

You are requested to attend a meeting of the Executive to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 10 October 2012 at 18:15.

Agenda

- 1 Apologies.
- 2 Minutes of the meeting of the Executive held on 12 September 2012 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests
To receive declarations of personal or prejudicial interests, in accordance with the Code of Conduct.
- 5 Halcon North Regeneration Project. Report of the Growth and Development Manager (attached).

Reporting Officer: Tim Burton
- 6 Retained Business Rates - Formation of a Somerset Rates Pool. Report of the Corporate and Client Services Lead (attached).

Reporting Officer: Paul Harding
- 7 Executive Forward Plan - details of forthcoming items to be considered by the Executive and the opportunity for Members to suggest further items (attached)

Tonya Meers
Legal and Democratic Services Manager

14 November 2012

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

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

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

If a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors begin to debate the item.

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

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

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

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



Lift access to the John Meikle Room and the other Committee Rooms on the first floor of The Deane House, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available off the landing directly outside the Committee Rooms.



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

For further information about the meeting, please contact the Corporate Support Unit on 01823 356414 or email r.bryant@tauntondeane.gov.uk

Executive Members:-

Councillor J Warmington (Community Leadership)

Councillor J Williams - Leader of the Council (Leader of the Council)

Councillor V Stock-Williams (Portfolio Holder - Corporate Resources)

Councillor N Cavill (Portfolio Holder - Economic Development, Asset Management, Arts and Tourism)

Councillor K Hayward (Portfolio Holder - Environmental Services)

Councillor J Adkins (Portfolio Holder - Housing Services)

Councillor M Edwards (Portfolio Holder - Planning and Transportation/Communications)

Councillor C Herbert (Portfolio Holder - Sports, Parks and Leisure)

Executive – 12 September 2012

Present: Councillor Williams (Chairman)
Councillors Mrs Adkins, Cavill, Edwards, Hayward, Mrs Stock-Williams and Mrs Warmington

Officers: Shirlene Adam (Strategic Director), Simon Lewis (Strategy and Corporate Manager), Scott Weetch (Environmental Health Lead), Alison North (Corporate and Client Services Lead), Dan Webb (Performance Lead), Paul Fitzgerald (Financial Services Manager, Southwest One), John Lewis (Parking and Civil Contingencies Manager), Vikki Hearn (Strategy Officer), Martin Griffin (Retained HR Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead).

Also present: Councillors Coles, Horsley, Miss James, Meikle, Nottrodt, Stone and A Wedderkopp.
Juliette Dickinson (Managing Director, Tone Leisure), Karen Arnold (Chairman of the Tone Leisure Board) and Joel Chapman (Commercial Director, Tone Leisure)

(The meeting commenced at 6.15 pm.)

64. Apology

Councillor Mrs Herbert.

65. Minutes

The minutes of the meeting of the Executive held on 8 August 2012, copies of which had been circulated, were taken as read and were signed.

66. Public Question Time

Councillor Meikle asked when the Yearbook and Diary was going to be published? He added that publication seemed later each year.

In response, the Democratic Services Manager and Corporate Support Lead reported that the final draft of the Yearbook was currently being checked and that it would soon be with the printers. It should be available to Councillors at the end of September.

67. Declarations of Interest

Councillor Stone, as a Member of the Tone Leisure Board, declared a personal interest in the following item relating to Swimming Pool provision in Taunton.

68. Update on the proposal to build a swimming pool at Blackbrook Pavilion Sports Centre and the refurbishment of Station Road Pool, Taunton

Reference Minute No. 37/2012, considered report previously circulated, which set out options and proposals to build a new public swimming pool in Taunton and the

refurbishment of an existing pool in Station Road to provide future public swimming provision.

Following the presentation of this report, the Executive **resolved** that the press and public be excluded from the meeting to allow discussion of the contents of the confidential appendices, because of the likelihood that exempt information would otherwise be disclosed relating to Clause 3 of Schedule 12A to the Local Government Act, 1972 and the public interest in withholding the information outweighed the public interest in disclosing the information to the public.

The report had originated from the findings of the Swimming Task and Finish Review, supported by both the Corporate Scrutiny Committee and the Executive to investigate future swimming delivery options for Taunton. It had quickly been concluded that St James Street Pool was nearing the end of its life, which the Council was totally financially unprepared for and lacked any contingency or long term plan.

Without taking action, Taunton would be unable to offer swimming facilities for a variety of different organisations. The alternative would be to continue to invest increasing amounts of public money in the futile hope that St James Street Pool could be kept operational into the long term.

There were also great concerns with the Station Road Pool, in that the capital investment needed to continue to operate it was significant and that further investment would also be needed to ensure that the pool would continue to be attractive to users and to prevent any future decline in membership.

A wealth of research and evidence from external agencies and the Council's leisure management operator, Tone Leisure, had been reviewed to help inform the potential solutions.

The timetable for these pressing issues had already been agreed by all parties due to the continuing deterioration of the current pools with the resulting adverse impact on local users and the rising costs of maintenance. There was an imperative to progress the project as quickly as possible.

After detailed work was completed around the Business Case, the aim was to report back to the Executive in December 2012, seeking the necessary approvals for the pool project to commence. If this timetable was kept to the new pool, spa and café could be open by early summer 2014.

It was evident that in the absence of any substantial Council capital receipts or substantial external grants to carry out the project, the only route forward for a Council-funded development was to explore prudential borrowing that could only be approved with a clear business case that demonstrated how it would be repaid.

An independent study had been commissioned from FMG Consulting, who specialised in business modelling for the leisure industry and local authorities. Based on a future scenario of a new pool at Blackbrook, a refurbished Taunton Pool and St James Street Pool closed, the comprehensive FMG report identified that there was a positive potential for funding the proposals. This would be achieved

through:-

- Increased income and cost savings;
- Reduced staff costs, energy and maintenance costs;
- Increased demand for swimming, health and fitness; and
- A new high quality spa and café.

A second specialist report had been commissioned by Tone Leisure to investigate the addition of a spa which had confirmed the facility should generate a net operating surplus taking into account projected demand and costs.

The FMG report had concluded that the total amount of projected new income/savings available for the new pool project (including a spa and café) by Year 3 of operation would be between £357,000 at the lower range and £474,000 at the upper range. Initial estimates indicated that a leisure funding broker would be likely to access funds at a borrowing rate in the region of 6% over a 20 year loan term. At this rate the broker could leverage between circa £3,500,000 and £4,500,000 of capital resources.

Reported that extensive work has been undertaken in assessing different procurement models to deliver a new pool, supported by MMA Limited, a specialist leisure consultancy, with general technical advice provided by the Amateur Swimming Association and Sport England. This had produced four primary options and a fifth 'do nothing' option. Full details of the options were set out in the report although a summary was set out below:-

Option A (i)	Council undertakes the procurement via a framework, building a 'basic' 25m pool with learner, funded by prudential borrowing using Sport England's benchmark costs (as at Appendix B)
Indicative Costs	<p>A basic 6 lane pool construction with learner pool including professional fees and, external works and contingencies = £4,690,600</p> <p>A basic 8 lane pool construction with learner pool including professional fees and, external works and contingencies = £5,457,200</p>
Option A (ii)	A Council managed turn-key contract via a pool specialist to build a 'basic' 25m pool with learner, funded by Council prudential borrowing
Indicative Costs	<p>A basic 6 lane pool construction plus learner pool, £2,950,000 + 2.5% council procurement/client management/fees costs of £73,750. Total: £3,023,750 (costs from Jim Gordon Associates)</p> <p>A basic 8 lane pool construction plus learner pool, £3,100,000 + 2.5% council procurement/ client management costs of £77,500. Total: £3,177,500</p>

Option A (ii) variant	A Council managed turn-key contract via a pool specialist to build a 'basic' 25m pool with learner, high spec spa and café funded by Council prudential borrowing
Indicative Costs	<p>A basic 6 lane pool plus learner construction, £2,950,000, spa and café £850,000 (median cost) + 2.5% council procurement/client management/ design fees /costs of £95,000. Total: £3,895,000</p> <p>A basic 8 lane pool plus learner construction, £3,100,000, spa and café £850,000 (median cost) + 2.5% council procurement/client management/design fees/ costs of £98,750. Total: £4,048,750</p>

Option B	Tone Leisure procures the project via a specialist leisure funding broker to facilitate the funding and procuring the design and build of a new 25m pool, learner pool, spa and café
Indicative Costs	<p>A basic 6 lane pool and learner pool, construction, £2,950,000, spa and café £850,000 (median cost) Total: £3,800,000</p> <p>A basic 8 lane pool and learner pool, construction, £3,200,000, spa and café £850,000 (median cost) Total: £4,050,000</p>

Option C	'Do nothing and continue providing the status quo								
Indicative Costs/ Future Maintenance Costs	<p>Planned Spend for 2012/2013. These figures did not include any reactive work:-</p> <table> <tr> <td>St James Street</td> <td>£34,000</td> </tr> <tr> <td>Station Road Pool</td> <td>£95,000</td> </tr> </table> <p>Spend Identified in the Condition Survey 2013 – 2015: St James Street £300,000 – (NB: This figure had been prepared in the context of the limited life span of the facility. If pool provision was to be kept at this site this figure would be much higher and would likely require a complete re-build)</p> <table> <tr> <td>Station Road Pool</td> <td><u>£660,250</u></td> </tr> <tr> <td>Total</td> <td><u>£1,089,250</u></td> </tr> </table> <p>(Further specialist condition surveys would be required at a cost of £30,000-£50,000 to ascertain the life expectancy of the pool plant/ to inform a more accurate short term planned maintenance programme)</p> <p>Transfer of the maintenance liability for a fully refurbished Station Road pool to Tone Leisure could only be achieved if new plant and mechanical engineering were installed with a guaranteed life of 15 to 20 years and the fabric of the building overhauled. Overall indicative</p>	St James Street	£34,000	Station Road Pool	£95,000	Station Road Pool	<u>£660,250</u>	Total	<u>£1,089,250</u>
St James Street	£34,000								
Station Road Pool	£95,000								
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Total	<u>£1,089,250</u>								

	cost £900,000 to £1,200,000.
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As part of the development of the Business Case to support the proposed investment in swimming provision in Taunton Deane, one of the key financial objectives would be the affordability.

The analysis undertaken by FMG had identified the potential for reducing operating costs plus generating additional income within the scope of proposed development at the Blackbrook site. A key element of this was the provision of new spa and café facilities that would generate a projected net return for Tone Leisure.

The financial modelling had indicated that the proposed project should be affordable and could be delivered, subject to a detailed design brief for the pool, spa and café being agreed by the Council and Tone Leisure.

There were two most likely options for raising the loan finance for this investment:-

- (a) A specialist leisure broker who would raise the capital for Tone Leisure and procure the asset on behalf of the Trust who would then be liable to meet the loan repayments; and
- (b) The Council raising the capital and procuring the asset, which Tone Leisure would then manage with other existing leisure facilities.

For Tone Leisure to raise finance from a specialist leisure funding broker, the total amount of loan capital that could be raised would be closely linked to the net savings driven by this investment. Initial estimates suggested that a borrowing facility in the region of £3,500,000 on an 'invest to save' basis.

Using the indicative median total cost of the project of £3,925,000, the estimated cost of borrowing for Tone Leisure with an indicative borrowing rate of 6% over 20 years was summarised as follows:-

Amount Borrowed	£3,925,000
Interest Rate	6%
Annual Repayment (principal + interest)	£341,773
Total Repayment (principal + interest)	£6,835,456

If the Council wished to fund and own the built asset, there was an option for the Council to borrow the funds. The Council was likely to be able to borrow more cheaply than Tone Leisure.

Using the indicative total cost of the project of £3,925,000, the estimated cost of borrowing with an indicative borrowing rate of 3% over 20 years was summarised as follows:-

Amount Borrowed	£3,925,000
Interest rate	3%
Annual Repayment (principal + interest)	£264,074
Total Repayment (principal + interest)	£5,281,482

To fund the cost of servicing the capital borrowing, the Council would need to review its annual subsidy to Tone Leisure. Tone would retain the savings from reduced operating costs of the new pool, therefore the Council could reduce its subsidy and use this funding instead to repay the Council's cost of borrowing for this investment.

The full Business Case would need to include an estimate of the impact of this investment on the annual amount currently included in the Council's annual maintenance budget for leisure assets. By having modern, efficient buildings and services it was feasible that maintenance costs would reduce, which could be used towards capital financing.

On balance, it was recommended by Finance at this stage that Tone Leisure procuring and funding the investment in a new pool, spa and café at Blackbrook was the preferred option.

Further reported that the refurbishment of Taunton Pool was estimated at £1,200,000. Funding of these costs would potentially come from one or a combination of several sources, including:-

- The Council's Leisure Maintenance Reserve;
- External funding;
- Borrowing;
- A capital receipt from the disposal of St James Street Pool; or
- The Community Infrastructure Levy.

The funding proposal would be finalised as part of the development of the full Business Case, with the intention of minimising the need to undertake capital borrowing.

VAT was a factor that would need to be explored to provide certainty of the financial implications for the full Business Case. It was recommended that specialist VAT advice be procured to provide this detailed advice on a scheme of this size.

A full list of risks and issues would be drawn up as part of the overall Business Plan. There was currently a risk register for the known and expected risks for this stage of the project and for potential future risks and issues.

A summary of key Issues was submitted for the information of Councillors.

Reported, that a, 'do nothing' policy for Taunton's Swimming Pools, was not tenable. The expected life of the St James Street Pool only extended to 2013, and the Taunton Pool faced continuing serious deterioration of its fabric and plant. This presented the prospect of no swimming pool provision for the majority of Taunton Deane residents, substantial compensation claims from Tone Leisure for loss of income and the possible impact on the Trust's future viability.

A minimalist approach for the maintenance of the pool buildings and plant had been adopted over recent years and was not therefore a viable option going forward.

There was a compelling opportunity for the Council working in partnership with Tone Leisure to achieve a successful outcome while minimising the risks for both parties. The high level business case had proved the affordability of a swimming pool, café and spa. The next stage would be a detailed (full) Business Case, involving architects, quantity surveyors and construction experts to gain cost confidence, prior to full cost certainty. This work can take place within a short length of time with Members updated in December 2012 on the full Business Case and modelling with final recommendations on future swimming pool provision for approval.

The table below set out an indicative timescale and likely fees, including costs for the leisure funding broker. The fees were risk costs that had to be met as irrecoverable costs if the project did not proceed. This would be shared between the Council (with a potential exposure of £68,000 – half of the £136,000 outlined below) and Tone Leisure. If the project proceeded the fees would be built into the overall project costs.

In addition, the Council would also need to fund its own one off costs of external VAT, leisure, legal, plant condition surveys and the proposed Passivhaus work of an estimated £57,000, plus half of project management costs (estimated at £50,000 overall) so £25,000, giving a total of £150,000 of exposure for the Council:-

Organisation	Cost Confidence		Cost Certainty	
	Fees	Timescale	Fees	Timescale
Architects	£5,000	4 – 6 Weeks	£35,000	8 - 12 weeks*
Construction	£0	4 weeks	£71,000	16 weeks*
QS	£0	n/a	£20,000	n/a
Leisure Funding Broker	£0	n/a	£10,000	n/a
Total	£5,000	-	£136,000	-

The Corporate Scrutiny Committee had considered this matter on 16 August 2012 and the comments made at that meeting were reported.

Resolved that: -

(1) The development of Option B including:-

- (a) a new 25m pool with learner pool, spa and café at Blackbrook;
- (b) the refurbishment of Taunton Pool; and
- (c) the closure and sale of St James Street Pool at the appropriate time.

be supported;

(2) The principle of Tone Leisure being the lead partner on this proposal be

supported and the necessary extension to existing agreements be developed. Final approval on this would be required in December 2012 alongside the detailed Business Plan when final decisions on funding, procurement, project management, loan guarantee and governance would be needed.

- (3) Proposals for further joint working with Tone Leisure on a detailed Business Case to support the delivery of this project including but not limited to financing options, VAT advice, design advice, mechanical and engineering advice be also supported. Taunton Deane's share of the cost of this phase to be funded from the Leisure Maintenance Reserve (£150,000);
- (4) Full Council be recommended to approve the allocation of the £150,000, referred to above, from the Leisure Maintenance Reserve;
- (5) A total of £500,000 of the existing Leisure Maintenance Reserve be earmarked towards the project (a further £350,000 in addition to resolution (4)); and
- (6) Setting aside the future net capital receipt from St James Street Pool to part-finance this project be agreed.

69. Financial and Performance Monitoring – Quarter 1 2012/2013

Considered report previously circulated, concerning the update on the financial position and the performance of the Council to the end of Quarter 1 of 2012/2013 (as at 30 June 2012).

The detailed 2012/2013 financial position for Quarter 1 was provided in Appendix B to the report although a high level summary was also included in the Scorecard. The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets was an important part of the overall performance management framework.

Analysis of the overall performance of the Council revealed that 65% of all performance measures were on target. This was a similar position compared to the previous quarter.

It had been recognised that there was a need to review the structure and content of the scorecard to better reflect the Council's priorities and to improve the range of services represented. This was particularly relevant considering the forthcoming likely change from the current Corporate Strategy to the new Corporate Business Plan later this year.

