



To: All Councillors

Our Ref CS/KK
Contact Krystyna Kowalewska kkowalewska@westsomerset.gov.uk
Date 14 July 2015

**THE PRESS AND PUBLIC ARE WELCOME TO ATTEND THE MEETING
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OR IN OTHER LANGUAGES ON REQUEST**

Dear Councillor

I hereby give you notice to attend the following meeting:

COUNCIL MEETING

Date: Wednesday 22 July 2015
Time: 4.30 pm
Venue: Council Chamber, Council Offices, Williton

Please note that this meeting may be recorded. At the start of the meeting the Chairman will confirm if all or part of the meeting is being recorded.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during the recording will be retained in accordance with the Council's policy.

Therefore unless you advise otherwise, by entering the Council Chamber and speaking during Public Participation you are consenting to being recorded and to the possible use of the sound recording for access via the website or for training purposes. If you have any queries regarding this please contact Committee Services on 01643 703704.

Yours sincerely

A handwritten signature in black ink, appearing to read "Bruce Lang".

BRUCE LANG
Proper Officer

WEST SOMERSET COUNCIL
West Somerset House Killick Way Williton Taunton TA4 4QA
T 01643 703704 F 01984 633022 DX 117701 WILLITON
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RISK SCORING MATRIX

Report writers score risks in reports uses the scoring matrix below

Risk Scoring Matrix

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

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

- Mitigating actions for high ('High' or above) scoring risks are to be reflected in Service Plans, managed by the Group Manager and implemented by Service Lead Officers;
- Lower scoring risks will either be accepted with no mitigating actions or included in work plans with appropriate mitigating actions that are managed by Service Lead Officers.

WEST SOMERSET DISTRICT COUNCIL

Meeting to be held on Wednesday 22 July 2015 at 4.30 pm

Council Chamber, Williton

AGENDA

1. Apologies for Absence

2. Minutes

Minutes of the Meeting of Council held on 17 June 2015 to be approved and signed as a correct record – **SEE ATTACHED.**

3. Declarations of Interest

To receive and record any declarations of interest in respect of any matters included on the agenda for consideration at this meeting.

4. Public Participation

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

For those members of the public wishing to speak at this meeting there are a few points you might like to note.

A three-minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue. There will be no further opportunity for comment at a later stage. Your comments should be addressed to the Chairman and any ruling made by the Chair is not open to discussion. If a response is needed it will be given either orally at the meeting or a written reply made within five working days of the meeting.

5. Chairman's Announcements

6. HPC Planning Obligations Board – Allocations of CIM Funding

To consider Report No. WSC 115/15, to be presented by Councillor M Chilcott, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to present the recommendations of the Hinkley Point C Planning Obligations Board and West Somerset Council Cabinet, for the allocation of monies from the Community Impact Mitigation (CIM) Fund secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point.

7. Request for Allocation of Planning Obligations Funding

To consider Report No. WSC 112/15, to be presented by Councillor M Chilcott, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to make proposals for the allocation of monies secured through planning obligations to individual schemes.

8. Hinkley Point C: Section 106 Agreement – Provisional Allocation of Leisure Contribution

To consider Report No. WSC 111/15, to be presented by Councillor C Morgan, Lead Member for Energy Infrastructure – **SEE ATTACHED.**

The purpose of the report is for Council to consider the list of projects set out within the report and agree that they are invited to make application within the allocation of £250,000 paid from the Section 106 agreement for Site Preparation Works at Hinkley Point C. The projects would then be asked to submit information via an application process similar to that provided for other Section 106 agreement allocations before any release of funding, including the desire to see match funding.

9. HPC Section 106 – Housing Funding Strategy: Amendment to Private Sector Renewal Policy

To consider Report No. WSC 110/15, to be presented by Councillor K Turner, Lead Member for Housing, Health and Wellbeing – **SEE ATTACHED.**

The purpose of the report is for Members to consider and approve the attached amendment, at Appendix 1 to the report, to the Somerset West Private Sector Housing Renewal Policy, which sets out the types of financial assistance that the Council can offer owner occupiers and landlords to carry out essential repairs on their property, and to bring empty properties back into use. The Policy needs to be amended in order to be able to offer the grants and loans for empty properties, Landlord Accreditation and the Living Over the Shops grant, contained within the Hinkley Housing Funding Strategy approved by West Somerset Council on 19 November 2014.

10. Allocation of HPC S106 Tourism Information Funds

To consider Report No. WSC 113/15, to be presented by Councillor K Mills, Lead Member for Regeneration and Economic Growth – **SEE ATTACHED.**

The purpose of the report is to consult with Council on a suggested approach for the allocation of the HPC S106 Phase 2 (Part 2) Visitor Information funds.

11. Annual Treasury Management Review 2014/15

To consider Report No. WSC 114/15, to be presented by Councillor M Chilcott, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to review the treasury management activity and the performance against the Prudential Indicators for the 2014/15 financial year as prescribed by the revised CIPFA Code of Practice and in accordance with the Council's Treasury Management Strategy and Annual Investment Policy.

12. Minutes and Notes for Information

Notes and minutes relating to this item can be found on the Council's website using the following links:

- Notes of the WWQ Area Panel held on 9 June 2015
<http://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Watchet,-Williton-and-Quantock-Area-Panel/Watchet,-Williton---Quantocks-Area-Panel.aspx>
- Notes of the Minehead Area Panel held on 10 June 2015
<http://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Minehead-Area-Panel/Minehead-Area-Panel---10-June-2015.aspx>
- Notes of the Exmoor Area Panel held on 18 June 2015
<http://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Exmoor-Area-Panel/Exmoor-Area-Panel---18-June-2015.aspx>

13. Exclusion of the Press and Public

To consider excluding the press and public during consideration of Item 14 on the grounds that, if the press and public were present during that item, there would be likely to be a disclosure to them of exempt information of the class specified in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended as follows:

Item 14 contains information that could release confidential information relating to the financial or business affairs of any particular person (including the authority holding that information). It is therefore proposed that after consideration of all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

14. Street and Toilet Cleaning Services Contract

To consider Report No. WSC 117/15, to be presented by Councillor M Dewdney, Lead Member for Environment – **SEE ATTACHED**.

The report sets out the history of the Veolia contract and seeks support from Council Members to extend this for a further 12 months.

COUNCILLORS ARE REMINDED TO CHECK THEIR POST TRAYS

The Council's Vision:

To enable people to live, work and prosper in West Somerset

The Council's Corporate Priorities:

- Local Democracy:
Securing local democracy and accountability in West Somerset, based in West Somerset, elected by the people of West Somerset and responsible to the people of West Somerset.
- New Nuclear Development at Hinkley Point
Maximising opportunities for West Somerset communities and businesses to benefit from the development whilst protecting local communities and the environment.

The Council's Core Values:

- Integrity
- Fairness
- Respect
- Trust

RISK SCORING MATRIX

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WEST SOMERSET COUNCIL**Minutes of the Meeting held on 17 June 2015 at 4.30 pm****in the Council Chamber, Williton****Present:**

Councillor G S Dowding Chairman
Councillor B Heywood Vice-Chairman

Councillor D Archer	Councillor A Behan
Councillor M J Chilcott	Councillor H J W Davies
Councillor M O A Dewdney	Councillor A P Hadley
Councillor T Hall	Councillor I Jones
Councillor R P Lillis	Councillor B Maitland-Walker
Councillor K M Mills	Councillor C Morgan
Councillor P H Murphy	Councillor J Parbrook
Councillor S J Pugsley	Councillor R Thomas
Councillor N Thwaites	Councillor A H Trollope-Bellew
Councillor K H Turner	Councillor D J Westcott
Councillor R Woods	

Officers in Attendance:

Chief Executive (P James)
Director of Operations/Section 151 Officer (S Adam)
Assistant Chief Executive/Monitoring Officer (B Lang)
Assistant Director Energy Infrastructure (A Goodchild)
CIM Fund Manager (L Redston)
Economic Development Officer (G Dwyer)
HR Manager (F Wills)
Deputy Monitoring Officer (R Pinney)
Media and Communications Officer (D Rundle)
Meeting Administrator (K Kowalewska)

C14 Apologies for Absence

Apologies for absence were received from Councillors I Aldridge, R Clifford, S Goss, B Leaker and T Venner.

C15 Minutes

(Minutes of the meeting of Annual Council held on 20 May 2015, circulated with the Agenda.)

The following points of information were noted:

- It was confirmed that Councillor D Archer was a member of the Local Development Panel.
- The Countywide Shared Services Task and Finish Group was no longer active.

- Somerset Local Access Forum did not require a WSC representative until 2023 because only one district councillor could be appointed to the Forum and the district councils were on a two year rota in alphabetical order.

RESOLVED that the Minutes of the meeting of Annual Council held on 20 May 2015 be confirmed as a correct record.

C16 **Declarations of Interest**

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:

Name	Minute No.	Member of	Action Taken
Cllr D Archer	All	Minehead	Spoke and voted
Cllr H J W Davies	All	SCC	Spoke and voted
Cllr B Maitland-Walker	All	Carhampton	Spoke and voted
Cllr C Morgan	All	Stogursey	Spoke and voted
Cllr P H Murphy	All	Watchet	Spoke and voted
Cllr J Parbrook	All	Minehead	Spoke and voted
Cllr N Thwaites	All	Dulverton	Spoke and voted
Cllr A H Trollope-Bellew	All	Crowcombe	Spoke and voted
Cllr K H Turner	All	Brompton Ralph	Spoke and voted
Cllr D J Westcott	All	Watchet	Spoke and voted

In addition, the following interest was declared:

Name	Minute No.	Description of interest	Personal or Prejudicial	Action Taken
Cllr H J W Davies	C19	Williton business owner	Personal	Spoke and voted

C17 **Public Participation**

Naomi Griffiths spoke on Agenda Item 6 HPC Planning Obligations Board – Allocations of CIM Funding in support of the Watchet Boat Museum and Visitor Centre project. In addition, at the request of the Chairman, she briefed Members on the work of the Onion Collective.

C18 **Chairman's Announcements**

20 May 2015	Attended the Taunton Deane Borough Council Mayor Making Ceremony at Taunton Cricket Club. Cllr Marcia Hill was elected Mayor for the ensuing year.
21 May 2015	Escorted the High Sheriff of Somerset around the Hinkley Point development
23 May 2015	Met with ex-Mayor of Lion-sur-Mer, Jean Marc Gilles, at the Northfield Hotel, Minehead. Cllrs Hadley, Hall and Lillis were also in attendance

C19 HPC Planning Obligations Board – Allocations of CIM Funding

(Report No. WSC 88/15, circulated with the Agenda.)

The purpose of the report was to present the recommendations of the Hinkley Point C Planning Obligations Board and West Somerset Council Cabinet, for the allocation of monies from the Community Impact Mitigation (CIM) Fund secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point.

The Lead Member for Resources and Central Support presented the item, recognising the huge amount of work and effort undertaken from all the applicants and groups of volunteers, and the work of the whole of the community was truly appreciated. The Lead Member provided detailed information on the five applications contained within the report, highlighting the recommendations made by the Planning Obligations Board (POB). She stressed the importance of the applications meeting the nine criteria, in particular providing proof of how the project would mitigate the impact of the Hinkley development, and confirmed that there was an opportunity for unsuccessful applicants to revise their bid and reapply one more time. It was noted that the POB was keen to see match funding incorporated within the bids for CIM funding and if the project could not be delivered, as presented, as a result of loss of match funding, the application would need to be reconsidered by the Board.

She further drew Members' attention to the financial information regarding the breakdown of spending to date.

The Lead Member proposed the recommendations of the report, which were seconded by Councillor M Dewdney.

Members were supportive of the POB's recommendations as these projects were seen to provide positive benefits to support the local community and would help encourage families to locate into the area. Members also praised the good examples of partnership working and recognised the long lead-time for many of the projects and the need to start the application process early.

A debate ensued with regards to the impact statement submitted by Williton Parish Council for the Williton Pavilion Project and the Assistant Director Energy Infrastructure provided clarification on the points raised.

RESOLVED (1) that the decision of Cabinet on 3 June 2015 to award £22,000 from the CIM Fund to Kilve Cricket Club for improvements to the club, storage shed and equipment be noted.

RESOLVED (2) that the recommendations of Cabinet and the Hinkley Point C Planning Obligations Board be endorsed, as follows:

- To not award funding of £200,000 from the CIM Fund to Bridgwater College Academy for the Gym and exercise area on the basis that the application did not demonstrate how the project would deliver maximum benefits to the community and did not meet the CIM fund criteria in relation to partnership support or sustainability.
- To award funding of £250,000 from the CIM Fund to Williton Parish Council to deliver the Williton Pavilion Project subject to the agreement of a spending and payment schedule and the securing of match funding to meet the full costs of the project.
- To not award funding of £151,000 to The Angling Trust to deliver the Sea Angling project on the basis that the application did not demonstrate how the project would deliver value for money in relation to maximising benefits to the community and mitigating the identified impacts.
- To award funding of £243,119 from the CIM Fund to the Onion Collective to deliver the Watchet Boat Museum and Visitor Centre project.

C20 **Regulatory Amendments to Statutory Protection Provisions for Statutory Officers**

(Report No. WSC 86/15, circulated with the Agenda.)

The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 came into effect on 11 May 2015. They amend the statutory provisions in relation to disciplinary action or the dismissal of the key statutory posts of Chief Executive Officer (Joint Chief Executive), Chief Finance Officer (Director – Operations and Deputy Chief Executive) and Monitoring Officer (Assistant Chief Executive and Monitoring Officer). The regulations require all councils to adopt revised Standing Orders at their first ‘ordinary’ meeting after 11 May 2015.

The Somerset Monitoring Officers Group (SMOG) met on 21 May 2015 and agreed to recommend a consistent approach across the 6 councils to considering the implementation of these regulatory requirements. The report detailed why SMOG at this stage is proposing that the 6 councils defer making any changes to their standing orders on this matter until later in the year.

The report was presented by the Lead Member for Resources and Central Support who provided Members with detailed background information. She went on to propose the recommendation, with an amendment to the wording printed so that ‘section 5’ replaced ‘paragraph 3.7.1’. This was seconded by Councillor A Trollope-Bellew.

The Deputy Monitoring Officer confirmed that the concerns reflected in the report were not just countywide but that the same issues had been raised nationally and difficulties had been highlighted for local authorities implementing the regulations at this stage.

RESOLVED that the agreement of revisions to the existing Standing Order provisions relating to the statutory protection arrangements for the posts of Chief Executive, Director - Operations and Deputy Chief Executive and Assistant Chief Executive and Monitoring Officer be deferred to the November 2015 Full Council meeting for the reasons outlined in section 5 of the report.

NOTE: Statutory Officers (Chief Executive, Chief Finance Officer and Monitoring Officer) whose posts were specifically referred to in the report left the room for this item.

C21 Hinkley Point C – Economic Development Allocation

(Report No. WSC 85/15, circulated with the Agenda.)

The purpose of the report was to outline proposals relating to the Economic Development allocation that forms part of the HPC Site Preparation S106 Agreement and to take into consideration the recommendations of the HPC Planning Obligations Board and Cabinet.

The report was presented by the Lead Member for Regeneration and Economic Growth who proposed the recommendation of the report which was duly seconded.

RESOLVED that the drawdown of the HPC S106 Economic Development allocation of £66,641 to support the delivery of the areas of activity, as detailed in paragraph 6.2 and Appendix A of the report, be approved.

C22 HPC Section 106 Agreement – Allocations of Housing Fund – Administration Fees

(Report No. WSC 89/15, circulated with the Agenda.)

The purpose of the report was to present the recommendations of the Hinkley Point Planning Obligations Board (POB) of 7 April 2015 for the allocation of Housing Fund monies secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point, and to request that Cabinet recommend to Full Council the approval of the allocation.

The Lead Member for Housing, Health and Wellbeing presented the report indicating that Cabinet had considered the report and stressed the importance of monitoring the financing of the bids that were submitted. He went on to propose the recommendations of the report which were duly seconded.

