



Members of the Cabinet
(Councillors A H Trollope-Bellew (Leader), M J Chilcott (Deputy
Leader), M O A Dewdney, K M Mills, C Morgan, S J Pugsley,
K H Turner and D J Westcott)

Our Ref DS/KK
Your Ref

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Extension 01984 635307
Date 26 October 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 November 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 "Bruce Lang".

BRUCE LANG
Proper Officer

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

Meeting to be held on 4 November 2015 at 4.30 pm

Council Chamber, Williton

AGENDA

1. **Apologies for Absence**

2. **Minutes**

Minutes of the Meeting of Cabinet held on 14 October 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 for the month of December 2015 – **SEE ATTACHED.**

6. **Cabinet Action Plan**

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

7. **Budget Savings 2015/16 and Earmarked Reserves Review**

To consider Report No. WSC 156/15, to be presented by Councillor M Chilcott, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to recommend to Council to share details of the review of current year budgets and earmarked reserve balances, and to seek approval to transfer identified savings to general reserves.

8. HPC Planning Obligations Board – Allocations of CIM Funding

To consider Report No. WSC 154/15, to be presented by Councillor M Chilcott, 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.

9. Asset Property Portfolio Compliance Status Report

To consider Report No. WSC 157/15, to be presented by Terry May - Interim Assistant Director of Property & Development – **SEE ATTACHED.**

The purpose of the report is to Provide Cabinet with a position statement of its statutory and regulatory compliance responsibilities related to its land and property asset portfolio.

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

CABINET

MINUTES OF THE MEETING HELD ON 14 OCTOBER 2015

AT 4.30 PM

IN THE COUNCIL CHAMBER, WILLITON

Present:

Councillor A H Trollope-Bellew..... Leader

Councillor M J Chilcott
Councillor C Morgan
Councillor K Turner

Councillor K Mills
Councillor S J Pugsley
Councillor D J Westcott

Members in Attendance:

Councillor I Aldridge
Councillor S Y Goss
Councillor B Heywood
Councillor B Maitland-Walker
Councillor R Woods

Councillor G S Dowding
Councillor A P Hadley
Councillor B Leaker
Councillor N Thwaites

Officers in Attendance:

Assistant Chief Executive (B Lang)
Assistant Director Resources (P Fitzgerald)
Senior Accountant and Deputy Section 151 Officer (J Nacey)
Housing & Community Project Lead (A Summers) – Item 7
Principal Revenues & Debt Recovery Officer (D Emery) – Item 8
Assistant Director Asset Development Projects (T Gillham) – Item 10
Meeting Administrator (K Kowalewska)

At the start of the meeting the Leader gave a warm welcome to the Council's new Deputy Section 151 Officer, Jo Nacey who would be assisting the Section 151 Officer for a temporary period.

CAB46 Apologies for Absence

An apology for absence was received from Councillor M Dewdney.

CAB47 Minutes of the Meeting held on 2 September 2015

(Minutes of the Meeting of Cabinet held on 2 September 2015 - circulated with the Agenda.)

RESOLVED that the Minutes of the Meeting of Cabinet held on 2 September 2015 be confirmed as a correct record.

CAB48 **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 C Morgan	All	Stogursey	Spoke and voted
Councillor A Trollope-Bellew	All	Crowcombe	Spoke and voted
Councillor K Turner	All	Brompton Ralph	Spoke and voted
Councillor D Westcott	All	Watchet	Spoke and voted
Councillor I Aldridge	All	Williton	Spoke
Councillor S Goss	All	Stogursey	Spoke
Councillor B Maitland-Walker	All	Carhampton	Spoke
Councillor N Thwaites	All	Dulverton	Spoke

In addition, Councillor K Turner declared a prejudicial interest relating to Item 7 – Request for Allocation of Planning Obligations Funding as he was Chair of Brompton Ralph Parish Council, and he left the Chamber during the discussion of this item.

CAB49 **Public Participation**

Tony Bullen spoke on Agenda Item 8 – Discretionary Business Rate Relief Policy. He was in favour of retaining the existing policy as he felt the impact of the new policy would see a substantial reduction in discretionary relief granted from business rates to charities, community amateur sports clubs and many other local organisations.

CAB50 **Forward Plan**

(Copy of the Forward Plan for the month of November 2015 – circulated with the Agenda.)

The purpose of this item was to approve the Forward Plan.

RESOLVED that, subject to the Review of Financial Regulations being deferred to March 2016, and the inclusion of In-year Budget Savings and Earmarked Reserves Review in November 2015, the Forward Plan for the month of November 2015 be approved.

CAB51 **Cabinet Action Plan**

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

RESOLVED (1) that CAB44 – Financial Monitoring Report – Quarter 1 2015/16 be deleted as actioned.

RESOLVED (2) that CAB45 – HPC Planning Obligations Board – Allocations of CIM Funding be deleted as actioned.

CAB52 Request for Allocation of Planning Obligations Funding

(Report No. WSC 138/15 – 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 and provided detailed information on the two requests for planning obligations funding.

The Lead Member proposed the recommendation of the report, which was duly seconded by Councillor C Morgan.

Members expressed support for both proposals. In response to a concern raised regarding the lack of lighting in connection with the land at bottom of Marshfield Road, Alcombe project, it was advised that it was proposed to only improve the surface of the path at this present time.

RESOLVED that the allocation of £1,000 towards the renewal of the main village hall stage at Brompton Ralph, and the allocation of £7,825 for the upgrading of land at bottom of Marshfield Road, Alcombe be agreed; these amounts to be added to the capital programme and funding from planning obligations contributions.

CAB53 Discretionary Business Rate Relief Policy

(Report No. WSC 150/15 (revised), and a revised Appendix A to the Discretionary Rate Relief Policy - circulated prior to the meeting.)

The purpose of the report was to introduce a revised Discretionary Rate Relief Policy to come into effect from 1 April 2016.

The Lead Member for Resources and Central Support presented the item and outlined the main details contained within the report, advising that all organisations that may be affected by the revised Policy had been given the required 12 month notification. She drew attention to the fact that the cost to the Council of delivering the Business Rate Retention (BRR) scheme since its introduction had increased year on year. She also advised that the current policy had been in effect for a considerable amount of time without review. Another key point raised was that Discretionary Rate Relief had to be awarded in the interests of local Council Tax payers. The new policy also would take into account that phased relief over three years would apply in the case of an asset transfer of public conveniences to assist any communities who wished to take them over. The Lead Member drew further attention to the financial implications contained within the report and of the Council's requirement to

pay levy costs to central Government in connection with BRR Funding Baseline.

She concluded by stating that the Council, despite the need to make savings and balance its budget, would continue to support its community with a policy which was fair and equitable to all.

