

## SWT Scrutiny Committee

Wednesday, 4th September, 2019,  
6.15 pm



Somerset West  
and Taunton

Council Chamber - West Somerset  
House

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**Members:** Gwil Wren (Chair), Libby Lisgo (Vice-Chair), Ian Aldridge, Sue Buller, Norman Cavill, John Hassall, John Hunt, Sue Lees, Dave Mansell, Hazel Prior-Sankey, Phil Stone, Nick Thwaites, Danny Wedderkopp and Keith Wheatley

### Agenda

**1. Apologies**

To receive any apologies for absence.

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

To approve the minutes of the previous meeting of the Committee.

**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.

(Pages 5 - 12)

**5. Scrutiny Committee Action Plan**

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

**6. Scrutiny Committee Forward Plan**

To receive items and review the Forward Plan.

**7. Watchet Harbour Update. Presentation of the Localities Manager (Verbal Update).**

**8. Financial Monitoring - 2019/20 as at 31 July 2019. Report of the Finance Business Partner (attached).**

(Pages 13 - 32)

**9. Corporate Performance Report and Update on Development of Future Reporting. Report of the Head of Performance and Governance (attached)**

(Pages 33 - 36)



**JAMES HASSETT  
CHIEF EXECUTIVE**

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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](http://www.somersetwestandtaunton.gov.uk)

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**SWT Scrutiny Committee - 17 July 2019**

Present: Councillor Gwil Wren (Chair)

Councillors Ian Aldridge, Sue Buller, John Hassall, Dave Mansell, Phil Stone, Danny Wedderkopp, Simon Coles, Caroline Ellis, Ray Tully, Brenda Weston and Loretta Whetlor

Officers: Nick Bryant, Chris Hall and Amy Tregellas

Also Present: Councillors Marcus Kravis, Chris Booth, Peter Pilkington, Federica Smith-Roberts and Alan Wedderkopp

(The meeting commenced at 8.15 am)

15. **Apologies**

Apologies were received from Councillors Hunt, Ms Lisgo, Mrs Lees, Mrs Prior-Sankey, Thwaites and Wheatley.

16. **Minutes of the previous meeting of the Scrutiny Committee**

(Minutes of the meeting of the Scrutiny Committee held on 12 June 2019 circulated with the agenda)

**Resolved** that the minutes of the Scrutiny Committee held on 12 June 2019 be confirmed as a correct record.

17. **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:-

Additional interests were declared by Councillor Whetlor as a Watchet Town Councillor in relation to Item 6 on the agenda and did not take part in the debate, and Councillor Coles as a Somerset County Councillor and a Member on the Devon and Somerset Fire Authority Board.

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr L Baker	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr M Barr	All Items	Wellington	Personal	Spoke and Voted
Cllr M Blaker	All Items	Wiveliscombe	Personal	Spoke and Voted
Cllr P Bolton	All Items	Minehead	Personal	Spoke and Voted
Cllr C Booth	All Items	Wellington	Personal	Spoke and Voted
Cllr N Cavill	All Items	West Monkton	Personal	Spoke and Voted
Cllr S Coles	All Items	SCC & Taunton	Personal	Spoke and Voted

		Charter Trustee		
Cllr H Davies	All Items	SCC	Personal	Spoke and Voted
Cllr C Ellis	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr A Govier	All Items	SCC & Wellington	Personal	Spoke and Voted
Cllr C Herbert	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr Mrs Hill	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr J Hunt	All Items	SCC	Personal	Spoke and Voted
Cllr R Lees	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr S 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	Personal	Spoke and Voted
Cllr D Mansell	All Items	Wiveliscombe	Personal	Spoke and Voted
Cllr A Milne	All Items	Porlock	Personal	Spoke and Voted
Cllr C Morgan	All Items	Stogursey	Personal	Spoke and Voted
Cllr S Nicholls	All Items	Comeytrove	Personal	Spoke and Voted
Cllr C Palmer	All Items	Minehead	Personal	Spoke and Voted
Cllr M Peters	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr P Pilkington	All Items	Timberscombe	Personal	Spoke and Voted
Cllr H Prior-Sankey	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr M Rigby	All Items	SCC & Bishops Lydeard	Personal	Spoke and Voted
Cllr F Smith	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr F Smith-Roberts	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr V Stock-Williams	All Items	Wellington	Personal	Spoke and Voted
Cllr R Tully	All Items	West Monkton	Personal	Spoke and Voted
Cllr T Venner	All Items	Minehead	Personal	Spoke and Voted
Cllr A Wedderkopp	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr D Wedderkopp	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr B Weston	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr L Whetlor	All Items	Watchet	Personal	Spoke and Voted
Cllr G Wren	All Items	Clerk to	Personal	Spoke and Voted

18. **Public Participation**

Agenda Item 6 - Watchet Library Asset Transfer Negotiations.

Councillor John Irven made the following Statement:-

I am speaking about agenda item 6) Watchet Library Transfer and your officer's report. I won't repeat the information given when I spoke at last month's meeting, rather justifying our repeated request to transfer the library without overage and pre-emption clauses based on conclusions now drawn by your own report.

Your para 8.2 states that

"Previous advice supplied makes recommendations to include overage and pre-emption provisions within the Heads of Terms and documentation for the disposal, *although there is an acceptance that the commercial terms may not be necessary* where the transfer is to another public body bound by the same public accountability as SWaT. It is good to read that the use of a commercial overage clause is no longer considered necessary since WTC has identical accountability to SWaT and therefore overage can and should be removed.

Para 8.3 states that

Legal advice remains that the greatest level of protection for SWaT comes from at the very least a right of pre-emption in favour of SWaT. *Protection for the community can be provided by either public body, thus it must be a decision for the council to consider who is best placed to ensure the continuation of the benefit for the community, either as a library or any other use in the future.*

Why should you remove the pre-emption clause?

WLF and the Stoate family trust believe the Town Council through the additional protections we are proposing are best protecting the asset, both as a library and any potential future use for the trust's beneficial owners, the people of Watchet - not SW&T who have demonstrated governance over asset management which has not been fit for purpose and only belatedly begun to understand your duties as trustees. WLF and the Stoate family will speak to this suitability and additional protection after me.

There is nothing to prevent you and you should therefore remove pre-emption.

If you refuse, I believe there is a reputational risk to the new Council and the new administration. SW&T will be accused of not wanting to protect the asset for the beneficiaries, but for the prospect of retaining a future potential financial gain that will be used for SW&T's benefit, not that of the community.

We ask that scrutiny recommend to SW&T to support our request to transfer without overage and pre-emption.

Mr Peter Murphy as the Chairman of Watchet Library Friends made the following Statement:-

Thank you for listening to me at your last meeting and thank you for agreeing to consider the future of Watchet Library today.

I explained the background to the situation previously and this is captured in your minutes so I will not repeat it again. I am delighted to inform you that today we are joined by a descendant of the original benefactor, who will also be addressing you shortly.