RESOLVED (1) that, in accordance with the section 106 agreement to contribute to the costs of both Councils, a fee of 5% of total project costs covering additional local authority administration in delivering the wider suite of initiatives should be applied to all previously approved Housing Contribution Fund projects, including £34,245 for the recently approved Withycutter (£4,000), Paragon Laundry (£15,133) and Monmouth Street (£15,112) enabling projects.

RESOLVED (2) that the Planning Obligations Board request for Sedgemoor District Council and West Somerset Council officers to monitor the actual costs in relation to the development and delivery of Housing Contribution Fund projects be noted and that the results of this monitoring be presented at the next meeting of the Board. The results of the monitoring would be used as a model to enable greater accuracy in prediction of actual administration costs for future Housing Contribution projects.

C23 Standards Advisory Committee

(Minutes of the Standards Advisory Committee held on 9 December 2014 circulated with the Agenda.)

RESOLVED that the Minutes of the Standards Advisory Committee held on 9 December 2014 be adopted.

C24 Minutes and Notes for Information

(Minutes and Notes relating to this item, circulated via the Council's website.)

RESOLVED that the notes of the Dunster Area Panel held on 14 April 2015 be noted.

C25 Clanville Grange Purchase

(Report No. WSC 97/15, circulated prior to the Meeting.)

The purpose of the report was to request approval of a supplementary capital estimate for the purchase of a property at Clanville Grange, Minehead.

The Lead Member for Housing, Health and Wellbeing presented the item and outlined the details contained within the report. He highlighted the fact that West Somerset Council had an obligation to purchase the property and there was a need to ensure appropriate funding was allocated.

An error in the recommendation of the report was noted and that it should read: "...In the event the onward sale is not completed in the current financial year...".

The Lead Member proposed the recommendation, as amended, which was seconded by Councillor C Morgan.

RESOLVED (1) that a Supplementary Estimate for the 2015/16 Capital Programme of £93,000 for the acquisition of a property at Clanville Grange, Minehead, to be funded from Unallocated Capital Receipts, be approved.

RESOLVED (2) that it be noted that the purchase will need to be funded from the existing planned capital receipts, with the intention of replacing this funding with the capital receipt from the onward sale of the property. In the event the onward sale is not completed in the current financial year this will impact on current policy to use capital receipts to repay external debt.

NOTE: Having regard to the special circumstances pertaining in relation to this item – namely the need for the Council to consider the decision before the next full Council meeting – the Chairman was of the opinion that, despite its non-inclusion on the agenda, this item should be considered at this meeting as a matter of urgency.

C26 Exclusion of the Press and Public

RESOLVED that the press and public be excluded during consideration of Item C27 on the grounds that, if the press and public were present during that item, there would be likely to be a disclosure to them of exempt information of the class specified in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended as follows:

The item contained information that could release confidential information relating to the financial or business affairs of any particular person (including the authority holding that information). It is therefore proposed that after consideration of all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

C27 Seaward Way, Minehead – Land Sale (Residential)

(Report No. WSC 87/15, circulated prior to the Meeting.)

Following the disappointing news that David Wilson Homes had recently withdrawn from negotiations for the purchase of the Council's land at Seaward Way, (previously referred to as Residential Land), the report sought to brief members, and gain a clear steer on the way forward.

The Lead Member for Housing, Health and Wellbeing presented the item. In light of the Clanville Grange Purchase resolution (Minute No. C25 refers) it was proposed to amend the unallocated capital resources figure to £313,000 in recommendation 3.1 (c) .

The Lead Member proposed the recommendations of the report, as amended, which were seconded by Councillor M Chilcott.

Various questions and issues were then raised by Members and the Assistant Director Property and Development noted them down for consideration/action.

RESOLVED (1) that the land at Seaward Way (Residential) be marketed immediately, as either for a housing development and/or for a suitable employment use.

RESOLVED (2) that a further budget of £5,000 be made available and delegated to Officers, to take forward resolution (1) above, and to instruct and work with advisors to market the land, carry out initial negotiations and due diligence with legal advice to establish the best price. This is to be funded from available capital receipts in 2015/16.

RESOLVED (3) that the second and final payment of £88,700 to Crown and Passmore Trust be funded from unallocated capital resources – leaving £313,000 currently available for the Council to support future capital priorities (subject to additional planned disposals and planned capital debt repayment).

The meeting closed at 6.10 pm.

Report Number: WSC 115/15
Presented by: Cllr M Chilcott, Lead Member for Resources and Central
Author of the Report: Lisa Redston, CIM Fund Manager
Contact Details:

Tel. No. Direct Line 01984 635218
Email: lredston@westsomerset.gov.uk

Report to a Meeting of: Full Council
To be Held on: 22nd July 2015

*Date Entered on Executive Forward Plan
 Or Agreement for Urgency Granted:*

HPC PLANNING OBLIGATIONS BOARD – ALLOCATIONS OF CIM FUNDING

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

1.1.1 Present the recommendations of the Hinkley Point C Planning Obligations Board and West Somerset Council Cabinet, for the allocation of monies from the Community Impact Mitigation (CIM) Fund secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point.

2. CONTRIBUTION TO CORPORATE PRIORITIES

2.1 The allocation of these funds will enable the Council to deliver against the Corporate Priority of '*maximising opportunities for West Somerset communities and businesses to benefit from the Hinkley development whilst protecting local communities and the environment*'.

3. RECOMMENDATIONS

3.1 That Full Council notes the decision of the Planning Obligations Board to award funding of £750 to Stogursey Football Club for the purchase of removable goal posts from the Small Grant allocation of the CIM Fund.

3.2 That Full Council endorses the recommendations of the Hinkley C Planning Obligations Board and West Somerset Council Cabinet as follows:

3.2.1 That the Holford and District Village Hall application for £507,984 is refused as it does not demonstrate value for money given the level of funding sought relative to the size of the community who would benefit and the lack of match funding.

3.2.2 That the Kilve Village Hall Refurbishment application for £54,290 is refused given lack of a link between the refurbishment and the impacts that HPC will cause.

3.2.3 That the North Petherton Playing Fields applications for £46,000 is approved subject to securing the remaining match funding and the grant of planning permission.

3.2.4 That the Sydenham Together application for £60,000 is approved.

4. **RISK ASSESSMENT (IF APPLICABLE)**

Risk Matrix

Risk Description	Current Score	Existing and planned control measures	Target Score after control
Lack of quality approvable bids to the CIM Fund due to communities not having the means (skills/resources) to make quality bids and deliver projects resulting in a lack of effective impact mitigation projects	Medium (12)	Community development officers in post in WSC/TDBC and Sedgemoor District councils and Engage WS contracted to support communities in WS in making bids and project delivery. Risk remains feasible as capacity of community development officers is limited.	Medium (9)
Risk of future community impacts not being mitigated due to early demand for funding exceeding available budget resulting an inability to respond to future or unknown impacts.	Medium (12)	Annual contribution payments (2015 and 2016) will ensure a budget is available to respond to future demand. Planning Obligations Board to continue to develop funding strategy that includes mechanisms for review and reprioritisation and trigger points for release of funding to reflect changes in circumstances and impacts.	Low (8)
Failure of the Planning Obligations Board to allocate CIM fund by 2016 resulting in continued requirement for staff resource to manage application/decision making process, finances and to support community.	Medium (9)	Planning Obligations Board to continue to develop funding strategy to provide direction for release of funding.	Low (4)
Failure of the Planning Obligations Board to monitor the actual and potential impacts of the development due to the lack of a defined impact monitoring procedure resulting in the inability of the Planning Obligations Board to apply funding to achieve maximum mitigation of impacts.	Medium (16)	Planning Obligations Board to develop process and procedures for monitoring the impact and potential impact of the development and reflect this in the funding strategy.	Low (8)

- 4.1 The scoring of the risks identified in the above table has been based on the WSC and TDBC council's risk assessment scoring matrix. Only those risks that score medium or high are detailed in this report. The full risk assessment is available on request from the CIM Fund Manager.

5. **BACKGROUND INFORMATION**

5.1 Community Impact Mitigation (CIM) Fund

Applications are considered by the Planning Obligations Board against nine criteria outlined in the Section 106 legal agreement for the Site Preparation Works at Hinkley Point. A recommendation is subsequently made to West Somerset Council's Cabinet. Any proposals above £25,000 also require approval by West Somerset's Full Council.

Criteria	Evaluation Criterion
Priority Impact Zones	<p>Priority shall be given to those areas that are anticipated in the Environmental Statement to experience or which actually experience the greatest adverse impact from the project in accordance with the following hierarchy:</p> <ol style="list-style-type: none"> 1) Directly adjacent to the site 2) Directly adjacent to the main transport routes to and from the site within West Somerset, Sedgemoor and Somerset 3) Within West Somerset and/or Sedgemoor and directly affected by adverse impacts of the project 4) In Somerset but beyond West Somerset and Sedgemoor and experiencing the next greatest degree of adverse impact, with projects which benefit West Somerset and Sedgemoor as well as its immediate area 5) In Somerset and experiencing indirect adverse impacts or in relation to a measure which benefits West Somerset and/or Sedgemoor.
Quality of Life	The principal purpose of the contribution shall be to enhance the quality of life of communities affected/potentially affected by the Project.
Sustainability	To what extent will the project contribute to achieving sustainable communities, contribute to regeneration objectives and raising environmental sustainability?
Extent of benefit	To what extent has the applicant demonstrated that the project will ensure a positive benefit and/or legacy to an adequate proportion of people within that community?
Community Need	To what extent has the applicant demonstrated a need for the project
Community Support	To what extent is there demonstrable local community and and/or business support for the project?
Partner Support	To what extent is there demonstrable local partner support for the project?
Governance	Demonstrate that good governance arrangements are in place, including financial and project management to ensure deliverability?
Value for Money	Can the applicant demonstrate value for money and that reasonable effort has been made to maximise the impact of any investment? Has match funding been secured where appropriate?

6. **SMALL GRANT APPLICATIONS CONSIDERED BY THE HPC PLANNING OBLIGATIONS BOARD**

- 6.1 Cabinet agreed (4th June 2014) the delegation of authority to the Planning Obligations Board to make decisions in relation to the award of CIM funding for projects up to and including £1000.

- 6.2 Stogursey Football Club submitted an application to the CIM fund on the 25th April for the following project.

Project Name:	Removable Goalposts
Expression of Interest Ref No:	127
Organisation Applying:	Stogursey Football Club
Date appraised:	08/05/2015
Summary of Project:	The project will provide modern powder coated steel goals for the Victory Field in Stogursey. The new goals will be removed between matches. The project aims to increase the number of matches played on the pitch by reducing erosion near the goal areas by removing the goal posts between matches. One of the existing goals will be relocated for use by local young people.
Impacts mitigated as stated in application:	The presence of a large number of extra persons of working age in the vicinity will result in an increased demand for sporting facilities. Increasing the number of football matches played will encourage people from affected communities across West Somerset and Sedgemoor to take part in healthy activities.
Start Date: 01/06/2015	Total Project Costs: £1250
Completion Date: 22/06/2015	Amount applied for: £750

- 6.3 The Planning Obligations Board made the following decision on 5th June 2015:

6.3.1 To approve the release of £750 from the CIM Fund to Stogursey Football Club to purchase removable goal posts for the Victory Football Field with the condition that local young people are involved in deciding on the new location of the old goal posts.

7. CIM APPLICATIONS CONSIDERED BY THE HPC PLANNING OBLIGATIONS BOARD

- 7.1 Five new applications were presented to the HPC Planning Obligations Board for consideration on 2nd June 2015. The Board considered the applications against each of the nine criteria.
- 7.2 The Board have deferred one application for one funding cycle pending receipt of further information from the applicant.
- 7.3 All applications have been subject to financial viability checks, any concerns in in relation to the viability of an organisation will be highlighted within the summaries below.
- 7.4 Full Council are asked to consider 4 applications to the CIM Fund.

7.5 Holford and District Village Hall

Project Name:	H & D VH Amenity Enhancement Project
Organisation Applying:	Holford and District Village Hall Management Committee
Summary of Project:	To modernise and extend the Community Hall in Holford, providing 2 additional rooms (meeting room and a storage room); a larger entrance; improved toilets, heating, lighting and roof; add a small car park (19 spaces); a boules court; a 'safe space' for children's activities and a new hedgerow around the grounds. The aim of the project is to provide low cost recreation opportunities for the local and wider community and for new families moving into the area to encourage integration into the community and a healthier and active lifestyle.
Impacts mitigated as stated in application:	Holford is one of the communities closest to the development of HPC and needs to offer different recreation activities for those working at and affected by the development of HPC. Social and leisure activities can encourage cohesive communities and breakdown barriers. Provision of healthier lifestyle opportunities will improve the physical and psychological wellbeing of those affected by the development and its associated projects. Potential impacts identified by the community include traffic disruption, pressure on current service and amenities, visual impact of HPC, air and noise pollution from traffic and works on site.
Start Date: 01/09/2015	Total Project Costs: £568,310
Completion Date: 01/03/2016	Amount applied for: £507,984
CIM Fund Manager Comments:	<p>A well-used community hall offering a wide range of community activities and services.</p> <p>52 letters of support.</p> <p>Application did not provide information of the type and range of activities planned within the building, or plans to attract new activities to achieve the overall aims of mitigation the impacts they have identified.</p> <p>Match funding not yet secured.</p> <p>No engagement with young people to ensure impacts are mitigated through project. Monthly young people's events held, no plans for extended youth facilities, toddler groups etc.</p> <p>Costs are estimated referred supplier to be selected in June, this may reduce overall costs of project and funding required.</p> <p>Planning conditions relating to submission of soft landscape scheme, works should not be started until this has been approved and building regs checked. Car park must be finished before new extensions are used.</p>
HPC POB recommendation:	That the Holford and District Village Hall application is refused as it does not demonstrate value for money given the level of funding sought relative to the size of the community who would benefit and the lack of match funding.

7.6 Kilve Village Hall

Project Name:	Kilve Village Hall Refurbishment
Organisation Applying:	Kilve Village Hall Management Committee
Summary of Project:	Maintain and improve the condition and facilities at the Village Hall, including damp-proofing, roof repairs, replacement doors and windows, refurbishment of toilets and disabled access toilets, redecoration, improvements to flooring, upgrading electrical units to improve solar power generation, purchase of dishwasher, new chairs and stage lighting.
Impacts mitigated as stated in application:	Anticipating hosting temporary workers and new residents from HPC development that will need somewhere to socialise and integrate into the community. Along main transport route from Williton Park and Ride to HPC. Increased noise in building due to large vehicles travelling along A39. Increased traffic so need for a comfortable venue in walking distance to mitigate impact of traffic congestion.
Start Date: 01/08/2015	Total Project Costs: £58,301.50
Completion Date: 31/07/16	Amount applied for: £54,290
CIM Fund Manager Comments:	<p>A well-used and supported community hall by the older population of the village.</p> <p>Not engaging/no plans to engage with young people in area, no response from under 25s in survey. Mostly engaging 50-90 age group. Most frequently used by 60-80 age group.</p> <p>No plan provided to attract new users or activities to achieve the overall aims of the mitigation for greatest number of people. No engagement with young people to ensure impacts are mitigated through project.</p> <p>Proven integration of HPC workers into community from past development.</p>
HPC POB recommendation:	That the Kilve Village Hall Refurbishment application is refused given lack of a link between the refurbishment and the impacts that HPC will cause and/or the hosting of the workforce. The Board were also concerned about the limited nature of the consultation undertaken and the lack of engagement with younger people.

7.7 North Petherton Playing Fields

Project Name:	North Petherton Playing Fields project
Organisation Applying:	North Petherton Playing Fields Charitable Trust
Summary of Project:	To provide local, easily accessible inclusive play and recreation facilities for all age groups in North Petherton. Funding is required for replacement of old play equipment in the existing infants play area, creation of a new junior play area and to build a BMX off road cycle track for wider recreational use.

