

You are requested to attend a meeting of the Council to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 15 May 2013 at 19:30.

Agenda

The meeting will be preceded by a Prayer to be offered by the Mayor's Chaplain.

- 1 To report any apologies for absence.
- 2 To receive any communications.
- 3 To receive questions from Taunton Deane Electors under Standing Order 15.
- 4 To receive petitions or deputations from Taunton Deane Electors under Standing Orders 16 and 17.
- 5 Declaration of Interests
To receive declarations of disclosable pecuniary interests or personal or prejudicial interests, in accordance with the Code of Conduct. The usual declarations made at meetings of Full Council are shown on the attachment.
- 6 To consider the following recommendations from the meeting of the Executive held immediately before the meeting of Full Council in connection with the proposal to build a Swimming Pool at Blackbrook Pavilion Sports Centre, Blackbrook Way, Taunton. A copy of the Executive's agenda and report have been circulated to all Members.

Recommendations to be tabled at the meeting.

- 7 To receive the following recommendations from the Executive:-
 - (i) Councillor Norman Cavill - Recommendation relating to Asset Strategy Project Funding;
 - (ii) Councillor Mark Edwards - Recommendation relating to the introduction of the Community Infrastructure Levy in Taunton Deane – Declaration under Section 212(4) of the Planning Act 2008;
 - (iii) Councillor Vivienne Stock-Williams - Recommendation relating to the Council Accommodation and Customer Access Project – Project Mandate.

- 8 Potential Purchase of the Brewhouse Theatre and Options for the Future. Report of the Strategic Director (attached). Also see Confidential Appendix at Agenda Item No. 9.

Reporting Officer: Brendan Cleere

The following items are likely to be considered after the exclusion of the press and public because of the likelihood that exempt information would otherwise be disclosed relating to the Clause set out below of Schedule 12A of the Local Government Act 1972.

- 9 Confidential Appendix relating to the potential purchase of The Brewhouse Theatre, Taunton (to follow). Also see Agenda Item No. 8.

Tonya Meers
Legal and Democratic Services Manager

26 June 2013

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

Council Members:-

Councillor L Lisgo, MBE (Deputy Mayor)
Councillor T Hall (Mayor of Taunton Deane)
Councillor J Adkins
Councillor J Allgrove
Councillor J Baker
Councillor A Beaven
Councillor C Bishop
Councillor R Bowrah, BEM
Councillor S Brooks
Councillor N Cavill
Councillor S Coles
Councillor B Denington
Councillor D Durdan
Councillor K Durdan
Councillor M Edwards
Councillor H Farbahi
Councillor M Floyd
Councillor E Gaines
Councillor A Govier
Councillor J Govier
Councillor K Hayward
Councillor R Henley
Councillor C Herbert
Councillor C Hill
Councillor M Hill
Councillor J Horsley
Councillor J Hunt
Councillor L James
Councillor R Lees
Councillor S Lees
Councillor J Meikle, MBE
Councillor N Messenger
Councillor I Morrell
Councillor B Nottrodt
Councillor U Palmer
Councillor H Prior-Sankey
Councillor D Reed
Councillor J Reed
Councillor S Ross
Councillor T Slattery
Councillor G Slattery
Councillor F Smith
Councillor P Smith
Councillor V Stock-Williams
Councillor P Stone
Councillor B Swaine
Councillor P Tooze
Councillor J Warmington
Councillor P Watson

Councillor E Waymouth
Councillor D Webber
Councillor A Wedderkopp
Councillor D Wedderkopp
Councillor J Williams - Leader of the Council
Councillor G Wren

Usual Declarations of Interest by Councillors

Full Council

- **Members of Somerset County Council – Councillors A Govier, Henley, Prior-Sankey and D Wedderkopp**
- **Employees of Somerset County Council – Councillors Mrs Hill and Stone**
- **Employee of Sedgemoor District Council – Councillor Slattery**
- **Employee of Job Centre Plus – Councillor Henley**
- **Employee of UK Hydrographic Office – Councillor Tooze**
- **Employee of Natural England – Councillor Wren**
- **Somerset Waste Board representatives – Councillors Hayward and Ross**
- **Director of Southwest One – Councillor Nottrodt**
- **Alternate Director of Southwest One – Councillor Ross**
- **Tone Leisure Board representatives – Councillors D Durdan and Stone**
- **Part-time Swimming Instructor – Councillor Swaine**
- **Member of the Board of Governors at Somerset College – Councillor Gill Slattery**
- **Patron of Supporters, Taunton Women’s Aid – Councillor Gill Slattery**
- **Owner of land in Taunton Deane – Councillor Farbahi**

Taunton Deane Borough Council

Council Meeting – 15 May 2013

To receive the following recommendations from the Executive:-

(i) Councillor Norman Cavill

Asset Strategy Project Funding

Central Government have provided a clear direction to local authorities to make better use of property assets in order to minimise Council Tax increases and protect services.

In January 2013, the Executive formally adopted a new Asset Management Plan (AMP). At the time it was understood that the AMP was a relatively low level plan, which largely set out the approach to our existing property assets.

Consequently the adoption of the AMP was subject to a more detailed and strategic review of our approach to asset management being undertaken following the agreement of the Corporate Business Plan.

The Business Plan recognises that to achieve this objective we need to bring in specialist external expertise to assist the Council in developing a new Asset Strategy.

The objective of the review is to develop a new Asset Strategy, which maximises the return from our assets (both financially and in terms of delivering Taunton Deane's Corporate Objectives) and which provides a clear decision making framework for future property asset decisions.

Specifically the new Asset Management Strategy and decision making framework will:-

- i) Ensure the Council makes best use of its property assets to deliver the Corporate Objectives and to help deliver financial sustainability;
- ii) Clearly articulate the balance between financial return and wider objectives;
- iii) Clearly reflect the Council's appetite for risk and reward; and
- iv) Provide a clear framework for future decisions about acquisitions and disposals, with appropriate levels of delegations regarding decisions.