Watchet Library Friends support the Town Council in entering a Community Library Partnership with Somerset County Council to enable a fully staffed library to continue to operate in Watchet thus fulfilling the terms of the original trust established by Leonard Laity Stoate. In doing so, the Town Council has raised precept funds and has taken responsibility for the library on behalf of the people of Watchet.

The District Council seeks to place overage clauses and a pre-emption clause on the transfer which we oppose. The Town Council has proposed clauses which it believes will protect the asset from arbitrary disposal. These are to place the building on the Community Asset Register and to consult the District Council, the Stoate Trust and the people of Watchet should the building, for whatever reason, cease to be considered suitable for a library in the future. I understand that Philip Stoate will be making further suggestions as to how the duty of trust may be carried out in the future and we support him in this.

Watchet Library Friends believe that in the spirit of Localism, the control and protection of community assets should take place at the lowest practical level of democratic control for the benefit of the people of Watchet. I urge you to recommend that Council transfer the building speedily to the Town Council as advised by the Stoate trust. Do the common sense thing!

Mr Phillip Stoate as descendant of the original benefactor, Leonard Laity Stoate made the following statement:-

We have seen the representations of Peter Murphy and Chris Hall for the Scrutiny Committee, but not the proposed transfer document itself. We are interested to ensure that the wishes of the benefactor recorded and accepted by the parties in the 1951 lease are honoured. We are both on record as supporting the proposed transfer, as we believe that Watchet Town Council is best placed to manage the property for the benefit of the inhabitants of the town.

However, it appears that the transfer is stated to be for the consideration of £1.00 subject to both an overage clause and a right of pre-emption in favour of Somerset West and Taunton Council.

We consider that any question of consideration for the transfer is wholly inappropriate. The property was given upon trusts which Somerset West and Taunton Council, as successor to West Somerset District Council, has now acknowledged. Although the word "charity" is not mentioned, there can be no doubt that those trusts – that the property be held in trust for the inhabitants of Watchet for use as a library – are charitable in nature, and thus fall to be regulated by the Charity Commission. Appended is a guide for councils acting as charity trustee prepared jointly by the Local Government Association and the Charity Commission.

This makes it clear that trust assets held by a Council must be accounted for entirely separately from those of the Council itself. We rather doubt this was ever done and in



our view Somerset West and Taunton Council is confusing the two roles. The reality is that Somerset West and Taunton Council is relinquishing its role as trustee of the property and appointing Watchet Town Council as trustee in its place, and the property transfer is ancillary to that appointment. No consideration is applicable to the transfer (even £1.00) as it is not a commercial transaction and market value is irrelevant; the value in the property belongs to and will remain with the trust and does not belong to the Council.

Somerset West and Taunton Council say that the provisions are sought to protect the asset for the people of Watchet. There is scant evidence of any such concern hitherto from the Council or its predecessors and talk of market value gets to the nub of it. If an individual trustee attempted to claw back value from a trust asset in the way that Somerset West and Taunton Council are seeking, he would be looking at sanction from the criminal as well civil law.

The guidance also makes clear the procedures involved in the event of a sale of the property, or if for any reason the original purpose of the trust becomes irrelevant. This is overseen by the Charity Commission, but the Town Council and its councillors will be responsible for the proper implementation of the trust.

To ensure that the terms of the trust are recorded, we strongly suggest that there are two documents. The first should be a Deed of Appointment of Trustee, which recites the terms of the trust, that the trusts are charitable and that they are subject to the guidance appended, that the trust assets comprise the library building, and appointing Watchet Town Council as trustee of those trusts in place of Somerset West and Taunton Council. This is a document that would be retained as evidence of the nature of the holding. The second document should be a straightforward transfer without consideration, or any overage or pre-emption conditions, and stated to be pursuant to the first.

In response Councillor Booth as Portfolio Holder for Community made the following statement:-

Following a successful meeting with representatives of Watchet Town Council, the Leader of Somerset West and Taunton and the CEO. The Executive have concluded that it is in the interest of the people of Watchet to ensure this asset is transferred to secure the continuation of the Library.

We look forward to finalising this agreement and supporting the continued delivery of the Community Library Partnership. A revised Executive decision will be published confirming that the Council will support the freehold transfer without the clauses of pre-emption or overage.

## 19. **Scrutiny Committee Forward Plan**

(Copy of the Scrutiny Committee Forward Plan, circulated with the agenda).

Councillors were reminded that if they had an item they wanted to add to the agenda, that they should send their requests to the Governance Team.

Requests were made around the following items:-

- The number of families using the Food Bank in Somerset West and Taunton.

- Post Offices and the ongoing plans in service delivery around the district.
- Public Transport and Transport across the district.
- Broadband coverage in rural areas.

Consideration of these requests would be given and passed to the relevant officers to report back.

**Resolved** that the Scrutiny Committee Forward Plan be noted.

20. **Watchet Library Asset Transfer Negotiations Report of the Localities Manager (attached).**

During the discussion the following points were made:-

- The update was welcomed and considered a positive result for the people of Watchet. Mr Stoate was commended by his detailed statement around the legal position.

**Resolved** that the Scrutiny Committee noted that the main obstacles had been overcome and were in favour of the transfer via the relevant legal mechanism.

21. **Climate Change Strategy - Joint Scrutiny Task and Finish Group. Report of the Strategy Specialist (attached).**

During the discussion, the following points were made:-

- The report was welcomed and the request was made that resources and provision was made to address the priority of climate change.
- To ensure the relevant expertise and knowledge were on the Climate Change Task and Finish Group Councillors requested that three representatives instead of two were selected from each councils.
- Greater emphasis relating to environmental impacts of diet and food production was requested in the strategy. The area and terms of reference of food and farming on the strategy was still to be determined.
- Clarification was given that the authorities involved in the strategy included Somerset County Council, Somerset West and Taunton, South Somerset, Mendip and Sedgemoor.
- The Governance of the Strategy had been established from the working group.
- Regular briefings would be provided to Councillors and to Full Council.
- Further emphasis was requested to address the Impact to low income households of adopting green initiatives. Those most adversely effected were often the elderly and those on low incomes.
- It was acknowledged that further work was required on engagement and communications.

**Resolved** that:-

1. That Scrutiny Committee note and endorse the scope, process, budget implications, governance arrangements and timescale associated with developing the joint Somerset-wide Climate Change Strategy, and related SWT-specific Carbon Neutrality and Climate Resilience Plan.
2. That Scrutiny Committee endorse the nomination of Councillor David Mansell and Councillor Loretta Whetlor to serve on the Joint Scrutiny Task and Finish Group, which

will oversee development of the joint Somerset-wide Climate Change Strategy.

3. Urge Executive to request the mechanism to increase the membership from two to three to encourage political inclusion and broadening expertise taking into account urban and rural areas and the capacity of the group to deliver.
4. The Committee note the lack of reference to farming systems and diet implications in respect of the climate change strategy, and expects that it is considered in the drafting of the strategy.

