

Taunton Deane Borough Council

At a meeting of Taunton Deane Borough Council held in the John Meikle Room, The Deane House, Belvedere Road, Taunton on 23 July 2013 at 6.30 pm.

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

1. Minutes

Subject to Councillor Mrs Waymouth's apologies being recorded for the meeting of the Council on 15 May 2013, the minutes of the Annual Meeting of the Council held on 9 May 2013 and the meeting of Taunton Deane Borough Council held on 15 May 2013, copies having been sent to each Member, were signed by the Mayor.

2. Apologies

Councillors Beaven, Henley and Ms Palmer.

3. Communications

Councillor Mrs Warmington reported that the Avon and Somerset Constabulary's Problem Solving Award had been made to Taunton Deane Borough Council for its work in the Halcon Ward of Taunton towards significantly improving the area for its local residents.

4. Declaration of Interests

Councillors Mrs Baker, Coles, A Govier, Hunt, Prior-Sankey, A Wedderkopp and D Wedderkopp declared personal interests as Members of Somerset County Council. Councillors Mrs Hill and Stone declared personal interests as employees of Somerset County Council. Councillor T Slattery declared a personal interest as an employee of Sedgemoor District Council. Councillor Tooze declared a personal interest as an employee of the UK Hydrographic Office. Councillor Wren declared personal interests as an employee of Natural England and as Clerk to Milverton Parish Council. Councillors Hayward and Ross declared personal interests as the Council's representatives on the Somerset Waste Board. Councillor Ross also declared a personal interest as the alternate Director of Southwest One. Councillor

Nottrodt declared a personal interest as a Director of Southwest One. Councillors D Durdan and Stone declared prejudicial interests as Tone Leisure Board representatives. Councillor Swaine declared a personal interest as a part-time swimming instructor. Councillor Gill Slattery declared personal interests as a member of the Board of Governors at Somerset College and as a Patron of the Supporters of Taunton Women's Aid. Councillor Farbahi declared a personal interest as a local owner of land in Taunton Deane. Councillor D Reed declared a personal interest as a Director of the Taunton Town Centre Company. Councillors Gaines and Meikle declared prejudicial interests in the Brewhouse Theatre and stated that they would leave the room when these items were discussed.

5. Public Question Time

Mrs Hammond representing the Taunton Theatre Association informed Councillors that the Association sought to operate a theatre on behalf of the community. The aim would be to make a bid to run the theatre and develop its Business Plan. By supporting productions of local companies and celebrating the best of performance art they wished to make the theatre open and accessible to all which would contribute to the economy and benefit theatre audiences. Following a recent study it was believed every pound spent in arts and culture generated six in the wider economy. She asked Members to support the acquisition of The Brewhouse Theatre.

Mr Dawson felt that Taunton had a need for its own theatre which was an important part of an enhanced cultural scene deserving of a County Town. He also requested the support of Councillors for the purchase of the theatre.

The Mayor thanked Messrs Hammond and Dawson for their contributions.

6. Receipt of a Petition

Councillor A Govier reported that he had been handed a petition containing 23 signatures from residents of Bovet Street, Wellington concerning the non-provision of new front doors to their properties.

The petition was received by the Mayor.

7. Potential Acquisition of the Brewhouse Theatre and Arts Centre, Taunton

Considered report previously circulated, concerning the potential purchase of the remaining lease on The Brewhouse Theatre and Arts Centre and assets within.

The Management and trustees of The Brewhouse had approached the Council in early January 2013 to give notice of their severe financial

predicament and to request significant additional funds to enable the venue to continue trading.

The Council provided a grant of £152,000 per annum to The Brewhouse, and the view had been taken that there should be no further funding without a clear recovery plan, showing how the theatre could be put onto a sustainable financial footing.

The trustees of The Brewhouse (an independent charity) had then engaged a firm called BDO – specialists in financial insolvency and administration – to advise on their options for the future. This had resulted in the trustees recommending an option whereby the theatre would be placed into administration with the administrators immediately entering into a license with the Council to enable the theatre to remain open.

Again, the view had been taken that the Council could not consider entering into a license with the administrators, due to the scale of the financial risks and uncertainties involved.

BDO was formally appointed as administrators of The Brewhouse on 21 February 2013 and the venue closed on that day.

The administration process was continuing and BDO was currently looking to sell the remaining 61 years of the lease.

The Council's annual grant of £152,000 remained protected in the 2013/2014 budget towards any successor venture. A further sum of £35,000 had also been set aside, to assist with any costs incurred in protecting the Council's interest in the asset and facilitating a sustainable future for the venue.