Once developed and agreed by Members the new Asset Strategy and decision making framework will be applied to our existing and future assets by the Property Service.

The new Asset Strategy will encompass Taunton Deane's approach to all of our non-housing property assets. Clearly this project will overlap with and will need to

support and inform other projects such as the Accommodation and Customer Access Project (referred to in recommendation (iii) below).

Once the external expert is appointed, the strategy development work will then commence. It is not anticipated this will take a significant amount of time (as this is about developing a strategy and is not a detailed asset review). In fact, it is likely that between 20 and 30 days of external consultancy will be required at a potential cost of £40,000, although efforts would be made to minimise the cost involved.

The strategy development work will include the review of our current AMP and Corporate Business Plan and will also involve input from Members, the Corporate Management Team and the Property Service.

A draft strategy and decision making framework (or options for different strategies and frameworks) will then be brought to Members through the normal Scrutiny, Executive and Full Council process for agreement. The draft strategy and decision making framework will include details of the impact on our current property portfolio if it were to be adopted.

It is hoped the new Asset Strategy will be ready for adoption in October 2013.

Once agreed the new strategy will inform the AMP and be applied to our existing and future assets by the Property Service.

As Members will have seen from the edition of the Weekly Bulletin issued on 2 May 2013, I am supporting this proposal and therefore **recommend** that:-

- (1) £40,000 be allocated from the General Fund Reserve to fund the procurement of external expertise to enable a new Asset Strategy to be developed; and
- (2) It be noted that costs will be minimised wherever possible and any under spend will be returned to the General Fund Reserve.

(ii) Councillor Mark Edwards

Introduction of the Community Infrastructure Levy in Taunton Deane – Declaration under Section 212(4) of the Planning Act 2008

When the Council submits its Community Infrastructure Levy (CIL) Draft Charging Schedule for Examination it must be accompanied by a Declaration that:-

- (a) It has complied with the requirements of Section 212(4) of the Planning Act 2008 and CIL Regulations (including the requirements to have regard to the matters listed in Sections 211(2) and (4));
- (b) The charging authority has used appropriate available evidence to inform the draft Charging Schedule, and
- (c) Deals with any other matters prescribed by CIL Regulations.

This Declaration is set out in full in the attached Appendix.

As Members will have seen from the edition of the Weekly Bulletin issued on 2 May 2013, I am supporting this proposal and therefore **recommend** that the Council approves the Declaration under Section 212(4) of the Planning Act 2008.

(iii) Councillor Mrs Vivienne Stock-Williams

Council Accommodation and Customer Access Project – Project Mandate

One of the recommendations contained in the report considered by the Executive last year in connection with The Deane House Accommodation Project was to look comprehensively at the Council's future accommodation needs in the light of the priorities identified in the Corporate Business Plan (CBP).

A mandate to undertake this review, which would also need to take into account access to services, was now required.

The latest Customer Access Strategy was approved in 2005 as part of the Southwest One project. This needed to be revisited and updated in the light of both social and technological changes and the Council's changing role.

Other Councils are very much in the same position and are, or have, re-considered their approach to accommodation (with a view to reducing their overheads) and their customer access. In Somerset there are several Councils, including the County Council, who have implemented "smart office" standards to release space which can then be let out to other organisations.

In the current economic climate it is important for the Council to consider its overhead costs and seek to reduce these. The recent report about the opportunity to share The Deane House with the Police showed that the investment required to bring the building up to modern day standards outweighed the financial return that the Council was likely to receive from rental income sharing with only one other organisation.

However, some of this investment will be required for any option that retains The Deane House as an office base. As such, it is proposed to commission a full condition survey of The Deane House as part of this project so that the true costs of continuing within this building are understood.

It is appropriate that the Council considers all the options available to it for the future. The scope of the project will therefore include:-

- To remain as sole / key occupier at The Deane House;
- To review the business case for making changes to The Deane House in order to make it fit for purpose for sharing with other partners;
- Joining a public sector hub at another location;
- Moving as sole occupier to another location;

- Dispersing the Council to a number of locations within the community; and
- To review all customer access channels: web, physical premises, telephone, social media;

All of these will have impact (both positive and negative) on the communities the Council serves and each will need to be assessed as to this impact.

The fundamental outputs from this project must be:-

- (1) A Business Case to provide flexible office accommodation for staff and Members which reduces our overhead costs; and
- (2) A Business Case to provide customer access to Taunton Deane services that is cost effective for the Council and best meets the future needs of its customers.

The Key Assumptions that will need to be considered are:-

- Any option will include looking at different ways of working;
- Any option will include solutions for travel / parking arrangements;
- The accommodation solution will be cheaper than the current provision;
- The accommodation solution will always comply with minimum standards laid down in the Workplace (Health, Safety and Welfare) Regulations 1992;
- Not all staff will have a permanent desk;
- Customer access arrangements will cost no more than currently on an ongoing basis.

It is important for the Council to undertake this work in the near future to ensure that:-

- The Council has customer access that is fit for purpose;
- To drive down costs;
- To make the most of the Council's resources;
- To enable decisions on investment priorities; and
- To ensure that any opportunities to share overheads are not missed.

The project will require project management resource above the day to day work of the Council plus funding to employ external expertise in the areas of property advice and advice on the possibilities of updating the way Taunton Deane works and the Council's interaction with customers, including new technologies.

Such funding – estimated in the region of £70,000 – will pay for the external expertise as well as a Project Manager to work three days a week on this project for up to a nine month period plus some dedicated administrative support for two days a week. Any monies not used will be returned to the General Fund at the end of the project.