22. **SHAPE Legal End of Year Report - Year 4. Report of the Head of Performance and Governance (attached).**

During the discussion the following points were made:-

- Mendip District Council remained the host authority for the SHAPE partnership and staff were employed by them.
- The service was set up following an inter-authority partnership agreement.
- Staff numbers included eight qualified lawyers, four locums, one legal assistant and one administrator.
- The service sat under Councillor Henley Portfolio Holder for Resources.
- A quarterly meeting was undertaken with client officers to ensure the service was performing to the agreed measures and any issues addressed.
- Greater rationale was requested in how SHAPE would expand the business.
- Due to budget pressures expansion of the business to take on new clients was considered commercially proactive.
- External resources can be engaged in special instances where required.
- Savings of 10% at WSC and 15% at TDBC had been set out at the start of the contract had been delivered.
- There had been greater demands than anticipated from TDBC in years 1-3.
- It was acknowledged there had been delays in legal feedback after issues had been identified in section 106 agreements.
- Resources were being realigned to cater for Planning enforcement demand.
- Professional liability indemnity insurance was picked up by Mendip district Council but this was factored into the contribution for the service.
- It was recognised that with expansion of the service there was still the expectation of demand, but there were benefits in having a wider pool of lawyers along with increased income.

**Resolved that:-**

1. Noted the report and progress made to date
2. Endorses the development of growth and marketing plans that include promotional activities, identifying new clients and exploring opportunities for income generation at no additional cost to Somerset West and Taunton.
3. Noted that a review and recast of the partnership will take place before the end of the financial year to ensure that the partnership continues to support the strategic direction of the Council moving forward

23. **Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities. Report of The Head of Performance and Governance (attached).**

During the discussion the following points were made:-

- Clear rationale behind requests for items would need to be set out
- What the committee looks at and how priorities were assessed would be a priority for informal Scrutiny meetings along with building in Governance reporting arrangements.
- Requests for items to be considered would need to remain within the area of Corporate Aims.
- The Scrutiny process would consider policy updates and existing policy's being fit for purpose.

**Resolved that:-**

The Scrutiny Committee:

1. Work with the Executive to draft an Executive-Scrutiny protocol, which is then formally approved by the Scrutiny Committee and Executive and added to the Council's Constitution.
2. Resolve that the Chair and Vice Chair meet with the Executive to discuss the Scrutiny Committee work programme.
3. Develop a work programme for the remainder of the Municipal Year which can be amended if any new or emerging issues arise.

(The Meeting ended at 8.45 pm)

# Somerset West and Taunton Council

## SWT Scrutiny – 4 September 2019

### Financial Monitoring – 2019/20 as at 31 July 2019

**This matter is the responsibility of Cllr Ross Henley, Portfolio Holder for Corporate Resources**

**Report Author: Emily Collacott (Finance Business Partner)**

#### **1 Executive Summary**

- 1.1 This report provides an update on the projected outturn financial position of the Council for the financial year 2019/20 (as at 31 July 2019).
- 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 2019/20 is as follows, these are the best estimates based on information currently available:
  - a) The General Fund (GF) revenue outturn is forecasting a net underspend of £268k. However, there are some potentially significant risks identified within this report (section 7) which are currently being reviewed with a view to controlling action being implemented. Worst case, if cost pressures materialise this predicted underspend will significantly reduce and potentially result in a net overspend for the year.
  - b) The Housing Revenue Account (HRA) revenue outturn is forecasting a small net overspend of £17k at this stage. However, as with the General Fund, there is a risk of additional cost pressures that exacerbate the reported overspend position.
- 1.4 The current capital forecast position for 2019/20 is as follows:
  - (a) The GF current capital programme budget was £69.215m of which £51.441m is rolled forward from the previous year and £17.774m is new approved budget for 2019/20. Following Council's decision to remove the Firepool Hotel Scheme the capital programme budget is now £53.503m. No overspends have currently been identified.
  - (b) The HRA approved capital programme for 2019/20 is £23.093m.

The capital programmes are shown in Appendices A & B.
- 1.5 The General Fund reserves forecast balance as at 31 March 2020 is projected to be £3.407m (subject to risks identified). The balance remains above the current recommended minimum reserves level approved in the Council's Budget Strategy (£2.4m).
- 1.6 The General Fund earmarked reserves balance at the beginning of the year was £17.354m.

The net movement in year is currently an increase of £4.721m, mainly contributions to the New Homes Bonus and Business Rates Smoothing earmarked reserves.

1.7 The Housing Revenue Account (HRA) general reserve forecast balance as at 31 March 2020 is £2.609m (subject to risks identified), which is above the current recommended minimum level (£1.8m) set within the Council’s Budget Strategy and HRA Business Plan, providing a comfortable level of resilience in light of the significant contractual risk in relation to North Taunton.

1.8 The HRA earmarked reserves balance at the beginning of the year was £2.719m, with £1.379m committed to be spent within the next three years and the remaining £1.340m for the Social Housing Development Fund will be used as required to fund social housing development feasibility studies.

## 2 Recommendations

2.1 It is recommended that Scrutiny notes the Council’s forecast financial performance for 2019/20 financial year as at 31 July 2019.

2.2 It is recommended that Scrutiny notes the planned request to Full Council to approve the Housing Director / Head of Function, in consultation with the Housing Portfolio Holder, to have delegated authority to approve changes to the budgeted spend for all of the HRA capital schemes, whilst remaining within the approved capital programme for 2019/20. The reason for this is help address flexible delivery of the programme in year.

## 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**

<b>Likelihood</b>	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
			<b>Impact</b>				

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 July 2019 for the Council's General Fund (GF) and Housing Revenue Account (HRA).
- 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 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 demand-led 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.

#### 5 General Fund (GF) 2019/20 Forecast Outturn

##### General Fund Revenue Account – 2019/20 Forecast as at 31 July 2019

- 5.1 The Council is currently forecasting an overall net underspend of £268k (1.2% of net budget). This is a small variance compared to the Net Budget of £22.3m.