A full review of the scorecard would therefore take place at the end of Quarter 2 and recommended changes would then be discussed with Members. It was envisaged that a refreshed corporate scorecard would be implemented for the Quarter 3 report.

Further reported that the original Budget for the year had been approved by Full Council on 21 February 2012. As the budget requirement for the Council was unlikely to remain static for the whole financial year, officers could request changes to approved budgets during the course of the financial year, either in the form of: transfers to/from general reserves, known as "Supplementary Estimates and

Returns” (either General Fund or Housing Revenue Account); or transfers between budgets, known as “virements”.

Noted that virements that were above £50,000 in value required Executive approval.

A budget virement of £82,500 with regard to the return of the ‘Stores’ Team from Southwest One (SW1) back into Taunton Deane was now required. The budget currently sat as part of the payments due to SW1. It was recommended that this budget be moved to Theme 3 from where the Stores Team was now managed.

Resolved that:-

- 1) The Performance report be noted and
- 2) The Executive be recommended to approve a budget virement of £82,500 in connection with the return of the Stores Team from Southwest One to Taunton Deane.

70. Report on Orchard Multi-Storey Car Park, Taunton – Structural Survey and Lifts

Considered report previously circulated, which outlined the findings and recommendations of specialist investigations into the condition of the Orchard Multi-Storey Car Park structure and its integral lifts.

The report drew attention to the potential costs of fully implementing the recommended works in the context of the Project Taunton town centre retail redevelopment proposals.

Being a concrete structure with steel reinforcement there had been concerns about the structural integrity of the car park after a 40 year life. The car park was inextricably linked with the plans for retail redevelopment of the town centre. Maintenance activities had therefore been minimal and certainly nothing of substance structure-wise.

If the car park was to remain in public use for a further substantial period, a full structural survey needed to be carried out to establish the condition of the building and what works might be needed to remedy any defects.

The three passenger lifts within the car park were of a similar age and breakdowns were not an irregular occurrence, leading to public frustration and complaint. The lift maintenance contractor had therefore been asked to provide a costed schedule of works needed to fully refurbish them.

Property Services had commissioned a survey from Waterman Transport and Development Limited. Although the structure had performed well and was not in danger of failing, there were repairs and protective measures which needed to be carried out to prevent further deterioration and to provide a parking environment that was both safe and attractive to motorists. The works fell into three categories:-

Capital	
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Structural repair work required within 12 months	£27,500
Preventative maintenance work required within five years (to give a life beyond 10 years)	£705,000
Revenue	
Minor repairs and redecorations	£25,000

The Capital Estimate provision was for £245,000. This also had to cover all professional fees associated with the survey and any works subsequently undertaken.

The Revenue Estimate for car parks maintenance was £63,000 and covered all maintenance activities in all Council car parks. This budget was fully expended every year and could not fund an item of £25,000 in one car park.

The items identified as being needed within 12 – 18 months could be carried out within this year's funding allocation so should proceed.

However, Members would need to be advised of the latest Project Taunton proposals for the retail redevelopment before making decisions on whether the other identified works should be funded. Current proposals for the town centre retail development did not require demolition of this car park.

During the discussion of this item, Members agreed that the current available Capital finance should be used to focus on replacing all three lifts at an estimated cost of £180,000 as a matter of priority.

Members also considered that the Capital resources amounting to £164,000 which remained unallocated after the Budget Setting Full Council meeting in February 2012 should now be allocated towards the other works needed at the Orchard Multi-Storey Car Park.

The Corporate Scrutiny Committee had considered this matter on 16 August 2012 and the comments made at that meeting were reported.

Resolved that:-

- (1) The contents of the report of the Parking and Civil Contingencies Manager be accepted;
- (2) The need for the works on the car park structure and lifts to be carried out in order to maintain the Council's physical assets and protect the parking income stream be accepted, with the required works to replace the lifts being undertaken at the earliest opportunity; and
- (3) Full Council be recommended to consider the inclusion of the works in the future Capital Programme – funded by the £164,000 of unallocated Capital resources and a four years Revenue Contribution to Capital Outlay (RCCO) of £125,750 (to be agreed as part of the Budget Setting for the 2013/2014 Financial Year).

71. Report on The Deane House Accommodation Project

Reference Minute No. 71/2011, considered report previously circulated, which set out the background to The Deane House Project and summarised the results of the Feasibility Study and business planning processes.

Members were asked to consider the future of The Deane House as part of last year's Budget Review Project. Additionally, Avon and Somerset Constabulary (ASP) had contacted Taunton Deane to request consideration of the possibility of co-locating with the Council in The Deane House following the planned future closure of the Police Station. This culminated in an options report being taken to the Executive in August 2011 detailing four options. As a result, Property Services had undertaken a Feasibility Study within the following remit:-

- To identify areas of The Deane House that could be considered for letting to ASP for the management of local operations and to consider areas of 'shared service' to provide the public office for Taunton both during and outside normal Taunton Deane office hours;
- To provide options of space planning for both ASP and Taunton Deane including a concept design of the main reception foyer for a shared reception;
- Budget costs to include the capital cost of alterations, refurbishment, mechanical and electrical (M&E) implications and the necessary IT upgrade; and
- To confirm the anticipated rental and service costs.

The results of Feasibility Study has established four main options. In summary these options were:-

- Option 1 – minimal relocation and refurbishment within The Deane House releasing sufficient space for Police, but not releasing space for further partnering;
- Option 2 – more extensive relocation and refurbishment within The Deane House releasing sufficient space for Police, but not releasing space for further partnering;
- Option 3 – significant relocation (with the ability to enable the implementation of full modern ways of working in a smart office environment in parts of the building) and M&E and ICT refurbishment and which provided the opportunity for further partnering. This would result in parts of the building being fully refurbished and enabled for modern ways of working.
- Option 4 – option 3, but also including the conversion of the Committee Suite to offices.

ASP had indicated that Options 1 and 2 were not acceptable, because they did not include sufficient refurbishment of the premises to reach a standard that was available elsewhere. Option 4 did not work for the Council, because it removed the Committee Suites, so Option 3 was the only workable solution, which achieved the objective.

Reported that the Feasibility Study had been used to inform a more detailed business case which had largely focussed on Option. It had not though examined the feasibility of maximising the use of accommodation through the full implementation of modern ways of working.

The business case had indicated that the project would only be financially viable over a 10-year plus timescale and would involve significant changes to the way in which we currently worked. The headline financial figures were set out below:-

	10-year scenario	15-year scenario
Costs (construction, plant, ICT, telephony, furniture etc)	£2,629k	£2,801k
Income/cost savings (rental, business rate reduction etc)	(£1,668k)	(£2,611k)
Maintenance offset (money we would have to spend anyway, although not all budgeted for)	(£656k)	(£656)
Net Cost	£305k	(£466k)

These were high-level estimates and would vary either way in practice. The income/cost savings figures had assumed that we could maximise the use of the building - not just the ASP, but other organisations as well.

Further reported that the only acceptable solution which would bring the Police into The Deane House would entail significant change to the building and the way in which Taunton Deane used it. Implementing even elements of modern ways of working through Smart Office was still potentially a big cultural change. Financially, the project only stacked up over a 10-year plus period.

Noted that the gross costs of implementing Option 3 were very near the realistic costs of a new build. Under the circumstances, Members had to consider whether the proposed accommodation project should proceed.

ASP's position throughout initial discussions and the meetings related to the Feasibility Study had been consistent that they were committed to maintaining a core presence in Taunton Town Centre. Their preferred option had been to relocate with the Council, hence the Feasibility Study. There was no reason therefore to believe their commitment to maintaining a presence in the town centre would change if that option did not materialise.

The Corporate Scrutiny Committee had considered this matter on 16 August 2012 and the comments made at that meeting were reported.

Resolved that:-

- (1) In view of the cost and longevity of the payback period, and the conclusions

derived from the Feasibility Study, it be agreed that no further work be undertaken on the specific issues covered by the Feasibility Study and that this specific project be closed down;

- (2) The principle of shared accommodation at The Deane House with a view to reducing the Council's ongoing revenue expenditure; and
- (3) The officers be requested to look comprehensively at the Council's future accommodation needs in light of the priorities identified in the Corporate Business Plan due to be approved later this year.

72. Somerset Strategic Housing Partnership Tenancy Strategy

Considered report previously circulated, concerning the development of a new sub-regional Tenancy Strategy for Somerset in partnership with a range of agencies including the five Somerset Districts and Registered Landlord Partners.

The Localism Act had introduced the requirement for all local housing authorities to publish a Strategic Tenancy Policy consistent with their Homeless Strategy and Allocation Scheme which took account of the tenancy and rent standards which social housing providers in the area had to have regard to when drawing up their own tenancy policies. The tenancy policies of housing providers needed to set out their approach to the new flexibilities that had been introduced with regard to affordable rents and fixed term social tenancies.

As Somerset already had a county-wide Homeless Strategy and Allocation Scheme (Homefinder Somerset) it was considered expedient to produce a county-wide Strategic Tenancy Policy.

A copy of the draft Strategy had been circulated to all Members of the Executive.

In developing the Strategy all key stakeholders (landlords, external agencies such as Shelter and CAB Housing and Enabling officers) had been involved. The contents of the Strategy were largely defined by the Localism Act.

Consultation had taken place via an on-line survey circulated to staff and Members across the five local Housing Authorities and Registered Provider partners. Additional comments were received from stakeholders outside of the consultation. Guidance from the Department of Communities and Local Government had also been taken into consideration.

Overall the feedback had been very positive with the majority (over 75% in most cases) of respondents agreeing with the key principles within the strategy. Just less than 85% of respondents had agreed that all relevant evidence had been included.

The Tenancy Strategy was intended to provide guidance to social and other landlords operating in Somerset, informing their policies and practices to produce lettings for customers that met local housing need and improved market function. It would also prove invaluable to policy makers and property professionals.

The management and monitoring of the Strategy would be through a Project Team reporting to the Somerset Strategic Housing Partnership through the Somerset Strategic Housing Group. Representation on the Project Team included the Council's Strategy and Corporate Manager.

Resolved that Full Council be recommended to adopt the Somerset Strategic Housing Partnership Tenancy Strategy.

73. **Taunton Deane Troubled Families Programme 2012 to 2015**

Considered report previously circulated, concerning proposals aimed at helping to turn around the lives of Troubled Families.

The Coalition Government had previously pledged to radically reduce the disproportionate cost to the taxpayer generated by approximately 120,000 'Troubled Families' throughout the country. It was estimated that on average these families each costed the public sector in excess of £75,000 per annum.

The Government had launched a three year £500 million programme and had asked all local authorities to work with Troubled Families living within their area to try and improve outcomes for these families by 2015.

As a top tier authority, Somerset County Council (SCC) was ultimately accountable to the Government for the success of the project. SCC was, however, adopting a 'hub and spoke' model within which Districts, in partnership with their respective Local Strategic Partnerships, were being asked to lead and co-ordinate project delivery at the local level.

The Government's definition of a Troubled Family was one which displayed at least three of the following characteristics:-

- i) Had an adult on out of work benefits;
- ii) Had children not in school (i.e. exclusion or absenteeism);
- iii) Been involved in crime or anti social behaviour; or
- iv) Discretionary filter (to be determined by the local authority).

The discretionary filter provided local authorities with a degree of flexibility with which they could include families that they wanted to work with within the scope of the project.

The Government had estimated that in Somerset there were 870 Troubled Families, 182 of which were within Taunton Deane. A contribution of up to £4000 per Troubled Family would be available to support project delivery. A portion of this money would be paid upfront as an 'attachment fee', with the remainder paid on a performance by results basis. The percentage paid as an attachment fee would vary over each year of the project.

As top tier authority, this money would initially be paid directly to SCC. For its funding to be released, Taunton Deane would need to sign a Service Level Agreement with SCC, which committed itself to working with its allocation of Troubled Families.

A detailed breakdown of funding for Taunton Deane in 2012/2013 was set out in the report. In summary this would amount to £160,000 (50 families x £3,200 attachment fee) plus 'success money' depending on the type of successes secured.

In addition to the national funding, Taunton Deane had been given £16,600 from SCC to support project delivery locally

The newly established Troubled Families Programme Board, which would be chaired by the County Council's Director of Children's Services, would oversee the countywide Troubled Families Programme. Each District Council would be represented at this Board.

Noted that the Government would be awarding each top tier authority £100,000 per annum for three years to employ a Troubled Families Co-ordinator. This senior post, which had yet to be filled in Somerset, would report to the Programme Board and would co-ordinate the Programme across the County.

Across Somerset, district councils were developing slightly different models of implementation. Three broad approaches were emerging: the South Somerset model; the Sedgemoor/Mendip/West Somerset model and the Taunton Deane Model.

The emerging South Somerset model would use family mentors and they recently went through a tendering process to identify a supplier. The emerging Sedgemoor/Mendip/West Somerset model built on the Total Somerset High Contact Families Pilot Project. It used volunteer family coaches to support the family and had a dedicated Triage Team which would help to coordinate service delivery.

The proposed Taunton Deane model could be distinguished from the above models because it was *not* adding any more resource to support delivery. This was for two important reasons:

- a) *Sustainability* : Government funding for this project was limited. For the project to be sustainable it could not rely on this funding to support it. If this money was spent directly on supporting families it would only be a short term solution. The Taunton Deane model would instead focus on service redesign and making changes to delivery which did not rely on a continuation of this funding.
- b) *Chaotic Services* : Troubled Families interacted with a significant number of public sector services. In many instances, services were delivered in a fragmented way, leading to duplication and inefficiency. If a new team or function was created to support families the risk is that it would simply add an extra layer of complexity to this already 'chaotic' picture. The Taunton Deane approach would instead focus on trying to join up service delivery and reduce the number of providers that contacted families.

In year one of the project it was proposed that the Taunton Deane model would use geography as a discretionary filter – focusing specifically on Halcon and Priorswood. This was partly because there were likely to be a high number of 'troubled families'

in these areas, but also because the work would align very well with work already taking place in these areas.

The proposed Taunton Deane model would centre around two groups: the *Troubled Families Practitioner Group* and the *Troubled Families Strategic Group*.

The former would build upon existing multi-agency 'Healthy Child' Groups which operated out of Children's Centres and would consist of professionals working with a particular Troubled Family. The latter would identify learning from the practitioner group and then work to unblock barriers to joined up working; plug gaps in service provision and look at how services can be redesigned.

The proposals would require a Project Support Officer to provide administration support to the Practitioner Group. It was suggested that this post be appointed at a Taunton Deane Grade D and work three days a week. With 'on costs' this would cost £14,340 per annum, which will be entirely funded from existing resources.

The Troubled Families Strategy Group would initially be supported by the Taunton Deane Strategy Team. As the project developed it was anticipated that further resources would be required and that it will be necessary to appoint a Project Manager in early 2013. This post would be responsible for driving service redesign.

Such a Project Manager would need to be appointed in early 2013 in order to deliver the project. This would be a two year fixed term contract, which would coincide with the end of the project. The post would be funded from Troubled Families money awarded to the Council.

During the discussion of this item, it was reported that it was intended to change the name of the Troubled Families Programme to the Family Futures Programme.

Resolved that:-

- (a) The proposed Taunton Deane Borough Council implementation model be approved;
- (b) The proposed recruitment of a part time Project Support Officer for 12 months to support the Troubled Family Practitioner Group, subject to the normal sign off and approval process be approved;
- (c) The Executive be requested to provide a steer on the discretionary field that could be adopted to help identify Troubled Families. This would ensure the Troubled Families work was able to meet the broader ambitions of the Council; and
- (d) It be noted that the Troubled Families Programme would in future be known as the Family Futures Programme.

(The Strategic Director (Shirlene Adam) and the Democratic Services Manager and Corporate Support Lead (Richard Bryant), as beneficiaries of the Lease Car Scheme, both declared prejudicial interests in the matter dealt with by Minute No. 74 below and left the meeting during its consideration.)

74. **Review of Lease Car, Cash Alternative and Car Loan Schemes**

Considered report previously circulated, which proposed a number of changes to the Lease Car and Cash Alternative Schemes and the Car Loan Scheme.

As part of the Budget Review Project the Car Leasing and Cash Alternative Schemes were identified as possible staff benefits where changes could be made.

However, due to the complexity of these schemes, Counsel's Opinion had been sought in October 2011. Bearing in mind the advice received, the other changes being introduced as part of the budget review and the need to have resources to manage this appropriately a decision was taken by the Corporate Management Team to reschedule this review until 2012/2013.

Counsel had been asked to provide advice on eight issues, as follows:-

1. Whether the proposed closure of both schemes could be done safely through a Collective Agreement with UNISON for all affected employees;
2. On what basis the closure of the schemes could be achieved if a Collective Agreement was not appropriate;
3. What, if any action, should the Council take (in addition to notifying each employee of the proposals being discussed with UNISON) with employees who were not members of UNISON;
4. Whether the cash alternative payment given and accepted by staff should be superannuable where their previous lease car arrangements were superannuable;
5. The level of one off compensation which would be appropriate and whether such compensation should vary between those employees with a superannuable right and those without;
6. Whether any compensation payment would be subject to tax or whether such a payment could be made as an ex-gratia payment;
7. Whether the alternative proposal (the Council set out an alternative to closure of the schemes in the covering document) could be achieved without a 'collective agreement' and whether this approach could be challenged as a breach of contract; and
8. Generally – any other advice.