Reported that at its meeting on 9 April 2013, Full Council had given a mandate for continued negotiations towards the purchase of the remaining 61 year lease on the venue, as a means of both protecting the asset and having a strong role in facilitating a sustainable future for the theatre. It was agreed that the Council should act as a facilitator, rather than a prospective theatre operator.

A detailed valuation exercise had been undertaken and negotiations were continuing with the administrators over the potential acquisition of the building and contents. The confidential Appendix A to the report provided a summary of those negotiations and a number of recommendations for consideration by Full Council.

Additional 'Holding costs' for the property had been estimated at up to £140,000 for a twelve month period and £69,000 for a six month period. These costs included utilities, 24 hour security, insurance and Business Rates.

A survey of the building and infrastructure had been carried out and costs associated with this were also referred to in the confidential appendix.

Further reported that an independent consultant had been appointed to advise the Council on options for the future of the venue. The range of potential options were many and varied, including potential for the use of the venue as a 'learning theatre' promoted by Somerset College, a wholly community run operation, a fully commercial model or potentially a mix of different approaches.

The timetable for implementation of any new venture would depend to a large extent on whether the Council acquired the venue and the merits of the Business Case for the different operating models being proposed.

At this stage, the consultants had met with a range of potential interested parties and they were scheduled to complete their work in Autumn 2013. The final report of the consultant would be subject to Scrutiny and further decision, if appropriate, by the Executive and Full Council.

The work of the consultants would be overseen at key stages by the Steering Group of elected Members approved previously by Full Council.

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

Moved by Councillor Horsley, seconded by Councillor Farbahi that the proposed recommendations be amended as follows:-

- (1) That the initial acquisition costs set out in recommendation (b)(i) be reduced to the figure proposed and that the Budget Virement from the Brewhouse Annual Grant Budget be also reduced as proposed; and
- (2) That recommendation (b)(iii) be altered to limit the funding of any costs of "holding the asset" for a maximum of six months, with the deletion of the last sentence.

The amendment was put and was lost.

Resolved that:-

- (a) The acquisition of The Brewhouse Theatre and Arts Centre, Taunton on the terms set out in the confidential appendix be approved;
- (b) (i) A Supplementary Estimate in the Capital Programme for the initial acquisition costs as set out in the confidential appendix be approved, noting the proposed use of Housing and Planning Delivery Grant Capital and Revenue Reserves; and that an associated Budget Virement to the amount set out in the confidential appendix from the Brewhouse Annual Grant Budget to

the Revenue Contribution to Capital (RCCO) for the remaining funding of the capital costs, be also approved;

- (ii) The allocation of the amount set out in the confidential appendix from the existing 2013/2014 Property Maintenance budgets be supported to progress any urgent / immediate works from the maintenance schedule;
- (iii) The proposal to use the current revenue budget for the Brewhouse Theatre Grant to fund any costs of “holding the asset” pending the “delivery solution” being approved be also supported; a commitment to use the 2014/2015 Budget in advance of the annual budget setting for that year be noted and the commitment of this element of costs for next financial year be approved.

8. West Somerset and Taunton Deane Joint Management and Shared Services Project - Joint Chief Executive Proposal

Considered report previously circulated, concerning a proposal that Taunton Deane Borough Council (TDBC) and West Somerset Council (WSC) moved to a shared Chief Executive (Head of Paid Service) at the earliest opportunity.

In February 2013, TDBC and WSC had agreed to work together to prepare a Business Case for Joint Management and Shared Services arrangements.

A Project Team had been put in place to progress this with the ambition of delivering a Business Case for consideration by Full Council in October 2013.

The project had appropriate governance arrangements in place, with a Joint Project Board (JPB) and a Joint Members Advisory Panel (JMAP) both meeting monthly to review progress and share key developments.

Whilst developing the Business Case, it had become increasingly obvious that the sharing of a Chief Executive would be a positive development.

The financial savings would be significant and this would be a key message of the more detailed Business Case that would flow from this project. It made sense to progress this issue in advance of the other aspects of the Business Case as this solution would work with or without the full scale implementation of Shared Management / Services.

Members were being asked to consider this proposal now as it would:-

- Deliver savings for both Councils;
- Provide a clear message to the organisation, the local communities and the Government that both Councils would progress savings from our senior management posts;
- Show that the Councils could operate on a ‘stand-alone’ basis and therefore did not prejudice the consideration of the full Business Case

- but allowed for the implementation of joint management and shared service arrangements to be progressed “at pace”;
- Offer the opportunity to give clear strategic direction to both Councils as further funding cuts hit following the Spending Review;
- Offer the opportunity to develop relationships with elected Members in both Councils and provided a single focus for the development of the project; and
- Add weight to the Transformation Challenge Award Fund bid being made to Department for Communities and Local Government (DCLG).

