

## Executive – 10 July 2013

Present: Councillor Williams (Chairman)  
Councillors Mrs Adkins, Cavill, Edwards, Hayward, Mrs Herbert,  
Mrs Stock-Williams and Mrs Warmington

Officers: Shirlene Adam (Strategic Director), Dan Webb (Performance Lead), Phil Bisatt (Policy Officer), James Barrah (Health and Housing Manager), Stephen Major (Housing Development Project Lead), Lucy Clothier (Accountant), Simon Lewis (Strategy and Performance Manager), Ian Franklin (Regeneration Delivery Manager), Adrian Priest (Asset Holdings Manager), Tim Child (Southwest One Property), Tonya Meers (Legal and Democratic Services Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead)

Also present: Councillors Coles, Mrs Floyd and Horsley

(The meeting commenced at 6.15 pm.)

### 29. Minutes

The minutes of the meeting of the Executive held on 15 May 2013, copies of which had been circulated, were taken as read and were signed.

### 30. Corporate Performance Monitoring – Quarter 4 / Outturn 2012/2013

Considered report previously circulated, which detailed the performance of the Council for the final quarter of 2012/2013.

The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets was an important part of the overall performance management framework. Analysis of the overall performance of the Council revealed that 65% of all performance measures were on target. This was a slightly better position compared to the previous quarter (Quarter 3 was 63%). A summary / overview of the Quarter 4 scorecard was shown in the table below:-

Section	No. of measures	☺ Green	☹ Amber	☹ Red	Trend (from last quarter)
1) Corporate Strategy Aims	18	13 (72%)	3 (17%)	2 (11%)	↔
2) Service Delivery	15	9 (60%)	3 (20%)	3 (20%)	↓
3) Managing Finances	12	7 (58%)	2 (17%)	3 (25%)	↔
4) Key Projects	7	5 (71%)	2 (29%)		↓
5) Key Partnerships	8	4 (50%)	3 (38%)	1 (12%)	↔
6) People	6	4	1	1	↑

		(67%)	(17%)	(17%)	
7) Corporate Management	10	7 (70%)	3 (30%)		↑
<b>TOTALS</b>	<b>71</b>	<b>49 (65%)</b>	<b>17 (22%)</b>	<b>10 (13%)</b>	↔

**KEY:**

↑ = Improving (ie more Green, less Amber and/or Red alerts)

↓ = Worsening (ie less Green, more Amber and/or Red)

↔ = No change.

Submitted details of the comments made by the Corporate Scrutiny Committee which had considered the Performance Outturn Report at its meeting on 23 May 2013. One of the concerns raised was the continuing high levels of staff sickness. The Executive supported the proposed setting up of a Task and Finish Group to fully investigate this issue.

**Resolved that:-**

- (1) The report be noted; and
- (2) The Corporate Scrutiny Committee be recommended to proceed with initiating a Task and Finish Group to explore the current staff sickness issue.

**31. Introduction of the Community Infrastructure Levy in Taunton Deane – Proposed Policy for Payment by Instalments**

Reference Minute No.3/2013, considered report previously circulated, concerning the introduction of the proposed Community Infrastructure Levy (CIL) Instalment Policy.

The CIL Regulations allowed a charging authority, like Taunton Deane, to accept payment of CIL by instalments, so long as a policy to that effect was published on the Council's website.

Noted that the Council needed to bring forward such a policy so that this was available for the CIL Examination which was due to commence on 24 July 2013, although the policy itself would not be formally examined.

The Instalment Policy set out in the Appendix to the report differed from the draft policy issued in January 2013 as follows:-

- (i) All categories of development, whether residential or non-residential, would be subject to the same type of instalment policy – to do otherwise would pose intractable problems in the case of mixed-use developments; and
- (ii) It did not appear possible to have payment by instalments linked to completion of a specified proportion of dwellings or floor space on a site. This was because the complexity of the CIL administration process required

automation, and the computer software was only able to issue notices or letters in response to an elapse of periods of time.