Impacts mitigated as stated in application:	Increased traffic flow through the village and through Bridgwater reducing ability to access play and recreation. Responding to potential increase in demand for facilities for Hinkley workers and their families who may settle in North Petherton due to proximity to Park and Ride at Junction 24.
Start Date: 01/09/2015	Total Project Costs: £116,375
Completion Date: 01/11/2015	Amount applied for: £46,000
CIM Fund Manager Comments:	An extremely well planned, designed and sustainable project, with high levels of community and partner engagement providing benefits for those living directly adjacent to main transport routes and park and ride at Jct 24, no other similar facilities available locally. With plans to use facility to fundraise to fund further improvements in the area (e.g. new play equipment at the memorial field) Viridor funding not yet secured - decision 15/8 Planning permission application decision expected 3/6
HPC POB recommendation:	The Planning Obligations Board recommend that the North Petherton Playing Fields Project is approved subject to securing the remaining match funding and the grant of planning permission.

7.8 Sedgemoor District Council – Sydenham Together

Project Name:	Sydenham Together
Organisation Applying:	Sedgemoor District Council
Summary of Project:	The 3 year project aims co-ordinate a dedicated team of professionals from statutory and non-statutory agencies to identify and work intensively with families and residents in need in Sydenham. Funding is required to facilitate targeted support; this will be determined by community need, but may include, a drop in café for mental health support or domestic abuse victims, volunteering opportunities in the local community (grass cutting, litter picks), community events, diversionary projects for disaffected young people, small scale changes to the built environment such as flower beds. Funding will also be used to promote the Sydenham Together team to raise awareness and gain community trust.
Impacts mitigated as stated in application:	The area of Sydenham will have a significant role in hosting 2 worker campuses (housing approximately 1000 workers) and is located near to the main transport routes through Bridgwater. It is predicted that there will be a range of significant environmental, amenity and socio-economic impacts on the area that are likely to have a significant impact on an already deprived area. The community will be affected by the development of the campuses during construction due to vehicular movement and noise and post construction due to additional demand on services and amenities. Positive action to support access to training and employment opportunities presented by the development of HPC will help to alleviate impacts on the community.
Start Date: 1/4/2015	Total Project Costs: £307,000

Completion Date: 1/4/2018	Amount applied for: £60,000
CIM Fund Manager Comments:	<p>Good value for money project attract £225k into an area directly impacted upon by the associated campuses and HPC development.</p> <p>Targeted work with communities will significantly reduce impacts. Key performance indicators will be used to measure successful outcomes of the project in relation to impact mitigation.</p> <p>£12k deficit in year 3, other funding options being explored - overall length of project will reduce (by 6 months) if remaining funding cannot be secured.</p> <p>Some risk to sustainability of project after 3 years and removal of co-ordinator to drive joint working practises.</p> <p>Community support and engagement to be established as part of the project.</p>
HPC POB recommendation:	The Planning Obligations Board recommend that the Sydenham Together application is approved.

8. FINANCIAL/RESOURCE IMPLICATIONS

- 8.1 On 6th May 2015, EDF has made the payment for the first anniversary of phase two under the Site Preparation Work (SPW) agreement. Under this, the CIM fund has received £1,751,749, inclusive of inflation uplift. This is in addition to the £3,735,426 previously under phase two, bringing the total CIM Fund received to £5,487,175.
- 8.2 Financial information regarding allocated funding from the Community Impact Mitigation Fund can be found in Appendix A.
- 8.3 These proposals will not have an impact on the Council's own resources.
- 8.4 All organisations applying for funding are subject to financial viability checks to reduce risk associated with the award of grant funding.

9. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 9.1 The rules relating to the Section 106 Agreement have been adhered to by bringing this report to Full Council for a decision. All monies are accounted for within the Community Impact Mitigation (CIM) Fund received from EDF and held by West Somerset Council.

10. EQUALITY & DIVERSITY IMPLICATIONS

- 10.1 Members must demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.

The three aims the authority **must** have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it

- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 10.2 Organisations applying to the CIM and Stogursey Contributions Funds are required to describe how their project will promote equal opportunities and will be accessible to all people in the community regardless of background, ability or personal circumstances.
- 10.3 Projects that restrict membership or access to services without being able to 'objectively justify' their reasons for doing so will not be eligible to be considered for funding. Projects that wish to limit access must be able to show that the less favourable treatment contributes to a 'legitimate' aim and that it is 'proportionate.'
- 10.4 Organisations are required to provide a copy of their Equal Opportunity Policy with their application to demonstrate awareness of their responsibility to deliver accessible services that advance equality.
- 10.5 Wider community benefit and the ability of the project to promote cohesive communities are both taken into account when scoring applications and making recommendations.

11. CRIME AND DISORDER IMPLICATIONS

- 11.1 There are no direct implications on crime and disorder in West Somerset as a result of the recommendations within this report.

12. CONSULTATION IMPLICATIONS

- 12.1 Applications to the CIM Fund are considered Planning Obligations Board. The Board consists of representatives from EDF, Sedgemoor District Council, West Somerset District Council and Somerset County Council.
- 12.2 All applicants are required to demonstrate that they have consulted with their local and wider communities on project proposals with the aim of informing their need appraisal and to shape delivery of their project.

13. ASSET MANAGEMENT IMPLICATIONS

- 13.1 There are no direct asset management implications as a result of this report

14. ENVIRONMENTAL IMPACT IMPLICATIONS

- 14.1 There are not considered to be direct implications of approving the release of these monies associated with the Community Impact Mitigation Fund. However, there are obviously environmental impacts associated with the wider proposed development of Hinkley Point C. These have been assessed within the Environmental Statement submitted by NNB Genco with the application to carry out Site Preparation Works at Hinkley Point C (West Somerset Council Planning Application No: 3/32/10/037) and mitigation measures have been secured.
- 14.2 Applicants are required to describe how their projects will promote environmental sustainability.

15. HEALTH & WELLBEING

- 15.1 The Community Impact Contribution and Stogursey Contribution have been paid to West Somerset Council for the purpose of mitigating the impacts of the Hinkley C development on local communities through projects that promote or improve the economic, social or environmental wellbeing of local communities.
- 15.2 The application and scoring process has been developed to prioritise funding of projects that aim to improve the health and wellbeing of people, families and communities affected by the development.
- 15.3 Applications are required to evidence and demonstrate that
- The communities is taking responsibility for their own health and wellbeing;
 - Projects provide benefits which empower communities to be thriving and resilient
 - Projects provide benefits which support people to live independently.

16. LEGAL IMPLICATIONS

- 16.1 These funds have been paid by a developer (NNB Genco) due to the signing of a Section 106 legal agreement for planning permission to carry out the site preparation works at Hinkley Point C (West Somerset Council Planning Application No: 3/32/10/037). As part of this legal agreement West Somerset Council shall take into account the recommendations of the Planning Obligations Board when deciding how to apply those elements of the Community Impact Mitigation Contributions (Schedule 1 – General, Para. 5.3 of the S106).

APPENDIX A:

Hinkley Fund Community Impact Mitigation Fund Approval Balances

	£	£
CIM Fund received under SPW Phase 2		3,735,426
CIM Fund received under SPW Phase 2+1		1,751,749
		<u>5,487,175</u>
<u>Less previously approved allocation</u>		
Stogursey Parish Council - Burgage Road Play Area	(90,373)	
Wembdon Village Hall - New VH & Play Area	(250,000)	
Somerset Youth & Community Sailing Association	(9,600)	
Tropiquaria - Relocation of primates	(40,000)	
Tropiquaria - Relocation of play area	(37,350)	
Porlock Shellfish Project	(800)	
Westfield United Reform Church - Street Café	(110,000)	
Williton Bowling Club	(13,000)	
Kilve Cricket Club	(22,000)	
Onion Collective	(243,119)	
Williton Parish Council	(250,000)	
Stogursey Football Club	(750)	
		(1,066,992)
Current Uncommitted Balance		<u>4,420,183</u>
<u>Less current applications recommended but not yet approved</u>		
North Petherton Playing Fields	(46,000)	
SDC - Sydenham Together	(60,000)	
		(106,000)
		<u><u>4,314,183</u></u>

Report Number: WSC 112/15

Presented by: Cllr M Chilcott, Lead Member for Resources and Central Support

Author of the Report: TIM BURTON ASSISTANT DIRECTOR PLANNING AND ENVT

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Report to a Meeting of: Council

To be Held on: Wednesday 22 July 2015

Date Entered on Executive Forward Plan Or Agreement for Urgency Granted:

Request for allocation of planning obligations funding

1. PURPOSE OF REPORT

1.1 The purpose of this report is to make proposals for the allocation of monies secured through planning obligations to individual schemes.

2. CONTRIBUTION TO CORPORATE PRIORITIES

2.1 No clear links within the proposals.

3. RECOMMENDATIONS

3.1 Full Council to approve the allocation of £149,500 for phase 1 of the Williton Pavilion project to be added to the capital programme and funded from planning obligations contributions.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
Failure to allocate monies correctly in line with legal agreements causing requirements to repay	3	4	12
<i>The proposals within the report are matched to the legal agreements and monies available in that area</i>	1	4	4
Failure to spend monies before date required in any legal agreements and trigger a requirement to repay	2	3	6
<i>The recommended projects use funds that are available and in date requirements</i>	1	3	3
Projects do not progress in accordance with plan and therefore money remains unspent	2	2	4
<i>Set timescale for delivery of project. Reallocate money if required</i>	1	2	2

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

5. BACKGROUND INFORMATION

- 5.1 The authority has established arrangements to allocate monies secured through planning obligations. These match schemes to the authority's priorities. This mechanism has now also begun to identify projects that may be funded through new development. It also deals with specified streams of funding associated with the Hinkley Point development where funds have been directly paid to the Council and decisions are the sole responsibility of West Somerset.
- 5.2 Proposals are considered by the internal planning obligations group against priorities, appropriate strategies and any identified local priorities to create recommendations for Cabinet to consider on a quarterly basis. Any individual proposals over £25,000 require Full council approval. Proposals are considered against set criteria as a part of the formal consideration of projects to allow allocation of funds and subsequent release of monies.
- 5.3 Phase 1 of the Williton Pavilion Project comprises erection of the new pavilion, which will improve recreational facilities for the people of Williton with a building that includes fully accessible changing facilities, toilets, kitchen and an indoor public space suitable for indoor recreation and sports activities. It also involves improving accessibility into and within the recreation ground, including new pedestrian links, disabled parking and a hardstanding area adjacent to the War Memorial. Subsequent phases will comprise the creation of a Multi Use Games Area (MUGA) and redevelopment of the existing changing rooms. The total cost of phase 1 will be £1.3m, which includes £250,000 from the Hinkley Point Community Impact Mitigation Fund.. It is proposed to use funding from three planning obligations (ref: 3/39/11/004, 3/39/12/025 and 3/39/13/013). This will leave £15,730 of outstanding planning obligations funding relating to Williton parish. None of the outstanding obligations are time limited.

6.0 FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 The request for funding in respect of the Williton Pavilion meets the requirements of agreements 3/39/11/004, 3/39/12/025 and 3/39/13/013.

7.0 COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1 In accordance with Financial Regulations, a virement in excess of £25,000 needs to be agreed by Full Council, to demonstrate proper processes are being followed in the management of budgets.
- 7.2 The sum in section 3.1 of this report exceeds this threshold and therefore will need to be recommended by Cabinet to be approved by Full Council. (*This was referred to the June meeting of Cabinet*).
- 7.3 To aid monitoring and reporting against financial approvals, the sum will be added to the Capital Programme creating an agreed budget for the schemes, and will be funded from contributions received. This will not impact on the use of 'un-ring-fenced' capital resources i.e. capital receipts.

8. EQUALITY & DIVERSITY IMPLICATIONS

8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

8.2 It is considered that this project will deliver positive benefits for all members of the communities.

9. CRIME AND DISORDER IMPLICATIONS

9.1 None

10. CONSULTATION IMPLICATIONS

10.1 None

11. ASSET MANAGEMENT IMPLICATIONS

11.1 None

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1 None

13. HEALTH & WELLBEING

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

13.1 The proposals will potentially bring benefits in terms of health and wellbeing to the community concerned.

14. LEGAL IMPLICATIONS

14.1 None

<i>Report Number:</i>	<i>WSC 111/15</i>
<i>Presented by:</i>	<i>Cllr Chris Morgan, Lead Member Energy Infrastructure</i>
<i>Author of the Report:</i>	<i>Andrew Goodchild, Assistant Director Energy Infrastructure</i>
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<i>Report to a Meeting of:</i>	<i>Council</i>
<i>To be Held on:</i>	<i>22nd July 2015</i>
<i>Date Entered on Executive Forward Plan Or Agreement for Urgency Granted:</i>	<i>April 2014</i>

HINKLEY POINT C: SECTION 106 AGREEMENT – LEISURE CONTRIBUTION

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is for Council to consider the list of projects set out within the report and agree that they are invited to make application within the allocation of £250,000 paid from the Section 106 agreement for Site Preparation Works at Hinkley Point C. The projects would then be asked to submit information via an application process similar to that provided for other Section 106 agreement allocations before any release of funding, including the desire to see match funding.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 Key Task 3.4 of the Corporate Plan is directly relevant to the proposed allocation, it reads:
- By March 2016 to deliver a programme of investment within West Somerset for the leisure funding provided directly to the council from the development at Hinkley Point

3. RECOMMENDATIONS

- 3.1 That Full Council agree that the list of projects at paragraph 5.4 are invited to make an application within the allocation of £250,000 paid from the Section 106 agreement for Site Preparation Works at Hinkley Point C.
- 3.2 That Full Council agree that delegated powers be granted to the Lead Member for Resources and Central Support, the Lead Member for Energy Infrastructure, the Lead Member for Communities and the Assistant Director Energy Infrastructure to grant monies to projects in accordance with the list of projects at paragraph 5.4 upon receipt of the necessary financial and governance information.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
That the contribution is spent in isolation of other potential funding sources and priorities for sports and leisure	2	3	6
<i>The SASP study took account of other potential funding sources and the existing and known priorities for sports and leisure facilities in West Somerset</i>	1	3	3
That the contribution is not applied in an appropriate way or to appropriate projects in light of the legal agreement	2	4	8
<i>The requirements of the legal agreement have been taken into account and the views of EDF Energy have been sought. The provisional allocations have sought to balance the needs of the existing community and the likely impact of hosting the Hinkley Point C workforce</i>	1	4	4

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

5. BACKGROUND INFORMATION

- 5.1 The Section 106 agreement for Site Preparation Works at Hinkley Point C included a payment of £250,000 for the purposes of providing new, or improving existing, sports/leisure facilities within West Somerset Councils area. It should be noted that a payment of £500,000 for the purposes of providing new, or improving existing, sports/leisure facilities in Stogursey Parish was also paid as part of the Section 106 agreement, this £500,000 is not considered within the context of this report although potential projects using that contribution at Stogursey Victory Hall have been taken into account.
- 5.2 In October 2014 Cabinet agreed to fund the appointment of Somerset Sports Action Partnership (SASP) to undertake a feasibility study to assist the Council in deciding who to best allocate the contribution. The report from SASP which has evolved with the assistance of Council Officers is presented at Appendix A of this report.
- 5.3 SASP's report explains the consultation process, sets out a range of background information which needs to be taken into account, explains the process by which the various projects have been prioritised and sets out a range of proposed allocations. A number of the projects which are recommended to receive a provisional allocation have the ability to receive match funding from other sources, and SASP have agreed to work with these organisations to help develop funding bids which will hopefully result in the original allocation drawing in levels of significant match funding.
- 5.4 The following projects, as set out within Appendix A, are to be invited to make an application for the provisional allocation amount (totalling £249,000):

Organisation	Project	Provisional Allocation	Total Project Cost
1610	Outreach Work	£2,500	£3,720
Age UK	Exercise Classes for older people in Watchet	£9,500	£9,500
Carhampton Recreation Ground	New showers as part of complete refurbishment project	£10,000	£184,000
Dunster Marsh Playing Field Association	MUGA	£10,000	£70,000

Minehead Eye	Extreme Sports Instructor and Outreach	£2,500	£22,000
Minehead Golf Club	Indoor Training Facility	£5,000	£80,000
Minehead Tennis Club	Floodlights	£5,000	£25,000
Minehead Town Council	Alcombe Activity Area / Green Gym	£12,500	£50,000
Watchet Bowling Club	New indoor bowling rink and community multi use space	£50,500	£1,000,000
Watchet PT and ABC Boxing Club	Improve facilities and upgrade equipment for use by the Watchet Boxing Club, Age UK and other user groups within the community	£20,000	£25,000
Williton Football Club	Equipment for youth team	£1,500	£2,500
Williton Parish Council	Williton Pavilion and MUGA project	£70,000*	£1,300,000
YMCA	Minehead 'Silver Gym' – specialist gym equipment for older people [for fitness and rehab] available day time and evenings also to visitors and young people at affordable cost.	£50,000	£80,000
Total		£249,000	£2,851,720
*Members will note that this project has received a CIM Fund allocation of £250,000 and has an application for 'normal' Section 106 funds which is being considered.			