Further to suggestions made by the public speaker for Members to look at Cornwall Council's guidelines on Discretionary Rate Relief, the Lead Member concurred that it would be helpful to include an introductory paragraph in the policy.

An amendment to the policy was proposed to include a sentence in the last paragraph of section 9 'Local Business Rate Discretionary Discount', to read as follows: 'Should a public convenience be vested in a charity then the rules for charitable rate relief will apply'.

The Lead Member proposed recommendations 3.1 a) (as amended) and 3.1 c), with an amendment to delete 3.1 b) in order to allow any changes to the policy to be decided and ratified by full Council. The amended recommendations were seconded by Councillor S Pugsley.

A lengthy discussion ensued and various questions and concerns were raised. Members welcomed the opportunity to review the policy at any time; and following particular concerns raised as to how village halls would be affected by the introduction of the new policy guidelines, it was confirmed that the policy would state that all village halls would receive 100% rate relief without an application or reviews being required.

Finally, it was stated that the new procedures would continue to provide support to local charities, clubs and businesses across the district, where it was most needed; and Members were assured that the policy was flexible with the knowledge it would be kept under review with Members fully participating in this monitoring and review process. It was also acknowledged that a lot of extremely hard work had gone into revising the policy by officers and the lead member.

RESOLVED (1) that it be recommended to Council to approve the introduction of the revised policy detailed in Appendix 1 to the report, as amended.

RESOLVED (2) that it be recommended to Council to approve the inclusion of the anticipated savings within the 2016/17 budget and ongoing medium term financial plan net of additional administration costs.

CAB54 **Exclusion of the Press and Public**

RESOLVED that the press and public be excluded during consideration of Item CAB55 on the grounds that, if the press and public were present during that item, there would be likely to be a disclosure to them of exempt

information of the class specified in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended as follows:

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

CAB55 **Seaward Way, Minehead - Land Sale for Employment Use (previously referred to as residential/employment land)**

(Report No. WSC 151/15, circulated prior to the Meeting.)

The purpose of the report was to seek Cabinet support for recommendations to Council as landowner to agree the sale of remaining land on Seaward Way to a preferred bidder.

The Lead Member for Housing, Health and Wellbeing presented the item and outlined the details contained within the report.

It was suggested that recommendation 3.3 needed further explanation as it was unclear what the sum of £88,700 referred to, and it was agreed to cross reference the recommendation with paragraph 5.2 of the report.

The Lead Member went on to propose the recommendations, as amended, which were duly seconded by Councillor C Morgan.

On consideration of this item, various questions regarding the removal of the restrictive covenants were raised and Members were supportive of the proposals to deliver employment/commercial use development on the land.

RESOLVED (1) that it be recommended to Council as landowner:

- (a) to approve the sale of land at Seaward Way (marketed for residential/employment use) to the preferred bidder, for the delivery of employment and commercial use development, subject to contract and planning;
- (b) to note that the sale of land is subject to exchange of conditional contracts and the receipt of non-refundable deposit being paid to the Council of £50,000, which will be allocated to capital receipts reserves;
- (c) to delegate final approval and sign-off of the sale by agreement of the Leader, Lead Member for Finance, Chair of Asset Project Group, Chief Executive and the Section 151 Officer, and who are granted authority to conclude a sale if a minimum sum or a higher figure is achieved;
- (d) to note that Council members will be informed of progress through information reports from the Asset Project Group, such as Asset Sales standing agenda item at Corporate PAG.

RESOLVED (2) that a continuation of established authority that the Council approved minimum sum should be expected be agreed. This is a figure at least equal to the capital receipt previously approved by the Council (2012), with an appropriate adjustment to reflect any market uplift in land value.

RESOLVED (3) that it be recommended to Council that £88,700 is added to the 2015/16 Capital Programme for Seaward Way Disposal Costs, to be funded from unallocated capital receipts reserves, to meet West Somerset Council's commitment as detailed in paragraph 5.2 of the report..

The meeting closed at 5.50 pm

DRAFT

Cabinet Forward Plan - December 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	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/15/12/01 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 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/15/12/03 10/02/2015	2 December 2015 By Lead Member for Energy Infrastructure	Title: Hinkley Point Decision: to consider key issues relating to Hinkley Point	No exempt / confidential information anticipated	Andrew Goodchild, Assistant Director Energy Infrastructure 01984 635245
FP/15/12/04 03/06/2015	2 December 2015 By Lead Member for Community and Customer	Title: Council Tax Rebate Scheme 2016/17 Decision: to present the Council Tax Rebate Scheme 2016/17 for recommendation to Council	No exempt / confidential information anticipated	Heather Tiso, Revenues and Benefits Manager 01823 356541
FP/15/12/05 01/07/2015	2 December 2015 By Lead Member Resources & Central Support	Title: Earmarked Reserves Review Decision: to provide Members with details of Earmarked Reserves Review and recommend use of surplus reserves	No exempt / confidential information anticipated	Paul Fitzgerald, Assistant Director Resources 01823 358680
FP/15/12/06 10/02/2015	2 December 2015 By Lead Member Resources	Title: Fees and Charges 2016/17 Decision: to propose levels of fees and charges for	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	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
	& Central Support	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) for recommendation to Council		
FP/15/12/07 04/08/2015	2 December 2015 By Lead Member Community and Customer	Title: Council Tax Rebate Scheme 2016/17 Decision: to present the Council Tax Rebate Scheme 2016/17 for recommendation to Council	No exempt / confidential information anticipated	Heather Tiso, Revenues and Benefits Manager 01823 356541

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 A H Trollope-Bellew, M Chilcott, M Dewdney, K M Mills, C Morgan S J Pugsley, K H Turner and D J Westcott.

The Scrutiny Committee comprises: Councillors P H Murphy, R Lillis, D Archer, G S Dowding, B Maitland-Walker, J Parbrook, R Clifford, R Woods and A Behan.