Counsel's Opinion provided Taunton Deane with legal advice and also the main elements of a negotiating stance to be taken with UNISON and individual staff. As such, the detail of the 'opinion' needed to remain confidential but had been shared with the Portfolio Holder and Shadow Portfolio Holder.

However to assist Members with their understanding of the advice and approach proposed some elements of the 'opinion' had been included in the report, details of which were shown below:-

- 'Taunton Deane is right when it says that the provision of a lease car is a contractual benefit.....the best way to attempt to change or vary...is through negotiation and consultation with UNISON. This is undoubtedly best achieved via a collective agreement.'

- ‘Should collective agreement not be possible, the Council will automatically be at risk.....There are two possible courses of action.....’
- ‘Thus, the importance of collective agreement cannot be overstated.....’
- ‘There is always the alternative suggestion....Taunton Deane should include this as part of its discussions with UNISON/the other affected employees....if it is really something that could achieve the desired cost savings...’

Reported that the advice from Counsel had been used by the Retained HR Manager to formulate a range of options which had been revised and reviewed with the Chief Executive.

The Portfolio Holder and Shadow Portfolio Holder had been fully briefed and Counsel’s Opinion provided prior to the proposal being submitted to UNISON, to affected individual staff by letter and before the issues were considered by the Corporate Scrutiny Committee on 19 July 2012. An Equality Impact Assessment had also been completed.

Initial consultation ran for 21 days ending on 5 July 2012 and a summary of the responses received were submitted for the information of Members. Following further consultation and amendments to the proposals some further comments had been received from an affected employee which were provided to Executive Members. The Chairman outlined these to ensure that they were fully considered. UNISON had not provided any further comments for the Executive to consider.

The Retained HR Manager also advised that further discussions with affected staff on the proposals before the Executive had raised an issue on whether affected staff could choose to move before 31 March 2013 to where they wished to go.

The amended proposal was to maintain a reduced (between 40% and 45% of current benefit levels) Lease Car and Cash Alternative Scheme with the option to ‘buy out’ the contractual benefit of the car lease or cash alternative scheme with a payment (subject to deductions for tax and NI) equivalent to the current allowance of the affected employee. The ‘buy out’ option would be treated as an ‘invest to save’ initiative and would be funded by the use of General Fund Reserves.

If these proposals were agreed and implemented savings would be in the region of £57,500 per annum with effect from 1 April 2013.

Further reported that retaining a scheme still meant there were some risks retained with regard to equal pay – although these would be reduced and if there was a collective agreement, the likelihood of challenge would be reduced.

Noted that the proposals would also help support the Council’s stated aim to reduce carbon emissions.

During the discussion of this item, Members were pleased that a full consultation had taken place but accepted that this was a budget commitment which needed to

be addressed. It was also felt that the option for staff to move to the new scheme or 'buy out' prior to 31 March 2013 was sensible.

Resolved that:-

- (1) The amendments to the Lease Car, Cash Alternative and Car Loan Schemes as set out in this report be approved and that the Retained HR Manager be granted delegated authority to implement the Schemes by 31 March 2013 taking due regard of the result of the ballot of affected UNISON members and the advice of Counsel; and
- (2) Full Council be recommended to approve a supplementary estimate from General Fund Reserves of £103,000 to fund the maximum potential cost of buy-out from the existing schemes.

75. **Executive Forward Plan**

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

Resolved that the Forward Plan be noted.

(The meeting ended at 8.50 pm.)

Taunton Deane Borough Council

Executive – 10 October 2012

Halcon North Regeneration Project

Report of the Planning and Development Manager, Tim Burton

(This matter is the responsibility of Executive Councillor Mrs Jean Adkins.)

1. Executive Summary

This report updates Members on the further work undertaken since the Executive resolved to progress the project to the next stage. This has comprised a review of the HRA business plan impact of a full-scale regeneration as well as further resident consultation and stakeholder engagement. The Executive are requested to consider whether the Council should still proceed to the next stage involving developing a more detailed business case leading to the procurement of a developer; or whether that in light of this further information that alternative options should now be considered.

2. Background

- 2.1 Halcon North comprises 7.25 hectares of housing land and approximately 220 dwellings. This part of Halcon features in the top 5% of most deprived wards in the country. Although, much good work has been done over many years by a range of agencies, the deprivation indices currently show no sign of improvement.
- 2.2 The rationale for this Project was that to make a real difference in the area requires a physical shift in the type of place it is. Halcon should become a place that residents are proud of and want to be associated with.
- 2.3 The project comprises redevelopment of the entire area which covers Creechbarrow Road, Valley Road, Brendon Road and Morland Road.
- 2.4 At the meeting on 12 October 2011 the Executive resolved to accept that the wider benefits of regeneration outweighed any concerns around mix and tenure and to proceed to the next stage and procurement of a developer.
- 2.5 Notwithstanding this, there continued to be opposition to a full scale regeneration from local residents, particularly around the reduction of HRA stock. A principle of this project has always been that to achieve the wider aspirations will need a multi-agency approach and involvement of the local community. A solution should not therefore be imposed upon the community. As a result it was decided to take a step back and to re-engage with the community in

order to ascertain whether the opposition expressed truly represented the overwhelming view of the North Halcon community as a whole.

- 2.6 In addition, Savills were asked to review the business plan impact of regeneration of these four streets.

3. Business Plan Impact

- 3.1 The report prepared by Savills is attached as Appendix A.
- 3.2 The findings are based upon an assessment from stock condition data and details of rents for each of the 192 Council owned properties. It gives income and expenditure projections and the HRA debt position.
- 3.3 The report concludes that the significantly lower stock condition costs associated with these properties currently generate a net surplus in the business plan. This surplus is currently available as a contribution towards the servicing and repayment of the HRA debt, the investment in new homes and further investment in existing homes, estates and services. This net surplus would be lost to the HRA if the 192 dwellings were to be demolished. Current development appraisals do not assume that there is any residual capital receipt available from the redevelopment that would be available from the redevelopment to replace net income loss to the HRA.
- 3.3 The report also identifies actions that could be considered to reduce the impact identified. These include phasing redevelopment to reduce net income loss in the early years, although the end position would remain the same; or redefinition of the regeneration area to focus on smaller pockets of stock with the highest investment need.

4. Resident consultation

- 4.1 Consultation with residents was carried out during late August by the Estates team accompanied by members of the Tenant Services Management Board and Tenants Forum. 82 per cent of households completed the questionnaire, the full results of which are attached as Appendix B.
- 4.2 52 per cent of respondents supported the preferred option ie. full scale regeneration, although analysis of responses to questions 2 and 6 indicate that a number of the issues in this neighbourhood and improvements necessary to address such problems could be achieved without demolishing all the properties, for example, removing problem families, dealing with rubbish, removal of planters and reduced speeding.

- 4.3 Answers to questions 4 and 7 around size and occupancy of properties indicate that whilst the majority of properties are two bedroomed most properties are occupied by three or less people. This would seem to imply that overcrowding is not widespread and that extension of some existing properties could be a more proportionate response to this issue.
- 4.4 Responses around general state of repair identify a wide range of issues not related to the structural condition of the properties.
- 4.5 The Development appraisal indicated a maximum of fifty dwellings being returned to the HRA, whilst the consultation identifies 75 respondents would like to move back to the area as a Council tenant should redevelopment occur.

5. Stakeholder engagement

- 5.1 The **Halcon Multi-agency Group**'s views were recently sought. Organisations represented at the meeting included the local church, Friends of Hamilton Gault Park, the Police, NHS, Halcon Primary School, the Link Centre and Knightstone Housing Association.
- 5.2 The group considered that there are housing issues in the area, but that a solely housing regeneration would be an opportunity missed.
- 5.3 There was general support to a phased approach to regeneration, which could act as a catalyst for further change. Development should be linked to an overall master plan which identifies opportunities for change across the entire estate (for example, around school and church) and not just in these four streets.
- 5.4 A full scale and unphased redevelopment would cause issues around the school roll and upon neighbour and family support networks.
- 5.5 The number of houses should not be maximised at the expense of the health and wellbeing of residents. Whilst stock is not necessarily the biggest issue in the area, issues arising from siblings sharing bedrooms should be addressed.
- 5.6 **The Tenant Services Management Board** considered the consultation responses and HRA Business Plan impact at a meeting on 24 September 2012. Whilst the Board previously supported full-scale redevelopment, they did, at that time, raise serious reservations around the reduction in Council stock.
- 5.7 The Board feel that issues around anti-social behaviour could be addressed through a more sensitive lettings policy without the need to demolish properties.

- 5.8 Concern was raised over the negative impact upon the Business Plan and that tenants across Taunton Deane would therefore be funding the project through their rents. This should not be the case.
- 5.9 The Board feels that there is under occupancy in some areas as well as overcrowding and that this issue could therefore be addressed through better estate management, without the need for major redevelopment.
- 5.10 The Board concluded that they would not be happy with the loss of stock and recommended that the Council moves away from full scale redevelopment and looks at opportunities for smaller scale proposals to address the issues identified in the consultation.
- 5.11 **The North Halcon Residents Association** were also represented at the meeting. They agree that full scale redevelopment is not necessary to address the problems of the area. Family networks should not be broken up. The option proposed last year would have a devastating impact upon the school. The properties are generally good solid houses and therefore if you want to do something, build a new school, medical centre, extend the properties and make them more energy efficient. Owner occupiers would not be able to afford to replace their properties on a like for like basis. Any development should therefore be smaller scale and phased.

6. Overview

- 6.1 The previously preferred option will have a negative impact on the HRA Business Plan
- 6.2 52 per cent of residents still support the preferred option, but analysis of the reasons would suggest that many of these aspirations could be achieved without full scale redevelopment of the four streets.
- 6.3 More Council tenants would wish to remain Council tenants in the area than could be accommodated by the preferred option identified through the Development appraisal
- 6.4 Stakeholders still recognise the benefits that can be derived from physical regeneration, but generally feel that any regeneration should be small scale or phased and linked to a wider range of actions to address local issues (potentially more closely linked to Priority Areas strategy outcomes)
- 6.5 The Community Scrutiny committee will be considering this matter on 9 October 2012. A verbal update outlining the Committee's views will be made at the meeting.

7. Risk management

7.1 A risk register was prepared for the project. This will need to be reviewed should the Executive wish to move away from its previous resolution

8. Finance Comments

8.1 The Council's 151 Officer is the project sponsor and has been closely involved throughout the development of the project. Savills have provided support around project viability and impact upon the HRA.

9. Legal comments

9.1 Specialist legal advice will be required if the project is to progress to procurement.

10. Links to Corporate aims

10.1 Halcon North regeneration has strong links with all of the Council's corporate aims

11. Equalities Impact assessment

11.1 An Equalities Impact Assessment has been prepared for the project.

12 Recommendation

The Executive are requested to consider whether they wish to (1) proceed with the preferred option to redevelop the area of North Halcon comprising Creechbarrow, Morland, Valley and Beadon Road or; (2) explore options for smaller scale developments or; (3) move away from physical regeneration options and focus on other means of tackling the issues associated with this area.

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TAUNTON DEANE BOROUGH COUNCIL – HALCON REGENERATION BUSINESS PLAN IMPACT

INTRODUCTION

The Council has asked Savills to review the business plan impact of the proposed Halcon regeneration scheme. We have been provided with stock condition data for the units on the Halcon scheme, along with details of rents for each of the 192 properties in the Halcon North scheme.

We have used the Council's HRA business plan model v4.7 as a base case scenario and considered the business plan cashflows associated with the Halcon stock.

INCOME AND EXPENDITURE PROJECTIONS

The base business plan assumed an average rent for the stock of £73.68 in 2012/13. The average rent for the Halcon properties is slightly lower at £73.42 per unit.

The base business plan assumed an average stock condition costs per unit of £22,169 representing the cost of future major repairs over 30 years, before inflation and fees. The average costs of future major repairs for the Halcon units is lower at £17,621 per unit.

The stock condition expenditure for the Halcon units varies across the area with the highest need being in the Moreland Road area, and the lower need being in the more modern stock in Creechbarrow Road and Beadon Road.

We have assumed that revenue costs for management and maintenance are the same, on a per unit basis, for the Halcon units as for the stock as a whole. We have also assumed that the proportion of rents lost from voids at Halcon is 15% higher than for the stock as a whole. This gives a year one void loss of 1.14% for Halcon compared with 0.99% for the whole stock.

The base business plan includes assumptions about other stock condition expenditure required including improvements, related assets and exceptional extensive works. The costs for elements of this work relating to environmental improvements and sustainable energy are divided pro rata to property numbers between Halcon and non Halcon stock. We have assumed all other work is entirely focussed on non Halcon stock (e.g.upgrades from electric to oil heating, external cladding).

We have assumed that the need for disabled aids and adaptations is divided pro rata to property numbers between Halcon and non Halcon stock.

This results in a position where the Halcon stock needs considerably less expenditure per unit than the stock as a whole. This means that even though this stock has slightly lower rents, the stock performs well within the business plan and makes a positive contribution to business plan cashflows. The stock is generating a net surplus of income.

As an illustration of this impact we have set out overleaf a comparison of the net present value of business plan cashflows. It should be noted that in order to be sure that we are comparing like for like, we've ignored any reprofiling of stock condition expenditure that was shown in the original business plan. This means we are comparing stock condition expenditure need, rather than any planned reprofiled investment plan.

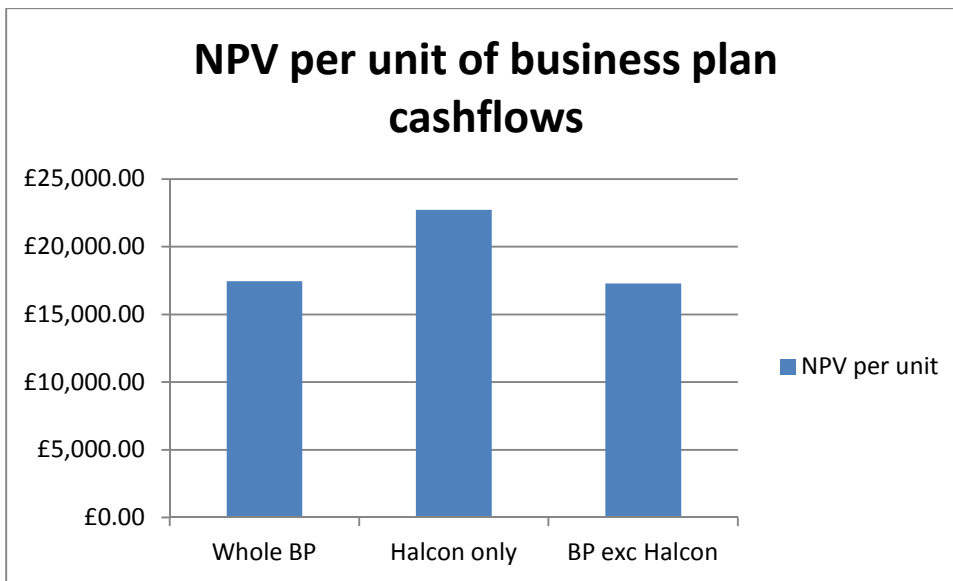


Fig 1: Net present value of business plan cashflows

In calculating the NPV of the cashflows for Halcon and non Halcon stock we have assumed that management costs are spread evenly across the stock. However, when considering the impact on the business plan of removing the Halcon stock, an estimate needs to be made about the extent to which management costs can be reduced pro rata to reflect stock loss. Due to the small size of the Halcon stock, the Council does not anticipate being able to reduce management costs. This means that although income will reduce, and costs relating to maintenance and major repairs will reduce, the Council will face a significant reduction in net income in the business plan without the Halcon properties. This is shown in the figure below.