**Table 1 General Fund Revenue Outturn Summary 2019/20**

	Current Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Performance and Governance	10,713	10,523	-190	-0.9%
Communication and Engagement	563	563	0	0.0%
Customer	931	1,012	81	0.4%
Localities	3,032	3,155	123	0.6%
Commercial Investment	2,015	2,015	0	0.0%
Strategy	662	662	0	0.0%
<b>Net Cost of Services</b>	<b>17,916</b>	<b>17,930</b>	<b>14</b>	<b>0.1%</b>

	Current Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Interest and Investment Income	-969	-1,251	-282	-1.3%
Transfers from Earmarked Reserves	6,921	6,921	0	0.0%
Transfers from General Reserves	-65	-65	0	0.0%
Capital and Other Adjustments	-1,471	-1,471	0	0.0%
<b>Net Budget</b>	<b>22,332</b>	<b>22,064</b>	<b>-268</b>	<b>-1.2%</b>
Funding	-22,332	-22,332	0	0.0%
<b>Variance</b>	<b>0</b>	<b>-268</b>	<b>-268</b>	<b>-1.2%</b>

5.2 The table below provides more detail on the significant variance forecast for the year.

**Table 2 - Summary of Significant Forecast Variances for the Year**

	Staffing	Other Expenditure	Income	Total
	£'000	£'000	£'000	£'000
Bereavement Services	n/a	0	44	44
Members allowances	n/a	21	0	21
Interest Receivable	n/a	0	15	15
Interest Payable	n/a	-297	0	-297
Operational and DHL Rota	16	0	0	16
Operation Clean Sweep	n/a	50	0	50
Phase 2 Information Project	n/a	20	0	20
B&B/Homelessness	n/a	65	0	65
Performance & Governance	n/a	50	0	50
Pest Control	n/a	-17	46	29
Insurance	n/a	-281	0	-281
<b>TOTAL – over / (under) spend</b>	<b>16</b>	<b>-389</b>	<b>105</b>	<b>-268</b>

5.3 The main variances to budget are explained as follows:

- a) **Bereavement Services:** Bereavement services is a demand led service and usage decreased in the first 2 months of the year. Assuming usage stays the same as last year for the rest of the year, income will be £44k below budget. Assuming this level of usage, expenditure for medical fees and purchases of memorials etc for resale is expected to be on budget.
- b) **Members Allowances:** The allowance scheme and executive arrangements approved by Members is projected to cost £21k more than the original budget estimate set by the Shadow Council in February 2019.
- c) **Interest Receivable:** This is forecast to be £15k below budget. Due to the formation of the new council there were delays in setting up the new fund accounts and cash was hence invested in the debt management office (DMO) at a lower rate of return. In addition there has been a reduction in interest rates across the funds.



- d) **Interest Payable:** The General Fund only has one short-term loan with interest payable of £10.9k and no other external borrowings are currently forecast, giving a projected significant underspend in financing costs. It should be noted that if the Council needs to externalise debt then this could have a significant impact on the interest payable forecast.
- e) **Operational and Deane Helpline (DHL) Rota:** An increase in the standby payments has been applied to ensure that we have the necessary skills and resources available. The payment had not be altered for some time and had fallen behind what is reasonable for the commitment required when undertaking this role.
- f) **Operation Clean Sweep:** Additional costs associated with an intensive clean up, repair and refurbishment of Taunton's street scene and wider public areas, carried out during Spring 2019. The intensive cleaning equipment used as part of this work has also been deployed in other parts of the district.
- g) **Phase 2 Information Project:** This work is required for GDPR compliance and will cost an additional £20k.
- h) **B&B Homelessness:** Cost of Bed and Breakfast expenditure is forecast to exceed the budget by £65k. The council has a statutory duty to house people who find themselves homeless. The numbers of homeless increased in 2018/19 compared to 2017/18 and we expect this increase to still be the case for 2019/20. In April 2018 the Homelessness Reduction Act placed extra duties on the Council to house the homeless until accommodation can be provided whereas in 2017/18 councils only had a duty to house the homeless for 28 days.
- i) **Performance & Governance:** A budget error has been identified that will be corrected for 2020/21 base position but results in a variance this year.
- j) **Pest Control:** This discretionary chargeable service is no longer provided and therefore the net surplus of £29k will not be achieved.
- k) **Insurance:** Following an authority wide re-tender exercise for insurance premiums, the new authority has been successful at significantly reducing the annual premiums. The total savings against budget across both the HRA and the General fund is £408k. A provisional assumption has been made that the General fund will benefit from 65% of the savings against the budget. This amounts to £281k.

## 6 General Fund (GF) Reserves

### General Fund Reserves

- 6.1 Table 4 below summarises the movement on the GF Reserves Balance to 31 July 2019. The forecast balance as at 31 March 2020 is £3.407m, this would be £1.007m above the recommended minimum balance of £2.4m. The balance is only a forecast and can change which means it must be caveated at this stage.

**Table 3 - General Reserve Balance**

	£000
<b>Balance Brought Forward 1 April 2019</b>	<b>3,204</b>
Approved Transfers to date	-65
2019/20 Projected Outturn Variance – M4 Forecast	268
<b>Projected Balance 31 March 2020</b>	<b>3,407</b>
Recommended Minimum Balance	2,400
Projected Balance above recommended minimum	1,007

- 6.2 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. It should also be noted that the above forecast is indicative only at this stage with significant risks identified within this report.

### **Earmarked Reserves**

- 6.3 The Total GF Revenue Earmarked Reserves brought forward balance for 2019/20 is £17.354m. In-year movements to date amount to an additional £4.721m, which included the recent approvals for the 4 new directors and the park and ride scheme. This brings the current balance as at 31 July to £22.075m.
- 6.4 The following table details those reserves with balances greater than £500,000.

**Table 4 – GF Earmarked Reserves**

	Opening Balance	Transfers To/From	Closing Balance
	£'000	£'000	£'000
New Homes Bonus	6,168	2,974	9,142
Business Rates Smoothing	3,547	2,869	6,416
General Funds General Carry Forwards	1,135	0	1,135
Garden Town	944	-20	924
Transformation	728	0	728
Transition	648	0	648
Strategic Housing Market Assessment	576	0	576
Other; with an individual balance less than £500k	3,608	-1,102	2,506
<b>TOTAL</b>	<b>17,354</b>	<b>4,721</b>	<b>22,075</b>

- 6.5 Earmarked reserves are reviewed during the year. This is in order to confirm they align to current priorities and identify any surplus balances that can be redirected to mitigate in-year financial risks.

## **7 General Fund - Risk and Uncertainty**

- 7.1 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 2019/20 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.

7.2 The following general risks and uncertainties have been identified:

- a) **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.
- b) **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.
- c) **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.
- d) **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.
- e) 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.

7.3 The following specific risks have been identified for the current financial year:

- a) **Staffing:** There is a high risk that the staffing budget may be overspent in 2019/20. Based on current projections there is a possible cost pressure of £250k-£400k for the General Fund and £70k-£150k for the HRA. However the leadership team are taking action aimed at managing and reducing this cost pressure, and will update members in the next report once the costs have been reviewed in September.
- b) **Recruitment costs:** There is a risk of no savings within salary budgets to take into account these costs – these costs are normally covered by vacancy savings in-year.
- c) **Interest receivable:** This has been forecast on the basis that interest rates will remain as they are currently. However, interest rates are unpredictable and there is a risk that interest rates could decrease further.

## **8 General Fund Capital Programme**

8.1 No potential overspends have been identified. The current capital programme budget is £69.2m of which £51.4m is rolled forward from the previous year and £17.8m is new approved budget for 19/20. The Council is supporting this investment through the use of Capital Grants and Contributions, Capital Receipts, Revenue Funding, Reserves and Borrowing.