5.5 Members will see from Appendix A that there are projects where it is not proposed to allocate a contribution. This is due to a variety of reasons, firstly the total costs of the projects seeking funding was almost £3m, nearly 12 times the amount of money available. Also taken into account was the likelihood that projects might be funded from other sources, for example contributions from planned development outlined in the emerging Local Plan. Finally, proposed expenditure has been focussed on the three major conurbations which are likely to host the majority of Hinkley Point C workers within the District – recognising that the funding was secured to ensure that capacity issues within sports and leisure facilities was not caused or exacerbated by hosting workers.

5.6 Whilst a range of conversations and exchanges of information have taken place, the level of detail required to actually allocate monies is not yet in place. If Cabinet and Council are minded to approve the projects on the list above, they can be invited to submit the necessary information relating to finances and governance prior to the release of funds. The invitation will assist greatly in accessing match funding for a number of the projects so it is proposed that delegated powers be granted to the Lead Member for Resources and Central Support, the Lead Member for Energy Infrastructure and the Assistant Director Energy Infrastructure to grant monies to projects in accordance with list upon receipt of the necessary financial and governance information.

6. FINANCIAL/RESOURCE IMPLICATIONS

6.1 There is no impact on the Council's General Fund Position as it is entirely funded by the Hinkley s106 grant (Schedule 11 – WSC Leisure)

6.2 The Site Preparation Work Section 106 agreement under Schedule 11 has allocated £250,000 plus inflation uplift for the provision of leisure facilities within West Somerset. After inflation uplift, the total amount received is £266,816

6.3 Previously, we have already allocated £14,000 on 1st October 2014 (WSC 139/14) for technical and feasibility studies for West Somerset Leisure Facilities (£10,000) and the Steam Coast Trail Project (£4,000)

- 6.4 After approval of this report, which will allocated £249,000 from this funding, the total funding unallocated will be £3,816.

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1 The funding for providing leisure facilities is from the s106 agreement for the site preparation agreement Work at Hinkley Point C, not the council's own resources. However, we must be able to demonstrate to our stakeholders, in particular EDF Energy and other parties to the s106 agreement, that we have maximised the benefit from this fund in terms of mitigating of the impact of HPC on West Somerset.
- 7.2 The rules relating to the Section 106 Agreement has been adhered to by bringing this report to Full Council.

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:
- Eliminate discrimination, harassment, victimisation
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it
- 8.2 The proposed provisional allocations have taken into account identified need and the contents of the West Somerset Health and Wellbeing Strategy. Those with a provisional allocation will be expected to explain how their projects take account of equality and diversity implications.

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 There are no direct crime and disorder implications as a result of this report

10. CONSULTATION IMPLICATIONS

- 10.1 The SASP feasibility study included consultation evenings (which followed adverts and invitations being sent to organisations) and involved a range of follow up conversations with local sports clubs and organisations.
- 10.2 The Councils Community Leisure Manager has reviewed the SASP report and the proposed provisional allocations and has no comments to make.
- 10.3 EDF Energy have also been kept up to speed with the work of SASP and the outcomes of the feasibility study.

11. ASSET MANAGEMENT IMPLICATIONS

- 11.1 There are no direct asset management implications as a result of this report

12. ENVIRONMENTAL IMPACT IMPLICATIONS

- 12.1 There are no direct environmental implications as a result of this report. If facilities require the benefit of planning permission any environmental implications will be considered as part of the application process.

13. HEALTH & WELLBEING

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

- 13.1 The provisional allocations have been proposed in light of the West Somerset Health and Wellbeing Strategy – the most relevant extracts have been reproduced in appendix 2 of SASPs report.

14. LEGAL IMPLICATIONS

- 14.1 Schedule 11 of the Section 106 agreement for Site Preparation Works requires that the £250,000 contribution is spent for the purposes of providing new, or improving existing, sports/leisure facilities within West Somerset Councils area.

WEST SOMERSET

sasp 
Somerset Activity & Sports Partnership

LEISURE FUND

Report by SASP to West Somerset Council

March 2015



www.sasp.co.uk

West Somerset Leisure Fund

Introduction

SASP (Somerset Activity and Sports Partnership) was commissioned by West Somerset Council in October 2014 to prepare a report on the needs of local sports and community groups applying to the West Somerset Leisure fund.

The report will assist the Council in prioritising funding applications for its £250k leisure fund and for larger projects which would be more appropriate to apply to other funders.

The approach to the project followed that established by good practice and previous facility and consultation projects undertaken by SASP.

1. Consultation

Three consultation evenings were arranged on 12th November 2014 (Williton), 17th November (Watchet) and 24th November (Minehead) led by Colin Johnson and Jane Knowles from SASP

Invitations were sent to sports clubs, village halls and community groups in West Somerset mainly focussing on the coastal strip.

In all 56 people attended from 24 separate organisations. (App 1 shows full list). The format of the two hour sessions was:

1.1 Introduction to the Leisure Fund, opportunities of the fund and outcomes from the session

1.2 Background statistics to West Somerset demographic

1.3 Group work – examining individual projects and their potential impact of raising participation and activity levels in West Somerset

1.4 Summing up and next steps

All attendees were emailed the following day an online form which they returned with outline details of their project. Groups who were unable to attend but requested further information were also sent a form.

In total 20 applications were received. Visits were then arranged to Minehead Golf Club, YMCA (Beach Hotel), Minehead Cricket Club, Minehead Tennis Club, Watchet Boxing Club, Age UK, Watchet Bowling Club and Williton Parish Council. Telephone contact was then made to the majority of remainder. Total funding requested on all 20 applications was £2,910,720.

2. Prioritising Projects

The projects were then assessed against the following criteria:

- 2.1 Will the project impact on the objectives of the West Somerset Council's Health and Wellbeing and Sport and Recreation Strategies? (See App 2 for key statements).
- 2.2 Does the project offer more opportunities to existing / new members or participants?

- 2.3 Does the project offer a new facility or make an existing one more accessible or ensure long term sustainability?
- 2.4 Does the project impact on the health of West Somerset residents?
- Provide opportunities for older people to exercise
 - Reduce burden on NHS i.e. provide preventative physical activity / exercise solutions to the cost of inactivity e.g. Type 2 diabetes (currently effects 2,500 West Somerset residents), obesity, disability, dementia.
- 2.5 Will the project provide opportunities for young people?
- Improve health and wellbeing of young people
 - Prevent anti-social behaviour
 - Provide coaching / participation opportunities
- 2.6 If the project was awarded leisure funding, could it act as partner funding for other larger grant funders?
- 2.7 Will the project offer more opportunities to girls and women?
- 2.8 Can the project link with any other project to form an activity hub?

Summary

The spreadsheet included in the report shows recommended allocations. The £250k Leisure Fund if allocated as recommended could start some exciting new projects or act as a pump priming for projects to attract larger local or external funds e.g. S106, Sport England.

A key consideration in the allocation of funding was that grants should be seen to be making an impact on activity levels in West Somerset and not repairs to existing buildings.

The West Somerset Sport and Recreation and Health and Wellbeing Strategies are very aspirational documents but with little WSC funding available to deliver the objectives external funding will be needed to bring them for fruition. References to these strategies are in App. 2.

The three larger grant allocations not only meet all the prioritising criteria but will enable local solutions to the barriers to inactivity i.e. affordable local facilities that are easily accessible and have long term sustainability.

Some key facts on West Somerset which the Leisure Fund could help alleviate are shown in App. 3.

All the groups who attended the three consultation meetings felt that regular meetings for voluntary sports / leisure groups would be very beneficial. SASP will organise a further meeting therefore during the summer 2015.

Allocation of Leisure Funding

Organisation	Project	Amount	Leisure Fund EDF	Comment
1610	Outreach work	£3,720	£2,500	SASP to work with applicant to source other sources
Age UK	Exercise classes for older people in Watchet	£9,500	£9,500	Age UK to work with local community to determine equipment needs for exercising through the provision of taster sessions.
Brompton Ralph Cricket Club	Complete Clubhouse works	£7,500	£0	Refer to Engage: http://www.engagews.org.uk/ to advise on potential funding sources
	New Kitchen	£30,000	£0	
Carhampton Recreation Ground	Disabled access	£20,000	£0	WSC Housing & Community Project Team to continue initial support with this project to demonstrate evidence of need within the community
	New Kitchen - upgrade	£10,000	£0	
	New toilets	£15,000	£0	
	New showers	£10,000	£10,000	
	Double glazing	£20,000	£0	
	Heating	£4,000	£0	
	Extension to existing	£70,000	£0	

	Field drainage	£35,000	£0	SASP to work with applicant to source other sources - application being submitted to Sport England
Dunster Marsh Playing Field Association	MUGA	£70,000	£10,000	Possible additional contribution from nearby development
Minehead Barbarians RFC	Training floodlights on car park	£15,000	£0	SASP to work with applicant to source other sources
Minehead Cricket Club	New cricket nets	£15,000	£0	SASP to work with applicant to source other sources
	New artificial cricket wicket	£10,000	£0	
Minehead Cycling Club	Cycle track in Minehead	£65,000	£0	SASP to work with applicant to source other sources
Minehead Eye	Extreme sports instructor and outreach	£22,000	£2,500	SASP to work with applicant to source other sources
Minehead Golf Club	Indoor training facility	£80,000	£5,000	Applicant to explore Section 106 possibilities with Minehead Town Council and work with SASP to work up a bid proposal
Minehead Tennis Club	Flooring in Clubhouse	£25,000	£0	Not eligible.
	Floodlights	£25,000	£5,000	SASP to work with applicant to source other sources
Minehead Town Council	Alcombe Activity Area/Green Gym	£50,000	£12,500	SASP to offer support to the Minehead Town Council to find

				additional funding, including Section 106
Moorland Hall	Replace existing clubhouse/changing/access to MUGA	£150,000	£0	Engage already working with this applicant to source funding for this project.
Watchet Bowling Club	New indoor 2 rink bowling and community multi-use space	£1,000,000	£50,500	SASP to work with group Watchet Bowling Club to develop this project to provide indoor bowling rinks and additional community facilities, including an indoor exercise space
Watchet Memorial Ground	Roof to pavilion	£6,500	£0	Not eligible
	Replace Floor	£2,000	£0	Not eligible
Watchet PT & ABC Boxing Club	Improve facilities and upgrade equipment for use by the Watchet Boxing Club, Age UK and other user groups within the community	£25,000	£20,000	SASP to work with applicant to ensure the sustainability additionally of this project going forward.
Williton Bowling Club	Green upgrade and access improvements	£13,000	£0	Applicant has successfully secured funding via the CIM Fund
Williton Football Club	Equipment for the youth team	£2,500	£1,500	SASP to work with applicant to source other sources
Williton Parish Council	MUGA	£1,100,000	£70,000	SASP to work with applicant to source other funding. The planning permission approval was
	Entrance improvements			
	Pitch improvements			

	Pavilion			inclusive of all aspects of the improvement scheme. This includes the MUGA, improvements to the entrance to improve accessibility and improvements to the pitch to improve drainage and incorporate a junior pitch.
YMCA	Minehead Silver Gym – specialist gym equipment for older people [for fitness and rehab] available day time and evenings also to visitors and young people at affordable cost.	£80,000	£50,000	SASP to work with applicant to source other sources
TOTALS		£2,910,720	£249,000	

	Total allocation of Leisure EDF	£249,000
	Amount available	£250,000
	Amount unallocated	£1,000

Consultation day attendees

Minehead Tennis Club
Minehead Ladies Hockey Club
West Somerset College
Old Cleeve Parish Council
Ageing Well
Watchet War Memorial Ground Committee
Williton Bowling Club
Minehead Football Club
Williton Parish Council
Williton British Legion Rifle Club
Dunster Football Club
Dunster Cricket Club
Roadwater and Nettlecombe Village Hall
Dunster Marsh Playing Field
Williton Rockets FC
Watchet Bowling Club
Watchet Amateur Boxing Club and Gym
Minehead Golf Club
Carhampton Recreation Centre
Moorland Hall and Playing Field Committee
Minehead Cricket Club
Minehead Barbarians RFC
Brompton Regis Cricket Club
1610

2. Health and Wellbeing Strategy References

Key objectives of West Somerset Health and Wellbeing Strategy

- 2.1 'Identify links with voluntary and other partners to strengthen our ability to influence health and wellbeing' (P4)
- 2.2 'Identify areas of health disability in West Somerset and target resources to provide support and aid for those in need' (P4E)
- 2.3 'People families and communities take responsibility for their own health and wellbeing. West Somerset Council to undertake appropriate partnership engagement with others including West Somerset Health Forum, GP Practices and GP Federation (P5 Exec Summary)
- 2.4 Action 1. 'The Health and Wellbeing Board will give greater support for community led action to encourage healthier lifestyles. We will develop a more joined up approach to providing information about local opportunities'
- 2.5 Action 3 'The strategy will give greater emphasis on prevention'
- 2.6 P17 West Somerset Council has very limited funding available for financing leisure and sporting facilities which would support the Somerset Health and Wellbeing Strategy

3. West Somerset Leisure Strategy References

- Network of small community and village halls provide a valuable asset to the community. Opportunities should be taken to improve facilities where quality or current demand is an issue (Williton).
- Bowls – increased demand in Watchet for more indoor rink capacity.
- MUGAs – local opportunities should be considered in a number of villages if feasible and financially viable.

Key facts on West Somerset which the Leisure Fund could impact on.

- Population of West Somerset 35,600
- Highest % of over 65s in England – further challenges with ageing population
- Decline in working population – 40% retired by 2028
- 45th ranked in IMD in UK (out of 326)
- Health deprivation and disability most prevalent in parts of Watchet, Williton and South Minehead
- 2,600 people in West Somerset have diabetes diagnosed, 90% of which is Type 2. However a further 30% of cases possibly undetected
- West Somerset population 2 -4 times more likely to have heart disease and / or stroke risk
- 15% of diabetes sufferers suffer lower limb amputation
- 6 – 7-% of people with diabetes suffer nerve damage as a side effect
- Risk of developing Type 2 diabetes increased by 30 – 40% in sedentary people compared to those who are physically active
- Lifestyle interventions - exercise combined with dieting advice reduces incidence of diabetes by 58%
- Stroke effects 125 people p.a. in West Somerset – this can be reduced by exercise and healthy diet
- Dementia in West Somerset – 834 cases in 2010, 937 in 2015, 1061 predicted in 2020. Exercise is a key component in preventing dementia

Source – Joint Needs Assessment – West Somerset 2011

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 Report to a Meeting of: Council
 To be Held on: 22 July 2015
 Date Entered on Executive Forward Plan
 Or Agreement for Urgency Granted:

HPC S106 - HOUSING FUNDING STRATEGY: AMENDMENT TO PRIVATE SECTOR HOUSING RENEWAL POLICY

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is for Members to consider and approve the attached amendment, at Appendix 1, to the Somerset West Private Sector Housing Renewal Policy, which sets out the types of financial assistance that the Council can offer owner occupiers and landlords to carry out essential repairs on their property, and to bring empty properties back into use. The Policy needs to be amended in order to be able to offer the grants and loans for empty properties, Landlord Accreditation and the Living Over the Shops grant, contained within the Hinkley Housing Funding Strategy approved by West Somerset Council on 19 November 2014.