Reported that in view of (ii) above, consideration had been given to the rate at which developments might be completed, and thus the number of instalments and time periods for payment of each instalment.

It was important to note that, if there was no instalment policy in place, payment of CIL would become due in full 60 days following commencement of development.

**Resolved** that the proposed Community Infrastructure Levy Instalment Policy be endorsed.

### 32. **Halcon North Regeneration - Creechbarrow Road Project, Taunton**

Reference Minute No. 10/2013, considered report previously circulated, concerning the outline detailed proposals 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 funding allocated to Knightstone Housing Association (KHA) and changes to housing finance resulting in more resources available for the Council's Housing Revenue Account (HRA) to invest in new affordable housing, along with land available in the development site. The aim of the project was to assist in tackling the high levels of deprivation in the Halcon Ward and to provide more affordable housing.

Since this time much work had been undertaken to progress the scheme, to the point where final approval for the TDBC element was now requested in this report.

The site was currently being assembled by decanting the current tenants and buy back of 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. In total, the proposal was for 92 new homes on the site, a significant increase over the number of properties currently on the site. This represented a significant increase in better quality affordable homes that were cheaper to run and potential investment of over £12 million in this area.

The proposed play/green area would provide a new central focus and help integration of the new and the existing properties and provide a quality open space and the Community Hub building would potentially provide a valuable facility for the provision of services to the Halcon Ward.

The KHA outline development was comprised of 32 dwellings in total, consisting of the following.

- 1 x 1 bed two-person Flat Over Garage (FOG);
- 3 x 2 bed four-person FOG;
- 9 x 1 bed two-person elderly persons flats (including 3 wheelchair compliant);
- 6 x 2 bed three-person elderly persons flats (including 2 wheelchair compliant);
- 3 x 2 bed four-person houses;
- 9 x 3 bed five-person houses; and
- 1 x 4 bed seven-person house.

KHA funding was supported by Homes and Community Agency (HCA) grant for 30 of the 32 new dwellings. 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.

Reported that 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.

The outline of Taunton Deane’s development was comprised of 60 new properties in accordance with the mix below:-

- 9 x 1 bed two-person elderly persons flats (including 3 wheelchair compliant);
- 6 x 2 bed three-person elderly persons flats (including 2 wheelchair compliant);
- 1 x 1 bed two-person (FOG);
- 3 x 2 bed three-person (FOG);
- 6 x 1 bed two-person wheelchair compliant flats;
- 8 x 1 bed two-person flats;
- 6 x 2 bed three-person flats;
- 4 x 2 bed four-person houses;
- 13 x 3 bed five-person houses;
- 2 x 4 bed seven-person houses;
- 1 x 5 bed eight-person house; and
- 1 x 6 bed nine-person house.

An Elderly Persons Court would be provided comprising six two-bed and nine one-bed properties all designed to cater for non close-care elderly persons, with the inclusion of wheelchair transfer areas and level access showers in all flats with the option of reverting to baths should they be required. In addition, 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. In addition, Level 4 aimed to:-
  - (a) reduce potable water consumption per person;
  - (b) encourage good waste management and recycling, both during construction and the occupation of the building;
  - (c) encourage the use of sustainable and/or recycled building materials;
  - (d) encourage the use of low or zero carbon technologies;
  - (e) increase the health and wellbeing of the occupants; and
  - (f) protect and enhance the ecology.
- Lifetime Homes - The Creechbarrow Road scheme layout and house layouts would fully conform to the latest Lifetime Homes design criteria, which ensured that a home built to the standards would be adaptable to allow future changes in occupant's circumstances to be accommodated through pre-planned alterations rather than requiring them to move house.
- Secured by Design - An integral part of the overall sustainable development strategy was to adopt the Secured by Design Police initiative providing guidance and encouragement to those engaged within the specification, design and build of new homes to adopt crime prevention measures in new development. Compliance with the guidance had been proven to reduce the opportunity for crime and the fear of crime, creating safer, more secure and sustainable environments.
- 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.