The timescales for reporting on this project are as follows:-

- Commission project - May 2013;

- Project Team set up - May 2013;
- First draft of options - October 2013;
- Business case for both accommodation and customer access to Scrutiny October / November 2013;
- Full Council decision - December 2013.

This topic was discussed at the meeting of the Community Scrutiny Committee on 2 April 2013. Although the recommendations were supported, concerns were raised on the following issues:-

- Consideration should be given to ensuring the Council continues to serve those who do not wish or are unable to use self help mechanisms;
- That the true value of our assets is established; and
- That Members are involved with the project and that the Portfolio Holders for Asset Management are included in the governance arrangements.

The first two of these points are fundamental to the project and will be covered within the work that is commissioned. Members will be involved on a regular basis via both formal and informal briefings. In addition, regular progress reports can be scheduled to be brought to the Community Scrutiny Committee prior to any final report being drafted.

As Members will have seen from the edition of the Weekly Bulletin issued on 18 April 2013, I am supporting this proposal and therefore **recommend** that:-

- (1) The Council's Accommodation and Customer Access Project is mandated by Members; and
- (2) £70,000 be allocated from General Fund Reserves to fund the costs of the project, recognising that costs will be minimised wherever possible and any under spend returned to the General Fund.

Appendix

Compliance with the Requirements of the Planning Act 2008	
Section 211	<p>In preparing the Draft Charging Schedule Taunton Deane Borough Council has had regard to the actual and expected costs of infrastructure; the economic viability of development; other actual or expected sources of funding for infrastructure; the actual or expected administrative expenses in connection with CIL; and the Statutory Guidance.</p> <p>Taunton Deane Borough Council has consulted a range of stakeholders in preparing the Draft Charging Schedule, with consultations taking place as follows:</p> <p>Preliminary Draft Charging Schedule: 29 June 2012 to 27 July 2012</p> <p>Draft Charging Schedule: 1 February 2013 to 15 March 2013</p>
Section 212	<p>Taunton Deane Borough Council has appointed the Planning Inspectorate to examine the Draft Charging Schedule, as an appropriate independent body that has suitable qualifications and experience for the task. All persons who have submitted representations about the Draft Charging Schedule have been given the opportunity to be heard by the Examiner.</p>
Section 212	<p>The following appropriate, available evidence has informed the Draft Charging Schedule:</p> <p>Taunton Deane Borough Council Infrastructure Delivery Plan June 2011</p> <p>Taunton Deane Borough Council Community Infrastructure Levy Viability Appraisal May 2012</p> <p>PDCS Summary of Consultation Responses January 2013</p> <p>Taunton Deane Core Strategy September 2012</p>
Regulation No.	Compliance with the Community Infrastructure Levy Regulations, 2010 as amended by the CIL Regulations 2011
12	<p>The Draft Charging Schedule contains the information required by the Regulations, namely (a) the name of the charging authority; (b) the rates (in pounds per square metre) at which CIL is to be chargeable in the authority's area; (c) the location and boundaries of the zones for differential rates, on an Ordnance Survey base showing grid lines and references; and (d) an explanation of how the chargeable amount will be calculated.</p>
13	<p>Taunton Deane Borough Council's differential Levy rates are compliant with Regulation 13, which enables charging authorities to set differential rates (including nil rates) by location and type of development.</p>

14	<p>In setting its differential Levy rates, Taunton Deane Borough Council has complied with Regulation 14(1), which requires that it ‘...must aim to strike what appears to the charging authority to be an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.’</p>
15	<p>A Preliminary Draft Charging Schedule was approved on 20 June 2012 and published on 29 June, together with the accompanying evidence base. Consultation occurred in accordance with the Regulations over the period from 29 June 2012 to 27 July 2012 with the prescribed consultation bodies. Comments were also invited from residents, businesses and voluntary bodies, including:-</p> <p>All parties on the LDF consultation database; The public – a press release was issued, a press advertisement published and a copy of the Preliminary Draft (and supporting documents) was made available at the Borough Council’s offices and on the Council’s website.</p> <p>25 responses were received on the Preliminary Draft Charging Schedule (PDCS). These informed the preparation of the Draft Charging Schedule, and were reported to Taunton Deane Borough Council’s Executive on 16 January 2013. Full details are contained in the CIL PDCS Consultation Responses, available on the Council’s website.</p>
16	<p>In accordance with the Regulations, the Draft Charging Schedule was published, together with relevant evidence and Representations Procedure on the Council’s website on 1 February 2013. The webpage stated that the documents could be inspected at The Deane House, Belvedere Road, Taunton. Copies were sent to each of the prescribed consultation bodies.</p> <p>In addition, all previous respondents on the Preliminary Draft Charging Schedule and consultees on the LDF Consultation database were notified of the publication of the Draft Charging Schedule.</p> <p>A local advertisement notice was placed in the Somerset County Gazette and the Wellington Weekly News.</p> <p>25 representations on the Draft Charging Schedule were received.</p> <p>All those making representations will be informed of each subsequent stage in the examination and adoption process, including submission, publication of the Examiner’s report and approval of the charging schedule by the charging authority.</p>
17	<p>The period for representations on the Draft Charging Schedule was 1 February to 15 March 2013.</p>

19	<p>Taunton Deane Borough Council will submit this Declaration and the following to the examiner in accordance with the Regulations: (a) the Draft Charging Schedule; (b) a summary of the main issues raised by the representations; (c) copies of the representations; (d) any modifications; (e) copies of the relevant evidence.</p> <p>Copies of the above documents will be made available at the Council's offices as required by the Regulations. All documents will be available on the Council's website and a statement of the fact that the documents are available for inspection and where they can be inspected will be published.</p> <p>Any modifications to the Draft Charging Schedule will be published on the Council's website and notified to all prescribed consultation bodies as required by the Regulations.</p>

Taunton Deane Borough Council

Full Council – 15 May 2013

Potential Purchase of The Brewhouse Theatre and Arts Centre, Taunton and Options for the Future

Report of Strategic Director – Brendan Cleere

(This matter is the responsibility of Executive Councillor Norman Cavill)

1. Executive Summary

This report seeks Full Council consideration of the potential purchase of the remaining lease on The Brewhouse Theatre and Arts Centre and assets within.