2. CONTRIBUTION TO CORPORATE PRIORITIES

The Draft EDF Energy Housing Funding Strategy is directly related to the delivery of the WSC Corporate Plan, and associated targets, by setting out the proposals for meeting the Corporate Priority below:

Corporate Priority: New Nuclear Development at Hinkley Point – Objective 5: The availability of housing supply within West Somerset is increased to mitigate the extra demands linked to Hinkley Point workers.

3. RECOMMENDATIONS

To approve the amendments to the Private Sector Housing Renewal Policy.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
Work across all 3 authorities and the need to balance resources, priorities or focus from partnership in delivery of Hinkley proposals (project management, embedding legacy projects etc)	2	3	6
Commitment to prioritising and resourcing Hinkley in operational arrangements	1	3	3

Uncertainty over future of SWELT as delivery agent for private sector Landlord & Tenant Services	3	4	12
<i>Committing resources to Project Teams for delivery of individual proposals</i>	1	4	4
Competing agendas across the districts, compounded by different perspectives at varying levels of project management may lead to confusion or threaten partnership approach	3	4	12
<i>Clarity and openness over lines of engagement</i>	2	4	8
Owners take up the empty property grant and not the loan offer so grant funds used up more quickly than anticipated so not able to offer in conjunction with the loan where works exceed £15,000	2	4	8
<i>Not to publicise grant, and to target activity to priority areas</i>	1	3	3
Lack of take up of either grant or loan products for empty properties thus not creating bed spaces to mitigate the impact of HPC	2	4	8
<i>Talking to landlords in the relevant areas suggests there is an appetite for the grants</i>	1	4	4
Owners will not sign a lease agreement so the grant and loan not approved resulting in the property remaining empty and not housing households	1	4	4
<i>The lease agreement is flexible and subject to negotiation between Somerset Care & Repair and the owners</i>	1	2	2

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before the mitigation measures have been actioned and after they have.

5. HOUSING FUNDING STRATEGY – PRIVATE SECTOR INITIATIVES

- 5.1 The Housing Fund of £4m was secured to provide finance to deliver additional housing capacity to mitigate any potential adverse effects on the local private rented and low cost housing market that might arise from the Hinkley Point C development. The fund is provided under the Section 106 Agreement in relation to the Site Preparation Works, with a further £3.5m to be made available when EDF Energy elect to Transition to the Development Consent Order (minimum of £1m for Sedgemoor District Council (SDC) and £500,000 for West Somerset Council (WSC)).
- 5.2 The EDF Housing Funding Strategy, providing a summary of joint bids by WSC and SDC, was approved by the Planning Obligations Board (POB) of 7 October 2014, and adopted by West Somerset Full Council on 19 November 2014. All the individual initiatives contained in the Strategy are now being implemented. In addition, funding for a number of “enabling” bids have been approved and are now being developed.
- 5.3 Given the need to meet the potential demand in a relatively quick timeframe the focus in the short-term must be on the private rented sector, already identified as the largest potential source of housing for HPC workers. Our aim is to increase particularly the supply of good quality accommodation, available for everyone supported by a range of services to encourage some landlords to let properties to local residents who may otherwise be disadvantaged.
- 5.4 This aim is supported by the Empty Property Regeneration projects to bring some of the 760 empty properties across both districts back into use. Previous experience has proved that bringing empty properties back into use is extremely time and resource intensive requiring a wide range of skills. There are 3 elements to the Regeneration proposal:
- **Empty Homes Grant** administered by Somerset Care and Repair (SC&R) who will also incorporate the “Help Yourself” social enterprise offering education, training

and employment opportunities to vulnerable residents. Owners would also be able to apply for loan funding.

- **“Do it Yourself” Empty Homes Loans** to owners not interested in the SC&R model
- **Living over the Shop Grants** to help address the additional costs of converting commercial space into residential.

- 5.5 The Somerset West Private Sector Housing Renewal Policy is the document which sets out the types of financial assistance that the Council can offer owner occupiers and landlords to carry out essential repairs on their property, and to bring empty properties back into use. The Policy needs to be amended in order to be able to offer the grants and loans for empty properties, Landlord Accreditation and the Living Over the Shops grant, as approved in the Housing Funding Strategy.
- 5.6 The funding of these additional grants and loans is from the Hinkley Housing Fund. The funding for the loans will be given directly to Wessex Home Improvement Loans which will ring-fence the money as part of the larger loan pot that they hold on behalf of the Council. The loan pot attracts interest. The Councils will hold the funds for the grants and only pay grant money to owners/landlords on approved and completed works. All approved works which attract Building Regulations would be signed off by the Council's Building Control team.
- 5.7 The amendment was discussed by the West Somerset Policy Advisory Group on 23 June 2015.

6 CHANGES TO THE PRIVATE SECTOR HOUSING RENEWAL POLICY

- 6.1 In West Somerset the current grant policy offers a loan of up to £15,000 at 4% for works to refurbish the property and bring it up to the decent homes standard. There are a restricted number of conditions placed on the owner, but nominations for applicants from Homefinder Somerset is not required as the Council want to encourage owners to bring their properties back into use. The loan is through the Council's preferred loan provider Wessex Home Improvement Loans.
- 6.2 The take up of the loans have been low as owners have been reluctant to take on further debt. This is true across both districts, even though SDC offers an alternative loan with a 0% interest rate. The main reason seems to be the imposition of an additional charge on the property and an additional payment burden on top of the repayments on the property such as a mortgage.
- 6.3 The new product will offer a grant first of up to £15,000 as an inducement. For landlords who require little collateral, the grant should be sufficient and in return the Council has access to a property for applicants from Homefinder Somerset so reducing the impact on temporary accommodation. The Council will receive New Homes Bonus from the Government and can charge Council Tax. D.
- 6.4 Owners who take up the grant would be required to sign over the management of the property to a preferred Partner Agency. The preferred partner would in return, apply to the Council for the grant and if needed the loan on behalf of the owner, organise contractors to refurbish the property, organise tenants, and manage the tenancies and ongoing repairs through a 7 year lease. The property would be returned to the owner in the condition it was in following refurbishment. The owner and preferred partner would negotiate the rental income due to the owner during the terms of the lease.
- 6.5 For those owners who own properties which require extensive works, the Council can offer the grant and the loan at 4% interest. The loan maximum is £30,000.
- 6.6 There is a social enterprise element of the grant which comprises links between the preferred partner and Avon and Somerset Police/Probation and Department for Work and Pensions (DWP) to offer vulnerable people including ex-offenders and young people not in education, employment or training (NEET) the opportunity to be up skilled in construction techniques, refurbishing the property and reducing construction costs.
- 6.7 The Council will be offering a second product for owners who choose not to take up the management offer/grant. This will be a loan of up to £30,000 at 4%. The owner would be

required to bring the property up to the decent homes standard but there would not be a requirement to offer the property to tenants from Homefinder Somerset. The owner will though, be able to advertise the property on the Councils Somerset Homelet website. This is free to landlords and is encouraging all private sector lets to be advertised in one place.

- 6.8 The other type of product to be offered under the amended policy is a Living Over the Shops grant. This is a grant of up to £15,000 incentivising owners with empty space above shops to bring them into use and up to the decent homes standard.
- 6.9 The Council will identify properties in the Hinkley priority areas which have been long term empty and using historical data, those which have been blighted, complaints of anti-social behaviour, prominent landmark/focus. The Preferred Partner will contact the owner and tailor a product which suits the owners' circumstances and maximises the benefit to the Council.
- 6.10 The final product is the Landlord Accreditation Grant. This is an amendment to the original grant. The grant will be reduced from £3,000 to £1,000. The landlord may also apply for a low interest loan from Wessex Home Improvement Loans for up to £15,000 at 4% interest.
- 6.11 The grant and loan products being offered through the amended policy would be attractive to both owners of empty properties and landlords who are looking to accredit their property. With the anticipated demand for bed spaces from the Hinkley project, already owners and landlords alike are approaching the Council requesting financial assistance towards works on their properties. These products can only further incentivise them to work with the Council and secure vital, decent accommodation for households applying through Homefinder Somerset and so prevent homelessness.
- 6.12 The extract of the amended Somerset West Private Sector Renewal Policy is at Appendix 1.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications of agreeing this report. The funding for the grants and loans would be from the section 106 monies already approved through the Hinkley Point Planning Obligations Board. The amount already approved for the relevant schemes are:

Empty Homes Grant	£185,000 plus £9,250 admin fee
Empty Homes Loans	£105,000 plus £5,250 admin fee
Living over the Shop Grant	£195,000 plus £9,750 admin fee
Minor Improvement Fund	£140,000 plus £7,000 admin fee (includes the Landlord Scheme)

- 7.2 The option of just a loan has already been tried and tested and despite varying interest rates down to an attractive 0%, has not proved to be successful. Offering grant in the past with limited conditions has also not provided the Council with the best solutions. By offering a combination of grant and loan with a management service is appealing to owners as they receive the first £15,000 as a non means tested grant and have been offered a management service which takes care of the property and the tenants for 7 years in return for a rental income; the Council also benefitting by rehousing potential homeless households.
- 7.3 Members will appreciate that the financing of the bids comes directly from the Section 106 agreement for Site Preparation Works at Hinkley Point C and will recall that the Section 106 agreements funds two housing officers at WSC (and equivalents at SDC). They will be responsible for delivering some of the work, working with partners to deliver some of the work and monitoring partners delivering the remaining work. The Section 106 agreement also funds a Finance Officer who will work with the Housing Team and the Assistant Director – Energy Infrastructure to track spend and delivery.

8. **SECTION 151 OFFICER COMMENTS**

- 8.1 The funding for the delivery of the Housing Strategy is from the s106 agreement for Site Preparation Works at Hinkley Point C, not the Council's own resources. However, we must be able to demonstrate to our stakeholders, in particular EDF Energy and other parties to the s106 agreement, that we have maximised the benefit from this fund in terms of mitigating of the impact of HPC on West Somerset and Sedgemoor. Within the Housing schedule set out in the s106 agreement, WSC on behalf of West Somerset and Sedgemoor District Councils received £4.004m (£3.750m plus inflation uplift), making this the largest single contribution received under the agreement.
- 8.2 It is noted that Wessex Resolutions CIC (WRCIC) will carry out the loan services on our behalf. It is important to monitor their performance, in particular what or who they are funding and why to ensure effectiveness and that it relates to Hinkley impact. WRCIC will keep the interest as an admin fee. The recycled funds will remain in the loan pool
- 8.3 These schemes may result in some additional work for council employees who are not funded by EDF Energy (e.g. Building council, Housing team) although this is not expected to be significant or divert from core activity. Some work may attract a fee and income stream for Building Control.

9. **EQUALITY & DIVERSITY IMPLICATIONS**

Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.

The three aims the authority **must** have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

The Hinkley Housing Funding Strategy complies with recommendations that the Council should maximise all opportunities to monitor and measure responses and outcomes against diversity criteria to help plan future housing provision in a way that reflects the needs of all groups within the community. The proposals are intended to increase the supply of accommodation available to all, with measures to assist vulnerable local residents to access housing across West Somerset and Sedgemoor. All actions should be in compliance with the Human Rights Act.

10. **CRIME AND DISORDER IMPLICATIONS**

All housing developments should be designed to minimise the potential for crime and disorder. The Housing Fund proposals are designed to mitigate the impact of HPC workers on accommodation in the district, by meeting the needs and aspirations of the local community, improving the quality of housing across the district, increasing housing supply and housing options, so could be expected to have a positive impact on crime and disorder.

An empty property left unoccupied and not maintained will, over time, impact on its surroundings including neighbouring properties whose condition and value might be adversely affected. Empty properties are at risk from being broken into or attract squatters and, in some cases, might become a target of arson. They are frequently the cause of calls or complaints to local authorities, Police and Fire services. The amended policy will attempt to target these properties and bring them back into use eliminating the risk.

11. **CONSULTATION IMPLICATIONS**

All the Housing Fund proposals have been developed in consultation with Somerset West Private Sector Housing Partnership (SWPSHP), Somerset West Landlord & Tenant Services (SWELT), private sector landlords, the West Somerset Affordable Housing Group, and the

West Somerset Housing Forum. This proposal was discussed by the members of the West Somerset Policy Advisory Group on 23 June.

12. ASSET MANAGEMENT IMPLICATIONS

There are no direct implications

13. ENVIRONMENTAL IMPACT IMPLICATIONS -

There are no direct implications of approving the Housing allocations. However, there are obviously environmental impacts associated with the wider proposed development of Hinkley Point C. These have been assessed within the Environmental Statement submitted by NNB Genco with the application to carry out Site Preparation Works at Hinkley Point C (West Somerset Council Planning Application No: 3/32/10/037) and mitigation measures have been secured.

14. HEALTH & WELLBEING

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

The Housing Fund proposals are designed to mitigate the impact of HPC workers on accommodation in the district, by meeting the needs and aspirations of the local community, improving the quality of housing across the district, increasing housing supply and housing options, so could be expected to have a positive impact on health and wellbeing.

15. LEGAL IMPLICATIONS

Changes to the Private Sector Renewal Policy require the approval of Council. The Council has the power to award the grants/loans outlined in this report.

Appendix 1 – Extract of the amended Somerset West Private Sector Renewal Policy Assistance Within The Private Rented Sector

The Private Sector Housing Renewal Policy aims to assist across all tenures within the partnership area. This includes services relating to empty properties, housing standards and the Voluntary Landlord Accreditation Scheme.

There is going to be an increased pressure on the availability of quality rented properties with the emergence of the Hinkley Power station construction project. A certain number of the construction workers will be housed in temporary accommodation or on campuses. The remainder will be housed in the private rented sector, predominantly in Sedgemoor and West Somerset. This may cause a displacement of existing tenants in those areas into Taunton Deane which currently has limited capacity for additional tenancies. This will be felt over the next two years as the construction begins.

The partner Councils have made provision in the policy to provide for a contribution towards the 1,742 bed spaces required by EDFe and to maintain the existing stock.

a) Advice

Somerset West Lettings and Tenancies Services (SWeLT) provides a comprehensive advice service to landlords and tenants in the private rented sector. An important part of this role is the dissemination of information to new and existing landlords on the current housing legislation and minimum standards. Privately rented accommodation provides homes for many residents who are unable, or choose not to enter into social housing or owner occupation. It is therefore essential to work with landlords to ensure the accommodation does not pose a health risk to the occupiers.

b) Accredited Landlords in Somerset Scheme

The Accredited Landlords in Somerset Scheme plays a vital part in maintaining standards in the private rented sector and encourages landlords to understand the management regulations in respect of private sector renting. It is a voluntary self-certifying scheme aimed at encouraging landlords to comply with the Decent Homes Standard. It also recognises and awards good management. In return Landlords receive:

- A Membership certificate indicating that their property is up to the Accredited standard
- Use of the Accredited logo to use on tenancy agreements, letter heads, empty let adverts etc.
- Access to the Bond Guarantee Scheme
- Access to a Management Service
- An offer of tenants from the Housing Needs Register
- Advertising empty lets on the Somerset Homelet Website, a new website set up between the three partner Council's and North Somerset Council dedicated to advertising private sector lets
- Support and advice from the partner agencies in SWeLT, such as on management, which is above that provided for landlords outside of the scheme
- Small grant incentives to help with minor decent homes upgrades
- Low cost loans offered by Wessex Home Improvement Loans up to £15k
- A website which provides up to date legislation and information for landlords
- Regular email updates keeping landlords informed

These are examples of just some of the offers which landlords receive. The advantages of Accreditation for the partnership is the safe knowledge that tenants from the Housing Needs Register are going to be housed in good quality, well managed accommodation. The support which Accreditation offers will also reduce the risk of tenants being evicted as safeguards will be in place to improve the relationships and understandings between landlords and tenants.

c) Enforcement

The partnership has duties under the Housing Act 2004 to take action on properties with serious hazards (Category One) and license certain types of Houses in Multiple Occupation. A copy of the partnership Enforcement policy is contained in Appendix G. On average the team receive over 200 complaints a year on housing conditions. The complaints initially come through the SWeLT telephone number and are then allocated to the Officers in the Housing Standards Team.

d) Empty Properties

The partnership has an aim to bring back into use empty properties. The partnership has an agreed target set by the partner Councils. The partnership contributes to the Council's general aims for access and choice in housing which can be summarised as;

“To continually assess housing and support needs across all tenures, ensuring there are enough homes to meet demand now and in the future; and to provide a high quality housing service to minimise homelessness.”