CABINET ACTION PLAN

14 OCTOBER 2015	
Minute Number	CAB53 Discretionary Business Rate Relief Policy
Action Required	<p>RESOLVED (1) that it be recommended to Council to approve the introduction of the revised policy detailed in Appendix 1 to the report, as amended.</p> <p>RESOLVED (2) that it be recommended to Council to approve the inclusion of the anticipated savings within the 2016/17 budget and ongoing medium term financial plan net of additional administration costs.</p>
Action Taken	<p>At the Council meeting on 21 October 2015 it was</p> <p>RESOLVED (1) that the introduction of the revised policy detailed in Appendix 1 of the report be approved.</p> <p>RESOLVED (2) that the inclusion of the anticipated savings within the 2016/17 budget and ongoing medium term financial plan net of additional administration costs be approved.</p>
Minute Number	CAB55 Seaward Way, Minehead – Land Sale for Employment Use (previously referred to as residential/employment land)
Action Required	<p>RESOLVED (1) that it be recommended to Council as landowner:</p> <p>(a) to approve the sale of land at Seaward Way (marketed for residential/employment use) to the preferred bidder, for the delivery of employment and commercial use development, subject to contract and planning;</p> <p>(b) to note that the sale of land is subject to exchange of conditional contracts and the receipt of non-refundable deposit being paid to the Council of £50,000, which will be allocated to capital receipts reserves;</p> <p>(c) to delegate final approval and sign-off of the sale by agreement of the Leader, Lead Member for Finance, Chair of Asset Project Group, Chief Executive and the Section 151 Officer, and who are granted authority to conclude a sale if a minimum sum or a higher figure is achieved;</p> <p>(d) to note that Council members will be informed of progress through information reports from the Asset Project Group, such as Asset Sales standing agenda item at Corporate PAG.</p> <p>RESOLVED (2) that a continuation of established authority that the Council approved minimum sum should be expected be agreed. This is a figure at least equal to the capital receipt previously approved by the Council (2012), with an appropriate adjustment to reflect any market uplift in land value.</p> <p>RESOLVED (3) that it be recommended to Council that £88,700 is added to the 2015/16 Capital Programme for Seaward Way Disposal Costs, to be funded from unallocated capital receipts reserves, to meet West Somerset Council’s commitment as detailed in paragraph 5.2 of the report.</p>
Action Taken	<p>At the Council meeting on 21 October 2015 it was</p> <p>RESOLVED (1) that the Council, as landowner, approve the following recommendations from Cabinet:</p>

(a) the sale of land at Seaward Way (marketed for residential/employment use) to the preferred bidder, for the delivery of employment and commercial use development, subject to contract and planning.

(b) the sale of land is subject to exchange of conditional contracts and the receipt of a non-refundable deposit being paid to the Council of £55,000, which will be allocated to capital receipts reserves;

(c) to delegate final approval and sign-off of the sale by agreement by the Leader, Lead Member for Finance, Chair of Asset Project Group, Chief Executive Officer and the Section 151 Officer, and, who are granted authority to conclude a sale if a minimum sum or a higher figure is achieved;

(d) Council Members will be informed of progress through information reports from the Asset Project Group, such as Asset Sales standing agenda item at Corporate PAG.

RESOLVED (2) that a continuation of established authority that the Council approved minimum sum should be expected be agreed. This is a figure at least equal to the capital receipt previously approved by the Council (2012), with an appropriate adjustment to reflect any market uplift in land value.

RESOLVED (3) that that the final payment to the Crown and Passmore Trust (£88,700) for the release of restricted covenants on Seaward Way employment land be approved, and is added to the 2015/16 Capital Programme for Seaward Way Disposal Costs, to be funded from unallocated capital receipts reserves. Members to note, that the payment concludes a contractual requirement, by settling a fixed overage amount (point 5.2 of the report refers).

Report Number: WSC 156/15
Presented by: Cllr M Chilcott, Lead Member for Resources & Central Services
Author of the Report: Paul Fitzgerald, Assistant Director – Resources
Contact Details:
Tel. No. Direct Line 01823 358680
Email: p.fitzgerald@tauntondeane.gov.uk
Report to a Meeting of: Cabinet
To be Held on: 4 November 2015
Date Entered on Executive Forward Plan
Or Agreement for Urgency Granted:

BUDGET SAVINGS 2015/16 AND EARMARKED RESERVES REVIEW

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to share details of the review of current year budgets and earmarked reserve balances, and to seek approval to transfer identified savings to general reserves.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 The identification of savings is directly linked to improving the financial resilience of the council in the short term through increasing general reserves.

3. RECOMMENDATIONS

- 3.1 Cabinet recommends that Full Council approves the transfer of in year revenue budget savings of £212,092 to general reserves.
- 3.2 Cabinet recommends that Full Council approves the transfer of £156,119 from earmarked reserves to general reserves.
- 3.3 Cabinet recommends that Full Council approves the reclassification of the £105,000 Hinkley S106-funded 'Low cost starter homes' scheme from capital to revenue budget in lieu of redistribution of existing loans pool.

4. RISK ASSESSMENT (IF APPLICABLE)

Risk Matrix

Description	Likelihood	Impact	Overall
The Authority fails to develop a sustainable financial plan for 2016/17 and beyond.	4	4	16
<i>Mitigation: Members agree the transfer of savings to reserves to support and deliver the recommended approach to 2016/17 budget setting</i>	2	4	8

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 Council's financial position has been drastically affected by the impact of the reduction in business rates funding for Hinkley B power station. Details of this were included in the Financial Outturn Report presented to Cabinet and Scrutiny in August 2015.

5.2 The concerns of management have been emphasised also by the findings of our external auditor, which led to a qualified 'value for money conclusion' citing concerns about the council's financial resilience due to:

- General reserves being reduced to the acceptable minimum
- The budget gap being significantly increased, making it very challenging to set a balanced budget in 2016/17

5.3 The Council's general reserves are currently £0.508m, which is only £0.008m above the acceptable minimum.

5.4 The Council's budget gap is currently estimated at £0.566m for 2016/17 (as at August 2015), rising to £1.538m by 2020/21 if no action is taken to match spending with resources available. Members are advised that a further update on the MTFP forecasts is due to be reported to Scrutiny this month.

5.5 The Medium Term Financial Plan was reported to Members in August 2015, which provided more detailed information behind the financial forecasts and assumptions. Further to this, and reflecting the immediate and serious financial challenge, the Budget Strategy reported to Scrutiny in October included an action to identify savings in the current financial year, through:

- Reviewing 2015/16 service budgets to identifying opportunities to reduce costs or fund spending from different sources
- Review earmarked reserves to identify spending plans that can be de-prioritised and therefore release funding to general balances.

5.6 This report presents the findings of this work with recommendations to transfer identified savings to general reserves.

6. 2015/16 BUDGET SAVINGS

6.1 Assistant Directors, working with Lead Members, have identified a range of savings within service budgets. Wherever possible the aim has been to deliver savings that have limited impact on front line services. These are shown in the table below.

Table 1: In Year Savings Proposed

Budget Heading	£	Explanation
Corporate Costs	50,400	Hinkley S106 initial 2015/16 corporate overheads contribution, to be transferred from S106 holding account.