- 8.2 The major growth and regeneration projects account for £52.041m of the total capital budget. Of this, Budget Holders are projecting that £11.573m will be spent during 2019/20 with the remainder due to be spent in future years.
- 8.3 Within this, the largest projects are: Firepool Hotel (now cancelled), Coal Orchard regeneration, Great Western Railway development loan, Seaward Way, Employment Site Enabling, and Major Transport Schemes. There is also an amount of up to £7m identified in respect of planned loans to Somerset Waste Partnership.
- 8.4 Regarding the Firepool Hotel, on the 18 June the Executive (subsequently approved by Full Council) agreed to cease the previous Council investment plans and cancel the existing budget approval, and instead to seek a development partner/investor to deliver this scheme as an alternative to the previously approved Council development, and on a different part of the site. A specialist property adviser will be appointed to undertake a thorough hard marketing exercise.
- 8.5 Other large projects are Grants to RSLs and DFGs Private Sector.

**Table 5 – GF Capital Programme Summary**

	Approved Budget 19/20	TDBC Slippage	WS Slippage	Budget Return	Total
	£'000	£'000	£'000	£'000	£'000
Growth Programme	2,027	4,190	0		6,217
IT Projects	154	544	354		1,052
Major Projects	7,500	31,963	6,362	-15,713	30,112
Housing	1,695	2,703	567		4,965
Other Projects	398	486	463		1,347
S106 – GF			271		271
S106 –Hinkley Funded			3,539		3,539
CIL Funded Projects	6,000				6,000
<b>TOTAL</b>	<b>17,774</b>	<b>39,886</b>	<b>11,556</b>	<b>-15,713</b>	<b>53,503</b>

## **9 Housing Revenue Account (HRA)**

- 9.1 The HRA is a ring-fenced account used to manage the Council's housing stock of some 5,700 properties, with the Council acting as the Landlord.
- 9.2 Since April 2012, under the Localism Act 2011, the HRA has been a 'self-financing' account. This enables the Council to retain all rental income to meet the costs of managing and maintaining the housing stock, as well as meeting the interest payments and voluntary repayment of one-off debt of £85.12m incurred to become a 'self-financing' authority.
- 9.3 The HRA budget for 2019/20 is budgeted to break-even (net of approved transfers to/from HRA Reserves).
- 9.4 The current year-end forecast outturn position for the Housing Revenue Account for 2019/20 is a small net overspend of £17,000 and is summarised in **Table 7** below.

**Table 6: HRA Outturn Summary**

	Budget	Forecast	Variance	
	£'000	£'000	£'000	%
Gross Income	-26,217	-26,217	0	0.0%
Service Expenditure	13,844	13,791	-53	-0.4%
Other Operating Costs and Income	9,381	9,451	70	0.7%
Un-earmarked Reserve Transfers	-	-	-	0.0%
Capital Financing and Debt Repayment	2,992	2,992	-	0.0%
Total	-	17	17	0.1%

9.5 The variances forecasted for the year are described below.

- a) **Interest Receivable:** the actual interest receivable in 2018/19 was nil due to internal borrowings exceeding investments. The expectation is that this situation will arise again and therefore a variance of £70k is now being reported.
- b) **Right To Buy:** the original budget estimated that 46 properties would be sold to existing tenants under the RTB scheme. However the current forecast is that there will be only 36 RTB sales (34 sales in 2018-19; 53 sales in 2017-18). Therefore an under-recovery of RTB admin fee grant income is being reported of £13k.
- c) **Insurance:** following an authority wide re-tender exercise for insurance premiums the new authority has been successful at significantly reducing their annual premiums. Whilst a provisional saving against budget of £66k is being reported. Officers are working through the premiums to identify the actual savings against budget to be realised by the HRA.

## 10 HRA Risks and Uncertainty

- 10.1 Budgets and forecasts are based on known information and the best estimates of the Council's future income and expenditure activity. Income and expenditure over the financial year is estimated by budget holders and then reported through the budget monitoring process. During this process any risks and uncertainties are identified which could impact financial projections, but for which the likelihood and/or amount are uncertain.
- 10.2 There are also a number of areas where the financial impact is not known until the end of the financial year such as depreciation charges and change in provision for bad debt.
- 10.3 The service is in discovery mode and the 2019/20 budgets are still being reviewed for accuracy in relation to the new Somerset West and Taunton operating model and staffing structure. This could result in variances being identified and reported in future reporting cycles.
- 10.4 The current areas of risk and uncertainty being reported include:
  - a) **Repairs & Maintenance:** Overall this is a very demand led and reactive service based on the needs of the tenants. There are also a number of uncontrollable variables associated with this service such as the weather (e.g. cold winters causing burst pipes),

condition of properties when returned (e.g. void refurbishments), consumer demand on minor internal / external repairs (e.g. broken door or fence) and the type of repair work required.

- b) **Tenancy Management:** The current year spend to date is low against budget due to the embedding of a new team in a new operating model. There may be an underspend but this will not be known with certainty until later in the year to allow the service time to explore the demands of this service against current budget provision.
- c) **Dwelling Rental Income:** There may be a reduction in general needs dwelling rental income due to the impact of additional voids resulting from the decants in relation to the North Taunton Regeneration scheme. Officers are currently working through the time-tabling of activities to identify when and financially how much this will impact the service.
- d) **Interest Payable:** There is a risk that the HRA may need to externalise its internal borrowings from the general fund if the general fund needs to borrow internally from itself for any major schemes. The HRA may also need to take on more borrowing to finance capital schemes such as buybacks. As a consequence the interest payable may increase on any additional loans taken.
- e) **Staffing:** There is a high risk that the staffing budget may be overspent in 2019/20. Based on current projections there is a possible cost pressure of £250k-£400k for the General Fund and £70k-£150k for the HRA. However the leadership team are taking action aimed at managing and reducing this cost pressure, and will update members in the next report once the costs have been reviewed in September.

## 11 HRA Capital Programme

- 11.1 The HRA approved Capital Programme is £23.093m. This consists of £9.586m of new schemes approved for 2019/20 plus £13.507m carried forward from prior years. The Capital Programme relates to schemes which will be completed over the next five years.
- 11.2 The Council is supporting this investment through the use of the Major Repairs Reserve, Capital Receipts, Revenue Funding and Borrowing.
- 11.3 **Appendix B** provides a breakdown of the HRA Capital Programme projected outturn by scheme and the actual spend incurred within the first four months of the year.
- 11.4 **Delegated Authority:** In response to the implementation of the new Housing Director and to enable the team to address the delivery of the programme with greater flexibility in-year, it is requested that the Housing Director / Head of Function in consultation with the Housing Portfolio Holder is granted delegated authority to make changes to the profile of budgeted spend for all of the HRA capital schemes, whilst remaining within the approved Capital Programme for 2019-20. Any virements will be reported as part of Appendix B to SLT on a bi-monthly basis and to Members on a 4-monthly basis.
- 11.5 The capital programme can be split into three distinct areas:
- 11.6 **Major Works:** The original budget of £7.322m is funded by the Major Repairs Reserve and

relates to spend on major works on existing dwellings such as kitchens, bathrooms, heating systems, roofs, doors and windows.