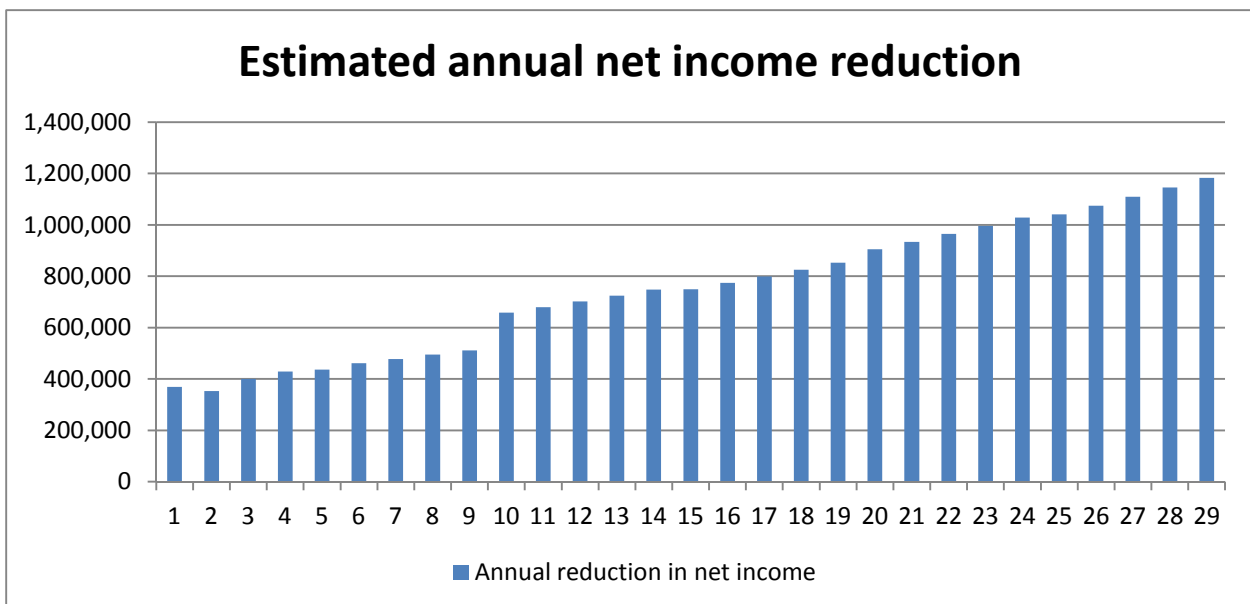


Fig 2: Estimated annual net income reduction with removal of Halcon stock

A comparison of the business plan cashflows with and without the Halcon stock is shown below

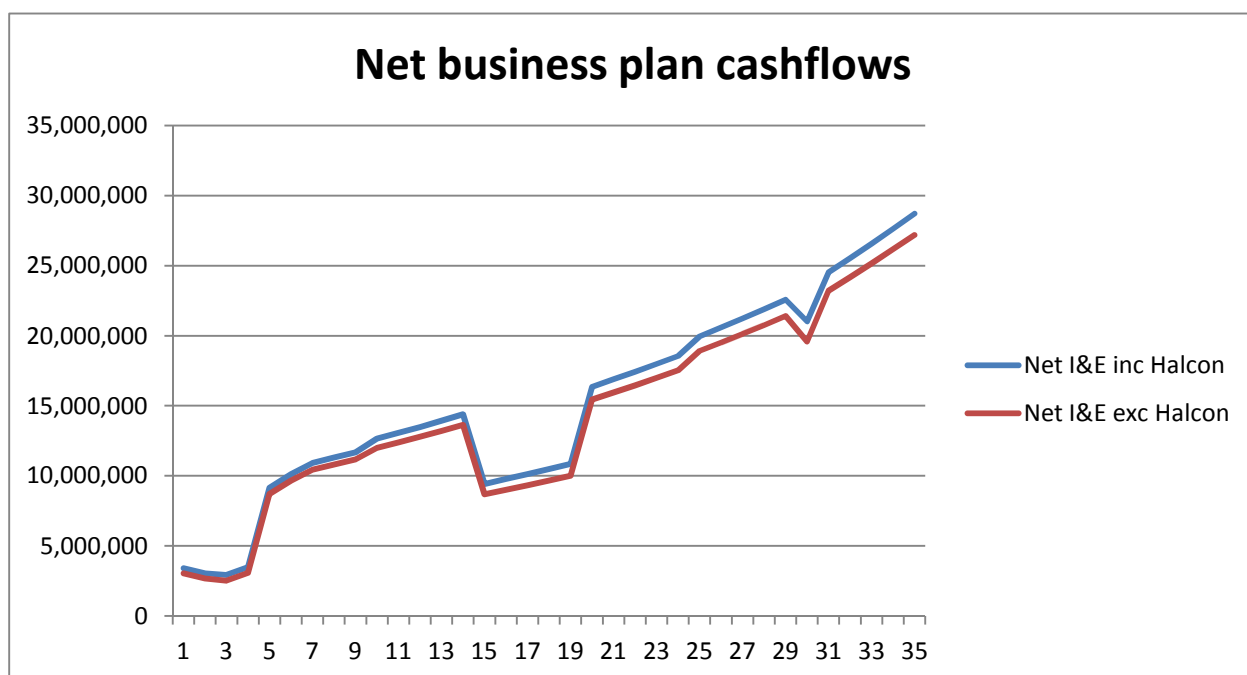


Fig 3: Comparison of business plan cashflows, with and without Halcon stock

HRA DEBT

The Council was allocated an opening debt of £115.8 million, equivalent to an average of £19,326 per dwelling. We have estimated that the 192 homes on the Halcon estate attracted a HRA self-financing debt of £3.735 million, equivalent to £19,453 per dwelling, very close to the overall average. Whilst the rents of the Halcon properties are slightly below the average, the net present value of the costs allowed in the HRA self-financing debt calculation for the Halcon property types were also slightly below the average for the Council's stock.

The debt associated with the Halcon properties would continue to need to be serviced and currently the net income generated by the Halcon properties more than covers the cost of the debt that could be attributed to them.

CONCLUSION

The significantly lower stock condition costs associated with the Halcon stock means that these units currently generate a net surplus in the business plan. Removing these properties would have a negative impact on the residual business plan.

This position reflects the fact that the Halcon regeneration plans were never driven by stock condition. Where regeneration is focussed on areas with poor stock condition, the removal of the stock from the business plan can have a positive impact, removing a net liability from the plan. This is not the case in Halcon.

The Halcon units generate a net surplus, which is currently available for use to the Council, for example as a contribution towards the servicing and repayment of the HRA debt, the investment in new homes and further investment in existing homes, estates and services. This net surplus

would be lost to the HRA if the Halcon units were demolished. The net rents from any new properties owned by the Council after redevelopment would be required to fund the redevelopment costs and would not be available to provide the subsidy to the rest of the business plan which these units currently provide. Current development appraisals do not assume that there is any residual capital receipt available from the redevelopment that would be available to replace net income loss to the HRA.

The impact of removing the Halcon stock could be reduced by considering the following actions:

- A phased redevelopment would mean that net income loss would be more gradual in the early years, although the end position would be the same
- Assumptions about stock condition expenditure at Halcon could be reviewed. For example the Council needs to be sure they reflect the same standard of expenditure as that reflected in figures for the whole stock, and whether any of the other costs for related assets or exceptional extensive in fact relate to the Halcon stock and would be saved were the stock removed.
- A cost reduction strategy could be put in place to reduce management costs in line with stock reduction. This would reduce (but not remove) the loss in net income.
- Consideration could be given to redefining the regeneration area, to focus on smaller pockets of stock with the highest investment need only. This would mean that the stock that was removed from the plan would be generating the lowest levels of surplus.

RESULTS OF HALCON NORTH QUESTIONNAIRE

TOTAL-ALL ROADS

RETURNS

TOTAL NUMBER OF PROPERTIES SUBJECT TO QUESTIONNAIRE	214
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RETURNS	NUMBER	PERCENTAGE
COUNCIL TENANT	154	88
HOUSING ASSOCIATION	1	1
PRIVATE LANDLORD	7	4
OWNER OCCUPIER	11	6
REFUSED TO ANSWER	2	1
TOTAL	175	100

PERCENTAGE RETURN	82
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NUMBER THAT DID NOT RESPOND	39
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QUESTION 1

Do you support the Council's preferred option?

	NUMBER	PERCENTAGE
YES	90	52
NO	49	28
DON'T KNOW	34	20
TOTAL	173	100

	NUMBER	PERCENTAGE
Q1 - REASON - LIKE/HAPPY TO STAY IN AREA/PROPERTY	30	25
Q1 - REASON - LACK OF FAMILY/COMMUNITY SUPPORT NETWORK	12	10
Q1 - REASON - SHOULD NOT BE LESS COUNCIL HOUSING	11	9
Q1 - REASON - DOES NOT WANT UPHEAVAL	8	7
Q1 - REASON - NOTHING WRONG WITH PROPERTY	7	6
Q1 - REASON - EASY ACCESS TO WORK	6	5
Q1 - REASON - NOT AFFORD/GET MORTGAGE FOR ANOTHER HOUSE OF SAME TYPE & STANDARD	5	4
Q1 - REASON - DOES NOT KNOW HOW IT WILL AFFECT THEM	4	3
Q1 - REASON - DOWNSIZING	4	3
Q1 - REASON - CONCERN IT WOULD BE BIGGER ESTATE	4	3
Q1 - REASON - GARDENS MAY NOT BE AS BIG	4	3
Q1 - REASON - CLOSE TO ASDA/SHOPS	4	3
Q1 - REASON - DEVELOP AREA BY RETAINING EXISTING PROPERTIES	3	3
Q1 - REASON - RSL PROPERTIES NOT AS GOOD	2	2
Q1 - REASON - RSL RENTS MORE EXPENSIVE	2	2
Q1 - REASON - HAS NO OPINION	2	2
Q1 - REASON - ALREADY PUT IN FOR MOVE	2	2
Q1 - REASON - NOT SURE ABOUT MIXED TENURES	2	2
Q1 - REASON - UNHAPPY AT BEING IN LIMBO	1	1
Q1 - REASON - JUST MOVED INTO PROPERTY	1	1
Q1 - REASON - LOCAL ECONOMY WOULD SUFFER	1	1
Q1 - REASON - LOSE ALL THAT HAVE WORKED FOR	1	1
Q1 - REASON - NEED HELP WITH PACKING & MOVING	1	1
Q1 - REASON - MORE WORKING PEOPLE	1	1
Q1 - REASON - NOT WANT "PROBLEM" PEOPLE MOVING BACK	1	1
Q1 - REASON - MOVING TO UNKNOWN AREA/NEIGHBOURS	1	1

QUESTION 2

What would you like to see done to improve the area?

	NUMBER	PERCENTAGE
Q2 - CHANGE THE PEOPLE/RID ROUGH RESIDENTS	30	10
Q2 - NO DUMPING RUBBISH	22	7
Q2 - BETTER PROPERTIES	21	7
Q2 - REMOVE PLANTERS	19	6
Q2 - PARK/OPEN SPACES/PLAY AREA	18	6
Q2 - KNOCK DOWN AND START AGAIN	18	6
Q2 - REDUCE ASB	15	5
Q2 - PEOPLE MADE TO LOOK AFTER THEIR PROPERTIES /GARDENS	14	5
Q2 - MORE TO DO FOR YOUTHS	13	4
Q2 - NOTHING	10	3
Q2 - BETTER GARDENS	10	3
Q2 - REDUCE SPEEDING IN AREA	9	3
Q2 - MORE POLICE PRESENCE	6	2
BETTER/REPLACE FENCING	6	2
Q2 - BETTER QUALITY AND ENVIRONMENT	5	2
Q2 - BETTER SECURITY MEASURES	5	2
Q2 - REMOVE TROLRIES	5	2
Q2 - REDUCE THE AMOUNT OF NOISE	5	2
Q2 - BETTER STREET LIGHTING	4	1
Q2 - AWFUL NEIGHBOUR	4	1
Q2 - BETTER STREETS/PAVEMENTS	4	1
Q2 - BETTER MIX OF PEOPLE	4	1
Q2 - INTRODUCE ROAD CROSSINGS/DANGEROUS ROAD	4	1
EXTEND CURRENT PROPERTIES TO GIVE EXTRA ROOM	4	1
Q2 - BETTER RESPONSE TIMES FROM REPAIRS	3	1
Q2 - BETTER REPAIRS - DONE PROPERLY	3	1
FENCING IN REAR GARDEN	3	1
REMOVE ROUNDABOUT	3	1
Q2 - DRIVEWAYS TO PROPERTIES	2	1
Q2 - REMOVING STIGMA OF ESTATE	2	1
Q2 - MORE COUNCIL PRESENCE	2	1
Q2 - IMPROVE COMMUNITY SPIRIT	2	1
Q2 - PROPER DEFINED FOOTPATHS	2	1
Q2 - BETTER DISABLED ACCESS	2	1
TRAINING CENTRES TO SUPPORT EMPLOYMENT	2	1
MORE HOUSES	2	1
DEAL WITH DRUG DEALING	2	1
REDUCE AMOUNT OF TRAFFIC	2	1
Q2 - MORE WORKING PEOPLE	1	0
Q2 - BETTER MIX OF TENURE	1	0
Q2 - MAKE SMALL BEDROOM BIGGER	1	0
Q2 - SORT ABANDONDED PROPERTIES	1	0
Q2 - INTRODUCE NEIGHBOURHOOD WATCH	1	0
Q2 - REGULAR GARDEN & PROPERTY INSPECTIONS	1	0
FIX FRONT WALLS	1	0
NEW DOCTORS SURGERY	1	0
NEW SCHOOL	1	0
NEW CHURCH	1	0
POLICE CENTRE	1	0
CAFE/SHOPS	1	0
RESIDENTS PLANNING AND WORKING ON IMPROVEMENTS	1	0
LESS FLATS	1	0
DO NOT CRAM IN MORE HOUSES	1	0
PARTIAL REGENERATION	1	0
HELP LOCAL ECONOMY	1	0

QUESTION 3*Is the property?*

	NUMBER	PERCENTAGE
Flat	33	19
Semi detached House	138	81
Detached House	0	0
TOTAL	171	100

QUESTION 4*How many bedrooms does the property contain?*

	NUMBER	PERCENTAGE
Q4 - 1 BEDROOM	7	4
Q4 - 2 BEDROOM	111	65
Q4 - 3 BEDROOM	36	21
Q4 - 4 BEDROOM	16	9
Q4 - 5 BEDROOM	0	0
TOTAL	170	100

QUESTION 5*Are you happy with the general state of repair of the property?*

	NUMBER	PERCENTAGE
Q5 - REPAIR YES	88	53
Q5 - REPAIR NO	79	47
TOTAL	167	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q5 - REPAIR NO - KITCHEN	22	16
Q5 - REPAIR NO - DAMP/MOULD	21	15
Q5 - REPAIR NO - WALLS	16	12
Q5 - REPAIR NO - BATHROOM	16	12
Q5 - REPAIR NO - DOORS	12	9
Q5 - REPAIR NO - ENTRANCE	5	4
Q5 - REPAIR NO - WINDOWS	4	3
Q5 - REPAIR NO - LAYOUT WRONG	4	3
Q5 - REPAIR NO - FIRE/HEATERS NEEDS REPAIRING	4	3
Q5 - REPAIR NO - COUNCIL SAYING NOT DOING SOME REPAIRS	3	2
Q5 - REPAIR NO - FENCING	3	2
Q5 - REPAIR NO - FLOOR	3	2
Q5 - REPAIR NO - WIRING	3	2
Q5 - REPAIR NO - DECORATION	2	1
Q5 - REPAIR NO - PIPEWORK	2	1
Q5 - REPAIR NO - REPAIRS NOT PROMPT	2	1
Q5 - REPAIR NO - CEILING	2	1
Q5 - REPAIR NO - GARDEN/ PAVING	2	1
Q5 - REPAIR NO - ROOF	2	1
Q5 - REPAIR NO - DIY REPAIRS FROM PREVIOUS TENANT (EXCHANGE)	1	1
Q5 - REPAIR NO - ASBESTOS	1	1
Q5 - REPAIR NO - BOILER PROBLEM	1	1
Q5 - REPAIR NO - GUTTERING	1	1
Q5 - REPAIR NO - VENT OFF WALL	1	1
Q5 - REPAIR NO - DRAINAGE	1	1
Q5 - REPAIR NO - SOUNDPROOFING	1	1
Q5 - REPAIR NO - BACK STEPS TOO STEEP	1	1
Q5 - REPAIR NO - NEED WIDER STAIRCASE	1	1

QUESTION 6

Are you happy with the general state of the neighbourhood in which you live?

	NUMBER	PERCENTAGE
YES	96	56
NO	74	44
TOTAL	170	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q6 - NEIGHBOURHOOD NO - RUBBISH	26	21
Q6 - NEIGHBOURHOOD NO - PLANTERS	17	14
Q6 - NEIGHBOURHOOD NO - LOOK OF PLACE	13	10
Q6 - NEIGHBOURHOOD NO - NEIGHBOURS	12	10
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRINKING	9	7
Q6 - NEIGHBOURHOOD NO - ASB	7	6
Q6 - NEIGHBOURHOOD NO - GARDENS NOT MAINTAINED	6	5
Q6 - NEIGHBOURHOOD NO - NOISE	5	4
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRUGS	4	3
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT TAKING CARE/PRIE IN THEIR HOMES	4	3
Q6 - NEIGHBOURHOOD NO - BOARDED UP PROPERTIES	3	2
Q6 - NEIGHBOURHOOD NO - TROLLIES	3	2
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT WORKING	2	2
Q6 - NEIGHBOURHOOD NO - NEED PARKS FOR YOUTHS	2	2
Q6 - NEIGHBOURHOOD NO - SPEEDING/STATE OF ROUNDABOUT	2	2
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM FIGHTING	1	1
Q6 - NEIGHBOURHOOD NO - EVERYTHING	1	1
Q6 - NEIGHBOURHOOD NO - STEPS TO PROPERTY	1	1
Q6 - NEIGHBOURHOOD NO - MORE POLICE PRESENCE	1	1
Q6 - NEIGHBOURHOOD NO - COMMUNITY CLUB NEEDED	1	1
Q6 - NEIGHBOURHOOD NO - CARS BEING SOLD AND WORKED ON	1	1
Q6 - NEIGHBOURHOOD NO - LOTS OF WHEELIE BINS	1	1
Q6 - NEIGHBOURHOOD NO - PLAYPARK NEEDS REPAIR	1	1
Q6 - NEIGHBOURHOOD NO - DOGS RUNNING ABOUT	1	1

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QUESTION 7

How many people live in the property?