Unused properties within the district are a valuable resource; the partnership will work within the guidance of the Empty Homes Procedures and in conjunction with private sector landlords and Registered Partners (Social Landlords) to provide much needed affordable housing for our local residents. There are many households seeking this accommodation type.

The policy provides for the following assistance in relation to West Somerset: *Sedgemoor District Council, Taunton Deane Borough Council and West Somerset Council; a loan of up to £15,000 fixed at 4% to encourage landlords to bring their properties back into use. A condition of the loan is to take people from the Council's Housing Needs Register. The only down side of this scheme is there is no mechanism to encourage the maximisation of units within the property.*

All the loan products are dependent on the landlords' track record, and how the property is to be let. On completion of the loan, the newly created accommodation must comply with the Decent Homes Standard. In addition, via funding from the Section 106 Agreement for the Hinkley project, Sedgemoor and West Somerset are offering the following products for empty properties in the priority areas;

- A non-means tested grant of up to £15,000 towards the cost of eligible works to bring an empty property back into use.
- A low interest loan of up to £30,000 at 4% through the Council's preferred loan provider Wessex Home Improvement loans.

The grant is subject to the conditions that the owner works with our nominated Partner Agency who will manage the property on a seven year leasing agreement. The terms and conditions of which will be determined between the landlord and the Partner Agency. The Council would also look to foster relationships between the landlord, Partner Agency and other agencies such as the Probation service as part of a social enterprise project. This would involve ex-offenders assisting with the refurbishment of the properties and their time managed by the agencies. The property will also be accredited.

- Living Over the Shops grant of up to £15,000. The grant is aimed at owners of empty flats above shops as an incentive to assist towards essential repairs to bring the flat up to a decent standard to rent. Many of the empty flats are in key areas of the high street, and with a little assistance would improve the street scene.

e) Financial Assistance to Landlords

The Voluntary Landlord Accreditation Scheme offers small grants to landlords to help bring their properties up to the minimum Decent Homes standard. The grant is subject to availability and is capped at £1,000 for each district. The Loan product from Wessex Home Improvement Loans is available from £1k to £15k at an interest rate of 4% which is a competitive rate compared to high street rates. In addition;

- There is no arrangement fees
- There is a fixed one off £40 Land Registry Fee
- There is no early repayment

Report Number: WSC 113/15
Presented by: Cllr Karen Mills – Cabinet Lead for Economic Regeneration & Tourism
Author of the Report: Corinne Matthews – Economic Regeneration & Tourism Manager
Contact Details:

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Report to a Meeting of: Council
To be Held on: Wednesday 22 July 2015
Date Entered on Executive Forward Plan Or Agreement for Urgency Granted:

ALLOCATION OF HPC S106 TOURISM INFORMATION FUNDS

1. PURPOSE OF REPORT

- 1.1 To consult with Council on a suggested approach for the allocation of the HPC S106 Phase 2 (Part 2) Visitor Information funds.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 Maximising opportunities for West Somerset communities and businesses to benefit from the nuclear development whilst protecting local communities and the environment.

3. RECOMMENDATIONS

- 3.1 To recommend to Council the allocation of the Phase 2 (Part Two) S106 Tourism allocation of £50,000 to those Local Authorities and Visitor Centres identified as requiring support by the Local Authorities party to the S106 Agreement as follows:-

(i) £20,000 to West Somerset Council for the purposes of supporting Minehead, Porlock and Watchet Visitor Information Services.

(ii) £20,000 to Sedgemoor District Council for the purposes of supporting Burnham-on-Sea, Cheddar and Bridgwater Tourism Information Services.

(iii) £10,000 reserved for Somerset County Council to be released upon production of a fully costed proposal to be submitted to the Hinkley Tourism Action Partnership for delegated approval.

4. **RISK ASSESSMENT (IF APPLICABLE)**

Risk Matrix

Description	Likelihood	Impact	Overall
<i>Those TIC's supported do not undertake the monitoring and support requirement in respect of minimising the impacts and maximising the opportunities of the HPC Project</i>	M	H	M
<i>SLA's / Partnership Agreements in place that clearly set out the expectation.</i>			

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before the mitigation measures have been actioned and after they have.

5. **BACKGROUND INFORMATION**

5.1. Role and Responsibilities of Tourism Information Services

- Tourism Information Centres are the 'eyes and ears' of tourism intelligence across the County. They are a front-line service, and via their tried and trusted relationships with tourism providers and visitors are aware of visitor trends, opportunities and threats well in advance of any statistical analysis.
- The role of Tourism Information Services has changed considerably over the past decade. The growth of the internet, and other modernised tourism marketing models, has minimised the role that the TIC has in supporting the consumer to research their holiday destination in advance of prior bookings. However, it still has significant strength in supporting Visitors once they have arrived within a destination, and helping to support accommodation providers and other key attractions in being an integral part of place based marketing and promotion. Information Centres, also traditionally provide a range of services for the local community as well.
- In respect of the Hinkley Point C Project specifically the Information Services have a pivotal role in delivering the following:
 - Acquiring first-hand information in relation to any 'issues' that are impacting on tourism visits / visitor spend and rapidly communicating that information to the Local Authorities.
 - An important and vital conduit to businesses in terms of the dissemination of information / messages / alerts.
 - An important resource to HPC Construction Workers and their families, in helping to promote and market the area / provide information for recreational opportunities (providing regular updates to the HPC Accommodation website)
- The Visitor Centres also have an important role in delivering aspects of the Hinkley Tourism Action Plan. To this end all of the Centres are being encouraged to collaborate on some specific projects including 'Coach Friendly Towns' and 'Local Ambassador' Schemes.
- Investment to the Visitor Information Services has been subject to Service Level Agreements, attached as an appendix to this report is the SLA that was agreed with Minehead TIC for 2014/15. We will table copies of the Centre's Annual Reports at the meeting. The Centres have asked us not to circulate them with the papers as there is a degree of commercial confidentiality within the content.

5.2. Resource Allocation to-date

The HPC Site Preparation S106 made a total of £200,000 available for tourism information support across the three Local Authorities named in the Agreement (West Somerset / Sedgemoor District Councils and Somerset County Council)

The payments have been phased with West Somerset Council having access to the first tranche of £50K, the second tranche came available May 2014 and was distributed across the three Authorities. The third and final tranche came available as of 6th May 2015 and totals £100,000 plus indexation. Due the on-going uncertainty related to EDF Energy making their final investment decision (FID) and it has been agreed amongst the Local Authorities to utilise less than half of the allocation available, to ensure that resource remains in place for continued support next year.

Table 1 – Allocations to date West Somerset IC's

Financial Year	Centre	Amount
2012/13	Minehead IC	28,000
	Porlock IC	4,000
	Watchet IC	750
Total 2012/13		£32,750
2013/14	Minehead IC	12,950
	Porlock IC	3,600
	Watchet IC	750
Total 2013/14		£17,250
2014 /15	Minehead IC	15,000
	Porlock IC	4,000
	Watchet IC	1,000
	Burnham IC	15,000
	Somerset Visitor Centre	15,000
Total 2014/15		£50,000
Total S106 drawn down		£100,000

5.3 Proposed allocations for 2015/16

The Tourism Officers of West Somerset and Sedgemoor Councils have undertaken a review of the existing Service Level Agreements in place with the Tourism Information Centres and have gained an understanding of each Centres performance against the SLA's and their individual financial circumstances. West Somerset Tourism Officer's recommendation is that Minehead, Porlock and Watchet Information Services receive a similar allocation to that awarded for 2014/15 (see Table 1)

Sedgemoor District Council has examined the wider impact of the site preparation works on the towns of Bridgwater and Cheddar and have proposed that the support for visitor services in Sedgemoor extends to these areas as well as Burnham-on-Sea. They have requested a sum of £20,000 to support these three Centres.

Members may be aware that Somerset County Council have closed the Somerset Visitor Centre which was located at the Sedgemoor Services on the M5. SCC intend to install digital information points at key strategic locations throughout the County, and are currently working up a costed business plan. They are also seeking a business plan for proposed support from Cartgate the TIC located on the A303. Members are asked to reserve up to a

maximum of £10,000 of this allocation and delegate the approval process of releasing the funds to the Hinkley Tourism Action Partnership.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 The Phase 1 HPC TIC Contribution of £50K was received by West Somerset Council in March 2012 and was allocated in line with the recommendations of the April 2012 Cabinet.
- 6.2 The Phase 2 (Part 1) allocation of £50K was received by West Somerset Council on 6 May 2014, and was allocated in-line with the recommendations of the July 2014 cabinet and Council.
- 6.3 The Phase 2 (Part 2) allocation of £100K was paid to WSC on 6th May 2015

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1 As the accountable body for the S106 funding, the total expenditure of £50,000 will be recorded in the Council's accounts. It is important to note that the S106 funding is one-off monies and it is advisable to use this to support one-off spending in order to prevent an ongoing budgetary commitment for the Council. It is not expected that there will be any associated costs, other than staff time and minimal administration, in respect of this item.
- 7.2 To aid monitoring and reporting against financial approvals, it is recommended that the sum of £50,000 is added to the Revenue Budget creating an agreed budget for the expenditure, with a matching income budget of £50,000 and be funded from contributions received. This will not impact on Council's Net Budget position.

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 **Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.** The three aims the authority **must** have due regard for are:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

- 8.2 In working with those organisations that we commission to deliver activity for us, we embed the Councils equality and diversity values.

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 None that are relevant to this report.

10. CONSULTATION IMPLICATIONS

- 10.1 Consultations have been undertaken with Sedgemoor District Council, Somerset County Council and the Tourism Information Centres.

11. ASSET MANAGEMENT IMPLICATIONS

- 11.1 There are no asset management implications.

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1 Our Tourism Information Centres encourage sensitive use of the natural environment.

13. HEALTH & WELLBEING

Demonstrate that the authority has given due regard for:

- People, families and communities take responsibility for their own health and wellbeing;
- Families and communities are thriving and resilient; and
- Somerset people are able to live independently.

13.1 Our Tourism Information Centres publicise and promote the health and well-being benefits of visiting and enjoying our outstanding natural environment.

14. LEGAL IMPLICATIONS

14.1 The recommendations that form part of this Report are in line with the requirements of the HPC Site Preparation S106 – Schedule 6

Service Level Agreement 2014

Agreement between West Somerset Council (WSC) and Minehead Information Centre (MIC) and Minehead Development Trust (MDT) as the legal entity responsible for MIC.

1. **Purpose** - the purpose of this Agreement is to set out the expectations of all parties in respect of the allocation of £15,000 of HPC Section 106 tourism mitigation funds to the Minehead Information Centre

2. **Site Preparation Works: Tourism Contribution (extract from Schedule 6) For the Purposes of supporting existing Tourist Information Centres:**

The sums of

(1) £50,000 prior to the implementation of Phase 1.....

(2) £50,000 prior to the implementation of Phase 2

(B) the sum of £100,000 prior to the first anniversary of the Implementation of Phase 2

Tourist Information Centres means the following information centres: Minehead IC, Watchet IC, Porlock IC, Bridgwater IC (currently located at Bridgwater Arts Centre), Burnham on Sea IC, Sedgemoor Services M5 Information centre and A303 information centre.

3. **Allocations** - The reports of West Somerset Council dated 16th April 2012 and 23rd July 2014 outlines the agreed contributions to each of the Centres. **The agreed allocation to the Minehead Information Centre** from the 2014 allocation will not exceed **£15,000**.

4. **Function** - The Council Report of 23rd July outlines the function of the Visitor Information Service as follows:
 - Tourism Information Centres are the ‘eyes and ears’ of tourism intelligence across the County. They are a front-line service, and via their tried and trusted relationships with tourism providers and visitors are aware of visitor trends, opportunities and threats well in advance of any statistical analysis.
 - The role of Tourism Information Services has changed considerably over the past decade. The growth of the internet, and other modernised tourism marketing models, has minimised the role that the TIC has in supporting the consumer to research their holiday destination in advance of prior bookings. However, it still has significant strength in supporting Visitors once they have arrived within a destination, and helping to support accommodation providers and other key attractions in being an integral part of place based marketing and promotion. Information Centres, also traditionally provide a range of services for the local community as well.

5. **Specific requirements** - The following areas will be those that MIC must seek to support in respect of the potential impacts / opportunities from the HPC project:

- Acquiring first-hand information in relation to any 'issues' that are impacting on tourism visits / visitor spend and rapidly communicating that information to the Local Authorities.
- An important and vital conduit to businesses in terms of the dissemination of information / messages / alerts.
- An important resource to HPC Construction Workers and their families, in helping to promote and market the area / provide information for recreational opportunities (providing regular updates to the HPC Accommodation website)
- Support the promotion and marketing of the town of Minehead and the surrounding area.
- Explore and implement income generating activity (that is in keeping with the TIC function) to ensure continues sustainability of the service.

6. Specific tasks / timeline / milestones

The following tasks (roles and responsibilities) will be required to be undertaken by the MIC (and overseen by the MDT) in respect of specific delivery directly related to the HPC S106 Requirement:-

Task	By when	Comment / additional information
Establish a comprehensive database of Tourism accommodation providers / attractions, with telephone numbers / email addresses and permissions from the businesses to receive regular news / updates	November 2014	Porlock and Watchet TIC's will be requested to broker in information to the master database maintained by MIC as part of their own individual SLA's
Collect intelligence / information and evidence in respect of the impacts of the HPC project, and establish a communications strategy for the rapid dissemination of information.	Throughout	This is a vital part of the service – to ensure that the MIC receives up-to-date information in respect of traffic congestion or other issues, and is able to communicate this to tourism providers, and support them with tactics for ensuring that customers visiting the area are not significantly disadvantaged.
Ensure that MIC staff receive digital media / social media training	1 September 2014	1 day training session provided by Starfish PR
MIC to co-opt a member of staff and /or Board Member to the (about to be established) Minehead Tourism Business Network (Sub-group of Minehead Vision Group)	1 September 2014	The MTBN will have the role of co-ordinating a marketing and promotional plan for Minehead – including generating content for websites / social media campaigns. It will link proactively with other activity including the Minehead

		Events Group, and key tourism attractions.
To undertake specific projects to support both the on-going sustainability of the service, and to add value to the resources / information available for visitors	1 April 2015	2 new projects full researched and primed for implementation
Monthly update / liaison meetings with WSC Tourism Officer or other designated member of the WSC Economic Development Team	August 2014 – and monthly* thereafter.	* Regular liaison and support is considered very important to ensure that activity is on track, fit for purpose and is proactive as well as reactive.