- 11.7 **Improvements:** The original budget of £2.710m is funded by the Major Repairs Reserve and relates to spend on improvements such as disabled facilities adaptations, asbestos removal and environmental improvements.
- 11.8 Due to timing of spend it is feasible that part of the approved budget will roll forward into 2020/21 for Major and Improvement Works at the end of the current financial year. This is due to the substantial disruption caused by transformation – implementing a new staffing and operational model – and also due to the number of significant contracts for works coming to the end of their contract period during 2019/20 making it is necessary to review the delivery of capital works and improvements schemes in the future as part of the HRA Business Plan review.
- 11.9 **Housing Development:** The remaining budget of £13.061m is for the provision of new housing through schemes such as North Taunton Regeneration, Weavers Arms and other buybacks to increase the Council's housing stock.

## 12 HRA Earmarked Reserves

- 12.1 The HRA Earmarked Reserves (EMR) at the beginning of 2019/20 were £2.719m (see **Table 7** below). Of this, half the funds have been specifically committed to be spent within the next three financial years. The other half relates to the Social Housing Development Fund which will be used as required to fund social housing development feasibility studies and usage approved through the Housing Programme Board.

**Table 7: Balance of HRA EMR held at 1 April 2019**

Description	Balance b/f
	£'000
HRA Carry Forwards	186
HRA Electrical Testing	474
HRA Employment and Skills Dev	102
HRA One Teams	50
Leasehold Schemes HRA Advanced Payments	9
Social Housing Development Fund	1,340
HRA Contribution to Transformation	380
HRA Contribution to Transition	178
<b>HRA Total</b>	<b>2,719</b>

## 13 HRA General Reserves

- 13.1 The HRA reserves at the start of the year were £2.718m. This is £918k above the minimum recommended reserve level of £1.8m, providing a level of resilience in light of the significant contractual risk in relation to North Taunton and other risks identified in this report.
- 13.2 **Approved In-Year Transfers** - On the 30 July 2019 Full Council approved a Structural

Change to the Senior Leadership Team and one-off additional funding of £26k from HRA general balances for 2019/20.

- 13.3 **Forecast Outturn** - The current outturn position is forecast to be an overspend of £17k. If this is the position at year-end then this will be funded from general balances.

**Table 9: HRA Reserve Balance**

	<b>£000</b>
Balance Brought Forward 1 April 2019	2,718
Approved In-Year Transfers	-26
Forecast Outturn 2019/20 (as at 31 July 2019)	-17
<b>Forecast Balance Carried Forward 31 March 2019</b>	<b>2,675</b>
Recommended Minimum Balance	1,800
Forecast Balance above recommended minimum	875

## **14 Links to Corporate Aims / Priorities**

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

## **15 Finance / Resource Implications**

- 15.1 Contained within the body of the report.

## **16 Legal Implications**

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

## **17 Environmental Impact Implications**

- 17.1 None for the purpose of this report.

## **18 Safeguarding and/or Community Safety Implications**

- 18.1 None for the purpose of this report.

## **19 Equality and Diversity Implications**

- 19.1 None for the purpose of this report.

## **20 Social Value Implications**

- 20.1 None for the purpose of this report.

## **21 Partnership Implications**

- 21.1 A wide range of Council services are provided through partnership arrangements e.g. SLM 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.



## 22 Health and Wellbeing Implications

22.1 None for the purpose of this report.

## 23 Asset Management Implications

23.1 None for the purpose of this report.

## 24 Consultation Implications

24.1 None for the purpose of this report.

## 25 Scrutiny Comments / Recommendation(s)

25.1 Scrutiny comments and recommendations are invited at this meeting, and will be provided within the report to the Executive.

### Democratic Path:

- Scrutiny – 4 September 2019
- Executive – 18 September 2019
- Full Council – 8 October 2019

Reporting Frequency: 4 Monthly

### List of Appendices

Appendix A	General Fund Capital Programme
Appendix B	Housing Revenue Account Capital Programme

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**General Fund Capital Programme**

<b>Code</b>	<b>Project</b>	<b>Approved Budget for 2019/20</b>	<b>TDBC Slippage from 2018/19</b>	<b>WSC Slippage from 2018/19</b>	<b>Budget Return 2019/20</b>	<b>Revised Approved Budget for 2019/20</b>
	<b>Growth Programme</b>					
XX032G	GF C Town Centre Improvements		170,360			170,360
XX037G	GF C Firepool Land Assembly		2,535			2,535
XX068G	GF C Major Transport Schemes		1,693,910			1,693,910
XX069G	GF C Flooding Alleviation	500,000	482,846			982,846
XX078G	GF C Town Centre Regeneration	991,000	30,000			1,021,000
XX079G	GF C Emp Site Enabling Innova	536,000	1,355,000			1,891,000
XX081G	TD C Broadband SEP		380,000			380,000
XX091G	TD C Parking, Access & Signage		9,577			9,577
XX126G	Firepool Development		55,543			55,543
XX129G	Lisieux Way Site Masterplaning		9,750			9,750
	<b>Total Growth Programme</b>	<b>2,027,000</b>	<b>4,189,521</b>			<b>6,216,521</b>
	<b>IT Projects</b>					
XX001G	GF C Members IT Equipment	4,000	3,205			7,205
XX054G	GF C PC Refresh Project	50,000				50,000
XX056G	GF C Cemetery IT System		24,950			24,950
XX070G	GF C Transformation		440,734	313,004		753,738
XX106G	GF C IT Offsite Backup Facilit			11,861		11,861

XX107G	GF C IT Annual Hardware Replac			8,857		8,857
XX108G	GF C IT Server Refresh			20,000		20,000
XX131G	GF C Committee Rooms AV Kit		75,000			75,000
	Microsoft Migration	100,000				100,000
	<b>Total IT Projects</b>	<b>154,000</b>	<b>543,889</b>	<b>353,722</b>		<b>1,051,611</b>
	<b>Major Projects</b>					
XX035G	GF C PT Coal Orchard		10,727,650			10,727,650
XX036G	GF C Lisieux way		957,212			957,212
XX047G	GF C Blackbrook Swimming Pool		62,869			62,869
XX052G	GF C SCC Waste Vehicle Loan		3,500,000	3,500,000		7,000,000
XX060G	GF C Paul Street Car Park Maj		421,779			421,779
XX074G	GF C Creech Castle Improvement		375,000			375,000
XX094G	GF C Firepool Hotel (now cancelled)		15,712,627		(15,712,627)	
XX095G	GF C Waiting Room		205,616			205,616
XX111G	GF C Seaward Way			2,862,074		2,862,074
	Watchet - East Quay Development	1,500,000				1,500,000
	Great Western Railway	5,000,000				5,000,000
	Leisure	1,000,000				1,000,000
	<b>Total Major Projects</b>	<b>7,500,000</b>	<b>31,962,753</b>	<b>6,362,074</b>	<b>(15,712,627)</b>	<b>30,112,200</b>
	<b>Housing</b>					
XX020G	GF C Grants to RSLs	495,000	1,822,988			2,317,988
XX028G	GF C DFGs Private Sector	1,200,000	880,336	566,525		2,646,861
	<b>Total Housing Projects</b>	<b>1,695,000</b>	<b>2,703,324</b>	<b>566,525</b>		<b>4,964,849</b>
	<b>Other Projects</b>					
XX002G	GF C Special Expenses grants		11,000			11,000