	NUMBER	PERCENTAGE
NUMBER IN PROPERTY - 1	28	16
NUMBER IN PROPERTY - 2	49	29
NUMBER IN PROPERTY - 3	43	25
NUMBER IN PROPERTY - 4	27	16
NUMBER IN PROPERTY - 5	15	9
NUMBER IN PROPERTY - 6	1	1
NUMBER IN PROPERTY - 6+	7	4
TOTAL	170	100

QUESTION 8

If redevelopment were to take place would you like to move back to the area as a Council tenant?

	NUMBER	PERCENTAGE
YES	75	48
NO	82	52
TOTAL	157	100

SIGNED BY RESIDENT

	NUMBER	PERCENTAGE
SIGNED - YES	163	94
SIGNED - NO	10	6
TOTAL	173	100

RESULTS OF HALCON NORTH QUESTIONNAIRE

BEADON ROAD

RETURNS

TOTAL NUMBER OF PROPERTIES SUBJECT TO QUESTIONNAIRE	67
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RETURNS	NUMBER	PERCENTAGE
COUNCIL TENANT	46	85
HOUSING ASSOCIATION	0	0
PRIVATE LANDLORD	3	6
OWNER OCCUPIER	4	7
REFUSED TO ANSWER	1	2
TOTAL	54	100

PERCENTAGE RETURN	81
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NUMBER THAT DID NOT RESPOND	13
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QUESTION 1

	NUMBER	PERCENTAGE
YES	27	51
NO	18	34
DONT KNOW	8	15
TOTAL	53	100

If you have answered No or Don't Know to the question above please could you provide reasons below

	NUMBER	PERCENTAGE
Q1 - REASON - LIKE/HAPPY TO STAY IN AREA/PROPERTY	10	23
Q1 - REASON - LACK OF FAMILY/COMMUNITY SUPPORT NETWORK	5	11
Q1 - REASON - NOTHING WRONG WITH PROPERTY	4	9
Q1 - REASON - SHOULD NOT BE LESS COUNCIL HOUSING	4	9
Q1 - REASON - GARDENS MAY NOT BE AS BIG	3	7
Q1 - REASON - EASY ACCESS TO WORK	2	5
Q1 - REASON - DEVELOP AREA BY RETAINING EXISTING PROPERTIES	2	5
Q1 - REASON - NOT SURE ABOUT MIXED TENURES	2	5
Q1 - REASON - NOT AFFORD/GET MORTGAGE FOR ANOTHER HOUSE OF SAME TYPE & STANDARD	2	5
Q1 - REASON - DOES NOT KNOW HOW IT WILL AFFECT THEM	1	2
Q1 - REASON - RSL RENTS MORE EXPENSIVE	1	2
Q1 - REASON - DOWNSIZING	1	2
Q1 - REASON - CONCERN IT WOULD BE BIGGER ESTATE	1	2
Q1 - REASON - DOES NOT WANT UPHEAVAL	1	2
Q1 - REASON - LOCAL ECONOMY WOULD SUFFER	1	2
Q1 - REASON - LOSE ALL THAT HAVE WORKED FOR	1	2
Q1 - REASON - NEED HELP WITH PACKING & MOVING	1	2
Q1 - REASON - MORE WORKING PEOPLE	1	2
Q1 - REASON - NOT WANT "PROBLEM" PEOPLE MOVING BACK	1	2
Q1 - REASON - RSL PROPERTIES NOT AS GOOD	0	0
Q1 - REASON - UNHAPPY AT BEING IN LIMBO	0	0
Q1 - REASON - JUST MOVED INTO PROPERTY	0	0
Q1 - REASON - HAS NO OPINION	0	0
Q1 - REASON - ALREADY PUT IN FOR MOVE	0	0
Q1 - REASON - MOVING TO UNKNOWN AREA/NEIGHBOURS	0	0
Q1 - REASON - CLOSE TO ASDA/SHOPS	0	0

QUESTION 2

What would you like to see done to improve the area?

	NUMBER	PERCENTAGE
Q2 - PARK/OPEN SPACES/PLAY AREA	12	11
Q2 - REMOVE PLANTERS	11	10
Q2 - CHANGE THE PEOPLE/RID ROUGH RESIDENTS	7	6
Q2 - MORE TO DO FOR YOUTHS	7	6
Q2 - REDUCE SPEEDING IN AREA	7	6
Q2 - PEOPLE MADE TO LOOK AFTER THEIR PROPERTIES /GARDENS	6	5
Q2 - BETTER PROPERTIES	6	5
Q2 - KNOCK DOWN AND START AGAIN	6	5
Q2 - NO DUMPING RUBBISH	4	4
Q2 - BETTER GARDENS	4	4
Q2 - REDUCE ASB	4	4
BETTER/REPLACE FENCING	3	3
REMOVE ROUNDABOUT	3	3
Q2 - BETTER SECURITY MEASURES	2	2
Q2 - BETTER MIX OF PEOPLE	2	2
Q2 - REDUCE THE AMOUNT OF NOISE	2	2
TRAINING CENTRES TO SUPPORT EMPLOYMENT	2	2
EXTEND CURRENT PROPERTIES TO GIVE EXTRA ROOM	2	2
DEAL WITH DRUG DEALING	2	2
Q2 - BETTER STREET LIGHTING	1	1
Q2 - NOTHING	1	1
Q2 - BETTER STREETS/PAVEMENTS	1	1
Q2 - REMOVING STIGMA OF ESTATE	1	1
Q2 - BETTER REPAIRS - DONE PROPERLY	1	1
Q2 - MORE POLICE PRESENCE	1	1
Q2 - INTRODUCE ROAD CROSSINGS/DANGEROUS ROAD	1	1
Q2 - BETTER DISABLED ACCESS	1	1
FIX FRONT WALLS	1	1
NEW DOCTORS SURGERY	1	1
NEW SCHOOL	1	1
NEW CHURCH	1	1
NEW POLICE CENTRE	1	1
CAFE/SHOPS	1	1
RESIDENTS PLANNING AND WORKING ON IMPROVEMENTS	1	1
FENCING IN REAR GARDEN	1	1
MORE HOUSES	1	1
LESS FLATS	1	1
DO NOT CRAM IN MORE HOUSES	1	1
Q2 - MORE WORKING PEOPLE	0	0
Q2 - BETTER QUALITY AND ENVIRONMENT	0	0
Q2 - BETTER MIX OF TENURE	0	0
Q2 - AWFUL NEIGHBOUR	0	0
Q2 - DRIVEWAYS TO PROPERTIES	0	0
Q2 - MAKE SMALL BEDROOM BIGGER	0	0
Q2 - BETTER RESPONSE TIMES FROM REPAIRS	0	0
Q2 - SORT ABANDONED PROPERTIES	0	0
Q2 - REMOVE TROLLIES	0	0
Q2 - MORE COUNCIL PRESENCE	0	0
Q2 - IMPROVE COMMUNITY SPIRIT	0	0
Q2 - INTRODUCE NEIGHBOURHOOD WATCH	0	0
Q2 - PROPER DEFINED FOOTPATHS	0	0
Q2 - REGULAR GARDEN & PROPERTY INSPECTIONS	0	0
PARTIAL REGENERATION	0	0
REDUCE AMOUNT OF TRAFFIC	0	0
HELP LOCAL ECONOMY	0	0

QUESTION 3*Is the property?*

	NUMBER	PERCENTAGE
Flat	3	6
Semi detached House	50	94
Detached House	0	0
TOTAL	53	100

QUESTION 4*How many bedrooms does the property contain?*

	NUMBER	PERCENTAGE
Q4 - 1 BEDROOM	2	4
Q4 - 2 BEDROOM	26	50
Q4 - 3 BEDROOM	16	31
Q4 - 4 BEDROOM	8	15
Q4 - 5 BEDROOM	0	0
TOTAL	52	100

QUESTION 5*Are you happy with the general state of repair of the property?*

	NUMBER	PERCENTAGE
Q5 - REPAIR YES	22	42
Q5 - REPAIR NO	30	58
TOTAL	52	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q5 - REPAIR NO - KITCHEN	13	21
Q5 - REPAIR NO - BATHROOM	10	16
Q5 - REPAIR NO - DAMP/MOULD	7	11
Q5 - REPAIR NO - WALLS	6	10
Q5 - REPAIR NO - DOORS	4	6
Q5 - REPAIR NO - FIRE/HEATERS NEEDS REPAIRING	4	6
Q5 - REPAIR NO - LAYOUT WRONG	3	5
Q5 - REPAIR NO - COUNCIL SAYING NOT DOING SOME REPAIRS	2	3
Q5 - REPAIR NO - WIRING	2	3
Q5 - REPAIR NO - PIPEWORK	1	2
Q5 - REPAIR NO - CEILING	1	2
Q5 - REPAIR NO - GUTTERING	1	2
Q5 - REPAIR NO - VENT OFF WALL	1	2
Q5 - REPAIR NO - DRAINAGE	1	2
Q5 - REPAIR NO - WINDOWS	1	2
Q5 - REPAIR NO - SOUNDPROOFING	1	2
Q5 - REPAIR NO - FENCING	1	2
Q5 - REPAIR NO - GARDEN/ PAVING	1	2
Q5 - REPAIR NO - FLOOR	1	2
Q5 - REPAIR NO - BACK STEPS TOO STEEP	1	2
Q5 - REPAIR NO - ROOF	1	2
Q5 - REPAIR - NO - ENTRANCE	0	0
Q5 - REPAIR NO - DECORATION	0	0
Q5 - REPAIR NO - DIY REPAIRS FROM PREVIOUS TENANT (EXCHANGE)	0	0
Q5 - REPAIR NO - ASBESTOS	0	0
Q5 - REPAIR NO - BOILER PROBLEM	0	0
Q5 - REPAIR NO - REPAIRS NOT PROMPT	0	0
Q5 - REPAIR NO - NEED WIDER STAIRCASE	0	0

QUESTION 6

Are you happy with the general state of the neighbourhood in which you live?

	NUMBER	PERCENTAGE
YES	29	55
NO	24	45
TOTAL	53	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q6 - NEIGHBOURHOOD NO - RUBBISH	10	24
Q6 - NEIGHBOURHOOD NO - PLANTERS	7	17
Q6 - NEIGHBOURHOOD NO - LOOK OF PLACE	5	12
Q6 - NEIGHBOURHOOD NO - NEIGHBOURS	4	10
Q6 - NEIGHBOURHOOD NO - GARDENS NOT MAINTAINED	3	7
Q6 - NEIGHBOURHOOD NO - SPEEDING/STATE OF ROUNDABOUT	2	5
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT TAKING CARE/PRIDE IN THEIR HOMES	2	5
Q6 - NEIGHBOURHOOD NO - NOISE	1	2
Q6 - NEIGHBOURHOOD NO - NEED PARKS FOR YOUTHS	1	2
Q6 - NEIGHBOURHOOD NO - ASB	1	2
Q6 - NEIGHBOURHOOD NO - MORE POLICE PRESENCE	1	2
Q6 - NEIGHBOURHOOD NO - COMMUNITY CLUB NEEDED	1	2
Q6 - NEIGHBOURHOOD NO - CARS BEING SOLD AND WORKED ON	1	2
Q6 - NEIGHBOURHOOD NO - LOTS OF WHEELIE BINS	1	2
Q6 - NEIGHBOURHOOD NO - PLAYPARK NEEDS REPAIR	1	2
Q6 - NEIGHBOURHOOD NO - DOGS RUNNING ABOUT	1	2
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM FIGHTING	0	0
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRINKING	0	0
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRUGS	0	0
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT WORKING	0	0
Q6 - NEIGHBOURHOOD NO - EVERYTHING	0	0
Q6 - NEIGHBOURHOOD NO - BOARDED UP PROPERTIES	0	0
Q6 - NEIGHBOURHOOD NO - STEPS TO PROPERTY	0	0
Q6 - NEIGHBOURHOOD NO - TROLLIES	0	0

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QUESTION 7

How many people live in the property?

	NUMBER	PERCENTAGE
NUMBER IN PROPERTY - 1	6	11
NUMBER IN PROPERTY - 2	16	30
NUMBER IN PROPERTY - 3	9	17
NUMBER IN PROPERTY - 4	10	19
NUMBER IN PROPERTY - 5	7	13
NUMBER IN PROPERTY - 6	0	0
NUMBER IN PROPERTY - 6+	5	9
TOTAL	53	100

QUESTION 8

If redevelopment were to take place would you like to move back to the area as a Council tenant?

	NUMBER	PERCENTAGE
YES	23	51
NO	22	49
TOTAL	45	100

SIGNED BY RESIDENT

	NUMBER	PERCENTAGE
SIGNED - YES	51	96
SIGNED - NO	2	4
TOTAL	53	100

RESULTS OF HALCON NORTH QUESTIONNAIRE

CREECHBARROW ROAD

RESULTS OF HALCON NORTH QUEST

RETURNS

TOTAL NUMBER OF PROPERTIES SUBJECT TO QUESTIONNAIRE	42
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RETURNS	NUMBER	PERCENTAGE
COUNCIL TENANT	27	87
HOUSING ASSOCIATION	0	0
PRIVATE LANDLORD	1	3
OWNER OCCUPIER	2	6
REFUSED TO ANSWER	1	3
TOTAL	31	100

PERCENTAGE RETURN	74
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NUMBER THAT DID NOT RESPOND	11
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QUESTION 1

	NUMBER	PERCENTAGE
YES	17	57
NO	10	33
DONT KNOW	3	10
TOTAL	30	100

If you have answered No or Don't Know to the question above please could you provide reasons below

	NUMBER	PERCENTAGE
Q1 - REASON - LIKE/HAPPY TO STAY IN AREA/PROPERTY	6	35
Q1 - REASON - DOES NOT WANT UPHEAVAL	3	18
Q1 - REASON - CLOSE TO ASDA/SHOPS	3	18
Q1 - REASON - DOES NOT KNOW HOW IT WILL AFFECT THEM	1	6
Q1 - REASON - SHOULD NOT BE LESS COUNCIL HOUSING	1	6
Q1 - REASON - EASY ACCESS TO WORK	1	6
Q1 - REASON - LACK OF FAMILY/COMMUNITY SUPPORT NETWORK	1	6
Q1 - REASON - MOVING TO UNKNOWN AREA/NEIGHBOURS	1	6
Q1 - REASON - NOTHING WRONG WITH PROPERTY	0	0
Q1 - REASON - RSL PROPERTIES NOT AS GOOD	0	0
Q1 - REASON - RSL RENTS MORE EXPENSIVE	0	0
Q1 - REASON - DOWNSIZING	0	0
Q1 - REASON - UNHAPPY AT BEING IN LIMBO	0	0
Q1 - REASON - JUST MOVED INTO PROPERTY	0	0
Q1 - REASON - CONCERN IT WOULD BE BIGGER ESTATE	0	0
Q1 - REASON - HAS NO OPINION	0	0
Q1 - REASON - ALREADY PUT IN FOR MOVE	0	0
Q1 - REASON - GARDENS MAY NOT BE AS BIG	0	0
Q1 - REASON - DEVELOP AREA BY RETAINING EXISTING PROPERTIES	0	0
Q1 - REASON - LOCAL ECONOMY WOULD SUFFER	0	0
Q1 - REASON - LOSE ALL THAT HAVE WORKED FOR	0	0
Q1 - REASON - NOT SURE ABOUT MIXED TENURES	0	0
Q1 - REASON - NOT AFFORD/GET MORTGAGE FOR ANOTHER HOUSE OF SAME TYPE & STANDARD	0	0
Q1 - REASON - NEED HELP WITH PACKING & MOVING	0	0
Q1 - REASON - MORE WORKING PEOPLE	0	0
Q1 - REASON - NOT WANT "PROBLEM" PEOPLE MOVING BACK	0	0

QUESTION 2

What would you like to see done to improve the area?

