



Members of the Cabinet
(Councillors T Taylor (Leader), K V Kravis (Deputy Leader),
K M Mills, C Morgan, S J Pugsley, A H Trollope-Bellew,
K H Turner and D J Westcott)
Shadow Lead Members
(Councillor J Freeman, A P Hadley, E May, I R Melhuish,
P H Murphy, D D Ross, K J Ross and M A Smith)

Our Ref CS/KK
Your Ref

Contact Krystyna Kowalewska kkowalewska@westsomerset.gov.uk
Extension 01984 635307
Date 24 February 2015

**THE PRESS AND PUBLIC ARE WELCOME TO ATTEND THE MEETING
THIS DOCUMENT CAN BE MADE AVAILABLE IN LARGE PRINT, BRAILLE, TAPE FORMAT
OR IN OTHER LANGUAGES ON REQUEST**

Dear Councillor

I hereby give you notice to attend the following meeting:

CABINET

Date: Wednesday 4 March 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 01984 635307.

Yours sincerely

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

BRUCE LANG
Proper Officer

CABINET

Meeting to be held on 4 March 2015 at 4.30 pm

Council Chamber, Williton

AGENDA

1. **Apologies for Absence**

2. **Minutes**

Minutes of the Meeting of Cabinet held on 4 February 2015 to be approved and signed as a correct record – **SEE ATTACHED.**

3. **Declarations of Interest**

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

4. **Public Participation**

The Leader to advise the Cabinet 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. **Forward Plan**

To approve the latest Forward Plan published on 13 February 2015 – **SEE ATTACHED.**

6. **Cabinet Action Plan**

To update the Cabinet on the progress of resolutions and recommendations from previous meetings – **SEE ATTACHED.**

7. **HPC Section 106 Agreement – Allocations of Housing Funding**

To consider Report No. WSC 35/15, to be presented by Councillor K H Turner, Lead Member for Housing, Health and Wellbeing – **SEE ATTACHED.**

The purpose of this report is to present the recommendations of the Hinkley Point Planning Obligations Board (POB) 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 make its recommendations to Full Council regarding these proposals.

8. HPC Planning Obligations Board – Allocations of CIM Funding

To consider Report No. WSC 38/15, to be presented by Councillor K V Kravis, Lead Member for Resources and Central Support – **SEE ATTACHED**.

The purpose of this report is to present the recommendations of the Hinkley Point C Planning Obligations Board, 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; and to present the recommendation of Stogursey Parish Council for the allocation of monies from the Stogursey Contribution Fund secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point.

9. Corporate Performance Quarter 3 2014-15 (1 April to 31 December)

To consider Report No. WSC 37/15, to be presented by Councillor T Taylor, Leader of Council – **SEE ATTACHED**.

The purpose of the report is to provide Members, and the public, with an update on progress in delivering the Council's corporate priorities and the performance of Council services for the period from 1 April to 31 December 2014.

10. Financial Monitoring Report 2014-15 (October – December 2014)

To consider Report No. WSC 39/15, to be presented by Councillor K V Kravis, Lead Member for Resources and Central Support – **SEE ATTACHED**.

The purpose of the report is to provide Members with details of the Council's expected financial outturn position in 2014/15 for both revenue and capital budgets, together with information relating to predicted end of year reserve balances.

11. Discretionary Reduction in Council Tax Liability Policy and Discretionary Housing Payment Policy

To consider Report No. WSC 32/15, to be presented by Councillor D J Westcott, Lead Member for Community and Customer – **SEE ATTACHED**.

The purpose of the report is to outline the Council's approach to awarding Discretionary Housing Payments (DHPs) and Discretionary Rebates in Council Tax liability and to seek Member support on revising our policies from 1 April 2015.

12. Creation of the Somerset Building Control Partnership

To consider Report No. WSC 40/15, to be presented by Councillor A H Trollope-Bellew, Lead Member for Environment - General – **SEE ATTACHED**.

The purpose of the report is to seek approval to create a Somerset Building Control Partnership as outlined in the appended Business Case, comprising Mendip and Sedgemoor District Councils, Taunton Deane Borough Council and West Somerset Council; and to seek approval to transfer employees to Sedgemoor District Council under TUPE - Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014.

13. Hinkley Point C – Project Update and Section 106 Agreement Staff Allocations for Approval

To consider Report No. WSC 33/15, to be presented by Councillor C Morgan, Lead Member for Environment – Hinkley – **SEE ATTACHED.**

The purpose of this report is to set out the latest position on the Hinkley Point C project and in light of that for Cabinet to consider and recommend to Full Council proposals to allocate the staff resources set out in the Development Consent Order Section 106 agreement. The report also seeks to remind Members of the contributions which are due to be paid to West Somerset Council from the DCO Section 106 agreement and set out the process for how those funds are to be managed and spent.

14. Establishment of the Somerset Growth Board

To consider Report No. WSC 34/15, to be presented by Councillor K M Mills, Lead Member for Regeneration and Economic Growth – **SEE ATTACHED.**

The purpose of the report is for Cabinet to endorse the proposal to establish a Somerset Growth Board.

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
- Respect
- Fairness
- Trust

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.

CABINET**MINUTES OF THE MEETING HELD ON 4 FEBRUARY 2015****AT 4.30 PM****IN THE COUNCIL CHAMBER, WILLITON****Present:**

Councillor T Taylor Leader

Councillor K V Kravis
Councillor C Morgan
Councillor A H Trollope-Bellew
Councillor D J WestcottCouncillor K M Mills
Councillor S J Pugsley
Councillor K H Turner**Members in Attendance:**Councillor S Y Goss
Councillor A F Knight
Councillor I R Melhuish
Councillor D D RossCouncillor B Heywood
Councillor E May
Councillor P H Murphy
Councillor M A Smith**Officers in Attendance:**Chief Executive (P James)
Assistant Chief Executive (B Lang)
Director of Operations (S Adam)
Director – Housing and Communities (J Barraah)
Assistant Director Resources (P Fitzgerald)
Assistant Director – Planning and Environment (T Burton)
Corporate Strategy and Performance Manager (P Harding)
Economic Regeneration Manager (C Matthews)
Media and Communications Officer (D Rundle)
Meeting Administrator (K Kowalewska)**CAB88 Apologies for Absence**

No apologies for absence were received.

CAB89 Minutes of the Meeting held on 7 January 2015

(Minutes of the Meeting of Cabinet held on 7 January 2015 - circulated with the Agenda.)

RESOLVED that the Minutes of the Meeting of Cabinet held on 7 January 2015 be confirmed as a correct record.**CAB90 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
Councillor K H Turner	All	Brompton Ralph	Spoke and voted
Councillor D J Westcott	All	Watchet	Spoke and voted
Councillor S Y Goss	All	Stogursey	Spoke
Councillor P H Murphy	All	Watchet	Spoke

In addition, the following interests were declared:

Name	Minute No.	Description of interest	Personal or Prejudicial	Action Taken
Cllr P H Murphy	CAB96	Wife works for Artlife	Personal	Spoke
Cllr D D Ross	CAB95	Regal Theatre Board Member	Prejudicial	Left the Chamber
Cllr I R Melhuish	CAB95	Council representative on MATA	Personal	Spoke

CAB91 Public Participation

Molly Quint, Chair of Watchet Conservation Society, and Harry Singer, MD of Singer Instruments, spoke in support of Agenda Item 7 Regeneration of East Quay, Watchet.

Graham Sizer, Minehead Chamber of Trade Chairman, spoke in support of Agenda Item 11 Request for Allocation of Planning Obligations Funding – Minehead Illuminations Project.

CAB92 Forward Plan

(Copy of latest Forward Plan published 27 January 2015 – circulated with the Agenda.)

The purpose of this item was to approve the latest Forward Plan published 27 January 2015.

RESOLVED that the latest Forward Plan published 27 January 2015 be approved.

CAB93 Cabinet Action Plan

(Copy of the Action Plan – circulated with the Agenda.)

RESOLVED (1) that CAB82 – Housing Funding Strategy - Three Allocations be deleted as actioned.

RESOLVED (2) that CAB85 – HPC Planning Obligations Board – Allocations of CIM Funding be deleted as actioned.

RESOLVED (3) that CAB87 – Proposed Business Case for Shared Legal Service be carried forward.

CAB94 Regeneration of East Quay, Watchet

(Report No. WSC 23/15 – circulated prior to the Meeting.)

The purpose of the report was to consider the outcome of the recent process of seeking expressions of interest from relevant organisations for proposals to facilitate regeneration of the area around the harbour at Watchet and to approve a preferred bidder to continue to work with the Council towards potential asset transfer.

The Leader welcomed the representatives of the Onion Collective to the Cabinet meeting and invited the Director, Jessica Prendergrast to give a presentation.

The Lead Member for Resources and Central Support presented the item in detail, explaining that although the Council had a duty to get the best consideration for its assets, it could approve a Community Asset Transfer. The importance of the Onion Collective, the Watchet Harbour Marina and WSC working together to develop a plan to benefit all was emphasised, and details of the marketing campaign were reported on. It was advised only one application had been received. The business plan submitted by the Onion Collective was very detailed and of very high professional quality and the Lead Member drew Members' attention to the high evaluation score given to the application. The Council needed to focus on the next steps and the asset management implications contained within the report were also highlighted. The Lead Member stated that this was an opportunity to deliver some of the Council's financial commitments, and the proposals to regenerate and develop the East Quay for the community of Watchet should be applauded and welcomed.

The Lead Member went on to propose the recommendations contained in the report which were seconded by Councillor C Morgan.

The following points were raised during the discussion:

- The content of Onion Collective's business plan was commended.
- Members praised the exemplary work of the Onion Collective, and strongly expressed their support for the project.
- It was hoped that the Watchet Harbour Marina would support and get involved in the development proposals.
- Concern was expressed regarding the term 'foundry building' within the business plan as it could give the impression that a steel works would be built on the East Quay and it was requested that consideration be given to providing a better name for the building.
- Changing the perception of Watchet would be very beneficial to the town.
- The positive impacts of the scheme on community health and wellbeing, such as corporate social responsibility and reskilling, were acknowledged.
- The proposed development on the East Quay, regarded as Watchet's number one asset, should provide attractive facilities, enhance and compliment the Marina and the Esplanade, and appeal to the younger generation, the residents and give tourists reasons to visit.

RESOLVED (1) that it be recommended to Council to appoint the Onion Collective as the Council's preferred bidder for asset transfer of land at East Quay, Watchet.

RESOLVED (2) that it be recommended to Council to approve the principle of entering into a three year option agreement with the Onion Collective to allow them to develop a detailed scheme design and funded business case that complies with the Council's conditions, prior to full asset transfer taking place.

RESOLVED (3) that it be recommended to Council to delegate authority to the Director of Housing and Communities to work with the Lead Member for Asset Management to negotiate and agree full terms of the option agreement.

CAB95 **Request for Allocation of Planning Obligations Funding – Minehead Illuminations Project**

(Report No. WSC 19/15, circulated with the Agenda.)

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

The Lead Member for Resources and Central Support presented the item, providing background information and advised that a lot of community and business consultation had been undertaken and overwhelming positive responses had been received in regard to the Minehead Illuminations project. She proposed the recommendations of the report which were seconded by Councillor S J Pugsley.

The commitment and enthusiasm of everyone who had been involved in the project was recognised and appreciation for the hard work was expressed by Members.

RESOLVED (1) that it be recommended to Council that the allocation of £34,416.76 for the Minehead Illuminations Project be added to the capital programme and funded from planning obligations contributions.

RESOLVED (2) that it be recommended to Council that £4,102.33 underspend from previous approved allocation from planning obligation contributions (related to same Agreement as outlined in paragraph 5.3 of the report) be reallocated to the Minehead Illuminations Project.

Note: With the agreement of the Leader this item was brought forward on the Agenda.

CAB96 **Draft Corporate Plan 2015/16**

(Report No. WSC 18/15 – circulated with the Agenda.)

The purpose of the report was to introduce the draft WSC Corporate Plan for 2015/16 for recommendation to Council.

The Leader presented the item providing Members with the background information and drew Members' attention to the 'Golden Thread' illustrated in the report.

During discussion of this item it was proposed to amend the first sentence of the fifth paragraph of the Foreword to read "We also recognise that the development of the new nuclear power station at Hinkley Point C in our district offers great opportunity and challenges for our residents and businesses". It was also suggested to replace the photograph on page 5 and it was agreed that the Corporate Strategy and Performance Manager would take this under advisement.

The Leader proposed the recommendation of the report, as amended, which was duly seconded by Councillor K H Turner.

RESOLVED that it be recommended to Council to approve the Corporate Plan for 2015/16, subject to the first sentence of the fifth paragraph of the Foreword being amended to read "We also recognise that the development of the new nuclear power station at Hinkley Point C in our district offers great opportunity and challenges for our residents and businesses".

CAB97 Annual Budget and Council Tax Setting 2015-16

(Report No. WSC 21/15, circulated with the Agenda.)

The purpose of the report was to provide Members with all information required for Cabinet to recommend its proposed revenue budget for 2015/16 to Full Council, and for the Cabinet to recommend its proposed Council Tax rate for 2015/16. The proposed 2015/16 Capital Programme, the revenue implications of which were taken into account within the revenue budget, was included as a separate report for the Cabinet meeting.

The item was presented in detail by the Lead Member for Resources and Central Support who reported that the budget for 2015-16 was balanced despite the huge financial challenges. She advised that general reserves had not been used and despite the inevitable spending reductions, the protection of frontline services had been the main priority. The budget gap had been addressed and the Lead Member advised Members on how this had been achieved; she also reported that the Settlement Funding Assessment figures detailed in the report had been confirmed.

The Lead Member proposed the recommendations contained within the report which were duly seconded by Councillor C Morgan.

Members then asked some detailed questions about issues relating to community grants to voluntary organisations and the New Homes Bonus grant.

RESOLVED (1) that the forecast Medium Term Financial Plan and the Council's forecast reserves position be noted.

RESOLVED (2) that the Section 151 Officer's Robustness Statement as set out in Appendix A to the report be noted.

RESOLVED (3) that it be recommended to Council to approve the draft 2015/16 Budget.

RESOLVED (4) that it be recommended to Council to approve a 2015/16 Council Tax increase of 1.99%.

CAB98 Capital Programme 2015/16

(Report No. WSC 22/15, circulated with the Agenda.)

The purpose of the report was to seek agreement by the Cabinet for the Draft Capital Programme 2015/16 to be submitted to Full Council for approval in February.

The Lead Member for Resources and Central Support presented the item in detail and went on to propose the recommendations of the report which were duly seconded by Councillor D J Westcott.

In response to questions raised, the reasons for deferring the capital bid relating to Barnsclose Industrial Estate in Dulverton was explained and the Lead Member confirmed that further information would be presented to Members at a later date. Clarification was also provided as to why the Microsoft Licence Fee was classed as a capital scheme.

RESOLVED (1) that the prioritisation applied to, and proposed funding arrangements for, the draft initial Capital Programme for 2015/16 be approved.

RESOLVED (2) that it be recommended to Council to approve the 2015/16 Capital Programme Budget totalling £790,000, comprising scheduled spend of £461,000 for previously approved schemes plus £329,000 related to new prioritised schemes.

CAB99 Hinkley Tourism Action Plan Strategy and Action Plan

(Report No. WSC 20/15, circulated with the Agenda.)

The purpose of the report was to consult with Cabinet on the contents of the Hinkley Tourism Action Partnership (HTAP) Strategy and Action Plan; and to outline proposals to Cabinet for the drawdown of HPC S106 Tourism mitigation funding to support delivery of four projects in the action plan.

The Lead Member for Regeneration and Economic Growth presented the report, providing a summary of the background information. She drew Members' attention to the vision of the Strategy and reported on its three clear aims and priorities. She went on to propose the recommendations which were seconded by Councillor K H Turner.

In response to a question, the Economic Regeneration Manager provided clarification on the method to be used to monitor the potential impact of Hinkley workers on the tourism accommodation. Members also asked questions regarding issues surrounding houses in multiple occupation, and the possible need for more overnight accommodation in the area, and the Lead Member confirmed that the strategic aim of increasing industry resilience would address these issues. The point was also raised that there could be planning issues concerning accommodation change of use

which would need proactive publicity to highlight these matters, and it was confirmed that advice from the Planning department would be sought and the information included in the electronic tourism newsletter.

RESOLVED (1) that it be recommended to Council to formally approve the HTAP Strategy and activity in the Action Plan.

RESOLVED (2) that it be recommended to Council to approve the drawdown of the Phase 1 S106 Tourism Contribution of £125,385 to support the delivery of the four projects identified within the HTAP Action Plan.

RESOLVED (3) that it be noted that the action plan delivery was previously agreed by Council in November 2014.

The meeting closed at 6.41 pm

9
Weekly version of Cabinet Forward Plan published on 13 February 2015

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
FP/15/4/01 22/04/2014	1 April 2015 By Councillor K V Kravis – Lead Member Resources & Central Support	Title: Allocation of Section 106 funds held – Quarter 4 Decision: to make proposals for the allocation of monies secured through planning obligations to individual schemes, and to update members with the current funding position		No exempt / confidential information anticipated	Tim Burton, Assistant Director Planning and Environment 01823 358403
FP/15/4/02 22/04/2014	1 April 2015 By Councillor C Morgan – Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/15/4/04 05/02/2015	1 April 2015 By Councillor K V Kravis – Lead Member Resources & Central Support	Title: Asset Transfer of Flatner Museum, Watchet Decision: to recommend to Council to approve a long lease to Community Interest Company		No exempt / confidential information anticipated	Tim Child, Asset Manager 01823 356356
FP/15/4/05 05/02/2015	1 April 2015 By Councillor K M Mills – Lead Member for Regeneration and Economic Growth	Title: Transfer of Wheddon Cross Public Conveniences to the Parish Council Decision: to recommend to Council to approve the transfer		No exempt / confidential information anticipated	Tim Child, Asset Manager 01823 356356
FP/15/4/06	1 April 2015	Title: Grant to Exford Parish Council for future public		No exempt / confidential information anticipated	Tim Child, Asset Manager

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05/02/2015	By Councillor K M Mills – Lead Member for Regeneration and Economic Growth	convenience provision Decision: to recommend to Council to approve the grant to Exford Parish Council for future pc provision			01823 356356
FP/15/6/01 10/02/2015	3 June 2015	Title: Cabinet Appointments on Outside Bodies Decision: to appoint representatives to serve on outside bodies for the period to the Annual Meeting in 2015 (except where specific periods are stated)		No exempt / confidential information anticipated	Bruce Lang, Assistant Chief Executive 01984 635200
FP/15/6/02 10/02/2015	3 June 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/15/6/03 09/01/2015	3 June 2015 By Councillor K V Kravis – Lead Member Resources & Central Support	Title: West Somerset's New Corporate Debt Policy Decision: to recommend to Council to approve the new corporate debt policy		No exempt / confidential information anticipated	Steve Perkins, Senior Debt Recovery Officer 01984 635247
FP/15/7/01 10/02/2015	1 July 2015 By Lead Member Resources & Central Support	Title: Allocation of Section 106 funds held – Quarter 1 Decision: to make proposals for the allocation of monies secured through planning obligations to individual schemes, and to		No exempt / confidential information anticipated	Tim Burton Assistant Director Planning and Environment 01823 358403

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
		update members with the current funding position.			
FP/15/7/02 10/02/2015	1 July 2015 By Leader of Council and	Title: Corporate Performance Report 2014-15 Quarter 4 Decision: to provide Members with an update on progress in delivering corporate priorities and performance of council services		No exempt / confidential information anticipated	Paul Harding, Corporate Strategy and Performance Manager 01823 356309
FP/15/7/03 10/02/2015	1 July 2015 By Lead Member Resources & Central Support	Title: Budget Monitoring Report Quarter 4 Decision: to provide Members with details of the Council's expected financial outturn position in 2014/15 for both revenue and capital budgets, together with information relating to predicted end of year reserve balances		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/15/7/04 10/02/2015	1 July 2015 By Lead Member Resources & Central Support	Title: Review of Financial Regulations [FR2] Decision: to offer comment on the Financial Regulations.		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/15/7/05 10/02/2015	1 July 2015 By Lead Member Resources & Central Support	Title: Medium Term Financial Plan Update Decision: to present the updated Medium Term Financial Plan.		No exempt / confidential information anticipated	Shirlene Adam, Section 151 Officer 01984 635259

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
FP/15/7/06 10/02/2015	1 July 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/15/8/01 10/02/2015	5 August 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/15/9/01 10/02/2015	2 September 2015 By Leader of Council	Title: Corporate Performance Report 2015-16 Quarter 1 Decision: to provide Members with an update on progress in delivering corporate priorities and performance of council services		No exempt / confidential information anticipated	Paul Harding, Corporate Strategy and Performance Manager 01823 356309
FP/15/9/02 10/02/2015	2 September 2015 By Lead Member Resources & Central Support	Title: Budget Monitoring Report Quarter 1 Decision: to provide Members with details of the Council's expected financial outturn position in 2014/15 for both revenue and capital budgets, together with information relating to predicted end of year reserve balances		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/15/9/03 10/02/2015	2 September 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
FP/15/10/01 10/02/2015	7 October 2015 By Lead Member Resources & Central Support	Title: Allocation of Section 106 funds held – Quarter 2 Decision: to make proposals for the allocation of monies secured through planning obligations to individual schemes, and to update members with the current funding position.		No exempt / confidential information anticipated	Tim Burton Assistant Director Planning and Environment 01823 358403
FP/15/10/02 10/02/2015	7 October 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/15/11/01 10/02/2015	4 November 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/15/12/01 10/02/2015	2 December 2015 By Leader of Council	Title: Corporate Performance Report 2015-16 Quarter 2 Decision: to provide Members with an update on progress in delivering corporate priorities and performance of council services		No exempt / confidential information anticipated	Paul Harding, Corporate Strategy and Performance Manager 01823 356309
FP/15/12/02 10/02/2015	2 December 2015 By Lead Member Resources & Central Support	Title: Budget Monitoring Report Quarter 2 Decision: to provide Members with details of the Council's expected financial outturn		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
		position in 2014/15 for both revenue and capital budgets, together with information relating to predicted end of year reserve balances			
FP/15/12/03 10/02/2015	2 December 2015 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/16/1/01 10/02/2015	6 January 2016 By Lead Member Resources & Central Support	Title: Allocation of Section 106 funds held – Quarter 3 Decision: to make proposals for the allocation of monies secured through planning obligations to individual schemes, and to update members with the current funding position		No exempt / confidential information anticipated	Tim Burton Assistant Director Planning and Environment 01823 358403
FP/16/1/02 10/02/2015	6 January 2016 By Lead Member Resources & Central Support	Title: Draft Capital Programme 2015-16 and Capital Strategy Decision: to present the draft Capital Programme 2015/16 and draft Capital Strategy for recommendation to Council.		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/16/1/03 10/02/2015	6 January 2016 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
FP/16/2/01 10/02/2015	3 February 2016 By Lead Member Resources & Central Support	Title: Annual Budget & Council Tax Setting 2016-17 Decision: to provide Members with all the information required for Council to approve the revenue budget and capital programme for 2016/17 for recommendation to Council.		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/16/2/02 10/02/2015	3 February 2016 By Leader of Council	Title: Draft Corporate Plan for 2016-17 Decision: to introduce the draft West Somerset Council Corporate Plan 2016/17 for recommendation to Council.		No exempt / confidential information anticipated	Paul Harding, Corporate Strategy and Performance Manager 01823 356309
FP/16/2/03 10/02/2015	3 February 2016 By Lead Member Resources & Central Support	Title: Fees and Charges Decision: to propose levels of fees and charges for the period 1 April 2016 to 31 March 2017 (in some cases fee increases will be implemented earlier, this will be stated in the relevant sections of the report).		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/16/2/04 10/02/2015	3 February 2016 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/16/3/01 10/02/2015	2 March 2016 By Leader of Council	Title: Corporate Performance Report 2015-16 Quarter 3		No exempt / confidential information anticipated	Paul Harding, Corporate Strategy and Performance Manager

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
		Decision: to provide Members with an update on progress in delivering corporate priorities and performance of council services			01823 356309
FP/16/3/02 10/02/2015	2 March 2016 By Lead Member Resources & Central Support	Title: Budget Monitoring Report Quarter 3 Decision: to provide Members with details of the Council's expected financial outturn position in 2014/15 for both revenue and capital budgets, together with information relating to predicted end of year reserve balances		No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/16/3/03 10/02/2015	2 March 2016 By Lead Member for Environment – Hinkley Point	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager 01984 635245
FP/16/4/01 10/02/2015	6 April 2016 By Lead Member Resources & Central Support	Title: Allocation of Section 106 funds held – Quarter 4 Decision: to make proposals for the allocation of monies secured through planning obligations to individual schemes, and to update members with the current funding position.		No exempt / confidential information anticipated	Tim Burton Assistant Director Planning and Environment 01823 358403
FP/16/4/02 10/02/2015	6 April 2016 By Lead Member for	Title: Hinkley Point Decision: to consider key issues		No exempt / confidential information anticipated	Andrew Goodchild, New Nuclear Programme Manager

Forward Plan Ref / Date proposed decision published in Forward Plan	Date when decision due to be taken and by whom	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring a resolution for it to be considered in private and what are the reasons for this?	Contact Officer for any representations to be made ahead of the proposed decision
	Environment – Hinkley Point	relating to Hinkley Point			01984 635245

Note (1) – Items in bold type are regular cyclical items.

Note (2) – All Consultation Implications are referred to in individual reports.

The Cabinet comprises the following: Councillors T Taylor, K V Kravis, K M Mills, C Morgan S J Pugsley, A H Trollope-Bellew, K H Turner and D J Westcott.

The Scrutiny Committee comprises: Councillors P H Murphy, R Lillis, M J Chilcott, M O A Dewdney, G S Dowding, J Freeman, P N Grierson, B Heywood and K J Ross.

CABINET ACTION PLAN

4 FEBRUARY 2015	
Minute Number	CAB87 Proposed Business Case for Shared Legal Service
Action Required	RESOLVED that it be recommended to Council to adopt the draft business case for a shared legal service – as set out in Appendix A to the report – with an implementation dated of 1 April 2015 – and that Council consider and agree the full terms of the associated Inter Authority Agreement.
Action Taken	To be presented to Council on 25 February 2015
Minute Number	CAB94 Regeneration of East Quay, Watchet
Action Required	RESOLVED (1) that it be recommended to Council to appoint the Onion Collective as the Council's preferred bidder for asset transfer of land at East Quay, Watchet. RESOLVED (2) that it be recommended to Council to approve the principle of entering into a three year option agreement with the Onion Collective to allow them to develop a detailed scheme design and funded business case that complies with the Council's conditions, prior to full asset transfer taking place. RESOLVED (3) that it be recommended to Council to delegate authority to the Director of Housing and Communities to work with the Lead Member for Asset Management to negotiate and agree full terms of the option agreement.
Action Taken	At the Council meeting on 18 February 2015 it was RESOLVED (1) that the Onion Collective be appointed as the Council's preferred bidder for asset transfer of land at East Quay, Watchet. RESOLVED (2) that the principle of entering into a three year option agreement with the Onion Collective to allow them to develop a detailed scheme design and funded business case that complies with the Council's conditions, prior to full asset transfer taking place be approved. RESOLVED (3) that authority be delegated to the Director of Housing and Communities to work with the Lead Member for Asset Management to negotiate and agree full terms of the option agreement

<p>Minute Number</p> <p>Action Required</p> <p>Action Taken</p>	<p>CAB95 Request for Allocation of Planning Obligations Funding – Minehead Illuminations Project</p> <p>RESOLVED (1) that it be recommended to Council that the allocation of £34,416.76 for the Minehead Illuminations Project be added to the capital programme and funded from planning obligations contributions.</p> <p>RESOLVED (2) that it be recommended to Council that £4,102.33 underspend from previous approved allocation from planning obligation contributions (related to same Agreement as outlined in paragraph 5.3 of the report) be reallocated to the Minehead Illuminations Project.</p> <p>At the Council meeting on 18 February 2015 it was RESOLVED (1) that the allocation of £34,416.76 for the Minehead Illuminations Project to be added to the capital programme and funded from planning obligations contributions be approved.</p> <p>RESOLVED (2) that £4,102.33 underspend from previous approved allocation from planning obligation contributions (related to same Agreement as outlined in paragraph 5.3 of the report) be approved to be reallocated to the Minehead Illuminations Project.</p>
<p>Minute Number</p> <p>Action Required</p> <p>Action Taken</p>	<p>CAB96 Draft Corporate Plan 2015/16</p> <p>RESOLVED that it be recommended to Council to approve the Corporate Plan for 2015/16, subject to the first sentence of the fifth paragraph of the Foreword being amended to read “We also recognise that the development of the new nuclear power station at Hinkley Point C in our district offers great opportunity and challenges for our residents and businesses”.</p> <p>To be presented to Council on 25 February 2015</p>
<p>Minute Number</p> <p>Action Required</p> <p>Action Taken</p>	<p>CAB97 Annual Budget and Council Tax Setting 2015-16</p> <p>RESOLVED (3) that it be recommended to Council to approve the draft 2015/16 Budget.</p> <p>RESOLVED (4) that it be recommended to Council to approve a 2015/16 Council Tax increase of 1.99%.</p> <p>To be presented to Council on 25 February 2015</p>
<p>Minute Number</p> <p>Action Required</p> <p>Action Taken</p>	<p>CAB98 Capital Programme 2015/16</p> <p>RESOLVED (2) that it be recommended to Council to approve the 2015/16 Capital Programme Budget totalling £790,000, comprising scheduled spend of £461,000 for previously approved schemes plus £329,000 related to new prioritised schemes.</p> <p>To be presented to Council on 25 February 2015</p>
<p>Minute Number</p> <p>Action Required</p>	<p>CAB99 Hinkley Tourism Action Plan Strategy and Action Plan</p> <p>RESOLVED (1) that it be recommended to Council to formally approve the HTAP Strategy and activity in the Action Plan.</p> <p>RESOLVED (2) that it be recommended to Council to approve the drawdown of the Phase 1 S106 Tourism Contribution of £125,385 to support the delivery of the four projects identified within the HTAP Action Plan.</p>

Action Taken	RESOLVED (1) that the HTAP Strategy and activity in the Action Plan be approved. RESOLVED (2) that the drawdown of the Phase 1 S106 Tourism Contribution of £125,385 to support the delivery of the 4 projects identified within the HTAP Action Plan be approved. RESOLVED (3) that £45,000 of the action plan delivery was previously agreed by Council in November 2014 be noted.
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Report Number: WSC 35/15
 Presented by: Cllr Keith Turner, Housing Portfolio Holder
 Author of the Report: Anjie Devine
 Contact Details: Anjie Devine
 Tel. No. Direct Line 01984 635228
 Email: adevine@westsomerset.gov.uk

 Report to a Meeting of: Cabinet
 To be Held on: 4 March 2015
 Date Entered on Executive Forward Plan Or Agreement for Urgency Granted: 6/2/15

HPC SECTION 106 AGREEMENT – ALLOCATIONS OF HOUSING FUND

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the recommendations of the Hinkley Point Planning Obligations Board (POB) 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 make its recommendations to Full Council regarding these proposals.

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

- 3.1 In accordance with the S106 Agreement, the recommendation of the Planning Obligations Board (POB) was sought in advance of presenting the proposals to Cabinet. Cabinet are invited to consider the POB recommendations and make its own recommendations to Full Council.
- 3.2 The POB recommendations are as follows: *subject to submission of further information within the Cabinet papers that satisfactorily resolves the concerns of the Planning Obligations Board, the Planning Obligations Board are minded to make a positive recommendation to fund the following schemes from the Housing Contribution Fund:*
- i. **£37,800** (£36,000 grant to YMCA Somerset Coast, plus £1,800 administrative fee) for the Routes Youth Hub at Prospect House, Minehead, subject to a paper being circulated to the Board (contained at Appendix B).

- ii. **SHAL Housing Association to be granted £80,000** from the Housing Contribution Fund for the Housing enabling scheme at the former Withycutter site with the conditions contained in section 6.9 of this report.
- iii. **LV Property Rentals Ltd to be granted £302,662** from the Housing Contribution Fund for the housing enabling scheme at Paragon Laundry site with the conditions contained in section 6.9 of this report
- iv. **LV Property Rentals Ltd to be granted £302,236** from the Housing Contribution Fund for the housing enabling scheme at the Monmouth Street site with the conditions contained in section 6.9 of this report.

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
<i>Commitment to prioritising and resourcing Hinkley in operational arrangements</i>	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

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**

- 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 in West Somerset and Sedgemoor. 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 Housing Funding Strategy was adopted by West Somerset Full Council on 19 November 2014.
- 5.3 In response to the Housing Funding Strategy a range of initiatives have been developed and designed to alleviate pressures on all sectors of the local housing markets.
- 5.4 Financial information regarding the latest position regarding allocated funding from the Housing Fund can be found in Appendix A.

6 **PLANNING OBLIGATION BOARD RECOMMENDATIONS**

- 6.1 In accordance with the S106 Agreement, the recommendation of the Planning Obligations Board (POB) was sought in advance of presenting the proposals to Cabinet.
- 6.2 The application for the allocation from the Housing Fund of £37,800, comprising £36,000 grant funding to YMCA, plus £1,800 admin fee, for the YMCA Routes Hub was presented to POB on 27 January 2015 when the Board agreed to the **release of funding from the Housing Contribution Fund of £37,800 for the Prospect House Routes Hub development subject to a paper being circulated to the Board**. *The paper should clarify how the Prospect House project links with the identified impacts and mitigation measures in the Housing Funding Strategy and should form part of the report made to Cabinet and Full Council.* The Report that was requested by the Planning Obligations Board is contained in Appendix B. A summary of the application is in Section 7 below, although a detailed copy of the Housing Contribution Application Form – Routes Hub is available, on request, from Anjie Devine, Housing Initiatives Implementation Officer.
- 6.3 An Extraordinary Planning Obligations Board was held on 13 February 2015 to consider three applications from Sedgemoor District Council for allocations from the Housing Fund for enabling developments in Bridgwater:
- **£84,000** comprising gap funding of £80,000 grant to SHAL Housing Association (SHAL) for the Withycutter affordable housing enabling scheme for 33 bedspaces (£2545 per b/s) plus £4,000 admin fee.
 - **£317,795** comprising gap funding of £302,662 grant to LV Property Rentals Ltd for the Paragon Laundry affordable housing (for 10 years, then reverting to market rent) enabling scheme providing 93 bedspaces, which would be affordable for 10 years and then revert to market housing, (£3417 per b/s), plus £15,133 admin fee.
 - **£317,348** comprising gap funding of £302,236 grant to LV Property Rentals Ltd for the Monmouth Street affordable housing (for 10 years then reverting to market rent) enabling scheme to provide 142 bed spaces, which would be affordable for 10 years and then revert to market housing, (£2235 per b/s), plus £15,112 admin fee.
- 6.4 Summaries of the bids are contained in Section 7 below. A copy of the reports presented to the Planning Obligations Board in Appendices C, D and E. Full details contained in the Housing Contribution Application Forms, Supplementary Information and Appraisals are available on request from Anjie Devine, Housing Initiatives Implementation Officer.
- 6.5 At the extraordinary meeting the Planning Obligation Board **requested revised written material** responding to the detailed points below, to be submitted prior to the completion of this Cabinet Report. Officers at Sedgemoor District Council duly provide the information on 20th February 2015:
- a) *Evidence of how the schemes' will deliver types and tenure of properties required to mitigate impacts of the HPC development on the local housing market.*
 - b) *Brief written description of the history of the schemes, options that have been considered and current status of discussions.*
 - c) *Details of the funding agreements that are in place between SDC and LV Property Rentals Ltd and SHAL.*
 - d) *Confirmation (including details) that full planning permission is in place for the proposed schemes at the Monmouth Street and Paragon Laundry sites and that planning permission will not be effected due to variations in the proposed schemes from any planning permission in place.*
 - e) *Clarity that abnormal costs have been built into the viability assessments for both the Monmouth Street and Paragon Laundry sites.*

- f) *Confirmation in writing from LV Property Rentals Ltd that they accept and have adopted the viability assessment presented by SDC within the proposals for funding.*
- g) *Clarity of the current situation with planning permission on the Withycutter site.*

6.6 The Planning Obligations Board resolved that:

6.7 **The 5% administration fee in relation to these three proposals should not be considered at this time** and a separate proposal for the fee should be submitted to the Planning Obligations Board by SDC in April for further consideration.

6.8 **Subject to submission of further information within the Cabinet papers that satisfactorily resolves the concerns of the Planning Obligations Board, the Planning Obligations Board are minded to make a positive recommendation to fund the following schemes from the Housing Contribution Fund:**

- v. *SHAL Housing Association to be granted £80,000 from the Housing Contribution Fund for the Housing enabling scheme at the former Withycutter site with the following conditions (at 6.9 below)*
- vi. *LV Property Rentals Ltd to be granted £302,662 from the Housing Contribution Fund for the housing enabling scheme at Paragon Laundry site with the following conditions (at 6.9 below)*
- vii. *LV Property Rentals Ltd to be granted £302,236 from the Housing Contribution Fund for the housing enabling scheme at the Monmouth Street site with the following conditions (at 6.9 below)*

6.9 **All three of the recommendations at 6.8 above are subject the following conditions:**

- *Full planning permission must be in place for the proposed scheme.*
- *The S106 agreement between the developer and Sedgemoor District Council must reflect the number and tenure of affordable housing units and a mechanism for review as stated in the proposals for funding.*
- *That any variation, to the extent that the development costs less than predicted within the proposal for funding, is returned to the Housing Contribution Fund up to the value of the grant amount.*
- *An agreement must be in place between WSC and SHAL (for the Withycutter scheme) and WSC and LV Property Rentals Ltd (for Paragon Laundry and Monmouth Street schemes) to agree key milestones and performance measures with clauses to include the repayment of grant if key milestones are not met.*
- *That the development will be delivered in accordance with the timetable set out in the proposal for funding, with an expected start on site date of 1st August 2015.*

6.10 Having assessed in detail the additional information provided at the request of the Planning Obligations Board, it is considered that the following additional conditions would be appropriate:

- *That funding agreements (which have been presented in draft form) are completed and presented prior to the release of funding*

6.11 Following discussion between Officers at WSC and SDC the 4th bullet point at paragraph 6.9 above should be amended to read:

- *An agreement must be in place between WSC, SDC and SHAL (for the Withycutter*

scheme) and WSC, SDC and LV Property Rentals Ltd (for Paragon Laundry and Monmouth Street schemes) to agree key milestones and performance measures with clauses to include the repayment of grant if key milestones are not met.

- 6.12 Finally, as the proposed bids for Monmouth Street and Paragon Laundry are between the Council and a private developer (LV Property Rentals Ltd) it is considered appropriate for the Council to ensure that an appropriate level of due diligence is completed prior to the release of funding. It is proposed that delegated authority is granted to the Lead Member for Finance, the Lead Member for Housing, the Director of Operations and the New Nuclear Programme Manager to agree the release of funding once an appropriate level of due diligence is completed.

7 HOUSING CONTRIBUTIONS - SUMMARIES

Project Name:	Routes Hub – Prospect House, Minehead
Organisation(s) that will receive funding:	YMCA Somerset Coast (YMCA)
Summary of Project:	<p>YMCA are requesting grant funding of £36,000 seed capital to develop the ground floor area of Prospect House to establish an enhanced accessible, specialist and comprehensive one-stop Housing Advice Centre, in a safe space, tailored to meet the needs of vulnerable young people, to help prevent homelessness by focussing on mediation and reconciliation to enable the young person to return home.</p> <p>YMCA won the tender from SCC to provide Pathways to Independence (P2I) services to young people in West Somerset. YMCA have extended the provision of a range of accommodation (including Nightstop, crash pads, supported housing, move-on accommodation) in West Somerset, also re-establishing the iconic Beach Hotel, and more recently purchasing Prospect House, funded by an HCA grant of £333,000 to provide 9 en-suite rooms, communal facilities and office space for a Routes Youth Hub. The office space is limited and equipment currently available is minimal. However with additional funding the Routes Hub has the potential to develop from this basic housing advice office, to encompass more ground floor of the building to provide a multi-agency, multi-purpose one-stop Housing Advice Centre space to co-ordinate services for vulnerable people from a wide range of partners including WSC, TAH, Hope Centre, etc. In addition to offering a triage assessment service, housing options, and practical help to young people, advice and signposting could be extended to people aged over 25. There is potential for the space to be multi-functional, supporting other community and council needs – eg surgeries, consultation, meeting rooms etc. The Hub needs to be an accessible, safe, comfortable, well-equipped environment to encourage young people to use it as a first resort within an ethos of “complex cases, safe places”.</p>
Expected Impact(s) Project Mitigates:	S106 Agreement – Site Preparation Works - Initiative under S3.2.13: the funding of other housing mitigation measures ie to prevent homelessness, provide targeted housing options
Evidence of need:	1.5.13-31.4.14: 13 young people applied to YMCA as homeless/threatened with homelessness in West Somerset
Expected benefit/outcomes of Project:	<ul style="list-style-type: none"> • Specialist, targeted multi-agency one-stop shop to provide housing options for vulnerable young people • Reduction in number of homeless applications from young people • Reduction in housing need through mediation and reconciliation of young people with their families, which will also mitigate pressure on the private rented sector • Adds value to the P2I service and their other young people’s projects within the town. • The Hub will be a positive investment into the area, benefitting the community by providing multi-functional community space & services
Sustainability:	YMCA is working towards a sustainable self-financing model and will not require any further revenue funding.
Cost effectiveness:	£36,000 is 10% of overall costs of project Preventing 6 young people from becoming homeless saves £39,000
Amount applied for:	£37,800 ie £36,000 gap funding + £1,800 admin fee @ 5%
Total Project Costs:	£369,000 including £333,000 HCA capital grant funding (exc admin fee)
Start Date:	February 2015 – as soon as funding confirmed
Completion Date:	31.3.2015

Project Name:	Enabling Fund – Former Withycutter
Organisation(s) that will receive funding:	SHAL Housing Association (SHAL)
Summary of Project:	SHAL has requested gap funding of £80,000 to enable the Former Withycutter, Bridgwater development to proceed. The scheme has been stalled due to abnormal development costs previously making this site unviable and unattractive as a market driven project. Providing £80,000 additional grant funding would help bring forward a 100% affordable scheme in a highly sustainable location. The site is close to good public transport routes and well placed in relation to the proposed Hinkley C construction worker bus routes. The delivery of this scheme will also help mitigate pressure on the private rented sector in Bridgwater and will be a positive investment into the area; benefiting the community significantly by providing 14 new flats (equating to 33 bed spaces). If funding is awarded works would begin on site in August 2015 with the units being completed and ready to be occupied in November 2016. <i>Full details available in the Appendix to the Bid Form.</i>
Expected Impact(s) Project Mitigates:	S106 Agreement – Site Preparation Works Schedule 2 - 1.1: <i>Delivery of additional housing capacity to mitigate any potential adverse effect on the local private rented and low cost housing market that might arise from the Hinkley Point C development and/or other elements of the Project (if permitted) in West Somerset and Sedgemoor District areas.</i> Initiatives under S3.2.8, S3.2.9 and S3.2.10*
Evidence of need:	<ul style="list-style-type: none"> Identified need for additional affordable homes in this area of Bridgwater Will increase the supply of affordable-housing during the period (peak construction worker numbers) of greatest housing pressure.
Expected benefit/outcomes of Project:	<ul style="list-style-type: none"> The project would see 14 new flats built in total (equating to 33 bed spaces). The homes will be built and owned by SHAL (registered housing provider). The units will be available on an affordable-rented basis to people in housing need from the Council's Homefinder Somerset register. The site is located close to the proposed EDFe Bridgwater Campus (former Innovia land) and is considered a highly sustainable location. This development will mitigate pressure on the private rented sector by increasing the number of affordable housing in the area Economic benefit to the local community, including construction training and employment opportunities
Sustainability:	<ul style="list-style-type: none"> The scheme has been designed to a high standard with all units meeting Code for Sustainable Homes level 3 and HQIs.
Cost effectiveness:	£84,000 (gap funding+5%) to provide 33 bed spaces = £2545 per b/s
Amount applied for:	£80,000 gap funding (£84,000 including SDC 5% admin).
Total Project Costs:	£1,740,547 (with 5% SDC admin fee) including £504,000 HCA capital grant funding and £1,152,547 from SHAL
Start Date:	August 2015
Completion Date:	November 2016

**S3.2.8: Equity investment into new build housing development schemes to assist developers in bringing forward stalled development opportunities; S3.2.9: Levering in funding from the HCA; S3.2.10: Providing funding to act as grant replacement for new build housing development schemes to subsidise the provision of affordable housing developed by registered social landlords*

Project Name:	Enabling Fund – Paragon Laundry
Organisation(s) that will receive funding:	LV Property Rentals Limited (LV)
Summary of Project:	LV has requested gap funding of £302,662 to enable the Former Paragon Laundry, Bridgwater development to proceed. The scheme has been stalled due to abnormal development costs previously making this site unviable and unattractive as a market driven project. Providing £302,662 additional grant funding would help bring forward 21 affordable homes in a sustainable location for period of 10 years upon which they would revert to market accommodation. The site is close to good public transport routes and well placed in relation to the proposed Hinkley C construction worker bus routes. The delivery of this scheme will also help mitigate pressure on the private rented sector in Bridgwater and will be a positive investment into the area; benefiting the community significantly by providing 21 residential units (equating to 93 bed spaces). If funding is awarded works would begin on site in August 2015 with the units being completed and ready to be occupied in November 2016. <i>Full details available in the Appendix to the Bid Form.</i>
Expected Impact(s) Project Mitigates:	S106 Agreement – Site Preparation Works Schedule 2 - 1.1: <i>Delivery of additional housing capacity to mitigate any potential adverse effect on the local private rented and low cost housing market that might arise from the Hinkley Point C development and/or other elements of the Project (if permitted) in West Somerset and Sedgemoor District areas.</i> Initiatives under S3.2.8 *
Evidence of need:	<ul style="list-style-type: none"> Identified need for additional affordable homes in this area of Bridgwater Will increase the supply of affordable-housing during the period (peak construction worker numbers) of greatest housing pressure.
Expected benefit/outcomes of Project:	<ul style="list-style-type: none"> The project would see 36 new residential units built in total (119 bed spaces). The funding being sought will specifically bring forward 21 homes (93 bed spaces) to be provided on affordable-rented basis for 10 years. The homes will be built and owned by LV Property Rentals Limited. The 21 units will be available on an affordable-rented basis, for 10 years, to people in housing need from the Council's Homefinder somerset register. A mix of houses (17no) and flats (4no) This site is situated close to central Bridgwater (on Taunton Road, A38). This development will mitigate pressure on the private rented sector by increasing the number of affordable housing in the area Economic benefit to the local community, including construction training and employment opportunities
Sustainability:	<ul style="list-style-type: none"> The scheme has been designed to a high standard with all units meeting a minimum level 3, Code for Sustainable Development.
Cost effectiveness:	£317,795 (gap funding+5%) to provide 93 bed spaces (affordable for 10 years then reverting to market rent) = £3417 per b/s
Amount applied for:	£302,662 gap funding (£317,795 including 5% SDC admin fee)
Total Project Costs:	£4,803,000 (£4,818,112 with 5% SDC admin fee) including £4,500,764 developer investment
Start Date:	August 2015
Completion Date:	November 2016

**S3.2.8: Equity investment into new build housing development schemes to assist developers in bringing forward stalled development opportunities*

Project Name:	Enabling Fund – Monmouth Street
Organisation(s) that will receive funding:	LV PROPERTY RENTALS LIMITED (LV)
Summary of Project:	LV has requested gap funding of £302,236 to enable the Monmouth Street, Bridgwater development to proceed. The scheme has been stalled due to abnormal development costs previously making this site unviable and unattractive as a market driven project. Providing £302,236 additional grant funding would help bring forward a 100% affordable scheme in a highly sustainable location for period of 10 years upon which they would revert to market accommodation. The site is close to good public transport routes and well placed in relation to the proposed Hinkley C construction worker bus routes. The delivery of this scheme will also help mitigate pressure on the private rented sector in Bridgwater and will be a positive investment into the area; benefiting the community significantly by providing 37 new homes (equating to 142 bed spaces). If funding is awarded works would begin on site in August 2015 with the units being completed and ready to be occupied in November 2016. <i>Full details available in the Appendix to the Bid Form.</i>
Expected Impact(s) Project Mitigates:	S106 Agreement – Site Preparation Works Schedule 2 - 1.1: <i>Delivery of additional housing capacity to mitigate any potential adverse effect on the local private rented and low cost housing market that might arise from the Hinkley Point C development and/or other elements of the Project (if permitted) in West Somerset and Sedgemoor District areas.</i> Initiatives under S3.2.8*
Evidence of need:	<ul style="list-style-type: none"> Identified need for additional affordable homes in this area of Bridgwater Will increase the supply of affordable-housing during the period (peak construction worker numbers) of greatest housing pressure.
Expected benefit/outcomes of Project:	<ul style="list-style-type: none"> The project would see 37 new homes built in total (equating to 142 bed spaces). The homes will be built and owned by LV Property Rentals Ltd The 37 units will be available on an affordable-rented basis, for 10 years, to people in housing need from the Council's Homefinder somerset register. A mix of houses (15no) and flats (22no) The site is located close to Bridgwater Town Centre. This development will mitigate pressure on the private rented sector by increasing the number of affordable housing in the area Economic benefit to the local community, including construction training and employment opportunities
Sustainability:	<ul style="list-style-type: none"> The scheme has been designed to a high standard with all units meeting a minimum level 3, Code for Sustainable Development.
Cost effectiveness:	£317,348 (gap funding+5%) to provide 142 bed spaces (affordable for 10 years then reverting to market rent) = £2235 per b/s
Amount applied for:	£302,236 gap funding (£317,348 including SDC 5% admin).
Total Project Costs:	£4,803,000 (£4,818,112 with 5% SDC admin fee) including £4,500,764 developer investment
Start Date:	August 2015
Completion Date:	November 2016

**S3.2.8: Equity investment into new build housing development schemes to assist developers in bringing forward stalled development opportunities*

8 FINANCIAL IMPLICATIONS

- 8.1 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) who 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. As such there are no significant financial or resource implications for the Councils General Fund. The Section 106 agreement also funds a Finance Officer who will work with the Housing Team and the New Nuclear Programme Manager to track spend and delivery.
- 8.2 The proposals in this report supports 4 bids totalling £722,698 which leaves an unallocated balance of this fund of £1,700,406 of which £656,440 can be allocated for housing enabling schemes.

