related Assets	130	31	-	-99	-	120	120
HRA C Meeting Halls	35	0	-	-35	-	60	60
HRA C Garages	95	31	-	-64	-	60	60
Exceptional & Extensive	294	221	-	-73	-	350	350
HRA C Asbestos Works	294	221	-	-73	-	350	350
Vehicles	469	-	-	-404	65	155	220
HRA C Building Services Vehicles	469	-	-	-404	65	155	220
ICT & Transformation	746	394	-	-	351	200	551
HRA C IT Development	746	394	-	-	351	-	351
HRA C Transformation	-	-	-	-	-	200	200
Aids & Adaptations & DFGs	370	158	-	-212	-	370	370
HRA C Aids and Adaptations	70	36	-	-34	-	70	70
HRA C DFGs	300	122	-	-178	-	300	300
Sub-Total Majors & Improvements	18,294	6,781	-0	-5,760	5,753	14,379	20,132
Sub-Total Social Housing Development Programme	101,145	5,927	138	-6,087	89,269	-	89,269

Note: The Social Housing Development Programme has not been provided per scheme as some of the detailed content is confidential whilst contracts are still being negotiated.

Appendix B: Housing Revenue Account Budget Movement for 2021/22 per Cost Centre

Cost Centre	Cost Centre Name	Original Budget £	Virement £	Current Budget £
INCOME				
SF018H	HRA General Needs	(20,744,200)	-	(20,744,200)
SF038H	HRA Extra Care	(352,700)	-	(352,700)
SF039H	HRA Former Tenants Debts	-	-	-
SF045H	HRA Supported / Sheltered Hsg	(3,579,200)	-	(3,579,200)
SF086H	HRA Temporary Accommodation	(274,500)	-	(274,500)
SF063H	HRA Garages Rent	(545,300)	-	(545,300)
SF064H	HRA Commercial / Shop Rent	(143,410)	-	(143,410)
SF065H	HRA Land	(15,630)	-	(15,630)
SF028H	HRA Service Charges	(1,380,330)	-	(1,380,330)
SF078H	HRA Leaseholder Charges for Services	(233,000)	-	(233,000)
SF089H	HRA Meeting Halls	(10,000)	-	(10,000)
SF019H	HRA Right to Buy	(52,000)	-	(52,000)
SF029H	HRA PV	(110,000)	-	(110,000)
SF057H	HRA GF Contribution to Grounds Maint	(207,230)	-	(207,230)
SF027H	HRA Voids Rechargeable	(10,000)	-	(10,000)
SF079H	HRA Rechargeable Repairs	(10,000)	-	(10,000)
SF085H	HRA Other Income	-	-	-
		(27,667,500)	-	(27,667,500)
EXPENDITURE – Regeneration				
HS013H	HRA Hsg Dev & Reg Team	286,860	(67,710)	219,150
		286,860	(67,710)	219,150
EXPENDITURE - Performance				
HS001H	HRA Housing Mgt Team	240,740	19,500	260,240
HS020H	HRA Housing Performance Team	320,840	-	320,840
SF016H	HRA Policy & Management	4,075,040	-	4,075,040
SF025H	HRA Tenants Action Group	44,300	-	44,300
SF033H	HRA Tenants Empowerment	39,800	-	39,800
SF030H	HRA Insurance	87,550	-	87,550
SF040H	HRA Contribution to CDC	229,000	-	229,000
		5,037,270	19,500	5,056,770
EXPENDITURE – Community Resilience				
HS022H	HRA Community Resilience	124,480	-	124,480
SF048H	HRA Community Arts Project	-	-	-
SF052H	HRA One Team Halcon	10,000	-	10,000
SF053H	HRA One Team North Taunton	10,000	-	10,000
SF054H	HRA One Team Wellington	10,000	-	10,000