Budget Heading	£	Explanation
Housing	105,000	Hinkley-funded First Time Buyers scheme can be funded through recycling previous allocations to WRCIC (Wessex Resolution CIC), therefore propose to make revenue contribution from Hinkley S106 to General Fund in lieu of this spend. Will result in reclassifying Hinkley First Time Buyers contribution from capital to revenue budget.
Housing Benefits	21,940	Discretionary Housing Payments subsidy for 2014/15 not accrued therefore one-off surplus income in 2015/16.
Revenues	3,500	Debt enforcement agent fees budget requirement reduced as costs charged direct to debtors (this is also an ongoing savings option).
Finance	12,000	Past Service pension costs budget requirement reduced due to reduction in pension payments (this is also an ongoing savings option).
Finance	28,800	Interest costs on borrowing lower than budget as loans total and interest rates both lower than prudent budget provision.
Finance	1,600	Income from insurance recharged to tenants not reflected in current budget (this is also an ongoing savings option).
Corporate Resources	4,052	Legal services contract payment reduced through new partnership arrangements.
Corporate Resources	2,800	Minehead contact centre rental renegotiation (part-year only in 2015/16, full year ongoing saving £6,000).
Sub-total: Savings	230,092	
Environment	-13,000	Assistant Harbour Master part year cost in 2015/16, full year is £26k from 2016/17 onwards (Approved by Council)
Environment	-5,000	West Somerset Council Port Marine Safety Code update, one-off cost in 2015/16 (Approved by Council)
Sub-total: Costs	-18,000	
Total Net Savings	212,092	

6.2 As the table shows, net savings to the value of £212,092 have been identified by Assistant Directors as available in the current financial year. It is proposed to fund the recently approved additional provisions in respect of harbour management from the identified savings (as previously approved) leaving a net surplus as shown. The savings are not expected to have a direct impact on service delivery, but of course if budgets are not adjusted this would provide flexibility to address unforeseen cost pressures within the year without impacting on reserves. Taking these savings to reserves is considered to be the priority in view of the Council's financial position.

7. EARMARKED RESERVES REVIEW

7.1 Alongside the review of in year budgets, the Assistant Director Resources has also led a review of the current earmarked reserve balances. This was scheduled to be completed next month as part of the annual budget process but has been brought forward in view of the pressing financial situation. The review has identified a number

of reserves where it is proposed that some or all of the funds can be released in order to increase general reserves. These are shown in the table below.

Table 2: Proposed Transfers from Earmarked Reserves

Reserve	£	Explanation and Impact Assessment
Hinkley Corporate Cost Reserve	50,000	Hinkley corporate costs reserve released as no longer required (vacancies held pending FID – Final Investment Decision)
Discretionary Housing Payments Reserve	44,861	Discretionary Housing Payments reserve no longer required as the subsidy repayment this is due to fund was paid in 2014/15 and met from in-year budget.
Car Parking Reserve	5,767	Car parking reserve - release part, leaving £10k to fund one-off costs of maintenance such as signage, surfacing, white lining, minor repairs.
Revenues and Benefits Reserve	7,903	Release part of service resilience reserve to provide cash savings – service to manage within reduced budget limit.
Area Based Grant (ABG) Reserve	45,000	Release Area Based Grant reserve as Economic Development Officer post covered via secondment funding thus reducing need for reserve funding.
Transparency Code Reserve	2,588	Release reserve as expenditure covered within existing resources.
Total	156,119	

7.2 The outcome of the review is that Members are requested to agree the transfer of £156,119 from earmarked to general reserves. Along with other in year transfers, this would reduce the current balance of earmarked reserves to £3,598,359. This total includes a sum of £2,780,202 to offset the current projected Business Rates collection fund deficit within the 2016/17 budget estimates. Earmarked reserves balances along with all the transfers to/from are set out in more detail in the appendix to this report.

8. GENERAL RESERVES

8.1 The recommended transfers of in year budget savings and earmarked reserve balances will increase the general reserves balance to £877,110. This is £377,110 above the current recommended minimum.

Table 3: Projected General Reserves Balance

	£
Balance 1 April 2015	529,899
Supplementary estimates previously approved	(21,000)
Current Balance	508,899
Proposed transfer of 2015/16 budget savings	212,092
Proposed transfer of earmarked reserves	156,119
Projected Balance	877,110
Recommended Minimum Balance	500,000
Projected balance above recommended minimum	377,110

8.2 Members are advised that this balance does not include any additional funding that may be allocated in the year to address important asset compliance reviews and works – subject to a separate report to Cabinet.

9. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 9.1 The recommended transfers to increase the general reserves balance is strongly recommended in view of the current financial position of the Council. The projected balance will increase the Council's short-term financial resilience, and provide Members with some potential flexibility to support the 2016/17 budget and/or provide funds to invest in transformation or other measures that improve the Council's medium term financial resilience.

10. EQUALITIES & DIVERSITY, CRIME AND DISORDER, CONSULTATION, ASSET MANAGEMENT, ENVIRONMENTAL, HEALTH & WELLBEING, LEGAL IMPLICATIONS

- 10.1 The impact of proposed savings and reserve transfers are summarised in sections 6 and 7 above. There are no significant implications to report.

WSC Earmarked Reserves Balances 2015/16

Earmarked Reserve	Balance April 2015 £	Proposed Transfers To General Balances £	Allocated in 2015/16 £	Remaining Balance £	Notes
Area Based Grant (ABG) Reserve	84,384	-45,000		39,384	Funding used for Economic Development. Surplus identified as ED Officer secondment costs in 2015/16 funded externally.
Community Safety Reserve	3,533		0	3,533	Committed towards CCTV in 2015/16
Land Charge Reserve	25,511		0	25,511	Personal searches mitigation yet to be settled. New burdens grant may provide some surplus but maintain reserve until position is confirmed.
Tourism Reserve	12,107		0	12,107	Linked to agreed projects
Sustainability Reserve	57,698		-40,000	17,698	£40,000 allocated to fund asset maintenance supplementary estimate in 15/16.
Minehead Events Reserve	396		0	396	Plan in place to transfer to Minehead Events Group
Discretionary Housing Payments Reserve	44,861	-44,681		0	Discretionary Housing Payments reserve no longer required as the subsidy repayment this is due to fund was paid in 2014/15 and met from in-year budget.
Election Reserve	30,000		0	30,000	Required for 2015 elections costs
Water Bathing Signs Reserve	1,266		0	1,266	Environmental grant specifically ring-fenced
Non-District Election Reserve	11,999		0	11,999	Covers potential VAT invoice on claimed elections costs
Individual Electoral Registration (IER) Reserve	11,664		0	11,664	Work outstanding on IER implementation
Inspire New Burdens Reserve	7,131		0	7,131	New burdens grant for additional data publishing requirements - to be spent 2015/16
Transparency Code Reserve	2,588	-2,588		0	Managing within existing resources therefore fund can be released
Exmoor at your Fingertips Reserve	1,780		-1780	0	Food project, allocated to be spent in 2015/16