9. SECTION 151 OFFICER COMMENTS

- 9.1 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 that we have maximised the benefit from this fund in terms of mitigating of the impact of HPC on West Somerset and Sedgemoor, as well as taking due care of these public funds.
- 9.2 Within the Housing schedule set out in the s106 agreement, WSC on behalf of West Somerset and Sedgemoor District Councils received £4.004m (£4m plus inflation uplift), making this the largest single contribution received under the agreement. Within the agreement, there is a further restriction. The Councils can only spend a total of up to £2m on schemes other than Private Sector Initiatives and Social Housing services (except for Accreditation of landlords). We will need to monitor what we spend on these areas to avoid breaching this limit.
- 9.3 The Planning Obligations Board considered bids at their recent meetings (Jan and Feb 2015) and supported their progress for consideration by West Somerset Council subject to further information being forthcoming. The information subsequently received is sufficient for officers to be confident in promoting the recommendations of the Planning Obligations Board to allocate the funds for the Withycutter scheme and that, subject to completion of due diligence, for the allocation of funds for the Paragon Laundry and Monmouth Street schemes. Noting clearly the role of the Planning Obligations Board remains appropriate for the Council to ensure that it is satisfied that due diligence has been completed. This is important to ensure the safeguarding of these resources.
- 9.4 Should Cabinet be minded to recommend to Full Council that the allocations for Monmouth Street and Paragon Laundry be approved then it is suggested in order to ensure that the Council is discharging its duties described at 9.1 above that any such recommendation include the following:
- that That Cabinet recommend to Full Council that delegated authority is granted to the Lead Member for Finance, the Lead Member for Housing, the Director of Operations and the New Nuclear Programme Manager, to approve the release of funds for the two projects below upon the completion of due diligence*
- 9.5 Subject to the consideration of this report and the matters contained therein, should progress be made on the completion of due diligence between Cabinet and Full Council meetings this can be presented to Members.

10. **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 access housing across West Somerset and Sedgemoor. All actions should be in compliance with the Human Rights Act.

11. **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.

12. **CONSULTATION IMPLICATIONS**

All the 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.

12. **ASSET MANAGEMENT IMPLICATIONS**

There are no direct implications

14. **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.

15. **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.

16. LEGAL IMPLICATIONS -

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 Housing Contributions.

17. LIST OF APPENDICES

- Appendix A: Hinkley Housing Fund Approval Balances
- Appendix B: Routes Hub - Supporting Paper as requested by POB 27.1.15
- Appendix C: Withycutter – Revised Information as requested by POB 13.2.15
- Appendix D: Paragon Laundry – Revised Information as requested by POB 13.2.15
- Appendix E: Paragon Laundry – LV Property Rentals Ltd – Supporting Information
- Appendix F: Monmouth Street – Revised Information as requested by POB 13.2.15
- Appendix G: Monmouth Street - LV Property Rentals Ltd – Supporting Information

APPENDIX A: HINKLEY FUND HOUSING FUND APPROVAL BALANCES

		£	
		3.2.1 & 3.2.8 -	
	TOTAL	3.2.13 Restricted	3.2.2 - 3.2.7 Unrestricted
	4,000,000	2,000,000	2,000,000
Housing Implementation Officers	(240,000)	(240,000)	
	3,760,000	1,760,000	2,000,000
Inflation Uplift	244,054	114,238	129,816
Total S106 Housing Fund Received	4,004,054	1,874,238	2,129,816
<u>Less previously approved allocation</u>			
Somerset Homelet	(20,790)	(20,790)	
Flexible Rent Support Scheme	(107,100)		(107,100)
Minor Improvements Fund	(147,000)		(147,000)
Rent a Room Scheme	(126,000)		(126,000)
Sustainable Management Service	(168,000)	(168,000)	
Landlord Accreditation Training	(10,500)	(10,500)	
Furniture Packages	(31,500)		(31,500)
Tenant Ready Scheme	(47,250)	(47,250)	
Empty Homes Grant	(194,250)		(141,750)
DIY - Empty Homes Loans	(110,250)		(110,250)
SDC Pilot - Living over the Shop Grant	(204,750)		(204,750)
First Time Buyer Loans	(105,000)		(105,000)
Homes Moves Plus	(60,000)		(60,000)
Three Crowns, Bridgwater	(192,560)	(192,560)	
Croft House, Williton	(56,000)	(56,000)	
Current Uncommitted Balance	2,423,104	1,379,138	1,096,466
<u>Less Requested approvals</u>			
Prospect House, Minehead	(37,800)	(37,800)	
Monmouth Street, Bridgwater	(302,236)	(302,236)	
Paragon Laundry, Bridgwater	(302,662)	(302,662)	
Former Withycutter, Bridgwater	(80,000)	(80,000)	
Uncommitted Balance if all requests were approved	1,700,406	656,440	1,096,466

APPENDIX B - ROUTES HUB – SUPPORTING PAPER

1. Background:

1.1. YMCA are requesting grant funding of £36,000 seed capital to develop the ground floor area of Prospect House to establish an enhanced accessible, specialist and comprehensive one-stop Housing Advice Centre, in a safe space, tailored to meet the needs of vulnerable young people, to help prevent homelessness by focussing on mediation and reconciliation to enable the young person to return home.

1.2. YMCA won the tender from SCC to provide Pathways to Independence (P2I) services to young people in West Somerset. YMCA have extended the provision of a range of accommodation (including Nightstop, crash pads, supported housing, move-on accommodation) in West Somerset, also re-establishing the iconic Beach Hotel, and more recently purchasing Prospect House, funded by an HCA grant of £333,000 to provide 9 en-suite rooms, communal facilities and office space for a Routes Youth Hub. The office space is limited and equipment currently available is minimal. However with additional funding the Routes Hub has the potential to develop from this basic housing advice office, to encompass more ground floor of the building to provide a multi-agency, multi-purpose one-stop Housing Advice Centre space to co-ordinate services for vulnerable people from a wide range of partners including WSC, TAH, Hope Centre, etc. In addition to offering a triage assessment service, housing options, and practical help to young people, advice and signposting could be extended to people aged over 25. There is potential for the space to be multi-functional, supporting other community and council needs – e.g. surgeries, consultation, meeting rooms etc. The Hub needs to be an accessible, safe, comfortable, well-equipped environment to encourage young people to use it as a first resort within an ethos of “complex cases, safe places”.

1.3. In accordance with the S106 Agreement, the recommendation of the Planning Obligations Board was sought in advance of presenting the proposals to WSC Cabinet and Full Council. The bid for the allocation from the Housing Fund was presented to POB on 27 January 2015 when the Board agreed to the *release of funding from the Housing Contribution Fund of £37,800 to the Prospect House Routes Hub development project subject to a paper being circulated to the Board. The paper should clarify how the Prospect House project links with the identified impacts and mitigation measures in the Housing Funding Strategy and should form part of the report made to Cabinet and Full Council.*

1.4. Funding is sought under S3.2.13 of the s106 Agreement in relation to the Site Preparation Works - the funding of other housing mitigation measures (i.e. to prevent homelessness by providing targeted housing options to single people)

2. Links to the Housing Funding Strategy

2.1. The Housing Funding Strategy was developed by Sedgemoor District Council and West Somerset Council, in consultation with partners and front-line staff, to agree principles and the general shape of initial proposed bids to the Housing Fund. A range of inter-dependant initiatives was developed, designed to alleviate pressures on all sectors of the local housing markets. The Strategy concentrates on priority bids but also recognises that the housing market is dynamic, and that other opportunities for mitigation measures would arise across the whole range of the market and therefore we need to retain flexibility, emphasising that other bids will be made, jointly and separately, as further proposals are developed

2.2. The Housing Funding Strategy at 2.2 identified four key joint principles agreed by both Councils as a focus on which to develop initiatives:

- 1 to increase capacity in the private rented sector where the impact is most likely to be felt;
- 2 to maintain tenants in their current tenancies to prevent homelessness and reduce “churn” in the housing market;
- 3 to make better use of existing accommodation to maximise occupation;
- 4 to make joint bids whenever appropriate building on our well-established partnership approach and strategic joint working processes;

2.3. These principles recognise that while the priority is to increase capacity in the private rented sector, the other principles are crucial to ensure that local residents are not disadvantaged, in being able to access this additional accommodation or being displaced by landlords. We are aware of some landlords displacing existing tenants in order to increase rents for new tenants, leading to an increase in homelessness and additional pressure on the lower end of the private rented sector as more single people compete for smaller, cheaper accommodation, which was already over 50% of the existing housing demand in the districts. It's in this context that the opportunity has arisen to provide funding for the enhanced multi-agency, multi-purpose one-stop Routes Hub, targeted at single people, and especially young people, which will reduce single homelessness, and thus reduce pressure on the bottom end of the private rented sector.

2.4. Whilst concentrating on providing additional accommodation, we were concerned about the ability of non-HPC workers to access it, either because of unaffordable rents and fees, or just because prospective landlords preferred HPC workers, perceiving them to be better tenants, more able to pay higher rents. This perception was confirmed at the Landlord's Forum held last October where many potential landlords attended because of the opportunity to talk to the HPC representatives.

2.5. The Housing Options Toolkit is being developed to assist non-HPC workers to access this additional accommodation, especially in the context of welfare benefit reform and cuts to support services. However our concerns about higher rents are supported by evidence from the early days of Somerset Home Let showing aspirationally high rents, with very few properties being Local Housing Allowance (LHA) friendly. LHA could be considered an indicator of affordability in West Somerset because wages tend to be comparatively low, requiring eligible tenants to make up any shortfall between the LHA and the rent level. Of the 20 properties advertised in West Somerset at the time of writing, only 1 (a 2 bedroomed cottage) is categorised LHA friendly by the owner, despite the rent of £626pm being much higher than the current LHA level of £525 pm (for 2 bed rooms, which will reduce by 33p per week for 2015/16).

2.6. So although Somerset Home Let has been successful in increasing accommodation overall (the 20 properties contain 48 bedrooms) most is directed at Hinkley workers with very little available for non-Hinkley workers. There is only 1 unit of one-bedroomed accommodation at under £100 pw although it is not labelled as LHA friendly, and while the average rent for one-bedroom accommodation is currently £148 pw, Minehead is particularly affected with advertised rents of £932, £997 and £1,062 per month. This is in the context of weekly LHA currently at £63.50 for shared accommodation (due to increase to £64.14 for 2015/16) and £92.31 for 1 bedroomed self-contained accommodation (due to decrease to £92.05). Such is the concern about affordability in the private rented sector across West Somerset, which will impact on housing association developments by driving up the "Affordable Rent" levels, that WSC has submitted a Report to the HCA on the impact of unaffordable high private sector rents on local residents.

2.7. Therefore maintaining tenants in their current accommodation to prevent homelessness is key to maintaining existing bed spaces and to not exacerbate the increase in demand for alternative accommodation, especially single persons housing, which is where the additional pressure has been identified.

2.8. The enhanced Routes Hub will provide an accessible and co-ordinated housing options service for young and other single people in housing crisis (exacerbated by the Hinkley effect on rents and the increased competition for the limited supply of smaller accommodation). YMCA and partners will provide a wide range of services to prevent homelessness (including assessment, advice, signposting, mediation and reconciliation) and increase housing options, including providing the tenant ready scheme and other supportive working with potential landlords to increase bed spaces for this client group, some of which can be challenging to place, particularly because of access to reduced benefits.

3. Review of Housing Funding Strategy

3.1. Funding has been approved for all the initial initiatives set out in the Housing Funding Strategy. The Strategy is being reviewed to take account of the impact on the local housing markets, all aspects of which are monitored on a monthly basis.

APPENDIX C: WITHYCUTTER – REVISED INFORMATION

Additional Information Request Arising from the 13-02-2015 Hinkley Point C Planning Obligations Board

This project proposal was submitted to, and discussed by, the Planning Obligations Board (“POB”) at its meeting on 13-02-2015.

The following information has been requested by WSDC in advance of this proposal being reported to WSDC Cabinet on 04-03-2015.

This additional paper should be read in conjunction with the previously submitted 13-02-2015 POB papers:

- (1) Hinkley Point C Planning Obligation (s106) Funding Application Form (003)
- (2) Supplementary Information Paper (dated 02-02-2015)

Subject:	Enabling Bid EDFe Housing Fund investment support to deliver 14 new build residential units (all flats) at the Former Withycutter Public House (Sydenham) in Bridgwater.
POB Date:	13-02-2015
Project Name:	005 Former Withycutter Public House (Sydenham) in Bridgwater
Development Partner	SHAL Housing Association
Officer Contact:	Duncan Harvey (Housing Development Manager) at Sedgemoor District Council.
Evidence of Project Mitigating Impact Associated with HPC	<p>As previously described in the Supplementary Information Paper (02-02-2015), the site is located close to the proposed EDFe Bridgwater Campus (former Innovia land). In terms of its planning status, the site sits within the heart of a well-established residential area and is considered a highly sustainable location (close to shops and easy walking distance to town centre and sustainable transport options including bus links, including the proposed Hinkley C construction worker bus routes). The principle of residential development has been established.</p> <p>The joint Local Impact Report (“LIR”) from SDC, WSDC and SCC (Project Ref: EN010001 submitted May 2012) discusses, at length, the accommodation and housing implications associated with the construction of HPC. Paragraph 4.4.1.41 states “The Councils believe that the same number of non-home based workers, or potentially more, will need to be accommodated across a smaller, more concentrated area, with considerable additional requirement for accommodation within Bridgwater.”</p> <p>Bridgwater is the host town for the project with the anticipated influx of significant numbers of well-paid construction workers looking for accommodation in the Bridgwater area. Increasing the capacity and numbers of smaller units is considered essential in advance of this large workforce arriving. Notwithstanding EDFe intentions to provide campus accommodation, the timeframes for delivery and the capacity this accommodation will provide only strengthens the case for the provision of housing associated with this project. The two assumptions below underpin the need for this project:</p>

1. The majority of the EDFe construction workforce will be single people, increasing competition for smaller and cheaper accommodation. Already existing demand for 1 bed roomed accommodation comprises around 50% of the Homefinder Somerset Housing Register.

2. The construction workforce is likely to be influenced by housing and travel costs, hence looking for cheaper properties at the lower end of the market, with a preference for proximity to the Hinkley bus routes and the Park and Ride sites at Bridgwater to reduce travel costs.

There are 3614 households on Homefinder Somerset (“the waiting list”) seeking an affordable home across Sedgemoor. Of these, 1709 are specifically seeking a home in Bridgwater and 1409 (82%) require a 1 or 2 bed home (such as is proposed here).

The supply of “smaller” housing in Bridgwater (from relets & new builds) is simply not keeping pace with the increasing levels of demand. This will worsen as the numbers of construction workers looking for similar units increases. The detailed property mix has been designed to address the known local unmet need.

The project will provide high quality well managed rented homes in the heart of Bridgwater directly responding to existing & anticipated future demand.

APPENDIX D: PARAGON LAUNDRY – REVISED INFORMATION

Additional Information Request Arising from the 13-02-2015 Hinkley Point C Planning Obligations Board

This project proposal was submitted to, and discussed by, the Planning Obligations Board (“POB”) at its meeting on 13-02-2015.

The following information has been requested by WSDC in advance of this proposal being reported to WSDC Cabinet on 04-03-2015.

This additional paper should be read in conjunction with the previously submitted 13-02-2015 POB papers:

- (1) Hinkley Point C Planning Obligation (s106) Funding Application Form (003)
- (2) Supplementary Information Paper (dated 02-02-2015)
- (3) Development Viability Appraisal Report (January 2015) Commercially Sensitive

Subject: Enabling Bid
EDFe Housing Fund investment support to deliver 36 new build residential units on land at Former **Paragon Laundry**, Taunton Road, Bridgwater, TA6 6BD
The construction of the new housing will also result in the construction of a ground floor convenience store and fast food outlet (use class A5) on site. There are confirmed end-users for the A5 units.

POB Date: 13-02-2015

Project Name: 003 Land at Paragon Laundry, Taunton Road, Bridgwater, TA6 6BD

Development Partner: LV Property Rentals Limited

Officer Contact: Duncan Harvey (Housing Development Manager) at Sedgemoor District Council.

Evidence of Project Mitigating Impact Associated with HPC As previously described in the Supplementary Information Paper (02-02-2015), the site is situated within the Bridgwater Town Centre boundary. In terms of planning status, the sites are well located to the town centre and considered a highly sustainable location (close to shops and easy walking distance to town centre and sustainable transport options including bus links, including the proposed Hinkley C construction worker bus routes), proposed campus accommodation and Park and Ride sites. The joint Local Impact Report (“LIR”) from SDC, WSDC and SCC (Project Ref: EN010001 submitted May 2012) discusses, at length, the accommodation and housing implications associated with the construction of HPC. Paragraph 4.4.1.41 states “The Councils believe that the same number of non-home based workers, or potentially more, will need to be accommodated across a smaller, more concentrated area, with considerable additional requirement for accommodation within Bridgwater.”

Bridgwater is the host town for the project with the anticipated influx of significant numbers of well-paid construction workers looking for accommodation in the Bridgwater area. Increasing the capacity and numbers of smaller units is considered essential in advance of this large workforce arriving. Notwithstanding EDFe intentions to provide campus accommodation, the timeframes for delivery and the capacity this

accommodation will provide only strengthens the case for the provision of housing associated with this project. The two assumptions below underpin the need for this project:

1. The majority of the EDFe construction workforce will be single people, increasing competition for smaller and cheaper accommodation. Already existing demand for 1 bedroomed accommodation comprises around 50% of the Homefinder Somerset Housing Register.
2. The construction workforce is likely to be influenced by housing and travel costs, hence looking for cheaper properties at the lower end of the market, with a preference for proximity to the Hinkley bus routes and the Park and Ride sites at Bridgwater to reduce travel costs.

There are 3614 households on Homefinder Somerset (“the waiting list”) seeking an affordable home across Sedgemoor. Of these, 1709 are specifically seeking a home in Bridgwater and 1409 (82%) require a 1 or 2 bed home (such as is proposed here).

The supply of “smaller” housing in Bridgwater (from relets & new builds) is simply not keeping pace with the increasing levels of demand. This will worsen as the numbers

APPENDIX E: PARAGON LAUNDRY – LV PROPERTY RENTALS LTD – SUPPORTING INFORMATION

Property Link Consultants Ltd, Magnolia House, Watchfield, Somerset TA9 4LB T: 01278 783364
M: 07760660034 E: toni@propertylinkconsultants.com Company Registration Number: 7010090
Reg.Office: 2 Laurel House, Station Road, Worle, Weston-Super-Mare, North Somerset BS22 6AR

Duncan Harvey
Sedgemoor District Council
Bridgwater House
King Sq
Bridgwater
TA6 3AR

19th February 2015.

Dear Duncan,

Paragon Laundry, Bridgwater – Proposal to build 21 Residential Units.

Thank you for taking time to meet with us earlier this week to discuss our development proposals Former Paragon Laundry.

Property Link Limited is the authorised agent for LV Property Rentals Limited. My client proposes to deliver the Paragon Laundry scheme by way of SPV in partnership with Apex One Limited

I can further confirm that for Property Link Limited are the authorised agent Apex One Limited in respect of the Former Paragon Laundry Site (Bridgwater). Apex One Limited has asked me to provide a formal response in respect of the additional information being sought by West Somerset District Council.

My client (Apex One) has a detailed planning permission as per planning application no 08/12/00222 granted on 23/01/2014. In terms of the development funds, my client has shown you written bank confirmation that the development funds required to build out this scheme are in place to proceed, subject to the gap funding being sought from the housing fund.

Turning to the specific questions posed by West Somerset District Council

The abnormal development costs associated with the Former Paragon Laundry scheme have been built into the viability appraisal. My client provided detailed financial data to the author of the appraisal in order that a robust and realistic financial appraisal for the scheme came forward.

The appraisal submitted by SDC is acceptable to Apex One Limited. The appraisal was constructed by a reputable, experienced person using genuine development data, some of which has been provided by my client.

Apex One Limited accept and agree that should the development costs be less than those predicted in the current financial appraisal (therefore reducing the level of monies from the housing fund) that any housing fund investment not required to deliver the scheme will be returned to the housing fund.

Assuming formal confirmation is received that housing fund monies will be provided to this scheme, Apex One Limited can move matters forward in respect of instructing legal teams to deal with matters such as the local authority funding agreement, landlord agreement, JCT build contract and so on. You will appreciate these matters will mean that Apex One Limited will incur significant financial cost, which they are prepared to commit to subject to housing funds being formally committed. You will appreciate that there is lead in time to deal with these matters if Apex One Limited are to achieve a start on site by August 2015. The sooner a housing fund investment commitment can be secured, the sooner my clients can commitment further significant expense to achieve this deadline. At this point in time, Apex One Limited is on schedule to start on site by August 2015.

Yours sincerely
Toni Hammick
Director

APPENDIX F: MONMOUTH STREET – REVISED INFORMATION

Additional Information Request Arising from the 13-02-2015 Hinkley Point C Planning Obligations Board

This project proposal was submitted to, and discussed by, the Planning Obligations Board (“POB”) at its meeting on 13-02-2015.

The following information has been requested by WSDC in advance of this proposal being reported to WSDC Cabinet on 04-03-2015.

This additional paper should be read in conjunction with the previously submitted 13-02-2015 POB papers:

- (1) Hinkley Point C Planning Obligation (s106) Funding Application Form (003)
- (2) Supplementary Information Paper (dated 02-02-2015)
- (3) Development Viability Appraisal Report (January 2015) Commercially Sensitive

Subject:	Enabling Bid EDFe Housing Fund investment support to deliver 37 new build residential units on land between 21 - 35 Monmouth Street in Bridgwater.
POB Date:	13-02-2015
Project Name:	004 Land at 21 - 35 Monmouth Street in Bridgwater.
Development Partner	LV Property Rentals Limited
Officer Contact:	Duncan Harvey (Housing Development Manager) at Sedgemoor District Council.
Evidence of Project Mitigating Impact Associated with HPC	<p>As previously described in the Supplementary Information Paper (02-02-2015), the site is situated within the Bridgwater Town Centre boundary. In terms of planning status, the sites are well located to the town centre and considered a highly sustainable location (close to shops and easy walking distance to town centre and sustainable transport options including bus links, including the proposed Hinkley C construction worker bus routes), proposed campus accommodation and Park and Ride sites.</p> <p>The joint Local Impact Report (“LIR”) from SDC, WSDC and SCC (Project Ref: EN010001 submitted May 2012) discusses, at length, the accommodation and housing implications association with the construction of HPC. Paragraph 4.4.1.41 states “The Councils believe that the same number of non-home based workers, or potentially more, will need to be accommodated across a smaller, more concentrated area, with considerable additional requirement for accommodation within Bridgwater.”</p> <p>Bridgwater is the host town for the project with the anticipated influx of significant numbers of well-paid construction workers looking for accommodation in the Bridgwater area. Increasing the capacity and numbers of smaller units is considered essential in advance of this large workforce arriving. Notwithstanding EDFe intentions to provide campus accommodation, the timeframes for delivery and the capacity this accommodation will provide only strengthens the</p>

case for the provision of housing associated with this project. The two assumptions below underpin the need for this project:

1. The majority of the EDFe construction workforce will be single people, increasing competition for smaller and cheaper accommodation. Already existing demand for 1 bed roomed accommodation comprises around 50% of the Homefinder Somerset Housing Register.
2. The construction workforce is likely to be influenced by housing and travel costs, hence looking for cheaper properties at the lower end of the market, with a preference for proximity to the Hinkley bus routes and the Park and Ride sites at Bridgwater to reduce travel costs.

There are 3614 households on Homefinder Somerset (“the waiting list”) seeking an affordable home across Sedgemoor. Of these, 1709 are specifically seeking a home in Bridgwater and 1409 (82%) require a 1 or 2 bed home (such as is proposed here).

The supply of “smaller” housing in Bridgwater (from relets & new builds) is simply not keeping pace with the increasing levels of demand. This will worsen as the numbers of construction workers looking for similar units increases. The detailed property mix has been designed to address the known local unmet need.

The project will provide high quality well managed rented homes in the heart of Bridgwater.

APPENDIX G: MONMOUTH STREET – LV PROPERTY RENTALS LTD – SUPPORTING INFORMATION

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Duncan Harvey
Sedgemoor District Council
Bridgwater House
King Sq
Bridgwater
TA6 3AR
19th February 2015.

Dear Duncan,

Monmouth Street, Bridgwater – Proposal to build 37 new homes

Thank you for taking time to meet with us earlier this week to discuss our development proposals for Monmouth Street.

Property Link Limited Consultants Ltd are the authorised agent for LV Property Rentals Limited in respect of the Monmouth Street (Bridgwater). LV Property Rental Limited have asked me to provide a formal response in respect of the additional information being sought by West Somerset District Council.

My client (LV Property Rentals Limited) has an option to purchase the land and to build out the development (as per planning reference 08-13-00133). My client's option is subject to planning permission being granted and development funds being available. In terms of planning permission, the case officer has confirmed that she is minded to grant permission under delegated powers subject to a S106 agreement. The S106 agreement is currently being finalised by the respective legal teams. I anticipate the S106 being completed and engrossed in the near future, thereby allowing full planning permission to be granted. In terms of the development funds, my client has shown you written bank confirmation that the development funds required to build out this scheme are in place to proceed subject to the gap funding being sought from the housing fund.

Turning to the specific questions posed by West Somerset District Council.

The abnormal development costs associated with the Monmouth Street scheme have been built into the viability appraisal. My client provided detailed financial data to the author of the appraisal in order that a robust and realistic financial appraisal for the scheme could be prepared. The appraisal submitted by SDC is acceptable to LV Property Rentals Limited. The appraisal was constructed by a reputable, experienced person using genuine development data, some of which has been provided by my client.

LV Property Rentals Limited accept and agree that should the development costs be less than those predicted in the current financial appraisal (therefore reducing the level of monies from the housing fund) that any housing fund investment not required to deliver the scheme will be returned to the housing fund.

Assuming formal confirmation is received that housing fund monies will be provided to this scheme, LV Property Rentals Limited can move matters forward in respect of instructing legal teams to deal with matters such as the local authority funding agreement, landlord agreement, JCT build contract and so on. You will appreciate these matters will mean that LV Property Rentals Limited will incur significant financial cost, which they are prepared to commit to subject to housing funds being formally committed. You will appreciate that there is lead in time to deal with these matters if LV Property Rentals Limited are to achieve a start on site by August 2015. The sooner a housing fund investment commitment can be secured, the sooner my client can commitment further significant expense to achieve this deadline. At this point in time, LV Property Rentals Limited are on schedule to start on site by August 2015.

Yours sincerely
Toni Hammick Director

Report Number: WSC 38/15
Presented by: Cllr Kate Kravis
Author of the Report: Lisa Redston, CIM Fund Manager
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Report to a Meeting of: Cabinet
To be Held on: 4th March 2015
Date Entered on Executive Forward Plan Or Agreement for Urgency Granted: 29/04/2014

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, 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.
- 1.1.2 Present the recommendation of Stogursey Parish Council for the allocation of monies from the Stogursey Contribution 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 Cabinet endorses the recommendations of the Hinkley C Planning Obligations Board as follows:

- To award £13000 from the Community Impact Mitigation fund to Williton Bowling Club for improvements to the bowling green.
- To not award funding to the Victoria Park Community Centre of £1760 towards the PC and internet access project on the basis that the application did not sufficiently demonstrate the projects ability to deliver its aims and did not demonstrate how the project would effectively mitigate impacts relating to the HPC development.
- To award £2640 from the Stogursey Contribution Fund to Stogursey Parish Council to enable the purchase of bespoke earplugs for residents of Shurton and Burton

with the aim of mitigating the impacts of external noise for residents closest to the site boundaries of the Hinkley Point C development.

3.3 That Cabinet makes a recommendation to Full Council to endorse the recommendations of the Hinkley C Planning Obligations Board as follows:

- To award £110,000 from the Community Impact Mitigation Fund to Westfield United Reform Church to provide a permanent Street Café with extended opening hours subject to the conditions recommended by the Planning Obligations Board.
- To not award funding to the Roadwater Village Trust of £25,000 towards the Roadwater Community Playground project on the basis that the application did not demonstrate how the Hinkley Point C development will have a significant impact on the community in Roadwater or how the project will mitigate impacts for the wider community in West Somerset.

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 in 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?
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5.2 Stogursey Contribution Fund

5.2.1 Applications are considered by the CIM Fund Manager against nine criteria outlined in the Section 106 legal agreement for the Site Preparation Works at Hinkley Point. A report is subsequently submitted by the CIM Fund Manager to Stogursey Parish Council. Stogursey Parish Council consider proposals for the release of funding from the Stogursey Contribution Fund at an open meeting. The Parish Council will make a recommendation to West Somerset Council's Cabinet for approval. Any proposals above £25,000 also require approval by West Somerset's Full Council.

6. APPLICATIONS CONSIDERED BY THE HPC PLANNING OBLIGATIONS BOARD

6.1 Four new applications were received by 1st January deadline and presented to the Planning Obligations Board for consideration on 27th January.

6.2 Williton Bowling Club (second application)

Project Name:	Improvements to Bowling Green
Organisation Applying:	Williton Bowling Club
Summary of Project:	To make improvements to the bowling green, including renewal and upgrading of the surround, to enable the wider community to access a low cost leisure activity encouraging healthier and active lifestyles.
Impacts mitigated as stated in application:	Williton is a focal point for development and the provision of housing for HPC workers. Therefore Williton needs to be able to offer many different types of recreational activity for those working at or those affected by the HPC development. Sport can help improve social cohesion between local people and new workers and their families, and will encourage healthier lifestyles.
Start Date: 20/09/15	Total Project Costs: £13000
Completion Date: 30/11/15	Amount applied for: £13000
CIM Manager Comments:	<p>This application represents the applicants 2nd attempt having previously been refused.</p> <p>Well-presented and thought out project meeting all criteria to a high standard. The application included robust plans to achieve the aims of providing an improved recreational facility for use by a wide range of people in response to the increase in residents in West Somerset specifically in Williton, targeting EDF employees and young people, promoting healthy lifestyles and community relationships.</p> <p>It is considered that the applicants have responded positively to the comments made by the POB regarding their first application and have made plans to links with other providers, WSC, the most affected communities and young people.</p>

HPC POB recommendation:	Approve bid for £13000.
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6.3 Victoria Park Community Centre

Project Name:	PC and internet access in Victoria Park Community Centre
Organisation Applying:	Victoria Park Community Centre
Summary of Project:	To provide free to access internet computer terminals and printing facilities 6 days a week over 3 years, to support residents who are seeking employment and do not have access to the internet.
Impacts mitigated as stated in application:	Application mentions relating to SDC local impact report and residual impact analysis report, but doesn't identify specific impacts within the report or how their project will mitigate these.
Start Date: 06/04/2015	Total Project Costs: £2810
Completion Date: 06/04/2018	Amount applied for: £1760
CIM Manager Comments:	<p>No direct impacts (linked to HPC development) identified by the applicant – although we recognise that the community centre is located close to a main transport route and the local area would realistically be expected to host HPC workers.</p> <p>Good value for money project, will benefit a good number of people over 3 years for low cost, however application scored poorly in most other areas due to lack of explanation and evidence to demonstrate how the project meets the criteria and will ensure deliverability.</p> <p>Currently offering 2 sessions per week, internet access and job club. Current project due to end, CIM funding will enable continuation and expansion of project.</p> <p>No evidence of or letters of support provided from any members of the community, or partners. Missed potential to link with other partners such as job centre plus and SDC and to link with positive employment opportunities provided by HPC development.</p>
HPC POB recommendation:	<p>Refuse - Application did not sufficiently demonstrate how the project meets the CIM fund criteria, or how the project will mitigate impacts on the community by the HPC development.</p> <p>Applicants should be advised to reapply with an improved bid and business case after engaging with the SDC, Job Centre Plus and EDF to link with employment opportunities.</p>

6.4 Westfield United Reform Church

Project Name:	Westfield Street Café
Organisation Applying:	Westfield United Reform Church

Summary of Project:	To replace the temporary outdoor Street Café premises with permanent indoor premises, enabling the expansion of the Street Café service to include after school safe space, evening facilities, an IT base with support, training (catering), pathways into employment and pathways to support and services for those living in the most deprived areas of Bridgwater adjacent to the main transport route.
Impacts mitigated as stated in application:	Project will be located next to most deprived wards in Bridgwater that have the potential to be impacted upon due to transport and traffic through Bridgwater and severance from services by the main transport route. Intention to work with SDC employment skills and development service to link people with employment opportunities created by EDF.
Start Date: 1/5/15 (if funding decisions allow)	Total Project Costs: £271,118
Completion Date: 1/9/15	Amount applied for: £110,000
CIM Manager Comments:	<p>The application demonstrates that the project is supported by the community and there is a clearly demonstrated need for the project and its services. The application also evidences strong formal partnership arrangements with statutory and voluntary sector organisations to improve access to services.</p> <p>The project provides a supported community facility offering pathways to services in an area of priority need in Bridgwater. Funding will enable increased provision, opening hours and staffing to respond to the expected increase in population in Bridgwater.</p> <p>Project is robustly planned with strong governance, partnership arrangements and a track record for delivery.</p> <p>Works must start by May 2015 to ensure works completed before fundraising events and community support in September 2015. Alternative start date will be deferred until 2016.</p>
HPC POB recommendation:	Approve project for £110,000 funding subject to conditions.
Recommended conditions (if any)	<p>Funding should not be released until match funding is secured and planning permission has been granted.</p> <p>The organisation should be flexible and will be expected to work with local authority partners and the Planning Obligations Board to review and reprioritise service provision to reflect changes in community need as a result of actual as opposed to predicted impacts of the HPC development.</p>

6.5 Roadwater Village Trust

Project Name:	Roadwater Community Playground
Organisation Applying:	Roadwater Village Trust
Summary of Project:	Regeneration of children's play area and community space with new equipment. Purchase of play equipment suitable for children and adults plus fitness apparatus suitable for teenagers and adults.

Impacts mitigated as stated in application:	No links to mitigation of impact of HPC development stated in application.
Start Date: 4/5/2015	Total Project Costs: £38660
Completion Date: 22/5/2015	Amount applied for: £25000
CIM Manager Comments:	Limited evidence to suggest that the workers and their families would travel from other areas in West Somerset to use the play equipment in Roadwater. No other potential impacts on community (relating to HPC) stated. The application did not demonstrate how the project will be sustainable and how future routine costs will be met.
HPC POB recommendation:	Refuse - Lack of evidence of how the HPC development will impact on the community in Roadwater.

7. APPLICATIONS CONSIDERED BY STOGURSEY PARISH COUNCIL

7.1 An application for funding from the Stogursey Contribution Fund was submitted on the 20th January 2015 and considered at an open meeting of Stogursey Parish Council on 10th February 2015.

7.2

Project Name:	Provision of bespoke earplugs
Organisation Applying:	Stogursey Parish Council
Summary of Project:	Provision of bespoke earplugs for residents of Shurton and Burton to mitigate impacts of external noise for residents closest to the site boundaries of the Hinkley Point C development.
Impacts mitigated as stated in application:	Noise levels from the site are capped at 65db. This provides a tolerable level of noise within the homes of residents next to the site boundaries, however residents feel unable to enjoy their gardens, local footpaths and the surrounding countryside. Noise levels have been established during the current works but are expected to increase when work under the Development Consent Order commences on the Southern Boundary.
Amount applied for:	£2640
Total Project Costs:	£4125
Project Start Date:	On purchase of earplugs
Completion Date:	End of development

CIM Manager Comments:	<p>The application demonstrates that the project is supported by the community and has clearly demonstrated a need for earplugs for members of the community living directly adjacent to the HPC site.</p> <p>The scheme aims to improve quality of life for residents. EDF have provided effected residents with improved glazing in their properties however residents feel unable to enjoy their gardens, local footpaths and the surrounding countryside due to noise levels established during the site preparation works.</p> <p>The earplugs selected by the applicant are expected to reduce noise levels by 27-33 decibels.</p> <p>Formal match funding has not been secured through other sources however participants will contribute towards the cost of the project by funding travel expenses to and from fittings.</p> <p>Other types of earplug have been trialled by a member of the community. The most effective type in noise reduction have been selected. Quotes from several suppliers were submitted with the application and the lowest cost provider selected. Further savings have been made through a reduced price for a bulk order.</p>
Stogursey Parish Council recommendation:	The Parish Council recommends the approval of the release of funding from the Stogursey Contribution Fund of £2640 to Stogursey Parish Council.
Conditions:	It has been recommended that participants are made aware that the Parish Council will not indemnify the earplugs against loss or damage and cost of replacement will be the responsibility of the participant.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 It should be noted that the actual size of the CIM Fund is currently £3,735,426, which consists of £3,500,000 as per the section 106 agreement plus indexation and interest.
- 6.2 Financial information regarding allocated funding from the Community Impact Mitigation Fund can be found in Appendix A.
- 6.3 It should be noted that the actual size of the Stogursey Contribution Fund is currently £533,632, which consists of £500,000 as per the section 106 agreement plus indexation and interest. The application detailed in this report is the first application to this fund.
- 6.5 These proposals will not have an impact on the Council's own resources.

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1 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.

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 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.

- 8.2 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.
- 8.3 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.'
- 8.4 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.
- 8.5 Wider community benefit and the ability of the project to promote cohesive communities are both taken into account when scoring applications and making recommendations.

9. CRIME AND DISORDER IMPLICATIONS

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

10. CONSULTATION IMPLICATIONS

- 10.1 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.
- 10.2 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.

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 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.
- 12.2 Applicants are required to describe how their projects will promote environmental sustainability.

13. HEALTH & WELLBEING

- 13.1 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.
- 13.2 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.
- 13.3 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.

14. LEGAL IMPLICATIONS

- 14.1 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 starting Balance (including Inflation Uplift)		3,735,426
<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)	
	_____	(428,123)
Current Uncommitted Balance		3,307,303
<u>Less current applications</u>		
Westfield Street Café	(110,000)	
Williton Bowling Club	(13,000)	
	_____	(123,000)
Uncommitted Balance if all requests were approved		<u><u>3,184,303</u></u>

Report Number: WSC 37/15
 Presented by: COUNCILLOR TIM TAYLOR, LEADER OF THE COUNCIL
 Author of the Report: PAUL HARDING, CORPORATE STRATEGY AND PERFORMANCE
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Report to a Meeting of: CABINET
 To be Held on: 4 March 2015
 Date Entered on Executive Forward Plan Or Agreement for Urgency Granted: 22/4/14

CORPORATE PERFORMANCE REPORT – QUARTER 3 2014/15 – (1 APR TO 31 DEC)

1. PURPOSE OF REPORT

- 1.1 This report is to provide Members, and the public, with an update on progress in delivering the Council's corporate priorities and the performance of Council services for the period from 1st April to 31st December 2014.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The performance report monitors and reports on the delivery of the corporate priorities, the associated objectives and actions.

3. RECOMMENDATIONS

- 3.1 That Cabinet notes the progress in delivering the corporate priorities for 2014/15 and highlight any particular areas of concern.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
The key risk is that the Council fails to manage its performance and use the subsequent information to inform decisions and produce improved services for customers.	Likely (4)	Major (4)	High (16)
<i>The mitigation for this will be the continued strong leadership from Lead Members and JMT to ensure that performance management remains a priority.</i>	Unlikely (2)	Major (4)	Medium (8)

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 Regularly monitoring our performance is a key element of the Council's Performance Management Framework.
- 5.2 Performance reports will be presented to Cabinet quarterly. At the request of the committee, performance reports will only be presented to Scrutiny in quarters 2 and 4. This Q3 report has therefore not been before Scrutiny (hard copies of the report have however been sent to Scrutiny members the point they were issued to Cabinet).
- 5.3 A separate report on the financial performance of the Council will also accompany this performance report each time it is before Scrutiny or Cabinet.
- 5.4 JMT hold a quarterly performance review day. The last meeting was held on 2nd February 2015. Focus is given by the management team to measures which are off track and where possible remedial action needs to be put in place.
- 5.5 For **Q3** there are a total of **113** measures which are reported. These are split over three areas. The first two areas are the Council's two corporate priorities; where there are 29 and 46 measures respectively. The third area relates to service performance indicators of which there are 38 reported measures.
- 5.6 The full performance report is attached at **Appendix A**. Each action/measure is given a coloured status to provide the reader with a quick visual way of identifying whether it is on track or whether there might be some issues with performance or delivery or an action.
- 5.7 The key used within the report and its appendix is provided below:

Key to Indicators

RED	<ul style="list-style-type: none"> - Planned actions are significantly off course or significant concern. - Performance is unlikely to achieve annual target.
AMBER	<ul style="list-style-type: none"> - Some uncertainty whether performance will achieve target.
GREEN	<ul style="list-style-type: none"> - Planned actions are on course or complete - no current concerns. - Performance is on target or more likely than not to achieve target.
NOT DUE	<ul style="list-style-type: none"> - The indicator isn't due to be reported this quarter or no specific activity was required this quarter.
NOT AVAILABLE	<ul style="list-style-type: none"> - The measure was due to be reported this quarter but the required information was not available at the point of drafting this report.

6. PERFORMANCE OVERVIEW

6.1 The table below provides an overall summary of all of the performance measures which are reported to Cabinet each quarter.

Summary of ALL indicators

GREEN	AMBER	RED	NOT DUE	NOT AVAILABLE	TOTAL
81 (78)	19 (24)	7 (3)	3 (6)	3 (1)	113

Bracketed figures relate to Q2 reported performance

6.2 The three following tables split the figures above between indicators which relate to the Councils two corporate priorities and service performance indicators in order to provide greater clarity of performance in these three distinct areas.

Corporate Priority Indicators – PRIORITY 1 – LOCAL DEMOCRACY

GREEN	AMBER	RED	NOT DUE	NOT AVAILABLE	TOTAL
21 (18)	7 (8)	0 (0)	1 (3)	0 (0)	29

Corporate Priority Indicators – PRIORITY 2 – NEW NUCLEAR DEVELOPMENT

GREEN	AMBER	RED	NOT DUE	NOT AVAILABLE	TOTAL
34 (35)	5 (8)	7 (3)	0 (0)	0 (0)	46

Performance Indicators - SERVICES

GREEN	AMBER	RED	NOT DUE	NOT AVAILABLE	TOTAL
26 (25)	7 (8)	0 (0)	2 (3)	3 (1)	38

Bracketed figures relate to Q2 reported performance

6.3 The seven RED indicators this quarter are:

- **Six** measures relating to **affordable housing schemes**. These won't now be delivered in 2014/15 for a variety of reasons beyond the control of the lead officers concerned.

See 5.2.2, 5.2.3, 5.2.4, 5.2.5, 5.2.6, 5.2.7 on pages 7&8 of Appendix A.

- **Deliver low interest loan products** –target of 15 products to be delivered by Private Sector Housing Partnership through Wessex Home Improvement Loans. Current forecast is that only 10 will be delivered. This is demand lead and subject to financial assessments.

See 5.4.1 on page 8 of Appendix A.

- 6.4 In Q2 there were three red indicators. These each related to affordable housing schemes (refs 5.2.4, 5.2.6 and 5.2.7) These remain red for Q3 and are included within the seven red measures reported for Q3.

7. **FINANCIAL/RESOURCE IMPLICATIONS**

- 7.1 Financial performance of the Council is provided within a separate financial report on the 4th March 2015 Cabinet agenda.

8. **COMMENTS ON BEHALF OF SECTION 151 OFFICER**

- 8.1 As set out in the financial report on the 4th March 2015 Cabinet agenda

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.

- 9.1 This report provides an update on performance and does not recommend implementation of new services, policies, practices or changes to service provision which might impact on service users or staff. Therefore officers have not identified any clear equality and diversity implications relating to this report.

10. **CRIME AND DISORDER IMPLICATIONS**

- 10.1 None directly within this report.

11. **CONSULTATION IMPLICATIONS**

- 11.1 Appendix A includes various references to customer satisfaction.

12. ASSET MANAGEMENT IMPLICATIONS

12.1 None directly within this report.

13. ENVIRONMENTAL IMPACT IMPLICATIONS

13.1 None directly within this report.

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.