Since discussing this proposal at the JMAP, the Leaders of TDBC and WSC, had reflected on the options that existed for implementing a Joint Chief Executive position and had outlined this for consideration in the report.

There appeared to be two options available:-

Option 1 - Where WSC would make its Chief Executive redundant and ask to share the services of TDBC’s existing Chief Executive; or

Option 2 – Open recruitment to appoint a Chief Executive for both Councils.

With both options it was acknowledged that the full Business Case would need to address the salary levels for all senior management posts and this might see some potential changes in salary levels but, where this occurred, this would need to be supported by market evidence. However, if Option 2 was preferred, then the salary level for the Joint Chief Executive would need to be considered in advance of the recruitment and the decision on the Business Case.

Reported that both Chief Executives had considered the feasibility and impact of having a Joint Chief Executive post and had concluded that:-

- The proposal was an entirely realistic proposition and the benefits set out by the Leaders were real. It would save money and it would enable the two organisations to work better and faster together irrespective of future decisions on wholesale change on joint management and shared services.
- This was a very different job. Being a joint Chief Executive was not one person doing two jobs in the way they were done before. The key difference was that the role was much more strategic and it would be necessary to step away from some of the day-to-day detail.
- It was essential that the joint Chief Executive was perceived to be full time for both Councils, their partners, communities and local businesses.

In addition, the Chief Executives had submitted a number of detailed observations for Members, staff and other stakeholders to consider when debating the proposal.

Taking all of this information into account, the Chief Executives were firmly of

the view that this proposal was a good opportunity for both Councils. The proposal could be made to work in isolation of further organisational change.

However, all of the learning to date from the thirty plus authorities that were part of joint arrangements was that the greatest overall benefits to the Councils and their customers ultimately accrued from the further joining up of management and the sharing of services. This process was made so much easier by the initial and early joining up of the Chief Executive post.

The JMAP had discussed the proposal on 25 June 2013 and had requested that the following issues were clarified in the report submitted to Full Council:-

- Further details of the Section 113 of the Local Government Act 1972 Agreement (Section 113 Agreement) / or any Memorandum of Understanding (MOU) that might be required; and
- Details of arrangements for the performance appraisal of the shared Chief Executive.

Section 113 allowed a local authority to enter into an agreement with another authority to place its officers at the disposal of the other authority, subject to consultation with the staff concerned. Staff who were made available under such an arrangement were able to take binding decisions on behalf of the body at whose disposal they were placed, although they remained an employee of their original authority for employment and superannuation purposes.

It was recommended that, should Option 1 be approved, the responsibility be delegated to the respective Monitoring Officers to draw up the appropriate agreement for sign off at the JMAP.

With regard to details of the performance appraisal process that would be put in place for the Joint Chief Executive, noted that guidance on appraisal arrangements for Chief Executives had been set out in the Joint Negotiating Committee (JNC) for Chief Executive's Conditions of Service.

Further reported that a range of issues had been raised at all Member briefings that had taken place at both TDBC and WSC on 3 July 2013. These included:-

- If WSC chose to retain their current Chief Executive for a limited period to safely manage the handover of key projects, whether a contribution should be made by TDBC;
- Clarity on the role of Chief Executive;
- Consideration of performance based pay for the Chief Executive;
- Clarity on whether both posts would be redundant if Option 2 was preferred;
- A request for clear recommendations from the Leaders of each Council and also a set of recommendations which closed down the potential for this to keep being reconsidered should the two Councils make different

decisions; and

- A request to concentrate on jobs and roles and de-personalise the issue.

The financial implications of the proposal did not include a contribution from TDBC for WSC retaining their current Chief Executive in an alternative role as this related to work not covered by the Joint Chief Executive decision. This would be a matter for WSC to consider.

The role of a Chief Executive in Local Government was well defined and the definition as contained in JNC Terms and Conditions of Employment was submitted for the information of Members. With regard to the use of performance related pay then this was something that would be reviewed if it was decided to progress with Option 2 and, if moving forward with Option 1, could be reviewed as part of the Business Case.

Redundancy was covered by Section 139 of the Employment Rights Act 1996 and full details of this legislation was set out in the report.

Noted that the creation of a Joint Chief Executive was substantially different to a stand alone post and those posts at TDBC and WSC would no longer exist.

Assuming the principle of having a Joint Chief Executive post was supported, there were two ways in which it was believed this could be achieved.