XX019G	GF C Youth Project Cap Grants		20,030		20,030
XX021G	GF C Gypsy Site		108,502		108,502
XX029G	GF C PT Longrun Meadow Bridge		4,200		4,200
XX040G	GF C DLO Vehicles Acquisition	152,000	138,143		290,143
XX041G	GF C Waste Containers	100,000	8,590		108,590
XX048G	GF C Grants to Halls & Sports		30,367		30,367
XX049G	GF C Grants to Parishes Play	15,000	27,830		42,830
XX050G	GF C Replacement Play Equipme	76,740	7,308		84,048
XX051G	GF C GF Community Alarms	31,000	17,982		48,982
XX057G	GF C DLO Plant	23,000			23,000
XX073G	GF C Brewhouse		37,328		37,328
XX090G	GF C Crematorium Project		6,991		6,991
XX097G	GF C Norton Fitzwarren Hillfor		17,472		17,472
XX098G	GF C West Monkton Country Park		50,726		50,726
XX099G	GF C East Wharf			66,611	66,611
XX101G	GF C Superfast Broadband			170,000	170,000
XX102G	GF C 7 The Esplanade			15,000	15,000
XX109G	GF C Steam Coast Trail			114,604	114,604
XX113G	GF C Cuckoo Meadow Play Area			1,103	1,103
XX116G	GF C CASA			78,165	78,165
XX118G	GF C Minehead Esplande			17,563	17,563
	<b>Total Other Projects</b>	<b>397,740</b>	<b>486,469</b>	<b>463,046</b>	<b>1,347,255</b>
XX%%S	<b>GF C S106 Various</b>			<b>271,136</b>	<b>271,136</b>
	<b>S106 Funded - Hinkley Schemes</b>				
XX001K	HK C Westfield Street Caf			3,000	3,000
XX003K	HK C South B/W & North Pethert			250,500	250,500

XX004K	HK C Bridgwater Town Centre Su			54,279		54,279
XX005K	HK C Holford & Dis VH - Fit fo			76,092		76,092
XX006K	HK C Minehead TC - New Changin			382,047		382,047
	Watchet Bowling			150,000		150,000
	Williton Shooting Club			23,000		23,000
	Cheddar PC			320,000		320,000
	Bos & HB Council			350,000		350,000
	Victoria Ward Green			51,428		51,428
	North Petherton RFC Gym			300,000		300,000
	Empty Homes & LOTS			90,000		90,000
	Stogursey Leisure			1,301,125		1,301,125
	Enterprising Minehead			187,672		187,672
	<b>Total S106 Funded - Hinkley Schemes</b>			<b>3,539,143</b>		<b>3,539,143</b>
	<b>Externally Funded Projects</b>					
XX083G	GF C CIL Grant					
	CIL - Cycle & Pedestrian Improvements	1,000,000				1,000,000
	CIL - Education Provision	4,000,000				4,000,000
	CIL - Public Transport Improvements	1,000,000				1,000,000
	<b>Total Externally Funded Projects</b>	<b>6,000,000</b>				<b>6,000,000</b>
	<b>GF TOTAL</b>	<b>17,773,740</b>	<b>39,885,956</b>	<b>11,555,646</b>	<b>(15,712,627)</b>	<b>53,502,715</b>

## Housing Revenue Account Capital Programme

Project	Budget Holder	Budget Administrator / Project Manager	Slippage from 2018/19	Original Approved Budget for 2019/20	Final Budget for 2019/20 (ROUNDED)	Proposed Virements for 2019/20	Revised Budget for 2019/20	Spend YTD
<b>Major Works</b>								
HRA C Major Repairs & Improvem	Lisa Redston	Ian Shoemark	68,489		68,490	772,990	841,480	880
HRA C Kitchens	Lisa Redston	Ian Shoemark	5,312		5,310	344,690	350,000	0
HRA C Bathrooms	Lisa Redston	Ian Shoemark	421	1,400,000	1,400,420	(950,420)	450,000	0
HRA C Roofing	Lisa Redston	Ian Shoemark	61,638		61,640	38,360	100,000	0
HRA C Windows	Lisa Redston	Ian Shoemark	4,678		4,680	645,320	650,000	72,774
HRA C Heating Improvements	Lisa Redston	Ian Shoemark	9,401	1,625,000	1,634,400	(354,400)	1,280,000	218,491
HRA C Doors	Lisa Redston	Ian Shoemark	160,052		160,050	(111,050)	49,000	7,603
HRA C Fire Safety Works Commun	Lisa Redston	Ian Shoemark	590,615	1,172,000	1,762,620	(1,452,620)	310,000	57,121
HRA C Cladding	Lisa Redston	Ian Shoemark	0		0	0	0	0
HRA C Fascias and Soffits	Lisa Redston	Ian Shoemark	122,603	1,200,000	1,322,600	(572,600)	750,000	186,467
HRA C Air Source Heat Pumps	Lisa Redston	Ian Shoemark	51,747		51,750	28,250	80,000	4,523
HRA C Door Entry Systems	Lisa Redston	Ian Shoemark	2,107		2,110	334,890	337,000	114,670
HRA C Community Alarms	Lisa Redston	Ian Shoemark	2,297		2,300	(2,300)	0	0
HRA C Insulation	Lisa Redston	Ian Shoemark	1,775	800,000	801,780	(251,780)	550,000	26,679
HRA C Ventilation	Lisa Redston	Ian Shoemark	39,567		39,570	60,430	100,000	34,225
HRA C Kitchen rep'd due to dam	Lisa Redston	Ian Shoemark	2,834		2,830	97,170	100,000	55,038
HRA C Bathroom rep'd due to da	Lisa Redston	Ian Shoemark	1,503		1,500	98,500	100,000	32,331
HRA C Underground Drainage*	Lisa Redston	Ian Shoemark	0		0	350,000	350,000	0
<b>Total Major Works</b>			<b>1,125,039</b>	<b>6,197,000</b>	<b>7,322,050</b>	<b>(924,570)</b>	<b>6,397,480</b>	<b>810,803</b>
<b>Improvements</b>								
HRA C Building Services Vehicl	Chris Hall	tbc	105,879	121,000	226,880	0	226,880	0
HRA C Environmental Improvemem	Lisa Redston	Ian Shoemark	100,624	321,000	421,620	78,380	500,000	282
HRA C Extensions	Rich Wiseman	tbc	38,928	502,000	540,930	0	540,930	0
HRA C Electrical Testing	Lisa Redston	Ian Shoemark	0	0	0	300,000	300,000	0
HRA C Parks	Lisa Redston	Ian Shoemark	0	0	0	150,000	150,000	0
HRA C Meeting Halls	Lisa Redston	Ian Shoemark	77,349		77,350	(27,350)	50,000	25,328
HRA C Garages	Lisa Redston	Ian Shoemark	5,054		5,050	94,950	100,000	0
HRA C Sewerage Treatment Plant	Lisa Redston	Ian Shoemark	20,000		20,000	0	20,000	0
HRA C Unadopted Areas	Lisa Redston	Ian Shoemark	30,000		30,000	0	30,000	0
HRA C Related Assets	Lisa Redston	Ian Shoemark	80,000		80,000	0	80,000	0
HRA C Scaffolding	Lisa Redston	Ian Shoemark	0		0	200,000	200,000	0
HRA C Asbestos Works	Lisa Redston	Ian Shoemark	221,406		221,400	128,600	350,000	120,187
HRA C Aids and Adaptations	Simon Lewis	tbc	28,272		28,270	311,780	340,050	4,553
HRA C DFGs	Simon Lewis	tbc	311,791	376,000	687,790	(311,790)	376,000	22,949
HRA C IT Development	Darren Stone	n/a	371,046		371,050	0	371,050	27,263
<b>Total Improvements</b>			<b>1,390,349</b>	<b>1,320,000</b>	<b>2,710,340</b>	<b>924,570</b>	<b>3,634,910</b>	<b>200,562</b>
<b>Social Housing Development Programme</b>								
HRA C Social Housing Developme	Richard Wiseman	Richard Wiseman	3,048,020	2,069,000	5,117,020	0	5,117,020	0
HRA C Creechbarrow Road	Richard Wiseman	Jo Humble	246,202		246,200	0	246,200	70,373
HRA C Buybacks	Richard Wiseman	Dominic Rosenbaum	3,920		3,920	0	3,920	869,531
HRA C Weavers Arms	Richard Wiseman	Shane Smith	493,804		493,800	0	493,800	38,410
HRA C TD North Taunton Regener	Richard Wiseman	Rosie Walsh	6,923,307		6,923,310	0	6,923,310	10,590
HRA C 12 Moorland Close	Richard Wiseman	Jo Humble	227,951		227,950	0	227,950	0
HRA C Outer Circle	Richard Wiseman	Shane Smith	45,106		45,110	0	45,110	71,429
HRA C Laxton Road	Richard Wiseman	Shane Smith	61		60	0	60	6,086
HRA C Oake	Richard Wiseman	Rosie Walsh	3,601		3,600	0	3,600	3,459
<b>Total Social Housing Development Programme</b>			<b>10,991,972</b>	<b>2,069,000</b>	<b>13,060,970</b>	<b>0</b>	<b>13,060,970</b>	<b>1,069,879</b>
<b>HRA TOTAL</b>			<b>13,507,360</b>	<b>9,586,000</b>	<b>23,093,360</b>	<b>0</b>	<b>23,093,360</b>	<b>2,081,244</b>