15. LEGAL IMPLICATIONS

15.1 None directly with this report

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
PRIORITY 1. LOCAL DEMOCRACY								
Objective 1 Local democracy and accountability remains within West Somerset by working with Taunton Deane Borough Council to establish and implement shared service delivery models that deliver effective, efficient services								
Key Task 1.1 Working with TDBC to establish and implement shared services by April 15. With Tiers 2,3 & 4 in place, design the proposed structures by 31st May and implement by 1st Aug 2014 for service leads/supervisors With service leads/supervisors in place, design the proposed structures by 31st Oct and implement by 1st Feb 2015 for service teams	1.1.1	JMT to receive and sign off the proposed structures for service leads/supervisors	31-May-14	With the exception of the Business Growth service area . All tier 4/5 structure proposals drafted, signed off by the S151, presented to JUB (Joint Unison Board) and JMAP (Joint Members Advisory Panel)	Completed	GREEN	GREEN (Complete)	RICHARD SEALY
	1.1.2	Recruitment process undertaken and service leads/supervisors structure in place	01-Aug-14	Consultation, recruitment , ineterviews and appointments completed for Tier 4 & 5's with the exception of vacant posts requiring open appointment, initially internal then out to external advert	The majority of tier 4/5 structure in place by 1 Aug 2014. Business Growth service restructure was in Place Dec 2014. Private Sector Housing structure will be in place March 2015.	GREEN	GREEN	RICHARD SEALY
	1.1.3	JMT to receive and sign off the proposed structures for Service Teams	31-Oct-14	All tier 6 structures drafted, advised by HR, signed off by S151, presented to JUB, Joint Porject Board and JPAG (Joint Partnership Advsuory Group) - completed by 30 Sept. Consultation period for T6 commenced 1 Oct '14	Completed	GREEN	GREEN (Complete)	RICHARD SEALY
	1.1.4	Recruitment process undertaken and Service Teams structure in place	01-Feb-15	The restructure remains on track for completion by 1 Feb 2015. The exceptions to this are the wider partnerships of Legal (with MDC) and Building Control (with SDC and MDC)	Consultation, recruitment , interviews and appointments undertaken during Oct-Dec 2014. The tier 6 structure is in place and appointments completed excepting posts requiring internal/external advertisement and appointment.	GREEN	GREEN	RICHARD SEALY
Key Task 1.2 Undertake the work required to deliver the shared services implementation plan including: Subject to acceptance of the	1.2.1	Legal Services – take business case through the democratic process	01-Jan-15	The legal shared services partnership (MDC, TDBC & WSC) business case is due for completion in Oct for presentation to JPAG of 28 OCT '14. The business case will then be presented to TDBC Scrutiny, Executive and Council and WSC's Scrutiny, Cabinet & Council for approval by end Feb '15.	The business case was presented to Mendip Scrutiny on 24 Nov, then to TDBC Corporate Scrutiny on 20 Nov and 12 Jan. MDC, TDBC and WSC Executive/Cabinets approved the business case during January.	GREEN	GREEN (Complete)	BRUCE LANG
	1.2.2	Legal Services - Implement the approved business case in accordance with the agreed timescales	31-Mar-15	Current timescales predict a go live of 1 April '15 for the Legal shared services partnership.	The legal business case will go to all Councils during February 2015. Subject to approvals, TUPE of legal staff to the lead authority is planned for 1 April '15.	GREEN	GREEN	BRUCE LANG
	1.2.3	Building Control - take business case through the democratic process	01-Jan-15	An alternative proposal is being created to meet with JMASS requirements and timescales.	At the Building Control Partnership Project board meeting held on Tues 12 Jan, details of the Business case were finalised and the approvals timeline agreed.	AMBER	AMBER	CHRIS HALL

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
business cases, implement the proposals for service transformation of Legal Services & Building Control as the services identified as suitable for fast tracking and any other fast track opportunities that arise by 31st March 2015	1.2.4	Building Control -Implement the approved business case in accordance with the agreed timescales	31-Mar-15	see above key action: 1.2.3	TDBC/WSC have implemented their Interim solution to provide initial savings. This does not affect the ability to deliver the wider Building Control Partnership An overview of the timeline for the Building Control partnership is through the democratic process at all partner councils during Jan-March 2015 Consultation/feedback collected and considered duign April-May 2015 1 July 2015 - Building Control Partnership commences	AMBER	AMBER	CHRIS HALL
	1.2.5	Senior Leadership Team (SLT) to receive and sign off the service transformation programme	31-Dec-14	Preparatory work has started to learn from others that have, or are undertaking transformation. JPAG visit West Dorset DC/Weymouth & Portland BC in Sept. Also further visits to Mid Suffolk/Babergh, North Dorset and West Devon/South Hams by senior management and officers.	Work continues with the senior leadership team on the transformation programme. Member workshop being held 17 Feb with a speakers from West Devon/South Hams DC and Exeter City Council. There is also opportunity for member discussion regarding transformation.	AMBER	AMBER	RICHARD SEALY
	1.2.6	Approve the progress of any other fast track/quick wins – including completion of business case and its sign-off via the democratic process	31-Mar-15	This action will follow key action 1.2.5	This action will follow key action 1.2.5	AMBER	AMBER	RICHARD SEALY
Key Task 1.3 Undertake the technology actions to support joint working and shared services including the introduction of common platforms for email account/calendars an integrated phone system, printing and flexible office space enabling staff and Members to work more effectively by 31st March 2015	1.3.1	Communication line in place between TDBC & WSC	30-Jun-15	Completed	Completed	GREEN	GREEN (Complete)	RICHARD SEALY
	1.3.2	Shared domain implemented and rolled out to all staff	31-Mar-15	Completed	Completed	GREEN	GREEN (Complete)	RICHARD SEALY
	1.3.3	Shared Intranet – delivering the ICT capability/in place (Sharepoint)	31-Mar-15	As per Q1	New Intranet (Sharepoint-based) is in place and being tested. Roll-out planned for March 2015.	GREEN	GREEN	RICHARD SEALY
	1.3.4	SLT to oversee the progress, delivery of the capability and roll-out of ICT functionality in line with the programme plan.	31-Mar-15	ICT progress is reported via the highlight report that is presented to the JMASS Joint Project board (JPB) whose membership includes all members of SLT. ICT update meetings are held weekly to track progress against the project plan	As per Q2	GREEN	GREEN	RICHARD SEALY
Key Task 1.4 Undertake HR actions required to support a review of terms and conditions and the implementation of any required changes by 1st April 2015	1.4.1	Terms & Conditions reviewed and any amendments requiring approval to go through the democratic process and working with UNISON	31-Mar-15	Due to HR resource being focussed on supporting the TUPE of all remaining WSC staff to TDBC on 1 Aug and supporting the Tier 6 restructure, the work to review Terms & Conditions will now not commence until the restructure has been completed.	As per Q2	AMBER	AMBER	RICHARD SEALY
	1.4.2	Review and harmonise HR policies where appropriate and any changes requiring approval to go through the democratic process	31-Mar-15	As quarter one update. HR policies are now unlikely to be completed by Mar '15	As per Q2	AMBER	AMBER	RICHARD SEALY
Key Task 1.5 By 31st March undertaken corporate/governance work to review policies and align where necessary, the development of a	1.5.1	Review TDBC & WSC's constitutions and align where appropriate nd any changes requiring approval to go through the democratic process	31-Dec-14	A review of the TDBC and WSC constitutions has commenced.	As per Q2	AMBER	AMBER	BRUCE LANG

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
performance management framework and financial monitoring that supports the requirements of the joint management and shared services programme	1.5.2	Review and align performance Management frameworks of TDBC & WSC where appropriate	31-Mar-15	Work started - investigating approach adopted by other Councils with joint management teams and will aim to align measures wherever possible with LG Inform to facilitate benchmarking.	On course for a single/joint draft performance management framework to be reviewed by CMT by 31st March.	AMBER	GREEN	RICHARD SEALY
Key Task 1.6 Draft and implement a strategy and supporting plan for internal and external communications to support the shared services and service transformation programme during 2014/15.	1.6.1	Work with the LGA Comms support re: Comms	31-Mar-15	As per Q1 update - Matt Nicholls/LGA continues to support the communications activity with advice and guidance. Activities are currently focussed on internal communications to support and inform staff and members during the shared service restructure.	As Qtr 2 - A further meeting is planned with Matt Nicholls/LGA during Feb 2015.	GREEN	GREEN	BRUCE LANG
	1.6.2	Internal Comms: - Launch new shared Newsletter - Set up shared Intranet	31-Mar-15	The OneTeam newsletter continues to be produced monthly and is circulated to all staff and members A shared intranet is still planned. Member workshops are planned to support members in their understanding and preparation for the transformation stage of the programme.	As Qtr 2. Member workshop planned for 17 Feb 2015 and the member induction programme being planned will include a summary of the Joint Management and Shared Services partnership.	GREEN	GREEN	BRUCE LANG
Objective 2 Identify additional savings, income generation and maximise existing and new funding opportunities to secure financial sustainability by March 2016								
Key Task 2.1 Deliver 2014/15 budget savings and income generation by April 2015. Achieve savings of £78,177 as a proportion of the overall savings from the WSC budget	2.1.1	Monitor the delivery of the 2014/15 savings target of £78,177 and report progress to Performance & Corporate PAG	31-Mar-15	This is the total of the breakdown of savings is shown in 2.1.2 to 2.1.7 below	This is the total of the breakdown of savings is shown in 2.1.2 to 2.1.7 below	GREEN (Complete)	GREEN (Complete)	PAUL FITZGERALD
	2.1.2	Interest payments due on external loans(£42,850) – repayment of existing loan – ensure budget has been reduced	Jul-14	As part of the 2014/15 final budget process it was agreed to move this saving to 2015/16.	As part of the 2014/15 final budget process it was agreed to move this saving to 2015/16.	NOT DUE	NOT DUE	PAUL FITZGERALD
	2.1.3	External Audit (£2,982) – Decrease in Audit fee – ensure budget has been reduced	Apr-14	2014/15 Budget Reduced By £2,982	Completed - Q1	GREEN (Complete)	GREEN (Complete)	PAUL FITZGERALD
	2.1.4	Staff- Post 83 Accounting Technician(£26,423)- vacant post to be deleted – ensure budget has been reduced	Apr-14	Post removed as part of the 2014/15 Budget Setting Process	Completed - Q1	GREEN (Complete)	GREEN (Complete)	PAUL FITZGERALD
	2.1.5	Staff –shared senior management(£11,400) – ensure budget has been reduced	Apr-14	Saving included as part of the shared services arrangement.	Completed - Q1	GREEN (Complete)	GREEN (Complete)	PAUL FITZGERALD
	2.1.6	Home Improvement Agency Contact (£22,710) - Negotiated Reduction In Contract	Apr-14	2014/15 Budget Reduced By £21,710	Completed - Q1	GREEN (Complete)	GREEN (Complete)	PAUL FITZGERALD
	2.1.7	Staff- Post 66 Housing Options & Advice Officer (£14,662) - Reduction in Hours to 3 days per week	Apr-14	2014/15 Salary Budget reflects reduction in hours to 3 days per week. Saving of £14,662.	Completed - Q1	GREEN (Complete)	GREEN (Complete)	PAUL FITZGERALD

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
Key Task 2.2 Identify 2015/16 budget savings and income generation opportunities as part of the budget saving process by Feb 2015.	2.2.1		Feb-15	Will be undertaken as part of the 2015/16 budget setting process	On track as part of 2015/16 budget setting	NOT DUE	GREEN	PAUL FITZGERALD
Key Task 2.3 Monitor and review levels of income from New Homes Bonus and Business Rate Retention and assess any subsequent impact on Medium Term Financial Plan	2.3.1		Feb-15	Will be monitored throughout 2014/15 as part of the budget monitoring process, which will in turn feed into the Medium Term Financial Plan	On track as part of 2015/16 budget setting	NOT DUE	GREEN	PAUL FITZGERALD

PRIORITY 2. NEW NUCLEAR DEVELOPMENT AT HINKLEY POINT

Objective 3. Communities in West Somerset can access and understand the process for accessing funding opportunities provided for by the development at Hinkley Point and are supported in delivering funded projects and initiatives								
Key Task: 3.1 To explain to the West Somerset community the agreed process for communities and organisations to access and bid for funding, maximising the potential investment in West Somerset from Hinkley Point related funding once funding becomes available	3.1.1	Review and publish the agreed Expression of Interest Form for the Community Impact mitigation fund with the joint Planning Obligations Board	Mar-15	Action complete during Q1 2014	Action complete during Q1 2014	GREEN (Complete)	GREEN (Complete)	ANDREW GOODCHILD
	3.1.2	Review and publish an agreed Funding Strategy for the community impact mitigation fund with the joint Planning Obligations Board	Mar-15	Action complete during Q1 2014	Action complete during Q1 2014	GREEN (Complete)	GREEN (Complete)	ANDREW GOODCHILD
	3.1.3	Review and publish an agreed set of Frequently Asked Questions for the community impact mitigation fund with the joint Planning Obligations Board	Mar-15	Action complete during Q1 2014	Action complete during Q1 2014	GREEN (Complete)	GREEN (Complete)	ANDREW GOODCHILD
	3.1.4	Review and publish an agreed set of Guidance Notes for the community impact mitigation fund with the joint Planning Obligations Board	Mar-15	Action complete during Q1 2014	Action complete during Q1 2014	GREEN (Complete)	GREEN (Complete)	ANDREW GOODCHILD
	3.1.5	Publish agreed set of principles for the operation of the Board with the joint Planning Obligations Board	Mar-15	Action complete during Q1 2014	Action complete during Q1 2014	GREEN (Complete)	GREEN (Complete)	ANDREW GOODCHILD
	Key Task: 3.2 To improve the community's understanding of the funding available from WSC and Somerset Community Foundation through	3.2.1	Review and operate an agreed communications strategy with the joint Planning Obligations Board	Mar-15	Dunster Area Panel, Brendon Hills Group, EDF Energy Main Site Forum and EDF Community Forum all received presentations during Q2. Presentation to Exmoor National Park Authority arranged during Q3. Media reports following Cabinet and Council decision have been positive.	There have been no specific presentations (ENPA Parish Liaison forum is 22/1/15). General media activity has been strong, both in terms of applications which have been approved and clarity over the reasons why some applications have been turned down.	GREEN	GREEN
3.2.2		Maintain the Councils website, hosting the funding information and outputs from Key Task 3.1	Mar-15	Q2 unique website hits have been over 4,000.	Q3 unique website hits were over 2600. All minutes and notes of Planning Obligations Board have been uploaded to the website.	GREEN	GREEN	ANDREW GOODCHILD

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
production of a communications strategy to be launched once each phase of funding becomes available	3.2.3	Work with key affected communities to advise and explain process for accessing funding opportunities <ul style="list-style-type: none"> Organise a high quality conference aimed at inspiring and instilling vision within the Community with fringe events aimed at raising capability and skills by March 2015. Develop in partnership key priorities for the communities of West Somerset that will strategically influence and guide project development and delivery by September 2014. Build resilient and strong partnerships that can deliver and lead community projects that meet current and future local needs and wants by March 2015. 	Mar-15	The Q1 update remains relevant and accurate. Cabinet agreed in September to allocate £10,000 from the Hinkley Point holding account to bring Engage WS on board to help potential applicants to develop projects prior to making Full CIM Fund applications to the Planning Obligations Board.	The Q1 update remains relevant although the CIM Fund Manager has taken over from the Major Projects Manager who is no longer in post. Engage WS have provided support to several potential applicants and have helped to improve an application which was turned down at the POB and Cabinet during Q2. Some small changes are being made to the Application Forms to assist applicants in providing clear information about links to the Hinkley Point C project.	GREEN	GREEN	ANDREW GOODCHILD
Key Task: 3.3 To support the community during the bidding process, maximising the number of successful bids and potential investment in West Somerset	3.3.1	Work with key affected communities to identify priorities for funding, along with identifying and help source match funding, for presentation to the Planning Obligations Board	Mar-15	The Q1 update remains relevant and accurate. Cabinet agreed in September to allocate £10,000 from the Hinkley Point holding account to bring Engage WS on board to help potential applicants to develop projects prior to making Full CIM Fund applications to the Planning Obligations Board.	As above for 3.2.3	GREEN	GREEN	ANDREW GOODCHILD
	3.3.2	Support appropriate bids from communities in West Somerset if they are compliant with the criteria set out in the s106 legal agreement for funding at the bi-monthly Planning Obligations Board meetings and vote in favour.	Mar-15	The Planning Obligations Board met once during Q1 - in August - of the 4 applications considered 3 were in West Somerset. One was recommended for approval and was approved, one was recommended for refusal and was refused. One was recommended for approval but was refused. WSC representatives at the meeting voted in line with the recommendations. Support to the applicants of the application that was 'overturned' is being put in place with the potential for a revised/refined application.	Deadlines for CIM Fund applications were on the 1st October and 1st December 2014. Cabinet / Council considered applications during September and November. Of the 4 applications in Round 1, 3 were WS based and 1 was approved at Council (Burgage Road play area, Stogursey). Of the Round 2 applications, 2 of the 7 applications in WS were approved (Tropiquaria and Porlock Bay Shellfish Project). Not all of the WS based projects in Round 2 were supported by WS representatives at the POB on the basis that some of them did not meet enough of the criteria and had not taken on board advice provided. Improvements to assist applicants are described within the Q3 update for 3.2.3	GREEN	GREEN	ANDREW GOODCHILD
	3.3.3	Present recommendations from the bi-monthly Planning Obligations Board meeting to Cabinet / Council for approval	Mar-15	A paper recommending the allocation of £10,000 to develop a leisure spending strategy is to be presented to Cabinet on the 1st October. If approved this work will commence during Q3 - the outcomes of the strategy will be known during Q3 although after the November 2014 target date.	All of the recommendations from the Planning Obligations Board have been presented to Cabinet and Council (if required) in accordance with the timetable set out on the CIM Fund information pages on the Council's website.	GREEN	GREEN	ANDREW GOODCHILD
Key Task: 3.4 By March 2015 develop a programme of investment within West Somerset for the leisure funding provided directly to the council from the development at Hinkley Point	3.4.1	Develop, using existing evidence, an investment strategy for the leisure contributions	Nov-14	A paper recommending the allocation of £10,000 to develop a leisure spending strategy is to be presented to Cabinet on the 1st October. If approved this work will commence during Q3 - the outcomes of the strategy will be known during Q3 although after the November 2014 target date.	The Leisure Strategy contract was let to SASP and consultation evenings were held in Williton, Watchet and Minehead in December 2014. There was a good response to the evenings and follow up questionnaires have been provided and visits have been arranged. Findings will be presented in due course.	AMBER	GREEN	ANDREW GOODCHILD
	3.4.2	Identify and secure match funding opportunities for the leisure contributions and submit proposals to the WSC Planning Obligations Group	Jan-15	The proposed strategy includes provision for identifying and securing match funding opportunities. This is on track to deliver during Q3/Q4.	The Leisure Strategy contract was let to SASP and consultation evenings were held in Williton, Watchet and Minehead in December 2014. There was a good response to the evenings and follow up questionnaires have been provided and visits have been arranged. Findings will be presented in due course.	GREEN	GREEN	ANDREW GOODCHILD
	3.4.3	Present funding allocations to Cabinet / Council for approval	Mar-15	The proposed strategy should enable some applications to be presented to the Planning Obligations Group by March 2015 in line with the target.	An update on the completion of the strategy will be presented in March. The list of projects currently identified far exceeds the £250k available and so additional time maybe necessary to identify all options for contributing / supporting projects. An informal update will be provided to the Hinkley PAG.	GREEN	GREEN	ANDREW GOODCHILD
Objective 4. The economic opportunities that arise from the development and associated activities are maximised								
Key Task 4.1	4.1.1	Effectively maintain and use the business database to segment business sectors and target those businesses with timely and appropriate communications and information relating to the HPC Project. Provide an update report to the Economic Development PAG on the use of the data.	Quarterly	Since the last quarter, Somerset Larder Group has won the interim contract to supply Hinkley and we have assisted "Power Travel" (bus and coach group) with finding a training provider to run a free workshop on ISO accreditations. We are now working on segmenting the master copy of the database into HPC registered and non-registered businesses as well as by collaborative grouping as they develop to enable greater definition of target audiences and key messgaes. Info on the Skills Fund for Hinkley has also been disseminated through the business e-bulletin.	The database has now been segmented to highlight registered and non registered businesses in respect of the Hinkley Supply Chain. As details of new site services packages become available businesses are contacted directly about the opportunities and encouraged to register on the HPC Supply Chain database.	GREEN	GREEN	IAN TIMMS

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
Work with key partners and EDF Energy to support businesses and the local working age community to gain economic benefits from the development in terms of contracts awarded to local suppliers and increased employment opportunities	4.1.2	Provide bespoke business support activity to build the capacity and capability of businesses within the Facilities Management and Construction sectors To enable them to realise the opportunities offered by the HPC Project and other developments. Provide an update report to the Economic Development PAG	Quarterly	An application to the Local Response Fund will bring approx. £12k to the district for hospitality training. This additional resource will allow us to offer the Welcome Host Gold accredited training and some further training defined by business need. This will be delivered over Q3 and Q4.	There were 17 participants on the first Welcome Host Gold training session, and all successfully completed the accreditation. The course planned for March is already fully subscribed - and funding is being sought to run additional courses. The Training Needs Assessment of those initial participants has been undertaken, and businesses will be encouraged to access specific training courses. Working with partners and stakeholders we have signposted businesses to specific training and networking opportunities. For instance over 50 businesses benefitted from social media training in Watchet / Dulverton and Minehead. A business action group has been set up in Watchet to support businesses in taking actions to mitigate the effect of the roadworks at Washford Cross. Torbay Development Agency ran a business networking event at the Barle Enterprise Centre which we promoted and was well attended. We have recently had a meeting with West Somerset College to help them plan for industry demand, and as an outcome a Food Allergen course is planned for January and we will support more learners to obtain CSCS cards utilising our Upskilling fund.	GREEN	GREEN	IAN TIMMS
Key Task 4.2 Work with key partners and EDF Energy to provide suitable access to skills, training and employment opportunities to benefit local residents and ensure that local businesses have the access to the skilled workforce that they require	4.2.1	Address identified skills gaps and raise attainment levels through delivering packages of support to ensure that individuals are suitably prepared and skilled for work and are able to make the most of job opportunities. Raise aspirations and improve motivation through developing knowledge of local employment and training opportunities and associated progressions routes. Report progress to Economic Development PAG	Quarterly	Opportunities to take advantage of "Skills for Growth" funds have been highlighted to businesses. We are aware that a number of businesses took advantage of the Level 2 for Personal Licence Holders.	Development of Operational Plan as part of Our Place project. Early preparation for 2015 Jobs Fair. Recruit Minhead 2015.	GREEN	GREEN	IAN TIMMS
	4.2.2	Address identified barriers which are restricting individuals' access to employment and training opportunities. This includes lack of basic skills and IT skills, (mental) health issues, criminal activity / anti-social behaviour and homelessness. Work with the Pre Employment and Skills Steering Group to direct appropriate activity. Report progress to Economic Development PAG	Quarterly	53 businesses have received general support or signposting from the ED team and 4 West Somerset based businesses have received specific mentoring support through Cornerstone.	Our Place Project Meetings continue with a range of partners to identify barriers to employment and training. Continued development of Our Pace Projects including; Skills Swap Brokerage, Bespoke Mentoring Programme and two Employment Hubs. Funding secured of 8,344 to develop hubs. Volunteers recruited to staff hubs and training sessions held for volunteers. 13 volunteers attended training in total.	GREEN	GREEN	IAN TIMMS
	4.2.3	Provide access to mentoring, training and employment opportunities for the long term unemployed through delivery of programmes of training identified as an element of action Expand and enhance the provision of appropriate training opportunities to support those furthest away from the labour market.	Quarterly	Further to social media training provided in the previous quarter, a social media guide for business has been produced by the ED team. This has been made available on the WSC website.	8 Employment and Skills Outreach Sessions delivered . 1-1 support delivered to 13 individuals.	GREEN	GREEN	IAN TIMMS
Key Task 4.3 Work with tourism partners to mitigate the negative effects of the development and take advantage of any opportunities created.	4.3.1	Work with the Hinkley Action Tourism Partnership to adopt a clear strategy and SMART action plan using the on-going development of the Cool Tourism Project to put into place pilot projects and activity within business networks to test the effectiveness of the strategic aims.	June 14 & Quarterly	2014 allocations to TIC's agreed, and SLA's issued and signed. HTAP Consultation Event held with over 60 participants, Members Workshop also held as part of Economic Reeneration PAG Meeting.	The draft HTAP Strategy was consulted upon at the Exmoor Tourism Conference where a specific workshop was held. The Hinkley Tourism Action Partnership finalised the Strategy at its meeting in December together with the action plan. Next steps are to provide reports for West Somerset Cabinet and Council to enable draw down of the first tranche of funding. Work with the three TIC's continues, and a database of contacts has been established to enable key communication messages to be provided to tourism related businesses for them to liaise with their customers.	GREEN	GREEN	IAN TIMMS
	4.3.2	Fully develop 2 new tourism business related networks linked to • Dunster; • Coleridge way; and use the lessons learnt to replicate activity over at least two other business networks including Porlock . Provide a package of support to each network to include IT training, research, marketing and promotion Report on progress of both tasks to Economic Development PAG	Quarterly	A new Minehead business development network has been set-up, with some dedicated PR support commissioned. Coleridge Way Business Working Group progressing well with Action Plan Aims and Objectives. Workshop held in June to engage with wider industry and another planned in the New Year to follow up on progress. Marketing - new Coleridge Way website to be launched in the autumn, successful Coleridge Way extension launch in June, ideas for a Music Tour along the route and performances along the CW with folk singer Ange Hardy who plans to write a series of songs inspired by the CW and the Romantic Poets, ongoing industry engagement to promote the CW.	The new Visit Exmoor website was launched in December. There is capacity for micro-sites to enable local towns and villages to more proactively market themselves. Minehead have taken up this offer. Approaches have also been made to Dunster, Porlock and Watchet. A very successful Exmoor Tourism Conference was held in November, with 130 participants. A new Tool Kit to help businesses package up experiences and improve their offer was launched. Also previewed was a booklet detailing 30 visitor experiences across Somerset and Exmoor which will be inserted into the January edition of Country File magazine.	GREEN	GREEN	IAN TIMMS
Objective 5. The availability of housing supply within West Somerset is increased if funds become available								

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
Key Task 5.1 Using the Hinkley Point Housing Fund to provide 100 additional bed spaces in the West Somerset area by 31st Mar 2015	5.1.1	Submit a bid for use of the Hinkley housing fund to the Planning Obligations Board detailing the proposed interventions to deliver the key task.	Mar-15	On-track. Revised Funding Strategy and four bids were presented to Planning Obligations Board on 7th October 2014	Funding Strategy and first four bids agreed by Planning Obligations Board on 7th October, WSC Cabinet on 5th November and Full Council on 19th November 2014. A further 3 Bids were prepared and submitted to Planning Obligations Board and agreed on 2nd December. These will go through the next steps in the process early in QTR 4	GREEN	GREEN	ANDREW GOODCHILD
	5.1.2	Facilitate the delivery of 15 bed spaces by housing associations in priority areas through implementation of their Downsizing Policies.	Mar-15	3 bedspaces freed up in the 2nd Quarter	1 additional bed space was freed up in the 3rd Quarter (11 year to date). In addition, one of the first Bids agreed by the Planning Obligations Board was for an officer based at Magna West Somerset to make best use of existing stock by encouraging more existing tenants (across all Registered Providers) to meet their housing needs by carrying out mutual exchanges rather than transfers via the Somerset Homefinder System, especially those wishing to downsize.	GREEN	GREEN	ANDREW GOODCHILD
	5.1.3	Work with private developers to maximise opportunities in conjunction with the fund to bring forward both open market and affordable homes on sites in • Watchet • Williton	Mar-15	Discussions on-going	Discussions ongoing	GREEN	GREEN	ANDREW GOODCHILD
	5.1.4	Provide empty property grants and advice to deliver an additional 30 bed spaces over and above the requirements of Key task 5.3	Mar-15	Bid to include Empty Homes regeneration prepared ready for POB in October but still unable to progress in Quarter 2	Empty Property bid was approved by Planning Obligations Board, WSC Cabinet and Council in Qtr 3, however, it may now be subject to formal procurement processes which will delay implementation. Advice is currently being sought	AMBER	AMBER	KENE IBEZE
Key Task 5.2 Facilitate the delivery of 80 affordable homes within the West Somerset area by 31st Mar 2015	5.2.1	Facilitate the delivery of the remaining 15 additional affordable homes at Brackensfield (Silvermead) Alcombe	Mar-15	All homes complete and occupied	All homes complete and occupied	GREEN (Complete)	GREEN (Complete)	KENE IBEZE
	5.2.2	Facilitate the delivery of 8 additional homes to rent at Ellicombe, Minehead (Subject to Planning Approval)	Mar-15	Developer has now submitted his formal application to amend the numbers of dwellings and has secured approval from an RSL partner to take on the additional affordable unit. This will now be subject to planning approval.	Amended planning application is still going through due process, however, work has commenced on site, including the original 8 affordable homes. Nothing will be completed by March 2015 but they will be delivered.	AMBER	RED	KENE IBEZE
	5.2.3	Facilitate the delivery of 20 additional affordable homes at Townsend Farm in Carhampton	Mar-15	Conditional contracts have been exchanged for the sale of the land	Land sale completed on 24th December 2014. Scheme start on site is due very early in Qtr 4. No homes will be delivered by March 2015 but they will be delivered	AMBER	RED	KENE IBEZE
	5.2.4	Facilitate the delivery of 19 additional affordable homes at Seaward Way in Minehead	Mar-15	Dependant on sale of land . Being progressed by property services.	No further update	RED	RED	KENE IBEZE
	5.2.5	Facilitate the delivery of 4 additional affordable homes to rent on the Croft House site in Williton	Mar-15	All land sale issues have now been resolved. Planning Decision Notice has been issued and the site will now deliver 12 Affordable Homes via Knightstone Housing Association	Site is fully in control of Knightstone Housing Association. Gap funding has been secured from the Hinkley Housing Fund and start on site will take place early in Qtr 4. Nothing will be completed before March 2015 but the scheme will be delivered	GREEN	RED	KENE IBEZE
	5.2.6	Facilitate the delivery of 18 additional affordable homes to rent in Watchet	Mar-15	Work on the site has slowed down due to unforeseen circumstances that cannot be influenced by the Council. Homes will be delivered but not likely to start on site now until Spring 2015	No further update	RED	RED	KENE IBEZE

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
	5.2.7	Facilitate the delivery of 4 additional affordable homes for low cost sale in Watchet (Subject to Planning Approval)	Mar-15	Work on the site has slowed down due to unforeseen circumstances that cannot be influenced by the Council. Homes will be delivered but not likely to start on site now until Spring 2015	No further update	RED	RED	KENE IBEZE
Key Task 5.3 To work with landlords and owners of empty properties to return 55 back into use across West Somerset with priority on the eastern area parishes	5.3.1	Return 55 back into use across West Somerset	Mar-15	13 properties brought back into use in Quarter 2 following intervention. Mailshot went out September (220 letters) to all empty properties which should start showing further positive results in Q3. Confident that the target of 55 properties for the year will be achieved.	Quarter 3, 85 properties came back into the market which had interventions logged against them. This is high for quarter 3 due to the mailshot exercise carried out in September.	AMBER	GREEN	SIMON LEWIS
Key Task 5.4 To work with landlords and owners to bring properties up to the Decent Homes Standard making them available for use across the West Somerset area	5.4.1	In partnership with Wessex Home improvement Loans deliver 15 low interest loan products	Mar-15	The picture remains the same as Q1 with no new referrals although the team have received 4 enquiries which will be referred to Wessex and will appear in Quarter Three.	By the end of quarter three there have been 9 referrals, 6 drawn down, 4 cancelled and 4 ongoing. Therefore by current predictions 10 will be completed by year end.	AMBER	RED	SIMON LEWIS
	5.4.2	Delivering 30 Disabled Facilities Grants (Budget has reduced for DFGs and therefore target has come down to 30 (from 40 last year).	Mar-15	Completed 5. 9 approved to be completed in quarter three and 22 ongoing enquiries which will lead to approvals and completion in Quarter's 3 and 4. This will make the estimated completions by year end 39.	20 completed by the end of Quarter three. On track to complete 32 by year end.	GREEN	GREEN	SIMON LEWIS
	5.4.3	Improving 15 privately rented properties to the minimum standard (target reduced from 55 homes - agreed at Housing PAG Sept 2014)	Mar-15	16 private sector housing complaints have been investigated in the WSC area, two relate to HMO's. Works completed have been confirmed in 2 properties. There are currently 6 outstanding complaints that remain under investigation. The work is seasonal and generally picks up considerably in the next two quarters	There have been 19 interventions in the year to date where an intervention lead to improvement. The figure is the cumulative total from Q1 to Q3.	GREEN	GREEN	SIMON LEWIS
Objective 6. The development at Hinkley Point is carried out in accordance with approved plans and ensuring that the council actively monitors the development and responds to any complaints received in a timely and sound manner								
Key Task 6.1 When significant development commences on the Hinkley Point C site to establish and maintain thereafter a programme of site visits to Hinkley Point and associated development sites to ensure that the development is carried out in accordance with the approved plans	6.1.1	To make at least one planned / un-planned visit to Hinkley Point and associated development sites every 2 months	Mar-15	Visits being carried out as per schedule in partnership with planning team	Visits being carried out as per schedule in partnership with planning team	GREEN	GREEN	ANDREW GOODCHILD
	6.1.2	To monitor compliance with planning conditions / requirements and obligations through regular meetings / observations	Mar-15	HPC EHO attending regular meetings with colleagues	HPC EHO attending regular meetings with colleagues	GREEN	GREEN	ANDREW GOODCHILD
	6.1.3	Investigate and respond proactively to complaints received in relation to the development being carried out at Hinkley Point within 10 working days	Mar-15	Complaints regarding dust nuisance received in Q2 but timely action by EDF mitigated the problem. No other complaints have been received.	Complaints regarding dust nuisance received in Q2 but timely action by EDF mitigated the problem. No other complaints have been received.	GREEN	GREEN	ANDREW GOODCHILD
Key Task 6.2 To monitor and publicise Noise and Air Quality Data on the Councils website to enable communities affected to access data and, following the agreed complaints procedure, to respond appropriately to issues which arise from development activity.	6.2.1		Ongoing	Noise and air quality updated on WSC website at monthly intervals.	Noise and air quality updated on WSC website at monthly intervals.	GREEN	GREEN	ANDREW GOODCHILD

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
Key Task 6.3 Once the development commences, continue working with partners to implement a range of community safety initiatives raising awareness of the development project, its potential impacts and preventative measures.	6.3.1	Deliver a range of projects that ensure the community are aware of the impacts of the new build and identify measures to mitigate those impacts: • Regular engagement with emergency services to identify opportunities for collaborative working • Organise partnership meeting to identify opportunities for shared or supportive working	Mar-15	Still awaiting further payments from EDF Energy. The New Nuclear Programme Manager is attending meetings as required.	Still awaiting further payments from EDF Energy. The New Nuclear Programme Manager is attending meetings as required.	AMBER	AMBER	ANDREW GOODCHILD
	6.3.2	Ensure partnership structures are in place and sufficiently robust to facilitate positive partnership activity, this includes: - Partnership workshops - Continued involvement with the ESLAG (emergency Services And Local Authorities Group) - Engagement with EDFE through regular one-to-ones	Mar-15	Still awaiting further payments from EDF Energy. The New Nuclear Programme Manager is attending meetings as required.	Still awaiting further payments from EDF Energy. The New Nuclear Programme Manager is attending meetings as required.	AMBER	AMBER	ANDREW GOODCHILD
Objective 7. Minimise the effects on the environment by working with partners to positively respond to opportunities to enhance the environment in the affected communities using secured funding within Section 106 agreements are mitigated.								
Key Task 7.1 By July 2014 develop a programme of investment within West Somerset for the ecology funding provided directly to the council from the development at Hinkley Point	7.1.1	Using data supplied from EDF Energy develop a range of sites suitable for the provision of ecology mitigation	Mar-15	Discussions have taken place with the Mendip legal team and they consider that they have expertise in place to write up a suitable agreement with interested parties (It will not be the landowner) who will manage the land. The area of land that is potentially suitable is under the control of one landowner (with three tenants).	The Major Projects Manager is no longer in post and this project has not been progressed. An equivalent post will be put in place once the overall funding position for the Hinkley Point C project is clear, this is not expected until April 2015 at this stage	GREEN	AMBER	ANDREW GOODCHILD
	7.1.2	Present funding allocations to WSC Planning Obligations Group / Cabinet / Council for approval	Mar-15	Funding allocations have successfully progressed from the Planning Obligations Group through to Cabinet and/or Full Council for approval and the processes are working well.	The Major Projects Manager is no longer in post and this project has not been progressed. An equivalent post will be put in place once the overall funding position for the Hinkley Point C project is clear, this is not expected until April 2015 at this stage	GREEN	AMBER	ANDREW GOODCHILD
Key Task 7.2 To actively work with Somerset County Council to ensure that they develop a clear programme of investment within West Somerset for the contributions where the County Council is the initial recipient from the development at Hinkley Point.	7.2.1	Work with SCC and partner organisations such as AONB service to understand and, where appropriate, influence funding allocations to ensure that mitigation is delivered in favour of affected communities in West Somerset	Mar-15	The work of the County Councils Rights of Way team continues and is focused on delivering Rights of Way improvements in the most affected communities. The Landscape Development fund was launched by the Quantocks AONB service during Q2. WSC benefits from two places on the decision making panel, one is the Chair of the JAC Cllr Trollope-Bellew and one is the New Nuclear Programme Manager	Update as per Q2. First meeting of the Panel agreed to fund 2 projects in WS area from 4 applications.	GREEN	GREEN	ANDREW GOODCHILD
	7.2.2	The Delivery Steering Group (WSC, EDF, SDC & SCC) monitor SCC spend and outcomes in West Somerset area to ensure that communities most affected receive funding as appropriate	Mar-15	The DSG is working well and representatives of the Council attend and monitor activity of all the other parties including EDF Energy, SCC and SDC to ensure that activity is co-ordinated and that affected communities receive funding.	The DSG is working well and representatives of the Council attend and monitor activity of all the other parties including EDF Energy, SCC and SDC to ensure that activity is co-ordinated and that affected communities receive funding.	GREEN	GREEN	ANDREW GOODCHILD
OPERATIONS DIRECTORATE -Service Performance Indicators								
Street Cleansing - Service Performance Indicators								
	KPI 103	% service requests actioned within 5 working days	85% (Higher is better)	Q2 =93%	Q3 = 95%	GREEN	GREEN	CHRIS HALL
	KCI 81	No. of complaints (lower is better)	Average of 20 or fewer over the year	Q2 =0 (3 to date)	Q3 = 2 (5 to date)	GREEN	GREEN	CHRIS HALL
Waste & Recycling - Service Performance Indicators								

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
	KPI 88	Fly-tipping: % removed within 48 hrs	75%	Q2 = 85%	Q3= 92%	GREEN	GREEN	CHRIS HALL
	KPI 90	Fly-tipping: No of incidents	No target - measure only	Q2 = 26 (44 to date)	Q3 = 14 (58 to date)	AMBER	GREEN	CHRIS HALL
	KPI 87	% missed collections collected within 24 hours	100%	Q2 = 99%. Slightly below but same as corresponding point last year	Q3 = 100%	GREEN	GREEN	CHRIS HALL
	KPI 86	% of waste recycled and composted	41%	Data still not available. SWP having issues with data collection. Will not be available until next quarter.	Data for Q3 not supplied as SWP have data issues	NOT AVAILABLE	NOT AVAILABLE	CHRIS HALL
	KCI 82	Waste & Recycling complaints	20 or fewer for the year.	Q2 = 1 (2 to date)	Q3 = 0 (2 to date)	GREEN	GREEN	CHRIS HALL
Building Control - Service Performance Indicators								
	KPI 94	Dangerous structures - % of incidents responded to within 24 hrs.	95%	100% Two incidents of dangerous structures this quarter both visited in 24 hours	There were no dangerous structures reported this quarter	GREEN	GREEN	CHRIS HALL
	KPI 92	% applications registered within agreed timescale (5 days)	95%	92.5% 94 applications validated, 87 validated within 5 days. Slight slip owing to holidays.	100% - 66 applications validated within 5 days	AMBER	GREEN	CHRIS HALL
	KPI 93	% of inspections carried out on day registered	95%	100% - 122 scheduled visits and visited on date specified. 188 visits in total.	100% - 88 scheduled and completed inspections on specified date	GREEN	GREEN	CHRIS HALL
	KC 187	% of customers who are satisfied or very satisfied with the building control service	85%	98% - Results still coming in. 277 responses. To date 167= Very Good; 105=Good; 5=Poor; 0=Very Poor	95% - Results still coming in. 328 responses (18 questions per response, 56 questionnaires returned). 208 very good, 103 good, 8 poor, 9 very poor	GREEN	GREEN	CHRIS HALL
Customer Access - Service Performance Indicators								
	KPI 25	Abandoned in queue call rate %	<8%	Q2 - 6.82% - On target. Better than Q1 and improvement on corresponding point last year.	Q3 - 6.87%	GREEN	GREEN	RICHARD SEALY
	KPI 21	Number of unique visitors to Council website	80,000	Q2 - 84,522. Figures for this quarter a lot larger than normal due to some testing of website by our external IT health check.	Q3 - 22,733	GREEN	GREEN	RICHARD SEALY
Environmental Health - Service Performance Indicators								

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
	KPI 54	Average time taken to respond to initial request for service (days)	4 days or lower	Current performance is less than 1 day for Q2.	Current performance for Q3 is 3 days response time.	GREEN	GREEN	CHRIS HALL
	KPI 56a	% of requests completed within stated service standard (60 days)	75% or higher	Current performance is 77% of service requests in Q2 were completed within the service standard of 60 days. This is due to particularly difficult investigations taking more time to investigate and where enforcement action has been taken.	Current performance is 63% of complaints are completed within the 60 day target - the higher result is due to more complex complaints being investigated and the investigations taking longer where enforcement action has been taken. (72% year to date)	GREEN	AMBER	CHRIS HALL
	KCI 44	% of customers who are satisfied or very satisfied with the environmental health service	80%	100% for Q2 but this is an annual indicator	Customer satisfaction cards are not currently in use for EH or licensing	GREEN (Complete)	NOT AVAILABLE	CHRIS HALL
Licensing - Service Performance Indicators								
	KBI 59	% of licenses issued on time	90%	Q2 performance at 93%	88% of licenses were issued on time. Slightly below target this quarter but above target year to date at 93%.	GREEN	GREEN	CHRIS HALL
	KCI 47	% of customers who are satisfied or very satisfied with the licensing service	70%	Annual Indicator	Customer satisfaction cards are not currently in use for EH or licensing	NOT DUE	NOT AVAILABLE	CHRIS HALL
Benefits - Service Performance Indicators								
	KPI 1	% of customers who are satisfied or very satisfied with the benefits service	97%	No replies in Q2. Still at 100 % year to date	No replies in Q3, but new online survey launched, which should provide more responses. Still at 100% year to date albeit with limited responses.	GREEN	GREEN	PAUL FITZGERALD
	KBI 3	% of 'Local Authority' error against overall expenditure (lower is better)	<0.48	Year to date = 0.28%	Year to date = 0.32%	GREEN	GREEN	PAUL FITZGERALD
	KPI 5	Average processing times for new claims (lower is better)	22 days or lower	Q2 - 21.57 days Overall still below target as a result of Q1. Q2 is performing better than target year to date - 23.99 days	Q3 = 21.89 days YTD = 23.95 days YTD performance not meeting target, but this is as a result of Q1. Q's 2 & 3 are exceeding target	AMBER	AMBER	PAUL FITZGERALD
	KPI 6	Average processing times for changes of circumstances (lower is better)	9 days or lower	Q 2 - 6.54 days Year to date - 7.64 days	Q3 = 7.1 days YTD = 7.42 days	GREEN	GREEN	PAUL FITZGERALD
Revenues - Service Performance Indicators								
	KPI 10	% Council tax collected in the year	97.8% or more	Q2 Year to date - 57.57 % Slightly down on the corresponding time last year. Target for 2014/15 is higher than for 2013/14 and currently there is some concern that the target will not be hit.	Q3 YTD - 84.92%, not quite meeting target. This is because the target was increased. Actual performance is the same as Q3 for 2013/14	AMBER	AMBER	PAUL FITZGERALD

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
	KPI 12	% business rates collected in the year	98% or more	Q2 year to date - 55.2 % Drop on last year due to large payers taking advantage of 12 month installments over which to make payment in 2014/15. The expectation is that collection will improve by Q4.	Q3 year to date - 80.26 % Drop on last year due to large payers taking advantage of 12 month installments over which to make payment in 2014/15. The expectation is that collection will improve by Q4.	AMBER	AMBER	PAUL FITZGERALD
Finance - Service Performance Indicators								
	KB1 132	% of invoices for commercial goods or services paid within 30 days of receipt	90%	Q2 - 95.09% of invoices paid within 30 days	92.91% invoices paid within 30 days	GREEN	GREEN	PAUL FITZGERALD
	KPI 133	Number of invoices received	No target - measure only	Q2 - 652 invoices received	Q3 - 705 invoices received.	GREEN	GREEN	PAUL FITZGERALD
ACE / CORPORATE - Service Performance Indicators								
Electoral Services - Service Performance Indicators								
	KPI 16	Form A's returned after personal visits and before internal checks	90%	The way of registering to vote changed to individual electoral registration and the whole process is dealt with different. Therefore this measure is no longer appropriate.	The way of registering to vote changed to individual electoral registration and the whole process is dealt with different. Therefore this measure is no longer appropriate.	DELETED	DELETED	BRUCE LANG
HOUSING AND COMMUNITY - Service Performance Indicators								
Housing Options - Service Performance Indicators								
	KPI 45	Number of Households making homeless applications (lower is better)	195 or fewer for the year	Q2 -34 applications received (67 to date)	Q3 = 30 applications received (97 to date)	GREEN	GREEN	SIMON LEWIS
	KPI 46	% of homeless applications accepted as statutory homeless (lower is better)	23% or lower	Q2 - 29%. Less privately rented accommodation available especially at reasonable rents	Q3 = 23% - although performance this quarter better there is still an issue with availability of private let.	AMBER	AMBER	SIMON LEWIS
	KPI 47	Number of homelessness events prevented (Higher is better)	42 or more for the year	Q2 - 22 cases (39 to date)	Q3 =21 (60 to date)	GREEN	GREEN	SIMON LEWIS
	KCI 41	% customers who are satisfied or very satisfied with the service	90%			NOT DUE	NOT DUE	SIMON LEWIS
Housing Enabling - Service Performance Indicators								
	KCI 42	% of partners involved in the delivery of new affordable houses satisfied or very satisfied with the service	75%	100%	This information will be requested towards the end of Qtr four for the year. Nothing to suggest that any of our partners are not satisfied.	GREEN	GREEN	SIMON LEWIS
Private Sector Housing - Service Performance Indicators								

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
	KPI 51	Number of properties brought up to decent homes standard	200	At Cabinet they asked that the Housing PAG review this PI. This happened September 2014. They agreed to delete KPI 51 due to loss of Warm Streets and Warm Front monies.	At Cabinet they asked that the Housing PAG review this PI. This happened September 2014. They agreed to delete KPI 51 due to loss of Warm Streets and Warm Front monies.	DELETED	DELETED	SIMON LEWIS
	KPI 52	Disabled facilities grants - average time taken end to end to complete adaptation work	22 weeks	Current waiting time is 25 weeks.	Current waiting time is 23 weeks.	AMBER	AMBER	SIMON LEWIS
	KCI 43	% customers who are satisfied or very satisfied with the private sector housing service	75%	Data not currently available as awaiting return of completed questionnaires from customers. Will be reported next quarter.	100% satisfaction although very small number of returns.	NOT AVAILABLE	GREEN	SIMON LEWIS

GROWTH AND DEVELOPMENT - Service Performance Indicators
Development Control - Service Performance Indicators

	KPI 90A	% major planning applications determined within 13 weeks (or within agreed extension of time)	60%	100% 2 applications, 1 decided within the time limit and one with an extension of time	Q3 - 100% - 5 applications (4 applications were determined within 13 weeks and 1 application determined within an agreed time period)	GREEN	GREEN	TIM BURTON
	KPI 90B	% minor planning applications determined within 8 weeks (or within an agreed extension of time)	80%	Q2 - 72% During July and early August there was a vacant planning officer post which has since been filled by a temporary agency planner. There also remains a vacancy at the tier 4/5 level (for which expression of interest have been received and shortlisting will shortly take place) resulting in less resource to deal with planning applications at West Somerset and Taunton Deane. Although performance has improved since the arrival of the agency planner, it is unlikely that the previous levels of 100% performance will be achieved.	Q3 - 90.4% - 21 applications (15 applications were determined within 8 weeks and 4 applications determined within an agreed time period)	AMBER	GREEN	TIM BURTON
	KPI 90C	% of other planning applications determined within 8 weeks	95%	Q2 - 96.30%	Q3 - 90.4% - 21 applications (15 applications were determined within 8 weeks and 4 applications determined within an agreed time period) (Year to date 92.59%)	GREEN	AMBER	TIM BURTON
	KCI 86	% of customers satisfied with the service received	85%			NOT DUE	NOT DUE	TIM BURTON

Additional Measures
Staff Sickness

Key Task	Ref	Key Action /Measure	Target	Q2 UPDATE	Q3 UPDATE	Status Q2	Status Q3	JMT Owner
	KPI 160	Number of days sickness per FTE	8.2 days or fewer per FTE.	<p>Wasn't reported Q1. All staff moved to TDBC wef 1st August. However, Member request for this information to continue to be provided within WSC performance report.</p> <p>Current Average number of Working days lost to sickness absence, year to date: 3.77</p> <p>Short Term Absence – 55% Long Term Absence – 45% (long-term absence being defined as a continuous period of 28 calendar days or more)</p>	<p>No of days lost to absence per full time employee Q3 5.71 days/ projected 7.6 days per annum.</p> <p>Current projection is that total average sickness will be below the target of 8.2days per FTE.</p> <p>Quarter 3 turnover Total Turnover (56/611) = 9.2% Ill-health retirements= 0% Redundancy/ early retirement= 2.9% Resignation/Other= 5.1% End of contract/ dismissal= 1.2%</p> <p>Absence breakdown Short-term= 51% Long-term = 49% (long-term absence being defined as a continuous period of 28 calendar days or more)</p>	GREEN	GREEN	RICHARD SEALY

Report Number: WSC 39/15
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Report to a Meeting of: Cabinet
To be Held on: 4th March 2015
Date Entered on Executive Forward Plan 22/4/14
Or Agreement for Urgency Granted:

FINANCIAL MONITORING REPORT 2014-15 (OCTOBER – DECEMBER 2014)

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Members with details of the Council's expected financial outturn position in 2014/15 for both revenue and capital budgets, together with information relating to predicted end of year reserve balances.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The Council's financial performance is directly linked to the 'Local Democracy' priority in terms of local accountability and maximising government funding. Additionally, financial performance and monitoring of financial information is crucial to monitoring the progress being made in delivering all Council services.

3. RECOMMENDATIONS

- 3.1 That Cabinet notes the current financial standing of the Council together with the estimated position at the end of the financial year.
- 3.2 That Cabinet approves that £14,356 is transferred to the Business Rates Smoothing Reserve to set aside the updated forecast retained business rates funding surplus in the year.
- 3.3 That Cabinet notes the predicted overspend of £45,506 in relation to the Capital Programme in the current year and that this overspend will be funded from the useable capital receipts reserve.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
That the Authority overspends against the approved budget	3	4	12
<i>Regular budget monitoring reports are produced and managers actively manage the budgets under their responsibility</i>	1	4	4

- 4.1 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 regular monitoring of financial information is a key element in the Council's Performance Management Framework. Crucially it enables remedial action to be taken in response to significant budget variances, some of which may be unavoidable. It also provides the opportunity to assess any consequent impact on the Medium Term Financial Plan.

6. REVENUE BUDGET OUTTURN 2014/15 AND RESERVES

- 6.1 This is the Q3 financial monitoring report for 2014/15. This report provides an indication of the forecast outturn for the year. Clearly there are still risks and uncertainties within the forecast, and Officers will continue to monitor the position closely throughout the remainder of the year and will provide updates as appropriate.
- 6.2 The current forecast outturn for the 2014/15 Revenue Budget shows a projected **underspend of £60,833** against the Net Budget. Table 1 below provides a summary the revenue budget and outturn for the year.

Table 1 – Summary Predicted Revenue Outturn 2014/15

	Original Budget £	Revised Budget £	Predicted Outturn £	Variance £
Corporate	229,197	235,174	216,025	-19,149
Operations	4,251,602	4,287,680	4,281,644	-6,036
Housing and Communities	421,918	474,418	478,931	4,513
Growth and Development	213,158	290,499	250,338	-40,161
Subtotal - Net Service Costs	5,115,875	5,228,112	5,167,279	-60,833
Interest costs and income	27,850	7,850	7,850	0
Revenue Funding of Capital Programme	0	0	0	0
Provision for capital debt repayment	200,400	200,400	200,400	0
Subtotal – Net Costs before reserve transfers	5,344,125	5,436,362	5,375,529	-60,833
Transfers from Earmarked Reserves	-51,820	-364,944	-364,944	0
Transfers to Earmarked Reserves	279,482	625,051	639,407	14,356
Transfers to/from General Reserves	-321,108	-263,119	-263,119	0
NET BUDGET	5,250,679	5,493,009	5,446,532	-46,477
Business Rates Funding	-1,405,894	-1,648,224	-1,662,580	-14,356
Revenue Support Grant	-1,224,738	-1,224,738	-1,224,738	0
New Homes Bonus	-443,644	-443,644	-443,644	0
Council Tax Support Admin Grant	-240,683	-240,683	-240,683	0
Other Grants	-59,659	-59,659	-59,659	0

	Original Budget £	Revised Budget £	Predicted Outturn £	Variance £
Council Tax	-1,823,221	-1,823,221	-1,823,221	0
Council Tax Freeze Grant	-20,547	-20,547	-20,547	0
Council Tax Support Grant to Parishes	87,530	87,530	87,530	0
Estimated Surplus on 13/14 NDR	-119,823	-119,823	-119,823	0
TOTAL FUNDING	-5,250,679	-5,493,009	-5,507,365	-14,356
NET UNDER(-)/OVERSPEND FOR THE YEAR	0	0	-60,833	-60,833

- 6.3 It is assumed any final Net Underspend or Overspend at the end of the financial year will be transferred to General Reserves.
- 6.4 A detailed breakdown of the main differences between the outturn and budget amounts is provided in **Appendix A**. The most significant variances relate to:
- Business Rates Retention:** The current projected retained funding under Business Rates Retention exceeds the budget by £14,356. This forecast could change during the year, right through to the year end, and it is considered prudent to set this predicted surplus aside in the Business Rates Smoothing Reserve at this stage. Further detail is included later in this report.
 - Building Control:** The predicted overspend is mainly due to income from fees being predicted to be lower than the budget by approximately £58,700. This is partly due to increased competition from private sector suppliers.
 - Development Control:** The predicted underspend of approximately £37,300 is mainly due to increased application fee income being received as well as contributions also being received in respect of salary costs.
 - Housing Benefits:** The predicted underspend of approximately £81,500 is mainly down to invoices being raised to recover monies in respect of overpayments of housing benefit that have been made.
 - Private Sector Renewal:** Sedgemoor contract for 2013/14 not paid or accrued therefore both invoices in respect of 2013/14 and 2014/15 to be paid for in the current financial year.

7. GENERAL RESERVES

- 7.1 The original Net Budget for the year included approved transfers from General Reserves of £321,108, effectively providing income to the Revenue Budget. Since February 2014 Council has approved supplementary budget allocations totalling £90,250, a return of uncommitted balances from Earmarked reserves totalling £107,581, and a return for in-year savings totalling £95,158, as shown in the table below.
- 7.2 The following table also shows that the current approved reserves balance is **£783,247**.

Table 2 – Predicted General Reserves Balance 31 March 2015

	£
Balance Brought Forward 1 April 2014	991,866
Original Budget 2014/15	-321,108
<i>Supplementary Budget Allocations:</i>	
Sand Clearance – Minehead Seafront	-10,000
Blenheim Gardens	-5,500
Blue Anchor Coastal Protection	-25,000
Planning Policy – Local Plan	-74,750
In Year Savings – Transfer To General Reserves	95,158
Transfer of uncommitted balances from Earmarked Reserves	107,581

	£
Blue Anchor Coastal Protection (budget not required)	25,000
Current approved reserves balance carried forward 31 March 2015	783,247

- 7.3 Included in the previous quarters' report it was mentioned that there was an approval to underwrite part of the cost of the Superfast Broadband capital project funding from general reserves, in the event that insufficient capital receipts are in place to fund the scheme. However in late December 2014 the Council completed on the sale of Townsend Farm, Carhampton and therefore the underwritten costs of £131,000 are no longer required to be funded from revenue. The current approved reserves balance of £783,247 is £283,247 above the recommended minimum balance of £500,000.
- 7.4 As has been highlighted to members previously, reserves are 'one-off' funds and this is not a sustainable basis for funding services long-term, which will need to be addressed through the budget setting process for future years.