Trustees of The Brewhouse Theatre – an independent charity – decided to appoint administrators resulting in the closure of the venue on 21 February 2013.

Administrators are now seeking to sell the remaining 61 years of the existing lease, having carried out a marketing exercise. The Council owns the land and the lease contains a number of restrictive covenants, giving the Council powers to ensure that the use remains as a theatre.

A valuation exercise has been carried out and discussions are currently under way with administrators, with a view to the Council securing the remainder of the lease and the contents of the venue subject to Full Council approval.

There are financial implications associated with owning this property, which are outlined in the confidential Appendix.

There are risks associated with owning the property which are outlined in section 11.

An independent consultant has been appointed to advise on potential operating models and proposals emerging for the operation of the theatre. They will begin their work when there is clarity over the ownership of the venue. The work of this consultant will be overseen by a Steering Group approved by Full Council in April 2013, comprising Group Leaders, portfolio and shadow portfolio holders and the Chairman of the Taunton Cultural Consortium.

2. Background

- 2.1 Management and trustees of The Brewhouse Theatre approached the Council in early January 2013 to give notice of their severe financial predicament and to request significant additional funds to enable the venue to continue trading.
- 2.2 The Council provides a grant of £152,000 per annum to The Brewhouse, and the view was taken that there should be no further funding without a clear recovery plan, showing how the theatre could be put onto a sustainable financial footing.
- 2.3 Trustees of The Brewhouse (an independent charity) then engaged a firm called BDO – specialists in financial insolvency and administration – to advise on their options for the future. This resulted in trustees recommending an option whereby the theatre would be placed into administration and the administrators would immediately enter into a license with the Council to enable the theatre to remain open.
- 2.4 Again, the view was taken that the Council could not consider entering into a license with the administrators, due to the scale of the financial risks and uncertainties involved.
- 2.5 BDO were formally appointed as administrators of The Brewhouse on 21 February 2013 and the venue closed on that day.
- 2.6 The administration process is ongoing and BDO are currently looking to sell the remaining 61 years of the lease.
- 2.7 The Council's annual grant of £152,000 remains protected in the 2013/14 budget towards any successor venture. A further sum of £35,000 was also set aside in February 2013, to assist with any costs incurred in protecting the Council's interest in the asset and facilitating a sustainable future for the venue.

3. Potential Purchase of The Brewhouse

- 3.1 Full Council (9 April 2013) has given a mandate for continued negotiations towards the purchase of the remaining 61 year lease on the venue, as a means of both protecting the asset and having a strong role in facilitating a sustainable future for the theatre. It was agreed that the Council should act as facilitator, rather than prospective theatre operator.
- 3.2 A detailed valuation exercise has been undertaken and negotiations are ongoing with administrators over the potential acquisition of the building and contents. The Confidential Appendix (to follow) provides details of these negotiations and a number of recommendations for consideration by Full Council.

3.3 Additional 'Holding costs' for the property are estimated at up to £140,000 for a twelve month period and £69,000 for a six month period. These costs include utilities, 24 hour security, insurance and business rates.

3.4 A survey of the building has been carried out and costs associated with this are referred to in the Confidential Appendix (to follow).

4. Determining Options for the Future of The Brewhouse

4.1 An independent consultant has now been appointed to advise the Council on options for the future of the venue and also to advise on emerging interest and potential proposals to run the theatre. The consultant will start work when there is more clarity over the future ownership of the venue.

4.2 The final report of the consultant will be subject to scrutiny and further decision, if appropriate, by Executive and Full Council.

5. Finance Comments

5.1 As highlighted elsewhere in this report, there are both capital and revenue costs associated with acquiring and holding the asset. There are also costs which have been identified by the recent survey which the Council, should it acquire the building, may face an obligation to address or pass on the liability through any subsequent lease arrangement.

5.2 Further comments are provided within the Confidential Appendix.

6. Legal Comments

6.1 As the Council owns the freehold of The Brewhouse, if the Council acquires the lease, the lease will merge with the freehold and cease to exist. The Council could then grant a new lease on such terms as can be agreed with a new tenant. If the Council does not acquire the lease there is a restriction on assigning the lease to a new tenant. If the Administrator sought to assign the lease in breach of the terms of the lease then the Council could (if they chose to do so) take enforcement action through the Court.

7. Links to Corporate Aims

7.1 A vibrant arts and culture scene makes a significant contribution to the local economy and the Council's growth and regeneration priority.

8. Environmental Implications

8.1 There are no specific environmental implications arising from this report. Should the Council acquire the property, any improvements works required would need to consider environment and sustainability issues.

9. Community Safety Implications

- 9.1 24 hour security is currently in place to protect the property against potential vandalism or ant-social behaviour. If the Council acquired the property, the holding costs referred to previously in this report include continuation of 24 hour security.

10. Equalities Impact

- 10.1 The closure of The Brewhouse has impacted on many groups and individuals.
- 10.2 An Equalities Impact Assessment will be carried out in respect of any subsequent Business Case from a third party to re-open and run the theatre, which depends on the support of the Council. These matters will also be considered by the steering group referred to previously.