Option 1 - Under the auspices of a Section 113 Agreement (where WSC would make their Chief Executive redundant and ask to share the services of TDBC's existing Chief Executive):-

1. TDBC and WSC to agree to the principle of a Joint Chief Executive position.
2. The WSC Chief Executive post would be declared redundant and the post holder given three months contractual notice with an effective last day of service as Chief Executive of 23 October 2013.
3. WSC would retain the services of the current Chief Executive in a temporary post of Executive Director (Interim) reporting directly to the Joint Chief Executive. This would be until the 31 March 2014 to allow for the details and responsibilities of non-Chief Executive duties such as Hinkley Point, Strategic Finance and Sale of Capital Assets to be handed over in a safe and structured manner.
4. That the WSC request to share the current TDBC Chief Executive be agreed by TDBC and the current postholder to undertake this Joint Chief Executive role under a Section 113 Agreement with effect from 24 October 2013. This would be on existing terms and conditions of employment but would be subject to review when the full Joint Management and Shared Service Business Case was considered.
5. Detailed handover of key tasks would take place during the period 24 July

to 23 October 2013 during which time the WSC Chief Executive would delegate all responsibility for the development of the Joint Management and Shared Services Project to the Joint Chief Executive 'elect'.

6. That if the Joint Management and Shared Services Business Case was approved in October 2013, this arrangement would be made permanent. If the Business Case was not approved then the Joint Chief Executive arrangement would remain until May 2015 when it could be reviewed again (by either Council) after the District Council Elections.

or

Option 2 - (Open Recruitment)

1. TDBC and WSC to agree to the principle of a Joint Chief Executive position.
2. TDBC and WSC determine that the Joint Chief Executive should be made by appointment (complying with relevant Regulations, Constitutional requirements etc) which would see the following indicative timetable adopted:-
 - i) Agreement of Joint Appointment Committee Members for both TDBC and WSC by 7 August 2013;
 - ii) Determination as to whether external resources for recruitment would be engaged to manage the appointment and advise elected Members to be agreed by 7 August 2013;
 - iii) Sign off by Appointment Committee of Job Description, Person Specification and Recruitment Literature plus consideration of Joint Chief Executive salary by 31 August 2013;
 - iv) External advertisement during period 1 to 21 September 2013;
 - v) Assessment Centre during week commencing 30 September 2013;
 - vi) Full Interviews held week commencing 7 October 2013;
 - vii) Appointment ratified by Full Council meetings during week commencing 14 October 2013;
 - viii) Expected start date of new Joint Chief Executive on either 1 January or 1 February 2014 based on being employed by TDBC and operating under a Section 113 Agreement.
3. These arrangements would be permanent arrangements.

Reported that the move to a Joint Chief Executive would deliver a continuing revenue saving of £76,400 per annum. This saving would materialise

regardless of the implementation route (which would impact on the payback period).

As with all “invest to save” proposals, it was important to understand the payback period. The initial investment for either option would need to come from the Councils Reserves. A bid to the Government for Transformation Funding had been made and, if successful, would aim to use this to cover the termination costs, thereby preserving each Council’s limited Reserves for further transformation work.

The payback position for the two implementation Options showed very different results, as follows:-

Option 1 - Revenue Savings Position

	2013/14	2014/15	2015/16	2016/17
TDBC – Ongoing	(27,000)	(65,000)	(65,000)	(65,000)
WSC – Ongoing	(4,800)	(11,400)	(11,400)	(11,400)

In addition to the above, due to the handover period with regard to key projects, WSC would incur additional one-off costs of £31,833 in 2013/2014.

The termination costs for this option would be shared 50:50 between the Councils and the payback period for TDBC would be nine months. This was well within the usual parameters of acceptable “invest to save” proposals.

The payback period for WSC would be four years. This was also within the usual parameters of acceptable “invest to save” proposals.

Option 2 - Revenue Savings Position

The continuing savings were similar to those set out for Option 1, but with a later implementation date.

	2013/14	2014/15	2015/16	2016/17
TDBC – Ongoing	(10,800)	(65,000)	(65,000)	(65,000)
WSC – Ongoing	(1,900)	(11,400)	(11,400)	(11,400)

It had been assumed that there would be a handover period on WSC issues only – incurring additional one-off costs of £12,733 in 2013/2014 for WSC.

The termination costs for this option would be funded by each individual Council. The payback period for TDBC was almost two and a half years which was within the usual parameters of acceptable “invest to save” proposals.

The payback period for WSC was eight years which was well outside the normal parameters of acceptable “invest to save” proposals. Members would

therefore need to consider the “value for money” issues associated with progressing this route and be clear that the operational and strategic advantages to be gained by following this option outweighed the financial disadvantages.

Further reported that at its Full Council meeting on 22 July 2013, WSC had approved the principle of sharing a Chief Executive with TDBC and that Option 1 be approved.