EARMARKED RESERVES

- 8.1 Earmarked Reserves are amounts that have been set aside for specific purposes from existing resources, where the expenditure is expected to be incurred in future years. The table below provides a summary of the movement in earmarked reserve balances during 2014/15 financial year to date, highlighting that earmarked reserve balances are predicted to be £1,650,403 as at 31 March 2015, an increase of £46,801. The total below reflects the decision taken by Full Council on 19th November 2014 to return uncommitted balances of £107,581 back to general reserves. Further detail is provided in **Appendix B**.

Table 3 – Estimated Earmarked Reserves Balance 31 March 2015

	Current Balance £	Forecast £
Balance Brought Forward 1 April 2014	1,375,940	1,375,940
Transfers to Revenue Account (From Earmarked Reserve)	-51,820	-364,944
Transfers from Revenue Account (To Earmarked Reserve)	279,482	639,407
Balance Carried Forward 31 March 2015	1,603,602	1,650,403

BUSINESS RATES RETENTION

- 9.1 2014/15 is the second year of the Business Rates Retention scheme – which incentivises local authorities to support business growth and retain a share of the rewards (and risks) by directly influencing our funding. When the budget for 2014/15 was approved there remained some uncertainties over precisely how the funding would be calculated, although this is now much clearer following receipt of up to date guidance in April/May to support the 2013/14 year end calculations.
- 9.2 The amount of retained funding will comprise some amounts that are fixed from the outset, and some which will ultimately be based on year end balances on 31 March 2015 - the amounts credited to the Revenue Budget in 2014/15 will be identified from a combination of the 2014/15 NNDR1 (Original Budget Estimate) and the 2014/15 NNDR3 (End of Year position):

Heading	Fixed or Variable	Source
40% Standard Share of Business Rates Income	Fixed	2014/15 NNDR1
Tariff to Government	Fixed	2014/15 NNDR1
Share of Previous Year's Collection Fund Surplus	Fixed	2014/15 NNDR1
Levy Payment to Government	Variable	2014/15 NNDR3
Safety Net Receipt from Government	Variable	2014/15 NNDR3
Section 31 Grant (Government-funded Reliefs/ Discounts)	Variable	2014/15 NNDR3

- 9.3 The following table summarises the current forecast in respect of retained business rates funding in 2014/15. As the table shows, retained business rates for the year is projected to be £1,662,580. This is higher than estimated for the revised budget by £14,356.

Table 4 – Retained Business Rates Funding Forecast

		Original Budget £	Forecast Jun 2014 £	Forecast Sept 2014 £	Forecast Dec 2014 £
40% Share of Business Rates Income	F	4,720,092	4,720,092	4,720,092	4,720,092
Tariff to Government	F	-2,979,434	-2,979,434	-2,979,434	-2,979,434
Section 31 Grant Funding for Reliefs	V	0	361,225	323,461	354,616
50% Levy Payment to Government	V	-334,764	-503,644	-415,895	-432,694
Retained Business Rates for the Year		1,405,894	1,598,239	1,648,224	1,662,580
Previous Year's Collection Fund Surplus	F	119,823	119,823	119,823	119,823
Total Business Rates Funding		1,525,717	1,718,062	1,768,047	1,782,403

F = Fixed, V = Variable

- 9.4 The following table summarises the calculation of the Levy or Safety Net Payment due to/from central Government under the retention system. The forecast levy of £432,694 – a 50% share of business rates income above our funding baseline – is included in Table 4 above.

Table 5 – Gain/Loss under the Retention Scheme

	Original Budget £	Forecast Jun 2014 £	Forecast Sept 2014 £	Forecast Dec 2014 £
Forecast Non Domestic Rating Income	11,800,231	11,978,042	11,450,974	11,654,722
*Add back: Reliefs funded by S31 Grant	0	666,586	754,908	635,160
Adjusted Non Domestic Rating Income	11,800,231	12,644,628	12,205,882	12,289,882
40% Standard Share for WSC	4,720,092	5,057,851	4,882,353	4,915,953
Tariff to Government (fixed amount)	-2,979,434	-2,979,434	-2,979,434	-2,979,434
Total Retained Income	1,740,658	2,078,417	1,902,919	1,936,519
WSC Business Rates Baseline	1,071,130	1,071,130	1,071,130	1,071,130
Net Business Rates Growth v Baseline	669,528	1,007,287	831,789	865,389
50% Levy Payment to Government	334,764	503,644	415,895	432,694
Retention of Growth by WSC	334,764	503,643	415,894	432,695

*The funding baseline is adjusted to avoid double-funding for the costs of enhanced Small Business Rates Relief, which is reimbursed to the Council via Section 31 Grant; and for Localism Reliefs to guard against authorities awarding reliefs to the extent that the authority trips into the safety net position.

- 9.5 As previously reported, the council's share of business rates funding is directly linked to the total amount of business rates due and collected in the area, and a potentially significant risk exists in respect of the costs of refunds and appeals. If these are forecast to vary significantly from budget estimates this will be highlighted in future reports.
- 9.6 Taking into account the inherent risks and uncertainties within the retention system, together with accounting timing differences between financial years, the Council maintains a contingency balance in a Business Rates Smoothing Reserve. It is recommended to transfer

the further projected surplus identified in Q3 of £14,356 to this reserve, which would increase the balance to £746,172.

- 9.7 Included in the 2015/16 Annual Budget and Council Tax Setting Report it is proposed to transfer £149,928 from this reserve to offset the Collection Fund Deficit and therefore this will reduce the estimated balance of this reserve to £596,244. Whilst this might appear a large contingency sum, the risks are significant particularly in respect of the outstanding Hinkley B appeal that has yet to be determined by the Valuation Office. This reserve will be reviewed again at the end of the financial year.
- 9.8 The movement on this reserve is shown below.

	£
Business Rates Smoothing Reserve:	
Balance as at 1 April 2014	269,663
Transfer in as part of 2014/15 Original Budget	219,823
Transfer in 2014/15 per Q1 Financial Performance report	192,345
Transfer in 2014/15 per Q2 Financial Performance report	49,985
Transfer in 2014/15 per Q3 Financial Performance report	<u>14,356</u>
Estimated Balance as at 31 March 2015	746,172
Transfer in 2015/16 to offset Collection Fund Deficit	<u>-149,928</u>
Estimated Balance as at 31 March 2016	<u>596,244</u>

10. CAPITAL BUDGET PREDICTED OUTTURN 2014/15

- 10.1 The original approved Capital Programme for 2014/15 was £672,618 and related to schemes which were intended to be completed within the twelve month period. The proposed funding sources were as follows:

£433,836	Funded from Useable Capital Receipts
£238,782	Funded from Grants

- 10.2 During the first nine months of 2014/15 the following supplementary estimates have also been approved:

£ 43,053	Minehead Heritage Trail
£ 2,000	Burgage Road Play Area
£ 6,250	Culvercliffe Play Area
£ 24,995	Watchet Outdoor Gym Project
£ 161,500	Beechfield Affordable Housing Project
£ 70,000	East Wharf Scheme
£ 20,000	Dulverton Weir
<u>£240,000</u>	Superfast Broadband
£567,798	

- 10.3 Therefore the revised Capital Programme (Appendix C to this report) currently stands at £1,240,416 and is forecast to be funded from the following sources:

£763,836	Useable Capital Receipts
£238,782	Grants
£237,798	Planning Obligation Contributions

- 10.4 Due to timing of spend it is predicted that £595,891 will be spent by 31 March 2015, an under spend against the revised budget of £644,525.

- 10.5 However because of slippage it is anticipated that formal requests amounting to £689,446 will be made to carry over unspent budgets at the year end and therefore this will result in a predicted overspend of £45,506.
- 10.6 This predicted overspend is in relation to the following schemes:
- Townsend Farm Disposal Costs - £38,000
 - Watchet CCTV Installation - £1,806
 - Decent Homes Grants - £3,000
 - Stair Lift Recycling Grants - £2,700
- 10.7 At 1 April 2014 the Capital Receipts Reserve stood at £786,566. Projected expenditure expected to be met from the Reserve during 2014/15 was £763,836 leaving a balance as at 31 March 2015 of £22,730, however due to slippage it is predicted that only £216,645 will be required in the current year to fund projects that have been delivered.
- 10.8 With regard to in year capital receipts being received, as at the end of December 2014 only one of the anticipated capital receipts had been received for the sale of Townsend Farm. This amounted to £350,000, however it is expected that further capital receipts will be received during the final quarter of 2014/15 in respect of the sale of the Aquasplash Site (£1,600,000) and a house sale at Clanville Grange (£100,000).

11. FINANCIAL/RESOURCE IMPLICATIONS

- 11.1 Contained within the body of the report.

12. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 12.1 Contained within the body of the report.

13. 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

- 13.1 None directly in this report.

14. CRIME AND DISORDER IMPLICATIONS

- 14.1 None directly in this report.

15. CONSULTATION IMPLICATIONS

- 15.1 None directly in this report.

16. ASSET MANAGEMENT IMPLICATIONS

16.1 None directly in this report.

17. ENVIRONMENTAL IMPACT IMPLICATIONS

17.1 None directly in this report.

18. 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.

18.1 None directly in this report.

19. LEGAL IMPLICATIONS

19.1 None directly in this report.

SUMMARY OF PREDICTED REVENUE VARIANCES TO BUDGET AS AT 31ST DECEMBER 2014

Group and Detail	Q1 Forecast Variance £	Q2 Forecast Variance £	Q3 Forecast Variance £	Comments
Corporate				
Legal	-10,131	-13,000	-13,104	Underspend in relation to the Mendip District Council legal contract.
Other variances	-14,012	1,725	-6,045	
Group Total	-24,143	-11,275	-19,149	
Operations				
Building Control	34,424	29,299	58,679	Reduction in predicted application fees being received.
Public Conveniences – All	39,502	12,056	12,656	Approved savings budget of £56,450 was shown in total under the public conveniences budget heading as at Quarter 1. However as can be seen from the comment included under the Street Cleansing heading below, the figure has been split across tow service areas, therefore reducing the overspend in respect of public conveniences for Quarter 2.
Open Spaces	0	0	11,987	Bellwin Scheme Grant over accrued in 2013/14
Street Cleansing	0	17,309	20,309	Approved savings budget in respect of rural bin emptying was originally shown under the public conveniences budget heading. However the savings budget of £22,000 has been now allocated to correct service, however the savings have not been fully achieved.
Waste	-13,000	0	0	Income received in respect of Green Waste Bin renewals higher than budgeted.

Group and Detail	Q1 Forecast Variance £	Q2 Forecast Variance £	Q3 Forecast Variance £	Comments
Council Tax Benefit	-41,160	10,000	10,000	Following additional work in this area the finance team has realised that an incorrect assumption was made in relation to this area both in the Quarter 1 report and subsequently in the Q2 report presented to Scrutiny Committee at its meeting on 13 th November. Therefore the budget has been corrected to reflect the revised forecast position and the main body of the report has duly been amended.
Housing Benefits	9,400	-60,000	-81,500	Invoices being raised to recover monies in respect of overpayments of housing benefit.
NDR Administration	0	-75,158	0	Business Rate collection grant not included within the original 2014/15 budget.
Finance	0	0	-12,190	Underspend in respect of bailiff fees and past service costs.
Other variances	-53,662	-18,351	-25,977	
Group Total	-24,496	-84,845	-6,036	
<i>Housing and Communities</i>				
Estates – Assets	0	-11,019	-11,039	Generally income received higher than budgeted.
Private Sector Renewal	0	35,217	37,500	Sedgemoor contract for 2013/14 not paid or accrued therefore both 2013/14 and 2014/15 to be paid in the current financial year.
Other variances	-11,924	-45,574	-21,948	
Group Total	-11,924	-21,376	4,513	
<i>Growth and Development</i>				
Development Control	-23,807	-63,987	-37,273	Increased application fees being received and contributions being received in respect of salary costs.
Other variances	-590	10,908	-2,888	
Group Total	-24,397	-53,079	-40,161	
<i>Other Variances</i>				

Group and Detail	Q1 Forecast Variance £	Q2 Forecast Variance £	Q3 Forecast Variance £	Comments
Interest and other income	-20,000	-20,000	0	Under spend on predicted external loan interest costs together with increased investment returns.
Subtotal – Net overspend / underspend before reserve transfers	-104,960	-190,575	-60,833	

SUMMARY OF PREDICTED EARMARKED RESERVES AS AT 31ST DECEMBER 2014

Earmarked Reserve Account	1 April Balance £	Transfers In	Transfers Out	Transfers Between Accounts	31 March (Predicted Balance) £	Comments
Area Based Grant	113,634		-9,004		104,630	Approved that £9,004 was returned to general fund balances.
Community Safety	4,455		-922		3,533	External funding specifically earmarked for community safety initiatives
Land Charges	28,530		-3,019		25,511	Government grant specifically earmarked for providing refunds when due
Tourism	15,911		-7,592		8,319	Specifically earmarked for tourism and is topped up by ENPA
Seaside Towns	20,083		-20,083		0	Specifically earmarked for initiatives in Minehead
New Homes Bonus	113,850		-113,850		0	£51,820 to be used in 2014/15 for Rural Housing project and HIA contract. Approved that £62,030 was returned to general fund balances.
Sustainability Reserve	57,698				57,698	Earmarked for initiatives that have a positive impact upon the long term sustainability of the Council
Minehead Events	9,651		-2,982		6,669	Mary Portas grant – specifically earmarked
Housing Benefit Admin	11,782	17,435	-29,217		0	Government Grant – specifically earmarked to provide support in times of recession
Council Tax Reform	49,308	59,659	-63,733		45,234	Government Grant – specifically earmarked to support implementation of Council Tax Reforms
Benefits External Processing	1,657				1,657	Underspend from Previous External Processing Benefit funded from Benefit Reform Grants
DHP Reserve	44,861				44,861	Government Grant – specifically earmarked for Discretionary Hardship Payments
District Election Reserve	20,000				20,000	Earmarked for costs of 2015 elections
Water Bathing Signs	1,266				1,266	Environmental grant specifically earmarked
Other Election Reserve	15,107		-5,977		9,130	Funds to meet the additional costs of IER.

Earmarked Reserve Account	1 April Balance £	Transfers In	Transfers Out	Transfers Between Accounts	31 March (Predicted Balance) £	Comments
IER Reserve	11,664				11,664	Funds to meet the additional costs of IER
Land Charges Surplus / Deficit	31,547		-31,547		0	Approved that £31,547 was returned to general fund balances.
Inspire	7,131				7,131	Earmarked for costs under the Inspire Directive
Transparency Code	2,588				2,588	Earmarked to meet the cost of complying with the transparency code
Exmoor at your Fingertips	1,780				1,780	LARC Fund to fund the Exmoor at your fingertip project
Roughmoor Signage	1,011		-1,011		0	Contribution from business to fund sign for Roughmoor Enterprise centre. Works have been carried out.
Minehead Town Centre Signage	885				885	Contribution from Minehead Chamber of Trade and Morrison s106 to fund the signs
Our Place	2,500	8,804			11,304	Contribution for the Our Place project
Eat Exmoor	500	650	-400		750	Contribution from SCC for the Eat Exmoor Project
National Grid PPA	16,911		-16,911		0	Earmarked to part fund the post of Nuclear Programme Manager. Monies have been utilised.
CCTV	4,000		-2,005		1,995	Underspend in 13-14 earmarked to fund the purchase of a new CCTV camera
Homelessness Prevention	66,120		-22,500		43,620	£50,000 Homeless Prevention Grant (part of RSG) plus remainder of Mortgage Rescue Grant
Section 31 - Flooding	13,486		-13,416		70	Funds to support businesses after the winter flooding. Monies have been used to support businesses.
Watchet Harbour Dredging	7,500		-7,500		0	Underspend in 13-14 earmarked to fund additional dredging in 14-15. Works have been carried out.
Planning Staff Salary	6,000		-6,000		0	Part of the 13-14 planning application fees income earmarked to fund additional salary costs in the planning service in 14-15. Monies have been utilised.
Coast Protection	2,275		-2,275		0	Underspend in 13-14 earmarked to fund sand clearance costs in 14-15. Works have been carried out.

Earmarked Reserve Account	1 April Balance £	Transfers In	Transfers Out	Transfers Between Accounts	31 March (Predicted Balance) £	Comments
Morrison's Footpath	6,000				6,000	Earmarked to part fund the footpath upgrade
JMASS Reserve	374,983				374,983	£150,000 in respect of Central Government (Transformation Challenge Grant) received. The other £224,983 is the remainder of the £358,000 allocated as part of the Business Case report following the payment of redundancy costs.
Council Tax Discount Scheme	5,000		-5,000		0	Approved that £5,000 was returned to general fund balances.
Community Right to Challenge	8,547				8,547	Monies set aside for potential claims.
Assets of Community Value	7,855	20,000			27,855	Monies set aside for potential claims.
Business Rates Retention Smoothing Account	269,663	476,509			746,172	£219,823 transferred as part of the setting of the 2014/15 budget. As part of Q1 forecast, a surplus of £192,345 for retained BR is currently projected. As at Q2 a further surplus of £49,985 for retained BR is predicted. As at Q3 a further surplus of £14,356 for retained BR is predicted. It is again proposed to earmark these funds at this stage.
JMASS Project Reserve	20,200				20,200	£20,200 set aside as part of the Business Case approval.
Planning Policy Reserve	0	56,350			56,350	Monies set aside and to be drawn down in 2015/16 to cover additional costs arising and relating to the West Somerset Local Plan preparation through to examination and beyond to adoption.
Totals	1,375,940	639,407	-364,944	0	1,650,403	

PREDICTED CAPITAL PROGRAMME AS AT 31ST DECEMBER 2014

Capital Scheme	Original Budget (£)	Revised Budget (£)	Actual Spend As At Dec 2014 (£)	Forecast Outturn (£)	Variance Against Revised Budget (£)	Proposed Carry Forward (£)
Dulverton Weir	0	20,000	17,809	20,000	0	0
IT Hardware Replacement Programme and Microsoft Licence	44,636	44,636	44,051	44,051	(585)	0
Seaward Way (Housing Land) – Disposal Costs	20,000	20,000	0	3,750	(16,250)	16,250
Seaward Way (Leisure Land) – Disposal Costs	16,000	16,000	0	3,000	(13,000)	13,000
Watchet Harbour – Impounding Wall	19,100	19,100	500	12,170	(6,930)	6,930
Watchet Harbour – Concrete Columns	27,000	27,000	568	1,043	(25,957)	25,957
Watchet Harbour - Ladder	3,000	3,000	0	0	(3,000)	3,000
Street Cleaning Vehicles	138,000	138,000	0	0	(138,000)	138,000
Former Aquasplash Site – Disposal Costs	13,900	13,900	0	10,425	(3,475)	3,475
Former Visitor Information Centre – Disposal Costs	4,200	4,200	0	0	(4,200)	4,200
Townsend Farm – Disposal Costs	3,000	3,000	133	41,000	38,000	0
Watchet CCTV Installation	65,000	65,000	66,806	66,806	1,806	0
Disabled Facilities Grants	183,782	183,782	114,546	183,782	0	0
Shared Service Costs With TDBC (JMASS IT)	135,000	135,000	4,794	10,000	(125,000)	125,000
Superfast Broadband	0	240,000	0	0	(240,000)	240,000
East Wharf Scheme	0	70,000	5,316	10,000	(60,000)	60,000
Decent Homes	0	0	1,542	3,000	3,000	0
Stair Lift Recycling	0	0	1,339	2,700	2,700	0
Minehead Heritage Trail	0	43,053	0	16,414	(26,639)	26,639

Capital Scheme	Original Budget (£)	Revised Budget (£)	Actual Spend As At Dec 2014 (£)	Forecast Outturn (£)	Variance To Revised Budget (£)	Proposed Carry Forward (£)
Burgage Road Play Area	0	2,000	0	0	(2,000)	2,000
Culvercliffe Play Area	0	6,250	6,250	6,250	0	0
Watchet Outdoor Gym Project	0	24,995	0	0	(24,995)	24,995
Beechfield Affordable Housing Project	0	161,500	161,500	161,500	0	0
Total	672,618	1,240,416	425,154	595,891	(644,525)	689,446

Report Number: WSC 32/15
Presented by: Cllr D Westcott – Lead Member for Community and Customer
Author of the Report: Mark Antonelli – Principal Benefits Officer
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Report to a Meeting of: CABINET
To be Held on: 4 March 2015
Date Entered on Executive Forward Plan Or Agreement for Urgency Granted: 18/12/14

Discretionary Reduction in Council Tax Liability Policy and Discretionary Housing Payment Policy

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to outline the Council's approach to awarding Discretionary Housing Payments (DHPs) and Discretionary Rebates in Council Tax liability and to seek Member support on revising our policies from 1 April 2015.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1. The report links to Corporate Objective 2 "Maximise the funding opportunities from Central Government". The report aims to make best use of the funding we receive.
- 2.2. This will assist in ensuring the council can help local residents and in doing so deliver our vision

3. RECOMMENDATIONS

- 3.1. Cabinet recommends to Full Council that the revised policies for Discretionary Reduction in Council Tax liability ([Appendix 1](#)) and Discretionary Housing Payments ([Appendix 2](#)) should apply from 1 April 2015.

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

Risk Matrix

Description	Likelihood	Impact	Overall
Claims for discretionary awards exceed finance available.	3	3	9
<i>Regular monitoring of use and effectiveness of DHP and continued emphasis on homeless prevention activities Flexible policy that can be reviewed readily</i>	2	3	6
Expenditure on DHP exceeds Government Grant	2	4	8
<i>Close monitoring of expenditure and review policy where appropriate</i>	1	3	3
Caseload increases (e.g. major employer loss) and/or total value of awards exceeds estimates	3	3	9
<i>Regular on-going review</i>	2	2	4
Wider welfare reforms (HB reductions, Universal Credit) cause additional hardship	3	3	9
<i>Ensure adherence to Permitted Total Order Maximise take-up of all available discounts/exemptions/ other Welfare Benefits Strict adherence to monthly monitoring of performance against targets</i>	2	3	6
Changes to future Government grant	3	3	9
<i>None</i>			

- 4.1. 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. Powers granted under Section 13A of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), allow the billing authority to reduce the Council Tax payable either for specific classes of cases, as determined by the billing authority, or for individual cases. The billing authority has the power to either reduce or cancel the Council Tax payable. The intent behind this legislation was to allow billing authorities to create local discounts or exemptions to cater for local circumstances, for example flooding.
- 5.2. The Local Government Act 2012 inserted a new section 13A in the Local Government Finance Act 1992, creating two discounts:
- Local Council Tax Rebate schemes under 13A(1) (a) and (b); and
 - 13A(1)(c) which is effectively the original 13A discounts that we can use to increase reductions already given under our Local Council Tax Rebate scheme.
- 5.3. The implications under 13A(1) (a) and (b) were considered and agreed by Full Council on deciding the Local Council Tax Rebate scheme to replace Council Tax Benefit from 1 April 2013.
- 5.4. On 27 March 2013, as a consequence of the Collection Fund (Council Tax Reductions) (England) Directions 2013, Full Council agreed to implement a policy to award discretionary discounts for Council Tax (Min. C123 refers). This policy was revised at a meeting of Full Council on 19 February 2014 (Min. C125 refers).

- 5.5. As a consequence of a decision made on 27 May 2014 by the Valuation Tribunal for England (VTE) against East Riding of Yorkshire Council, it has also been necessary to further amend our policy to ensure it complies with the main points detailed in the VTE judgment.
- 5.6. The updated policy at [Appendix 1](#) has been reviewed by Legal Services who have confirmed it is sufficient to address the legal requirements outlined in the VTE's judgment.
- 5.7. The regulations covering Discretionary Housing Payments (DHPs) are the Discretionary Financial Assistance Regulations 2001. This legislation gives the Council a very broad discretion. However, we must make decisions in accordance with ordinary principles about good decision making and in particular Local Authorities have a duty to act fairly, reasonable and consistently.
- 5.8. Discretionary Housing Payments offer claimants of Housing Benefit (HB) and Universal Credit (UC), further financial assistance where the Local Authority considers that help with housing costs is needed.
- 5.9. The Department for Work and Pensions (DWP) provides us with a specified Discretionary Housing Payments (DHP) allocation that varies each year as it is partly based on our previous DHP spending. We must return any unspent funding to the DWP. During the financial year, we can only award Discretionary Housing Payments up to a cash limit of two and a half times this annual grant. Any spending we make above the allocation and up to the legal limit has to be funded by us from our budget (and so in turn from our council tax payers). Discretionary Housing Payments are not payments of benefit, and we have discretion in how we manage this funding.
- 5.10. Since April 2013, changes were applied to Housing Benefit meaning that social sector accommodation has a size criteria applied, with any working age household deemed to be under occupying their home, receiving a reduced level of Housing Benefit. As a result of this, and as West Somerset was identified as one of 21 least densely populated areas in Great Britain, the Government significantly increased our DHP funding in anticipation of greater demand on our budget. This funding was to avoid a disproportionate impact on those affected by the introduction of the under occupancy charge in remote and isolated communities where the geography means potential remedies are less readily available (work, alternative accommodation, people looking for lodging etc).
- 5.11. Government guidance on DHPs advises the additional funding is intended to provide:
- Short term, temporary relief to families affected by the benefit cap who may face a variety of challenges which prevent them from being able to move immediately or to help move into more suitable accommodation for their needs.
 - For those affected by social sector size criteria that are unlikely to be able to meet the shortfall and for whom moving to a smaller property may be inappropriate.
 - Help for customers living in rural areas.
 - The funding will also prioritise customers in the following two groups:
 - Disabled people living in significantly adapted accommodation including any adaptations made for disabled children and
 - Foster carers whose housing benefit is reduced because of a bedroom being used by, or kept free for, foster children.
 - Additional support to claimants impacted by the changes to Local Housing Allowance

An award may also be given for a rent deposit or rent in advance, on the basis that a deposit or rent in advance of an existing tenancy is not available.

In addition, we can award a DHP to assist with lump sum costs associated with a housing need e.g. removal costs.

- 5.12. There have been several legal challenges on reducing (HB) for working age social sector tenants who are deemed to be under-occupying their property as a consequence of the size criteria (removal of the spare room subsidy). In some of those cases, reference has been made on the availability of DHPs. It is appropriate we review and revise our DHP Policy to reflect the judgements handed down in these cases.
- 5.13. The Department for Work and Pensions have published a Discretionary Housing Payments Guidance Manual, including a Local Authority Good Practice Guide and we have followed this in formulating our revised DHP policy which is attached at [Appendix 2](#).
- 5.14. Summary information on Discretionary Discounts for Council Tax and Discretionary Housing Payments is contained in [Appendix 3](#).

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1. Under the JMASS review for Tier 6, we established a post for a Welfare Reform and DHP Officer. This post is responsible for determining applications for DHPs and Discretionary Rebates in Council Tax liability, ensuring a consistency of approach. The post will also directly engage with customers and partner organisations to promote take-up.
- 6.2. Any unspent Discretionary Housing Payment Government contribution must be returned.

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1. An amount of £22,500 has been allocated to assist people who have qualified for support under the Council Tax Rebate Scheme who continue to experience exceptional financial hardship. This cost is borne by the collection fund that is shared among the preceptors. If we spend more than £22,500 on an award of a discount under Section 13A (1) (c), it will be funded entirely at the Council's cost for which there is no budgetary provision. However, the budgetary position in itself, cannot be a factor we can consider when deciding an award under Section 13A (1) (c).
- 7.2. The overall spending on DHPs is cash-limited by the Secretary of State under a Permitted Totals Order. In 2015/16, the maximum amount West Somerset Council can award in DHPs is £154,700. The Department for Work & Pensions (DWP) contribute approximately one third towards the overall limit. Any award made over the funding provided by the DWP up to a maximum of £386,750 must be met by West Somerset Council's own General Fund Budget.

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

The DHP policy and the Discretionary Reduction in Council Tax liability policy aim to target help at those in most need and should therefore have a positive effect on groups who may be disadvantaged through income/socio economic status, age or disability. The policies will also assist in mitigating the effect for those people identified in the Equality Impact Assessment included in our Council Tax Rebate scheme report.

9. CRIME AND DISORDER IMPLICATIONS

9.1. None associated with this report

10. CONSULTATION IMPLICATIONS

10.1. The Council has consulted on the policy with Magna West Somerset, West Somerset Advice Bureau and Knightstone Housing Association and assurances have been provided that the policy is fit for purpose.

11. ASSET MANAGEMENT IMPLICATIONS

11.1. None associated with this report

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1. There are no environmental and community safety implications associated with this report.

13. HEALTH & WELLBEING

13.1. 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.

14. LEGAL IMPLICATIONS

14.1. The implications of not adopting the revised policies could expose the Council to legal challenges in the future.

14.2. The legislation requires West Somerset, as a billing authority, to consider and decide applications for Section 13A (1) (c) reductions.

14.3. The legislation governing DHP's is in the Discretionary Financial Assistance Regulations 2001 (S1 001/1167).

Background papers

¹ Valuation Tribunal Judgement 2014 - East Riding of Yorkshire Council
http://www.valuationtribunal.gov.uk/Libraries/Head_Office_Documents/Judgment_-_SC_and_CW_v_East_Riding_of_Yorkshire_Council_-_discretionary_appeals_final_for_publishing_purposes_2.sflb.ashx



COUNCIL TAX

Council Tax Discretionary Reduction in Liability Policy

Discretionary Reduction in Council Tax Liability Policy

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Revision history

Version number	Date	Summary of changes	Author
V1.0	27/3/2013	Initial creation of document for S13A Reductions	Paul Lamb
V1.2	19/2/2014	Refresh & updating policy	Paul Lamb
V1.3	24/12/2014	Refresh & updating policy	Mark Antonelli

Approvals

This document has been approved by the following people.

Name	Role
Councillor Kate Kravis	Lead Member for Resources and Central Support
Councillor David Westcott	Lead Member for Community and Customer

Policy

Background

Under Section 13A of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has the discretionary power to reduce the Council Tax liability where statutory discounts, exemptions and reductions do not apply.

These discretionary awards can be given to:

- Individual Council Taxpayers;
- Groups of Council Taxpayers defined by a common set of circumstances;
- Council Taxpayers within a defined area; or
- To all Council Taxpayers within the Council's area.

The legislation states the following:

.....in any case, may be reduced to such extent or, if the amount has been reduced under S13a 1a (Council Tax Reduction Scheme) such further extent as the billing authority for the area in which the dwelling is situated thinks fit.....”

The provision allows the Council the discretion to provide assistance to taxpayers where either the existing legislation does not provide a discount, exemption or reduction or in such circumstances where the Council feels that the level of discount, exemption or reduction is insufficient given the circumstances.

Purpose

This policy has been designed to ensure all Council Taxpayers making an application for relief are treated in a consistent and equitable manner

This policy has been written to:

- Set guidelines for the factors to be considered in determining an application
- Set out the delegated authority to award relief in appropriate circumstances
- Establish an appeals procedure for applicants dissatisfied with a decision
- Safeguard the interests of the local taxpayers to ensure awards of relief are used effectively and economically

Eligibility Guidelines

We will treat each case strictly on its merits and all eligible customers will receive equal and fair treatment. Principles of reasonableness will apply in all cases with the authority deciding each case on relevant merits.

The Revenues and Benefits Service is committed to working with the local voluntary sector, social landlords and other interested parties in the Borough to maximise claims for all available state benefits and will reflect this in operating running discretionary reductions in Council Tax liability.

When deciding on whether to grant a discretionary award, the Council will consider each application on its merits.

Any decision made will be without reference to any budgetary considerations notwithstanding the fact that any awards must be balanced against the needs of local taxpayers who will ultimately pay for a reduction in Council Tax income.

Likewise the period of any reduced liability will be considered in conjunction with the circumstances of the Council Taxpayer.

For the purposes of administration, the decision to grant any reduction in Council Tax liability shall be considered within the following categories:

Crisis – Flood, Fire etc

The Council will consider requests for assistance from Council Taxpayers who, through no fault of their own, have experienced a crisis or event that has made their property uninhabitable, e.g. due to fire or flooding, where they remain liable to pay Council Tax and for which they have no recourse for compensation nor have any recourse to any statutory exemptions or discounts.

All such requests must be made in writing detailing the exact circumstances of why reduction in the liability is required and specifying when the situation is expected to be resolved.

The Council will consider applications on a case-by-case basis in consultation with other organisations as appropriate. Any reduction will be applied where they remain liable to pay Council Tax and for which they have no recourse for compensation nor to any statutory exemptions or discounts or where the crisis or event is not covered by any insurance policy.

The Council will not consider requests from taxpayers where Government guidance or policy provides for a reduction in liability in specific circumstances, for example, flood relief schemes.

Exceptional Financial Hardship

In accordance with Section 13A 1a of the Local Government Finance Act 1992, the Council has a Council Tax Rebate (CTR) Scheme, that provides support, through a discount, to those deemed to be in financial need. The CTR Scheme has been designed to take into account the financial and specific circumstances of individuals through the use of applicable amounts, premiums and income disregards.

Applications will be accepted under this part of the policy for people who have qualified for support under the CTR Scheme, but who are still experiencing severe financial hardship. Other taxpayers may also apply, however the Council would normally expect the taxpayer to apply for Council Tax Rebate in any case.

As part of the process for applying for additional support, all applicants must be willing to undertake all of the following:

- (a) Make a separate application for assistance;
- (b) The taxpayer must satisfy the Council they are not able to meet their full Council Tax liability or part of their liability;
- (c) Provide full details of their income and expenditure;
- (d) The taxpayer is able to demonstrate that all reasonable steps have been taken to meet their full Council Tax liability including applications for employment or additional employment, alternative lines of credit, and benefits, Council Tax Rebate, discounts and exemptions;
- (e) Accept assistance from either the Council or third parties such as the West Somerset Advice Bureau or similar organisation to enable them to manage their finances more effectively including the termination of non-essential expenditure; renegotiate priority and non-priority debts, provide an income and expenditure statement or Financial Statement and if needed allow the Authority to seek for the claimant by completing a Common Referral Statement
- (f) Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted;
- (g) The taxpayer has no access to assets that could be realised and used to pay the Council Tax;
- (h) Maximise their income through applying for other welfare benefits, cancellation of non-essential contract and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.
- (i) Work with the Council in identifying potential changes in payment methods and arrangements to assist in alleviating their current circumstances.

The Council will be responsible for assessing applications against this policy and an officer will consider the following factors in applying this policy:

- (a) Current household composition and specific circumstances including disability or caring responsibilities;
- (b) Current financial circumstances
- (c) Determine what action(s) the applicant has taken to alleviate the situation;
- (d) Consider alternative means of support may be available to the applicant by:
 - Re-profiling Council Tax debts or other debts;
 - Applying for a Discretionary Housing Payment for Housing Benefit (where applicable);
 - Maximising other benefits
 - Determining whether in the opinion of the decision maker, the spending priorities of the applicant should be re-arranged

Other Circumstances

The Council will consider requests from Council Taxpayers for a reduction in their liability based on other circumstances, not specifically mentioned within this document. However, the Council must be of the opinion that the circumstances relating to the applications warrant further reduction in their liability for Council Tax having regard to the effect on other Council Taxpayers.

No reduction in liability will be granted where any statutory exemption or discount could be granted.

No reduction in liability will be granted where it would conflict with any resolution, core priority or objective of the Council.

Administration

Duties of the Applicant and the Applicant's Household

A claim for Discretionary Reduction in Council Tax Liability must be in writing and signed by the customer. A letter or signed statement received by the Council's Revenues and Benefits Service will be sufficient if the following conditions are met:

- On request the customer supplies any relevant supporting evidence.
- The Revenues and Benefits Service may ask for any (reasonable) evidence in support of an application. The Revenues and Benefits Service will make such requests in writing. The customer will provide the evidence within one month of our letter, although this can be extended in appropriate circumstances.
- If the customer is unable to or does not provide the evidence, the Council will still consider the application and take into account any other available evidence including that already held.
- The Council's Revenues and Benefits Service reserves the right to verify any information or evidence provided by the customer in appropriate circumstances.

A person claiming any discretionary reduction in liability must:

- Provide the Council with such information as it may require to make a decision;
- Tell the Council of any changes in circumstances that may be relevant to their on-going claim; and
- Provide the Council with such information as it may require in connection with their claim.

Decision making

Procedure for determining specific classes of reduction in Council Tax liability

The power to consider and decline applications for the creation of specific classes of reduction is delegated to the Section 151 Officer and the Lead Member for Community and Customer.

Where both the Section 151 Officer and the Lead Member for Community and Customer that consideration should be given to creating a specific class of reduction a recommendation should be made to the Cabinet. The Cabinet should have the delegated power to create, amend or cancel any specific class of reduction.

Once a specific class of reduction has been agreed by the Cabinet, individual applications in respect of that class are to be considered by the Principal or Senior Revenues Officer.

Procedure for determining individual one-off applications for reductions

The power to determine individual one-off applications (i.e. all applications other than those to create a specific class of reduction or for a reduction under a specific class) should be delegated to the Principal or Senior Revenues Officer.

Applications for Discretionary Reduction in Council Tax Liability

For those people who have qualified for support under the CTR Scheme, but who are still experiencing severe financial hardship, initial applications will be considered by the Welfare Reform/DHP Officer adopting the principle outlined in the Discretionary Housing Payment Policy.

A claim for Discretionary Reduction in Council Tax Liability must be in writing and signed by the customer. Where a customer has difficulties in providing a written application we will signpost them where appropriate or arrange an alternative method of claiming.

For those people not qualifying for support under the CTR Scheme, initial applications will be considered by a Senior Revenues Officer.

Officers will consider the following factors in deciding a discretionary reduction in Council Tax liability:

- (a) Current household composition and specific circumstances including disability or caring responsibilities;
- (b) The income and expenses of the customer, their partner and any dependants or other occupants of the customer's home; any savings or capital that might be held by the customer or their family;
- (c) If the customer or anyone in the household has any unusual or unusually large expenses, that make it harder than normal for them to meet their Council Tax liability;
- (d) The indebtedness of the customer and their family;
- (e) The exceptional nature of the customer and their family's circumstances;
- (f) Any action(s) taken by the applicant to alleviate the situation;
- (g) If this is a repeat request for a discretionary rebate in Council Tax liability, what action has the customer taken to alleviate the problem since the last application?
- (h) Alternative means of support may be available to the applicant by:
 - Re-profiling debts;
 - Applying for a Discretionary Housing Payment (where applicable);
 - Maximising other benefits
 - Determining whether in the opinion of the decision maker, the spending priorities of the applicant should be re-arranged

The Senior Revenues Officer or the Welfare Reform/DHP Officer will consider the application within 14 days of receipt of a signed application and all supporting information.

The Senior Revenues Officer or the Welfare Reform/DHP Officer will record their findings, financial implications and initial recommendations and forward these to the Principal Revenues Officer or the Principal Benefits Officer who will make a final recommendation for the Revenues and Benefits Manager.

The Revenues and Benefits Manager will then approve/refuse the application within a further 7 days.

On awarding a Discretionary Reduction in Council Tax Liability we will determine if any ongoing costs are appropriate, review any special arrangements and consider spreading any remaining charge over the remainder of the financial year. We will also acknowledge the customer as a vulnerable person in line with our Vulnerability Policy.

Changes in Circumstances

The Council may revise any Discretionary Reduction in Council Tax Liability where the applicant's circumstances or situation has changed.

The applicant agrees that he/she must inform the Council immediately either by phone or in writing about any change in their circumstances that might affect their claim under this policy. Failure to do so may result in the withdrawal of the reduction granted for the year and the requirement to repay any outstanding amount to the Council.

All changes in circumstances should be notified within 21 days in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 as amended.

The Award and Duration of a Reduction in Liability

Both the amount and duration of the award are determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of the claim.

The start date of such a payment and the duration of the payment will be determined by the Council. In any event, the maximum length of the award will not exceed the financial year in which the award is given.

Payment

In line with legislation, an award shall be granted as a reduction in liability of the Council Tax Payer therefore reducing the amount of Council Tax payable.

Reductions in Council Tax Rebate Granted in Error or Incorrectly

Where a reduction in liability has been granted incorrectly or in error either due to a failure to provide the correct or accurate information to the Council or some other circumstance, the Council will adjust the Council Taxpayer's account to ensure the correct Council Tax liability is payable.

Notification of a Reduction in Liability

The Council will aim to write to the customer to tell them the outcome of their application within 14 days of receipt. Where an application is unsuccessful, the notification will include the reason for the decision and advise the applicant of their appeal rights.

Fraud

The Council is committed to protecting public funds and ensuring public funds are awarded to people who are rightfully eligible to them.

Any applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Fraud Act 2006.

Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

Publicity

The Council will publicise this policy and will work with all interested parties to achieve this. A copy of this policy will be made available for inspection and will be posted on the Council's web site.

Policy Review

The provision of Discretionary Reduction in Council Tax Liability will be reviewed regularly and updated as appropriate to ensure it remains fit for purpose. A review may take place sooner should there be any significant change in legislation.

Appeals

Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.

The Council Taxpayer must in the first instance, write to the Council outlining the reason for their appeal. Once received, the Council will reconsider its decision and notify the taxpayer accordingly.

Where the Council Taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reduction. Full details can be obtained from the Council's website or from the Valuation Tribunal: <http://www.valuationtribunal.gov.uk/Home.aspx>



HOUSING BENEFIT

Discretionary Housing Payment Policy

Discretionary Housing Payment Policy

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Revision history

Version number	Date	Summary of changes	Author
V1.0	27/3/2013	Initial creation of document	Paul Lamb
V1.1	23/10/2013	Creation of sub scheme	Paul Lamb
V1.2	19/2/2014	General update of policy	Paul Lamb
V1.3	24/12/2014	Updating policy	Mark Antonelli

Approvals

This document has been approved by the following people.

Name	Role
Councillor Kate Kravis	Lead Member for Resources and Central Support
Councillor David Westcott	Lead Member for Community and Customer

Policy

Background

From 2 July 2001, exceptional circumstances and hardship payments were abolished and replaced by the Discretionary Housing Payment (DHP) scheme. This gave Local Authorities new powers to top up Housing Benefit.

The legislation governing DHPs can be found in the Discretionary Financial Assistance Regulations 2001 (SI 2001/1167).

The DHP scheme provides discretionary support for shortfalls between eligible rental liability and Housing Benefit/Universal Credit and help towards housing costs. Housing costs can be interpreted more widely to include rent in advance, deposits or other lump sum costs associated with a housing need such as removal costs.

The overall spending on DHPs is cash-limited by the Secretary of State under a Permitted Totals Order.

The main features of the DHP scheme are:

- The scheme is discretionary - a claimant does not have a statutory right to a payment;
- The Revenues & Benefits Service decides how the scheme is administered;
- The overall outlay on DHPs is cash-limited by the Secretary of State;
- DHPs are not a payment of Housing Benefit. However, the claimant must be entitled to at least the minimum payment of Housing Benefit/Universal Credit in the benefit week for which it awards a DHP;
- DHPs should be seen as an emergency fund. They are not and should not be considered as a way round any current or future entitlement restrictions set out under Housing Benefit/Universal Credit legislation;
- DHPs cannot be used to offset overpayment recovery or to cover ineligible service charges

The Department for Work and Pensions provides us with a specified Discretionary Housing Payments allocation that can vary each year as it is partly based upon our previous Discretionary Housing Payments spending.

We must return any unspent funding to the Department for Work and Pensions. During the year in question, we can only award Discretionary Housing Payments up to a cash limit of two and a half times this annual allocation. Any spending we make above the allocation and up to the legal limit has to be funded by us from our budget (and so in turn from our Council Tax payers).

Purpose

This policy has been designed to ensure all people making an application for a DHP are treated in a consistent and equitable manner. This policy has been written to:

- Set guidelines for the factors to be considered in determining an application
- Set out the delegated authority to award a DHP in appropriate circumstances
- Establish an appeals procedure for applicants dissatisfied with a decision
- Safeguard the interests of the local taxpayers to ensure DHP awards are used effectively and economically
- Specify how the Revenues & Benefits Service will manage the DHP scheme and to suggest some of the factors we will consider when deciding to award additional help.

We will treat each case strictly on its merits and all eligible customers will receive equal and fair treatment. Principles of reasonableness will apply in all cases with the Council deciding each case on relevant merits.

The Revenues & Benefits Service is committed to working with the local voluntary sector, social landlords and other interested parties in the Council to maximise claims for all available state benefits and will reflect this in running the DHP scheme.

The Revenues & Benefits Service is committed to the equitable operation of the DHP scheme. Where the evidence provided shows the customer is not claiming another state benefit they may be entitled to, we will advise them to make such a claim and provide details of other agencies in the Council area who may be able to help. Similarly, if a customer is not claiming a Council Tax Discount to which they may be entitled we will advise them to firstly make such a claim.

Statement of Objectives

The Revenues & Benefits Service will consider awarding a DHP to all customers who meet the qualifying criteria set out in this policy. We will treat all applications on their individual merits, and will seek through this policy to:

- Alleviate poverty;
- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and by providing a DHP to enable them to “bridge the gap” during this time;
- Support domestic violence victims who are trying to move to a place of safety
- Help people who live near their jobs because they work unsocial hours/split shifts or where there is inadequate public transport;
- Help people who as a consequence of a move have extra travel to work costs;
- Sustain tenancies to prevent homelessness;
- Support vulnerable young people in the transition to adult life;
- Encourage residents to get and keep employment;
- Safeguard residents in their homes;
- Help those who are trying to help themselves;
- Keep families together;
- Assist those with medical or health problems where they need access to medical services or support that would not be available elsewhere
- Act as a tool in supporting vulnerable people in the local community;
- Help customers through personal crises and difficult events.
- Support customers in rural areas who may have additional costs and services as a consequence of where they live.

This list is not exhaustive and we will consider any other relevant factors or special circumstances that may apply.

A DHP will usually help meet shortfalls in areas such as:

- Restrictions in Housing Benefit entitlement because the rent payable is more than the rent used to work out Housing Benefit/Universal Credit;
- Non dependant deductions;
- Income tapers;
- Increases in essential work related expenditure such as increased fares to work if a customer has had to move because they could not afford to live in proximity to their work following a reduction in their Housing Benefit.

The DHP scheme allows for payments to be made for rent deposits and rent in advance if the claimant receives Housing Benefit for their present home.

In order for an award to be considered the officer must be satisfied:

- The claimant is not entitled to assistance under the Authority's "Prevention of Homelessness" scheme, and
- The claimant is not due to have a deposit or rent in advance returned to them for their existing property

When considering the request the officer must also be satisfied:

- The property is affordable for the tenant; and
- The tenant has a valid reason to move; and
- The deposit or rent in advance is reasonable

A DHP cannot help with the following:

(a) Certain elements of the rent:

- Ineligible service charges as specified in Schedule 1 of the Housing Benefit Regulations 2006 and Schedule 1 of the Housing Benefit (Persons who have attained the qualifying age for pension credit) Regulations 2006
- increases in rent due to outstanding rent arrears;

(b) Suspensions

- Where a person's Housing Benefit or any other benefit has been suspended, it is not appropriate to pay a DHP. The aim of the suspension provision is to act as a lever to ensure the customer provides necessary information or evidence – paying a DHP could reduce the effectiveness of this lever.

(c) Sanctions

- Where a reduction has been applied to Income Support or income-based Jobseeker's Allowance due to a Reduced Benefit Direction for failing to comply with the Child Support Agency, the claim for a DHP should assume such a sanction has not been applied;
- Where a reduction has been applied because of absence at a work-focussed interview, the claim for a DHP should assume such a sanction has not been applied
- Any restriction in benefit due to a breach of a Community Service Order

Priority Groups

We will prioritise DHPs for customers who are in our opinion, the most vulnerable. This will particularly include, although not be limited to:

- Claimants who have someone who is pregnant within their household
- Young adults who have recently left the care system
- Households containing adults or children with disabilities
- Households with children under 5 years of age
- Claimants who are carers
- People who are fleeing domestic violence
- The elderly who would find it particularly difficult to move house
- People accepted as homeless under homelessness legislation of the Housing Act 1996 and placed in temporary accommodation by the Council as described in regulation A13(3), because they are homeless or to prevent homelessness
- Customer classified as vulnerable in line with our Vulnerability Policy

Being in one or more of the above groups does not guarantee a DHP award.

For those applying for a DHP on the grounds of exceptional hardship we would expect the customer to demonstrate they have taken steps to try to address their financial difficulties by seeking money / debt advice from the West Somerset Advice Bureau, National Money Advice Helpline or similar organisations.

Fraud

The Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a DHP or DCTA by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968. Where we suspect such a fraud may have occurred, the matter will be investigated and this may lead to the instigation of criminal proceedings.

Publicity

The Revenues & Benefits Service will publicise the DHP scheme and will work with all interested parties to achieve this. A copy of this policy will be made available for inspection and will be posted on the West Somerset Council web site. Information about the amount spent will not normally be made available except at the end of the financial year.

Monitoring DHP expenditure

The Revenues & Benefits Service will extract reports from the DHP software on a monthly basis to ensure expenditure is within budget and is correctly profiled to ensure no overspend at the end of the financial year.

Administration

Conditions that must be met

A claim for DHP must be in writing and signed by the customer. Where a customer has difficulties in providing a written application we will signpost them where appropriate or arrange an alternative method of claiming.

A letter or signed statement received by the Council's Revenues and Benefits Service will be sufficient if the following conditions are met:

- On request the customer supplies any relevant supporting evidence.
- The Revenues & Benefits Service may ask for any (reasonable) evidence in support of an application for a DHP. The Revenues & Benefits Service will make such requests in writing. The customer will provide the evidence within one month of our letter, although we will extend this in appropriate circumstances.
- If the customer is unable to or does not provide the evidence, we will still consider the application and take into account any other available evidence including that which we already hold.
- The Revenues & Benefits Service reserves the right to verify any information or evidence provided by the customer in appropriate circumstances.

In considering an award for a DHP, the following criteria must be met:

1. The claimant is entitled to Housing Benefit/Universal Credit
2. The payment is for costs that are potentially eligible for Housing Benefit/Universal Credit
3. The sum of a DHP and the benefit does not exceed the overall liability (except for lump sum awards)
4. A DHP is not used to plug an income gap caused by sanction or suspension to Social Security Benefits

Customer Responsibilities

A person claiming a DHP must be willing to undertake **all** of the following:

- (a) Provide the Council with such information as it may require to make a decision;
- (b) Tell the Council of any changes in circumstances that may be relevant to their on-going claim; and
- (c) Satisfy the Council they are not able to meet their eligible housing costs;
- (d) Accept assistance from either the Council or third parties such as the West Somerset Advice Bureau or similar organisation to enable them to manage their finances more effectively including the termination of non-essential expenditure, renegotiate priority and non-priority debts, provide an income and expenditure statement or Financial Statement and if needed allow the Authority to seek for the claimant by completing a Common Referral Statement
- (e) Work with the Council in identifying potential changes in payment methods and arrangements to assist in alleviating their current circumstances;
- (f) Demonstrate they have taken all reasonable steps to meet their rental liability including applications for employment or additional employment, or alternative lines of credit;
- (g) Have no access to assets that could be realised and used to pay housing costs;
- (h) Maximise their income through applying for other welfare benefits, cancellation of non-essential contract and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.