	Balance April 2015 £	Proposed Transfers To General Balances £	Allocated in 2015/16 £	Remaining Balance £	Notes
Earmarked Reserve					
Minehead Town Centre Signage Reserve	500		0	500	Funds to be used in 2015/16
Our Place Reserve	10,934		0	10,934	Our Place Project funds
CCTV Reserve	1,565		0	1,565	Committed to be used in 2015/16
Homelessness Prevention Reserve	43,620		0	43,620	Needed to fund temporary accommodation budget pressures in 2015/16
Watchet Harbour Dredging Reserve	13,200		-13,200	0	Has been spent in 2015/16
Morrison Town Centre Footpath Reserve	6,000			6,000	Discussions ongoing with County Council regarding costs of footpath and ongoing maintenance.
JMASS Transformation Reserve	275,714			275,714	Funds allocated from revenue resources to support JMASS implementation and transformation costs.
Community Rights to Challenge Reserve	5,000			5,000	Contingency to fund one-off costs associated with bids regarding alternative service delivery models.
Assets of Community Value Reserve	10,000			10,000	Contingency to fund one-off costs associated with bids to transfer public assets to community groups or other relevant bodies.
Planning Policy Reserve	61,725		-61,725	0	Local Plan inspection costs - should be fully drawn down in 15/16.
Online Discretionary Housing Payments Reserve	5,375		-5,375	0	
Business Support Reserve	3,195		0	3,195	Initiatives to support for small businesses
Public Health Burial Reserve	3,717		0	3,717	Small contingency fund where local authority required to pay for funerals of the destitute
Minehead Harbour Dredging Reserve	5,500		-5,500	0	Spent in 15/16 - transfer to asset management / harbours budget
Customer Service Equipment Reserve	666		-666	0	Office Equipment purchased
Assets Compliance Reserve	26,736		-26,736	0	Transfer to asset management compliance budget for compliance survey works (balance of £40k approved in 2014/15).

	Balance April 2015 £	Proposed Transfers To General Balances £	Allocated in 2015/16 £	Remaining Balance £	Notes
Earmarked Reserve					
Strategic Housing Market Area Assessment Reserve	1,000		-1,000	0	Contribution towards Strategic Housing Market area assessment in 2015/16.
Car Parking Reserve	15,767	-5,767		10,000	Maintenance and signs required but no firm commitments, reduce affordable envelope.
Planning Reserve	20,000		-20,000	0	Commitments in 2015/16 to fund planning service costs.
Hinkley Corporate Cost Reserve	50,000	-50,000		0	Reserve no longer required in 2015/16, as vacancies held pending FID.
Growth Board Core Cost Reserve	957		-957	0	2015/16 costs funded from the reserve.
Dulverton Mill Leat Reserve	12,194		0	12,194	Committed in 2015/16
Revenue & Benefits Reserve	67,904	-7,904		60,000	To be used to mitigate reduction in New Burdens Grant and additional government policies.
Training Reserve	10,000		-10,000	0	To be used in 2015/16
Licensing Staff Reserve	10,000		-10,000	0	To fund temporary additional resource within Licensing service to address backlog and address increased service demand.
Finance Reserve	15,000			15,000	To be used in 2015/16 to provide resilience / maternity cover cost share.
Business Rates Smoothing Reserve	2,930,156		50,072	2,980,228	£150k needed to fund 2015/16 Collection Fund Deficit budget, with £2,780k needed to fund 2016/17 Collection Fund Deficit budget. £200k transferred in as approved in Q1 financial monitoring 2015/16 to provide contingency for funding volatility.
TOTALS	3,901,346	-156,119	-136,868	3,598,359	

Report Number: WSC 154/15
Presented by: Cllr M Chilcott, Lead Member for Resources and Central Support
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Report to a Meeting of: Cabinet
To be Held on: 4th November 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 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.

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

- 3.2 That Cabinet makes a recommendation to Full Council to endorse the recommendations of the Hinkley C Planning Obligations Board as follows:
- 3.2.1 The release of £186,186 from the CIM Fund ring-fenced for Sedgemoor (and in particular Cannington) to Cannington Village Hall Committee for the Cannington Village Hall improvement project.
- 3.2.2 The release of £14,524 from the CIM Fund ring-fenced for Sedgemoor (and in particular Bridgwater) to the Victoria Park Community Centre for the delivery of the Digital Inclusion and Job Club project.

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

Risk Matrix

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

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

5. **BACKGROUND INFORMATION**

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

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

6. CIM APPLICATIONS CONSIDERED BY THE HPC PLANNING OBLIGATIONS BOARD

- 6.1 Three new applications were presented to the HPC Planning Obligations Board for consideration on 6th October 2015. The Board considered the applications against each of the nine criteria.

- 6.2 The Board agreed to defer one application to enable the applicant to provide additional information to support their application.
- 6.3 All applications have been subject to financial viability checks, any concerns in relation to the viability of an organisation are highlighted within the summary.
- 6.4 Cabinet are asked to consider the following 2 applications for CIM Funding.

6.5 Cannington Village Hall

Project Name:	Cannington Village Hall
Expression of Interest Ref No:	143
Organisation Applying:	Cannington Village Hall Committee
Summary of Project:	To refurbish the village hall offering the community an enhanced facility for both existing users and to encourage greater use within the community of Cannington. The hall consists of two halls, kitchens, toilets and a community room. The project will upgrade the ground and first floor kitchens; replace the existing and outdated heating system; install solar panels; replace existing and ineffective double glazed windows to enhance the efficiencies provided by the improved heating system and solar panels; upgrade the outdated audio, sound and lighting equipment; refurbish and upgrade the ground and first floor toilet facilities to both halls, replace the existing and worn floor coverings to the ground floor and to the first floor kitchen and toilets; the complete redecoration of all areas.
Impacts mitigated as stated in application:	Cannington Village Hall is situated on the main road in Cannington, which is a main route to HPC. The hall provides a range of activities for people from different backgrounds and age groups, and is used as the polling station and as a venue for EDF update meetings. The hall is being subject to a significant increase in traffic caused by activities relating to HPC. These include the development of the bypass, main site, construction skills centre and Cannington Court. This impacts on the community with an increase in noise, dust and dirt, isolation of residents and delays. It is likely due to its proximity to the site and park and ride scheme that workers and their families will settle in Cannington and facilities and activities will be required to cater for the additional population.
Start Date: 1/2/16	Total project costs: £188,204
Completion Date: 11/5/16	Amount applied for: £186,186
CIM Fund Manager Comments:	<p>Very good, well thought out business plan and application with a good level of community consultation in relation the allocation of ring-fenced funds. Well supported by the community and user groups.</p> <p>Trustees of Cannington VH feel that as the s106 is ring-fenced for Cannington and the project is well within that limit it would be inappropriate to seek other public funding. Residents have planned projects to the value of £500k and therefore support total amount of hall project being allocated from CIM Fund.</p> <p>Improved facilities should attract new users, including those working at HPC living in the area, provide a wide range of social activities for that will benefit a significant number of users and mitigate any</p>