	NUMBER	PERCENTAGE
Q2 - NOTHING	7	20
Q2 - CHANGE THE PEOPLE/RID ROUGH RESIDENTS	6	17
Q2 - KNOCK DOWN AND START AGAIN	5	14
Q2 - NO DUMPING RUBBISH	3	9
REDUCE AMOUNT OF TRAFFIC	2	6
Q2 - AWFUL NEIGHBOUR	1	3
Q2 - BETTER PROPERTIES	1	3
Q2 - MORE TO DO FOR YOUTHS	1	3
Q2 - BETTER RESPONSE TIMES FROM REPAIRS	1	3
Q2 - BETTER MIX OF PEOPLE	1	3
Q2 - REDUCE ASB	1	3
Q2 - MORE POLICE PRESENCE	1	3
Q2 - REDUCE THE AMOUNT OF NOISE	1	3
MORE HOUSES	1	3
EXTEND CURRENT PROPERTIES TO GIVE EXTRA ROOM	1	3
PARTIAL REGENERATION	1	3
HELP LOCAL ECONOMY	1	3
Q2 - MORE WORKING PEOPLE	0	0
Q2 - BETTER STREET LIGHTING	0	0
Q2 - BETTER QUALITY AND ENVIRONMENT	0	0
Q2 - PEOPLE MADE TO LOOK AFTER THEIR PROPERTIES /GARDENS	0	0
Q2 - BETTER MIX OF TENURE	0	0
Q2 - BETTER STREETS/PAVEMENTS	0	0
Q2 - BETTER GARDENS	0	0
Q2 - DRIVEWAYS TO PROPERTIES	0	0
Q2 - MAKE SMALL BEDROOM BIGGER	0	0
Q2 - REMOVE PLANTERS	0	0
Q2 - BETTER SECURITY MEASURES	0	0
Q2 - REMOVING STIGMA OF ESTATE	0	0
Q2 - BETTER REPAIRS - DONE PROPERLY	0	0
Q2 - PARK/OPEN SPACES/PLAY AREA	0	0
Q2 - SORT ABANDONDED PROPERTIES	0	0
Q2 - REMOVE TROLRIES	0	0
Q2 - MORE COUNCIL PRESENCE	0	0
Q2 - REDUCE SPEEDING IN AREA	0	0
Q2 - IMPROVE COMMUNITY SPIRIT	0	0
Q2 - INTRODUCE NEIGHBOURHOOD WATCH	0	0
Q2 - INTRODUCE ROAD CROSSINGS/DANGEROUS ROAD	0	0
Q2 - PROPER DEFINED FOOTPATHS	0	0
Q2 - BETTER DISABLED ACCESS	0	0
Q2 - REGULAR GARDEN & PROPERTY INSPECTIONS	0	0
FIX FRONT WALLS	0	0
BETTER/REPLACE FENCING	0	0
NEW DOCTORS SURGERY	0	0
NEW SCHOOL	0	0
TRAINING CENTRES TO SUPPORT EMPLOYMENT	0	0
NEW CHURCH	0	0
POLICE CENTRE	0	0
CAFE/SHOPS	0	0
RESIDENTS PLANNING AND WORKING ON IMPROVEMENTS	0	0
FENCING IN REAR GARDEN	0	0
REMOVE ROUNDABOUT	0	0
DEAL WITH DRUG DEALING	0	0
LESS FLATS	0	0
DO NOT CRAM IN MORE HOUSES	0	0

QUESTION 3*Is the property?*

	NUMBER	PERCENTAGE
Flat	30	100
Semi detached House	0	0
Detached House	0	0
TOTAL	30	100

QUESTION 4*How many bedrooms does the property contain?*

	NUMBER	PERCENTAGE
Q4 - 1 BEDROOM	5	17
Q4 - 2 BEDROOM	25	83
Q4 - 3 BEDROOM	0	0
Q4 - 4 BEDROOM	0	0
Q4 - 5 BEDROOM	0	0
TOTAL	30	100

QUESTION 5*Are you happy with the general state of repair of the property?*

	NUMBER	PERCENTAGE
Q5 - REPAIR YES	20	69
Q5 - REPAIR NO	9	31
TOTAL	29	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q5 - REPAIR - NO - ENTRANCE	4	40
Q5 - REPAIR NO - DAMP/MOULD	3	30
Q5 - REPAIR NO - REPAIRS NOT PROMPT	1	10
Q5 - REPAIR NO - BATHROOM	1	10
Q5 - REPAIR NO - WINDOWS	1	10
Q5 - REPAIR NO - DECORATION	0	0
Q5 - REPAIR NO - WALLS	0	0
Q5 - REPAIR NO - PIPEWORK	0	0
Q5 - REPAIR NO - DIY REPAIRS FROM PREVIOUS TENANT (EXCHANGE)	0	0
Q5 - REPAIR NO - ASBESTOS	0	0
Q5 - REPAIR NO - BOILER PROBLEM	0	0
Q5 - REPAIR NO - CEILING	0	0
Q5 - REPAIR NO - KITCHEN	0	0
Q5 - REPAIR NO - COUNCIL SAYING NOT DOING SOME REPAIRS	0	0
Q5 - REPAIR NO - ROOF	0	0
Q5 - REPAIR NO - DOORS	0	0
Q5 - REPAIR NO - GUTTERING	0	0
Q5 - REPAIR NO - FIRE/HEATERS NEEDS REPAIRING	0	0
Q5 - REPAIR NO - VENT OFF WALL	0	0
Q5 - REPAIR NO - DRAINAGE	0	0
Q5 - REPAIR NO - LAYOUT WRONG	0	0
Q5 - REPAIR NO - WIRING	0	0
Q5 - REPAIR NO - SOUNDPROOFING	0	0
Q5 - REPAIR NO - FENCING	0	0
Q5 - REPAIR NO - GARDEN/ PAVING	0	0
Q5 - REPAIR NO - FLOOR	0	0
Q5 - REPAIR NO - BACK STEPS TOO STEEP	0	0
Q5 - REPAIR NO - NEED WIDER STAIRCASE	0	0

QUESTION 6

Are you happy with the general state of the neighbourhood in which you live?

	NUMBER	PERCENTAGE
YES	20	67
NO	10	33
TOTAL	30	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q6 - NEIGHBOURHOOD NO - RUBBISH	3	21
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRUGS	2	14
Q6 - NEIGHBOURHOOD NO - LOOK OF PLACE	2	14
Q6 - NEIGHBOURHOOD NO - ASB	2	14
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRINKING	1	7
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT WORKING	1	7
Q6 - NEIGHBOURHOOD NO - NEIGHBOURS	1	7
Q6 - NEIGHBOURHOOD NO - GARDENS NOT MAINTAINED	1	7
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT TAKING CARE/PRIE IN THEIR HOMES	1	7
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM FIGHTING	0	0
Q6 - NEIGHBOURHOOD NO - PLANTERS	0	0
Q6 - NEIGHBOURHOOD NO - EVERYTHING	0	0
Q6 - NEIGHBOURHOOD NO - NOISE	0	0
Q6 - NEIGHBOURHOOD NO - NEED PARKS FOR YOUTHS	0	0
Q6 - NEIGHBOURHOOD NO - BOARDED UP PROPERTIES	0	0
Q6 - NEIGHBOURHOOD NO - STEPS TO PROPERTY	0	0
Q6 - NEIGHBOURHOOD NO - TROLRIES	0	0
Q6 - NEIGHBOURHOOD NO - SPEEDING/STATE OF ROUNDABOUT	0	0
Q6 - NEIGHBOURHOOD NO - MORE POLICE PRESENCE	0	0
Q6 - NEIGHBOURHOOD NO - COMMUNITY CLUB NEEDED	0	0
Q6 - NEIGHBOURHOOD NO - CARS BEING SOLD AND WORKED ON	0	0
Q6 - NEIGHBOURHOOD NO - LOTS OF WHEELIE BINS	0	0
Q6 - NEIGHBOURHOOD NO - PLAYPARK NEEDS REPAIR	0	0
Q6 - NEIGHBOURHOOD NO - DOGS RUNNING ABOUT	0	0

14

QUESTION 7

How many people live in the property?

	NUMBER	PERCENTAGE
NUMBER IN PROPERTY - 1	18	60
NUMBER IN PROPERTY - 2	6	20
NUMBER IN PROPERTY - 3	6	20
NUMBER IN PROPERTY - 4	0	0
NUMBER IN PROPERTY - 5	0	0
NUMBER IN PROPERTY - 6	0	0
NUMBER IN PROPERTY - 6+	0	0
TOTAL	30	100

QUESTION 8

If redevelopment were to take place would you like to move back to the area as a Council tenant?

	NUMBER	PERCENTAGE
YES	12	43
NO	16	57
TOTAL	28	100

SIGNED BY RESIDENT

	NUMBER	PERCENTAGE
SIGNED - YES	28	93
SIGNED - NO	2	7
TOTAL	30	100

QUESTIONNAIRE

RESULTS OF HALCON NORTH QUESTIONNAIRE

MOORLAND ROAD

RESULTS OF HALCON NORTH QUESTIONNAIRE

RETURNS

TOTAL NUMBER OF PROPERTIES SUBJECT TO QUESTIONNAIRE	58
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RETURNS	NUMBER	PERCENTAGE
COUNCIL TENANT	47	92
HOUSING ASSOCIATION	1	2
PRIVATE LANDLORD	1	2
OWNER OCCUPIER	2	4
REFUSED TO ANSWER	0	0
TOTAL	51	100

PERCENTAGE RETURN	88
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NUMBER THAT DID NOT RESPOND	7
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QUESTION 1

	NUMBER	PERCENTAGE
YES	29	57
NO	9	18
DON'T KNOW	13	25
TOTAL	51	100

If you have answered No or Don't Know to the question above please could you provide reasons below

	NUMBER	PERCENTAGE
Q1 - REASON - LIKE/HAPPY TO STAY IN AREA/PROPERTY	6	23
Q1 - REASON - NOTHING WRONG WITH PROPERTY	3	12
Q1 - REASON - DOES NOT WANT UPHEAVAL	3	12
Q1 - REASON - DOES NOT KNOW HOW IT WILL AFFECT THEM	2	8
Q1 - REASON - RSL PROPERTIES NOT AS GOOD	1	4
Q1 - REASON - RSL RENTS MORE EXPENSIVE	1	4
Q1 - REASON - DOWNSIZING	1	4
Q1 - REASON - UNHAPPY AT BEING IN LIMBO	1	4
Q1 - REASON - JUST MOVED INTO PROPERTY	1	4
Q1 - REASON - CONCERN IT WOULD BE BIGGER ESTATE	1	4
Q1 - REASON - HAS NO OPINION	1	4
Q1 - REASON - SHOULD NOT BE LESS COUNCIL HOUSING	1	4
Q1 - REASON - ALREADY PUT IN FOR MOVE	1	4
Q1 - REASON - EASY ACCESS TO WORK	1	4
Q1 - REASON - GARDENS MAY NOT BE AS BIG	1	4
Q1 - REASON - NOT AFFORD/GET MORTGAGE FOR ANOTHER HOUSE OF SAME TYPE & STANDARD	1	4
Q1 - REASON - LACK OF FAMILY/COMMUNITY SUPPORT NETWORK	0	0
Q1 - REASON - DEVELOP AREA BY RETAINING EXISTING PROPERTIES	0	0
Q1 - REASON - LOCAL ECONOMY WOULD SUFFER	0	0
Q1 - REASON - LOSE ALL THAT HAVE WORKED FOR	0	0
Q1 - REASON - NOT SURE ABOUT MIXED TENURES	0	0
Q1 - REASON - NEED HELP WITH PACKING & MOVING	0	0
Q1 - REASON - MORE WORKING PEOPLE	0	0
Q1 - REASON - NOT WANT "PROBLEM" PEOPLE MOVING BACK	0	0
Q1 - REASON - MOVING TO UNKNOWN AREA/NEIGHBOURS	0	0
Q1 - REASON - CLOSE TO ASDA/SHOPS	0	0

QUESTION 2

What would you like to see done to improve the area?

	NUMBER	PERCENTAGE
Q2 - CHANGE THE PEOPLE/RID ROUGH RESIDENTS	12	14
Q2 - PEOPLE MADE TO LOOK AFTER THEIR PROPERTIES /GARDENS	6	7
Q2 - NO DUMPING RUBBISH	5	6
Q2 - REDUCE ASB	5	6
Q2 - BETTER QUALITY AND ENVIRONMENT	4	5
Q2 - BETTER PROPERTIES	4	5
Q2 - MORE TO DO FOR YOUTHS	4	5
Q2 - KNOCK DOWN AND START AGAIN	4	5
Q2 - BETTER GARDENS	3	4
Q2 - INTRODUCE ROAD CROSSINGS/DANGEROUS ROAD	3	4
Q2 - BETTER STREET LIGHTING	2	2
Q2 - AWFUL NEIGHBOUR	2	2
Q2 - BETTER STREETS/PAVEMENTS	2	2
Q2 - DRIVEWAYS TO PROPERTIES	2	2
Q2 - BETTER SECURITY MEASURES	2	2
Q2 - BETTER RESPONSE TIMES FROM REPAIRS	2	2
Q2 - PARK/OPEN SPACES/PLAY AREA	2	2
Q2 - MORE POLICE PRESENCE	2	2
Q2 - MORE WORKING PEOPLE	1	1
Q2 - NOTHING	1	1
Q2 - BETTER MIX OF TENURE	1	1
Q2 - MAKE SMALL BEDROOM BIGGER	1	1
Q2 - REMOVE PLANTERS	1	1
Q2 - REMOVING STIGMA OF ESTATE	1	1
Q2 - BETTER REPAIRS - DONE PROPERLY	1	1
Q2 - BETTER MIX OF PEOPLE	1	1
Q2 - SORT ABANDONED PROPERTIES	1	1
Q2 - REMOVE TROLLIES	1	1
Q2 - MORE COUNCIL PRESENCE	1	1
Q2 - REDUCE SPEEDING IN AREA	1	1
Q2 - IMPROVE COMMUNITY SPIRIT	1	1
Q2 - INTRODUCE NEIGHBOURHOOD WATCH	1	1
Q2 - PROPER DEFINED FOOTPATHS	1	1
Q2 - BETTER DISABLED ACCESS	1	1
Q2 - REDUCE THE AMOUNT OF NOISE	1	1
Q2 - REGULAR GARDEN & PROPERTY INSPECTIONS	1	1
FIX FRONT WALLS	0	0
BETTER/REPLACE FENCING	0	0
NEW DOCTORS SURGERY	0	0
NEW SCHOOL	0	0
TRAINING CENTRES TO SUPPORT EMPLOYMENT	0	0
NEW CHURCH	0	0
POLICE CENTRE	0	0
CAFE/SHOPS	0	0
RESIDENTS PLANNING AND WORKING ON IMPROVEMENTS	0	0
FENCING IN REAR GARDEN	0	0
MORE HOUSES	0	0
REMOVE ROUNDABOUT	0	0
EXTEND CURRENT PROPERTIES TO GIVE EXTRA ROOM	0	0
DEAL WITH DRUG DEALING	0	0
LESS FLATS	0	0
DO NOT CRAM IN MORE HOUSES	0	0
PARTIAL REGENERATION	0	0
REDUCE AMOUNT OF TRAFFIC	0	0
HELP LOCAL ECONOMY	0	0

QUESTION 3*Is the property?*

	NUMBER	PERCENTAGE
Flat	0	0
Semi detached House	51	100
Detached House	0	0
TOTAL	51	100

QUESTION 4*How many bedrooms does the property contain?*

	NUMBER	PERCENTAGE
Q4 - 1 BEDROOM	0	0
Q4 - 2 BEDROOM	37	73
Q4 - 3 BEDROOM	13	25
Q4 - 4 BEDROOM	1	2
Q4 - 5 BEDROOM	0	0
TOTAL	51	100

QUESTION 5*Are you happy with the general state of repair of the property?*

	NUMBER	PERCENTAGE
Q5 - REPAIR YES	29	58
Q5 - REPAIR NO	21	42
TOTAL	50	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q5 - REPAIR NO - DAMP/MOULD	8	30
Q5 - REPAIR NO - WALLS	6	22
Q5 - REPAIR NO - DECORATION	2	7
Q5 - REPAIR NO - KITCHEN	2	7
Q5 - REPAIR - NO - ENTRANCE	1	4
Q5 - REPAIR NO - PIPEWORK	1	4
Q5 - REPAIR NO - DIY REPAIRS FROM PREVIOUS TENANT (EXCHANGE)	1	4
Q5 - REPAIR NO - ASBESTOS	1	4
Q5 - REPAIR NO - BOILER PROBLEM	1	4
Q5 - REPAIR NO - REPAIRS NOT PROMPT	1	4
Q5 - REPAIR NO - CEILING	1	4
Q5 - REPAIR NO - COUNCIL SAYING NOT DOING SOME REPAIRS	1	4
Q5 - REPAIR NO - ROOF	1	4
Q5 - REPAIR NO - DOORS	0	0
Q5 - REPAIR NO - GUTTERING	0	0
Q5 - REPAIR NO - FIRE/HEATERS NEEDS REPAIRING	0	0
Q5 - REPAIR NO - VENT OFF WALL	0	0
Q5 - REPAIR NO - BATHROOM	0	0
Q5 - REPAIR NO - DRAINAGE	0	0
Q5 - REPAIR NO - WINDOWS	0	0
Q5 - REPAIR NO - LAYOUT WRONG	0	0
Q5 - REPAIR NO - WIRING	0	0
Q5 - REPAIR NO - SOUNDPROOFING	0	0
Q5 - REPAIR NO - FENCING	0	0
Q5 - REPAIR NO - GARDEN/ PAVING	0	0
Q5 - REPAIR NO - FLOOR	0	0
Q5 - REPAIR NO - BACK STEPS TOO STEEP	0	0
Q5 - REPAIR NO - NEED WIDER STAIRCASE	0	0

QUESTION 6

Are you happy with the general state of the neighbourhood in which you live?