7. Monitoring and Evaluation

The Service Provider (MDT) will monitor and evaluate its service provision and report progress to WSC at two formal review meetings, held in January 2015 and April / May 2015. In addition the following documents / information will be provided to WSC

Annual Report - to include the following information

- Visitor Numbers – Direct visits to the Centre
- An indication of the number of visitor enquiries (letter / telephone / email)
- Accommodation bookings
- The number and type of tourism promotion related activity initiated or supported by the TIC
- Reporting on the outcomes of promotional and income generating activity (i.e. hits to website / sales within publications / advertising space sold).
- Number of and types of issues logged in direct response to the Hinkley Point C Project
- Number of referrals received from HPC Project in respect of accommodation / request for community / tourism information.
- Annual Audited Accounts

8. West Somerset Council's Commitment –

- i. On receipt of the signed Agreement West Somerset Council will make available £7,500. The second instalment of £7,500 will be paid the closest day to 1 January 2015 subject to a satisfactory interim review.
- ii. West Somerset Council will ensure that all relevant information in respect of the HPC project is communicated to the MIC in a timely fashion.
- iii. West Somerset Council will seek to broker and support those relationships with Tourism providers / tourism bodies that it considers that MIC should be liaising / networking / supporting.
- iv. West Somerset Council via the Tourism Officer (or other Economic Development team staff) will meet regularly with the MIC Manager and MDT Board members to support activity in relation to the key activity outlined in paragraph 6.

- v. West Somerset Council will continue to champion the important role of the dedicated tourism Information Services provision within the District. It will consult with the Information Services prior to negotiating the allocations due on the first anniversary of Phase 2, as well as those that will become available if the project moves to Development Consent Order.

9. Signatories

For and on behalf of Minehead Development Trust

Chair.....

Print.....

(Minehead Development Trust)

.....Date

For and on behalf of Service Provider

.....Signed

.....Print

(Corinne Matthews – Economic Regeneration Manager)

.....Date

Report Number: WSC 114/15

Presented by: Councillor M Chilcott, Lead Member for Resources and Central Support

Author of the Report: James Howells, Senior Corporate Accountant

Contact Details:

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Report to a Meeting of: Full Council

To be Held on: 22nd July 2015

Date Entered on Executive Forward Plan Or Agreement for Urgency Granted: N/A

ANNUAL TREASURY MANAGEMENT REVIEW 2014/15

1. PURPOSE OF REPORT

- 1.1 To review the treasury management activity and the performance against the Prudential Indicators for the 2014/15 financial year as prescribed by the revised CIPFA Code of Practice and in accordance with the Council's Treasury Management Strategy and Annual Investment Policy.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 None directly in relation to this report.

3. RECOMMENDATIONS

- 3.1 To note the Treasury Management activity for the 2014/15 financial year (Appendix A).

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
The Council fails to maintain an adequate system of internal control	Unlikely (1)	Major (3)	Medium (1)
<i>The Council has in place suitable arrangements</i>			

The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before the mitigation measures have been actioned and after they have.

5. BACKGROUND INFORMATION

- 5.1 The Council's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ("the Code"), which requires local authorities to produce annual Prudential Indicators and a Treasury Management Strategy Statement on the likely financing and investment activity. The Code also recommends that members are informed of treasury management activities at least twice a year.
- 5.2 The scrutiny of treasury management policy, strategy and activity is delegated to the Audit Committee.
- 5.3 Treasury management in this context is defined as:
- "The management of the local authority's cash flows, its borrowings and its investments, the management of the associated risks, and the pursuit of the optimum performance or return consistent with those risks".
- 5.4 Overall responsibility for treasury management remains with the Council. No treasury management activity is without risk; the effective identification and management of risk are integral to the Council's treasury management objectives.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 As set out in the report.

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1 The treasury management function has been well-managed during the year. It is pleasing to note that compliance with the Treasury Management Strategy Statement has been maintained. As interest rates remain low the opportunities to generate significant income through investments is limited.

8. EQUALITY & DIVERSITY IMPLICATIONS

Members need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process.

The three aims the authority **must** have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

- 8.1 None in respect of this report.

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 None in respect of this report.

10. CONSULTATION IMPLICATIONS

- 10.1 None in respect of this report.

11. ASSET MANAGEMENT IMPLICATIONS

11.1 None in respect of this report.

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1 None in respect of this report.

13. LEGAL IMPLICATIONS

13.1 None in respect of this report.

Annual Treasury Outturn Report 2014/15

Introduction

The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice a year.

The Authority's Treasury Management Strategy for 2014/15 was approved by Full Council on the 26th March 2014.

The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

External Context

Growth and Inflation: The robust pace of GDP growth of 3% in 2014 was underpinned by a buoyant services sector, supplemented by positive contributions from the production and construction sectors. Resurgent house prices, improved consumer confidence and healthy retail sales added to the positive outlook for the UK economy given the important role of the consumer in economic activity.

Annual CPI inflation fell to zero for the year to March 2015, down from 1.6% a year earlier. The key driver was the fall in the oil price (which fell to \$44.35 a barrel a level not seen since March 2009) and a steep drop in wholesale energy prices with extra downward momentum coming from supermarket competition resulting in lower food prices. Bank of England Governor Mark Carney wrote an open letter to the Chancellor in February, explaining that the Bank expected CPI to temporarily turn negative but rebound around the end of 2015 as the lower prices dropped out of the annual rate calculation.

Labour Market: The UK labour market continued to improve and remains resilient across a broad base of measures including real rates of wage growth. January 2015 showed a headline employment rate of 73.3%, while the rate of unemployment fell to 5.7% from 7.2% a year earlier. Comparing the three months to January 2015 with a year earlier, employee pay increased by 1.8% including bonuses and by 1.6% excluding bonuses.

UK Monetary Policy: The Bank of England's MPC maintained interest rates at 0.5% and asset purchases (QE) at £375bn. Its members held a wide range of views on the response to zero CPI inflation, but just as the MPC was prepared to look past the temporary spikes in inflation to nearly 5% a few years ago, they felt it appropriate not to get panicked into response to the current low rate of inflation. The minutes of the MPC meetings reiterated the Committee's stance that the economic headwinds for the UK economy and the legacy of the financial crisis meant that increases in the Bank Rate would be gradual and limited, and below average historical levels.

Political uncertainty had a large bearing on market confidence this year. The possibility of Scottish independence was of concern to the financial markets, however this dissipated following the outcome of September's referendum. The risk of upheaval (the pledge to devolve extensive new powers to the Scottish parliament; English MPs in turn demanding separate laws for England) lingers on. The highly politicised March Budget heralded the start of a closely contested general election campaign and markets braced for yet another hung parliament.

On the continent, the European Central Bank lowered its official benchmark interest rate from 0.15% to 0.05% in September and the rate paid on commercial bank balances held with it was from -0.10% to -0.20%. The much-anticipated quantitative easing, which will expand the ECB's balance sheet by €1.1 trillion was finally announced by the central bank at its January meeting in an effort to steer the euro area away from deflation and invigorate its moribund economies. The size was at the high end of market expectations and it will involve buying €60bn of sovereign bonds, asset-backed securities and covered bonds a month commencing March 2015 through to September 2016. The possibility of a Greek exit from the Eurozone refused to subside given the clear frustrations that remained between its new government and its creditors.

The US economy rebounded strongly in 2014, employment growth was robust and there were early signs of wage pressures building, albeit from a low level. The Federal Reserve made no change to US policy rates. The central bank however continued with 'tapering', i.e. a reduction in asset purchases by \$10 billion per month, and ended them altogether in October 2014. With the US economy resilient enough the weather the weakness of key trading partners and a strong US dollar, in March 2015 the Fed removed the word "patient" from its statement accompanying its rates decisions, effectively leaving the door open for a rise in rates later in the year.

Market reaction: From July, gilt yields were driven lower by a combination of factors: geo-political risks emanating from the Middle East and Ukraine, the slide towards deflation within the Eurozone and the big slide in the price of oil and its transmission through into lower prices globally. 5-, 10- and 20-year gilt yields fell to their lows in January (0.88%, 1.33% and 1.86% respectively) before ending the year higher at 1.19%, 1.57% and 2.14% respectively.

Local Context

At 31/03/2015 the Authority's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £5.633m, while usable reserves and working capital which are the underlying resources available for investment were £4.198m.

At 31/03/2015, the Authority had £1m of borrowing and £12.166m of investments. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, referred to as internal borrowing.

The Authority has a reducing CFR and its capital expenditure plans do not currently imply any need to borrow over the forecast period. Investments are forecast to fall as capital receipts are used to finance capital expenditure and reserves are used to finance the revenue budget.

The Council has adopted a strategy of using new capital receipts to reduce the CFR, with £1.8m used for this purpose in 2014/15, and a further £1.7m projected reduction through use of receipts in 2015/16.

Borrowing Strategy

At 31/03/2015 the Authority held £1m of loans, (a decrease of £2.5m on 31/03/2014) as part of its strategy for funding previous years' capital programmes.

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

As short-term interest rates have remained, and are likely to remain at least over the forthcoming two years, lower than long-term rates, the Authority determined it was more cost effective in the short-term to use internal resources and borrow short-term loans instead.

The benefits of internal borrowing were monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose assists the Authority with this 'cost of carry' and breakeven analysis.

Temporary short-dated loans borrowed from other local authorities, has remained affordable and attractive. In February 2015 the Authority re-financed £1m of such loans at a rate of 0.62% for a period of 364 days.

Borrowing Activity in 2014/15

	Balance on 01/04/2014 £000	Maturing Debt £000	Debt Prematurely Repaid £000	New Borrowing £000	Balance on 31/03/2015 £000	Avg Rate % and Avg Life (yrs)
CFR	7,633				5,633	
Short Term Borrowing ¹	3,500	(3,500)	0	1,000	1,000	0.46% / 0.89 yrs
Long Term Borrowing	0	0	0	0	0	0
TOTAL BORROWING	3,500	(3,500)	0	1,000	1,000	0.46% / 0.89 yrs
Other Long Term Liabilities	0	0	0	0	0	0
TOTAL EXTERNAL DEBT	3,500	(3,500)	0	1,000	1,000	0.46% / 0.89 yrs
Increase/ (Decrease) in Borrowing £m					(2,500)	
INTERNAL BORROWING	4,133				4,633	
TOTAL BORROWING	7,633				5,633	

¹ Loans with maturities less than 1 year.

Abolition of the PWLB: In January 2015 the Department of Communities and Local Government (CLG) confirmed that HM Treasury (HMT) would be taking the necessary steps to abolish the Public Works Loans Board. HMT has confirmed however that its lending function will continue unaffected and local authorities will retain access to borrowing rates which offer good value for money. The authority intends to use the PWLB's replacement as a potential source of borrowing if required.

Investment Activity

The Authority has held significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2014/15 the Authority's investment balances have ranged between £2.749 and £14.989 million.

The Guidance on Local Government Investments in England gives priority to security and liquidity and the Authority's aim is to achieve a yield commensurate with these principles.

Investment Activity in 2014/15

Investments	Balance on 01/04/2014 £000	Investments Made £000	Maturities/ Investments Sold £000	Balance on 31/03/2015 £000	Avg Rate/Yield (%)
Short term Investments (call accounts, deposits) - Banks and Building Societies with ratings of A- or higher	2,749	76,989	72,082	7,656	0.52%
Money Market Funds	0	18,479	13,969	4,510	0.45%
Building societies without credit ratings	0	2,000	2,000	0	0.47%
TOTAL INVESTMENTS	2,749	97,468	88,051	12,166	0.50%
Increase/ (Decrease) in Investments £m				9,417	

Security of capital has remained the Authority's main investment objective. This has been maintained by following the Authority's counterparty policy as set out in its Treasury Management Strategy Statement for 2014/15.

Counterparty credit quality was assessed and monitored with reference to credit ratings (the Authority's minimum long-term counterparty rating is A- across rating agencies Fitch, S&P and Moody's); credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

Credit Risk

Counterparty credit quality as measured by credit ratings is summarised below:

Date	Value Weighted Average - Credit Risk Score	Value Weighted Average - Credit Rating	Time Weighted Average - Credit Risk Score	Time Weighted Average - Credit Rating
31/03/2014	6.45	A	6.67	A-
30/06/2014	5.18	A+	5.03	A+
30/09/2014	5.41	A+	4.81	A+
31/12/2014	5.09	A+	5.35	A+
31/03/2015	4.93	A+	4.25	AA-

Scoring:

-Value weighted average reflects the credit quality of investments according to the size of the deposit

-Time weighted average reflects the credit quality of investments according to the maturity of the deposit

-AAA = highest credit quality = 1

-D = lowest credit quality = 26

-Aim = A- or higher credit rating, with a score of 7 or lower, to reflect current investment approach with main focus on security

Counterparty Update

The European Parliament approved the EU Bank Recovery and Resolution Directive (BRRD) on April 15, 2014. Taking the view that potential extraordinary government support available to banks' senior unsecured bondholders will likely diminish, over 2014-15 Moody's revised the Outlook of several UK and EU banks from Stable to Negative (note, this is not the same as a rating review negative) and S&P placed the ratings of UK and German banks on Credit Watch with negative implications, following these countries' early adoption of the bail-in regime in the BRRD.

S&P also revised the Outlook for major Canadian banks to negative following the government's announcement of a potential bail-in policy framework.

The Bank of England published its approach to bank resolution which gave an indication of how the reduction of a failing bank's liabilities might work in practice. The Bank of England will act if, in its opinion, a bank is failing, or is likely to fail, and there is not likely to be a successful private sector solution such as a takeover or share issue; a bank does not need to be technically insolvent (with liabilities exceeding assets) before regulatory intervention such as a bail-in takes place.

The combined effect of the BRRD and the UK's Deposit Guarantee Scheme Directive (DGSD) is to promote deposits of individuals and SMEs above those of public authorities, large corporates and financial institutions. Other EU countries, and eventually all other developed countries, are expected to adopt similar approaches in due course.

In December the Bank's Prudential Regulation Authority (PRA) stress tested eight UK financial institutions to assess their resilience to a very severe housing market shock and to a sharp rise in interest rates and address the risks to the UK's financial stability. Institutions which 'passed' the tests but would be at risk in the event of a 'severe economic downturn' were Lloyds Banking Group and Royal Bank of Scotland. Lloyds Banking Group, [whose constituent banks are on the Authority's lending list], is taking measures to augment capital and the PRA does not require the group to submit a revised capital plan. RBS, which is not on the Authority's lending list for

investments, has updated plans to issue additional Tier 1 capital. The Co-operative Bank failed the test.

The European Central Bank also published the results of the Asset Quality Review (AQR) and stress tests, based on December 2013 data. 25 European banks failed the test, falling short of the required threshold capital by approximately €25bn (£20bn) in total - none of the failed banks featured on the Authority's lending list.

In October following sharp movements in market signals driven by deteriorating global growth prospects, especially in the Eurozone, Arlingclose advised a reduction in investment duration limits for unsecured bank and building society investments to counter the risk of another full-blown Eurozone crisis. Durations for new unsecured investments with banks and building societies which were previously reduced. Duration for new unsecured investments with some UK institutions was further reduced to 100 days in February 2015.

Budgeted Income and Outturn

The average cash balances were £14.165m during the year including S106 Hinkley funds. The UK Bank Rate has been maintained at 0.5% since March 2009. Short-term money market rates have remained at relatively low levels (see Table 1 in Appendix 2). New deposits were made at an average rate of 0.52%. Investments in Money Market Funds generated an average rate of 0.45%.

The Authority's General Fund budgeted investment income for the year was £0.015m. The Authority's investment outturn for the year was £0.014m. NB £0.051m of investment income has been achieved during the year and allocated to the Hinkley S106 funds.

Compliance with Prudential Indicators

The Authority confirms compliance with its Prudential Indicators for 2014/15 (see Appendix 1), which were set in March 2014 as part of the Authority's Treasury Management Strategy Statement.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

	2014/15	2015/16	2016/17
Upper limit on fixed interest rate exposure	100%	100%	100%
Actual	100%		
Upper limit on variable interest rate exposure	100%	100%	100%
Actual	0%		

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower	Actual
Under 12 months	100%	0%	100%
12 months and within 24 months	100%	0%	0%
24 months and within 5 years	100%	0%	0%
5 years and within 10 years	100%	0%	0%
10 years and above	100%	0%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2014/15	2015/16	2016/17
Limit on principal invested beyond year end	£6m	£6m	£6m
Actual	£0m	£0m	£0m

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment.