Awarding a DHP

The Council will be responsible for assessing applications against this policy and an officer will consider the following factors in applying this policy:

1. Current household composition and specific circumstances including disability or caring responsibilities;
2. Current financial circumstances and customers living in remote and isolated communities
3. Determine what action(s) the applicant has taken to alleviate the situation;
4. Consider alternative means of support may be available to the applicant by:
 - Re-profiling debts;
 - Applying for Discretionary Reduction in Council Tax Liability (where applicable);
 - Maximising other benefits
 - Determining whether in the opinion of the decision maker, the spending priorities of the applicant should be re-arranged
 - Determining what steps the customer plans to take in preparation for when the discretionary award ends

In deciding whether to award a DHP, the Revenues & Benefits Service will consider:

- The shortfall between Housing Benefit/Universal Credit and the housing costs;
- If there is a real risk of eviction because of the shortfall, or will the landlord accept a reduced payment?
- The age of the customer.
- The locality of the property and the demographic nature for rural communities
- Any steps taken by the customer to reduce their housing costs;
- The financial and medical circumstances of the customer, their partner and any dependants and any other occupants of the customer's home;
- The income and expenses of the customer, their partner and any dependants or other occupants of the customer's home; (ignoring DLA Mobility component or PIP Mobility supplement)
- Any savings or capital that might be held by the customer or their family;
- If the customer or anyone in the household has any unusual or unusually large expenses, that make it harder than normal for them to meet the shortfall?
- The indebtedness of the customer and their family;
- The exceptional nature of the customer and their family's circumstances;
- The amount available in the DHP budget at the time of the application (in accordance with the Permitted Totals Order);
- If this is a repeat request for a DHP? If so what action has the customer taken to alleviate the problem since the last application?
- The possible impact on the Council of not making such an award, for example the pressure on priority homeless accommodation;
- Any other special circumstances brought to the attention of the Revenues & Benefits Service.

The Revenues & Benefits Service will decide how much to award based on all the circumstances. This may be an amount below the difference between the housing costs and the Housing Benefit/Universal Credit award.

Granting a DHP does not guarantee or imply a further award even if the customer's circumstances do not change.

To ensure a consistent approach when determining a discretionary award the Authority will also follow guidelines as advised by "The Office of National Statistics". We have also consulted with a range of local partners to identify agreed levels of notional household spending that are as follows:

The Authority will allow expenditure for		2014/15	2015/16
Fuel, power, insurances	To include electricity, gas, oil, building and contents cover	£10.54	£12.50
Food and household	To include food, toiletries, laundry, clothing, footwear, pet food, nappies	£29.28	£30.00
Health	Dentist, glasses and prescriptions	£0.83	£1.00
Transport	Car tax, MOT, fuel, insurance, bus fares, taxis	£11.75	£12.00
Communication	Mobile phone, internet, landline, TV licence	£4.33	£10.00
Miscellaneous	Repairs, hairdressing, hobbies, leisure,	£12.59	£8.00
		£69.32	£73.50

The Authority will also allow the following expenditure in full:

- | | |
|---|--------------------|
| • Maintenance paid for a child or former partner | Actual Expenditure |
| • Rent liability | Actual Expenditure |
| • Council Tax liability | Actual Expenditure |
| • Water Rates | Actual Expenditure |
| • Court Fines and negotiated financial repayments | Actual Expenditure |

The trigger point level will be multiplied by the household factor by The Office of National Statistics. These are:

Type of Household Member	Equivalence Value
First adult	1.0
Additional adult	0.5
Child aged: 14 and over	0.5
Child aged: 0-13	0.3
Adult aged under 25 (not set by ONS)	0.8

Taking account of DWP and allowances for adults aged under we will include a household multiplier factor of 0.80

For example, if a household is made up of a Couple and the allowable notional expenditure for an item such as food is £20 the household factor would be 1.5 (1.0 plus 0.5) allowing £30 a week for food.

Any expenditure at or below the trigger point for allowable expenditure will be permitted. Any expenditure in excess of the trigger point will not automatically be considered. The applicant will need to prove their level of spending is essential, reasonable and unavoidable. We may also request to see medical letters and supporting bank statements.

The decision maker has the discretion to exceed the trigger point or actual expenditure where it is reasonable to do so.

Period of Award

The Revenues & Benefits Service will decide the length of time to award a DHP from the evidence supplied and the facts known.

The start date of an award will normally be:

- The Monday after we get the written claim for a DHP; or
- The date Housing Benefit (HB) or Universal Credit starts (providing we get the application for the DHP within one month of the decision on the claim for HB whichever is the earlier, or the most appropriate).

We cannot award a DHP for any period outside an existing Housing Benefit period granted under the Housing Benefit statutory scheme. The minimum award of a DHP is one week.

- We will not normally award a DHP for a period over 12 months.
- We will consider any reasonable request for backdating an award of a DHP but will usually limit such consideration to the current financial year.

Changes of Circumstances

The Revenues & Benefits Service may need to revise an award of a DHP where the customer's circumstances have materially changed. Any revision to the award will take effect from the Monday following the date of change in circumstances.

Method of Payment

The Revenues & Benefits Service will decide the most suitable person to pay based on the circumstances of each case. This could include paying:

- The customer;
- Their partner;
- An appointee;
- Their landlord (or an agent of the landlord); or
- Any third party to whom it might be most suitable to pay.

The Revenues & Benefits Service will pay a DHP by the most suitable means available in each case. This could include payment by direct credit to a bank or building society account or by crediting the customer's rent account.

The payment frequency will be advised at the time of the award.

Notification

The Revenues & Benefits Service will aim to write to the customer to tell them the outcome of their claim within 14 days of receipt. Where the claim is unsuccessful, we will set out the reasons and explain their appeal rights. Where the claim is successful, the Revenues & Benefits Service will advise:

- The weekly amount of DHP;
- If it is paid in advance or in arrears;
- The period of the award;
- How, when and to whom (for DHP only) it will pay the award;
- The need to report a change in circumstances;

Overpayments

The Revenues and Benefits Service can recover a DHP if we decide the payment has been made as a result of misrepresentation or failure to disclose a material fact, either fraudulently or otherwise. We may also recover DHPs if we decide the customer received the DHP as a result of an error made when the application was determined.

We will not recover DHPs from ongoing HB or UC. This is unlike HB overpayments where there is a regulatory provision to allow recovery from ongoing HB.

There is also no provision for recovery of overpaid DHPs from other prescribed benefits. The only method of recovery if a DHP is overpaid is to request repayment of the debt from the customer. This may be in the form of an invoice or using debt collection agencies or via the courts.

Reviews of DHP Decisions

The right to seek a review

DHPs are not payments of Housing Benefit. Therefore they are not subject to the statutory appeals mechanism. The Revenues & Benefits Service will use the following policy for dealing with appeals about a:

- Refusal to award a DHP; or
- Decision to award a reduced amount of DHP; or
- Decision not to backdate a DHP; or
- Decision there has been an overpayment of a DHP.

A customer (or their appointee or agent) who disagrees with a DHP decision may dispute the decision. The Revenues & Benefits Service must receive a request for a review within one month of the issue of the written decision about the DHP to the customer. Where this has not already been done, officers from the Revenues & Benefits Service will explain the DHP decision to the customer by telephone, at interview or in writing and will seek to resolve the matter.

Where agreement cannot be reached, the Revenues & Benefits Appeals Officer will consider the case in consultation with the Revenues & Benefits Manager. A review will be conducted on all the evidence held and a decision made within 14 days of referral or as soon as practicable.

Where the Appeals Officer decides not to revise the original decision, they will tell the customer in writing, setting out the reasons for their decision.

The decision is final and binding and may only be challenged through judicial review or by complaint to the Local Government Ombudsman.

Appendix 3

Summary of spending and Statistical information for 2014/15 (as at 10 February 2014)

- We have received 229 applications for DHP, paying 171 claims
- We have received 208 applications for ACTR, paying 149 claims
- We have a DWP budget of £173,291 for DHP currently spending £116,688 to date
- An amount of £22,500 has been allocated for ACTR of which we have spent £22,412 to date
- Breakdown of DHP spending
 - We have paid 44 claims to customers in work
 - We have paid 127 claims to customers out of work
 - We have awarded 110 claims to customers in Registered Social Landlord properties

Appendix 4

Summary of Policy changes

- We have changed the name of the Additional Council Tax Rebate Policy to Discretionary Reduction in Council Tax Liability Policy
- Discretionary Reduction in Council Tax Liability - Removal of any reference to budgetary considerations being in any way a consideration when making a determination.
- The appointment of a specific Discretionary Payments and Welfare Reform Officer to oversee all applications
- Updating the threshold figures for spending in 2015/16 following funding arrangements from The Department for Work and Pensions
- Removal of the Discretionary Housing Payments Sub scheme combining this with the Discretionary Housing Payments Policy – combined funding arrangements for Discretionary Housing Payments remove the need for two separate policies
- A revision of the notional allowable spending calculation to account for uprating in 2015/16
- Minor amendments to provide a more robust policy ensuring consistency and to apply appropriate tests to ensure we treat each case on its own merits

Report Number: WSC 40/15
Presented by: Cllr Trollope-Bellew
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Report to a Meeting of: Cabinet
To be Held on: 4th March 2015
Date Entered on Executive Forward Plan 27/1/15
Or Agreement for Urgency Granted:

CREATION OF THE SOMERSET BUILDING CONTROL PARTNERSHIP

1. PURPOSE OF THE REPORT

- 1.1 To seek approval to create a Somerset Building Control Partnership as outlined in the appended Business Case, comprising Mendip and Sedgemoor District Councils, Taunton Deane Borough Council and West Somerset Council.
- 1.2 To seek approval to transfer employees to Sedgemoor District Council under TUPE - Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The formation of partnerships to deliver shared services and create efficiencies is in compliance with national priorities.
- 2.2 A resilient, cost-effective and local building control service is essential to support the local economy, developers and the building trade and helps to secure safe and high quality developments. The emergency call-out rota for dangerous structures is an important part of the Council's 'out of hours' service provision.

3. RECOMMENDATIONS

Members are recommended to:

1. Approve the creation of a Somerset Building Control Partnership as outlined in the appended Business Case, and subject to the approval of the other proposed partner Councils.
2. To approve the creation of a 'Joint Committee' to oversee the strategic direction, performance and budget of the partnership.
3. To nominate the Portfolio Holder and Assistant Director (Operational Delivery) to represent the Council on the Joint Committee.
4. To delegate responsibility to the Section 151 Officer, the Monitoring Officer and the Assistant Director (Operational Delivery) to finalise legal agreements, partnership budgets and cost/income sharing arrangements, shared redundancy payments and

detailed governance arrangements.

4. RISK ASSESSMENT

- 4.2 The partnership has been designed to deliver statutory and fee earning services on behalf all partners, the level of income from these services fluctuates but there is a history in West Somerset of failing to meet with the income expectations and therefore operating at a greater cost to the Council.
- 4.3 If West Somerset Council do not introduce a big change to the way they deliver the building control function there is a risk that further employee reductions will be needed and that the service will be placed in a position of unsustainability and unable to deliver its statutory responsibilities.
- 4.4 When building control employees have been reduced in West Somerset there is a history of them setting up as Approved Inspectors and competing for the same work as the Council's building control service, adding to this Council's income challenges.
- 4.5 A comprehensive risk log is included within part 7 of the appended Business Case, pages 28-30.
- 4.6 The prime area of risk for this Council would be if the fee income reduced dramatically. However, the inter-authority agreement and joint committee will mitigate this risk, because partner Council's would retain shared responsibilities for the financial viability and future success of the partnership. The management team would be tasked with reducing costs to match any reduced income position, together with marketing the service to gain new business. Support service costs/recharges for setting up the partnership and providing additional support to develop it, will ensure the new business unit pays for enhanced investment of officer time in the first 2- 3 years

5. BACKGROUND

- 5.1 Analysis and research, including advice from Finance Officers, HR managers, Legal Teams and IT managers has now been completed, and a comprehensive business case/plan has been agreed by senior management in each of the four partner Councils:
- Mendip District Council
 - Sedgemoor District Council
 - Taunton Deane Borough Council and
 - West Somerset Council
- 5.2 North Dorset District Council withdrew from the project in 2014, and South Somerset District Council withdrew earlier in the process.
- 5.3 Authority will be sought from each of the four Council Executives/Cabinets during the February/March to form the Partnership. The Partnership will be the largest Building Control Partnership in the South of England. There would also be scope to increase membership in the future.
- 5.4 The Key business reasons for forming the partnership are:
- To secure a sustainable building control Service for the future.
 - To reduce costs to each partner Council.
 - To improve competitiveness with the private (and public) sector providers of building control services – to win more business and maximise income.

- To increase resilience and customer service levels – a bigger core service team rather than 4 small teams.
- To improve professional development opportunities, to make it easier to attract and retain good quality staff.

- 5.5 The building control service provided by districts councils is one of the council functions that is in direct competition with the private sector (Approved Inspectors).
- 5.6 In recent years services have found it more and more difficult to compete with the private sector providers of building control for the 'fee income' from Building Regulations applications. Local authorities also have to carry out other statutory building control responsibilities that the private sector is exempt from, and these do not bring in income to support them.
- 5.6 The reduction in income to building control services is leaving most individual local authority building control services with a choice between having a very small team with little resilience, or operating the service at a financial loss which must then be subsidised by the General Fund of the authority. This picture is seen across the country and the Government has confirmed that its view is that the most effective way forward to alleviate this is for single local authority building control teams to form partnerships.
- 5.7 With this in mind four local authorities in Somerset have been working collaboratively with a view to forming a single building control partnership that tackles the issues facing the service, improves delivery for customers and reduces the financial burden on the individual authorities.
- 5.8 In Devon a successful building control partnership has been running since 2005. Consisting initially of two local authorities (Teignbridge and West Devon), it was then joined by South Hams in 2006 and is currently in discussions with other Devon authorities. This partnership has managed to weather the financial pressures facing building control, kept its service highly effective and resilient, and maintained good market share. This model, along with a similar one in Norfolk where five local authorities operate under the banner of CNC Building Control Partnership, has shown that building control partnerships have long term benefits for councils and the customers they provide services too.

6. THE PROPOSED PARTNERSHIP

- 6.1 A comprehensive business case has been developed by the 4 partner organisations having considered:
- The prevailing economic and competition challenges facing building control.
 - The requirement to maintain a resilient and competent service.
 - The increasing move to form partnerships to deliver successful building control services.
 - Options for governance of a partnership.
 - Comparisons of workloads, application numbers, staffing numbers and income/budgets between the 4 partners.
 - The ability to generate significant savings from forming a single business unit, by reducing management posts and staff numbers, and reducing office overheads and other support service charges.
 - Creation of a new partnership staffing structure, based on workloads and introducing new and more efficient ways of working.

- 6.2 The Key business reasons for forming the partnership are:
- a) To secure a sustainable building control service.
 - b) To reduce costs to each partner Council.
 - c) To improve competitiveness with the private (and public) sector providers of building control services – to win more business and maximise income.
 - d) To increase resilience and customer service levels – a bigger core service team rather than 4 small teams.
 - e) To improve professional development opportunities, to make it easier to attract and retain good quality staff.
- 6.3 The appended business cases projects a salary saving of £238K between the 4 partners in the first full year of the partnership, but redundancy costs will be incurred as part of the set-up. This scale of saving presents a sound financial business reason for pursuing the project, but significant further savings can be expected from:
- Creation of a single IT system, rather than 4 separate systems.
 - Rationalising support service charges from 4 organisations into 1.
 - Reducing the need for office space across 4 organisations.
 - The reduced head count creates additional savings in terms of computer licences, equipment, travel and other overheads etc.
 - Improved systems.
 - Improved efficiency and deployment of staff from managing building control as a single team across 4 Districts.
 - Expansion of the partnership to include other Councils and other ancillary services in the future to increase income.
- 6.4 West Somerset Council are in the process of joining together the building control service with Taunton Deane Borough Council as part of the JMASS project, this has the potential to deliver some saving early (1st April '15) but should be seen as removing the equivalent saving potential from this business plan, the same saving cannot be made twice.
- 6.5 The proposed governance is through a 'joint committee' model as used for the Somerset Waste Partnership and the South West Audit Partnership. This involves pooling budgets and resources into a single service managed by a joint management team with a joint steering committee established under Section 101 of the Local Government Act 1972. The joint committee will oversee the performance, budgetary control and strategic direction of the partnership with a portfolio holder and senior manager from each partner organisation forming the committee. A detailed inter authority agreement will be agreed between the Councils.
- 6.6 Sedgemoor District Council are proposed to act as the host/administering authority for the Partnership. This means that the staff from the other Councils will transfer to Sedgemoor District Council who will be employing the staff, and progressively, will provide the majority of the support services such as HR, payroll, office space, IT, financial management as part of the SDC accounts, audit, and potentially legal and democratic services.
- 6.7 The total building control fee income across the 4 Councils was £850K in 2013/14, with approximately £200K in charges for statutory work.
- 6.8 There will be an agreed brand for the new partnership, with details to be finalised after consultation with staff.
- 6.9 The proposed launch date for the partnership is 1 July 2015.

7. HR IMPLICATIONS

- 7.1 The HR Implications are set out in more detail in Appendix I of the Business Case, page 54-59.
- 7.2 The report seeks approval for Sedgemoor District Council to act as the host/administering authority for the Building Control Partnership, should approval be given for the Partnership to proceed. The Transfer of Undertakings (Protection of Employment) Regulations 2006 and amendments via the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 will apply to the transfer of staff from their existing authority to the host authority. TUPE Regulations protect the contractual terms and conditions of transferring employees. Each authority has their own Job Evaluation scheme and pay scales, albeit those scales are based on the National Joint Council pay structures. The host authority will inherit staff from across the partners on varying terms and conditions and it is not possible to change employees' terms and conditions as a result of the transfer itself. It is possible to offer transferring employees the option of taking up a Sedgemoor contract of employment and this will be offered to all transferring staff.
- 7.3 The report identifies that at some point in the future, and unrelated to the transfer itself, the host authority (SDC) would seek to harmonise terms and conditions. There is no plan to do this in the near future and indeed it is not permitted to do so within one year of the transfer under the Collective Redundancies and TUPE (Amendment) 2014 Amendment Regulations.
- 7.4 The proposed structure of the Partnership is based on an establishment of 16 full-time equivalent staff, which will lead to potential redundancies as the new structure is populated. The aggressive market conditions and declining market share support the argument that there are economic, technical and organisational (ETO) grounds for a reduced establishment. Under the TUPE Regulations 2006 the only grounds for making posts redundant as opposed to transferring under TUPE are those where an ETO reason can be justified. The partners have made temporary arrangements for some time now to cover vacancies as they arise so as to mitigate the extent to which redundancies are necessary.

8. FINANCE COMMENTS

- 8.1 Section 4 of this report identifies some of the financial risks to this Council of not delivering this service differently. The recommendations identify that the cost sharing mechanism has yet to be agreed and therefore the exact financial cost and benefit to this Council has yet to be established. In approving the recommendations officers will be able to negotiate the sharing agreement, should this not be beneficial to this Council following negotiations WSC would not be required to join the partnership.
- 8.2 S151 officer comments - The Building Control Partnership business plan is presented in this report and details the draft financial implications of forming the partnership. At this stage the detailed figures and methodology for allocating the costs has not been finalised, however with the annual salary saving of approximately £240k and the longer term reductions in support services the partnership should provide ongoing savings for all partners. The savings already proposed for both WSC and TDBC as part of the JMASS project will deliver some of these savings earlier for both WSC and TDBC and cannot be accounted for twice. Initially there will be redundancy costs and IT investment which will need to be funded, although these are one off costs so will not impact on the financial viability of the partnership in the future. The representative of the Section 151 Officer will continue to liaise with the financial work stream lead on the detailed finance work and the cost sharing model.

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

9.1 These implications have been considered as part of the wider business case and HR have been engaged to ensure that equality of opportunity has been provided for our employees.

10. CRIME AND DISORDER IMPLICATIONS

10.1 There are no implications as a result of this report.

11. CONSULTATION IMPLICATIONS

11.1 The TUPE Regulations (see 5.1. below) require proper and ongoing information sharing and consultation with unions and staff from the point there are proposals on which to consult through to the TUPE transfer to the host authority. Both incoming and outgoing employers are obliged to consult with affected employees about the transfer and any measures that they intend taking, in accordance with the Regulations and to seek agreement on those measures. UNISON is being consulted formally on the proposals and a first meeting has already been held with UNISON Branch and Regional Representatives. A successful consultation meeting with all affected employees in the 4 authorities was held on 20th January 2015 to present the draft business case and proposals to transfer employees to a host authority under TUPE.

12. ASSET MANAGEMENT IMPLICATIONS

12.1 There are no current asset management implications for decision, there is an expectation that the new partnership will work more remotely from each individual Council office freeing up of accommodation can be expected as a result of this partnership.

13. ENVIRONMENTAL IMPACT IMPLICATIONS

13.1 There are no adverse community safety or environmental implications arising from the proposals.

14. HEALTH AND WELLBEING IMPLICATIONS

14.1 There are not considered to be any health and wellbeing implications resulting from the creation of a Building Control Partnership.

15. LEGAL IMPLICATIONS

15.1 The attached business case sets out the various legal options for the setting up of a shared building control service. The preferred option is to set up a Joint Committee pursuant to Section 102 of the Local Government Act 1972. The legal section are in the process of drafting the legal agreement with the various Councils. This agreement will include provisions to ensure that this Council's legal interests are adequately protected and that risks are shared amongst the partners.

16. Scrutiny Comments

- 16.1 Scrutiny committee was held on 12th Feb and supported the recommendations. There were some concerns raised that exact figures as to the savings that WSC would achieve were not presented, and it was explained that the cost sharing mechanism was one of the matters to be resolved through the delegation in recommendation 4. Further information was provided on who the partnership would look and feel as well as answers to a number of more specific questions around how the partnership would work in practice.



**BUSINESS CASE FOR THE PROVISION OF A JOINT BUILDING CONTROL SERVICE BETWEEN MENDIP DISTRICT COUNCIL, SEDGEMOOR DISTRICT COUNCIL, TAUNTON DEANE BOROUGH COUNCIL & WEST SOMERSET DISTRICT COUNCIL
STAFF CONSULTATION**



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Somerset + Partnership Executive Summary

In June 2013 a project board was set up to explore the possibility of joint working across Building Control teams within Somerset and North Dorset. However, South Somerset District withdrew at an early stage as they could not gain the necessary corporate backing. A strategic business case was developed and accepted by the remaining authorities involved in early 2014. Following on from this a Project Team, formed from the existing service managers, was appointed in June 2014 to develop a detailed business case, which is the basis of this document. On the 10th November 2014 the board was informed that North Dorset District Council would no longer be involved in the project as a corporate decision had been made to pursue whole Council partnership working within Dorset.

Whilst the original brief was to develop a sustainable Building Control Service across the districts served by the partner councils, it soon became obvious that this was a ***'one off' opportunity to radically rethink how the Building Control service could be delivered in the future.***

This document identifies a business which is 'customer focussed' and 'management light', placing the day to day business in the hands of staff allowing them greater responsibility and ownership within the business. In return the new business entity will put staff at the forefront for the future by adopting succession planning and individual development plans which will concentrate on a 'grow your own' culture by investing in Trainees and Modern Apprentices (a practice that has yielded excellent results at MDC)

The recommendations set out in this document can be summarised as follows:

- Develop a joint inter authority unit hosted by one authority to deliver Building Control and related services within the Districts of Mendip, Taunton Deane, Sedgemoor and West Somerset as from 1st July 2015
- Provide the current services and standards of Building Control service from day 1 (i.e. same scope and quality), as a minimum; for detail of the services, see Appendix E.
- Move to a networked (mobile & flexible) structure in pursuance of the above;
- Locate core management and technical support at an agreed location;
- Deploy ICT to a greater extent to facilitate this.
- Develop a strong commercial entity through marketing and branding.

The core reasons for the recommendations are to:

- minimise risk of service failure by establishing a more sustainable and resilient unit with the capability to adapt to service and commercial demands;
- realise future savings, through realignment of back office systems, utilisation of technology and procurement of support services

- continue to improve and develop excellent and effective customer service;
- retain, recruit and develop key frontline service professionals;
- compete better with the private sector, by developing strategies which will maximise future revenues by targeting specific market sectors whilst maintain and increasing market share;

For governance & performance purposes (see also Section 4.1) the report recommends that:

- the partners establish a Joint Committee under s101 of the Local Government Act 1972;
- the Committee comprises representatives from the four partner councils in equal numbers (one elected member and one officer);
- the Committee sets and monitors the financial and service performance of the joint unit and sets targets and priorities for its future development;
- The Committee determines the extent to which any financial surpluses are distributed to the partner authorities.

Because Joint Committees cannot employ staff directly, it is recommended that one of the partner authorities be nominated as the “host” for the joint unit. At this stage only Sedgemoor District Council has expressed an interest in hosting the new business unit.

Prior to commencement of the new entity the new Management Team will be appointed to the host authority. It is also recommended that all staff are offered the option of either transferring under TUPE to the host authority, on existing terms and conditions, on the formation of the new entity or taking the remuneration package on offer by the host authority. Over time the host authority will look to realign job descriptions and terms and conditions, as long as the reason for this is not in any way related to the TUPE transfer.

Retaining the loyalty & commitment of Building Control staff will be an essential element in making the joint unit a success. It is for these reasons that once the new business is financially stable we would recommend that staff remuneration in the new unit is reviewed to ensure that;

- Remuneration competes sufficiently with the market to recruit and retain staff
- Through consultation and negotiation with staff the aim of achieving harmonisation in staff terms and conditions is addressed at some point

However, for the purposes of this report we have taken the current generic job roles and applied ‘top of scale’ of the current highest paying authority to give a conservative estimate of achievable savings for the project.

The host authority, in addition to employing staff, will initially act as, the contracting and accountable body for the joint unit, and will provide a number of support services (HR, finance,

legal, IT), for which the unit would make payment.

1. Introduction: Joint Building Control Service Project

- 1.1 This report sets out the case for the amalgamation of the four Somerset Building Control units into one service.
- 1.2 It is a 'gateway report' for approval and recommendation to proceed by the proposed partnership authorities
- 1.3 The Building Control service is subject to increasing pressures from both internal and external drivers of change within the building control sector, and wider local government environments. This has created a challenge to the viability of the current strategies used, and systems adopted.
- 1.4 The Project Team hold the collective view that the pressure for change and its impact on key service resources and capabilities is overwhelming. We consider that if strategic actions are not taken in the short to medium term, the authorities may find themselves in a position of service failure, additional expenditure, and further reduced revenues.
- 1.5 This report outlines a proactive response to these drivers, setting out why a new structural form is required, and how this will safeguard strategic capability whilst allowing the development of service which is resilient to future strategic challenges.
- 1.6 The Project Team has made extensive use of good practice developed by other building control partnerships (actual and potential). Appendix D
- 1.7 It is considered that the analysis and design undertaken by the Joint Building Control Service project and the financial figures presented in this document are of good quality.
- 1.8 The report is split into the following key sections, namely;
 - Section 2 – Drivers of change
 - Section 3 – Stakeholder analysis and expectations
 - Section 4 – Service Governance and Organisation Structure
 - Section 5 – Financial Appraisal
 - Section 6 – Implementation plan
 - Section 7 – Risk register

2 Drivers of change: the Building Control environment(s)

- 2.1 Extensive work has looked at the nature and effect of the key internal and external drivers for change and their relevance to the key service resources and capabilities.
- 2.2 The list of these drivers, their scope and impact is shown in the table below.

Context	Name	Effect
Internal	General efficiencies	Sharper focus required from all services in the delivery of cost efficiencies, whilst maintaining service needs and standards required by customers. The increased need to move resources away from management and support into front line service delivery.
	Changing role of Local Government	Moving from service provision to one of service facilitation and monitoring. Becoming more of a broker for community governance, and the provision of purely 'core' services. Building control provide a quasi-public service which is already open to free market competition.
	Transformational & E Gov agenda(s)	Requiring services to reappraise the electronic systems and resources used in service delivery and how these can be further leveraged for customer and cost advantage. The 'more for less' scenario, using ICT as the integrating capability. Allowing greater flexibility in work life issues, home working etc.
	Workforce demographics	The profession is an ageing one with few Councils employing trainees, assistants etc. Units are increasingly drawing on retired personnel to assist at times of shortage. The increasing pressure on the 'middle ground' professional is being witnessed by higher staff turnover rates, leading to competition between authorities and with the private sector.
External	Approved Inspectors	Pressure increasingly being felt from Approved Inspectors (private service providers) across all markets and for all key resources. Additionally, as privateers they can choose the market sectors to service, or not. This has the effect of making council provision 'the provision of last resort' as we cannot chose what customers to service. Again, surveyors have cited 'lack of variety' as a reason for moving
	Labour market dynamics	As noted, there is an increasing supply shortage of good quality staff. The lack of funding for trainees etc. is further exacerbating this. Many AIs are actively targeting the 'middle order' staff, as they are not as financially tied to Local Government via pensions etc. Many council's are now finding themselves in competition with each other for staff, with a knock on effect in the remuneration packages offered.
	Economic activity	Due to the length of the recession and downturn in the construction industry, income from fees has fallen, and increased the strength of competition from AIs. This in turn has driven down the prices AI's charge, undercutting local authority fees. This has an impact on the current and future viability of the service insofar as merging into one would give a 'critical mass' better equipped to deal with variances in workload and resources required.

3. Stakeholder analysis and service expectations

- 3.1 Work was also undertaken on establishing the identity and basis of each stakeholder interest in the service and what (if any) effect there would be by moving to a unified structure.
- 3.2 The project board saw the needs analysis as the starting point for defining the criteria against which judgements about success could be made. In that context ‘success’ itself begged a definition and again the collective view was that the services ***‘ability to provide a sustainable and competitive Building Control Service, which enables all sectors of the community access to highly skilled professional staff’*** was the overarching reason for strategic change.
- 3.3 Appendix A – “Stakeholder needs analysis for unified service” table shows this in more detail.

4. Service Governance and Organisation Structure

- 4.1 Service governance and delivery options

Joint Delivery Operating Model	Evaluation Conclusion
<p>Do Nothing</p> <p>Continue with current as-is organisation structures with informal collaboration and information sharing where appropriate.</p>	<p>Some authorities have already adopted this model, with the management working closely together to share knowledge, and assist each other where / when possible.</p> <p>Does not provide mandate to share resource and work across district boundaries. Does not address capacity and resilience issues.</p>
<p>Provision of Minimum Statutory Service</p> <p>Continue with current as-is organisation structures.</p>	<p>The continued downturn in the economy has led to a reduction in applications to the majority of authorities leading to lower fee income.</p> <p>Private providers are increasingly targeting low value projects, which have traditionally been the mainstay of LA work.</p> <p>The inability to offer market rate salaries has meant that staff are moving to the private sector.</p> <p>These factors amongst others will mean that Building Control will become unsustainable.</p>

	<p>All costs associated with this service will need to be met by the authorities as no contribution from a fee earning account.</p>
<p>Lead Authority</p> <p>One authority manages delivery on behalf of the other local authority. The relationship and service levels are set out in a legal contract with Service Level Agreements (SLA's).</p> <p>Staff TUPE into the lead authority (although could be seconded).</p> <p>Standard processes and systems, consistency in service and customer experience, and builds capacity.</p>	<p>It brings together the service into a single management entity under a unified management team.</p> <p>It avoids building alternative support services arrangements (e.g. for ICT, Finance and HR)</p> <p>However:</p> <ul style="list-style-type: none"> • No one authority is currently performing at a higher level than the others. • May engender ill feeling or loss of control by the delegating authority (viewed as a takeover rather than a merger). • Tends to work best where there is a failing authority /service that require an immediate turn around, which is not the case with the partners involved • Perceived loss of focus and accountability of a local service by customers as it is now being delivered by another Council

<p>Joint Committee</p> <p>This involves pooling budgets and resources into a single service under one management team with a joint steering committee established under Section 101 of the Local Government Act 1972.</p> <p>The Joint Committee comprises representatives from the partner councils in equal numbers.</p> <p>The Committee performance manage the joint unit (in terms of both finance and quality), sets targets and reviews for its future development, and also determines the extent to which any financial surpluses are distributed to the partner authorities or retained for reinvestment</p> <p>Standard processes, systems and consistency in service / customer experience.</p>	<p>Retains public sector ethos and public accountability. Authorities are equally represented and retain control through Joint Committee.</p> <p>Brings the service into a unified management structure.</p> <p>All staff employed via an agreed host.</p> <p>Ability to share and reduce support costs.</p> <p>Eliminates artificial geographical boundaries improving work management, building capacity and resilience.</p> <p>Platform for standardising / improving processes, common systems and practices.</p> <p>Enables consistency for customer experience.</p> <p>Cannot employ in its own right and may limit ability to trade in new services.</p>
<p>External service provider</p> <p>Service delivery is provided through establishing and /or contracting to a private sector service provider. Typically a long term relationship where many of the existing employees (through TUPE) and assets transfer to the service provider.</p>	<p>Some of the Statutory Functions cannot be delegated to the private sector. So expertise/staff need to be retained to cover these.</p> <p>Whilst there are examples of providers such as Capita or taking on the role, this has generally been as part of a package with the Planning function.</p> <p>It should be noted that prior to becoming a Unitary Authority, one of the Cornwall councils contracted BC to an external provider which resulted in such a dramatic reduction in service delivery and customer satisfaction that the contract was terminated after a 6 month period.</p>

In developing this proposal, we have considered various options, in detail, for the way in which Building Control services could be provided in future. A summary of which is shown below.

Governance

The Partnership Board has considered all the possible governance options and accepted that the Joint Committee structure represented the best option at this time because:

- (a) it offered benefits of scale that could not be achieved individually; and
- (b) it provided all authorities with a greater assurance that they would retain control over the service than would be likely under a Lead Authority.

Delivery structure under a Joint Committee

This then leaves the different delivery options. Each has potential advantages and disadvantages:

	Advantages	Disadvantages
In house provision	Continued flexibility Staff most comfortable with this option Surpluses are retained by the authorities Maximises democratic accountability	May be perceived as less commercial
Local Authority Company	Looks novel/exciting Would enable the provision of a wider range of services (but none are currently intended)	Major potential procurement issue (it is likely that authorities could not award LA Co with contracts for the provision of services without following the EU Procurement process which would be time consuming and expensive) Some additional costs (eg Finance function) Much more complex to establish (legal and regulatory issues) Potential conflict for Board Members (who are required to act in the best interests of LA Co, not their authorities) Would be perceived by staff as less acceptable Would be more difficult to “unwind” than in-house provision Would require more rigid “contracts” with each of the authorities (rather than SLAs)

Externalised provision	Would transfer more risk	<p>Would need to generate a profit for its owners</p> <p>Private sector providers are not likely to be interested in the bottom end of the market (eg small works at residential properties) or some of the statutory functions</p> <p>Would be difficult to “unwind” if it failed Some of the Statutory Functions cannot be delegated to the private sector. So expertise/staff need to be retained by each authority to cover these.</p> <p>Whilst there are examples of providers such as Capita taking on the role, this has generally been as part of a package with the Planning function.</p> <p>It should be noted that prior to becoming a Unitary Authority, one of the Cornwall councils contracted BC to an external provider which resulted in such a dramatic reduction in service delivery and customer satisfaction that the contract was terminated after a 6 month period.</p>
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Having considered the above, we have concluded that externalising the service is definitely not desirable (even if feasible); and establishing a Local Authority Company is also not desirable (but is an option for the future) - as there are ***no significant advantages, at this time***. If, however, the benefits were to increase (eg there was a pressing demand for Building Control to provide other services) then the LA Co would have more merit.

It is recommended that a joint in-house service managed by a Joint Committee is the best current solution, with each Partner being represented by a Senior Officer and an Elected Member. It is a well used and understood model, not only with regard to other Building Control Partnerships across the country but was also utilised for the South West Audit Partnership, and allows for democratic Member involvement which is important to help develop and champion the business going forward.

Full details of how the model will operate will be laid out in a separate governance agreement

4.2 Organisation Structure and Establishment

The proposed structure is derived from the key aims of the unit and the strategic drivers; in particular, the structure must provide:

- Effective business development.
- Business support which is streamlined, focused, and able to implement change well
- Streamlined management structure which allows highly qualified surveying staff more

responsibility and ownership of the service.

- Career development/specialisation opportunities and a sense of 'home' and identity for the professionals (hence team structure and specialisms).

In support of these proposals the following data was used Process & Systems

The policy and processes supporting the services set out in Section 4.1 - Scope of Activities, will need to be aligned and standardised. For example, the process for registering a building control application and the subsequent checking and approval will need to be aligned. This could be undertaken by having a designated centralised plan vetting team. Future state processes will need to be documented; this provides the opportunity to improve or re-engineer the process, especially if the supporting Building Control application is to be re-implemented.

The management processes associated with work allocation and work scheduling will need complete redesign if work is to be more co-ordinated across district boundaries. Indeed, overall management of the service needs to be consolidated / co-located in one location along with those processes / activities which do not need to be replicated in district offices.

All authorities have developed different ways of working with regards the planning, allocation and management of their respective workloads. Some have team members working in a central office with individuals covering designated areas of their District. In others a Senior BC surveyor actively plans the optimal allocation of work each day to maximise the resources available and develop staff whilst ensuring a continuity of service for customers.

The following is an analysis of the volumetric data for each Council in 2013/14

Volumetric Data by Authority	Mendip	Sedgemoor	Taunton Deane	West Somerset	Total
Establishment (not incl. vacant post)	7.3 FTE	5.08 FTE	5.35 FTE	3.8 FTE	
Administrative	-1.8 FTE	-1.28FTE	-1.75 FTE	-0.8 FTE	
Vacancy	-2.0 FTE	0 FTE	0 FTE	-1.0 FTE	
Professional/Technical	3.5 FTE	3.8 FTE	3.6 FTE	2.0 FTE	12.9 FTE
Workload					
Full Plans	295	317	358	128	
Building Notices	262	220	234	149	
Regularisations	56	28	39	13	
Total	613	565	631	290	2099
Population	105,000	116,524	111,000	34,675	
Area hectares	73,814	60,587	46,326	72,535	
Number of offices	1	1	1	1	
Miles/FTE (excl admin)	40	21			
Miles/application (excl AIs)	44	41	N/A	N/A	
(Assumed 220 working days/FTE)					
Application/FTE (excl admin function)	175	149	175	145	
Application/FTE(incl admin function)	116	111	117	104	
Percentage of work undertaken admin support	34%	25%	33%	28%	

Example of calculation of admin input on workload. Total number applications/FTE incl admin function as a percentage of Total number applications/FTE excl admin function i.e 111 is 75% of 149 which equates to 25% being admin function.

Table 1 – Volumetric Data

There are some key indicators of the impacts of the different ways of working in each Council:

1. All teams have a dedicated administrative support, which carry out a number of functions including the registering of applications and maintenance of notices on the system. It can be estimated that on average 30% (Admin FTE/Total FTE) of the work of the BC function is being performed by administrative staff in all authorities. It is considered that this should therefore be the initial benchmark moving forward
2. Currently the miles per application, in relation to district areas, is considered reasonable. Taking into account the number of urbanised areas. It is difficult to confirm exact numbers of inspections per day as all Councils record the number of sites visits differently on their systems (Some tend to record each inspection as a site visit whilst others record each visit as a single visit regardless of the number of inspections carried out).
3. Performance varies across the range from 175 applications per FTE in two authorities, with the remaining averaging between 145 per FTE and 147 per FTE. Whilst further review of the data will need to be carried out, it is feasible that there could be a move to increasing applications per FTE without affecting service delivery or customer satisfaction. Currently one authority with the joint highest number of applications holds Customer Service Excellence accreditation with customer satisfaction levels of 98% of customers considering the service to be at least 'positive' and 58% of respondents considering the service to be 'very positive'.

A review of other partnerships show that the CNC BC Partnership in Norfolk, Devon Partnership and South Gloucestershire have all moved to a more centralised team structure in order to maximise the efficiency of their BC functions, which has shown success.

All authorities have the capability of remote working to a greater or lesser degree. Mendip District Council has been operating a remote working regime since 2012 utilising Citrix systems which means that anyone across the partnership would be able to access data files remotely from day one of the partnership. Currently 3 Councils use the Idox software, either Uniform or Accolaid applications for their BC functions. West Somerset currently operates Northgate M3. The Building Control Manager at West Somerset has confirmed that a move to Accolaid could be quickly accommodated meaning that all councils will be using IDOX software. Work is continuing to identifying versions and compatibility, but indications are that all systems could be aligned over the medium term. This will entail addressing some logistical issues such as migration of data, WAN access and transfer of licences as well as scanning facilities and local image servers for the ERDMS. In addition there will be a need to reach agreement on standardisation of processes in capturing and recording data on the system e.g. site visits / inspections. In the short term however the partnership can run using the systems it has in place, with the identified work stream developing the next steps.

Redesigned/engineered processes supported by standard business applications could deliver efficiencies in the future service. For example remote access with hand held devices utilising the 3G network and accessing back office systems via a 'cloudbase' type server will enable

instant recording of site visits and access to applications similar to that currently used by North Somerset Council. These potential efficiencies have not been quantified or assumed in the business case but will be a future route for the new partnership as it begins to build further efficiencies into its processes .

The degree to which further efficiency opportunities exist will be substantiated during the first year and reported to the Joint Partnership Committee.

Organisational & People

The main impact on the organisation of the service will affect the management roles and balance between administrative and professional staff. At present there are duplicated management structures, creating opportunities to streamline the service if a unified management entity / structure is created. Consolidating the overall management of the service and other activities which do not need to be delivered on a distributed basis into one location could potentially remove two senior management posts and some professional (including a Principal and an Area Manager post) and administrative roles. **Working on the best performing figures of 175 applications per FTE then 2099/175 = 12 Technical Staff, resulting in a structure which consists of**

- Partnership Manager
- Operational Manager
- 8 x Surveyors (1 x Senior)
- 2 x Assistant/trainee

- There are currently 3 vacant posts across the partnership. In addition the following reductions in current establishment will achieve the proposed staffing
 - 2 management posts
 - 3 vacant posts
 - 1 FTE surveyor post.

Also, working on the assumption that 30% of the Building Control function is undertaken by support staff, this would reduce numbers to 4 FTE staff, which could include 1 FTE modern Apprentice (see Appendix G for further clarification)

Post Level	Existing Establishment	Proposed Establishment	Resource Saving
A. Building Control Managers	4	2	2
B. Principal	1	0	1
C. Building Control Surveyors(incl 1 x Senior Role)	11	8	3
D1. Assistant / Trainee Building Control Surveyors	2	2	0
D2. Admin Manager/Systems Administrator	7	4	3

Total	25	16	9
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Comparison of current and proposed establishments

Any efficiency in future processes or ways of working are not anticipated to reduce headcount in professional roles. The restructuring and unified management of the service is expected to create increased capacity and resilience within the service which is currently an on-going operational issue in two districts. In addition given the age profile of the team such reductions could be achieved in the longer run through natural wastage of Technical/Professional staff after the new structures and processes have been given ample time to bed-in and to start to generate productivity savings without the need to incur any redundancies.

Through re-alignment and harmonisation it is envisaged that the service provided to customers can be improved by staff having greater support and the ability to be more flexible along with the ability to offer a wider range of services

An illustration of the high level future organisation structure is set out in the diagram below:



The structure above assumes that most staff located within existing local authority offices in the short to medium term, of the combined areas, with mobile working taking place. One of the advantages of a single management team co-ordinating the service is that strategic decisions regarding the optimal ‘touch-down’ location (for both officers and work) may be determined, providing appropriate local access (for customers) to building control officers, minimising travel to work time for officers and optimising the geographic area serviced by each officer and without regard to arbitrary district boundaries while still achieving financial efficiencies.

The biggest impact on the staff will be a re-alignment of staff to their closest ‘work’ location and customers enabling more efficient and effective utilisation of staff for site visits and local coverage to give customers a strong and responsive service.

4.2.1 Roles

Partnership Manager

Reporting to the joint board the post holder delivers the strategic direction, performance and resource management of the new partnership entity in accordance with the agreed business

plan. Holding responsibility for systems delivery, efficiency savings, strategic marketing (particularly cultivating new and existing major customers and developments and identifying additional income streams), and business management to ensure the delivery of an effectively managed building control service. This role would have special responsibility ensuring effective communication on strategic matters with councillors, key stakeholders (internal and external) and post holders of the partner councils. The ability to manage multidisciplinary teams will also be a requirement of the post holder, as other services closely aligned to with the Building Control functions, either technically or financially, may subsequently come under their control. These will include, initially, the delivery of Land Charges & Searches for TDBC & WSDC and may, in the future, cover Private Sector Housing (disabled facilities grants) or Empty Homes. The associated costs of which will be recharged to the relevant authorities. On occasion it may be necessary to undertake operational roles and responsibilities as required.

Operational Manager

Reporting to the Partnership Manager, the post holder will be responsible the line management and direction of all activities of building control professional staff. This will include responsibility for monitoring business needs and deploying resources to meet these demands. The scope of the service will initially be the provision of the current building control business (including building regulation checking/enforcement services and provision of public safety/specialist services), but could in the future cover other services such as fire risk assessments and sound testing. The post holder will also be responsible for the development, appraisal and training of all professional staff with regard to all technical, legislative and health & safety matters; ensuring that the service is technically 'fit for purpose'. It is proposed that the post holder under the guidance of the Partnership Manager will deliver a robust marketing strategy, focusing on promotion, business relationships, sales and account management. The post holder will liaise with the Senior Building Control Surveyor and staff, on a day to day basis, to ensure good account management of key clients and compliance with Key Performance Indicators. The post holder will also deputise for the partnership manager when required.

Administration/Business Support Manager

Under the direction of the Partnership Manager ensure that new systems (such as new computer management suite, EDRMS, and remote working) are introduced on program expeditiously. To ensure the management of budget, preparation of performance statistics, supervision of the Technical Support Team, and to ensure the surveying team is supported adequately. The post holder will also be responsible for the introduction of quality control, unification of procedures, and implementation of systems to aid remote and mobile working.

Senior Building Control Surveyor

(The future need for this position will be reviewed by the new Management Team after instigation of the Partnership)

To carry out the role of a Building Control Surveyor with the additional responsibility of supporting the Operational Manager by providing professional and technical expertise to the team and be responsible for helping to co-ordinate the review, development, maintenance and delivery of building control policies. To support the Operational Manager in leading and motivating professional staff to achieve an efficient and effective, high-performance service in a competitive marketplace. Contribute to the general development and review of the building control team both in terms of services provided and staff performance, and in doing so ensure the effective operation of the function. The post holder

will also deputise for the Operational Manager when required.

Building Control Surveyor

Under the direction of the Operational Manager the post holders will be responsible for ensuring the provision of a professional building control surveying service. They will be undertaking appraisals of plans and buildings, to ensure compliance with regulations and statutory obligations, and ensuring the health, safety and wellbeing of people in and around buildings. Post holders will provide advice to customers and members of the public on regulatory requirements and general procedural and construction advice. The post holders will have an important role with regard to marketing and business development through all forms of contact, and being key account holders with registered partners.

Assistant/Trainee Building Surveyor

Under the direction of the Operational Manager, post holders will undertake general building control duties in line with a career development plan. The new organisation will be attempting to build resilience by ensuring that trainee surveyors are sponsored through to fully qualified surveyors in order to ensure a 'grow your own culture'. The role of training will become pivotal to each and every surveyors position to ensure that the ethos of learning the new organisation is of paramount importance.

Technical Support Officer

Reporting to the Admin/business support manager, the post holder will assist in the project management of systems development within the new unit and assist with daily work allocation and prioritisation. Responsible for providing administrative/technical support ,to the Building Control team, on a daily basis.

4.2.2 Summary of key structural changes

The main points of note on the new structural form are its reflection of the key findings of the Gershon review, in that there is a renewed emphasis on directing resources to the front line. There are fewer layers of management and a greater emphasis on giving surveyors the requisite autonomy and tools to do the job. In summary, the new structure

- matches the challenges of the key internal and external drivers for change,
- aligns more closely with the needs and expectations of our customers
- will allow the organic development of the service and staff with the emphasis on retention
- gives surveyors more autonomy whilst ensuring systems of cohesion and co-ordination are still in place
- provides a more effective & efficient service
- will deploy more effectively ICT capabilities to develop mobile and flexible working.

4.3 Human Resources

A full report on the HR implications is attached in Appendix I

4.3.1 Recruitment of Partnership Manager and Operational Manager

Consider the existing building control managers first then, if no appointment made, advertise internally and externally.

The advantages of this option are:

- successful appointees are already stakeholders in the business.
- there are no significant advertising costs if one of the existing building control managers

is appointed.

- issues concerning existing building control manager applicants are cleared up early in the process.
- reassures existing staff facing a similar situation that, where appropriate, they will be given the first opportunity to apply for posts before they are advertised more widely.

The disadvantages are:

- if recruitment unsuccessful at the first stage the recruitment process is longer.
- there is no comparison of internal applicants against external applicants leading to a risk of not appointing the very best candidate to the role, which may compromise or inhibit innovation.

4.3.2 Staff transfers. As part of our investigations we have considered the alternatives of staff transfer or secondment to the new unit. Having taken advice from our HR colleagues we are advised that the only feasible option is to TUPE staff at the time of establishment of the joint unit.

The option of secondment would disadvantage staff and would prove complex to manage for the partner authorities. We would further suggest that the foundation agreement include provision that should the joint unit be dissolved for any reason, then staff would TUPE back to the partner authorities.

4.3.3 Staff remuneration/benefits. To be successful the unit must ensure that the salary and benefits package for building control staff does not disadvantage individuals. All staff will transfer on their current terms, followed by an agreed period of consultation on future proposals. It should be noted that in the financial case, all staff costs are assumed to be at the top of the grade, so a pessimistic picture has been painted, which in reality will not be the case.

Benefits packages are likely to include alternative cash allowances i.e standby and car allowances.

4.3.4 Workforce development and profile. There are extreme problems across the districts with retention and recruitment and the general demographical issues illustrated previously. It is essential that the new organisation has sound structured training programs to ensure that it can develop a supply of qualified surveying staff in the future. The new partnership will allow councils to adopt a 'grow your own' culture providing development opportunities for residents. Therefore it is planned to have trainee/assistant surveyor posts which will not only ensure that the unit can cope with turnover amongst surveyors, but by recruiting less skilled people and training them, staff will provide an opportunity to develop a more diverse workforce and offer opportunities to our residents. This ethos on development will also apply to the Administration/Technical Support staff by utilising the Modern Apprenticeship Scheme.