	potential loss of income resulting from the continuing impacts of the development which could risk the sustainability of the village hall.
POB Comments:	<p>A well-presented application, with a robust business plan, strong community engagement and support.</p> <p>Cannington is being and is likely to continue to be significantly impacted by the HPC development.</p> <p>Match funding for the project has not been achieved and the opportunity to use the CIM funding to maximise benefits for the wider community of Cannington have been missed which is disappointing. If approved Cannington Parish Council should be advised of the opportunity to maximise the Cannington ring-fenced fund to draw additional money into the Parish which will enable a greater number of projects to be delivered to the community.</p>
POB Recommendation:	To approve the release of £186,186 from the CIM Fund ring-fenced for Sedgemoor (and in particular Cannington) to Cannington Village Hall Committee for the Cannington Village Hall improvement project.

6.6 Victoria Park Community Centre

Project Name:	Victoria Park Community Centre Digital Inclusion and Employment Project
Expression of Interest Ref No:	130 (Second Application)
Organisation Applying:	Victoria Park Community Centre
Summary of Project:	The project will provide a Digital Inclusion and Job club in Victoria Park Community Centre, Bridgwater for 3 years. The project will provide a 'hub' providing free internet access and printing facilities 6 days per week, access to job opportunities and online training opportunities to upskill the local community. The project will also provide a staffed session 2 hours per week to support local residents in using the internet and access training and employment.
Impacts mitigated as stated in application:	The project will help to mitigate the impacts of worker displacement and maximise employment opportunities for local people. Increase in the local population in the local area rises with job seekers (and their families) looking for jobs at Hinkley, these jobseekers will need to be able to access local hubs with the ability to signpost them for both jobs & local services and provide the means to do this. The Hinkley Point job brokerage is also available on line, as well as all forms of social security benefits including Universal Credit so the access to free computers will be very valuable to both these new families as well as existing local people. The 2 main roads to Hinkley pass within 500 meters of the community centre.
Start Date: 1/7/15	Total Project Costs: £17800
Completion Date: 1/7/18	Amount applied for: £14524
CIM Fund Manager Comments:	<p>The project has made significant improvements as a result of the comments of the Planning Obligations Board including improving the projects likelihood of sustainability past the project end date and plans to ensure the club is widely promoted and used.</p> <p>The project demonstrates very strong partnership arrangements to</p>

	ensure service users can benefit from a wide range of services as a result of using the project and is linking to the HPC brokerage and Job Centre Plus.
POB Comments:	The board recognises that the impacts on the community of Bridgwater are likely to be significant and that the project aims to maximise the opportunities for local people to benefit from employment opportunities at and as a result of the HPC development.
POB recommendation:	To release £14,524 from the CIM Fund ring-fenced for Sedgemoor (and in particular Bridgwater) to support the project.

7. FINANCIAL/RESOURCE IMPLICATIONS

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

8. COMMENTS ON BEHALF OF SECTION 151 OFFICER

- 8.1 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.

9. EQUALITY & DIVERSITY IMPLICATIONS

- 9.1 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.
- 9.2 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.
- 9.3 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.'

9.4 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.

9.5 Wider community benefit and the ability of the project to promote cohesive communities are both taken into account when scoring applications and making recommendations.

10. CRIME AND DISORDER IMPLICATIONS

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

11. CONSULTATION IMPLICATIONS

11.1 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.

11.2 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.

12. ASSET MANAGEMENT IMPLICATIONS

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

13. ENVIRONMENTAL IMPACT IMPLICATIONS

13.1 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.

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

14. HEALTH & WELLBEING

14.1 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.

14.2 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.

14.3 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.

15. LEGAL IMPLICATIONS

- 15.1 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

	TOTAL	West Somerset	Sedgemoor	Cannington	1st Annual payment	Stogursey
	£	£	£	£	£	£
CIM Fund Received(including Inflation Uplift)	5,100,000	2,000,000	1,000,000	500,000	1,600,000	500,000
Inflation Uplift	387,175	134,529	67,265	33,632	151,749	33,632
TOTAL Received	5,487,175	2,134,529	1,067,265	533,632	1,751,749	533,632
<u>Less previously approved allocation</u>						
Stogursey Parish Council - Burgage Road Play Area	(90,373)	(90,373)				Stogursey Earplug Scheme (2,087)
Wembdon Village Hall - New VH & Play Area	(250,000)		(250,000)			
Somerset Youth & Community Sailing Association	(9,600)		(9,600)			
Tropiquaria - Relocation of primates	(40,000)	(40,000)				
Tropiquaria - Relocation of play area	(37,350)	(37,350)				
Porlock Shellfish Project	(800)	(800)				
Westfield Street Café	(110,000)		(110,000)			
Williton Bowling Club	(13,000)	(13,000)				
Kilve Cricket Club	(22,000)	(22,000)				
Onion Collective	(243,119)	(243,119)				
Williton Parish Council	(250,000)	(250,000)				
Stogursey Football Club	(750)	(750)				
North Petherton Playing Fields	(46,000)		(46,000)			
SDC - Sydenham Together	(60,000)		(60,000)			
Tropiquaria - Marketing	(1,000)	(1,000)				
Bridgwater Education Trust	(18,295)		(18,295)			
Sydenham and Bower FHWG	(200,000)		(200,000)			
Current Uncommitted Balance	4,094,888	1,436,137	373,370	533,632	1,751,749	531,545

Less Requested approvals

Cannington Village Hall	(186,186)		(186,186)			
Victoria Park Digital and Job Club	(14,524)		(14,524)			
Uncommitted Balance if all requests were approved	3,894,178	1,436,137	358,846	347,446	1,751,749	531,545

Report Number: WSC 157/15
Presented by: Terry May – Interim AD Property & Development
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Report to a Meeting of: WSC Cabinet
To be Held on: 4 November 2015

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

WSC ASSET PROPERTY PORTFOLIO COMPLIANCE STATUS REPORT

1. PURPOSE OF REPORT

- 1.1 Provide Cabinet with a position statement of its statutory and regulatory compliance responsibilities related to its land and property asset portfolio.
- 1.2 To secure authorisation and additional funding for undertaking condition surveys, inspections and testing to mitigate high risk non-compliance and attainment of missing key information to; a) be compliant, b) enable informed decisions on the future use and investment of its land and property asset portfolio.