Further reported that the scheme would remove a current Housing Revenue Account owned play area at the northern end of the site which was of poor quality. In its place a new, more central play area/open space would be provided in the scheme. An equipped area for younger children known as a Local Equipped Area for Play was to be provided within the development, without the necessity of crossing Creechbarrow Road.

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 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 may lead to longer term employment.

Such opportunities would initially be ring-fenced to persons within the ward and the involvement of local and feeder schools in design and public art throughout the site.

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 had been created in consultation with partners and KHA which would apply to the whole development area.

Reported that 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 (Council or HA tenant for 5 years), they could make an application to RtB the property.

However, the Council was afforded some protection by the "Cost floor" provision. This meant that for new build property 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. Therefore, in order to RtB a property, applicants would be required to pay the full build costs of the property (up to its market value).

The report detailed the results of the extensive public consultation/engagement which 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.

Reported that the following was the current position as far as site assembly was concerned:-

- (i) Notice to quit had been issued to all tenants of garages. Many were now vacant with keys returned;
- (ii) 15 properties had been decanted to alternate accommodation;
- (iii) 15 accepted offers on alternate property and were somewhere down the path of moving home; and
- (iv) Negotiations were continuing with leaseholders for the buy back of properties.

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 was "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 was transferred to the HRA from the GF at a price agreed following formal valuation.

Following updates to the proposals reported to the Executive in February 2013, a detailed financial appraisal of the current proposed scheme had been undertaken and provided the following conclusions. However it should be noted that the construction work had not yet been subject to tendering and it was likely that reductions in the projected costs could be achieved through a competitive tendering process:-

- The Total Scheme Costs for the project was £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 (the time at which the full cost – including the £2,379,000 above - was paid back) = 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, as shown in the following table:-

	£
Current Capital Expenditure Budget for the scheme:	
2012/13 Capital Programme	200,000
2013/14 Capital Programme	7,667,000
Current Budget	7,867,000
Updated estimate of Total Scheme Costs	8,143,000
Additional Budget Approval Required	276,000

In terms of funding arrangements for the scheme, when the initial proposals were approved £200,000 was allocated from HRA Reserves and Members 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

Giving approval to support expenditure through borrowing would enable the scheme to proceed.

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 provided 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.

**Resolved** that Full Council be recommended to:-

- (1) Grant authority to the Housing and Health Manager to progress and implement the Creechbarrow Road, Taunton Redevelopment Scheme;
- (2) Approve an 'in principle' commitment to promoting a Compulsory Purchase Order(s) to progress the redevelopment scheme;
- (3) Approve, subject to valuation, the transfer of 1 Moorland Road, Taunton from the General Fund to the Housing Revenue Account;
- (4) Approve a Supplementary Estimate of £276,000 thus increasing the total Capital Expenditure Budget for the scheme to £8,143,000, and to note the proposed funding plan for the scheme, including borrowing; and
- (5) Comment on the proposed joint TDBC and KHA Local Lettings Plan for the development and confirm support for principles contained therein.

### **33. Extension of Somerset Aster Living Care and Repair Contract**

Reference Minute No 82/2009, considered report previously circulated, concerning a proposal to extend the Aster Living Care Contract by sixteen months.

In 2010, Somerset County Council (SCC), the Primary Care Trust and Sedgemoor, West Somerset, Mendip and Taunton Deane Councils commissioned Ridgeway Care and Repair (now Aster Living) to provide a contracted Home Improvement Agency service in Somerset (excluding South Somerset).

The contract was to provide a range of services with the key ones being the delivery of adaptations to vulnerable households via Disabled Facilities Grants (DFGs) and a Handyperson service. The service commenced in November 2010 on a three year contract.

Previously within Taunton Deane, 'Home Aid' (an in-house team) had provided the Home Improvement Agency (HIA) service. As part of the new commissioning, SCC had diverted its £117,000 Supporting People monies from Taunton Deane Home Aid to the new provider.