# Somerset West and Taunton

## Scrutiny Committee – 4<sup>th</sup> September 2019

### Corporate Performance Report and Update on Development of Future Reporting

This matter is the responsibility of Cllr Ross Henley.

Report Author: Christine Fraser, Head of Performance and Governance.

#### 1 Executive Summary / Purpose of the Report

- 1.1 This paper is for information and provides an update on the development of a new performance report for Somerset West and Taunton Council. While the new report is developed, this paper provides a brief summary of current performance on a selection of key indicators.

#### 2 Recommendations

- 2.1 Councillors are asked to note that a new report is being developed which will bring together finance information, risk monitoring and performance reporting. The first report will be produced for the end of November (month 8).

#### 3 Risk Assessment

- 3.1 Failure to regularly monitor performance could lead to the council not delivering on some of its corporate priorities.

#### 4 Background and Full details of the Report

- 4.1 As part of the Council's commitment to transparency and accountability a new report is being developed, that will be presented 3 times a year; for month 4 (July), month 8 (November) and month 12 (March). The new report will bring together information for 3 key aspects of the council; Finance, Risk and Performance. The report will include performance indicators to help monitor progress of delivering the Corporate Strategy which is still being developed.
- 4.2 In the meantime, it is important to continue to monitor performance. The table in Appendix 1 includes a number of the council's Key Performance Indicators and shows how the council has performed for the first quarter of 2019/20. This is not necessarily the format that future reports will follow, but is a one-off report until the new framework

is introduced. Some of the targets are still being finalised to take account of performance across the new council.

## 5 Links to Corporate Strategy

- 5.1 The new performance report will be a key tool for helping to monitor progress with the implementation of the Corporate Strategy.

## 6 Finance / Resource Implications

- 6.1 The new report format will aid monitoring of finance, alongside performance and risk.

### Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – Yes**
- **Cabinet/Executive – Yes**
- **Full Council – No**

Reporting Frequency:  Once only       Ad-hoc       Quarterly  
 Twice-yearly       Annually

### List of Appendices (delete if not applicable)

Appendix A	Quarter 1 2019/20 Performance Report.
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### Contact Officers

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Appendix 1 Quarter 1 2019/20 Performance Report.

Ref	Service Area	Indicator	Target	Performance for Quarter 1 (Apr – Jun)	RAG	Comments
1	Planning	% of major planning applications determined within 13 weeks (or within agreed extension of time)	75%	96.2%	Green	
2		% of minor planning applications determined within 8 weeks or agreed extension of time	65%	65.1%	Green	
3		% of other planning applications determined within 8 weeks or an agreed extension of time.	80%	66%	Red	Staffing shortages have had a detrimental impact on performance over recent months, but successful recruitment of new staff is starting to help improve performance.
4	Revenues and Benefits	Council Tax Collection. % collected by 31st March	97%	34.4%	Green	
5		Business Rate Collection. % collected by 31st March	97.5%	30.45%	Green	
6		Average processing times of new Housing Benefit claims only	25 days	22.8 days	Green	
7		Average processing times for changes in circumstances for Housing Benefit claims only	10 days	7.6 days	Green	

8	Housing	Completion of Urgent housing repairs within 24 hours (priority one)	99%	98.9%	Green	
9		Completion of a housing repair within the timescale agreed with the tenant.	90%	93.6%	Green	
10	Environmental Health and Licensing	% of Environmental Health requests completed within stated service standard (60 days)	75%	54.9%	Red	Significant staffing shortages have had a detrimental impact on performance.
11		% of reported fly tipping incidents responded to within 5 working days	80%	80.3%	Amber	IdVerde diverted their resources to a specific project to improve Taunton town centre, which reflected in a dip in performance for June (hence the Amber status). All flytip removal is now up to date.
12		% of service requests for street cleansing actioned within 5 working days	85%	98.3%	Green	
13		Licensing applications processed within timescales	95%	97%	Green	