On the motion of Councillor Williams, it was

Resolved that:-

- (1) The principle of sharing a Chief Executive with West Somerset Council be approved;
- (2) Authority be delegated to the Monitoring Officer to draw up amendments to the Council’s Constitution and Scheme of Delegation to provide for the Authority working with a Joint Chief Executive;
- (3) The Retained HR Manager be asked to develop, in consultation with the Chief Executive of South West Councils, a performance appraisal scheme for the Joint Chief Executive post for consideration by the Joint Member Advisory Panel;
- (4) In order to implement resolution (1) above, Option 1 be approved as the process for achieving the shared Chief Executive;
- (5) Authority be delegated to the Monitoring Officer to draw up an agreement pursuant to Section 113 of the Local Government Act 1972 in consultation with the Monitoring Officer of West Somerset Council for consideration by the Joint Member Advisory Panel;
- (6) As part of Option 1, it be noted that West Somerset Council would retain the services of its current Chief Executive post-holder in a temporary (until 31 March 2014) suitable alternative post. This post would report to the Joint Chief Executive from the beginning of the new arrangements at the agreed date in October 2013 and would remain on comparable terms and conditions of employment;
- (7) The continuing saving delivered from the Joint Chief Executive post be noted and that the Council’s Medium Term Financial Plan is updated accordingly; and
- (8) As a result of approving Option 1, a supplementary estimate of £46,100 to fund the termination costs associated with this Option be approved (£34,575 from the General Fund Reserve and £11,525 from the Housing Revenue Account Reserve).

9. **The story of Taunton Street Pastors**

The showing of the DVD on the story of the Taunton Street Pastors was deferred until the next meeting of the Council.

10. **Motion – The possibility of a transition to a Committee System in May 2014**

Moved by Councillor Horsley, seconded by Councillor Coles.

“Taunton Deane Borough Council notes the provisions in the Localism Act 2011 which now enables English Local Authorities to operate a different form of governance including a Committee system from their Annual Meeting. It further notes that the resolution to start to operate a different form of governance must be made at a meeting in advance of their Annual Meeting in order to be implemented from the aforesaid Annual Meeting.

Taunton Deane Borough Council therefore believes research should begin now to consider the possibility of a transition to a committee system in May 2014 after weighing up the advantages and disadvantages of such a system and comparing it with the current “Strong Leader – Executive” model.

The Council therefore instructs its officers to prepare such a report for its 8 April 2014 meeting ahead of Annual Council to be held on 8 May 2014 in such a manner that the options are clearly set out for Members to decide to adopt Governance by Committee should it so decide at that meeting.”

The motion was put and was lost.

11. **Review of the size of Committees**

Considered report previously circulated, concerning proposals for changes to the size of the various Committees following a Member of the Conservative Group moving to become an Independent Councillor in May 2013 and the changes to the Standards Committee now being a politically balanced Committee.

Sections 15 and 16 of the Local Government and Housing Act 1989 provided a duty on authorities to review its proportionality arrangements when necessary to ensure that it reflected the political make up of the Council.

The matter had been discussed at the Constitutional Sub-Committee on the 4 June 2013 and the Corporate Governance Committee on 24 June where the proposed changes to the Committee memberships were agreed.

Resolved that the changes to the size of the various Committees as detailed in Appendix 1 to these Minutes, be approved.

12. **Recommendations to Council from the Executive**

(a) Halcon North Regeneration - Creechbarrow Road Project, Taunton

The Executive had recently considered the outline detailed proposals of the Creechbarrow Road Project, Taunton primarily in relation to the Council's portion of the site.

The revised development project sought to maximise the opportunities afforded by Homes and Communities Agency (HCA) funding allocated to Knightstone Housing Association (KHA) and changes to housing finance which had resulted in more resources becoming available for the Council's Housing Revenue Account (HRA) to invest in new affordable housing.

The site was currently being assembled by decanting the current tenants and buying back the leasehold properties along with giving notice to quit on the garages.

All the current flats/houses on the Creechbarrow Road site would be demolished. One end of the site would be transferred to KHA and they would construct 32 affordable rented houses on this area. The remainder of this site would remain in Taunton Deane ownership, on which 60 new homes for Social rent would be built.

Whilst the project was housing driven, it was also designed to help tackle the deprivation in the area. The proposed play/green area would provide a new central focus and the Community Hub building would potentially provide a valuable facility for the provision of services to the Halcon Ward.

KHA funding was supported by HCA grant for 30 of the 32 new dwellings. However, the grant conditions required completion of these properties by 31 March 2015.