5 Financial Case – Summary

5.1 We have appointed Janet Pascoe from Sedgemoor District Council to develop a comprehensive overarching financial statement. The proposed budgets for all authorities in 2015/2016 will remain as forecasted in year 1. This statement and assessment of future savings will cover those already identified and expressed in this document as well as savings on support costs, duplication of processes, reduction in license costs etc. It should be noted that there will be savings through efficiencies, but

these cannot be determined at this stage.

Building Regulation Fee Earning Service (Non statutory)

This service is concerned with determining compliance with Building Regulations by assessing plans and carrying out site inspections at different stages of the building process. Customers are advised of contraventions of the building regulations and how they may be overcome.

Legislation allows prosecution in the magistrates' court for contraventions of the Building Regulations but is only used as a last resort.

This element of the service's work is subject to competition by the private sector

Non Fee Earning Work (Statutory)

Building Control provides a number of services which are necessary as part of a local authority service. These include:-

- Dangerous Structures.
- Enforcement of Building Regulations
- Demolitions.
- Registering All Initial Notices and Competent Person Scheme works.
- Process disabled person's applications.
- Provide advice to other council services.
- Safety advisory group / safety at sports grounds/outside events.
- General pre-application and building regulations advice.

These elements of building control work do not require payment of a building regulation charge and are not required to be self-financing.

When reviewing the percentage split between the accounts across all authorities, there are a number of variations. It is proposed that existing splits are applied during year 1 with the intention that the proposed efficiencies in working and a proper review of actual non fee earning services will lead to an accurate non fee earning charge to each partner from year 2.

With the efficiencies expected it is anticipated that this charge will be a reduction on current levels leading to further savings for the partnership.

5.2 Financial Arrangements – It is recommended that Host Council will manage the budgets of the Partner Councils relating to the Partnership on behalf of the Partner Councils (hereinafter referred to as “the Pooled Budget”). The Pooled Budget and the Trading Account will be ring fenced for the provision of the Partnership, in accordance with guidance from CIPFA Code of Practice on Local Authority Accounting, Local Authority Building Control Accounting (Revised Second Edition 2010) and The Building (Local Authority Charges) Regulations 2010. To isolate various income and expenditures, the Host Council will separate the Pooled Budget into 4 separate accounts (hereinafter referred to as “the Pooled Accounts”) the first three relating to the activities set out in Schedule 5

- ‘*Building Regulations Chargeable functions or advice*’ account, in accordance with The Building (Local Authority Charges) Regulations 2010 (hereinafter referred to as “the Chargeable Functions”).

- *'Non-chargeable Activities'* account which include all the direct costs and indirect costs which provide a statutory building regulation service for the Partner Councils (hereinafter referred to as "the Non-Chargeable Functions").
- *'All Other Building Control Services'* include all the direct costs and indirect costs which provide other regulative services for the Partner Councils or for professional building control services which are outside of the administrative area of the Partner Councils or provide additional services (hereinafter referred to as "Other Building Control Services").
- *'Trading Account'*, a 3 year earmarked reserve, where surpluses or deficits occur, to demonstrate a breakeven position 'taking one financial year with another' (hereinafter referred to as "the Trading Account").

For the administration of this account reference will be made to *CIPFA's Local authority building control accounting - fully revised second edition 2010 and Schedule 5*.

5.3 Surpluses, deficits and Capital Investment

After extensive research and discussions two options were identified to deal with surpluses and deficits (see Appendix F) the project Team proposes that any deficits or distributed surpluses be shared amongst the partner authorities' pro-rata to services delivered within the geographic area of each partner. The Project Team feel that an equal split on all costs will enhance the prospects of a successful partnership. This model has been adopted by other Local Authorities entering Building Control partnerships. This view has been taken on the basis that to service each application uses resources which dictates a 'cost neutral outcome' reflecting that each application in effect pays for itself. This determines that no council function subsidises another and that surpluses and deficits are a true reflection of an equal split. Surpluses and deficits will be treated as per CIPFA guidance, and in principle sit within the partnership.

Capital expenditure and 'one off' costs should be serviced through surpluses and savings; where surpluses are not available or savings realised, these costs will be borne in the first instance by The Partner Councils and reimbursed by the Building Control partnership over the three year accounting cycle. It is paramount that in order for the partnership to succeed all surpluses are 'ring fenced'

5.4 Savings and Costs

Initial savings year 1

Structural Savings

For the purposes of this report the initial savings identified are through high level structural changes made in the proposed staffing levels identified in 4.2.

These workings have identified all posts currently forming part of each council's establishment and assumed no vacancies, as salary costs for each are identified within each council's budget.

The current establishments, assuming all posts are filled gives a total cost of £828,702
Ex 1.

Assuming reduction in posts as page 14 and staff transferring on existing salaries.

Establishment on existing salaries		£531476
Total Savings	£297,256	
Savings realised/Authority	£74,314	

Ex 2.

Assuming all new posts are filled at the top of the highest salary scale of the partners.

The current establishments, assuming all posts are filled gives a total cost of £828,702

Proposed establishment with salary uplift £590,590

Total savings on £238,112

Savings realised/Authority £59,528

IT – Independent to their decision on the service’s main location, the Board considered what options were available to provide IT services to the partnership and concluded that provision through Sedgemoor District Council would provide the technical support and development skills required, as well as being the most cost effective option.

The ICT infrastructure is already available at Sedgemoor District Council and has sufficient capacity for the increased number of users and will enable mobile working through real-time remote access to the central system.

At present, the partner councils use different types of application software. The Board has agreed that the application software used by Sedgemoor District Council, the current market leader, will be the one used by the partnership. The system will be able to link into other Council systems, such as GIS, DIP and development control application software, as required.

Currently the costs for initial setup have been identified as being approximately £45,000 which includes a staff resource of £14,000. A full breakdown of costs and a commentary on the IT work stream are attached in Appendix B

Savings on Admin – At this stage of the project the savings identified initially are through structural reorganisation and by centralising the admin function to a single office. Future savings are anticipated by further reducing and eliminating current duplication of processes and by developing more effective and updated methods of working. These will include moving to electronic payment systems, reduction in printing and postage and increasing the use of electronic communication to clients and customers.

Supplies and services - are expected to fall as a result of the establishment of the joint unit. This is mostly in respect of reduced subscriptions and licence fees and will be reported as part of the future finance report

Recharged staff – Currently Mendip’s Building Control Section receives a recharge for the provision of admin support. Under the joint unit, all admin staff will be a part of the unit, so there will no longer be a recharge. There is also currently recharges for staff between TDBC and SDC, however this will not generate savings as all staff will remain within the proposed partnership.

Support services - The new building control unit will need finance, HR, IT and legal support services. However these services are supplied (ie whichever partner(s) are responsible), the partners are concerned that they will end up receiving less total revenue (recharge plus surplus) with which to cover their support service commitments after the new unit is created than before, whether or not they are the providers of the support services.

It is our view that creating a joint unit will sustain the total funding available for support services and also improve the surplus available for distribution than remaining separate.

The project team have had extensive discussions regarding the options, in summary, the view is that in order to be successful, the joint unit should ideally source support services from whichever provider best meets the business’s needs. However, it is most likely that HR, Finance and IT support is sourced from the Host Authority.

Future savings in IT and Finance support costs will be forthcoming once the contract between MDC and Capita ends in 2017 and IT support savings when the current contract between TDBC and Southwest One concludes in 2017

Support costs -Our work has identified significant variations in the level of support services and associated recharges paid by building control sections. For the purposes of this case we have made the prudent assumption that there will be no reduction in support service recharges in Year 1. However, as expressed previously further discussions will need to be had with regard costs in the future and how the costs to the unit can be reduced by those authorities no longer providing support services.

Residual costs - As we have noted a reduction in the cost of support services to the Joint Unit may not necessarily be equalled by a reduction in the cost of support services for the partner authorities in the short term. If this is the case then the authorities could incur short term residual costs. This means that there will be additional savings for partners over the longer term.

Capital charges -There are currently no capital charges, but as discussed in Section 2 (Drivers of Change), a key element of the joint unit's strategy is to improve service delivery through the introduction of new technology. To some extent it is likely that the partner authorities will have to invest in such technology. It is envisaged that a percentage of the structural savings identified be utilised for investing in this area.

Transport costs - are also assumed to be the same as operating a joint unit. Increased use of technology will lead to a greater degree of home and remote working which should reduce transport costs. However, this will be offset to some extent by increased costs for the management team (who will have to travel across the four authorities) and the business development function.

Accommodation - Premises costs are assumed at the same level in year 1 as TDBC and WSDC have confirmed that no savings can be considered with regard to accommodation. In reality, the joint unit is likely to reduce its usage of partner authorities' offices once its HQ and Admin centre are established at the host authority, but we have assumed that any expenditure on such accommodation will be offset by a reduction in charges from the partner authorities in the future.

5.5 Implementation costs

5.5.1 Implementation costs could include:

- Potential redundancy costs for two of the existing Building Control Managers, one Building Control Surveyor and Three Admin posts. These costs are to still be confirmed
- The costs of appointing staff to the new structure in Year 0. This could comprise:
Partnership Manager (potential cost nil to £9,836 for internal candidate)
Operational manager (potential cost nil to £4,812 for internal candidate)
Business support/Admin Manager (£6298)
N.B All costings are within the salary structures calculated in this document.
- IT costs on initial setup is approximately £45,000 including staff resource.

6. Implementation Plan. The following table indicates the stages the proposed partnership will follow to full transformation

Implementation Plan			
	Set up	Live Project	One year in
	Year 0 – up to April 2015	Year 1 2015 – 2016	Year 2 2016 - 2017 Year 3 Onwards
Process	Process integration <ul style="list-style-type: none"> • Datasets review • Quality Management • Service performance framework • Review of hourly rates with a view to harmonisation day 1 	Investigation of diversification opportunities <ul style="list-style-type: none"> • Fire risk assessments • SuDS • Access audits • Sound testing 	
Organisation	<p>Year 0-1</p> <p>Legal</p> <ul style="list-style-type: none"> • Agreement on company model (arms length, host authority etc) • Governance structure approval and establishment of Joint Committee • Appointment of Management Team • HR/Staff consultation <p>Corporate Identity/Branding Marketing Strategy</p>	<p>Year 1-2</p> <p>Management and administration bases determined Surveyors move to agile/remote working IT plan TUPE</p>	<p>Year 2-3</p> <p>Daily presence provided to each authority as required in each Local Authority</p>
People	Management Team appointed – 1 Partnership Manager Operational Manager Key management/professional support services during year nought provided by the DC partners as agreed.	See above	<ul style="list-style-type: none"> • Transfer of Partnership functions to a single office • Utilise use of mobile working technologies • Implementation of single desk presence in each authority to provide: <ul style="list-style-type: none"> - local customer advice contact - development/access advice - local point of contact Surveyor
Information & communication technology	IT consultants to advise in the following areas. Dates to be set for implementation subject to the agreement of an IT implementation strategy: <ul style="list-style-type: none"> • Unification of data management system for go live on year one commencement • Remote/mobile working • EDMS • Website development • Computer suite choices • Electronic submission/payment delivery Renewal of mobile/equipment contracts with host authority having let existing contracts run their course, i.e. mobile phones, laptops, online provider.		
	Specification and selection of data management system + training	Single submission material electronic and paper	

7. Risk Log: Building Control project

Risks to project	Impact	Likelihood	Mitigation
Corporate Management Teams (CMT) of the partners refuse to back a recommendation to proceed with project due to perceived impact on overhead allocation and less control of surpluses	M	M	Financial case does not depend on significant overhead costs or savings. Partners control partnership board, which allocates surpluses.
Members do not support a recommendation to proceed eg due to perceived reduction in their control of the service	H	ML	The project was mandated by the Partnership's Commissioning Board, which includes Senior Managers from all participating authorities. Building Control is not a politically sensitive service and with suitable stakeholder management and CMT support the project is likely to proceed.
Combined service fails to achieve expected benefits to customers and to partner organisations	M	ML	Customer service: during transition, analyse service performance and redesign service processes where appropriate, starting with the customer. Financial: make conservative estimates of surpluses. Manage costs of transition and operational costs closely. Monitor market share and forward pipeline and increase business development activities as needed.
Staff unhappy with change: key staff leave, or reduced co-operation.	HM	ML	Good communication; involving staff in developing services and operational improvements; emphasise career and potential financial benefits to staff of new unit.
Fail to implement successful technology solutions and improvements so fail to achieve mobile/flexible working.	M	L	Well established technology already deployed elsewhere; essential to partner organisations' success irrespective of this project.

Risks to project	Impact	Likelihood	Mitigation
Union opposition delays project or results in increased costs, prejudicing business case.	M	L	Early and comprehensive union consultation and involvement.
The authorities cannot deliver non fee earning work as efficiently as at present	M	L	The joint unit will deliver all those services that are currently provided by building control, including their mandatory non fee earning services. The SLAs will define the range of activities and act as a “contract” for services to the partner authorities.
Too much focus on external clients	L	M	There is no reason why this should be more of an issue with the Joint Unit than it is for authorities individually at the moment. The Joint Committee which governs the service will ensure that the focus is kept to an appropriate level. The establishment of a Business Development function which is separate from the delivery arm of the joint unit could also reduce this risk.
Reduction in local knowledge	M	M	Whilst there will be opportunities for greater specialisation across the joint unit, delivery of services will still be through area based teams who will retain local knowledge as at present.
Joint unit fails to achieve projected fee levels	M	MH	This is a bigger risk for the authorities if they do not create a joint unit; the new unit will be more financially robust. In addition, the managers of the joint unit will be required by the Joint Committee to deliver the required trading surplus; managers will therefore reduce expenditure in line with reduced income

Risks to project	Impact	Likelihood	Mitigation
Disagreement over the division of surpluses	M	MH	Whilst we do not think it would be appropriate to tie the hands of the Joint Committee, we have set out in the business case our proposals for a default method for apportioning distributed surpluses.
Financial controls are weaker	L	M	One authority will have clear responsibility for accountancy and audit services, and other partners will be entitled to rely on that authority's controls. This issue will also fall within the remit of the Joint Committee to manage.
Loss of democratic control	L	M	Building Control has a relatively low profile with Members, so this is a lesser problem than it would be for other services. In addition, the Joint Committee will have elected Member representatives from each authority.

APPENDIX A

Stakeholder needs analysis for unified service

Stakeholder Group	Current service needs & expectations (What success looks like)	Future service needs & expectations of unified structure (What success will look like in future in addition to the present)
Customers	Effective service Cost efficient service (value for money). Professional advice & guidance. Quick resolution of issues. Consistency of approach.	Value adding products (warranty schemes etc.) Value adding services where appropriate (fire safety audits etc)
Management teams & elected members	Service viability. Cost efficient (reduced contribution from general fund). Operational fit, with other internal services. Few or no complaints. All other non-fee (building control) services still provided.	More sustainable service. Greater cost efficiency. Better service standards. Improved service innovation. Greater flexibility in cost control. All other non-fee (building control) services still provided, but with possible increase in scope, e.g street naming service for all districts. See Appendix G for further detail
Staff	Enjoyable and interesting work. Professional development. Succession Planning. Job stability (for most but not all) Personal value and self esteem	Greater diversity in workload. Opportunity for wider skill use and development Improved morale and entrepreneurial ethos. Market aligned terms & conditions. Improved recruitment & retention. Improved career opportunities
Partner organisations	Development of nationally agreed partnership frameworks	Improved consistency. Solution based service delivery. Improved access to specialist skills.
Community	Healthy, safe & sustainable local built environment	As opposite but more effectively and efficiently delivered (more or same for less)

APPENDIX B

Building Control (BC) Partnership ICT Update – CW20141210

Assumptions

The Sedgemoor ICT provisioning is based on the following assumptions:-

- A) All BC Partnership users (16 maximum) will be Sedgemoor employees.
- B) The BC Partnership will use existing SDC ICT Infrastructure and Systems as defined in the spreadsheet (attached) to assure best value.
- C) SDC ICT will configure, support and liaise with suppliers to ensure the environment at SDC is suitable for the BC Partnership needs.
- D) Funding will be made available as identified in the spreadsheet (see attached).
- E) There will be no data migration from partner legacy systems.
- F) Land Charges and Street Naming and Numbering service is outside the scope of the requirements.
- G) Any existing dynamic integration of Land Charges related to Building Control at other non SDC authorities will cease to operate eg. TDBC and MDC. However, a web portal hosted at SDC will be available to view BC property history related to Land Charges. Manual intervention at the partner locations will be required.

Current BC Partnership Systems

The table below summarises the current BC Software Suppliers and the appropriate BC case management system in use within each Local Authority.

Table 1 – Authority Systems

Authority	Supplier	Product	Contract Expiry	Contract Issues
TDBC	IDOX	Acolaid	2017/18	Linked to other business areas and South West One contract
MDC	IDOX	Caps	2017/18	Linked to other business areas and Capita contract
WSDC	Northgate	Building Control	2016	Linked to other business areas and overarching Northgate product contract
SDC	IDOX	Acolaid	Annual Reoccurring	Linked to other business areas and overarching IDOX product contract

Proposed ICT Environment

The following explanation provides a greater explanation of the products and services identified on the attached spreadsheet.

Servers

In order to ensure the 'ICT environment' is technically operational for the BC Partnership the existing SDC technical architecture will need to be modified. It is anticipated that the changes will be minimal if the environment remains as SDC. eg. all users of the BC Partnership will have Sedgemoor.gov.uk email addresses. It is not intended, at this stage, to set up a separate technical operating company within the SDC ICT infrastructure eg. equivalent to Homes in Sedgemoor.

Acolaid

Acolaid is the proposed case management system to support the BC Partnership hosted at SDC. The existing solution installed at SDC already contains various modules and interfaces to support the operations of BC. It is proposed to extend this functionality by reconfiguring elements of the existing system to support the BC Partnership and specific partners.

The spreadsheet (attached) identifies some investment at an early stage in order to comply with software licensing and the business plan of the BC Partnership. It should be noted any licences, eg. e BC and PR module should not be incurred at this time (negotiations are still in progress with IDOX to ratify this). However, the novation of licences should occur at the end of partner contracts, therefore further investment should not be required at this time.

Trim

Trim is the SDC Records Management System where records eg. emails and scanned images are stored. Due to the recent SDC organisational downsizing and existing supplier contract term duration, SDC currently has a number of licences available. Therefore no further investment is required.

Website Presence

A TDBC and SDC BC Partnership website already exists. This is already hosted at SDC and may well need to be amended to support the wider BC Partnership. The changes required will be absorbed by existing resources.

Desktop Environment

The BC Partnership Business Plan requires a 'mobile solution; which maximises their operational flexibility. With Windows 10 to be released in 2015 alongside new mobile devices (touch based laptops and '2 in 1's'), investment in the latest mobile devices will need to be assured at the appropriate time. New devices will need to be purchased/configured prior to the date when the partnership requires technical operation. Therefore, investment will need to be assured.

Remote Access and Telephony

In order for the SDC Partnership employees to work flexibly, Two Factor Authentication (RSA fob) and existing Lync Telephony will need to be provided in line with the SDC flexible working and IS Security Policies. 2FA investment will be required as SDC do not hold spare licences. . Due to the recent SDC

organisational downsizing and existing supplier contract term duration, SDC currently has a number of Lync telephony licences available. Therefore no further investment is required.

Lumia Phones

As all staff are SDC employees, Lumia phones will be provided to operate on the SDC infrastructure. SDC do not carry spare stock, so investment will need to be assured once the BC Partnership is technically operational. This will need to be aligned with desktop, email and user account creation.

Data Migration

The investment required to migrate data has been excluded as the costs are currently unknown. Costs could be as high as £30,000-£40,000 per site, but as no evaluation has taken place on this aspect it is excluded from the costs (see attached spreadsheet). The recommendation is to exclude data migration.

Alternatively, once the BC Partnership is technically operational, any new BC applications should be added to the SDC BC Partnership solution. However, this will require all employees of the BC Partnership to have access to the hosted system. This will need to be aligned with desktop, email and user account creation.

Conclusion

Although investment has been reduced (attached spreadsheet), by maximising existing SDC sink costs and capability, there is operational effort, on SDC's behalf, that will require additional investment – estimate £14,000. The majority of this additional investment will be working with our Supplier eg. IDOX to ensure the solution hosted at SDC is fit for purpose.

There are three potential issues for further consideration:

- 1) Agreement of the resource availability
 - a. SDC IS,
 - b. BC Partners
 - c. SDC Supplier – IDOX
- 2) Agreement of the timeframes to complete the ICT technical operations. In all likelihood the technical environment will not be ready until quarter two/three of 2015.
- 3) An understanding by the BC Partnership of the impact on systems at the remaining sites.eg. TDBC and the dynamic Land Charges integration which will cease, unless there is a double entry of TDBC property and BC case data.

	Qty(additional) 15 staff max	Year 0	Year1	Year 2	Year 3	Year 4	Year 5	Year 6
Servers								
Domain Controller	2 Servers	£0	£0	£0	£0	£0	£0	£0
Email Server std	1 Server	£0	£0	£0	£0	£0	£0	£0
File Store	9 Users	£0	£0	£0	£0	£0	£0	£0
SFTP Server for secure file transferred (Sedgemoor) (if required)		£0	£0	£0	£0	£0	£0	£0
Configuration of Accounts and Email (Sedgemoor)		£3,000						
Acolaid								
BC Module	9	£0	£0	£0	£0	£0	£0	£0
PR module	9	£0	£0	£0	£0	£0	£0	£0
GIS Module (MapExtreme)	9	£1,550	£360	£360	£360	£360	£360	£360
Competent Person Scheme XML	1	£0	£0	£0	£0	£0	£0	£0
Dangerous Structures	9	£0	£0	£0	£0	£0	£0	£0
TRIM integration	9	£0	£0	£0	£0	£0	£0	£0
LLPG importer	1	£0	£0	£0	£0	£0	£0	£0
Configuration of Acolaid inc LLPG/CPS import solution(Sedgemoor and Idox)		£4,000						
Online BC XML interface		£3,000	£400	£400	£400	£400	£400	£400
Configuration of BC Online Application Interface and XML Payments (Sedgemoor)		£4,000						
Trim & Scanning								
Trim and Redaction	9	£0	£0	£0	£0	£0	£0	£0
Configuration of TRIM and Scanning (Sedgemoor)		£3,000	£0	£0	£0	£0	£0	£0
Website Presence								
Website Configuration (Sedgemoor)	1	£0	£0	£0	£0	£0	£0	£0
Desktop Environment								
Laptop inc Operating System, Office licence and docking station	9	£9,000						£4,500
2nd Monitor (large)	15	£2,000	£0	£0	£0	£0	£0	£2,000
Pager	10	£200	£50	£50	£50	£50	£50	£50
Printing (price per copy) - available only at Sedgemoor								
Remote Access								
2FA token/Licence & headset	9	£650	£210	£210	£210	£210	£210	£210
VPN - managed endpoint devices only	9	£0	£0	£0	£0	£0	£0	£0
Remote Access Server	1	£0	£0	£0	£0	£0	£0	£0
Remote Telephony	9	£0	£0	£0	£0	£0	£0	£0
Remote working (Careline Service)	9	£0	£0	£0	£0	£0	£0	£0
Smartphone								
Lumia 635 - no for admin staff	9	£450	£200	£200	£200	£200	£200	£200
Sub Total		£30,850	£1,220	£1,220	£1,220	£1,220	£1,220	£7,720
System Migration								
WSDC (frozen at end of contract period) - no data migration		£0	£0	£0	£0	£0	£0	£0
TDBC (frozen at end of contract period) - no data migration		£0	£0	£0	£0	£0	£0	£0
MDC (frozen in at end of contract period) - no data migration		£0	£0	£0	£0	£0	£0	£0
Totals		£30,850	£1,220	£1,220	£1,220	£1,220	£1,220	£7,720

APPENDIX C

BUILDING CONTROL FINANCIAL HIGH LEVEL STATEMENT FOR 2013-14

AUTHORITY NAME:

Total

Mendip District Council

Sedgemoor District Council

Taunton Deane borough Council

INCOME & EXPENDITURE ACCOUNT

	Fee Earning	Non Fee Earning	Total	Fee Earning	Non Fee Earning	Total		Fee Earning	Non Fee Earning	Total		Fee Earning	Non Fee Earning	Total
	£	£	£	£	£	£	%	£	£	£	%	£	£	£
EXTERNAL EXPENDITURE														
Staff costs														
direct employee expenses	539,881	214,631	754,513	130,470	30,328	160,798	21%	152,910	61,076	213,986	28%	185,963		
indirect employee expenses	26,225	13,792	40,016	0	0	0	0%	1,941	1,620	3,561	9%	13,139		
Premises Costs	6,005	7,118	13,123	261	0	261	2%	0	3,889	3,889	30%	10		
Transport Costs	33,451	16,212	49,662	9,415	2,541	11,956	24%	9,809	6,950	16,759	34%	11,320		
Supplies & Services	121,539	13,310	134,849	47,990	107	48,097	36%	9,880	4,982	14,862	11%	18,300		
TOTAL EXTERNAL EXPENDITURE	727,101	265,063	992,164	188,137	32,975	221,112	22%	174,540	78,518	253,057	26%	228,732		
EXTERNAL INCOME (enter as positive)														
Building Control plan fees	826,397	0	826,397	245,532	0	245,532	29.7%	255,660	0	255,660	31%	230,022		
Other external income	30,101	49,725	79,826	699	0	699	1%	196	36,262	36,459	46%	26,190		
TOTAL EXTERNAL INCOME	856,498	49,725	906,223	246,231	0	246,231	27%	255,857	36,262	292,119	32%	256,213		
TOTAL EXTERNAL NET EXPENDITURE	(129,397)	215,338	85,941	(58,095)	32,975	(25,120)	-29%	(81,317)	42,255	(39,062)	-45%	(27,481)		
INTERNAL EXPENDITURE (enter as positive)														
Support Services	321,774	165,039	486,813	112,549	39,266	151,815	31%	54,584	51,240	105,824	22%	109,991		
Capital Charges	6,910	3,105	10,015	0	0	0	0%	0	0	0	0%	6,910		
TOTAL INTERNAL EXPENDITURE	328,684	168,143	496,828	112,549	39,266	151,815	31%	54,584	51,240	105,824	21%	116,901		
INTERNAL INCOME														
Internal recharges	52,550	83,513	136,063	0	0	0	0%	0	59,903	59,903	44%	52,550		
TOTAL INTERNAL INCOME	52,550	83,513	136,063	0	0	0	0%	0	59,903	59,903	44%	52,550		
TOTAL INTERNAL NET EXPENDITURE	276,134	84,631	360,765	112,549	39,266	151,815	42%	54,584	(8,663)	45,921	13%	64,351		

BUILDING CONTROL FINANCIAL HIGH LEVEL STATEMENT FOR 2014-15

AUTHORITY NAME:

Total

Mendip District Council

Sedgemoor District Council

Taunton Deane Borough Council

INCOME & EXPENDITURE ACCOUNT

	Fee Earning	Non Fee Earning	Total	Fee Earning	Non Fee Earning	Total		Fee Earning	Non Fee Earning	Total		Fee Earning	Non Fee Earning	Total
	£	£	£	£	£	£	%	£	£	£	%	£	£	£
EXTERNAL EXPENDITURE														
Staff costs														
direct employee expenses	579,952	235,840	815,792	169,460	46,120	215,580	26%	142,400	61,280	203,680	25%	197,502	88,733	286,235
indirect employee expenses	18,196	8,344	26,540	0	0	0	0%	3,070	3,570	6,640	25%	10,626	4,774	15,400
Premises Costs	0	5,050	5,050	0	4,250	4,250	84%	0	800	800	18%	0	0	0
Transport Costs	34,700	16,470	51,170	8,630	2,300	10,930	21%	10,850	6,980	17,830	35%	12,103	5,437	17,540
Supplies & Services	82,154	29,892	112,046	21,220	70	21,290	19%	18,390	7,810	26,200	23%	16,954	7,617	24,571
TOTAL EXTERNAL EXPENDITURE	715,002	295,596	1,010,598	199,310	52,740	252,050	25%	174,710	80,440	255,150	25%	237,185	106,561	343,746
EXTERNAL INCOME (enter as positive)														
Building Control plan fees	773,917	0	773,917	215,000	0	215,000	28%	230,720	0	230,720	30%	231,697	0	231,697
Other external income	35,969	56,236	92,205	3,790	0	3,790	4%	0	43,710	43,710	47%	27,879	12,526	40,405
TOTAL EXTERNAL INCOME	809,886	56,236	866,122	218,790	0	218,790	25%	230,720	43,710	274,430	32%	259,576	12,526	272,102
TOTAL EXTERNAL NET EXPENDITURE	(94,885)	239,361	144,476	(19,480)	52,740	33,260	23%	(56,010)	36,730	(19,280)	-13%	(22,392)	94,036	71,644
INTERNAL EXPENDITURE (enter as positive)														
Support Services	240,520	156,340	396,860	92,870	30,320	123,190	31%	20,990	62,850	83,840	21%	71,332	32,048	103,380
Capital Charges	0	0	0	0	0	0	0%	0	0	0	0%	0	0	0
TOTAL INTERNAL EXPENDITURE	240,520	156,340	396,860	92,870	30,320	123,190	31%	20,990	62,850	83,840	21%	71,332	32,048	103,380
INTERNAL INCOME														
Internal recharges	135,319	131,761	267,080	0	0	0	0%	0	65,330	65,330	24%	85,560	38,440	124,000
TOTAL INTERNAL INCOME	135,319	131,761	267,080	0	0	0	0%	0	65,330	65,330	24%	85,560	38,440	124,000
TOTAL INTERNAL NET EXPENDITURE	105,201	24,579	129,780	92,870	30,320	123,190	95%	20,990	(2,480)	18,510	14%	(14,228)	(6,392)	(20,620)

APPENDIX D

Other examples of partnership working in Building Control

Name	Local Authorities	Details
CNC Consultancy	Broadland District Council Norwich City South Norfolk	Commenced 1 April 2004. Joint Committee. Host Authority Broadland. Strong brand image. Clear and early communication with customers
Devon Building Control Partnership	South Hams District Council Teignbridge District Council West Devon Borough Council	Commenced April 2004 (Teignbridge & West Devon). South Hams joined partnership August 2006. Hosted strategic local authority partnership. A developing partnership based on existing area based structures.
Horsham and Crawley Building Control Partnership	Horsham District Council Crawley Borough Council	Commenced 2006 Joint Partnership Board. Horsham acting as host
North Derbyshire	Bolsover Chesterfield North East Derbyshire	Joint committee with Chesterfield acting as host including provider of all support services. This was one of several joint working initiatives the authorities considered at the same time.
Ipswich	Ipswich Suffolk Coastal	Lead authority model with Ipswich providing services to Suffolk Coastal under contract.

APPENDIX E

Full service catalogue

Building Control defined:

The main function of all Building Control sections is to ensure that new building work meets the requirements of the Building Regulations. These Regulations cover matters such as structural stability, fire safety, conservation of fuel and power and access and facilities for disabled persons. This is achieved by checking and approving plans of proposed works, and then carrying out inspections of the work on site as it proceeds.

Building Control also:

- Ensures that dangerous structures are made safe.
- Demolition of existing structures does not endanger public health and safety.
- Offer general advice about building matters.
- Gives advice about access and facilities for people with disabilities.

Proposed Building Control Level of Service:

The existing teams cover all or some of the services noted in the above table; we proposed to maintain this level of service within the new structure. However, opportunities exist for the Districts to choose to retain, or pass over services to be undertaken by the newly formed establishment. An example of this is the land Charges Service. Currently, one district provides this through building control. It may be more logical from an information management context for the new unit to provide this service across the Partnerships districts

Chargeable account Works	Funding stream	Source of Duty
Building Regulation Work		
Plan checking & consultations	Building Regulation fee income	Statutory Duty
Structural engineering checks		
Site Inspections		
Preliminary enquiries in connection with future projects		
Administration associated with LA controlled submissions		
Non chargeable account works (building control)	Funding stream	Source of Duty
Building Act/Legal/Enforcement		
Enforcement/Appeals/Disabled Fee/Exempt Works etc.	Council Tax funding	Statutory Duty
Public Advice/Complaints/Political		
Approved Inspector registration		
Development Control & Conservation		
Planning Condition checks	Rechargeable work	Best Practice

Planning Application Consultations etc.		consultation	
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Non chargeable account works (building control)	Funding stream	Source of Duty
Public Safety Services		
Action on dangerous structures	Council Tax funding ¹	Statutory Duty
Control on demolitions		
Fire Authority enforcement checks		
MOE, Ingress & Egress (S71/S72)		
Emergency Planning		
Emergency callout provision for dangerous buildings		
Other Internal Services		
Consultation Service, i.e, housing	Rechargeable work	Discretionary consultation
Land charge searches		
Licensed premises consultation		
Means of Escape advice		
Housing returns	Council Tax	Statutory Duty
Solicitors Query replies		
Corporate Development Unit		
Departmental work for people with disabilities	Council Tax	Discretionary
Street Naming & Numbering		
Naming & Numbering	Council Tax	Statutory
Renaming & Renumbering	Fee income	Discretionary
LLPG	Council Tax	
Other surveying work outside of trading account		
MOD work	Fee income	Discretionary
Access audits		
Fire Audits		
Energy surveys		

APPENDIX F

Treatment of the expenditure and income of the Building Partnership

1.0 Treatment of the expenditure and income of the Building Partnership

The Building Control Partnership will be made up of four Building Control units representing Mendip District Council, Sedgemoor District Council, Taunton Deane Borough Council and West Somerset District Council. This guidance note sets out the intention of how income, surpluses, recruitment and capital investment costs should be split between the four authorities.

2.0 Fee Earning Income

The income derived from Building Regulations applications will be readily identifiable, as application fees will be recorded against each application. Each application will also be identified against the district/borough Council in which it sits by an identifiable suffix on the file management system. Initial research suggests that this is entirely possible through the IDOX packages. This will allow the fee income from each authority to be established through the database at any time and when budget monitoring and when budgets are set and outturns are calculated. Fee income can then be attributed against each Local Authority ready to be apportioned against relevant support charges, salaries, accommodation and other on costs.

As surveyors and support staff will be employed by a single Council there will be no requirement to adjust the recharge rate of surveying services across districts beyond their agreed harmonisation at the outset. It is noteworthy that the hourly rate of each Building Control department from each Council is similar to the point that that harmonisation can be fully established and fees can be unified with very little impact on each authorities published schedule of fees. Surveyors will work across what were authority boundaries and, in accordance with the Building (Local Authority Charges) Regulations 2010, 'the charges regulations', each application is expected to be delivered on a full cost recovery basis irrespective of which authority has legal control.

2.1 Proposal 1 – Equally split surpluses and deficits

Fee earning income for each authority x 4 - cost of all building control staff, support costs and on cost / 4 = Surplus or deficit per authority. The surplus or deficit will sit with the partnership to be treated in accordance with the Building (Local Authority Charges) Regulations 2010, although in reality this will be under the control of each authority equally.

The Partnership will be working to the statutory requirements of the Building (Local Authority Charges) Regulations 2010. This requires a Council to charge only for what is required for an application to be serviced. There should be no ambition for the Partnership to model a business that attracts large surpluses without the intention of investing them back in to the business through staff resource or

infrastructure or in order to neutralise previous deficits as a rolling programme. There are a number of factors that need considering should the partnership choose to equally split surplus' and deficits across the partners.

1. An equal split creates autonomy amongst the Partners.
2. This has been an agreed process though a number of similar partnerships.
3. The Partnership is guided by CIPFA guidance and Regulations set out in the 'Charging Regulations'. Transparency of accounts and how costs are attributed so that Authorities are not cross subsidising each other will need to be established.
4. An equal split will work where surplus' can be reinvested in infrastructure and technology or staff. Problems may occur where deficits occur which have to be absorbed by each authority. Based on 2013/14 outturns it is clear that West Somerset cannot currently attract the same levels of income as the other Partners (*WSDC income 11% of total income see Appendix A*). Deficits would be based over the Partnership divided by 4 which may be an increase on costs to WSDC or transversely it may be that the other Councils attract deficits as a result of a single Council not being able to cover its costs.
5. The principle of the Partnership and the 'Charging Regulations' is that resources are attributed to service an application at cost recovery only. If prudent management and accounting is established resources will be targeted where required and reduced where not. This negates whether an Authority attracts higher levels of income than others or not, as resources are established based on income.
6. Should the Partnership disband or one partner leave settlements of 25% of any surplus (or deficit) in the current year will need to be agreed. Agreements to tie Authorities to capital expenditure will also need to be established.

2.2 Proposal 2 - Treatment of deficits and surpluses based on an agreed factoring arrangement.

An alternative to proposal 1 is that surpluses and deficits should sit with each Authority coming into the Partnership. This can be established based on application data which will remain readily available through the chosen file management system. When considering this option the following factors need to be taken into account: -

1. Agreement of the factors to be taken into account will need to be established and agreed. It is likely that fee income and number of applications will be key data but that the size (hectares) of each area will also need to be taken into account. With a single hourly rate for the Partnership, mileage and dead time through travel need to be accounted for so that the cost of servicing remote applications on a frequent basis can be factored into the true cost of servicing an area.
2. In order to account for the running costs of offices and administration any factoring will need to include service costs, although accounting costs and HR costs may need to be factored separately as the delivery of accounts for instances does not change based on income or number of applications.

3. The factoring of surpluses and deficits if taken as the chosen route forward will need to also be applied to redundancy and capital investment costs, in order to promote equality in the financial contributions. This may be challenging when trying to establish a single Partnership as it may establish more dominating Partners in the Partnership. Simply, if equality is established throughout, this can be reflected in the decision making processes, financial contributions and service delivery.
4. The factoring of surpluses and deficits leaves a status quo of each 'service unit' acting individually. It further leads to each Authority needing to reach their proposed factor rating in order for the factor to correct at its application.
5. Any factoring will need to be revisited on an annual basis to establish that remains equitable.

3.0 Recommendation

The Building Control Managers from each Authority feel that an equal split on all costs will enhance the prospects of a successful partnership. This model has been adopted by other Local Authorities entering Building Control partnerships

4.0 Statutory Costs and the recharge of costs incurred on statutory functions (Proposal)

The costs of carrying out enforcement work, dangerous structures and demolition notices will remain with each local authority, although the statutory account will be administered by a single accounting unit. This has currently been identified as Sedgemoor District Council. If and when staff are TUPE'd to a host authority, time dealing with other authorities enforcement works will need to be recharged to the appropriate Council. The Councils included in this partnership have very similar hourly rates for the recharge of their Building Control services. This allows for the development of a single hourly rate to be established without adversely affecting fees and recharges of any of the authorities included.

In the interests of establishing a viable partnership it is sensible that no single Council should take the burden for enforcement costs. These are cost that should be borne by the Council in which the statutory function sits and professional staff costs should be identified and recharged to the specific Council and the specific case to which the charges relate. This allows for the processes to be fully auditable and for each Council to enjoy any savings that are established through efficiency savings being distributed through the hourly rate. When considering dangerous structures for example, undertaking works to make structures safe is time consuming and can become costly if a Council undertakes work or measures to make a building safe, or initiates legal action through the Magistrates Court. Expenditure on enforcement work will sit within each Council with recharges, such as solicitor costs, surveyor costs, and labour costs and equipment costs being charged on as a cost of service for servicing a specific incident.

5.0 Calculation of expenditure and capital investment (Proposal)

In order for the Partnership to move forward and align itself to the proposed structure in the business plan, there will be some costs associated with streamlining the workforce and a requirement for capital investment to upgrade IT systems and realise full efficiency of the service through mobile working and

alignment of systems and processes. It is noteworthy that none of the Building Control units currently have surpluses ready for reinvestment and that upgrading of IT currently sits within each Council through their IT service providers. These costs are attributed through each Council's accounting procedures. All investment will need to be demonstrated on a 'spend to save' basis. When considering expenditure to streamline the workforce, this would include the costs associated with redundancy. The Partnership Board and Executive will need to decide how this expenditure will be shared through the Partnership and the following options need to be considered: -

Table 1. Consideration of options

Proposal	Justification of proposal
<p>All Costs should be attributed equally at 25% per Authority.</p>	<p>With regard to redundancy precedent has already been set through the Taunton Deane and Sedgemoor working arrangements. The redundancy cost of the Senior Administration post was split 50/50. This was irrespective as to the employer of the post which was a single Council with salary costs being recharged.</p> <p>In the interests of forming an equal Building Control Partnership differences in size, the ability to attract income or the staffing ratios for each building control team should not be considered as it highlights the differences in unit size. With stakeholder support required from the outset we should not produce a culture that larger service units have greater gravitas and therefore attract higher costs when paying for redundancy or investment. All costs attributed to the Partnership should be on a spend to save basis for the Partnership.</p>
<p>Each Council should pay for their own staff costs. (redundancy)</p>	<p>The business plan is for all staff to be TUPE transferred to one Council in the medium term. Therefore everybody connected to the Partnership will be working for the same organisation. All costs associated with this process will need to be met by each authority. Redundancy costs will form part of this process. In order for the recruitment</p>

	and redundancy process to be completely transparent and equal it is not reasonable for a single council to bear the costs of making its own staff redundant as a consequence of the Partnership when staff from other partnered councils may not have these costs because their staff was successful in filling a position.
Redundancy cost should be factored	If costs were factored agreement would be required as to how a factor would be applied. Table 2 gives a number of options on how a factor could be applied. Applying a factor would be difficult and would complicate the accounting procedures for the partnership. If a factor was based on unit income this would need to be revisited on a periodic basis as specific towns or areas enjoy investment which may lead to a spike in income for example.
Capital Investment to be based on agreed factors.	As described previously establishing an equitable factor could be complicated and will be subject to audit on a regular basis as micro economies change. It further attracts a further process to finances and budget setting.
Capital Investment to be shared equally	It is reasonable to share capital investment equally based on the issues raised in sections 2 and 3 of this guidance. Agreement and an ongoing strategy from each authority will be easier to establish if costs are equally shared. Equality of costs = Equality of input. Capital investment should establish a saving for the business over a prescribed time period which, as a result, will lead to savings which can be factored into IT support costs and other capital investment.

The following data has been considered when developing a factoring system for the delivery of costs and expenditure: -

Table 2. Factoring considerations


Factors for analysis	Considerations
Population of each Council area	The Partnership remit works with a specific service area and not a service used by all groups using a Council. The size of population within a Council does not necessarily equate to the amount of income derived through Building Regulations as high density areas may be subject to greater competition meaning a smaller proportion of work is won. There is some correlation to base proportional costs and revenue based on population but application data and area also need to be considered to give a rounded picture.
Workload – Number of applications	The number of applications gives a good indication as to the workload of each organisation. Although this needs to be considered it should not be in isolation as it does not account for the complexity and size of a project and what is required to resource it.
Fee income	Fee income is key in establishing what each service will contribute to the partnership in terms of resource. It should be noted that with a cost neutral budget on the fee earning accounts that the amount of resources being supplied into the partnership will be balanced with the staff allocated in each district and so therefore equilibrium of income and expenditure is retained irrespective of where any building project occurs.
Number of staff entering the partnership	Each Building Control Unit will have a specified number of staff coming into the partnership. It should not be the case that this is factored into any agreement as this becomes historic data after when staff are TUPE'd and the Partnership comes to fruition.

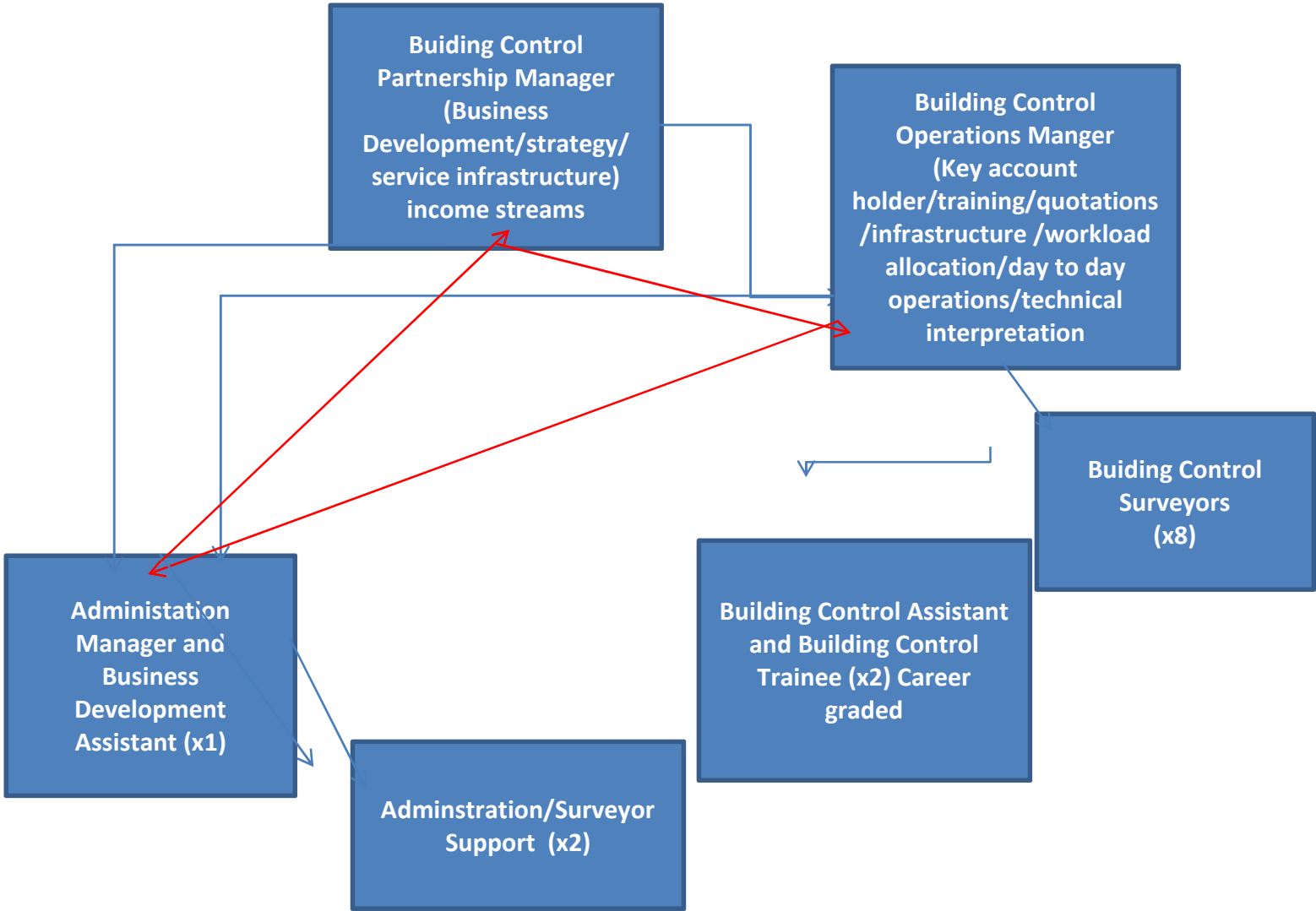
Area Hectares	As mentioned above, Authority size (Hectares) cannot form a factor singularly but should be used in calculating an overall factor as travel time, remoteness and dead time contribute as a cost servicing an application.
Redundancy Costs formulated on each Council's terms and conditions	<p>3 of the Councils identified have a 3x multiplier on redundancy costs whereas West Somerset District Council has a 2x multiplier on redundancy costs. Redundancy costs for all staff should be: -</p> <p>SDC - Cost incurred = 3x1/11 of total costs</p> <p>MDC - Cost incurred = 3x1/11 of total costs</p> <p>TDBC Cost incurred = 3x1/11 of total costs</p> <p>WSDC Cost incurred = 2x1/11 of total costs</p>
Redundancy Costs based on current complement of Building Control Staff.	<p>Formula: Total number of Building Control staff in each LA x 1/Total Partnership compliment = fractional split.</p> <p>This formula does not take into account redundancy terms from each Council.</p>

6.0 Recommendation for the treatment of redundancy costs.

In consultation with each Council's Human Resources departments the Building Control Managers recommend that Redundancy Costs should be based on the terms and conditions relative to each Council.

APPENDIX G
Staff Reporting Lines and salaries

 New business relationships



APPENDIX H

BUSINESS DEVELOPMENT

The business will need to address a declining market share whilst experiencing increased competition through all the market sectors in which it competes. None of the Partners wish to see the managed decline of a Building Control Service to a business where only non-desirable sectors of work are available and statutory function management is the cornerstone of the business. This would present a service, not a business, which is an expense for each Council to run.

The Partnership will need to provide a comprehensive marketing plan that addresses the key functions and fundamentals of the business, along with identifying the tools it has, and requires, to build a successfully branded business. This will be built on what measures the organisations currently identify and undertakes; and what the business has identified is required as a product that its customers require or want. Currently each individual Building Control unit markets its services with support from National and Regional LABC and understands the market within which it operates. However, there is recognition that moving forward the new business unit will require additional expertise to help it develop and realise its full potential within the marketplace

Generically the actions can be identified as follows and will be the bases of the marketing plan going forward: -

Vision

To provide an efficient cohesive partnership offering expertise, flexibility and Professionalism in the administration of the building control function to all members of the community

Objectives

- To improve customer satisfaction by providing an effective and efficient administration and site inspection regime in particularly through improved use of information technology and communication
- To raise the profile of Partnership by developing a dynamic marketing strategy and pursuing the expansion of the Partnership through additional partners.
- To provide additional services through a consultancy to generate additional income.
- To continually review contributions by partner authorities to reflect reductions in expenditure.

Strategy

In order to be successful, the following strategy is to be adopted:

- To increase the profile of the Partnership to all existing and potential customers, with particular emphasis on developers and architects.
- Develop a competitive advantage through service provision.
- Through excellence in service provision turn customers into champions of the local service.
- To build and strengthen our liaisons with local professional and trade bodies, and establish a comprehensive database of customers, identifying and developing contacts within the industry.

- To develop and improve communication to our customers, keeping them continually informed and aware of developments and improvements to our service.
- To ensure closer working relations within the region and with the National Business Development Team.
- To successfully promote national initiatives and the 'added value' benefits to be gained by using LABC.
- To develop a marketing and advertising campaign, whilst taking into account customer feedback.
- To work to ISO 9001 principles and frameworks.
- To utilise the knowledge developed through the Customer Service Excellence accreditation scheme.