11. Risk Management

- 11.1 Key risks associated with this report are set out below:

Risk	Comment/Mitigation
A bid from the Council is not acceptable to the administrators	The Council will be able to exert significant influence over prospective purchasers through the terms of the lease.
The Brewhouse is acquired by a third party, resulting in a potential reduction in the amount of control that the Council can apply over the future of the venue.	Whilst the Council would lose a degree of control over the venue, the terms of the remaining lease are such that the Council can still exert substantial influence, through the terms of the lease, over the future of the venue.
The Brewhouse is acquired by a third party, who expects TDBC to provide unconditional support for their activities.	Restrictive covenants give Taunton Deane substantial influence over the use of the venue. Members are strongly advised not to lend support of any kind to any third party unless a sustainable operating model is in place. This will take some time and the independent consultant will advise in this regard.
The costs of 'holding' the asset in the event of the Council owning the venue are deemed too high and/or property related costs are prohibitively high following detailed survey.	This is a matter for members to consider in deciding whether or not to proceed with a purchase of the venue
Following purchase of the venue, the Council fails to find a party willing to operate it.	The steering group will be notified at the earliest possible stage whether any operating models have a realistic prospect of success in financial terms. It is suggested that alternative options

Risk	Comment/Mitigation
	for the venue may be needed if a successor operator cannot be found during the period to Christmas 2013.
Following purchase of the venue, there is pressure on the Council to open the doors prematurely, and without a clear and sustainable operating plan.	It is strongly advised that the Council does not bow to pressure to open the doors prematurely, without a clear and financially viable operating model in place. The independent consultant will advise on this matter.

12. Partnership Implications

12.1 There are no partnership implications at this stage.

13. Recommendations

13.1.1 Full Council is **recommended** to decide whether to proceed with the acquisition of The Brewhouse Theatre and Arts Centre, Taunton, based on the further information provided in the Confidential Appendix.

Contact: Brendan Cleere
Strategic Director
01823 356350
b.cleere@tauntondeane.gov.uk

Taunton Deane Borough Council

At a meeting of Taunton Deane Borough Council held in the John Meikle Room, The Deane House, Belvedere Road, Taunton on 15 May 2013 at 7.50 pm.

Present The Mayor (Councillor Ms Lisgo)
 The Deputy Mayor (Councillor D Durdan)
 Councillors Mrs Allgrove, Mrs Baker, Beaven, Bishop, Bowrah, Cavill,
 Coles, Denington, Miss Durdan, Farbahi, Mrs Gaden, Gaines,
 Hayward, Mrs Herbert, C Hill, Mrs Hill, Horsley, Hunt, Miss James,
 R Lees, Mrs Lees, Meikle, Morrell, Nottrodt, Ms Palmer, Prior-Sankey,
 D Reed, Mrs Reed, Ross, Gill Slattery, T Slattery, Mrs Smith, P Smith,
 Mrs Stock-Williams, Stone, Mrs Warmington, Watson,
 A Wedderkopp, D Wedderkopp and Williams

1. Apologies

Councillors Mrs Adkins, Edwards, Mrs Floyd, A Govier, Mrs Govier, Tooze and Wren.

2. Declaration of Interests

Councillors Mrs Baker, Coles, Hunt, Prior-Sankey, A Wedderkopp and D Wedderkopp declared personal interests as Members of Somerset County Council. Councillor Coles also declared a personal interest as a holder of a Leisure Card issued by Tone Leisure. Councillors Mrs Hill declared a personal interest as an employee of Somerset County Council. Councillor T Slattery declared personal interests as an employee of Sedgemoor District Council and as a holder of a Leisure Card issued by Tone Leisure. Councillor Wren declared personal interests as an employee of Natural England and as Clerk to Milverton Parish Council. Councillors Hayward and Ross declared personal interests as the Council's representatives on the Somerset Waste Board. Councillor Ross also declared a personal interest as the alternate Director of Southwest One. Councillor Nottrodt declared a personal interest as a Director of Southwest One. Councillors D Durdan declared a prejudicial interest as a Tone Leisure Board representative. He left the meeting during the consideration of the recommendation relating to the proposed new swimming pool. Councillor Gill Slattery declared personal interests as a member of the Board of Governors at Somerset College and a Patron of the Supporters of Taunton Women's Aid. Councillor Farbahi declared a personal interest as a local owner of land in Taunton Deane. Councillor D Reed declared a personal interest as a Director of the Taunton Town Centre Company.

3. Recommendations to Council from the Executive

(i) Proposal to build a Swimming Pool at Blackbrook Pavilion Sports Centre, Blackbrook Way, Taunton

At its meeting immediately beforehand, the Executive had considered a report

detailing work which had been undertaken with Tone Leisure since September last year in relation to the options for future swimming pool provision in Taunton.

The Project Team had been working on the following project objectives:-

- A suitable renovation of the Station Road Pool to increase the life of the facility by 15–20 years;
- To produce a detailed Business Case for the provision of a new Swimming Pool Facility at the agreed site of Blackbrook with the decommissioning of St James Street Pool - including how this could be funded and procured; and
- Optimisation of swimming activities for the community now and in the future.

As far as the Station Road Pool was concerned, an application to Sport England had recently resulted in £497,802 being awarded to the Council towards the refurbishment of the pool. Added to the £770,000 from unallocated capital receipts the Council had allocated to the project, the scope of the refurbishment would consist of:-

- Pool Side;
- Changing Facilities;
- Reception; and
- Pool Plant Equipment.

Work had already begun on the detailed design and procurement with an anticipated start time of October/November 2013.

One of the criteria that the application to Sport England had to meet was an increase in participation figures. This included the whole Pools Project scheme involving the closure of St James Street and the opening of a new pool.

If the new swimming pool was not advanced then swimming participation figures would be lower than those currently. Sport England had indicated that they would need to work closely with the Council to manage this and, there was a small risk that Sport England might claim some of its funding back.

In order for the St James Street Pool to remain operational and meet modern day standards a significant amount of spend would be required to rebuild the pool/building. In economic terms, trying to modernise this pool did not make sense.