	Target	Actual
Portfolio average credit rating	A-	A+

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	Target	Actual
Total cash available within 3 months	£1.5m	£5.3m

Investment Training

During 2014/15 staff attended seminars and conferences provided by Arlingclose Ltd.

Prudential Indicators 2014/15

The Local Government Act 2003 requires the Authority to have regard to CIPFA's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Authority's planned capital expenditure and financing may be summarised as follows.

Capital Expenditure and Financing	2014/15 Actual £000	2015/16 Estimate £000	2016/17 Estimate £000
General Fund	2,457	790	0
Total Expenditure	2,457	790	0
Capital Receipts	562	472	0
Grants	1,895	241	0
Revenue	0	77	0
Total Financing	2,457	790	0

Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.15 Actual £m	31.03.16 Estimate £m	31.03.17 Estimate £m
General Fund	5.633	3.707	3.559
Total CFR	5.633	3.707	3.559

The CFR is forecast to fall by £2.216m over the next three years as capital expenditure financed by debt is outweighed by resources put aside for debt repayment.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.15 Actual £m	31.03.16 Estimate £m	31.03.17 Estimate £m
Borrowing	1	0	0
Total Debt	1	0	0

Total debt is expected to remain below the CFR during the forecast period.

The actual debt levels are monitored against the Operational Boundary and Authorised Limit for External Debt, below.

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely, i.e. prudent, but not worst case scenario for external debt.

Operational Boundary	2014/15 £m	2015/16 £m	2016/17 £m
Borrowing	7.7	7.7	7.7
Total Debt	7.7	7.7	7.7

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2014/15 £m	2015/16 £m	2016/17 £m
Borrowing	10	10	10
Total Debt	10	10	10

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2014/15 Actual %	2015/16 Estimate %	2016/17 Estimate %
General Fund	3.26	4.33	2.82

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed.

Incremental Impact of Capital Investment Decisions	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
General Fund - increase in annual Band D Council Tax	0.00	0.00	0.00

Adoption of the CIPFA Treasury Management Code: The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* in March 2012.

Money Market Data and PWLB Rates

The average, low and high rates correspond to the rates during the financial year rather than those in the tables below.

Please note that the PWLB rates below are Standard Rates. Authorities eligible for the Certainty Rate can borrow at a 0.20% reduction.

Table 1: Bank Rate, Money Market Rates

Date	Bank Rate	O/N LIBID	7-day LIBID	1-month LIBID	3-month LIBID	6-month LIBID	12-month LIBID	2-yr SWAP Bid	3-yr SWAP Bid	5-yr SWAP Bid
01/04/2014	0.50	0.36	0.39	0.42	0.46	0.56	0.84	1.05	1.44	2.03
30/04/2014	0.50	0.36	0.40	0.42	0.47	0.57	0.85	1.09	1.47	2.02
31/05/2014	0.50	0.35	0.40	0.43	0.48	0.67	0.87	1.11	1.46	1.98
30/06/2014	0.50	0.36	0.40	0.43	0.50	0.71	0.94	1.33	1.70	2.17
31/07/2014	0.50	0.37	0.41	0.43	0.50	0.72	0.97	1.34	1.71	2.17
31/08/2014	0.50	0.36	0.42	0.43	0.50	0.77	0.98	1.22	1.53	1.93
30/09/2014	0.50	0.43	0.45	0.43	0.51	0.66	1.00	1.25	1.57	1.99
31/10/2014	0.50	0.40	0.43	0.43	0.51	0.66	0.98	1.10	1.38	1.78
30/11/2014	0.50	0.35	0.50	0.43	0.51	0.66	0.97	0.93	1.15	1.48
31/12/2014	0.50	0.43	0.48	0.42	0.51	0.66	0.97	0.92	1.12	1.44
31/01/2015	0.50	0.45	0.45	0.43	0.51	0.66	0.95	0.83	0.98	1.18
28/02/2015	0.50	0.43	0.47	0.43	0.51	0.66	0.96	0.99	1.22	1.53
31/03/2015	0.50	0.50	0.62	0.43	0.51	0.74	0.97	0.88	1.06	1.34
Average	0.50	0.39	0.44	0.43	0.50	0.67	0.95	1.09	1.38	1.79
Maximum	0.50	0.50	0.62	0.43	0.51	0.81	1.00	1.38	1.77	2.26
Minimum	0.50	0.24	0.36	0.42	0.46	0.56	0.84	0.80	0.96	1.18
Spread	--	0.26	0.26	0.01	0.05	0.25	0.16	0.58	0.81	1.08

Table 2: PWLB Borrowing Rates - Fixed Rate, Maturity Loans

Change Date	Notice No	1 year	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2014	127/14	1.44	2.85	3.83	4.41	4.51	4.49	4.47
30/04/2014	166/14	1.45	2.86	3.79	4.37	4.46	4.43	4.41
31/05/2014	206/14	1.45	2.78	3.65	4.27	4.38	4.35	4.33
30/06/2014	248/14	1.63	2.95	3.74	4.30	4.40	4.36	4.34
31/07/2014	294/14	1.66	2.96	3.70	4.21	4.30	4.27	4.25
31/08/2014	334/14	1.55	2.70	3.38	3.88	3.97	3.94	3.93
30/09/2014	378/14	1.57	2.77	3.46	3.96	4.07	4.05	4.03
31/10/2014	424/14	1.44	2.54	3.27	3.86	3.99	3.97	3.96
30/11/2014	465/14	1.39	2.27	2.94	3.54	3.68	3.66	3.65
31/12/2014	508/14	1.32	2.19	2.80	3.39	3.53	3.50	3.49
31/01/2015	042/15	1.30	1.94	2.44	2.98	3.12	3.08	3.06
28/02/2015	082/15	1.37	2.24	2.83	3.37	3.50	3.46	3.45
31/03/2015	126/15	1.31	2.06	2.65	3.20	3.33	3.29	3.28
	Low	1.28	1.91	2.38	2.94	3.08	3.03	3.02
	Average	1.47	2.56	3.28	3.85	3.96	3.93	3.92
	High	1.69	3.07	3.86	4.42	4.52	4.49	4.48

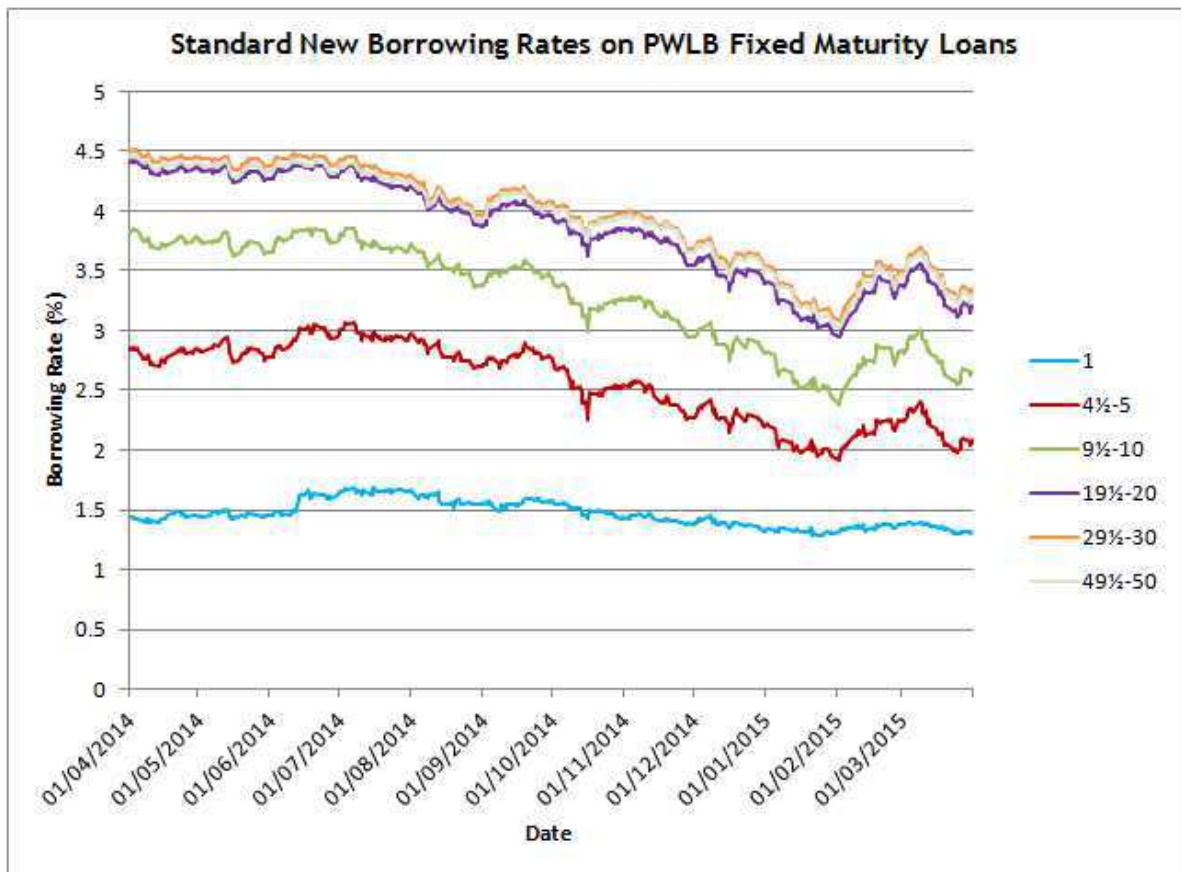


Table 3: PWLB Borrowing Rates - Fixed Rate, Equal Instalment of Principal (EIP) Loans

Change Date	Notice No	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2014	127/14	2.09	2.92	3.85	4.24	4.42	4.49
30/04/2014	166/14	2.12	2.93	3.82	4.20	4.38	4.45
31/05/2014	206/14	2.08	2.84	3.68	4.08	4.27	4.36
30/06/2014	248/14	2.29	3.01	3.76	4.12	4.30	4.38
31/07/2014	294/14	2.32	3.02	3.73	4.05	4.21	4.28
31/08/2014	334/14	2.13	2.75	3.40	3.72	3.89	3.95
30/09/2014	378/14	2.18	2.82	3.48	3.79	3.97	4.05
31/10/2014	424/14	1.97	2.59	3.29	3.66	3.86	3.96
30/11/2014	465/14	1.79	2.31	2.96	3.32	3.54	3.65
31/12/2014	508/14	1.72	2.23	2.82	3.17	3.39	3.50
31/01/2015	042/15	1.59	1.98	2.45	2.77	2.99	3.10
28/02/2015	082/15	1.78	2.29	2.84	3.16	3.38	3.48
31/03/2015	126/15	1.62	2.10	2.67	2.99	3.21	3.31
	Low	1.58	1.94	2.40	2.72	2.95	3.06
	Average	1.99	2.61	3.31	3.66	3.85	3.94
	High	2.39	3.13	3.89	4.26	4.43	4.50

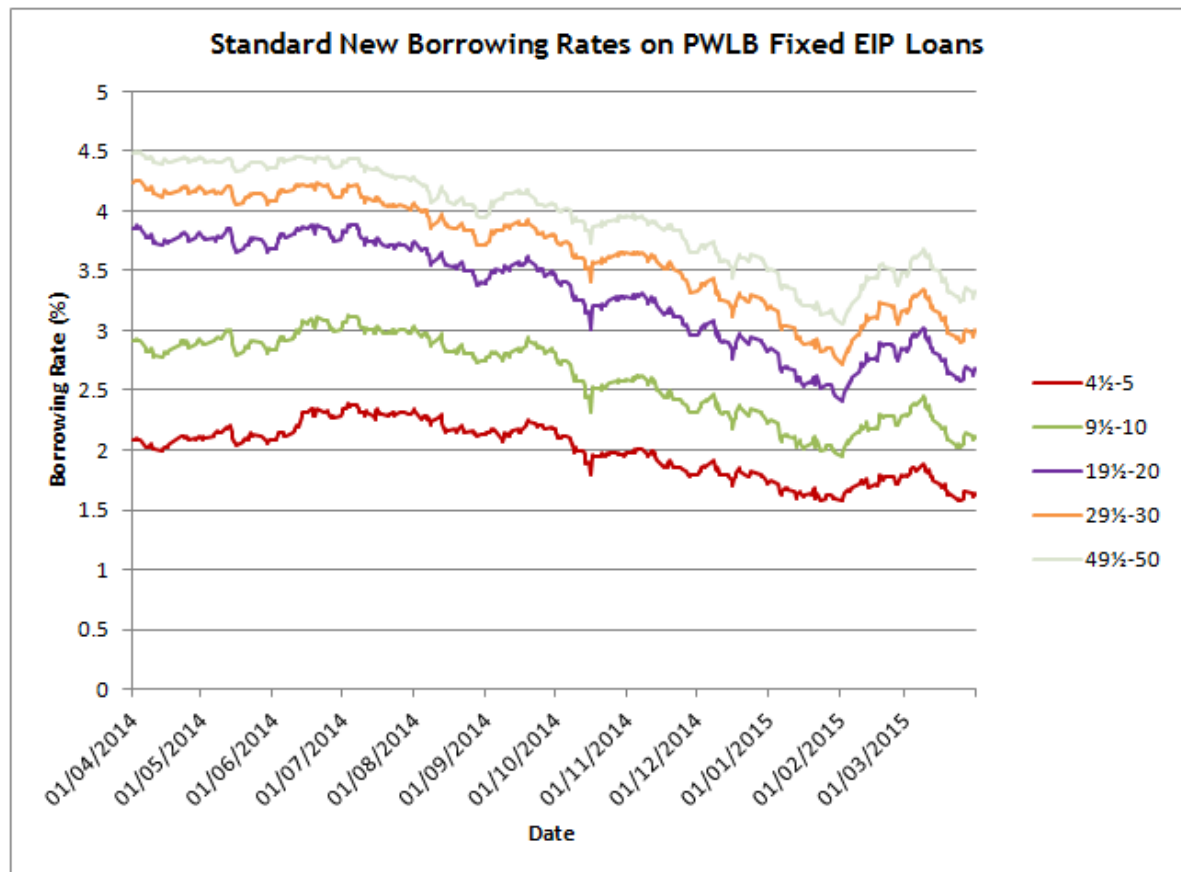


Table 4: PWLB Variable Rates

	1-M Rate	3-M Rate	6-M Rate	1-M Rate	3-M Rate	6-M Rate
	Pre-CSR	Pre-CSR	Pre-CSR	Post-CSR	Post-CSR	Post-CSR
01/04/2014	0.55	0.56	0.57	1.45	1.46	1.47
30/04/2014	0.55	0.56	0.57	1.45	1.46	1.47
31/05/2014	0.55	0.57	0.58	1.45	1.47	1.48
30/06/2014	0.59	0.61	0.67	1.49	1.51	1.57
31/07/2014	0.58	0.61	0.69	1.48	1.51	1.59
31/08/2014	0.58	0.62	0.72	1.48	1.52	1.62
30/09/2014	0.64	0.68	0.75	1.54	1.58	1.65
31/10/2014	0.61	0.63	0.68	1.51	1.53	1.58
30/11/2014	0.58	0.64	0.69	1.48	1.54	1.59
31/12/2014	0.60	0.62	0.66	1.50	1.52	1.56
31/01/2015	0.59	0.60	0.65	1.49	1.50	1.55
28/02/2015	0.61	0.61	0.66	1.51	1.51	1.56
31/03/2015	0.62	0.62	0.66	1.52	1.52	1.56
Low	0.55	0.56	0.57	1.45	1.46	1.47
Average	0.59	0.61	0.66	1.49	1.51	1.56
High	0.64	0.68	0.76	1.54	1.58	1.66