Heads of Terms for the disposal of the KHA portion of the site were currently being prepared. Previously the Council had commissioned Savills to undertake an assessment of the residual value of the KHA portion of the site for affordable housing. This had confirmed a negative residual value, and consequently the site would be disposed of for £1. The Council was operating in an "open book" fashion with KHA and the total scheme cost for the KHA part was likely to be £3,972,000 and showed a substantial loss.

If during contractor procurement the KHA scheme revealed a changed position to generating a surplus, an overage agreement had already been negotiated where KHA and the Council would benefit equally in any surpluses derived. In addition, a buy back for £1 clause had been included in the draft Heads of Terms so the Council would be able to re-purchase the site if the scheme faltered.

Taunton Deane's development would be comprised of 60 new properties including an Elderly Persons Court of six two-bed and nine one-bed properties all designed to cater for non close-care elderly persons. Six ground floor wheelchair compliant ground floor flats had been included in the scheme proposal.

The development would include the following Design Standards:-

- Code for Sustainable Development – Level 4 – The new homes would be much cheaper to run for the occupants in that they would be 25% more energy efficient than current Building Regulations.
- Lifetime Homes - The scheme layout and house layouts would fully conform to the latest Lifetime Homes design criteria, which would ensure that a home built to the standards would be adaptable to allow future changes in an occupant's circumstances to be accommodated.
- Secured by Design - An integral part of the overall sustainable development strategy was to adopt the Secured by Design Police initiative which provided guidance and encouragement to those engaged with the specification, design and build of new homes to adopt crime prevention measures.
- Taunton Protocol – This had been adopted by the Council in November 2011 and set out the Council's aspirations for development in the fields of carbon reduction, building design and valuation, producing significant reductions of Co2 to help meet the Government's challenging targets for reducing the impact of climate change.

A three storey building was proposed at the end of Moorland Road. This would provide dwellings (8 x 1 bed, 2 person flats) on the first and second floors and a community facility on the ground floor which potentially could include the following features:-

- Walk in community facilities such as a youth meeting place, internet provision and community café;
- Access to advice and services via volunteers and agencies;
- Meeting/activity rooms;
- Smaller interview rooms; and
- Landing pad workstations (hot desks) for partner agencies working in the area.

It was the intention through the construction phase to maximise opportunities for local community involvement and benefit through such things as requiring contractor(s) to provide training/apprenticeship opportunities that might lead to longer term employment.

In order to maximise the benefits of the scheme, it was important to let the new properties in a way that would facilitate and enable the greatest positive impact. Consequently a draft Local Lettings Plan has been created in consultation with partners and KHA which would apply to the whole development area.

The new Council properties would be subject to Right to Buy (RtB), therefore if they were let to a tenant with existing, or, in time, earned RtB eligibility, they could make an application to purchase the property.

However, the Council was afforded some protection by the “cost floor” provision. This meant that for a period of 15 years, the RtB discounts would be limited to ensure that the purchase price of the property did not fall below what had been spent on building, buying, repairing or maintaining it over a certain period of time, up to the market value of the property.

An extensive public consultation/engagement process had been undertaken, in terms of preferences and concerns. All of the points had been assimilated into a composite design development process, which had informed the planning submission.

The area of the scheme included four properties at the end of Moorland Road. Of these, one (No 1) was owned by the General Fund (GF) as it had been “bought back” by Housing Enabling during the course of the original larger project. The remaining three properties were owned by the HRA. It was proposed that the property be transferred to the HRA from the GF at a price agreed following formal valuation.

A detailed financial appraisal of the current proposed scheme had been undertaken and provided the following conclusions:-

- The Total Scheme Costs for the project were £8,143,000;
- Based on income from rents over a 30 year period the scheme could afford to repay £5,764,000 over 30 years.
- Therefore the scheme required a subsidy of £2,379,000
- The payback period = 46 years.

The current 2013/2014 Capital Programme included an approved budget for the scheme totalling £7,667,000. In addition, there was an approved budget allocation of £200,000 included in the 2012/2013 Capital Programme for this scheme, giving approval for Total Capital Expenditure of £7,867,000.

The updated estimate of Total Scheme Costs exceeded the current approval, therefore it was necessary to request a budget increase of £276,000 in order to proceed to tender.

In terms of funding arrangements for the scheme when the initial proposals were approved, £200,000 had been allocated from HRA Reserves and Members had agreed in principle to approve funding for the balance via borrowing.