	NUMBER	PERCENTAGE
YES	27	53
NO	24	47
TOTAL	51	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q6 - NEIGHBOURHOOD NO - RUBBISH	7	18
Q6 - NEIGHBOURHOOD NO - LOOK OF PLACE	5	13
Q6 - NEIGHBOURHOOD NO - PLANTERS	4	10
Q6 - NEIGHBOURHOOD NO - NEIGHBOURS	4	10
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRINKING	3	8
Q6 - NEIGHBOURHOOD NO - NOISE	3	8
Q6 - NEIGHBOURHOOD NO - ASB	3	8
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRUGS	2	5
Q6 - NEIGHBOURHOOD NO - BOARDED UP PROPERTIES	2	5
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM FIGHTING	1	3
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT WORKING	1	3
Q6 - NEIGHBOURHOOD NO - EVERYTHING	1	3
Q6 - NEIGHBOURHOOD NO - NEED PARKS FOR YOUTHS	1	3
Q6 - NEIGHBOURHOOD NO - GARDENS NOT MAINTAINED	1	3
Q6 - NEIGHBOURHOOD NO - STEPS TO PROPERTY	1	3
Q6 - NEIGHBOURHOOD NO - TROLRIES	1	3
Q6 - NEIGHBOURHOOD NO - SPEEDING/STATE OF ROUNDABOUT	0	0
Q6 - NEIGHBOURHOOD NO - MORE POLICE PRESENCE	0	0
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT TAKING CARE/PRIE IN THEIR HOMES	0	0
Q6 - NEIGHBOURHOOD NO - COMMUNITY CLUB NEEDED	0	0
Q6 - NEIGHBOURHOOD NO - CARS BEING SOLD AND WORKED ON	0	0
Q6 - NEIGHBOURHOOD NO - LOTS OF WHEELIE BINS	0	0
Q6 - NEIGHBOURHOOD NO - PLAYPARK NEEDS REPAIR	0	0
Q6 - NEIGHBOURHOOD NO - DOGS RUNNING ABOUT	0	0

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QUESTION 7

How many people live in the property?

	NUMBER	PERCENTAGE
NUMBER IN PROPERTY - 1	1	2
NUMBER IN PROPERTY - 2	20	39
NUMBER IN PROPERTY - 3	17	33
NUMBER IN PROPERTY - 4	8	16
NUMBER IN PROPERTY - 5	4	8
NUMBER IN PROPERTY - 6	1	2
NUMBER IN PROPERTY - 6+	0	0
TOTAL	51	100

QUESTION 8

If redevelopment were to take place would you like to move back to the area as a Council tenant?

	NUMBER	PERCENTAGE
YES	29	58
NO	21	42
TOTAL	50	100

SIGNED BY RESIDENT

	NUMBER	PERCENTAGE
SIGNED - YES	50	98
SIGNED - NO	1	2
TOTAL	51	100

RESULTS OF HALCON NORTH QUESTIONNAIRE

VALLEY ROAD

RETURNS

TOTAL NUMBER OF PROPERTIES SUBJECT TO QUESTIONNAIRE	47
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RETURNS	NUMBER	PERCENTAGE
COUNCIL TENANT	34	87
HOUSING ASSOCIATION	0	0
PRIVATE LANDLORD	2	5
OWNER OCCUPIER	3	8
REFUSED TO ANSWER	0	0
TOTAL	39	100

PERCENTAGE RETURN	83
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NUMBER THAT DID NOT RESPOND	8
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QUESTION 1

	NUMBER	PERCENTAGE
YES	17	44
NO	12	31
DON'T KNOW	10	26
TOTAL	39	100

If you have answered No or Don't Know to the question above please could you provide reasons below

	NUMBER	PERCENTAGE
Q1 - REASON - LIKE/HAPPY TO STAY IN AREA/PROPERTY	8	24
Q1 - REASON - LACK OF FAMILY/COMMUNITY SUPPORT NETWORK	6	18
Q1 - REASON - SHOULD NOT BE LESS COUNCIL HOUSING	5	15
Q1 - REASON - DOWNSIZING	2	6
Q1 - REASON - CONCERN IT WOULD BE BIGGER ESTATE	2	6
Q1 - REASON - EASY ACCESS TO WORK	2	6
Q1 - REASON - NOT AFFORD/GET MORTGAGE FOR ANOTHER HOUSE OF SAME TYPE & STANDARD	2	6
Q1 - REASON - RSL PROPERTIES NOT AS GOOD	1	3
Q1 - REASON - HAS NO OPINION	1	3
Q1 - REASON - DOES NOT WANT UPHEAVAL	1	3
Q1 - REASON - ALREADY PUT IN FOR MOVE	1	3
Q1 - REASON - DEVELOP AREA BY RETAINING EXISTING PROPERTIES	1	3
Q1 - REASON - CLOSE TO ASDA/SHOPS	1	3
Q1 - REASON - DOES NOT KNOW HOW IT WILL AFFECT THEM	0	0
Q1 - REASON - NOTHING WRONG WITH PROPERTY	0	0
Q1 - REASON - RSL RENTS MORE EXPENSIVE	0	0
Q1 - REASON - UNHAPPY AT BEING IN LIMBO	0	0
Q1 - REASON - JUST MOVED INTO PROPERTY	0	0
Q1 - REASON - GARDENS MAY NOT BE AS BIG	0	0
Q1 - REASON - LOCAL ECONOMY WOULD SUFFER	0	0
Q1 - REASON - LOSE ALL THAT HAVE WORKED FOR	0	0
Q1 - REASON - NOT SURE ABOUT MIXED TENURES	0	0
Q1 - REASON - NEED HELP WITH PACKING & MOVING	0	0
Q1 - REASON - MORE WORKING PEOPLE	0	0
Q1 - REASON - NOT WANT "PROBLEM" PEOPLE MOVING BACK	0	0
Q1 - REASON - MOVING TO UNKNOWN AREA/NEIGHBOURS	0	0

QUESTION 2

What would you like to see done to improve the area?

	NUMBER	PERCENTAGE
Q2 - NO DUMPING RUBBISH	10	14
Q2 - BETTER PROPERTIES	10	14
Q2 - REMOVE PLANTERS	7	9
Q2 - CHANGE THE PEOPLE/RID ROUGH RESIDENTS	5	7
Q2 - REDUCE ASB	5	7
Q2 - PARK/OPEN SPACES/PLAY AREA	4	5
Q2 - REMOVE TROLLIES	4	5
Q2 - BETTER GARDENS	3	4
Q2 - KNOCK DOWN AND START AGAIN	3	4
BETTER/REPLACE FENCING	3	4
Q2 - PEOPLE MADE TO LOOK AFTER THEIR PROPERTIES /GARDENS	2	3
Q2 - MORE POLICE PRESENCE	2	3
FENCING IN REAR GARDEN	2	3
Q2 - BETTER STREET LIGHTING	1	1
Q2 - BETTER QUALITY AND ENVIRONMENT	1	1
Q2 - NOTHING	1	1
Q2 - AWFUL NEIGHBOUR	1	1
Q2 - BETTER STREETS/PAVEMENTS	1	1
Q2 - MORE TO DO FOR YOUTHS	1	1
Q2 - BETTER SECURITY MEASURES	1	1
Q2 - BETTER REPAIRS - DONE PROPERLY	1	1
Q2 - MORE COUNCIL PRESENCE	1	1
Q2 - REDUCE SPEEDING IN AREA	1	1
Q2 - IMPROVE COMMUNITY SPIRIT	1	1
Q2 - PROPER DEFINED FOOTPATHS	1	1
Q2 - REDUCE THE AMOUNT OF NOISE	1	1
EXTEND CURRENT PROPERTIES TO GIVE EXTRA ROOM	1	1
Q2 - MORE WORKING PEOPLE	0	0
Q2 - BETTER MIX OF TENURE	0	0
Q2 - DRIVEWAYS TO PROPERTIES	0	0
Q2 - MAKE SMALL BEDROOM BIGGER	0	0
Q2 - REMOVING STIGMA OF ESTATE	0	0
Q2 - BETTER RESPONSE TIMES FROM REPAIRS	0	0
Q2 - BETTER MIX OF PEOPLE	0	0
Q2 - SORT ABANDONDED PROPERTIES	0	0
Q2 - INTRODUCE NEIGHBOURHOOD WATCH	0	0
Q2 - INTRODUCE ROAD CROSSINGS/DANGEROUS ROAD	0	0
Q2 - BETTER DISABLED ACCESS	0	0
Q2 - REGULAR GARDEN & PROPERTY INSPECTIONS	0	0
FIX FRONT WALLS	0	0
NEW DOCTORS SURGERY	0	0
NEW SCHOOL	0	0
TRAINING CENTRES TO SUPPORT EMPLOYMENT	0	0
NEW CHURCH	0	0
POLICE CENTRE	0	0
CAFE/SHOPS	0	0
RESIDENTS PLANNING AND WORKING ON IMPROVEMENTS	0	0
MORE HOUSES	0	0
REMOVE ROUNDABOUT	0	0
DEAL WITH DRUG DEALING	0	0
LESS FLATS	0	0
DO NOT CRAM IN MORE HOUSES	0	0
PARTIAL REGENERATION	0	0
REDUCE AMOUNT OF TRAFFIC	0	0
HELP LOCAL ECONOMY	0	0

QUESTION 3*Is the property?*

	NUMBER	PERCENTAGE
Flat	0	0
Semi detached House	37	100
Detached House	0	0
TOTAL	37	100

QUESTION 4*How many bedrooms does the property contain?*

	NUMBER	PERCENTAGE
Q4 - 1 BEDROOM	0	0
Q4 - 2 BEDROOM	23	62
Q4 - 3 BEDROOM	7	19
Q4 - 4 BEDROOM	7	19
Q4 - 5 BEDROOM	0	0
TOTAL	37	100

QUESTION 5*Are you happy with the general state of repair of the property?*

	NUMBER	PERCENTAGE
Q5 - REPAIR YES	17	47
Q5 - REPAIR NO	19	53
TOTAL	36	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q5 - REPAIR NO - DOORS	8	22
Q5 - REPAIR NO - KITCHEN	7	19
Q5 - REPAIR NO - BATHROOM	5	14
Q5 - REPAIR NO - WALLS	4	11
Q5 - REPAIR NO - DAMP/MOULD	3	8
Q5 - REPAIR NO - WINDOWS	2	5
Q5 - REPAIR NO - FENCING	2	5
Q5 - REPAIR NO - FLOOR	2	5
Q5 - REPAIR NO - LAYOUT WRONG	1	3
Q5 - REPAIR NO - WIRING	1	3
Q5 - REPAIR NO - GARDEN/ PAVING	1	3
Q5 - REPAIR NO - NEED WIDER STAIRCASE	1	3
Q5 - REPAIR - NO - ENTRANCE	0	0
Q5 - REPAIR NO - DECORATION	0	0
Q5 - REPAIR NO - PIPEWORK	0	0
Q5 - REPAIR NO - DIY REPAIRS FROM PREVIOUS TENANT (EXCHANGE)	0	0
Q5 - REPAIR NO - ASBESTOS	0	0
Q5 - REPAIR NO - BOILER PROBLEM	0	0
Q5 - REPAIR NO - REPAIRS NOT PROMPT	0	0
Q5 - REPAIR NO - CEILING	0	0
Q5 - REPAIR NO - COUNCIL SAYING NOT DOING SOME REPAIRS	0	0
Q5 - REPAIR NO - ROOF	0	0
Q5 - REPAIR NO - GUTTERING	0	0
Q5 - REPAIR NO - FIRE/HEATERS NEEDS REPAIRING	0	0
Q5 - REPAIR NO - VENT OFF WALL	0	0
Q5 - REPAIR NO - DRAINAGE	0	0
Q5 - REPAIR NO - SOUNDPROOFING	0	0
Q5 - REPAIR NO - BACK STEPS TOO STEEP	0	0

QUESTION 6

Are you happy with the general state of the neighbourhood in which you live?

	NUMBER	PERCENTAGE
YES	20	56
NO	16	44
TOTAL	36	100

If you ticked no please could you give specific reasons why you are not happy

	NUMBER	PERCENTAGE
Q6 - NEIGHBOURHOOD NO - RUBBISH	6	21
Q6 - NEIGHBOURHOOD NO - PLANTERS	6	21
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRINKING	5	18
Q6 - NEIGHBOURHOOD NO - NEIGHBOURS	3	11
Q6 - NEIGHBOURHOOD NO - TROLLIES	2	7
Q6 - NEIGHBOURHOOD NO - LOOK OF PLACE	1	4
Q6 - NEIGHBOURHOOD NO - NOISE	1	4
Q6 - NEIGHBOURHOOD NO - BOARDED UP PROPERTIES	1	4
Q6 - NEIGHBOURHOOD NO - GARDENS NOT MAINTAINED	1	4
Q6 - NEIGHBOURHOOD NO - ASB	1	4
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT TAKING CARE/PRIDE IN THEIR HOMES	1	4
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM FIGHTING	0	0
Q6 - NEIGHBOURHOOD NO - DISTURBANCE FROM DRUGS	0	0
Q6 - NEIGHBOURHOOD NO - PEOPLE NOT WORKING	0	0
Q6 - NEIGHBOURHOOD NO - EVERYTHING	0	0
Q6 - NEIGHBOURHOOD NO - NEED PARKS FOR YOUTHS	0	0
Q6 - NEIGHBOURHOOD NO - STEPS TO PROPERTY	0	0
Q6 - NEIGHBOURHOOD NO - SPEEDING/STATE OF ROUNDABOUT	0	0
Q6 - NEIGHBOURHOOD NO - MORE POLICE PRESENCE	0	0
Q6 - NEIGHBOURHOOD NO - COMMUNITY CLUB NEEDED	0	0
Q6 - NEIGHBOURHOOD NO - CARS BEING SOLD AND WORKED ON	0	0
Q6 - NEIGHBOURHOOD NO - LOTS OF WHEELIE BINS	0	0
Q6 - NEIGHBOURHOOD NO - PLAYPARK NEEDS REPAIR	0	0
Q6 - NEIGHBOURHOOD NO - DOGS RUNNING ABOUT	0	0

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QUESTION 7

How many people live in the property?

	NUMBER	PERCENTAGE
NUMBER IN PROPERTY - 1	3	8
NUMBER IN PROPERTY - 2	7	19
NUMBER IN PROPERTY - 3	11	31
NUMBER IN PROPERTY - 4	9	25
NUMBER IN PROPERTY - 5	4	11
NUMBER IN PROPERTY - 6	0	0
NUMBER IN PROPERTY - 6+	2	6
TOTAL	36	100

QUESTION 8

If redevelopment were to take place would you like to move back to the area as a Council tenant?

	NUMBER	PERCENTAGE
YES	11	32
NO	23	68
TOTAL	34	100

SIGNED BY RESIDENT

	NUMBER	PERCENTAGE
SIGNED - YES	34	87
SIGNED - NO	5	13
TOTAL	39	100

Taunton Deane Borough Council

Executive – 10 October 2012

Retained Business Rates – Formation of a Somerset Rate Pool

Report of the Corporate and Client Lead

(This matter is the responsibility of Executive Councillor Stock-Williams)

1. Executive Summary

This report provides background to the Government's proposals in the Local Government Finance Bill which will allow authorities to retain a proportion of the business rates revenue generated in a local area with effect from 1st April 2013.

In particular the report concentrates on the provision within the Bill that enables local authorities to form a pooling arrangement and thus maximise the retention of business rates generated locally.

Creating a business rates pool will ensure the maximum possible amount of business rates collected in Somerset remain in the county, and it provides opportunities for the six councils to work together to deliver enhanced economic prosperity for the county as a whole.

2. Background

- 2.1 The subject matter of this report has previously been before Corporate Scrutiny, on 20 September 2012. During the meeting a slight revision was made to what are now the second and fourth recommendations within this report. This change was to include Group Leaders within the recommendations. The Committee unanimously supported the proposed approach to rate pooling.**
- 2.2 One of the features of the Local Government Finance Bill, currently going through Parliament, is instead of all business rates going straight into the Treasury, a proportion of the business rates revenue generated in a local area will be retained by the relevant local authorities.
- 2.3 Business rates retention is intended to provide incentives for local authorities to drive economic growth, as the authorities will be able to retain a share of the growth that is generated in business rates revenue in their areas, as opposed to the current system where all business rates revenues are held centrally. The government has announced that the share to be paid to central government from business rates collected will be 50%. Therefore 50% of business rates will be retained locally (40% District, 9% County Council and 1% Fire authority - the Police are excluded from rate funding).