Action Plan

- Develop a comprehensive marketing strategy and customer charter
- To keep our customers informed of service and regulatory developments and solutions through the provision of a regular newsletter, technical seminars, guidance notes and advice.
- Through direct day to day contact with customers the team will further promote the latest service, regulatory and promotional developments and initiatives within building control.
- To actively promote and encourage 'partnerships' with architects etc.
- To produce an updated range of customer information leaflets.
- To work within the guidelines of the published Building Control Performance Standards
- To formally establish the Development Team Approach across all authorities utilising the existing internal links with other regulatory areas involved in the construction process i.e. Development Control
- To promote the 'added value' of the Building Control service through the 'development team' approach and complementary services offered by commercial partners.
- Establish a local user group of regular customers.
- To continually evaluate and improve the service in line with customer needs identified through satisfaction surveys and user groups, together with developments in national best practice and benchmarking.
- To educate, train and develop staff through Council development programs and CPD processes to ensure they are trained to the highest level and able to pass this knowledge on to our customers.
- To continually improve access to our service through development of IT systems.
- To maintain and build on contacts with local, regional and national marketing strategies to ensure co-operation and co-ordination and to facilitate exchange of market intelligence and information.
- To maximise contacts with key building control decision-makers in major developers, architects, contractors and householders.

Increasing market share and expanding the business

In order for the partnership to expand its business, a number of factors need to be understood as well as number of actions undertaken to give the business the opportunity to succeed and flourish. To succeed and flourish, which should be exceed performance beyond that of achieving the status quo and achieving budget forecasts, requires the organisation to be far more aggressive in its marketing and branding than any of the Partners joining the organisation have been able to achieve individually through their own marketing plans. The Managers steering the organisation going forward will need to develop the business around the following factors: -

- The Building Control environment and legislative background needs to be understood by the staff, Partnership Board and Councillors so that opportunities and threats can be identified along with the business reflecting and understanding its strengths and weaknesses.
- The current marketing position has to be understood by all stakeholders.
- The sectors forming the Building Control market need to be understood, along with the market position of the organisation within these and the level of competition within each sector.
- The organisation needs to market itself and provide a service to each Building Control sector relevant and relative to each customer's needs.
- The price elasticity of each sector needs to be established so that the business can address competition compete within each sector.
- A marketing plan with clear measureable goals will be required for the Partnership. The proposed strategy will address 'What and Why and When and How and Where and Who' in order to maximise business opportunity and clarity, understand our customer base and how we effectively market to them and service their needs.

Marketing to our customers

Users of the service can be identified as follows: -

- Internal customers (Internal stakeholders our staff, internal departments, Councillors, staff delivering the service).
- One off users – the public (Those with no or little experience of the service or Building Control marketing sectors).
- Current Partners and regular subscribers (Business that are familiar and happy with our service.) (Repeat users)
- Architects and Agents (Local to the business – those who may see the advantages of using a local service but are apathetic to using the service against that of a competitor)
- Aggrieved users – Those who have used other Local Authority statutory services and feel reluctant to use further Local Authority service.

- Customers currently using other services having formed professional relationships - Architects, Agents and Builders that currently use competitor services for every project for which they are involved irrespective of any level of marketing aimed at them.

Identifying market sectors

Market sectors can be broken down in a number of ways. In order to increase market share the Marketing Plan should identify targetable sectors and even targetable businesses. Sectors could be multifaceted and may cross each other but targeting specific sectors will allow business growth to be measured and successes realised. Some sectors will be safer than others with regard to securing cost recovery of services and may naturally attract higher fees than others. The marketing plan will need to identify the sectors where business success can be maximised with regard to securing fees against resources used, but also accepting that these will also have the highest levels of competition. Sectors should be increased beyond those already used to fully understand what to target, who to target, when marketing is required, how much lead in time is required, and how to market the service in respect of media and which facet of branding to use. Sectors need to be understood and may include: -

1. Domestic alterations
2. Domestic extensions
3. Domestic controlled Service and fittings
4. New dwellings (Single dwellings)
5. New dwellings (Small sites)
6. New dwellings (Large sites)
7. Rooms for residential purposes (Boarding houses, HMOs and Hotels)
8. Schools and Educational Establishments
9. Works involved in a change of use
10. Industrial Buildings (Single units)
11. Industrial Buildings (multiple units)
12. Industrial Buildings (Office fit outs)
13. New commercial buildings
14. Commercial alterations
15. Regeneration schemes
16. Council and County Council controlled works

In order to maximise opportunity the control over who is influencing and making contracting decisions will be key, i.e.: - Builder led, Home owner led, developer led, business led, insurer led, Architect led, shop fitter led, facilities management led, Government led.

Business Branding

In order to maximise income and market share the new business needs to satisfy all potential customers needs and branded accordingly. (This will require buy-in from elected members)

Perception of the business and its ability to provide a service that the customer needs is essential to securing business. The business needs to deliver the following branding and profile to provide this: -

1. Local users may require a personalised service. This falls into two categories: -

- Those seeking the reassurance of using a public and genuine third party. (i.e. The Local Authority)
 - Local builders and agents who have developed a professional rapport with specific individuals and seek to maximise efficiency and effectiveness through trust and the willingness of a staff member to assist them whenever possible.
2. Those seeking a responsive and professional business through the Local Authority or Local Authority Partnership Scheme that can meet their needs wherever there projects are located.
 3. Those seeking a cost effective minimum service with a limited inspection regime.
 4. Those seeking an inspection regime extending towards a Clerk of Works role in order to assure good building practices are achieved on site.
 5. Those seeking to use a responsive and professional business which is not associated with or provided through a Local Authority. (i.e. An Approved Inspector or Private Sector Building Control provider)
 6. Those seeking a service that can also provide a package of 'bolt on' services such as Home Warranties, SAP calculations, EPC's, Water Calculations, Fire Risk Assessments and the production of Fire Safety information or Fire Engineering approaches to design. A business that can become a valued member of a design team or a business that can provide surveying services that fall outside of Building Regulations.
 7. Those who have been through the enforcement process but where an opportunity exists to build a professional working relationship. I.e. Through the Regularisation process or from the result of a rejected Initial Notice.

A marketing plan can address a number of these customer needs, making the business fit for purpose, and seeking to provide other profitable services where a business case has demonstrated that a need exists. Reversing the decline in market share will be difficult but as a Partnership an opportunity exists to maximise the impact of the collaboration of Councils. The Partnership can seek to brand itself in the following ways: -

- Individual Local Authorities working together for those who seek the assurance of a Council run Building Control department.
- A Local Authority Partnership embracing the flexibility and resilience created from the Partnership and utilising the LABC brand and Partnership Scheme to maximise workload.
- A Partnership that seeks to minimise its relationship and association with its Local Authority to attract business from those who do not wish to use the Local Authority Service. (Purely achieved through branding, i.e. letter heads, emails and website branded as a Partnership.

This may assist with increasing market share but will not attract customers that seek to use Approved Inspectors. There are several reasons that customers may choose this route, common factors are as follows: -

1. Council bureaucracy, the perception that the Council will cause a project to incur unnecessary costs or time delays. This may have occurred as a result of a customer having been through the Planning process for example, or from previously having a bad experience from a Local Authority Building Control provider. It may also be a perception that is unfounded but communicated by external competition.
2. The perception that a Council is less responsive, less productive and less efficient, less flexible in terms of servicing work and interpreting fit for purpose standards than its competitors.
3. The inability for a customer to sue a Council where performance standards have not been met. The Council has limited liabilities in comparison to Approved Inspectors that are private companies. This has been the case with larger retail stores reluctant to use LABC services, requesting that AI status be gained by specific Councils in order to continue working relationships. (Cited by Birmingham City Council).
4. The ability of an AI to form relationships and develop specialism's based on specific work sectors and utilise these skills and relationships without boundary restrictions.
5. The ability of an AI to aggressively market for work outside of a Council boundary. This creates a greater market in which to win work.
6. The ability to provide other services and market services as a 'one stop shop'.

Although some of these factors may be unfounded the perception exists despite marketing to the contrary. If the Building Control Partnership wishes to maximise the opportunities available in a recession free market it will need to consider and seek the approval of members to become a limited company with a view to gaining Approved Inspector status.

The marketing plan for the Partnership will need to address that to gain market share and expand as a business it will need to be aggressive and innovative in its marketing model, relationship building and networking. Gaining Approved Inspector status will remove any business barriers to undertaking work in any areas of the country, any sectors and with any potential customer. The Partnership will need to accept that adequate resource should be set aside to achieve the marketing goals set out in the marketing plan. These resources should be accounted for beyond the day to day operations of the Building Control partnership.

The proposed Partnership staffing structure has been created so that two distinct areas of business delivery are deliverable through it. The roles and responsibilities dictate that the Building Control Partnership Manager develops strategy with specific attention given to business development; they have the resources of the Administration Manager/Business Development Assistant and their allocation of staff to ensure that a Marketing Strategy can be delivered. It may also be the case that the Building Control Partnership Manager utilise marketing specialists to assist in this process, particularly in the

development of the Partnership. The Building Control Operations Manager has the responsibility of retaining customers through efficient and effective operational management of staff and the delivery of a service that satisfies the complete customer base of the Partnership. It is perceived that this structure, essentially that of developing work and market share and that of doing work and delivering services, will allow adequate resource to brand the partnership and aggressively market its services. It should further allow the Partnership to develop an innovate and robust but deliverable Marketing Plan which will take the Partnership from inception through to expanding the business by gaining customers outside of our common Council boundaries.

It is essential that any marketing plan considers the option of Approved Inspector status in the future through a remote business arm in order to increase market share and to halt the management of decline. The Partnership will need to develop an ethos of aggressively marketing its services in order to maximise the opportunities available to grow the Building Control business over the short to medium term. The Partnership will require Board approval of its marketing plan and the support of the four Councils in this process.

APPENDIX I

Introduction

It has been agreed by the Building Control Project Board for the partner authorities that the proposed Building Control Partnership should be hosted by one authority, meaning that one of the partner Councils becomes the employer for the employees of all Councils within the Partnership. The Project Board has agreed that Sedgemoor District Council host the proposed Partnership.

Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)

The Transfer of Undertakings (Protection of Employment) Regulations 2006 have been amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014. The latter applies only to transfers that take place on or after 31st January 2014 and therefore will apply in this instance. TUPE applies in the case of service provision changes, where a new authority takes over the activities of a client authority, in this case Building Control. For TUPE to apply the activities being done before and after the transfer should be “fundamentally the same” and the roles that transfer should be linked to the delivery of Building Control Services for each client.

Broadly speaking the effect of the above Regulations is to preserve the continuity of employment and the terms and conditions of those employees who are transferred to a new employer when a TUPE transfer takes place. This means that employees with a contract of employment from one authority retain their contractual salary, terms and conditions from that employer when they transfer to the new employer. This will include local agreements in force at the date of transfer.

There will inevitably be some discussion to be had with the union representatives and employees about what constitutes a contractual term versus a non-contractual term of employment. The new employer cannot impose changes. The changes must be agreed with the employees and their representatives. The Regulations provide some limited opportunity for either the outgoing or the new employer to vary the terms and conditions of employment contracts in certain stipulated circumstances even though the sole or principal reason for the variation is the transfer. The employer may vary terms and conditions where the sole and principal reason is an economic, technological or organisational (ETO) reason entailing changes in the workforce, provided that the employee is in a no less favourable position and both parties agree the variation, Further where the changes are entirely positive from the employee’s perspective, they may also be agreed without breaching the Regulations. However the harmonisation of terms and conditions may not be proposed as an ETO reason.

The partner authorities recognise that the partnership model involves a change in service provision and the creation of a single organised grouping of staff and TUPE is considered to apply to the transfer of Building Control activities and organisation from four client authorities to one host authority.

Should the joint partnership model be dissolved for any reason then staff would transfer back under TUPE to the partner authorities.

As TUPE is an event on a given day, namely when responsibility for the business activity transfers, rather than a process over time, the Building Control Project Board in consultation with affected employees and their unions, will determine a date upon which the transfer from one Council to another will take effect. The preferred date at this point is 1st July 2015

Member approval for the formation of the Partnership is being sought towards the end of March 2015 in all four Councils. The collective consultation obligations under TUPE require consultation to take place ‘in

good time' ahead of a proposal to transfer and January has been set aside for this to happen. Assuming a decision to proceed is granted by the end of March the timetable will reflect a further period of consultation by both the outgoing and future employer/s on the TUPE implications for affected employees. A period of approximately two months would be appropriate for the latter consultation.

Organisational Structure

The business model for this Partnership is based on bringing together the management and delivery of building control services to achieve economies of scale, improve the service to the customer and increase resilience and flexibility in the face of aggressive competition from the private sector for both fee-earning work and staff. By delivering savings the Partnership may be in a position in the future to reduce fees to customers, thereby becoming more competitive in the market, essential to its future survival.

The Project Team has provided a proposed organisational structure, page 14 of the Business Case along with draft job summaries for the posts in the new structure, page 15.

The new posts are titled as follows:

Partnership Manager (1)

Operations Manager (Deputy)(1)

Senior/Building Control Surveyor (8)

Assistant/Trainee Building Control Surveyor (2)

Administrative Officer (1)

Administration Assistant (3)

These are new posts within the structure that are broader in scope and responsibility than the existing Building Control Manager and Area Manager posts. It is therefore proposed that the two posts be ring fenced to the four existing Managers (including one Area Manager) in the first instance. The successful candidates will be appointed on Sedgemoor's terms and conditions including the appropriate salary scale, subject to job evaluation.

Unsuccessful candidates for the management posts will be consulted on their options, but it is expected that the difference in grade between the management posts and the technical level below will be more than two grades and therefore would not constitute "suitable alternative" employment. In the event that there are no suitable alternative posts then the post holder would be put at risk and alternative posts considered within their originating authority and subject to agreement, across the partner authorities, failing which the employee would be made redundant. .

NB. If the sole and principal reason for making the employee redundant is the TUPE transfer then it would almost automatically be deemed unfair by an employment tribunal. However if the organisation is able to demonstrate that the employee is redundant by reason of an ETO issue (see next paragraph) that entails changes in the workforce, i.e. a reduction in the numbers of staff employed or a change in office location) and provided that the employer has followed a proper process, the risk is reduced that the redundancy would be considered unfair by an employment tribunal.

Technical and administrative posts

It is envisaged that all the remaining staff will transfer under TUPE and retain their existing salary with associated contractual terms and conditions.

As the proposal is for the host authority to be Sedgemoor District Council some work has been undertaken to consider draft job descriptions and person specs, although these are by no means final versions and therefore remain subject to consultation and job evaluation.

Staff Reporting Arrangements

At Sedgemoor Group Managers have overall responsibility for all operational services. Therefore the Partnership Manager will report to the Group Manager with responsibility for Building Control, for the purpose of all line management matters, but will report to the Building Control Partnership Board on the Partnership's performance, targets and future direction.

The most significant impact of the proposed structure is on the number of posts. 16 in total against an existing staff complement of 21, excluding contractors, across the four authorities. Over the past year as vacant posts have arisen, they have either been kept vacant or filled temporarily with agency staff/contractors to mitigate the impact of any proposed reduction in the number of posts.

The chart below is taken from page 13 of the Business Case and reflects the proposed reduction in posts versus the existing establishment book.

Post Level	Existing Establishment	Proposed Establishment	Resource Saving
A. Building Control Managers	4	2	2
B. Principal	1	0	1
C. Building Control Surveyors (incl 1 x Senior Role)	11	8	3
D1. Assistant / Trainee Building Control Surveyors	2	2	0
D2. Admin Manager/Systems Administrator	7	4	3
Total	25	16	9

Within the existing establishment figures (shown in the table above) are 4 posts that are either being held vacant, filled temporarily by a contractor or covered within existing staff resources. This means that the actual impact of the reductions on the existing employees across the partner authorities is mitigated somewhat, i.e. it is effectively a reduction of 5 staff.

Terms and Conditions of Employment

Each authority's adopted job evaluation scheme and pay scales vary, resulting in some differences in pay and locally negotiated terms and conditions between posts with similar responsibilities. It is proposed that staff be given two options,

- To retain their existing contractual salary and terms and conditions on transfer and for non-contractual matters to be addressed with the unions representatives and staff and subject to their agreement
- That the host authority offer the opportunity to be employed on their salary scale and terms and conditions relevant to the post

The principle will apply that any changes to terms and conditions should result in an overall no less favourable position for the employee.

As far as the financial assumptions are concerned I understand that the staffing costs have been budgeted at the highest cost of employment (salary and staff on-costs) across the partners, which should ensure that any changes are catered for, with the exception of any one-off severance costs, incurred on transfer.

TUPE Terms and Conditions and Harmonisation

Under TUPE Regulations, existing contractual terms and conditions, including those subject to local agreement, transfer with staff to the incoming employer and they remain the same as they were with the outgoing employer. Following a TUPE transfer the incoming employer may seek to change terms and conditions, however the when, how and if changes can be made is complex and there is still a potential risk of a claim for constructive dismissal. Changes to terms and conditions if the sole or principal reason is the transfer are not permitted under the Regulations. However after 31st January 2014, certain changes may be valid. Employers can negotiate a change to terms and conditions in local collective agreements after 1 year providing the change is not less favourable to the employee.

Historically employers, especially in the public sector, tended to steer clear of any attempt to harmonise terms and conditions unless they can afford to do so by paying at the most advantageous rate amongst the respective employers. Where terms and conditions are not harmonised there remains the potential for a challenge under Equal Pay legislation.

The project team have asked whether it would be possible to incorporate Saturday and Sunday working as part of the standard contract of employment. I have advised that this could potentially be included under the ETO reason, as there will be changes in the number of the workforce and it can be argued that the change is necessary to compete with similar working patterns in the private sector. .

It is likely that there will be minor variations within the different authorities' contractual and non-contractual terms and conditions of employment, such as mileage rates, essential user status etc. along with aspects such as staff parking and these will need to form part of the consultation exercise with staff and unions. It is not permissible to undertake a total harmonisation of terms and conditions as part of a TUPE transfer and this may only be attempted in the future for a reason not related to the transfer.

Economic, Technical and Organisational (ETO) Reasons

Where an ETO reason is argued it must relate to the future conduct of the business, as above.

Economic Reasons - The partner authorities consider that if the new structure does not seek this level of efficiency savings the future existence of a Somerset local authority Building Control Service undertaking anything other than its minimum statutory responsibilities is in serious question.

Technical Reasons – A significant change in work processes, introduction of new systems or technology requiring a reduction in the numbers of staff employed.

Organisational Reasons - There is a duplication of management and administrative structures, which, it is proposed, will be streamlined to provide a unified structure operating from one location. A change in workplace location is therefore going to impact a significant number of staff across the partner authorities, which for various reasons may prove impractical for the staff concerned. This will become apparent when the one to one consultations with affected staff take place.

On the positive side the restructuring and unified management of the service is expected to create increased capacity and resilience within the service which is currently an operational issue in two districts.

A reduction in the number of posts will likely result in some dismissals, which the partners consider to be potentially fair reasons for dismissal under TUPE as they are deemed to be ETO reasons entailing changes in the workforce. Where the reason for dismissal is an ETO reason, the dismissal will be potentially fair, however the law of unfair dismissal will apply and it will be for the employer to show that it has acted reasonably in relying on the reason to make the dismissal.

In order to mitigate the impacts of the proposed restructure the partner authorities will work together to try and minimise the need for compulsory redundancy. Voluntary redundancy will be offered in line with the employee's current terms and conditions to avoid the need for compulsory redundancy where this is required.

Any employee who does not wish to transfer employer or relocate to a new workplace has the right to object to the transfer. However if they are unable to find an alternative role within the present authority they are placing themselves in a vulnerable position. They are not considered to be at risk of redundancy as their post will transfer and therefore their employment simply comes to an end on the date of transfer as if they had resigned. They will not be redundant.

Office Location/s

Building Control staff will remain located at their existing base for the first year, during which period systems and processes will become integrated, followed by an integration of all functions and offices at Sedgemoor from year 2. If an earlier integration is possible it is preferable from an HR perspective. The new team can form as one unit at the same time, any disruption to staff on account of the change in office location is contained to one point in time and the protections that will be granted for the difference in travel to work distances will all take effect from one date. The Surveyor function is most suited to a combination of home working/travel to site pattern of work, provided this can be supported by the relevant IT equipment.

Information and Consultation Requirements

Both incoming and outgoing employers must consult with affected employees about the TUPE transfer and any measures they intend taking, regardless of the number of employees affected. This also includes colleagues of those who will transfer and those who will work alongside the newly formed Building Control Partnership in the incoming organisation.

Consultation should be meaningful and commence before any decision has been taken to proceed with the Partnership and TUPE transfer. UNISON is being consulted formally on the proposals and any measures that need to be taken will be discussed and agreed with them.

The draft timetable which provides more detail on the outline consultation requirements, will be published in due c. The number of meetings to be scheduled will depend to some extent on the issues raised and a requirement to agree measures with union representatives and employees. .

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Report Number: WSC 33/15
Presented by: Cllr Chris Morgan, Lead Member Environment – Hinkley
Author of the Report: Andrew Goodchild, New Nuclear Programme Manager
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Report to a Meeting of: Cabinet
To be Held on: 4th March 2015
Date Entered on Executive Forward Plan May 2014
Or Agreement for Urgency Granted:

HINKLEY POINT C – PROJECT UPDATE AND SECTION 106 AGREEMENT STAFF ALLOCATIONS FOR APPROVAL

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to set out the latest position on the Hinkley Point C project and in light of that for Cabinet to consider and recommend to Full Council proposals to allocate the staff resources set out in the Development Consent Order Section 106 agreement. The report also seeks to remind Members of the contributions which are due to be paid to West Somerset Council from the DCO Section 106 agreement and set out the process for how those funds are to be managed and spent.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The importance of the staff resources funded from Section 106 agreements relating to the Hinkley Point C project in delivering the Councils corporate priorities within the Corporate Plan should not be underestimated. One of the two Corporate Priorities relates entirely to the Hinkley Point C project and of the 7 objectives set out in the Corporate Plan 5 (no's 3-7) relate to Hinkley Point C. Of the Key tasks set out in the Corporate Plan approved at Full Council in February 2015 66% relate to the Hinkley Point C project. The Service Plan for the New Nuclear Programme Team 15/16 is entirely dependent the same staff resources.

3. RECOMMENDATIONS

- 3.1 That Cabinet Recommend to Full Council that:
- i. The remaining £209,000 from the Site Preparation Works Section 106 Agreement relating to staff resources is allocated to continue to employ the existing posts holders either post 'transition' as part of the New Nuclear Programme Team structure or prior to 'transition' via a further 4 month contract extension
 - ii. That the indicative structure be supported and progressed in line with funding plans and that the £2,603,572 which the Council will receive from the DCO Section 106 agreement be allocated to support the funding of the structure set out in the structure report at Appendix B.

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

Risk Matrix

Description	Likelihood	Impact	Overall
That the Council does not have the necessary governance arrangements in place to fulfil its obligations as set out in the terms of the S106 agreement	2	4	8
<i>That Cabinet note and recommend to Council that the governance arrangements set out in the report are adopted</i>	1	4	4
That the Council does not have the necessary staff resources to fulfil the requirements placed upon it within the Section 106 agreement generally	3	4	12
<i>That Cabinet recommend to Council that the allocation of staff resources is set out and provides stability over the coming years in order that the Council achieves its Corporate Objectives relating to the development at Hinkley Point C</i>	1	4	4
That the staff resources are not used effectively and do not deliver the right balance between maximising the opportunities of local people and businesses and protecting and enhancing the most affected communities	3	4	12
<i>That Cabinet recommend to Council that the resources are allocated as set out within the report which support the creation of the structure for the New Nuclear Programme Team set out in the report which follows this report</i>	1	4	4
That the staff resources are used to employ staff at the wrong time i.e. before the work to construct the power station are confirmed following the Final Investment Decision	4	4	16
<i>That the Council remains vigilant and tracks progress on the project at regular intervals to ensure that resources are deployed at the right time, recognising that in most areas delivery of mitigation 'early' is a positive outcome but also recognising that in some areas staff will be needed to oversee the project between now and the 'peak' when activity on site and the workforce are greatest</i>	3	4	12

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**

General Background Information

- 5.1 Members will recall that on the 18th March 2013 the Secretary of State for Energy and Climate Change granted a Development Consent Order (DCO) for Hinkley Point C. The DCO represents the Planning Permission for the construction of the power station and also contains a number of powers necessary to undertake the development including the compulsory purchase of land and changes to the rights of way network. The DCO also sets out the Requirements (planning conditions) that control the development and sets out the process and timescales by which those Requirements will be dealt with. Members will also recall the DCO is accompanied by a Section 106 agreement which sets out a series of financial contributions to be paid to West Somerset Council and other organisations, obligates EDF Energy to undertake certain activity and describes the way in which funds and contingency funds are to be accessed.

- 5.2 Members may recall that at the end of the Examination a report was presented to Cabinet on 5th September 2012 setting out the contents of the DCO Section 106 agreement. At that meeting Cabinet resolved not to raise any objection to the Examining Authority about the contents of the Section 106 agreement. A copy of that report is attached at Appendix A.
- 5.3 Members will know from various update reports and briefings at both Corporate PAG and the Hinkley PAG in recent months that EDF Energy began Phase 2 (main earthworks) of the Site Preparation Works (SPWs) in May 2014 and that this work continues on the Main Site at Hinkley Point and has triggered some highway works including the roundabout at Washford Cross and the junction improvements at Taunton Road/Broadway in Bridgwater. Members will also know that the commencement of Phase 2 activity triggered a number of significant payments to West Somerset Council as the Planning Authority for the SPWs including the CIM Fund and the Housing Fund.
- 5.4 Members will also recall that the DCO comprised a number of different elements known as Associated Development (the park and ride sites, the Cannington bypass, the works to Comwich wharf and the campus sites at Hinkley Point and in Bridgwater) as well as the works to construct the power station on the Main Site.
- 5.5 The DCO and the DCO Section 106 agreement allowed EDF Energy to 'commence' the DCO allowing works to begin on the Associated Development prior to the 'transition' from the SPWs planning permission to the DCO on the Main Site. EDF Energy 'commenced' the DCO on 19th November 2014 when they began works on the Cannington Bypass.

The Latest Position from EDF Energy

- 5.6 Members will recall from those briefings and a review of the report at Appendix A that many of the payments due from the DCO Section 106 agreement are linked to 'transition' including vast majority of payments relating to staff resources. Members will be very aware that while EDF Energy have made good progress in putting in place the key components towards making their 'Final Investment Decision' this has not yet taken place and that discussions between EDF Energy, the UK Government and potential investors continue.
- 5.7 Importantly in the context of this report EDF Energy have recently confirmed that 'transition' and FID are currently planned to take place at the end of June 2015 but as work on the project is progressing at pace they welcome the value of the WSC team and are happy to work with the Council to ensure that resources for staff do not need to be linked to the Final Investment Decision. EDF Energy have also notified the Council that work to construct the Temporary Jetty will begin shortly signalling another significant and important element of the project is to begin.

Funding for Staff Remaining from Site Preparation Works

- 5.8 Members will recall that the Council received payments from EDF Energy as part of the Section 106 agreement for SPWs and that 12 new posts were created in April 2012. The payments from EDF Energy were due to cover a 2 year period and, at that time, it was envisaged that 'transition' would take place in 2013 meaning that funding for these posts would continue after two years. Clearly this has not taken place and the Council has had to manage its approach to expenditure carefully. Members of Scrutiny Committee received an update in December 2013 which explained that some posts had been 'frozen' where post holders had left the authority and that funding was in place to extend the contracts of the post holders who remained until December 2014.
- 5.9 The report to Scrutiny Committee explained that in order to 'preserve' funding the Council would temporarily cease charging for management overheads recognising that in order to deliver the Council's Hinkley related Corporate Objectives retaining staff was essential and

an integral part of how the Council was to help mitigate the impacts of the project on West Somerset.

- 5.10 Since that report was considered by Scrutiny Committee further personnel changes have occurred both as post holders have left the authority for other employment but more particularly as a result of the JMASS project. In order to ensure that existing post holders could be funded, EDF Energy agreed to make an early DCO staff payment of £100,000 in January 2015 which covered expenditure for January, February and March 2015, enabling staff contracts to be extended until 31st March 2015.
- 5.11 Taking into account this payment and current monthly costs the funding remaining from SPWs payments is forecast to be £209,000 on the 1st April 2015. Importantly the Council is required to comply with the Section 106 agreement to spend the remaining funds on staff resources else it needs to be returned to EDF Energy. However, EDF Energy do appreciate that because the Council suspended charging all but basic salary costs the decision about exactly what to do with the remaining funds is largely in the gift of West Somerset Council.
- 5.12 In the spirit of the discussion which took place at Scrutiny Committee, recognising the fundamental links between staff resources and the delivery of the Council's Corporate Objectives and the Council's obligations set out within both Section 106 agreements it is proposed that the remaining funds are used to continue to employ the existing posts holders either post 'transition' as part of the New Nuclear Programme Team structure or prior to 'transition' via a further 4 month contract extension.

Allocation of Staff Resources Funds from the DCO Section 106 agreement

- 5.13 As described above and set out in detail within the report at Appendix A, the DCO Section 106 agreement also contains provisions for staff resources to be paid to West Somerset Council. The table below explains the amounts due for each post and the timescales for payment.

Post in DCO Section 106	Timescales of Payments	Amount per year**
Planning Manager	4yrs from 1st Anniversary of Transition	£35,000
Major Projects Manager	4yrs from 1st Anniversary of Transition	£55,000
Planning Officer 1	7.5yrs from Anniversary of Transition	£50,000
Planning Officer 2	4yrs from 1st Anniversary of Transition	£50,000
Planning Support Officer	4yrs from 1st Anniversary of Commencement	£25,000
Finance Officer	4yrs from 1st Anniversary of Transition	£30,000
Environmental Health Officer	4yrs from 1st Anniversary of Transition	£30,000
Customer Services	4yrs from 1st Anniversary of Transition	£35,000
Housing Officer	Part of Housing Fund available from Transition	£60,000
Community Safety	Total Payment in 8 annual instalments (*)	£99,869
Economic Development Officer	7.5yrs from Transition	£45,000
Tourism Officer	5yrs from 2nd Anniversary of Phase 2	£45,000
Community Outreach Worker	4yrs from Transition	£60,000
	* May 2015 payment also due from SPWs	**all Index Linked

- 5.14 Recent discussions with EDF Energy have centred on a number of issues, namely:
- i. That the list of posts in the Section 106 agreement (in some cases) is no longer reflective of the position post JMASS
 - ii. That the timing of payments needs to reflect the 'gap' between when the agreements originally envisaged payments being made and when they are required.

- iii. That the 'cash flow' of staff resources needs to remain positive throughout the period when staff are employed to ensure that the project does not affect the General Fund at West Somerset Council
- iv. That the period of time when posts are employed needs to reflect the collective periods when staff will have been employed during SPWs, the 'gap' and the DCO.

- 5.15 Very importantly EDF Energy have agreed to some proposed changes to reflect the position post JMASS and have agreed to make early payments to ensure that the gap is funded and the cash flow position remains positive. They have also agreed that funding used now to employ staff will be taken into account and have agreed that the period of time that posts are employed does need to be reviewed in light of the collective periods of SPWs, the 'gap' and the DCO. This enables the Council to plan properly for the continued employment of existing staff and to create the funding envelope for the New Nuclear Programme Team from April 2015 onwards.
- 5.16 It has been agreed with EDF Energy that a review of all posts, to consider the workload and funds remaining will take place in April 2017 to ensure that the staff resources remain as effective as position as the project builds towards the 'peak'.

Creation of the Funding Envelope for the New Nuclear Programme Team

- 5.17 Allowing for indexation, taking account of the revised payment dates agreed with EDF Energy and the early payment of £100,000 made in January 2015 the total amount that will be paid to West Somerset Council pursuant to the DCO Section 106 agreement is £2,603,572. Once 'transition' has occurred then all of the payments are 'locked in' and, while it remains very important for the Hinkley Point C Project as a whole, progression towards the Final Investment Decision has no bearing on the amounts or timing of payments.
- 5.18 The DCO Section 106 agreement contains the following obligation (Schedule 15 paragraph 2.1) which binds the Council:
- "The Councils each covenant with NNB GenCo that in respect of monies that each of them receive pursuant to this Deed not to spend the relevant monies other than for the purposes specified in this Deed in relation to the relevant Contribution or sum of money."
- 5.19 In essence therefore, the Council is obliged to spend this money only on employing staff in accordance with the Section 106 agreement and cannot use the money for any other purpose.
- 5.20 It is therefore recommended that Cabinet recommend to Full Council that £209,000 (which remains from the SPWs Section 106 agreement) and £2,603,572 (due to be paid to the Council from the DCO Section 106 agreement) – totalling £2,812,572 – are collectively allocated to support the funding of the Financial Envelope to enable the staff structure for the New Nuclear Programme team to be created and funded.

The New Nuclear Programme Team

- 5.21 The structure report at Appendix B of this report sets out the fine details of the process for creating the New Nuclear Programme Team (NNPT). For this clarity the following posts are to be continued or created and funded:

New Nuclear Programme Manager
CIM Fund Manager
Planning Lead
Planning Officer

Finance Officer
Environmental Health Officer P/T
Housing Initiatives Implementation Officer
Housing Options Officer P/T
Community Safety Officer P/T
Economic Regeneration and Tourism Manager
Economic Development Officer
Tourism Officer
Employment and Skills Outreach Worker

- 5.22 Subject to the approval of the structure report for the NNPT which follows, the indicative total expenditure is £2,791,337 which for clarity builds in:
- i. Salary, National Insurance and Pension contributions;
 - ii. Anticipated wages increases;
 - iii. Mileage costs;
 - iv. Redundancy costs; and
 - v. A contribution to the Corporate Core costs of the Council
- 5.23 It is worth highlighting that the Economic Regeneration and Tourism Manager post is not funded from the Hinkley Point C project during 2015/16 as the current post holder is seconded to the Local Enterprise Partnership and will continue to be paid from the Working Neighbourhoods Fund until 31st March 2016 once the secondment period ends.
- 5.24 As mentioned at 5.15 above, it is intended that a review of all posts will take place in April 2017. Indicatively the costs of funding the New Nuclear Programme Team until April 2017 is £1,210,461. This would leave a balance of £1,602,111 to be utilised for the period post the review. The outcome of the review will be reported to Members at the Hinkley PAG and Cabinet/Council if there are any financial implications.

Governance of Spend

- 5.25 A detailed breakdown of the DCO Section 106 agreement is set out from paragraphs 4.12 to 4.41 in the Cabinet Report of 5th September 2012 at Appendix A.
- 5.26 Detailed arrangements are in place to determine how the Community Fund (Schedule 2), the Accommodation and Housing contributions (Schedule 1) and the Marketing and Promotional Initiatives for the Tourism sector (Schedule 4 – para 4.24 (j)) are to be spent. The recommendations of the Hinkley Tourism Action Partnership will be presented to Cabinet and Council as appropriate in due course.
- 5.27 In the case of the other payments made to West Somerset Council directly, namely those at 4.24 (e) and (j), 4:30 (b) and 4.32 (f) within the Appendix Members can be reassured that proposals to spend those contributions will be presented to the Planning Obligations Group, Cabinet and Council as appropriate in due course.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 The amount of contributions secured by the section 106 agreement is clearly significant and the burden of responsibility which is placed on this Council is also significant. Importantly the governance of spend ensures that Cabinet (and Council where appropriate) retain overall control of the ‘unallocated’ contributions – i.e. that, as far as possible, the role that Members of West Somerset play in relation to this agreement is the same as would normally be the case.

- 6.2 The staffing implications are a very important part of the overall package of measures secured – i.e. in order for the effect of the development to be adequately mitigated (there will be no harm to the community) the posts go hand in hand with the financial contribution secured.
- 6.3 The Councils approach has been to ensure that the impact of this unique development and the costs of this Council representing the community and dealing with the direct and indirect impacts of the project do not fall to the local taxpayer. Therefore the costs of recruitment, salaries, on-costs (including pension and national insurance contributions as well as office related costs), potential redundancy costs and mileage have all already been factored in and the contributions secured cover all of these aspects of cost to the Council as the employer.
- 6.4 The updated plan ensures that the Council can make best use of the funding available to deliver the expected outcomes on this project. A summary of the changes agreed, which are timing rather than substance, are set out below.

Revised Arrangements						
	2015/16	2016/17	2017/18	2018/19	2020/21 to 2023/24	TOTAL
SPWs Funding	£209,238					£209,238
Balance Brought Forward	-	£194,276	£74,204	£57,637	£41,738	-
Amended DCO Funding agreed	£506,565	£518,862	£529,240	£539,824	£509,080	£2,603,572
Proposed Staffing Structure costs	£521,527	£638,934	£545,807	£555,723	£529,345	£2,791,337
Closing Balance	£194,276	£74,204	£57,637	£41,738	£21,475	-
Total Remaining						£21,473

- 6.5 The original funding profile would have seen significant cashflow issues as can be seen from the table below:

Original Proposals						
	2015/16	2016/17	2017/18	2018/19	2020/21 to 2023/24	TOTAL
SPWs Funding	£209,238					£209,238
Balance Brought Forward	-	-£5,974	-£240,459	-£263,320	-£285,638	-
Original DCO Funding due	£306,315	£404,449	£522,946	£533,405	£836,456	£2,603,572
Proposed Staffing Structure costs	£521,527	£638,934	£545,807	£555,723	£529,345	£2,791,337
Closing Balance	-£5,974	-£240,459	-£263,320	-£285,638	£21,473	-
Total Remaining						£21,473

- 6.6 Members will see from the table that the amended DCO funding plan eliminates any cashflow risk, and supports the resource requests of this structure proposal.

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 7.1 The proposals in this report will have no impact on our general reserve as it is funded by EDF Energy under the s106 agreement, providing that the proposals are delivered within

the budget. The remainder of the SPW plus the £100,000 early DCO payment will covers the cost post prior to the DCO transition date. Any funding left at the end of the project will be paid back to EDF Energy.

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 report and recommendations have no direct Equality and Diversity implications

9. CRIME AND DISORDER IMPLICATIONS

9.1 Members will note the considerable support to the community safety area (both internally and with other emergency services and partner Councils) which will ensure that any crime and disorder implications of the Site Preparation Works application are minimised.

10. CONSULTATION IMPLICATIONS

10.1 There are no direct consultation implications from the report or the recommendations

11. ASSET MANAGEMENT IMPLICATIONS

11.1 The report and recommendations have no direct Asset Management implications

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1 Members will note that a number of the schedules within the section 106 agreement deal with the various environmental impact implications of the proposed development. The contributions themselves are part of a comprehensive range of measures set out in the Environmental Statement which accompanied the DCO application.

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 Members will note that a number of the schedules within the section 106 agreement deal with the various health and wellbeing implications of the proposed development.

14. LEGAL IMPLICATIONS

14.1 The various legal implications and decisions required to ensure legal compliance are set out in the report above

REPORT NUMBER WSC 116/12
 PRESENTED BY ANDREW GOODCHILD, PLANNING MANAGER
 DATE 5TH SEPTEMBER 2012

HINKLEY POINT C – DEVELOPMENT CONSENT ORDER – SECTION 106 AGREEMENT UPDATE

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to provide an update to Members on the status of the Section 106 Agreement (the Agreement) between NNB GenCo Ltd (EDF Energy) and the three Local Authorities (West Somerset Council, Sedgemoor District Council and Somerset County Council) relating to the Development Consent Order application which is currently being Examined by the Planning Inspectorate, to advise Members on the content of the Agreement and how the Agreement affects West Somerset Council in particular, and sets out the process if Members wish to comment further on the content of the Agreement prior to the close of the Examination. The report also gives a general update on the progress of the Examination to date and outlines the remaining aspects of the process.

2. RECOMMENDATIONS

- 2.1. That Members note the content of the report and specifically the content of the Section 106 Agreement and provide any formal comments that they wish to make to the Planning Inspectorate by the 7th September 2012

3. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
That the contributions offered by EDF Energy on 31 st May 2012 within the Draft S106 are insufficient to mitigate against the impacts of the development	4	5	20
<i>That the package of mitigation secured in the final form Section 106 Agreement proves insufficient to mitigate against the impacts of the development</i>	2	5	10
That the level of control given to the Councils regarding spend of the contributions offered by EDF Energy on 31 st May 2012 within the Draft S106 are insufficient to mitigate against the impacts of the development	4	4	16
<i>That the level of control secured in the final form Section 106 Agreement proves insufficient to mitigate against the impacts of the development</i>	2	4	8

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.

4. BACKGROUND INFORMATION

- 4.1. Members will recall that EDF Energy made an application to the Infrastructure Planning Commission on 31st October 2011 for a Nuclear Generating Station and Associated Development at Hinkley Point C, which was Accepted on 24th November 2011. Following the submission of Relevant Representations in January 2012 and the Preliminary Meeting which took place on 21st March 2012, the Examination commenced on 27th March 2012 and will conclude on 22nd September 2012.
- 4.2. Since the commencement of the Examination the Council has, amongst other associated tasks, meetings and discussions, undertaken the following formal activities:
- (a) Attended the initial Site Inspections – 11th and 12th April
 - (b) Submitted responses to the Panel's 1st Written Questions – 24th April
 - (c) Submitted the Local Impact Report – 3rd May
 - (d) Attended and Spoke at the Open Floor Hearings in:
 - i. Cannington – 9th May
 - ii. Otterhampton – 10th May
 - iii. Bridgwater – 16th May
 - iv. Stogursey – 17th May
 - (e) Submitted responses to the responses to the 1st Written Questions - 31st May
 - (f) Submitted the Local Impact Report Addendum and Errata – 31st May
 - (g) Submitted comments on other Interested Parties Relevant Representations, Written Representations, Local Impact Reports and Statements of Common Ground – 31st May
 - (h) Attended and Spoke at the 1st Issue Specific Hearing – 26th and 27th June
 - (i) Submitted responses to the following documents – 5th July:
 - i. Proposed changes and commentary on the Draft Development Consent Order
 - ii. Proposed changes on the Draft Requirements
 - iii. Comments on the Code of Construction Practice and Mitigation Route Map
 - iv. Comments on the Development Consent Obligations (the Section 106 Agreement)
 - v. Comments on the Construction Traffic Management Plan
 - vi. Comments on the Construction Workforce Travel Plan
 - vii. Comments on the Traffic Incident Management Plan
 - viii. Comments on the Highways Scheme Drawings
 - (j) Submitted responses to the Panel's Further Written Questions – 9th July
 - (k) Submitted comments on issues raised at the 1st Issue Specific Hearing – 9th July
 - (l) Requested further Issue Specific Hearings – 9th July
 - (m) Attended and Spoke at the 2nd Issue Specific Hearing – 17th and 18th July
 - (n) Submitted comments on the Applicants 12th July revised draft DCO, Requirements and Section 106 Agreement – 6th August
 - (o) Submitted Statement of Common Ground – 6th August
 - (p) Attended and Spoke at the 3rd Issue Specific Hearing – 14th August
 - (q) Attended and Spoke at the Socio-Economic Issue Specific Hearing – 21st August
 - (r) Attended and Spoke at the Transport Issue Specific Hearing – 22nd August
 - (s) Attended and Spoke at the HRA and Ecology Issue Specific Hearing – 23rd August
 - (t) Attended the Comwich Issue Specific Hearing – 24th August
- 4.3. A further Open Floor Hearing is planned for the 6th September 2012 and further Site Visits are planned on 11th and 12th September.
- 4.4. Each of the above activities have required detailed preparation and in most cases associated written submissions including liaison with partner Councils, Statutory Consultees and Parish/Town Councils.

- 4.5. The Examination is due to finish on 22nd September 2012. By the end of December 2012 the Panel of 5 Examining will have provided their report and recommendations to the Secretary of State for Energy and Climate Change who will decide by the end of March 2013 (within 3 months of the report being provided to him) whether or not to grant the Development Consent Order.
- 4.6. Members may recall that there are three key documents (as well as a raft of supporting documents and strategies) which control the development if approved, namely:
- (a) The Development Consent Order itself (the Planning Permission) (akin to an Act of Parliament)
 - (b) The Requirements (part of the DCO) (akin to Planning Conditions)
 - (c) The Section 106 Agreement
- 4.7. The Final Form of the DCO, the Requirements and the signed Section 106 Agreement will be submitted by EDF Energy to the Planning Inspectorate on the 31st August. All Interested Parties (including the Council) can, if they wish, provide final comments on these documents on or before noon on 7th September 2012. Should Members be minded to provide formal comments on the documents during the Cabinet Meeting on 5th September these will need to be sent to the Planning Inspectorate on 7th September with a written explanation.
- 4.8. Whilst the timescales for comments appear to be very short, the documents have been the subject of very detailed discussion, negotiation and Examination since they were produced on 31st May 2012. The Council has provided its written comments on 5th June and made oral submissions to the Panel of Examining Inspectors at the 3 Issue Specific Hearings on 26th/27th June, 17th/18th July and 14th August. Further iterations of the documents have been provided by EDF Energy on 12th July, 6th August and 16th August with final versions submitted on 31st August.
- 4.9. On 23rd July the Panel of Examining Inspectors issued a Procedural Decision on the Timetable for Submission and Finalisation of the Section 106 Agreement. This Procedural Decision required the 'Final Form' Agreement to be submitted to them on 7th August 2012 and a signed Agreement had to be submitted on the 31st August. The Decision advised that:
- In interpreting this letter, 'final form' should be taken as meaning the s106 Obligation as proposed to be executed apart from any 'technical revisions' that may be found necessary to take account of any drafting inaccuracies identified at or before the Issue Specific Hearing on 14 August 2012. The executed obligation is expected to be as the final form incorporating (i) technical revisions agreed at or following the Issue Specific Hearing on 14 August and (ii) any further changes the signatories agree to make as a result of a 'eureka moment(s)' arising at the Issue Specific Hearings taking place from 21- 24 August.
- 4.10. The Section 106 Agreement, in accordance with the timetable set out in the Panel's Procedural Decision, was signed and sealed by the three Councils and EDF Energy, and was submitted to the Panel by the 31st August.
- 4.11. The main purpose of the report is to set out the content of the Section 106 Agreement for Members so that, if considered necessary, comments can be provided to the Planning Inspectorate on 7th September which will be taken into account by the Panel of Examining Inspectors. A summary of the Section 106 Agreement is set out below – a PowerPoint presentation will be given at Cabinet to assist Members understanding of the Agreement and particularly the 'total package' set out within the Agreement and the Site Preparation Works Agreement.

The DCO Agreement

- 4.12. The DCO Agreement is structured to follow the site preparation works section 106 agreement dated 27 January 2012 (the Site Preparation Works S106), with a schedule of obligations for each topic - this Report follows that structure. The DCO Agreement should be read with the Site Preparation Works S106

SCHEDULE 1 – ACCOMMODATION AND HOUSING

- 4.13. NNB GenCo is to set up the Housing Fund (of £3.5m) from the Transitional Date. Of the £3.5m, £1m is reserved for Sedgemoor, £500,000 for West Somerset, £660,824 for Taunton Deane and £697,554 for North Somerset.
- 4.14. The fund can only be applied to the matters set out in Schedule 1, which are similar to those set out in the equivalent part of the Site Preparation Works S106. Each Council cannot spend more than £60,000 on housing officers.
- 4.15. The process for expenditure from the Housing Fund is that one of the Councils, or Taunton Deane or North Somerset Councils (the Somerset Councils) makes an application to NNB GenCo for a housing related initiative which NNB GenCo considers, taking into account the relevant Somerset Council's views, complies with the matters set out at paragraphs 2.3.1 to 2.3.6. The Housing Fund is to be prioritised for initiatives in areas of greatest impact.
- 4.16. In addition, the Somerset Councils are to use reasonable endeavours to identify initiatives for which at least £500,000 of the Housing Fund is required prior to the first anniversary of the Transitional Date, and the remainder of the Housing Fund prior to the second anniversary.
- 4.17. In addition, Schedule 1 also provides for a housing contingency fund of £5m. Payments are to be made by NNB GenCo into the Housing Fund (above) from the contingency if one of its six monthly Private Rented Sector Reports shows that a relevant PRS Threshold has been exceeded, using the payment formula set out at paragraph 3.2.2.

SCHEDULE 2 – COMMUNITY FUND

- 4.18. Schedule 2 secures further payments of £12.8m of 'Community Fund' in addition to the £7.2m secured through the Site Preparation Works S106, and totalling the £20m long promised by NNB GenCo. Payments of £1m per year to the fund start from the third anniversary of Phase 2 or the Transitional Date if later, and any remaining balance from the £12.8m is to be paid on commissioning of the second reactor.
- 4.19. £500,000 of the Community Fund is ring-fenced for the area covered by Otterhampton parish (Members will recall that from the £7.2m, £2m was to be ring fenced for West Somerset, £500k for Stogursey Parish, £500k for Cannington and £1m for Bridgwater within the Site Preparation Works Section 106 Agreement).
- 4.20. NNB GenCo's DCO Agreement Schedule 2 is in a very different form from that in the Site Preparation Works S106, and NNB GenCo has strongly resisted significant changes back towards certain elements of the previous agreement. The main difference is that the fund is to be administered through the Somerset Community Foundation (SCF), an existing charity rather than by a Board providing recommendations to WSC's Cabinet and Council.
- 4.21. The Councils have however secured changes to the administration of the fund (whereby they have three places on a board of 12, with NNB GenCo also having three), as well as important references throughout the Schedule, including within the fund expenditure criteria, to the nature of the fund being to mitigate impacts of the Project (as opposed to

NNB GenCo's very wide wording relating only to 'quality of life' in general terms). This change should ensure that the communities most affected are appropriately compensated.

- 4.22. From the fourth anniversary of Phase 2 and annually thereafter NNB GenCo is to undertake a review of the operation of the community fund, in consultation with the Councils. If NNB GenCo determines through that process that it no longer wishes the SCF to administer the community fund (again consulting the Councils), it can instead set up a separate trust to do so. Any such trust must provide for similar representation by the Councils, and once set up is to receive the annual community fund payments which would otherwise have been paid to the SCF.