The Council had experienced significant growth in RtB sales – and therefore capital receipts – in the last year. It was therefore proposed to use RtB capital receipts to fund 10% of the scheme, taking into account the requirement to meet the conditions of the One for One Replacement Agreement with the Government. The following table summarised the proposed funding at this stage:-

	£
Estimated Total Funding Required	8,143,000
Proposed Funding:	
HRA Reserves	200,000
RtB Capital Receipts	814,000
Social Housing Development Fund (indicative only)	1,686,000
Borrowing (indicative only)	5,443,000
Total Funding	8,143,000

Although the Business Case indicated that the HRA would effectively provide a subsidy for the scheme within the current 30-year plan, the investment in the increased housing that the scheme would provide did pay back over 46 years. It was therefore reasonable to conclude that the investment was affordable over the long term and that the properties should have a useful life of at least 46 years if properly maintained as planned.

On the motion of Councillor Mrs Adkins, it was

Resolved that:-

- (1) Authority be granted to the Housing and Health Manager to progress and implement the Creechbarrow Road, Taunton Redevelopment Scheme;
- (2) An 'in principle' commitment to promoting a Compulsory Purchase Order(s) to progress the redevelopment scheme be approved;
- (3) Subject to valuation, the transfer of 1 Moorland Road, Taunton from the General Fund to the Housing Revenue Account be approved;
- (4) A Supplementary Estimate of £276,000 be also approved thus increasing the total Capital Expenditure Budget for the scheme to £8,143,000, and the proposed funding plan for the scheme, including borrowing, be noted; and
- (5) The principles contained within the proposed joint Taunton Deane and Knightstone Housing Association Local Lettings Plan for the development be supported.

Before considering the second recommendation below, the Council **resolved** that the press and public be excluded from the meeting to allow discussion of the contents of the confidential appendix, because of the likelihood that exempt information would otherwise be disclosed relating to Clause 3 of Schedule 12A to the Local Government Act, 1972 and the public interest in withholding the information outweighed the public interest in disclosing the information to the public.

(b) Sale and Acquisition of Freehold Interest in Land at Lisieux Way, Taunton

Consideration had recently been given by the Executive to the proposed sale of a freehold interest in part of the site at Lisieux Way in Taunton, plus a

freehold acquisition of an alternative part of the site. The proposal, if approved, would 'open up' the site for development as employment land, under the Council's priority of growth and regeneration.

The site in total extended to approximately 6 acres with the Council currently owning the freehold interest in approximately 4.41 acres.

A business had held this part of the site on a lease from the Council for many years with approximately 58 years of the term to run. The Council was currently receiving a ground rent each year in respect of this lease. Rent reviews were held at 14 year intervals but, as the last review was held in 2006 it was unlikely that the rent would increase in the foreseeable future. The business owned the freehold interest in the remainder of the site.

The whole site had unsuccessfully been marketed over the past few years due to the lease of part of the site, which made it an unviable purchase in its current situation for a private investor.

The result of the inability to sell the combined interests of the Council and the existing business on the open market was that the site remained mainly vacant. The site was well located for redevelopment for employment use and was currently undeveloped at a time when there was demand for employment space in such a good location and a severe shortage of suitable alternative sites. There were currently two tenants on the site occupying Buildings "1" and "3".

A Property Development Company had recently agreed terms to purchase the business's interest in the site. The company has now approached the Council with a view to purchasing Taunton Deane's interest to give them the freehold of the whole site. They proposed to redevelop the site for employment uses and this would be reflected in any legal agreement between the parties.

The consideration for the purchase would be the transfer of the freehold interest in the newly refurbished "Building 3". The building was currently occupied on a Full Repairing and Insuring Lease which commenced on 31 May 2012 and was for a term of 25 years with 5 yearly rent reviews.

As the rental income available under this lease would be greater than the rent received by the Council from the business which currently leased the Council's land by a significant sum each year, there was additional value to the Council from the proposed sale and acquisition.

A proposed consideration had been negotiated and provisionally agreed with the Property Development Company for the acquisition of the freehold of "Building 1". With Stamp Duty and a contingency for other associated costs of acquisition, the difference in rent would represent an annual return of 8% gross on the up front capital investment.

From an investment perspective, the positive Net Present Values indicated that the investment opportunity represented an attractive proposition.

The proposal was likely to produce a continuing net saving to the Council, indicating that the proposal would be affordable if fully funded through borrowing. The annual savings would be higher if the Council used reserves towards the funding of the capital costs.

On the motion of Councillor Cavill, it was

Resolved that:-

- (1) The proposed sale and acquisition of land and buildings at Lisieux Way, Taunton be supported and that a Supplementary Estimate to the Capital Programme to the amount detailed in the report for this purpose be approved, via borrowing;
- (2) It be noted that the continuing revenue implications would be taken into account as part of the annual budget setting process; and
- (3) Proposed economic development uses of the site in the future be approved in conjunction with the Section 151 Officer, the Portfolio Holder and the Shadow Portfolio Holder.