- 2.4 The proposals do not include any changes to the system of business rates, such that businesses will not see any change to the way that the rates are set, how they pay, how much they pay or to the authority from whom they receive their bill or make payment to . Rate-setting powers will remain under Central Government control and the revaluation process will also remain unchanged.
- 2.5 For each authority, a funding baseline position is set, based on their 2012 funding settlement and their average business rates collected over the last 5 years. The overall level of funding to each authority from Central Government for 2013/14 will reflect the amount which would have been receivable from Formula Grant (i.e. grant and share of redistributed business rates) had there been no change to the system.
- 2.6 The business rates baseline is achieved by first splitting the average business rates yield in each 'collection authority' (in Somerset the District Councils, such as TDBC are the 'collection authorities') in the following proportions:
- 50% - to Central Government
 - 9% - to the County Council
 - 1% - to the Fire Authority
 - 40% - retained by the District (the District's Business Rates Baseline')
- 2.7 In Taunton Deane's case, the amount represented by the 40% rates to be retained is then compared against the authority's 'Funding Baseline' (i.e. the level of support that the Government has determined that authority should receive at the transition point). If the Business Rates Baseline is greater than the Spending Baseline then the difference will have to be paid to the Central Government as a 'Tariff'. Conversely, if the Funding Baseline is higher then the Government will pay the authority the difference through a 'Top Up' payment. The Top Ups and Tariffs will automatically increase each year, for inflation. This effectively gives Top Up authorities a guaranteed increase on part of their resources, but means that a Tariff authority would effectively face a fall in resources if the business rate base falls or remains static.
- 2.8 In two-tier areas 80% of the local share of business rates (40% of total rates) will be retained by district councils. One of the consequences of this is that county councils will be "top up" councils as their business rates income will fall a long way short of their funding needs. Districts in two tier areas will usually be subject to paying a tariff as their business rates income greatly exceeds their funding requirement. This is the case for all Somerset District Councils.
- 2.9 At the end of a financial year, DCLG will calculate whether a levy payment was due from an authority. It will do this by comparing an authority's pre-levy income under the business rates retention scheme with its baseline funding level. This ensures that an authority who increases its business rates by 1% only receives a 1% increase in its overall spending power. Levies are applied to tariff authorities only.
- 2.10 This means that TDBC, even if it grows its business rate base will only benefit from a relatively small proportion of that growth and the remainder will be returned to the government as a levy.

3. Pooling

- 3.1 The Local Government Finance Bill also allows local authorities to form pools for the purposes of business rates retention. It is expected that pooling could offer local authorities an opportunity to retain more of the rates generated in their local areas and could allow them to use that additional revenue more effectively to drive future economic growth, which in turn should increase future business rates yield.
- 3.2 Modelling done so far on what details of the scheme are known suggests that pooling by all Districts and the County Council will be beneficial and provide additional funding for Somerset Councils to spend. The financial advantage is achieved due to there being a lower collective levy rate applied to growth as a pool than would be the case if the Somerset Councils acted alone – so the region would pay a reduced levy payment to central government should growth occur.
- 3.3 The table in **Appendix A** illustrates the possible benefits of pooling in Somerset, at different assumed business rate growth levels.
- 3.4 When authorities decide to enter into a pooling arrangement, a single funding baseline and single business rates baseline will be calculated for the whole pool. This has the effect of offsetting the District tariffs with the County's top-up, meaning that a combined tariff and levy is applied to the pool's business rates revenue as opposed to this being applied to each individual authority. This can deliver significant collective benefits for those involved in the pool.
- 3.5 If a pool is dissolved then all member authorities would revert to their individual baselines, tariffs and levies.
- 3.6 Over the last few years, local authorities have increasingly been working together in different ways: delivering services; sharing back office functions to deliver efficiency savings; and collaborating on issues that affect their wider area as part of Local Enterprise Partnerships. Government supports such joint-working between local authorities and wants to encourage it.
- 3.7 As such, the rates retention scheme provides local authorities with the opportunity to come together where they wish to do so to pool business rates and build growth across a wider area.
- 3.8 Pooling business rates should:
 - a) provide a new tool to deliver what is needed to promote growth and jobs, allowing investment decisions to support economic priorities
 - b) encourage collaborative working across local authorities, rather than constraining activity within administrative boundaries
 - c) allow the benefit from investment in economic growth to be shared across the wider area – potentially providing a growth dividend to pool partners

- d) help local authorities manage volatility in income by sharing fluctuations across the pool

4. Options considered

- 4.1 Individual authorities have the option to join a pool with any other authority or remain separate. The S151 Officers within the six local authorities in Somerset have considered the advantages and disadvantages of both and believe the case for a countywide pooled approach should be considered.

5. Consultations

- 5.1 Ongoing discussions have taken place between S151 Officers and internally at officer and member level within individual local authorities. Each authority will be using this standard report to brief members and secure any necessary approvals. The S151 Officers do not believe there are any wider impacts either on local businesses or partners requiring consultation.

6. Pooling Proposals

- 6.1 The DCLG required authorities considering the formation of a pool to lodge a **non-binding expression of interest** by 27 July 2012. Following discussions between the S151 Officers of the County and five Somerset District Councils the intention to form a Somerset Pool was communicated to DCLG by the deadline given.
- 6.2 The DCLG subsequently set an interim deadline (10 September 2012) for the delivery of further information to confirm that the pooling proposals were continuing to be developed. A meeting of the Somerset Finance Officers (S151 Officers) and additional senior officers on 4 September 2012 further considered the implications of a Somerset Pool together with scrutinising financial modelling of different growth scenarios. The overwhelming consensus was that the formation of a Somerset Pool could provide significant local benefit and reduced financial risk. However, it may increase financial risks in extreme cases where rate income within the pool falls dramatically and the impact and share of this risk will need to be agreed. Accordingly, it was agreed that further development work be undertaken and that DCLG should be informed of the continued intention to form a local pool. Again this being non-binding.
- 6.3 Ultimately final approval of pool membership, together with details of governance arrangements require sign-off by each authority's Chief Executive and S151 Officer and must be delivered to the DCLG by 9th November 2012 (this deadline was 19th October but has been extended subsequent to the report before Corporate scrutiny in September).
- 6.4 The development of a Somerset Pool would be based on the following assumptions:-
- The significant additional funding retained in Somerset comes from the countywide Somerset Pool having a significantly lower levy rate than individual Districts. This means that less of the growth in business rates is paid over to central government and remains in Somerset.

- The intention is that no authority would be worse off inside the pool, than if they had elected not to pool.
- The distribution methodology of any 'bonus' arising (after meeting any financial implications of the above bullet) should consider the creation of a Somerset Safety Net to manage financial risk and hardship, recognise economic growth rates of individual authorities and support additional economic development projects.
- That the risk of pool losses and their likelihood as well as methodology for dealing with any such losses is clear within the governance arrangement.

6.5 It should be noted that any authority can only be a member of one pool.

6.6 DCLG will announce the draft Local Government Finance Settlement in late November / early December, which will set the starting point for the new business rates and this will confirm the tariffs, top up and levy rates for each council, together with their spending baselines and should confirm the benefits arising through this pooling arrangement.

6.7 Councils have the opportunity, during the financial settlement consultation period, to decide to withdraw from a pooling arrangement if they decide that it does not offer the benefits they had thought. If this happens, then the DCLG legislation requires the pool to be immediately dissolved for 2013/14 and the affected councils would have to restart the process of applying to create a new pool in the following year.

7. Conclusions

7.1 The retention of business rates significantly changes the landscape of local government finance.

7.2 Pooling offers the potential to deliver more benefits to Somerset, smooth rate volatility and promotes closer working relationship between county and district authorities.

8. Finance Comments

8.1 At present the financial implications cannot be quantified with accuracy, however modelling suggests that the potential financial benefits of forming a pool significantly outweigh the relatively remote possibility of financial detriment.

8.2 There is however a risk with pooling due to the pool having a higher safety net threshold than each individual authority, so although we would benefit from growth we could lose from a reduction in businesses rate income in Somerset to a greater level than we might acting alone.

8.3 The principle put forward to the pooling discussions is that TDBC should be in no worse a situation if it were in a pool than if it were to remain outside the pool.

8.4 The indications are that this would remain true in all but exceptional circumstances (e.g. the total loss of rate income from several major ratepayers across the County during the same financial year) and that overall being in the pool is more likely to lead to greater growth or better protection than remaining outside.

8.5 The authority can decide not to be part of the pool, and withdraw our expression of interest, once the provisional settlement figures are announced in November / December. The continuation of the pool from 1st April 2013 has to be agreed by the pool members annually.

9. Legal Comments

9.1 An overarching Somerset pool members agreement will be required that will set out the terms, operating policies and redistribution methodology of the business rates to each member council. The government will issue details of the new Business Rates regime and at this stage those councils who have expressed an interest to participate in the pooling arrangement can progress discussions, and propose detailed arrangements on a non-binding basis.

10. Links to Corporate Aims

10.1 Business rates pooling would support the growth strategies of this Council.

11. Environmental Implications

11.1 Environmental implications are linked to the general impact of a drive toward increased growth of commercial properties, which the Government is hoping this change to Local Government funding will encourage. There are implications relating to increased pressures on green space, carbon emissions, water and air quality and water stress linked to increased development which would require careful management.

12. Community Safety Implications

12.1 There are no specific community safety implications arising from these proposals as they stand.

13. Equalities Impact

13.1 There are no adverse differential impacts on any particular section of the community arising from the proposal to form a Somerset Pool.

14. Risk Management

14.1 The introduction of business rate retention brings about a transfer of risk from the Government to local authorities. Presently TDBC carries no financial risk should business rate income fall from one year to another. This risk is currently entirely carried by central government.

14.2 From 2013/14 rate retention introduces new risk to TDBC, **whether we are inside or outside of a pool** as a decline in rate income would lead to a reduction in Council funding.

14.3 The Government propose to put in place a mechanism to support authorities if a significant reduction in business rates revenue arises. A Safety Net payment is made to support Councils who lose a significant amount of Business Rates. The Safety Net

would be triggered by rate decline which is likely to be equal to a 10% of our funding baseline. The Safety Net would make up the difference to that set percentage. For TDBC this would mean we would carry the risk of having to fund the first £250k of any rate shortfall based on our likely funding baseline.

- 14.4 A downside of pooling is that (while it is part of a pool) an authority automatically foregoes the Government safety net arrangements that would have applied to that individual authority. Instead it is dependant on the success and distribution arrangements of the pool, as pooling effectively treats all councils within the pool as one authority for business rates purposes.
- 14.5 Under a pooling arrangement, a Safety Net payment would be triggered according to the baselines of the pool rather than the individual authorities. This would mean that the safety net would not be triggered until the rates across the pool fell by approx £7.5m across the pool area. A key part of the governance arrangements which would need to be agreed for a pool would be to agree how any rate losses (and surplus) would be funded by the pool.
- 14.6 For rates income to fall by this amount over the pool it would require significant rate reductions in each district or a dramatic fall in one or two districts involving the total loss of rate income of several of the highest ratepayers. For 2013/14, having reviewed the major ratepayers within the County, this scenario is felt by the S151 officers to be unlikely. However, for subsequent years, if the pool were to continue, it is vital for each district to review the likelihood of such an event occurring and make its decision on whether to continue to be part of the pool in light of that projection.
- 14.7 In a scenario where one district were to see its rate income fall and the others grew, pooling could significantly reduce Authorities exposure to Business Rates income volatility and financial risks through loss of direct income if businesses go into decline, as these risks are spread across a much larger pool, hence smoothing out any such volatility.
- 14.8 The pooling of Business Rates can vary from all Business Rates being pooled and then re-distributed or to only the Levy payment saving being pooled. The Somerset pool proposes that only the levy payments would be pooled. Each authority would receive the allocation of growth they would have received if they were not in the pool. Any surplus levy effectively underwrites any safety net payment and provides a pool for distribution of monies that otherwise would have been paid back to the Government.
- 14.9 It is felt most likely that rate growth across the pool area would increase slightly above RPI during 2013/14, mirroring the trend over the past 5 years. In such a case the risk of loss of rate income in 2013/14 is felt to be low.

15. Partnership Implications

- 15.1 This would be one of the most important agreements between Somerset authorities as it would cover the Council's core funding.

Business rates within Taunton Deane will continue to be billed and collected by Southwest One revenues and benefits team.

16. Recommendations

16.1 The Executive agrees that:-

- Taunton Deane should continue to progress forming a rating pool, comprising the five Somerset District Councils, together with the County Council for the financial year 2013/14 (with effect from 1 April 2013);
- the detailed governance and operating arrangements of the pool should be delegated to the S151 officer and Chief Executive, in consultation with the political Group Leaders.
- the County Council continues to act as the lead authority and coordinator for the pool;
- the Chief Executive and S151 officer be empowered to sign on behalf of the Council to request DCLG to designate the Somerset Pool, in line with DCLG timescales, together with approval of the detailed governance arrangements.
- If, on receipt of the provisional settlement figures, or if we cannot agree satisfactory arrangements for governance and surplus /loss sharing, that the decision to leave the pool will be made by the S151 officer and Chief Executive in consultation with the political Group Leaders.

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Background Papers

The Government have produced three papers relating to rate retention and pooling which members may find helpful to supplement the information provided within this report.

Proposals for Business Rates Retention - A Plain English Guide (3 pages)

<http://www.communities.gov.uk/documents/localgovernment/pdf/2182624.pdf>

Business Rate Retention - A Step by Step Guide (6 pages)

<http://www.local.communities.gov.uk/finance/brr/sumcon/stepbystep.pdf>

Business Rate retention Scheme: Pooling prospectus (21 pages)

<http://www.communities.gov.uk/documents/localgovernment/pdf/2182704.pdf>

Illustration of Possible Benefits of Pooling In Somerset

Allocations

Appendix A

	Real Terms Decline (RPI = 3%)				Default 4%	Real Terms Growth (RPI = 3%)			
	-4%	-2%	0%	2%		6%	8%	10%	12%
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Somerset County Council	59.327	59.619	59.912	60.205	60.531	60.790	61.052	61.375	61.670
Mendip	2.525	2.525	2.700	2.777	2.842	2.886	2.941	2.995	3.050
Sedgemoor	2.993	3.226	3.300	3.366	3.436	3.498	3.564	3.630	3.696
South Somerset	3.189	3.367	3.501	3.571	3.643	3.711	3.782	3.852	3.922
Taunton Deane	2.353	2.518	2.570	2.621	2.683	2.724	2.775	2.826	2.878
West Somerset	1.224	1.249	1.275	1.300	1.328	1.351	1.376	1.402	1.427
Total	71.610	72.504	73.256	73.840	74.462	74.960	75.490	76.080	76.642
Pool	71.363	72.931	74.419	75.907	77.566	78.884	80.373	81.861	83.349
Gain/Loss	- 0.247	0.427	1.163	2.067	3.104	3.924	4.883	5.781	6.707

Pooling Within Somerset

	Growth Rate %	Funding Baseline	Business Rates Baseline	Tariff or Top-Up		Levy Rate	2013/14 Allocation
		£	£	£			£
Somerset County Council		59,548,795	14,269,344	45,279,451	Top-up		60,530,585
Mendip	4.38	2,729,446	12,495,946	- 9,766,500	Tariff	78.2%	2,842,046
Sedgemoor	4.14	3,235,839	13,659,843	- 10,424,004	Tariff	76.3%	3,436,320
South Somerset	4.03	3,447,636	17,131,894	- 13,684,258	Tariff	79.9%	3,642,510
Taunton Deane	4.41	2,488,148	15,754,404	- 13,266,256	Tariff	84.2%	2,682,846
West Somerset	4.19	1,122,644	4,377,219	- 3,254,575	Tariff	74.4%	1,327,962
Total	RRI = 3%						74,462,269
Pool		72,572,508	77,688,650	- 5,116,142	Tariff	6.6%	77,565,795
Gain/(Loss)							3,103,526

05/12/2012, Report:2013/2014 Provisional Budget Proposals and Savings Plans
Reporting Officers:Paul Fitzgerald

05/12/2012, Report:Quarter 2 Performance Report
Reporting Officers:Dan Webb

05/12/2012, Report:Fees and Charges Report
Reporting Officers:Maggie Hammond

05/12/2012, Report:Overview of the Voluntary and Community Sector grants and Service Level Agreement payments for 2013/2014
Reporting Officers:Lisa Redston

05/12/2012, Report:Earmarked Reserves and Provisions
Reporting Officers:Maggie Hammond
Contains exempt information requiring private consideration: Yes
Exempt reason:Possibly. If Members wish to ask specific questions on the reserves relating to Southwest One, the matter would need to be dealt with in private.

05/12/2012, Report:Revenues and Benefits Feasibility Study
Reporting Officers:Richard Sealy
Contains exempt information requiring private consideration: Yes
Exempt reason:The report will contain information on individuals and financial and business affairs.

05/12/2012, Report:Community Right to Bid
Reporting Officers:Tonya Meers

16/01/2013, Report:Community Infrastructure Levy - Draft Charging Schedule
Reporting Officers:Nick Bryant

16/01/2013, Report:2013/2014 Council Tax Base
Reporting Officers:Paul Fitzgerald

16/01/2013, Report:Draft Corporate Business Plan
Reporting Officers:Simon Lewis

16/01/2013, Report:2013/2014 Business Rate Tax Base
Reporting Officers:Paul Fitzgerald

16/01/2013, Report:Asset Management Plan
Reporting Officers:John Sumner

06/02/2013, Report:2013/2014 Capital Programme Estimates
Reporting Officers:Paul Fitzgerald

06/02/2013, Report:2013/2014 Housing Revenue Account Estimates
Reporting Officers:Paul Fitzgerald

06/02/2013, Report:2013/2014 General Fund Revenue Estimates

Reporting Officers:Paul Fitzgerald
Contains exempt information requiring private consideration: Yes
Exempt reason:The report will contain information on individuals and financial and business affairs.

06/02/2013, Report:2013/2014 Council Tax Setting

Reporting Officers:Paul Fitzgerald

06/02/2013, Report:Swimming Pool Provision in Taunton

Reporting Officers:Simon Lewis

06/02/2013, Report:Somerset Waste Partnership Draft Business Plan

Reporting Officers:Richard Sealy

13/03/2013, Report:Planning toolkit for handling large scale and complex development proposals

Reporting Officers:Tim Burton