Now that the detailed Business Case work had been completed there were three questions for Councillors to consider:-

- Based on the findings, did the Council wish to proceed with the build of a

new swimming pool?

- Did the Council wish to support the Business Case with an extra income generating activity of a Spa?
- Was the chosen option affordable and would the Council agree to the finance option?

The production of the Business Case had been a detailed and complex process and had been modelled on four options to provide a detailed evaluation. These options were as follows:-

4a	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and no new pool at the Blackbrook site.
4b	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and a boom to create a teaching pool (additional cost £200,000) to be included and no new pool at the Blackbrook site.
5	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and a new pool at Blackbrook site.
6	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and a new pool and Spa facility at the Blackbrook site.

The options had been modelled covering capital costs, operating income and expenditure, building life cycle costs and the potential loss of income claims for Station Road and St James Street.

The costed design for a potential pool would provide a facility that met modern day standards operationally and would provide a greatly enhanced customer experience.

The capital cost for a new pool at Blackbrook was estimated at £4,400,000 which compared well with the data base held by Sport England.

There was also an opportunity to support the Business Case further with an income generating facility - a Spa. The total Capital Cost including a Spa was estimated at £5,400,000.

The current proposal would not increase the amount of available water space. If a new pool was not built and St James Street was decommissioned this would leave the Council with one pool to service the Taunton community.

Presently St James Street Pool accommodated all of the swimming lessons and club sessions. If these were transferred to Station Road Pool, there would be a significant impact on the available public swimming for members of the public.

The design of a new swimming pool at Blackbrook would provide a wide range of facilities including a 25m x 6 lane swimming pool; 25 pool side

spectator seats; a 8m x 12m learner pool; a changing village; and a café/kitchen.

The Project Team had commissioned independent research of current users and the wider community to gauge attitudes towards a Spa proposal. The key findings could be summarised as follows:-

Non user/Community

- Blackbrook Pavilion was the leisure facility with the widest awareness in the community;
- 47% would very likely use a Spa; and
- Most popular choices of Spa facilities people would like to see were heat treatment, steam rooms, hydro therapy pool and treatment rooms.

Existing Users

- 46% would very likely use a Spa;
- 56% would definitely use a Spa at Blackbrook; and
- Most popular choices of Spa facilities people would like to see were heat treatment, steam rooms, hydro therapy pool and treatment rooms.

A range of funding mechanisms had been considered by the Project Team, including potential access to external finance through delivery by a developer, to a more traditional use of the Council's own capital resources and prudential borrowing.

The funding options were closely linked to the Procurement Strategy and the Business Case had therefore been prepared on the basis of using a combination of revenue resources (Earmarked Reserves and General Reserves), capital receipts, and prudential borrowing.

The Business Case assumed that the Council would be able to recover the Value Added Tax (VAT) costs on the capital investment. This was based on the lease of the buildings to the operator at a peppercorn rate with no consideration value (cash or non-cash) received in return.

However, consideration had also been given to the potential risks around VAT partial exemption, and specialist advice had very recently been obtained in respect of the lease of the Blackbrook Pavilion Sports Centre and the potential new pool / spa.

The advice had concluded that there were potential VAT risks that could be material to the affordability of the project, and it had therefore been recommended that a submission to Her Majesty's Revenues and Customs was developed confirming the Council's assessment of the nature of the transactions.

This was a major capital project for the Council and as such would require adequate resource in terms of capacity and skill level to ensure it was delivered safely. It was proposed that a Project Team working in partnership with Tone Leisure should be formed and that external expertise was obtained.

The first stage of the project would be to prepare to procure. It was proposed that external expertise from a leisure consultant was utilised to support the Council in the preparation of options and proposals to develop a clear brief to prepare a detailed design, to assist the procurement and contract works and by working alongside the Council and Tone Leisure complementing the capacity and capability that the Project Team would bring to the project.

The proposed resources for the next stages of the project were as follows:-

Role	Who	Cost (Est) £
TDBC Lead	Alison North, Community Leisure Manager	
Finance	Paul Fitzgerald, SWOne Finance	
Procurement	SWOne Procurement	
Legal	External expertise, Leonie Cowen and VAT Advice from LAVAT	100,000
Operator Lead	Tone Leisure	
Leisure Procurement Advice	External Leisure consultancy expertise	50,000
Contingency		50,000
TOTAL		200,000

It was recommended that this cost should be funded from the Leisure Asset Maintenance earmarked reserve.

When this issue was considered by the Corporate Scrutiny Committee at its meeting on 25 April 2013, the Committee's recommendations were that:-

- All were in favour of the proposal to build a new swimming pool at Blackbrook;
- Members were against the proposal to build a Spa; and
- £200,000 should be taken from the Leisure Asset Maintenance Reserve to pay for the 'next steps' set out in the table above.

The Executive was of the view that the replacement of the pool at St James Street was essential and that the construction of a new swimming pool at the Blackbrook Pavilion Sports Centre should be supported.

The Executive was also of the view that the opportunity should be taken to provide a Spa facility in conjunction with the new pool which was likely to prove very popular and would provide a further income generating facility.

On the motion of Councillor Mrs Herbert, it was

Resolved that:-

- (1) Option 5 - Closure of St James Street Pool to leave the Station Road Pool (including the £1,270,000 refurbishment) and the provision of a new pool

at the Blackbrook Pavilion Sports Centre, Blackbrook Way, Taunton, be supported;

- (2) A Spa facility be also provided in conjunction with the new swimming pool;
- (3) A Supplementary Estimate of £5,353,000 be approved in the General Fund Capital Programme, for the capital costs involved, with related approval to allocate £1,500,000 from the Growth and Regeneration Reserve and £1,500,000 from General Reserves towards the funding of the capital costs, with the balance to be funded through borrowing;
- (4) £200,000 from the Leisure Asset Maintenance Reserve be approved to take the project forward to the next stage; and
- (5) Officers be requested to prepare a submission to Her Majesty's Revenues and Customs (HMRC) to confirm the VAT position of the project. In the event that estimated costs of the project were increased as a result of advice from HMRC, the Business Case be updated and resubmitted to Members for consideration, prior to commencement of any procurement for capital works.