SCHEDULE 3 – COMMUNITY SAFETY

- 4.23. This Schedule secures the following key obligations:

- (a) £99,869 to each of SDC and WSC for a Parish Liaison and Community Safety Officer, payable to each in 8 equal annual instalments from the Transitional Date;
- (b) £15,600 in relation to the West Somerset Council CCU Officer and £8,544 in relation to the Sedgemoor Council CCU Officer, to cover their time in attending meetings to review emergency response planning, payable against invoices presented to NNB GenCo;
- (c) £52,128 for a Community Safety Officer, payable to SCC in 8 equal annual instalments from the Transitional Date;
- (d) £54,072 payable to SCC prior to the Transitional Date for its costs in reviewing emergency response planning and attending meetings;
- (e) Four payments of £39,000 to SDC in relation to a Joint Community Safety Project Officer for WSC and SDC, payable on the first to fourth (inclusive) anniversaries of the Transitional Date;
- (f) £2,589,586 and £274,973 payable to Avon & Somerset Constabulary (ASP) in relation to the Community Safety Beat Team and ASP responding to security incidents respectively (payable as set out in paragraph 2.5);
- (g) £269,808, £72,928 and £160,147 payable to Devon & Somerset Fire and Rescue Service (DSFRS) for the DSFRS Community Safety Officer, for site familiarisation visits and incident response planning respectively, payable as set out in paragraph 2.6;
- (h) £111,200 to South Western Ambulance Service Trust (SWAST) for incident response planning and attending the Emergency Services and Local Authorities Group;
- (i) Community safety contingency amounts as follows. Payments from the contingency can only be made after the Transitional Date and following receipt and approval by NNB GenCo of an invoice from the relevant body
 - a. Up to £51,152 to each of WSC and SDC in relation to the clean up costs or uninsured repairs costs resulting from demonstrations or protests against the Project;
 - b. Up to £202,400 to each of WSC and SDC and £68,800 to SCC in relation to the costs incurred in the evacuation of residents or businesses as a result of an incident relating to the Project;
 - c. Payments to ASP, SWAST or DSFRS in relation to public safety initiatives, totalling no more than £40,000; and
 - d. Up to £71,122 to DSFRS in relation to maritime fire fighting training
- (j) NNB GenCo are to implement the Community Safety Management Plan during the Construction Period.

SCHEDULE 4 – ECONOMIC DEVELOPMENT AND TOURISM

- 4.24. This Schedule secures the following key obligations:

- (a) 8 annual payments of £44,480 to SCC from the Commencement Date, to employ or procure the services of a Strategic Economic Development Officer;
- (b) 8 annual payments of £40,000 to SCC from the Transitional Date to implement measures proposed by SCC and approved by NNB GenCo to develop a low carbon cluster in Somerset;
- (c) 8 annual payments of £45,000 to each of SDC and WSC from the Transitional Date/second anniversary of Phase 2, and following those one further payment of £22,500 to each of WSC and SDC, all to be used to employ economic development officers by SDC and WSC;
- (d) NNB GenCo is to implement the measures set out in the Supply Chain Engagement Strategy from the Transitional Date to the end of the Construction Period;
- (e) 7 annual payments of £75,000 to each of SDC and WSC from the Transitional Date/second anniversary of Phase 2, and following those one further payment of £37,500 to each of SDC and WSC, all to be used to support SDC's and WSC's business support initiatives which have a relationship to the Project;
- (f) 7 annual payments of £200,000 to SDC from the Transitional Date/second anniversary of Phase 2, and following those one further payment of £100,000 to SDC, all to be used to deliver initiatives to mitigate the economic effects of congestion in Bridgwater;
- (g) 4 annual payments of £45,000 to SCC from the Commencement Date towards the cost of carrying out the duties of a Strategic Tourism Officer;
- (h) 4 annual payments of £40,000 to SCC from the Transitional Date/second anniversary of Phase 2 towards the costs of operating the Sedgemoor and Somerset Information Centres;
- (i) 4 annual payments of £45,000 to WSC from the Transitional Date / second anniversary of Phase 2 towards the cost of employing a Local Tourism Officer;
- (j) 4 annual payments of £40,000 to WSC from the Transitional Date/second anniversary of Phase 2 towards the costs of operating the West Somerset Tourist Information Centres; and
- (k) 4 annual payments of £200,000 to WSC (on behalf of the Tourism Action Partnership) from the Transitional Date / second anniversary of Phase 2 for the Partnership to carry out Marketing and Promotional Initiatives and the Tourism Monitoring Survey.

SCHEDULE 5 – EDUCATION

4.25. This Schedule secures the following key obligations:

- (a) NNB GenCo is to continue the implementation of the Education Strategy throughout the Construction Period (the original obligation in relation to this being in the Site Preparation Works S106) and from the Transitional Date is to use reasonable endeavours to spend £200,000 by 30 September 2016 or if later 39 months after Implementation of the Site Preparation Works;
- (b) Following expenditure of £200,000 NNB GenCo is to use reasonable endeavours to delivery the activity and outcomes in the Education Strategy in partnership with its contractors, SCC and other stakeholders throughout the Construction Period;
- (c) During the Construction Period SCC is to monitor the number of Workforce Children taking places in Somerset schools and is to provide a Capacity Report to NNB GenCo within 10 Working Days of the end of each school term. The Report must set out the matters in paragraph 3.2. That paragraph (along with paragraph 4.2) also establishes the formula for further education payments by NNB GenCo, which cannot exceed £1,290,000;
- (d) NNB GenCo is to pay £1,220,000 to SCC for education capacity increases, prior to the Transitional Date;
- (e) NNB GenCo is to pay £300,000 to SCC to fund the listed measures to facilitate the integration of Workforce Children into Somerset schools.

SCHEDULE 6 – HEALTH

4.26. This Schedule secures the following key obligations:

- (a) 3 annual payments of £325,905 to the PCT from the Transitional Date, to be used for ambulance call out costs associated with the Project and the costs of referrals of non-home based workforce to the PCT and of providing healthcare to them;
- (b) NNB GenCo is to use reasonable endeavours to establish prior to the Transitional Date a strategic relationship protocol between it, the Hinkley Health contractor, NHS Somerset Clinical Commissioning Group and the GP Federation governing reporting, referring and engagement mechanisms between them;
- (c) NNB GenCo is to use reasonable endeavours to ensure that the Hinkley Health contract includes provision of a GP where numbers of referrals are over those anticipated in the Health Action Plan.

SCHEDULE 7 – ARCHAEOLOGY AND HERITAGE

4.27. This Schedules secures the following key obligations:

- (a) A payment of £231,218 to the Save Trust in relation to the restoration of Castle House following approval by NNB GenCo of a costed proposal for that project;
- (b) £23,090 to SCC for monitoring impacts on archaeological remains at the HPC Development Site, Junction 23 Site and Cannington Bypass Site and monitoring NNB GenCo's measures in relation to those sites;
- (c) £35,692 to SCC in relation to an outreach and education programme;
- (d) Potentially a further sum of £10,000 if additional archaeological finds are made at any of the Sites. If this sum is not fully paid or requested, the balance is to be paid to the Save Trust for Castle House restoration.

SCHEDULE 8 – LANDSCAPE AND VISUAL

4.28. This Schedule secures the following key obligations:

- (a) Five annual payments of £40,000 to SCC on the Transitional Date / second anniversary of Phase 2 as additional funding for the Landscape Schemes;
- (b) Five annual payments of £30,000 to SCC on the Transitional Date / second anniversary of Phase 2 for SCC / QHAONB Service continuing to carry out the duties of a Landscape Project Officer;
- (c) NNB GenCo, in consultation with SCC, is to review the employment of the Landscape Project Officer prior to the later of the Transitional Date and 7th anniversary of Phase 2 and may at its absolute discretion continue funding the Landscape Project Officer beyond the above timescales.

SCHEDULE 9 – PUBLIC RIGHTS OF WAY AND AMENITY

4.29. This Schedule secures the following key obligations:

- (a) £296,597 to SCC on the Commencement Date and £146,642 to SCC on the Unit 2 Commissioning Date, both towards the cost of the works set out in the ROW Schedule of Works;
- (b) The following obligations in relation to Bridgwater sports pitches:
 - a. NNB GenCo is to submit a planning application for Area 2 Approval to SDC before 24 September 2012, which SDC is to determine by 1 January 2013;
 - b. If the latter date
 - i. is complied with then NNB GenCo is not to remove the Existing Playing Fields until a senior football pitch has been laid out on Area 2 and a temporary changing facility provided there;

- ii. is not complied with, then NNB GenCo is to use reasonable endeavours to secure Area 2 Approval and to lay out and make available a senior football pitch on Area 2 and temporary changing facilities as soon as reasonably practicable following removal of the Existing Playing Fields.
- c. If the pitch and changing facilities are not available by 30 September 2013 then NNB GenCo is to use reasonable endeavours to agree with SDC transitional arrangements to ensure continuity of provision of appropriate facilities;
- d. Subject to the owner of Area 1 obtaining planning permission and other consents, NNB GenCo is to use reasonable endeavours to procure the laying out by that owner of a senior football pitch or two junior football pitches on Area 1, so that those pitches are available for use by 30 November 2013 or if later the date the Existing Playing Fields are removed;
- e. NNB GenCo is to use reasonable endeavours to obtain planning permission and other consents necessary to lay out a senior football pitch on Area 4 and to make it available for use by 31 May 2014 or if later the date the Existing Playing Fields are removed;
- f. In relation to the changing facilities:
 - i. As an alternative to the provision of temporary changing facilities and subject to agreement between the relevant land owner, SDC and NNB GenCo, NNB GenCo can instead make a contribution to the cost of permanent changing facilities; and
 - ii. Nothing in the paragraph is to obligate NNB GenCo to provide temporary changing facilities following the date on which the owner of Area 1 becomes liable to provide such facilities (or a contribution) under the North East Bridgwater s106 Agreement.
- g. The maintenance provisions set out at paragraphs 4.9 to 4.11 of the North East Bridgwater s106 Agreement are to apply to the facilities provided pursuant to the DCO Agreement and are enforceable against NNB GenCo;
- h. In relation to the Bridgwater C site / the Rugby Club:
 - i. NNB GenCo is to use reasonable endeavours to assist the Rugby Club to secure planning permission and other consents for a replacement rugby pitch and the acquisition by the Club of the land interests required for it (and a temporary provision as required);
 - ii. NNB GenCo is to consult with and take account of representations from SDC.

SCHEDULE 10 – SKILLS AND TRAINING

4.30. This Schedule secures the following key obligations:

- (a) Four annual payments of £60,000 and £15,000 to WSC from the Transitional Date/second anniversary of Phase 2, towards the costs of employing and carrying out the duties of a Community Outreach Worker respectively;
- (b) Four annual payments of £60,000 and £15,000 to SDC from the Transitional Date/second anniversary of Phase 2, towards the costs of employing and carrying out the duties of a Community Outreach Worker respectively;
- (c) Four annual payments of £60,000 to SCC from the Transitional Date/second anniversary of Phase 2, towards the costs of carrying out the duties of a Young Persons' Support Worker;
- (d) A payment of £2,000,000 to Bridgwater College on the Transitional Date for the Energy Skills Centre;
- (e) To implement the measures in the Construction Workforce Development Strategy (CWDS) during the Construction Period in partnership with its contractors, the Councils and others;
- (f) To provide an annual implementation plan to the Councils from the Transitional Date in relation to the CWDS;

- (g) NNB GenCo is to consult the Councils on any changes to the CWDS and take account of any comments, and is to use reasonable endeavours to ensure that £4,350,000 is applied by it and its partners towards the initiatives in the CWDS;
- (h) NNB GenCo is to implement the Operational Workforce Development Strategy (OWDS) from the first anniversary of the Transitional Date and throughout the Construction Period, and is to consult the Councils on any changes to the OWDS and take account of any comments.

SCHEDULE 11 – TRANSPORT

4.31. This Schedule sets out the following key obligations:

- (a) 8 annual payments of £75,000 to SCC from the Transitional Date in relation to costs of participation in the Transport Review Group;
- (b) The Transport Review Group comprises the Transport Co-ordinator, one representative from each of the Councils and the HA and up to three NNB GenCo representatives. It is to meet quarterly from the Transitional Date and throughout the Construction Period (or more/less often as agreed), and is quorate if 5 members are present. SCC is the chair and voting is on a majority basis. Failure to reach agreement leads to a reference to the dispute mechanism in clause 10;
- (c) The role of the Transport Review Group is set out in paragraph 2.8 – key is its role as part of the 'monitor and manage' approach to some aspects of transport/traffic, and the potential for £500,000 worth of measures to be funded where approved by the Group;
- (d) The Construction Workforce Travel Plan and Construction Traffic Management Plan are secured through the DCO Agreement, and must be implemented by NNB GenCo throughout the Construction Period. Paragraph 3 sets out the obligations in relation to these plans in more detail, including the potential for additional mitigation measures to be implemented in relation to unforeseen traffic impacts. NNB GenCo's maximum liability under these provisions, and including the travel behaviour payment below, is £5,100,000;
- (e) NNB GenCo is to pay £1,600,000 on the Transitional Date to SCC for undertaking travel behaviour activities;
- (f) There are detailed provisions in relation to highways surveys setting out NNB GenCo's liability for repairs to highways arising from Project traffic. NNB GenCo's maximum liability is £1,000,000;
- (g) NNB GenCo is to pay £300,000 to SCC for the design of Bridgwater Safety and Capacity Works, and paragraph 5 then sets out a process for the design (by SCC) and approval by NNB GenCo of those works which are to be funded by NNB GenCo (up to £5,160,000). That sum also includes £126,000 to SCC (on the Transitional Date) and potential further sums up to £1,134,000 in relation to road safety, driver awareness and education campaigns;
- (h) NNB GenCo is to pay £317,500 to SCC for the design of Walking and Cycling Improvements, and paragraph 6 then sets out a process for the design (by SCC) and approval by NNB GenCo of those works which are to be funded by NNB GenCo (up to £3,175,000);
- (i) Paragraph 7 sets out NNB GenCo's obligations in relation to the phasing of the Project and the delivery of Off Site Associated Development (and Cannington Bypass in particular). The Councils agreed the provisions of this clause in lieu of the previous Project phasing requirement PW2. As well as securing NNB GenCo's obligations in terms of delivery and review of programme, it also provides an acknowledgement that monies from the housing, community or transport contingency amounts may be used to mitigate impacts arising from failures to adhere to the Project programme;
- (j) Paragraph 8 sets out NNB GenCo's obligations to seek to secure delivery of certain bulk materials to the HPC Development Site via the jetty (rather than by road) - it must deliver 80% of materials via the jetty, must report on it to the Councils

- annually and where it has not achieved the 80% target must set out and comply with measures to achieve it in the future;
- (k) Two annual payments of £200,000 to SCC in relation to highways design fees from the Commencement Date.

SCHEDULE 12 – ENVIRONMENT

4.32. This Schedule secures the following key obligations:

- (a) Payments of £15,000 to each of SDC and WSC on the Transitional Date in relation to air quality action plans for Bridgwater and Williton;
- (b) 4 annual payments of £8,000 to SCC from the Transitional Date in relation to the costs of carrying out the duties of an Ecology Officer;
- (c) NNB GenCo is to implement its Transport Noise Insulation Scheme from the Commencement Date until it is ended (as set out in the Scheme);
- (d) Two payments of £50,000, one of £88,000 and one of £38,500 to SDC prior to the Occupation of the First Bridgwater A Phase, the Second Bridgwater A Phase, Bridgwater C and Junction 23 respectively, for the purposes of strategic flood defences;
- (e) Payment of £500,000 to SDC in relation to Cannington Park and Ride following receipt by NNB GenCo of a finalised proposal from the Environment Agency for the provision of a flood alleviation channel within 250m of the boundary of that site. SDC and the EA are to consult with and take account of NNB GenCo's views in relation to such a proposal and SDC is to pay the monies to the EA;
- (f) Payment of £80,000 to WSC in relation to the Stolford Area Flood Fund on the commencement of works to infill Holford Stream / the Commencement Date. WSC is to pay the monies to the EA

SCHEDULE 13 – DEDICATED COUNCILS' RESOURCING

4.33. This Schedule sets out obligations on NNB GenCo to provide funding to the Councils in relation to a number of officer roles. From a West Somerset Perspective, the following table sets out the roles involved and duration of payments – including technical support for the Council to call on in the case of particularly complex or specialist matters not retained in-house:

Role	Duration (years) of funding within the DCO Agreement
Planning Manager – to provide day to day project guidance and input into the successful implementation of the project (a contribution towards)	4
Major Projects Manager – to manage the implementation/delivery of the councils obligations and to oversee the discharge of requirements and obligations	4
Planning Officer – to provide day to day development control advice, to monitor the implementation of the project and to be the primary point of contact for the discharge of requirements and obligations	7.5
Planning Officer - to provide day to day development control advice, to monitor the implementation of the project and to be the primary point of contact for the discharge of requirements and obligations	4
Planning Support Officer – to provide administrative support to the planning manager and planning officers	4
Environmental Health Officer – to ensure compliance with relevant environmental measures associated with the project (light, noise,	4

air quality)	
Finance Officer – to discharge the financial responsibilities of the Council pursuant to the Agreement	4
Customer Services – to answer public queries about the project	4

The total staff contributions (including those set out in the schedules above) for West Somerset Council amounts to £2,347,969.

- 4.34. New staff currently employed in new positions funded from the Site Preparation Works Section 106 Agreement have been engaged on a 2 year, fixed term contract and, therefore, given what is set out above a further report will be presented to Cabinet and Council at the appropriate time covering future arrangements and implications.
- 4.35. It should be noted that the remit of all the posts set out within the Agreement is to mitigate the impacts of the project and new posts created thus far are entirely funded by EDF Energy at no cost to the local tax payer, for the avoidance of doubt redundancy costs and on costs are included.
- 4.36. Paragraph 11 sets out important obligations on the Councils in relation to governance arrangements, the amount of time each officer should spend working on the Project and provision for repayment if those proportions are not adhered to.
- 4.37. Paragraph 12 sets out a review mechanism in relation to the Council resourcing – the first is to be carried out by NNB GenCo (with the Councils) within 6 months of the fourth anniversary of the Transitional Date. It must consider the matters set out at paragraph 12.2, and is designed to enable NNB GenCo (at its discretion) to consider whether officer funding should continue beyond the periods set out in the Schedule.

SCHEDULE 14 – MONITORING

- 4.38. This Schedule sets out the following key obligations:
- (a) Paragraph 2 sets out the basic monitoring obligations on NNB GenCo, which are to include the matters set out in 2.1 where reasonably practicable. The results of that monitoring are to be provided to the Socio-Economic Advisory Group, and NNB GenCo is to provide an annual report during the Construction Period on expenditure on the matters set out at paragraph 2.4;
 - (b) NNB GenCo is also to take into account the monitoring results when implementing Socio-Economic Measures and is to have regard to advice from the Socio-Economic Advisory Group;
 - (c) Paragraph 3 sets out the provisions governing the Socio-Economic Advisory Group, which is to include a representative from each of the Somerset Councils and the emergency services and up to three representatives from NNB GenCo, and is to meet every six months from the Transitional Date;
 - (d) NNB GenCo can submit amendments to the Supply Chain Engagement Strategy and Health Action Plan to the Socio-Economic Advisory Group for approval

SCHEDULE 15 – THE COUNCILS' GENERAL OBLIGATIONS

- 4.39. This schedule secures the following key obligations:
- (a) The Councils must place monies received from NNB GenCo into an interest bearing account and must provide NNB GenCo with copies of account statements
 - (b) Any monies unspent 4 years after payment of the relevant sum are to be re-paid to NNB GenCo

- (c) WSC and SDC are to register the Agreement as a local land charge, and must cancel all such entries promptly after satisfaction of all obligations under the Agreement

PLANS AND ANNEXURES

4.40. Various plans and annexes are to be attached to the Agreement, as listed at the back of the 'main' DCO Agreement document.

4.41. The financial contributions set out within the Agreement can be summarised as follows:

Subject	Minimum Payment to WSC (excluding Staff)	Maximum Payment to WSC (excluding Staff)	Staff Payment to WSC	Total to Others or Contingency	Grand DCO Total
Housing	£440,000	£6,141,622	£60,000	£8,000,000	£8,500,000
CIM	£0	£12,800,000	£0	£12,800,000	£12,800,000
Community Safety	£0	£253,552	£115,469	£4,380,662	£4,496,131
Economic Development	£600,000	£600,000	£337,500	£2,560,000	£3,497,500
Education	£0	£0	£0	£2,810,000	£2,810,000
Health	£0	£0	£0	£977,715	£977,715
Archaeological and Heritage	£0	£0	£0	£300,000	£300,000
Landscape and Visual	£0	£0	£0	£350,000	£350,000
Public Rights of Way	£0	£0	£0	£443,239	£443,239
Skills and Training	£60,000	£60,000	£240,000	£2,540,000	£2,840,000
SLA	£400,000	£400,000	£1,753,000	£2,242,708	£3,995,708
Tourism	£160,000	£960,000	£180,000	£340,000	£1,480,000
Transport	£0	£0	£0	£17,550,000	£17,550,000
Environment	£95,000	£95,000	£0	£773,500	£868,500
Totals	£1,755,000	£21,310,174	£2,685,969	£56,467,824	£60,908,793

5. FINANCIAL/RESOURCE IMPLICATIONS

- 5.1. The amount of contributions secured by the Agreement is clearly significant and the burden of responsibility, which is placed on this Council, is also significant. The staffing implications are a very important part of the overall package of measures secured – i.e. in order for the affect of the development to be adequately mitigated (there will be no harm to the community) the posts go hand in hand with the financial contribution secured.
- 5.2. The Councils approach has been to ensure that the impact of this unique development and the costs of this Council representing the community and dealing with the direct and indirect impacts of the project do not fall to the local taxpayer. Therefore the costs of recruitment, salaries, on-costs (including pension and national insurance contributions as well as office related costs), potential redundancy costs and mileage have all already been factored in and the contributions secured cover all of these aspects of cost to the Council as the employer.

6. SECTION 151 OFFICER COMMENTS

- 6.1. The planning process whereby the Panel of Examining Inspectors appointed by the National Infrastructure Directorate consider any application for developments of this nature, does not place any requirement on the Panel or the Secretary of State to mediate discussions on contributions from the developer to mitigate the impact of the decision.

Therefore, it is through a process of negotiation between the developer and the relevant bodies (in this case West Somerset, Somerset County and Sedgemoor Councils, largely) to agree on a package of mitigation measures; as has been done at length and is presented in the table in section 4.41 above, otherwise a Unilateral Undertaking would have been presented with few of the measures in place.

7. EQUALITY & DIVERSITY IMPLICATIONS

- 7.1. The report and recommendations have no direct Equality and Diversity implications

8. CRIME AND DISORDER IMPLICATIONS

- 8.1. Members will note the considerable support to the community safety area (both internally and with other emergency services and partner Councils) which will ensure that any crime and disorder implications of the Site Preparation Works application are minimised.

9. CONSULTATION IMPLICATIONS

- 9.1. There are no direct consultation implications from the report or the recommendations.

10. ASSET MANAGEMENT IMPLICATIONS

- 10.1. The report and recommendations have no direct Asset Management implications.

11. ENVIRONMENTAL IMPACT IMPLICATIONS

- 11.1. Members will note that a number of the schedules within the section 106 agreement deal with the various environmental impact implications of the proposed development. The contributions themselves are part of a comprehensive range of measures set out in the Environmental Statement which accompanied the planning application and the planning conditions attached to the Decision Notice for the development.

12. LEGAL IMPLICATIONS

- 12.1. The following comments are provided by Pinsent Masons LLP:

The DCO Agreement is structured to follow the site preparation works section 106 agreement dated 27 January 2012 (the Site Preparation Works S106), with a schedule of obligations for each topic - this Report follows that structure. The DCO Agreement should be read with the Site Preparation Works S106, since the latter agreement related both to the site preparation works development and, in part, the Project.

The boilerplate provisions of the DCO Agreement (Clauses 1 to 26) cover the general obligations and matters that are required in the DCO Agreement, such as general definitions (topic-specific ones are covered in the schedules), the main obligation on NNB GenCo, conditionality, consent of owners, release from the DCO Agreement and expiry of the DCO, disputes, indexation (which applies to all sums), interest for late payments and other matters.

We consider that the DCO Agreement and the planning obligations which it secures represent a reasonable outcome for the Councils in the circumstances and taking into account the discussions with NNB GenCo, which have necessitated the negotiation of a number of points. In particular we note that the Councils are not in control of the DCO examination / decision (in contrast to the position when the Site Preparation Works S106 was concluded) and are supportive in principle of the Project. Further, the DCO Agreement represents a considerable improvement on the obligations position that would be achieved if EDF had resorted to a unilateral undertaking. All of these matters are important factors in

considering the position reached with NNB GenCo in negotiations and as represented in the draft DCO Agreement and the Statement of Common Ground dated 6 August 2012.

We consider it important that the DCO Agreement is completed so as to secure the mitigation 'package' within the DCO Agreement.

In our opinion all legal obligations and requirements are adequately complied with. We consider that the DCO Agreement adequately protects the legal interests of the Councils, in the context of the position reached with EDF and the obligations that the Councils have secured.

REPORT TO A MEETING OF CABINET TO BE HELD ON 5TH SEPTEMBER 2012

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West Somerset and Taunton Deane Joint Management and Shared Services Project

Cabinet Agenda Setting – 18th February 2015

Cabinet Meeting – 4th March 2015

Joint UNISON Board – XXXX

Full Council – 18th March 2015

Management and Shared Services Structure for the New Nuclear Programme Team

Executive Summary

This report includes proposals for the structure for the complete New Nuclear Programme Team which is being developed independent of the JMASS Project, as the structure is funded solely from staff payments secured by the Hinkley Point C Section 106 agreements – payable to West Somerset Council.

The report proposes a new structure for the Hinkley Point funded posts which have historically been 'dispersed' within the existing WSC structures. None of the posts set out in this report, other than the New Nuclear Programme Manager which is part of the Joint Management Team, feature in any other Management and Shared Services Structure.

As the structure set out in this report is funded solely from the Hinkley Point C Section 106 agreements, rather than deliver savings, the main objective is to demonstrate that the New Nuclear Programme Team is self-financing and does not rely on financial support from the WSC General Fund. The proposed structure achieves this and, as agreed with EDF Energy, a review of funding and workload will be undertaken in April 2017 when approximately £1.6m of income from the Section 106 agreements will remain.

Due to the profile of activity which is anticipated now, rather than that predicted at the time when the Section 106 agreements were negotiated, some changes to the structure and focus of roles as they existed historically are proposed. EDF Energy have agreed to this change in approach which reflects the needs of the project at this time. Importantly the obligations placed on West Somerset Council within the Section 106 agreements can all be met by the proposed structure.

1. The proposed structure

1.1. Overview

The proposed structure is intended to deliver West Somerset Council's obligations set out in the Hinkley Point C Section 106 agreements while delivering the New Nuclear related Corporate Objectives set out within WSC's Corporate Plan and the tasks within the New Nuclear Programme Team's Service Plan.

The structure has been designed to ensure that an appropriate balance is struck between maximising the opportunities for local people and businesses, protecting key industries including tourism, supporting affected communities, discharging planning functions and ensuring that local people continue to have access to housing whilst the construction of Hinkley Point C takes place.

The structure will see 12 FTE's / 13 Posts (including the New Nuclear Programme Manager) funded until at least April 2017 when a review with EDF Energy will be undertaken to assess remaining finances and the workload remaining. The majority of the posts, subject to the review, will be funded until the financial year 2019/20.

1.1 Affordability

Indicatively, the total income from the Section 106 agreements totals £2,812,572 while predicted expenditure without the review with EDF Energy would be £2,791,337. The review with EDF Energy will take place while £1,600,000 remains. Members will note that any unspent monies would have to be returned to EDF Energy in accordance with the Section 106 agreements so it is appropriate for predicted expenditure to closely match predicted income. Members will recall that the Council is obliged to spend this money only on employing staff in accordance with the Section 106 agreement and cannot use the money for any other purpose.

The income sums are not fixed as they are affected by Indexation which is applied as and when payments are due to be made, a precautionary approach has been taken to calculate predicted income.

Predicted expenditure has been calculated anticipating salary payments, national insurance and pension contributions. Anticipated wages increases and redundancy costs have also been built into ensure that the New Nuclear Programme Team is not reliant on the General Fund at any stage. Finally mileage costs have been factored in and an appropriate contribution towards the corporate core (running costs) of the Council and central services (such as IT and HR) has also been built in.

The Council's Leadership Team (JMT) has considered two issues which would affect affordability. Firstly in the area of customer services. Whilst the legal agreement does provide a contribution towards a customer services post, in reality this is unlikely to be area that experiences pressure and it would be very difficult to separate out contacts that were made purely as a result of the Hinkley Point C development. Overall, it was agreed by the Leadership Team that an additional customer services post is not required.

In a similar light, there will be occasional instances when support to register planning submissions will be needed. This area is one where the delay in the project has provided some benefits as the workload has been spread out and it is anticipated that occasional support from the Growth and Development Business Support team could be provided without the need to create a specific post in that area.

1.2 Constraints

The Site Preparation Works Section 106 agreement stipulates that West Somerset Council will use reasonable endeavours to determine applications to discharge planning conditions within 5 weeks of details being submitted. Whilst the majority of the conditions on the planning permission have been discharged some remain and this obligation still applies.

In a similar light, the Development Consent Order provides that the determination time for Minor requirements will be no more than 5 weeks and the determination time for Major requirements will be no more than 8 weeks. The proposed structure includes both a Planning Officer and a Planning Lead to ensure that these targets are met.

The Section 106 agreements also place requirements on the Council to report a wide range of information to various decision making meetings with EDF Energy and the other Councils involved in the project. In addition an obligation requiring the Council to submit both periodic and annual financial reports detailing what has been spent and what remains of the contributions that have been paid.

1.3 Overall Programme Management

The New Nuclear Programme Manager role was incorporated into the Joint Management Team structure as part of the JMASS project. Reporting to the Joint Chief Executive and working alongside the Director of Growth and Development as part of the Growth and Development Management Team, the New Nuclear Programme Manager is part of the Leadership Team (JMT) for both Councils and remains the key point of contact with senior personnel at EDF Energy and other Councils.

1.4 Planning Service

The Hinkley Point C project remains grounded within the planning process, the power station received Development Consent in March 2013 which followed the grant of planning permission for Site Preparation Works in 2012. The development remains subject to the consideration of a wide range of Requirements (planning conditions) which have yet to be considered and there will undoubtedly be the need to consider on a regular basis proposals for relatively minor changes to aspects of the project and planning expertise will be needed to assess and agree the best way of handling those changes.

As the project develops and more communities are affected there will be an increasing need for monitoring to take place to ensure that the development continues to accord with the approved plans and strategies. The level of explanation and interpretation required to explain aspects of the project to the community should not be underestimated and this will largely fall on the planning service.

It is proposed to create 2 FTEs namely a Planning Lead role [Grade J] and a Planning Officer role [Grade G]. The Planning Lead will line manage the Planning Officer, the EHO and the CIM Fund Manager.

1.5 Environmental Health Service

As activity on the Main Site at Hinkley Point continues to increase environmental monitoring and liaison between EDF Energy and the local communities will become more important. A

focus for this role will be to ensure that best practice continues to be employed on the Main Site to minimise light, noise and dust impacts.

Since 2012 the existing Environmental Health team has absorbed the work associated with Hinkley Point and an Environmental Health Officer has been paid an honorarium to acknowledge the increased workload associated with supporting this unique development. The Environmental Health Team as part of One Team does not have capacity within existing resources to take on the increased activity that is required in this key area.

It is proposed therefore to create a new part time 0.6 FTE EHO post [Grade G] within the NNPT which will be dedicated to the Hinkley Point project.

1.6 Community Safety Service

In a similar context as activity on the Hinkley Point project builds there will be an increasing need to work closely with other agencies on community safety and cohesion initiatives. The community safety team as part of the One Team does not have capacity within existing resources to take on the increased activity that is required in this area.

It is proposed therefore to create a new part time 0.4 FTE Community Safety Officer post [Grade G] within the NNPT which will be dedicated to the Hinkley Point project.

1.7 Community Funding Service

The Council performs a very important role in administering the Community Impact Mitigation Fund on behalf of all the Local Authorities and EDF Energy. The combination of the Section 106 agreement and the Councils own internal processes for releasing funds results in a constant cycle of meetings and reports to support those meetings. As money is released the need to liaise with and monitor spend given to 3rd parties will increase.

Until October 2014 the CIM Fund work was managed by the former Major Projects Manager who balanced this with overseeing the planning service described above. Since October 2014 a dedicated CIM Fund Manager has been in post which has enabled the post holder to focus solely on managing the CIM Fund process without needing to manage competing priorities.

It is proposed to continue with this separation and create 1 FTE CIM Fund Manager post [Grade H] within the NNPT.

At present a member of staff is seconded into the CIM Fund Manager role, given that this role will continue for a much longer period of time than originally intended the role will be need to be advertised.

1.8 Economic Development Service

There are 3 FTE posts performing Hinkley Point related activity which have in place since 2012. An Economic Development Officer [Grade H], a Tourism Officer [Grade H] and a Skills and Training Outreach Officer [Grade F].

The work within these areas continues and evolves as the Hinkley Point C project is delivered, although the work will in essence be very similar. It is proposed to slot in all three existing post holders into these roles.

The income from the Section 106 agreements allows for the Economic Regeneration and Tourism Manager post [Grade J] to be funded as part of the NNPT. The work of the post holder has been very focused on the Hinkley Point project over the last five years and the contribution of the post holder is recognised by both the Council and more particularly by EDF Energy who value the results which the post holder and the 3 FTEs have been delivering over the last 3 years.

The Economic Regeneration and Tourism Manager post will not be funded from the Hinkley Point C project during 2015/16 as the current post holder is seconded to the Local Enterprise Partnership and will continue to be paid from the Working Neighbourhoods Fund until 31st March 2016 once the secondment period ends.

1.9 Housing Service

It is proposed that the current Housing Initiatives Implementation Officer [Grade F] is slotted in as the work of this role continues and continues to be required to ensure that there is minimal adverse effect on the Housing market in West Somerset.

It is proposed that the current Housing Options Advice Officer [Grade F] is also slotted in for the same reasons. This post is part funded by the Hinkley Project 0.4 FTE and part funded by the General Fund 0.6 FTE. It is proposed that this funding model continues.

1.10 Finance Service

It is proposed that the current Hinkley Finance Officer [Grade G] is slotted in as the work of this role continues and is fundamental to the safe management of the project which sees over £20million paid to WSC.

1.11 New jobs

- i. New posts within the proposed structures are identified above.

1.12 Proposed slot-ins

Section	Existing Post	New Post
Economic Development	Economic Development Officer (1 FTE)	Economic Development Officer (1 FTE)
	Tourism Officer (1 FTE)	Tourism Officer (1 FTE)
	Skills and Training Outreach Officer (1 FTE)	Skills and Training Outreach Officer (1 FTE)
	Economic Regeneration and Tourism Manager (1 FTE)	Economic Regeneration and Tourism Manager (1 FTE)
Housing Service	Housing Initiatives Implementation Officer (1 FTE)	Housing Initiatives Implementation Officer (1 FTE)
	Housing Options Officer (1 FTE)	Housing Options Officer (1 FTE)
Finance Service	Finance Officer (1 FTE)	Finance Officer (1 FTE)

1.13 Posts at risk of redundancy

There are no posts at risk of redundancy

1.14 Proposed ring fences

There are no proposed ring fences.

1.15 Selection method

New posts will be advertised initially to any staff currently 'at risk' of redundancy, then to all internal staff and if required, externally. Selection method will be by an application and interview process.

1.16 Indicative timetable

Date	Activity
Early March 2015	Job evaluation of all posts
19 th March 2015	Subject to Full Council approval, existing post holders notified of decision and slotted in to roles. New posts advertised to 'at risk' employees.
26 March 2015	Applications received & interviews held with 'at risk' employees
7 April 2015	New posts advertised to all internal staff
w/c 27 April 2015	Internal Interviews
w/c 4 May 2015	External adverts if required

2 Consultation

- 2.1 The New Nuclear Programme Manager has undertaken consultation with relevant Portfolio Holders in drawing up this structure as well as having discussions with EDF Energy.
- 2.2 The New Nuclear Programme Manager has also met with affected staff at team meetings and on a 1:1 basis to assist with the information gathering process and to explain the structural proposals.
- 2.3 Unison have also been consulted on the proposals.

3 HR comments

- 3.1 The New Nuclear Programme Manager has discussed the proposals with HR to seek advice on the structure, job evaluation and ring fence arrangements. In drawing up these plans he has sought to create an effective structure with no redundancies in accordance with the requirements placed on the authorities.
- 3.2 Where staff from WSC, who have been TUPE transferred into TDBC, are slotted into posts which are broadly similar and where there is a detrimental impact they will be able to elect to retain their WSC terms and conditions of employment.

4 Financial comments

- 4.1 The Nuclear Programme Team will be funded by EDF under the s106 agreement. Under the revised agreement, EDF has agreed under the DCO to pay the Councils a total of £2,603,502 for staff resources to deal with the workload generated by the project. In addition, it been agreed with EDF to add the remaining £209,000 from the Site Preparation Work to the DCO

funding. This means that the total income and therefore the total cost envelope for the Nuclear Programme Team is £2,812,572.

- 4.2 The indicative total expenditure of this proposal is £2,791,337. This figures include the cost of the following:
- i. Salary, National Insurance and Pension Contributions;
 - ii. Anticipated wages increases;
 - iii. Mileage costs
 - iv. Redundancy costs;
 - v. Contribution to the Corporate Core Costs of the councils
- 4.3 This proposal currently show that the fund will have £21k remaining at the end of the project. Any unused funding will be paid back to EDF. There will be a review, as agreed with EDF, in April 2017 to consider the workload, staff resources and ensuring that the funding is being used effectively.
- 4.4 There is no impact on the Councils' General Fund Reserve or their budget position as a result of this proposal.

5 Equalities Impact Assessment

Under the Public Sector Equality Duty, there is a requirement to carry out an analysis of the effects on equality of existing and new policies and practices. This includes the effect on employees as well as the community

Please see Appendix X for Equalities Impact Assessment.

6 Risk management

The key risks identified for the proposals within this report are as follows:

Description	Likelihood	Impact	Overall
That the Council does not have the necessary staff resources to fulfil the requirements placed upon it within the Section 106 agreement generally	3	4	12
<i>The proposed structure provides stability over the coming years in order that the Council achieves its Corporate Objectives relating to the development at Hinkley Point C</i>	1	4	4
That the staff resources are not used effectively and do not deliver the right balance between maximising the opportunities of local people and businesses and protecting and enhancing the most affected communities	3	4	12
<i>The structure has been designed to ensure that an appropriate balance is struck between maximising the opportunities for local people and businesses, protecting key industries including tourism, supporting affected communities, discharging planning functions and ensuring that local people continue to have access to housing whilst the construction of Hinkley Point C takes place.</i>	1	4	4
That the staff resources are used to employ staff at the wrong time i.e. before the work to construct the power station are confirmed following the Final Investment Decision	4	4	16

<i>That the Council remains vigilant and tracks progress on the project at regular intervals to ensure that resources are deployed at the right time, recognising that in most areas delivery of mitigation 'early' is a positive outcome but also recognising that in some areas staff will be needed to oversee the project between now and the 'peak' when activity on site and the workforce are greatest</i>	3	4	12
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Each of these risks needs to be actively managed. On the whole, the risks have been assessed as acceptable and through mitigation can be further managed to reduce the likelihood and impact.

7 Partnership Implications

The Hinkley Point project has a wide range of collaborative partnerships that operate within different work streams and are attended by WSC, Sedgemoor District Council, Somerset County Council, EDF Energy and other partners as appropriate. The structure proposed is intended to service these partnerships and enable the Council to continue to influence and participate in joint working and decision making.

8 Director Comments

These proposals have been reviewed by the Director – Growth and Development and are fully supported

9 Recommendations

The views of the Cabinet and the Joint UNISON Board are invited to help shape this proposal further.

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List of Appendices

Appendix 1 – JMASS Management Structure for Service
 Appendix 2 – Existing Staff Structures and Post Schedule
 Appendix 3 – New Staff Structure and Post Schedule
 Appendix 4 – Equalities Impact Assessment
 Appendix 5 – Risk Assessment

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Report Number: WSC 34/15

Presented by: Councillor K Mills, Lead Member for Regeneration and Economic Growth

Author of the Report: Dan Webb, Growth and Development Programme Manager

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Report to a Meeting of: Cabinet

To be Held on: 4 March 2015

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

ESTABLISHMENT OF THE SOMERSET GROWTH BOARD

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is for Cabinet to endorse the proposal to establish a Somerset Growth Board.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The Council's corporate priority – New Nuclear at Hinkley Point' (and the 7 associated objectives) aligns closely with the objectives within the Somerset Growth Plan.

3. RECOMMENDATIONS

- 3.1 That Cabinet endorses the Somerset Chief Executive and Leaders' proposal to establish a Somerset Growth Board.
- 3.2 That Cabinet agrees to transfer a sum of £957 in the current year to an earmarked reserve to be used towards the Growth Board core costs for 2015/16.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
If Somerset does not develop and agree a collaborative set of local priorities it will not be able to effectively influence the LEPs priorities and will therefore be at risk of not being able to attract its fair share of funding through the Growth Deal negotiations. This also poses a reputational risk to Somerset in that we will not be seen to be working collaboratively across the local area.	4	5	20
<i>The formation of a Somerset Growth Board as described in this report is designed to mitigate this risk</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 and after the mitigation measures have been actioned.

5. BACKGROUND INFORMATION

- 5.1 The Somerset Growth Plan was developed by the six local authorities, business representative organisation and other key stakeholders including the Local Enterprise Partnership (LEP) and Somerset's Further Education sector. The Growth Plan sets out Somerset's plans to promote growth between now and 2020 and for laying the foundations for long term sustainable economic growth for years after this. It was developed to attract and guide investment into Somerset, to overcome barriers and maximise sustainable employment and housing growth from local opportunities, benefitting Somerset's communities, businesses and residents. The Growth Plan was endorsed by West Somerset Council Cabinet 5 March 2014.
- 5.2 The LEP's first Growth Deal has demonstrated the success of working in partnership to agree initial priorities for Somerset and our ability to effectively influence the LEP's negotiations with Government to secure investment. Somerset will see around £36m of investment from the Growth Deal 1; £18m of which is allocated in 2015/16. Growth Deals are an ongoing process by which the Government will award LEPs a share of the Single Local Growth Fund to support the Government's localism agenda. Growth Deal 2 is due to be confirmed at the end of January 2015. Our priorities now are to support the LEP in delivering the funded Growth Deal projects and to ensure we are in a position to effectively influence future Growth Deal negotiations.
- 5.3 Equally the climate for securing investment, both within our LEP and across all the LEPs nationally is very competitive and Somerset needs to position itself effectively to maximise success in the future. The context for this also includes growing expectations from Central Government of integrated working across local authorities in economic development, as illustrated by the devolution package for Greater Manchester in late 2014. To ensure partners within Somerset continue to have a coherent and collective voice to agree ongoing priorities for growth, to communicate them to others and can demonstrate that they are responding to the Government's agenda for collaborative working, the Somerset Chief Executives and Leaders Group have endorsed the establishment of a Somerset Growth Board. The Terms of Reference for the Growth Board were endorsed on 14 November 2014 and are attached at Appendix A. The Growth Board will be the way in which the Somerset growth agenda is integrated into the LEP and will give impetus to the Growth Plan.
- 5.4 The key purpose of the Growth Board is to take strategic ownership of the Growth Plan, ensuring that Somerset's priorities are communicated with key partners, such as the LEP, and to provide local accountability for its delivery. The Growth Board will act in an advisory capacity to the six Somerset Councils and the LEP and will present recommendations from the board to individual councils for approval.
- 5.5 A key function of the Board will be to ensure that Somerset is in a position to respond, at short notice, to ongoing calls for projects should additional funding be made available. Somerset should have a pipeline, for the LEP and other external agencies, of prioritised projects supported by evidenced business cases. If we are not in a position to provide these details then the LEP will have to make decisions on the information it can obtain; it is therefore in our best interests to ensure we work towards developing and agreeing Somerset's priorities.
- 5.6 To ensure the Growth Board can effectively attract and guide investment it will need sufficient executive support. Regeneration Directors can provide an overarching senior executive support role for the Board through their support to the thematic sub-groups and attendance

at the Board meetings. However, additional support will be needed for management and ongoing review of the Growth Plan; primarily the development and management of a project pipeline based on evidenced business cases. A monitoring evaluation framework will be developed which will provide appropriate performance reporting allowing the Board to identify where further effort needs to be made to achieve the strategic targets. In order to support the Growth Plan's wider purpose, of overcoming barriers and maximising sustainable growth from local opportunities, appropriate communications and engagement with stakeholders is needed. There are currently no identified resources to provide this executive support to the Growth Board. To ensure its effectiveness it has been suggested by SCC that each of the six Somerset councils co-fund this support and each commit to a three year financial contribution (as set out in the table below), however the recommendation at West Somerset Council and Taunton Deane Borough Council will be to make this contribution initially on a one year basis only (for 2015/16):

Local Authority	Annual Contribution
Somerset County Council (cash)	5,000
Somerset County Council (in-kind)	4,500
Mendip District Council	3,071
Sedgemoor District Council	3,277
South Somerset District Council	4,570
Taunton Deane Borough Council	3,125
West Somerset District Council	957
TOTAL	24,500

- 5.7 Alternative options considered by the Chief Executives and Leaders included:
- "Status quo arrangements" - the authorities continuing to work as per present through informal collaboration and seeking to secure direct influence on the LEP and other bodies for local priorities. However this has the implication of competition among Somerset partners for influence and resources. It is also likely that greater influence will be secure through collaborative working
 - Growth Board with joint decision making powers - The Somerset Chief Executives and Leaders considered the possibility of the Growth Board being a decision making authority, but it was agreed that individual authorities would still like to maintain overarching control of decisions; the Growth Board is therefore an advisory Board which is reflected within the Terms of Reference.

6. FINANCIAL/RESOURCE IMPLICATIONS

- 6.1 West Somerset Council has been requested to make an annual contribution of £957 over the next three years to support the core costs of the Growth Board – however, it is recommended that the Council should only make this contribution initially on a one year basis (for 2015/16). This will be funded from the anticipated over recovery of Planning income in 2014/15.
- 6.2 A contribution totalling £24,500 per annum will need to be secured from the Somerset Local Authorities, as detailed in paragraph 1.6, over the same period.
- 6.3 The Somerset Growth Board, by enabling shared investment priorities among Somerset partners and facilitating a co-ordinated Somerset "voice" to the LEP, and Government departments and agencies, is likely to result in increased and better targeted external investment in Somerset infrastructure and growth priorities.

7. COMMENTS ON BEHALF OF SECTION 151 OFFICER

7.1 It would be appropriate to transfer a sum of £957 to an earmarked reserve in the current financial year for use in 2015/16 to assist with the establishment of the Somerset Growth Board.

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 No implications identified as a direct result of this decision.

9. CRIME AND DISORDER IMPLICATIONS

9.1 No implications identified as a direct result of this decision.

10. CONSULTATION IMPLICATIONS

10.1 Various discussions and consultations have taken place in respect of the Somerset Growth Board. Reports have been presented at key stages to the Somerset Regeneration Directors, Somerset Chief Executives and the Somerset Leaders Groups.

11. ASSET MANAGEMENT IMPLICATIONS

11.1 No implications identified as a direct result of this decision.

12. ENVIRONMENTAL IMPACT IMPLICATIONS

12.1 No implications identified as a direct result of this decision.

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 No implications identified as a direct result of this decision.

14. LEGAL IMPLICATIONS

14.1 There are no legal implications directly arising from this decision.

SOMERSET GROWTH BOARD TERMS OF REFERENCE

1. Purpose of the Somerset Growth Board

- 1.1 To provide strategic 'ownership' of the Somerset Growth Plan and manage the ongoing cycle of reviewing, updating and promoting the Plan;
- 1.2 To act in an advisory capacity to the six Somerset Councils and the Heart of the South West (HotSW) Local Enterprise Partnership (LEP) in respect of the Somerset Growth Plan. All recommendations from the Board will be presented to the six councils for approval. The Board therefore has no delegated decision making authority;
- 1.3 To accelerate delivery of the Somerset Growth Plan and maximise local accountability;
- 1.4 To have strategic oversight of the thematic sub-groups (Place, Employment and Skills, Business and Hinkley Local Leads) and funding streams associated with the delivery of the Somerset Growth Plan.

2. Core functions

- 2.1 To review and update the objectives and priorities within the Growth Plan at least annually, and make recommendations for approval by the six councils and endorsement by local business representatives;
- 2.2 To facilitate and promote joined-up delivery amongst partners of key projects identified within the Growth Plan and any associated activities;
- 2.3 To coordinate the local government contribution to the delivery of key projects identified within the Growth Plan and any associated activities;
- 2.4 To oversee delivery of the accountable body function, adopted by member organisations if appropriate;
- 2.5 To engage with and obtain support from key partners and stakeholders at a strategic level to support delivery of the Growth Plan;
- 2.6 To provide the strategic link between local government in Somerset and the HotSW LEP Board;
- 2.7 To provide the strategic link between Somerset's key economic development stakeholders and the Hinkley Strategic Development Forum (HSDF), and other appropriate National / sub-National forums;
- 2.8 To provide a coordinated response to consultations and policy announcements that impact upon the delivery of the Growth Plan. This does not exclude the six councils from responding separately where necessary.

3. Membership

- 3.1 Membership of the Somerset Growth Board shall be limited to:
 - Cabinet Economic Development leads from the County Council and each of the five District Councils,
 - Regeneration Directors,
 - HotSW LEP representative,
 - Business representatives (FSB, Chamber, IoD etc).
- 3.2 Membership of the Board shall be reviewed annually.

- 3.3 From time to time, the Chairman may invite 'guests' to present to the Board on specific topics of relevance to the focus of the meeting.

4. Role and Responsibilities of Members

Board Members should:

- 4.1 have the responsibility to represent their organisation or partnership and to feedback information to relevant individuals within the organisation or partnership they represent;
- 4.2 make recommendations to the council for the prioritisation of projects and resource commitments necessary to deliver them;
- 4.3 inform the Board of their councils commitment to deliver individual projects;
- 4.4 ensure that their council has a concise decision making process in place to agree issues of shared interest on growth and meet timetables set by government for national funding and other funding mechanisms;
- 4.5 make every effort to prioritise attendance at scheduled meetings but are asked to nominate a relevant substitute from the same organisation or partnership. In the case of Local Authority Cabinet Leads, the substitute should be a Cabinet member. The substitute will be copied into correspondence relating to meeting dates and papers, for information.

5. Chairmanship

- 5.1 A Chair shall be elected from the Board and hold office for a minimum of one year.

6. Meetings

- 6.1 A minimum of one meeting per quarter should be held throughout the year, with additional meetings scheduled as required.

7. Reporting lines

- 7.1 The Boards' recommendations will be referred to the six councils for decision;
- 7.2 The Somerset Councils Leaders Group will mediate where the Board is unable to achieve a consensus in support of recommendations to the councils or where the councils are unable to agree the Boards recommendations.

8. Resourcing

- 8.1 The administration of the Somerset Growth Board will be resourced by the member Local Authorities.

9. Review date for the Terms of Reference

- 9.1 The Terms of Reference will be reviewed annually from the point of acceptance and recommended for approval by the six councils.