13. **Suspension of Standing Order**

Resolved that Standing Order 28, Time limits for all meetings be suspended to enable the meeting to continue for a further half an hour.

14. **Reports of the Leader of the Council and Executive Councillors**

Due to the lateness of the hour, the Mayor suggested that responses to questions asked of the Executive Councillors should be made in writing outside the meeting. This was agreed.

(i) **Leader of the Council (Councillor Williams)**

Councillor Williams's report covered the following topics:-

- Northern Inner Distributor Road;
- Castle Green Development, Taunton;
- Taunton Railway Station;
- Major Flood Alleviation Scheme;
- Shared Management/Services Project with West Somerset Council;
- Taunton Deane Leading the Field! (Ahead of the Game?); and
- EDF South West Office Requirement.

(ii) **Housing Services (Councillor Mrs Adkins)**

Councillor Mrs Adkins submitted her report which drew attention to the

following:-

- The Advice Services Transition Fund – BIG Lottery Fund;
- Welfare Reform Strategy;
- Housing Services Digital Inclusion Project;
- Welfare Reforms Visits – Under Occupation;
- Housing Development - Regeneration;
- Moving Out;
- Tailored Support;
- Affordable Housing Completions;
- Affordable Housing Open Day;
- Right to Buy Sales;
- Homefinder Somerset;
- Rent Arrears;
- Creechbarrow Road Update; and
- Other Council House Proposed Sites and Future Sites.

(iii) Corporate Resources (Councillor Mrs Stock-Williams)

The report from Councillor Mrs Stock-Williams provided information on the following areas within her portfolio:-

- Customer Contact Centre;
- Corporate and Client Services;
- Corporate Performance;
- Legal and Democratic Services;
- Revenues and Benefits;
- Council Accommodation and Customer Access Project; and
- Joint Management and Shared Services Project.

(iv) Planning, Transportation and Communications (Councillor Edwards)

The report from Councillor Edwards provided information on the following areas within his portfolio:-

- Planning;
- Site Allocations and Development Management Plan;
- Community Infrastructure Levy (CIL);
- Employment, Retail and Housing Monitors;
- Neighbourhood Planning;
- Heritage;
- Communications; and
- Parking.

(v) Community Leadership (Councillor Mrs Jane Warmington)

Councillor Mrs Warmington presented the Community Leadership report which focused on the following areas within that portfolio:-

- Partnership Working;
- Community Development;
- Police Report;
- Pathways to Independence;
- Youth Forums; and
- Benefits Welfare Cap.

(vi) **Economic Development, Asset Management, Arts and Tourism (Councillor Cavill)**

The report from Councillor Cavill covered:-

- Culture and Events;
- Employment Land;
- Business Rates Meeting;
- Taunton Town Centre Company;
- Inward Investment and Job Clubs;
- Business Support; and
- Asset Management.

(vii) **Environmental Services and Climate Change (Councillor Hayward)**

The report from Councillor Hayward drew attention to developments in the following areas:-

- Environmental Health;
- Crematorium;
- Waste Management; and
- Carbon Management.

(viii) **Sport, Parks and Leisure (Councillor Mrs Herbert)**

The report from Councillor Mrs Herbert dealt with activities taking place in the following areas:-

- Parks;
- Community Leisure and Play; and
- Tone Leisure (Taunton Deane) Limited Activities.

(The meeting ended at 9.58 p.m.)

Review of the size of Committees – Appendix 1

Executive Members:-

- Councillor Williams – Leader of the Council
- Councillor Edwards – Deputy Leader – (Planning and Transportation and Communications)
- Councillor Mrs Adkins (Housing Services)
- Councillor Cavill (Economic Development, Asset Management, Tourism and the Arts)
- Councillor Hayward (Environmental Services and Climate Change)
- Councillor Mrs Herbert (Sports, Parks and Leisure)
- Councillor Mrs Stock-Williams (Corporate Resources)
- Councillor Mrs Warmington – (Community Leadership)

Political make up

Conservatives	27	48.2%
Liberal Democrats	23	41.1%
Independents	3	5.4%
Labour	3	5.4%
	56	100%

Committee	Conservatives	Lib Dems	Independent	
Labour				
Community Scrutiny	7	6	1	1
Corporate Governance	7	6	1	1
Corporate Scrutiny	7	6	1	1
Licensing	7	6	1	1
Planning	7	6	1	1
Standards	2	2	1	
	37	32	6	5

Chairmen

Conservatives 4

Liberal Democrats 2

Vice-Chairmen will be selected by their respective Committees.