154,480 - 154,480

EXPENDITURE – Tenancy Management

HS016H	HRA Supported Housing Team	317,680	-	317,680
SF009H	HRA Meeting Halls	92,400	-	92,400
SF022H	HRA Supported / Sheltered Hsg	324,020	-	324,020
SF075H	HRA Extra Care Exp	83,300	-	83,300
SF024H	HRA Temporary Accommodation	74,000	-	74,000
SF095H	HRA Tenancy Sustainment Sheltered Hsg	7,600	-	7,600
HS017H	HRA Lettings Team	144,720	-	144,720
SF008H	HRA Lettings	31,100	-	31,100
SF069H	HRA Lettings - Home Moves Plus	-	-	-
HS018H	HRA Tenancy Mgt Team	443,590	-	443,590
SF005H	HRA Grounds Maintenance	793,340	-	793,340
SF002H	HRA Anti Social Behaviour	16,200	-	16,200
SF080H	HRA Transfer Removal Grants	37,000	-	37,000
SF011H	HRA Mutual Exchange	-	-	-
SF081H	HRA Rentals on Property	18,030	-	18,030
SF092H	HRA Tenancy Mgt	30,600	-	30,600
SF094H	HRA Tenancy Sustainment Gen Need	23,000	-	23,000
SF001H	HRA 12 Moorland Close	19,600	-	19,600
SF041H	HRA General Needs	-	-	-
SF097H	HRA Right to Buy Expenditure	-	-	-
HS019H	HRA Rent Recovery Team	307,980	-	307,980
SF091H	HRA Arrears Mgt	20,500	-	20,500
HS024H	HRA Leaseholder Mgt Team	-	59,370	59,370
SF007H	HRA Langham Gardens	21,880	-	21,880
SF012H	HRA Northfield Gardens	33,730	-	33,730
SF035H	HRA Leaseholder Mgt & Forum	1,500	-	1,500
		2,841,770	59,370	2,901,140

EXPENDITURE – Repairs and Maintenance

HS005H	HRA Repair & Maintenance Mgt Team	448,900	-	448,900
HS006H	HRA Repair & Maintenance Trade Team	1,434,890	-	1,434,890
HS002H	HRA Voids Team	122,400	-	122,400
HS004H	HRA Stores Team	75,840	-	75,840
SF026H	HRA Voids - Major	708,000	-	708,000
SF051H	HRA Voids - Minor	-	-	-
SF059H	HRA Void Redecoration	12,000	-	12,000
SF068H	HRA Voids - Rechargeable Works	10,000	-	10,000
SF006H	HRA Housing Repairs	567,000	-	567,000
SF004H	HRA Garage Maintenance	20,000	-	20,000
SF074H	HRA Central Overheads for OC	-	-	-
SF043H	HRA Underground Drainage	10,000	-	10,000
SF077H	HRA Responsive Sewage	10,000	-	10,000
SF017H	HRA Rechargeable Works	10,000	-	10,000
		3,429,030	-	3,429,030

EXPENDITURE – Asset Management

HS011H	HRA Housing Asset Team	366,840	(59,370)	307,470
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HS012H	HRA Capital Investment Team	244,140	67,710	311,850
SE002H	HRA Housing Partnership	58,850	-	58,850
SF031H	HRA Communal R&M	105,000	-	105,000
SF034H	HRA Communal Utilities	45,000	-	45,000
SF020H	HRA Commercial / Shops Exp	33,200	-	33,200
SF090H	HRA Pre Planned Maintenance	297,590	-	297,590
SF037H	HRA Sustainable Energy	27,000	-	27,000
SF056H	HRA SAP EPC & Stock Validation	91,000	-	91,000
		1,268,620	8,340	1,276,960

EXPENDITURE – Compliance

HS007H	HRA Gas Team	441,920	-	441,920
HS008H	HRA Electrical Team	499,350	-	499,350
HS009H	HRA Asbestos Team	183,930	-	183,930
HS010H	HRA Landlord Compliance Team	245,950	-	245,950
SF060H	HRA Compliance Expenditure	454,520	-	454,520
SF058H	HRA Heating	202,000	-	202,000
SF042H	HRA Electrical	197,000	-	197,000
SF003H	HRA Asbestos	50,000	-	50,000
SF055H	HRA Air Source Heat Pump Servicing	42,000	-	42,000
		2,316,670		2,316,670

HRA Other Operating Costs & Income

LL001H	Other Operating Expenditure	-	-	-
LL002H	Financing/Invest Inc & Exp	2,668,800	-	2,668,800
LL003H	Capital Grant and Contribution	-	-	-
LL004H	Surplus / Deficit on Revaluation of PPE	-	-	-
LL006H	Remeasurement of Net Def Pens Liability	-	-	-
LL008H	HRA Change in Provision for Bad Debt	180,000	-	180,000
SF049H	HRA Depreciation on OLB	321,000	-	321,000
SF083H	HRA Depreciation on Dwellings	7,342,000	-	7,342,000
		10,511,800	-	10,511,800

HRA Transfers To/From Reserves

MM000H	HRA Movement in Reserves (MIRS)	-	(19,500)	(19,500)
MM001H	HRA Voluntary Repayment of Principal	1,821,000	-	1,821,000
		1,821,000	(19,500)	1,801,500

TOTAL

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