(ii) Asset Strategy Project Funding

Central Government had provided a clear direction to local authorities to make better use of property assets in order to minimise Council Tax increases and protect services.

In January 2013, the Executive formally adopted a new Asset Management Plan (AMP) subject to a more detailed and strategic review of Taunton Deane's approach to asset management being undertaken following the agreement of the Corporate Business Plan.

The Business Plan recognised that to achieve this objective the Council needed to bring in specialist external expertise to help develop a new Asset Strategy.

The objective of the review would be to develop a new Asset Strategy, which maximised the return from assets and which provided a clear decision making framework for future property asset decisions.

Specifically the new Asset Management Strategy and decision making framework would:-

- i) Ensure the Council made best use of its property assets to deliver the Corporate Objectives and to help deliver financial sustainability;
- ii) Clearly articulated the balance between financial return and wider objectives;
- iii) Clearly reflected the Council's appetite for risk and reward; and
- iv) Provided a clear framework for future decisions about acquisitions and disposals, with appropriate levels of delegations regarding decisions.

Once the external expert was appointed, the strategy development work would commence. It was anticipated that between 20 and 30 days of external consultancy would be required at a potential cost of £40,000, although efforts would be made to minimise the cost involved.

A draft strategy and decision making framework would then be brought to Members through the normal Scrutiny, Executive and Full Council process for agreement. The draft strategy and decision making framework would include details of the impact on our current property portfolio if it was adopted.

It was hoped the new Asset Strategy would be ready for adoption in October 2013.

When developed and agreed, the new Asset Strategy and decision making framework would be applied to existing and future non-housing assets by the Property Service.

On the motion of Councillor Cavill, it was

Resolved that:-

- (1) £40,000 be allocated from the General Fund Reserve to fund the procurement of external expertise to enable a new Asset Strategy to be developed; and
- (2) It be noted that costs would be minimised wherever possible and any under spend would be returned to the General Fund Reserve.

(iii) Introduction of the Community Infrastructure Levy in Taunton Deane – Declaration under Section 212(4) of the Planning Act 2008

When the Council submitted its Community Infrastructure Levy (CIL) Draft Charging Schedule for Examination it had to be accompanied by a Declaration that:-

- (a) It had complied with the requirements of Section 212(4) of the Planning Act 2008 and CIL Regulations (including the requirements to have regard to the matters listed in Sections 211(2) and (4));
- (b) The charging authority had used appropriate available evidence to inform the draft Charging Schedule, and
- (c) It dealt with any other matters prescribed by CIL Regulations.

This Declaration is set out in full in the attached Appendix to these minutes.

On the motion of Councillor Williams, it was

Resolved that the Declaration under Section 212(4) of the Planning Act 2008 be approved.

(iv) Council Accommodation and Customer Access Project – Project Mandate

One of the recommendations contained in the report considered by the Executive last year in connection with The Deane House Accommodation Project was to look comprehensively at the Council's future accommodation needs in the light of the priorities identified in the Corporate Business Plan (CBP).

A mandate to undertake this review, which would also need to take into account access to services, was now required.

The latest Customer Access Strategy was approved in 2005 as part of the Southwest One project. This needed to be revisited and updated in the light of both social and technological changes and the Council's changing role.

Other Councils were very much in the same position and were, or had, re-considered their approach to accommodation (with a view to reducing their overheads) and their customer access. In Somerset there were several Councils, including the County Council, who had implemented "smart office" standards to release space which could then be let out to other organisations.

In the current economic climate it was important for the Council to consider its overhead costs and seek to reduce these. The recent report about the opportunity to share The Deane House with the Police had shown that the investment required to bring the building up to modern day standards outweighed the financial return that the Council was likely to receive from rental income sharing with only one other organisation.

However, some of this investment would be required for any option that retained The Deane House as an office base. As such, it was proposed to commission a full condition survey of The Deane House as part of this project so that the true costs of continuing within this building were fully understood.

It was appropriate that the Council considered all the options available to it for the future. The scope of the project would therefore include:-

- To remain as sole / key occupier at The Deane House;
- To review the business case for making changes to The Deane House in order to make it fit for purpose for sharing with other partners;
- Joining a public sector hub at another location;
- Moving as sole occupier to another location;
- Dispersing the Council to a number of locations within the community; and
- To review all customer access channels: web, physical premises, telephone, social media;

All of these would have an impact on the communities the Council served and each would need to be assessed as to this impact.

The fundamental outputs from this project had to be a Business Case to provide:-

- (1) flexible office accommodation for staff and Members which reduced our overhead costs; and
- (2) customer access to Taunton Deane services that was cost effective for the Council and best met the future needs of its customers.

It was important for the Council to undertake this work in the near future to ensure that:-

- The Council had customer access that was fit for purpose;
- To drive down costs;
- To make the most of the Council's resources;
- To enable decisions on investment priorities; and
- To ensure that any opportunities to share overheads were not missed.

The project would require project management resource above the day to day work of the Council plus funding to employ external expertise in the areas of property advice and updating the way Taunton Deane worked and the Council's interaction with customers, including new technologies.

Such funding – estimated in the region of £70,000 – would pay for the external expertise as well as a Project Manager to work part time for up to a nine month period plus some dedicated administrative support. Any monies not used would be returned to the General Fund at the end of the project.