2. CONTRIBUTION TO CORPORATE PRIORITIES

- 2.1 To meet regulatory and statutory obligations.
- 2.2 To mitigate reputational risk.
- 2.3 To ensure that land and property assets are sustainable, fit for purpose and safe.

3. RECOMMENDATIONS

- 3.1 That Cabinet notes this compliance status report as a baseline in understanding the level of compliance of the Councils land and property asset portfolio.
- 3.2 Cabinet recommends to Full Council a Supplementary Estimate for the 2015/16 Revenue Budget of £80,000 be approved, funded from reserves, to undertake the necessary condition surveys, inspections and testing.
- 3.3 Cabinet supports the creation of an ongoing annual compliance budget of £50,000 to be incorporated into the 2016/17 budget estimates and Medium Term Financial Plan, requiring savings needed to fund this increase to be identified through the budget setting process.

4. **BACKGROUND INFORMATION**

- 4.1 When I start a new assignment I first like to gain a status position of areas of my responsibilities by undertaking an information gathering exercise similar to an audit and compare findings to best practice, experience and compliance of regulatory and statutory requirements. On my arrival to TDBC and WSC in July 2015 I identified that WSC did not have a comprehensive asset database, but an asset list within an Excel Workbook. In addition, there was no understanding of what was required for each asset in terms of maintenance, compliance and financial liabilities.
- 4.2 I directed the asset team to develop an interim master Excel Workbook (titled WSC Compliance Risk Register) to capture key asset data to enable an understanding of what information WSC had or did not have for the Councils land and property asset portfolio.
- 4.3 The outcome is a spreadsheet has been developed and populated within the Excel Workbook that provides a baseline of status of compliance and level of data known and not known, with the summary results being presented within this report. This being an improvement on information available in July 2015.
- 4.4 A Risk Matrix has been developed within the Excel Workbook that identifies the top five risk areas and categorises them Red, Amber, Green to enable prioritisation.

5. **SUMMARY OUTCOMES**

- 5.1 173 Council assets have been reviewed to date. This review has not included all open space land, and the current asset database and finance asset list need to be checked thoroughly to ensure that all areas have been picked up that may have compliance issues. Every building for which the Council has maintenance responsibilities has been reviewed.

(Note: the number of assets that have been reviewed does not denote numbers of properties or parcels of land, i.e. Roughmoor Enterprise Centre has been broken down into separate 'assets', i.e. pumping station, foyer, external lighting etc.)

- 5.2 Priority has been given to asbestos management surveys, electrical testing, water testing, fire risk assessments and gas appliance checks.
- 5.3 Out of these 173 assets 150 of these require at least one or more of the following; asbestos surveys, electrical testing, water testing, fire risk assessments and gas appliance checks still to be undertaken. Without these surveys being carried out these properties **will not be compliant**. To date of these 150, 29 have had surveys and are now compliant, although not necessarily too current standards.
- 5.4 These assets have been prioritised by a traffic light status:

Red - properties that need multiple surveys or are of a significant risk
Amber - surveys required
Green - surveys completed

- 5.5 Summary of assets by traffic light status:

Status	No of assets
Red	41
Amber	80
Green	29
Total	150

5.6 This highlights that there are currently 121 assets that are not compliant which have surveys and certificates that need to be completed.

5.7 Although 29 of these assets have been coded green to denote they have the relevant certificates/assessments, some of these assessments have highlighted areas that need rectification which means they will require additional expenditure. These works are not yet being actioned and have not been budgeted to-date.

5.8 The following number of surveys are required:

Asbestos Management Surveys	58
Electrical Certificates	15
Water Hygiene risk assessments	8
Fire Risk Assessments	39
Gas Appliance Checks	6
* A further 62 M&E and stock condition surveys of sites such as car parks and play areas and shelters to identify what assessments/certificates these may require	62

5.9 **Main Concerns / Priorities:** A risk register has been developed to highlight the properties most at risk and need multiple surveys. The properties that are the main concern are:

- West Somerset House – No electrical testing has taken place since the building opened and an up-to-date fire risk assessment is required. This building is used by both public and staff.
- Customer Centre - No electrical testing has taken place since the building opened. The property has not had an asbestos survey nor has it an up-to-date fire risk assessment. This building is used by both public and staff.
- Alcombe Children’s Centre – the fire escape route needs to be re-routed and other issues raised in a fire risk assessment need to be rectified. This is used as both a nursery and children’s centre.
- Temporary Housing Accommodation – these properties had not been held on the Asset Management Database and are managed by the Housing team. Investigation required as to whether these properties are compliant before tenants are let into these properties. These assets should be managed alongside other WSC assets.
- Brunel Way Depot – it has been brought to our attention that this building has not been signed off by Building Control when works were completed four years ago
- Watchet Lighthouse – the electrics have not been tested.

5.10 **Unknown / More Works Required:**

- Roughmoor Enterprise Centre – works required to ascertain responsibilities of emergency lighting for all individual units and resolve issues around the centralised fire alarm system.
- Solar Panels at West Somerset House – need to be tested and ascertain what they deliver.

- A further 62 M&E and stock condition surveys are required of sites such as car parks, play areas and shelters to identify what assessments/certificates these may require.
- Bridges – need to ascertain number and be inspected.
- Cliffs behind Quay West, Minehead – works required to stabilise.

5.11 REVENUE MAINTENANCE BUDGETS 2015/16

As of 15th October 2015 taken from Task Financial System

Asset	Budget 2015/16	Spend To Date	Funds Remaining	Budget Forecast 31/03/2016	Notes
Public Conveniences	£3,000*	£2,285	£715	£3,000	*In 14/15 this budget was increased to £8,900 through internal virement
Estates	£18,000	£1,207.40	£16,793	£18,000	
Barnsclose	£2,000	£1,046.85	£953	£2,000	
Roughmoor Enterprise Centre	£8,000	£834.89	£7,165	£8,000	
Brunel Way Depot	£3,686	£5,112.79	-£1,427	£3,686	
Minehead Harbour	£13,950*	£13,025.14**	£925	£13,950	*Initial Budget of £3,950 but a further £10k was approved at Council in Aug 15. **Works paid to date of £8,575 but remaining final payment due for works to fenders and steps of £4,450 gives total of £13,025.
Watchet Harbour	£3,950	£1,625	£2,325	£3,950	
Roughmoor Depot	£5,000	£423.69	£4,576	£5,000	
Visitor Centre	£500	£732.55	-£233	£500	
West Somerset House	£10,000	£2,981.66	£7,018	£10,000	
North Hill	£5,000*	£0.00	£5,000	£5,000	*These funds were approved at Council in Aug 15
COMPLIANCE	£51,451*	£27,849.20**	£23,602	£51,451	*This budget is made up of the 2014/15 underspend of £26,451 and the £25k approved at Council in Aug 15 **£15,170.20 spent to date and £12,679 worth of orders raised.
TOTAL	£124,537	£57,124	£67,413	£124,537	

Please note this table does not include capital project spend.