This topic was discussed at the meeting of the Community Scrutiny Committee on 2 April 2013. Although the recommendations were supported, concerns were raised on the following issues:-

- Consideration should be given to ensuring the Council continued to serve those who did not wish or were unable to use self help mechanisms;
- That the true value of the Council's assets was established; and
- That Members were involved with the project and that the Portfolio Holders for Asset Management were included in the governance arrangements.

Moved by Councillor Horsley, seconded by Councillor Coles that the proposed recommendations be replaced with the following:-

“That £30,000 be allocated from General Fund Reserves to fund the cost of preparation of a scheme to ensure that a sound Business Case was made for the sale of The Deane House site and the transfer of its office requirements to existing offices within Taunton according to the five points set out in the preamble to the amendment; and

Such a scheme would take account of the recognised need for taxpayers, tenants and other users of Taunton Deane's services to have good customer access and could well lead to a separate site from the rest of the accommodation.”

The amendment was put and was lost.

On the motion of Councillor Mrs Stock-Williams, it was

Resolved that:-

- (1) The Council's Accommodation and Customer Access Project was mandated; and
- (2) £70,000 be allocated from General Fund Reserves to fund the costs of the project, recognising that costs would be minimised wherever possible and any under spend returned to the General Fund.

(The meeting ended at 9.14 p.m.)

Appendix

Compliance with the Requirements of the Planning Act 2008	
Section 211	<p>In preparing the Draft Charging Schedule Taunton Deane Borough Council has had regard to the actual and expected costs of infrastructure; the economic viability of development; other actual or expected sources of funding for infrastructure; the actual or expected administrative expenses in connection with CIL; and the Statutory Guidance.</p> <p>Taunton Deane Borough Council has consulted a range of stakeholders in preparing the Draft Charging Schedule, with consultations taking place as follows:</p> <p>Preliminary Draft Charging Schedule: 29 June 2012 to 27 July 2012</p> <p>Draft Charging Schedule: 1 February 2013 to 15 March 2013</p>
Section 212	<p>Taunton Deane Borough Council has appointed the Planning Inspectorate to examine the Draft Charging Schedule, as an appropriate independent body that has suitable qualifications and experience for the task. All persons who have submitted representations about the Draft Charging Schedule have been given the opportunity to be heard by the Examiner.</p>
Section 212	<p>The following appropriate, available evidence has informed the Draft Charging Schedule:</p> <p>Taunton Deane Borough Council Infrastructure Delivery Plan June 2011</p> <p>Taunton Deane Borough Council Community Infrastructure Levy Viability Appraisal May 2012</p> <p>PDCS Summary of Consultation Responses January 2013</p> <p>Taunton Deane Core Strategy September 2012</p>
Regulation No.	Compliance with the Community Infrastructure Levy Regulations, 2010 as amended by the CIL Regulations 2011
12	<p>The Draft Charging Schedule contains the information required by the Regulations, namely (a) the name of the charging authority; (b) the rates (in pounds per square metre) at which CIL is to be chargeable in the authority's area; (c) the location and boundaries of the zones for differential rates, on an Ordnance Survey base showing grid lines and references; and (d) an explanation of how the chargeable amount will be calculated.</p>
13	<p>Taunton Deane Borough Council's differential Levy rates are compliant with Regulation 13, which enables charging authorities to set differential rates (including nil rates) by location and type of development.</p>

14	<p>In setting its differential Levy rates, Taunton Deane Borough Council has complied with Regulation 14(1), which requires that it ‘...must aim to strike what appears to the charging authority to be an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.’</p>
15	<p>A Preliminary Draft Charging Schedule was approved on 20 June 2012 and published on 29 June, together with the accompanying evidence base. Consultation occurred in accordance with the Regulations over the period from 29 June 2012 to 27 July 2012 with the prescribed consultation bodies. Comments were also invited from residents, businesses and voluntary bodies, including:-</p> <p>All parties on the LDF consultation database; The public – a press release was issued, a press advertisement published and a copy of the Preliminary Draft (and supporting documents) was made available at the Borough Council’s offices and on the Council’s website.</p> <p>25 responses were received on the Preliminary Draft Charging Schedule (PDCS). These informed the preparation of the Draft Charging Schedule, and were reported to Taunton Deane Borough Council’s Executive on 16 January 2013. Full details are contained in the CIL PDCS Consultation Responses, available on the Council’s website.</p>
16	<p>In accordance with the Regulations, the Draft Charging Schedule was published, together with relevant evidence and Representations Procedure on the Council’s website on 1 February 2013. The webpage stated that the documents could be inspected at The Deane House, Belvedere Road, Taunton. Copies were sent to each of the prescribed consultation bodies.</p> <p>In addition, all previous respondents on the Preliminary Draft Charging Schedule and consultees on the LDF Consultation database were notified of the publication of the Draft Charging Schedule.</p> <p>A local advertisement notice was placed in the Somerset County Gazette and the Wellington Weekly News.</p> <p>25 representations on the Draft Charging Schedule were received.</p> <p>All those making representations will be informed of each subsequent stage in the examination and adoption process, including submission, publication of the Examiner’s report and approval of the charging schedule by the charging authority.</p>

17	The period for representations on the Draft Charging Schedule was 1 February to 15 March 2013.
19	<p>Taunton Deane Borough Council will submit this Declaration and the following to the examiner in accordance with the Regulations: (a) the Draft Charging Schedule; (b) a summary of the main issues raised by the representations; (c) copies of the representations; (d) any modifications; (e) copies of the relevant evidence.</p> <p>Copies of the above documents will be made available at the Council's offices as required by the Regulations. All documents will be available on the Council's website and a statement of the fact that the documents are available for inspection and where they can be inspected will be published.</p> <p>Any modifications to the Draft Charging Schedule will be published on the Council's website and notified to all prescribed consultation bodies as required by the Regulations.</p>