5.12 **COMPLIANCE WORKS COMPLETED TO DATE (15/16)**

5.12.1 Electrical tests and works at:

- Alcombe Children's Centre
- Brunel Way Depot
- 7 Esplanade (Community Bookshop)
- Watchet Esplanade Lighting
- Blenheim Bandstand
- Former Quay West Radio office
- Former Visitor information Centre
- West Pier Lighting

5.12.2 Gas Appliance Checks of:

- Alcombe Children's Centre
- Former Visitor information Centre

5.12.3 Water Hygiene risk assessments of all public conveniences

5.12.4 Water testing and remedial works at:

- 7 Esplanade (Community Bookshop)
- Former Visitor information Centre

5.12.5 Minehead Harbour works which include:

- Replacement of railings
- Replacement safety signage
- New handrails for the stairway

5.13 **WORKS COMMITTED/ORDERS RAISED TO DATE (15/16)**

5.13.1 Alcombe Children's Centre

- Works to fire alarm system and other works identified in fire risk assessment.
- Re-routing of fire escape

5.13.2 Harbours: Surveys of both Minehead and Watchet to include reports on the damaged areas, project management, and the way forward over the next few months.

5.13.3 Asbestos Management Surveys

- Former Quay West Radio Building
- Market Street Garages
- Brunel Way Depot
- Barnsclose Industrial Estate

5.13.4 Electrical tests and works at Barnsclose Industrial Estate

5.14 OUTSTANDING SURVEYS AND COSTS

	*Estimated cost per survey	No of surveys	Total cost
Asbestos Management Surveys	£500	58	£29,000
Electrical Certificates	£300	15	£4,500
Water Hygiene risk assessments	£150	8	£1,200
Fire Risk Assessments	£300	39	£11,700
Gas Appliance Checks	£200	6	£1,200
* A further 62 M&E and stock condition surveys of sites such as car parks and play areas and shelters to identify what assessments/certificates these may require	£150	62	£9,300
Sub Total			£56,900
20% contingency			£11,380
TOTAL			£68,280

**The estimated cost of the surveys for these commercial properties is difficult to assess and this is the best estimate from the information available.*

Cost of works still outstanding	£68,280
Remaining balance of 15/16 funds	£23,602
Balance required in 15/16 to complete surveys (Therefore say £45,000).	£44,678

It must be noted that these costs are solely for initial surveys, inspections and testing so as to understand our financial liabilities, in at least maintaining compliance.

5.15 In addition to the above **it is highly recommended that an additional sum of £35,000** is made available to enable urgent works identified from the condition surveys, inspections and testing can be undertaken as required, in line with informed decisions on the future of each asset.

5.16 Proposed plan of action:

Phase One

The first phase of this work are the surveys to establish exactly the condition of the properties and is an overview of risks in these properties. These surveys will inevitably advise of issues that need to be rectified before safety certificates can be released and the buildings made compliant.

Phase Two

The second phase is to carry out these highlighted works to bring them up to a certificated standard, i.e. emergency or urgent works, the cost of which is yet unknown.

Phase Three

The third phase is to bring the properties to the current regulations standard which is a further cost.

5.17 Considerations:

The water hygiene risk assessments of the public conveniences have already flagged up further works that are required. It is recognised that it will be the electrical inspections and fire risk assessments that will generate the most follow-on work.

Unless these properties are brought up to current standard, there is still a risk attached to the use of these properties and in addition any sale / transfer of these will be impacted as we would be selling a property that is not compliant or to current standard.

Once the additional budget has been approved and surveys completed, the Council will then need to move to Phase 2 to identify what needs to be done and prioritising those premises, based on risk.

It must be recognised that these works above only relate to the premises that the Council is responsible for and has not included Council properties where tenants have responsibility. It is unlikely that tenants will have carried out the compliance testing and the Council has never previously checked these. Whilst these may be the responsibilities of tenants, if the property is not compliant then the Council may still be deemed to be liable and in any case building insurance may well be invalidated. This is another further piece of work that is required to obtain this information from tenants

5.18 **SUMMARY OF IMPLICATIONS**

An additional £45,000 is requested for this financial year to complete the necessary surveys and a recommended £35,000 is made available for undertaking urgent works identified from the surveys, making a total of **£80,000**

A piece of work needs to be started to assess the cost of bringing premises up to current standards as surveys are returned with this data.

Additional **significant** sums will be required to put right issues in 2015/16 and 2016/17.

An annual compliance budget will need to be made available for next year and future years to carry out the renewal surveys as and when necessary. A provisional estimate of £50,000 will be required (for high risk elements only) and may need to be reviewed before the end of the 2015/16 financial year.

- 5.19 The outcome of the condition surveys, inspections and testing will provide codified data within a master Excel Workbook, thus being ready to input to a dedicated asset database IT software solution to enable closer management. It will also provide a 5yr and 30yr plan outlining financial liabilities, which will facilitate informed decisions of the future use and life expectancy of each asset.
- 5.20 Following the completion of the surveys/inspections, fully costed options will be developed to maintain future compliance, with prioritised recommendations for Cabinet to ratify.
- 5.21 This project will need to be sensitively managed, with all processes, decisions (including how and why they was made) and actions robustly recorded in line with a developed and costed action plan, to ensure clear auditability in the event of the Council being challenged as a result of an unexpected serious health and safety incident

6. **EQUALITY & DIVERSITY IMPLICATIONS**

- 6.1 **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

6.2 None for the purpose of this report.

7. CRIME AND DISORDER IMPLICATIONS

7.1 None for the purpose of this report.

8. CONSULTATION IMPLICATIONS

8.1 None for the purpose of this report.

9. ASSET MANAGEMENT IMPLICATIONS

9.1 To ensure the safe, efficient and sustainable use of Council assets.

10. ENVIRONMENTAL IMPACT IMPLICATIONS

10.1 None for the purpose of this report.

11. 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.

11.1 None for the purpose of this report.

12. LEGAL IMPLICATIONS

12.1 Compliance of Statutory obligations, with some breaches potentially resulting in criminal proceedings with outcomes of fines and imprisonment if a serious health and safety incident occurred.