The Council's historical contribution to Home Aid had been the provision of premises and an administration fee taken from the DFG budget for administering the Grants. Taunton Deane's commitment to future funding was therefore limited to funding a 12% fee on DFGs awarded. This was unusual in this respect as all of the other District Councils that commissioned the services had committed a significant annual contribution as well as the 12% fee.

The new HIA had been commissioned to provide a service for vulnerable clients that would support applicants for DFGs, liaising with them and Occupational Therapists (OTs). It would also assist clients in applying to the Council for a Wessex Loan to



undertake important repairs to their properties and provide support and signposting where there was a funding shortfall.

Additionally the new provider was contracted to operate a Handihelp Service across the County. As a result a decision was taken to end the existing Taunton Deane Handyperson service.

The remaining statutory elements of the Council's DFG responsibility which included assessing the eligibility and need for the adaptation and to ensure the adaptation had been installed was packaged together into a new partnership arrangement as part of the Somerset West Private Sector Housing Partnership (SWPSHP). Essentially the SWPSHP made referrals to the HIA and verified its work.

Further reported that the existing contract with Somerset Aster Living Care was due for renewal in November 2013 and the HIA Commissioners had made the decision to extend the existing contract by sixteen months to 31 March 2015.

The Commissioners were proposing that the overall county-wide funding level of the contract remained the same for this sixteen month period however that the contributions from the District Councils should be redistributed to reflect the level of service that each District area received, making contributions fairer to reflect the cost of running the HIA. The implications of this were an increased cost of the services to Taunton Deane, as well as changes to the other District Council contributions.

Aster Living was part of the Aster Group a major company with a turnover of £150,000. It was a not for profit organisation providing HIAs in different parts of the country. The key services provided in Somerset and for Taunton Deane were:-

- Delivery of DFGs;
- Handyperson Service;
- Gardening and Painting / Decorating Service;
- Home from Hospital Service;
- Reablement Service; and
- Other Value Added, including the provision of comprehensive service and checks, strong partnerships with other agencies and all caseworkers trained to the Trusted Assessor level.

The first complete year of the new contract was 2011/2012 however this was hampered by a legal challenge. Consequently the organisation was not properly established until April of 2012 by which time the list of DFG applications had grown.

In the interim, the SWPSHP had dealt with the high priority clients and Council tenants DFG applications. It took Aster and the SWPSHP some time to clear the backlog with the majority of DFG applications being approved towards the end of the financial year and rolled over into 2012/2013.

In 2012/13 the number of completed DFGs increased however again was below the targeted number. Two key reasons for this were:-

- Delays in the end to end process, due to referral delays from OTs in the early stages of the implementation of the Reablement programme and the clearing of the waiting list for low priority clients which dated back to the start of the contract (see 5.1 above) meant that there was a high drop-out rate of applicants during the process; and
- The success of the Reablement Scheme had led to more being spent through Adult Social Care and through the Handyperson service for minor adaptations with a corresponding reduced demand on major adaptations through the DFG service.

The following has been delivered in Taunton Deane over the past two years:-

<b>Year</b>	<b>DFG Enquiries</b>	<b>DFG Completions</b>	<b>Handyman Jobs</b>	<b>Home from Hospital</b>	<b>Gardening and Decorating</b>
2011/12	201	32	1515	N/A	N/A
2012/13	146	43	1132	11	400

Further reported that at the time of commissioning the new HIA and of Taunton Deane joining the SWPSHP, the Council had calculated that all costs of the internal HIA service had been funded from the Supporting People Grant received and from the DFG administration fee. The Supporting People grant was subsequently diverted from the Taunton Deane in-house service to the new countywide contract and the Council declined to commit further monies into the Core HIA service, except for the 12% administration fee, taken directly from the DFG Capital Budget.

This was in stark contrast to the other three District Councils (WSDC, SDC and MDC) who had contributed an average of £54,000 per annum each annually over the past three years to the core costs of the HIA.

Furthermore, Taunton Deane opted at the time to end their own Handyperson Service and take the budget as on-going savings due to financial pressures. No money was allocated toward the Handyperson element of the HIA contract even though the other three Councils had committed an average of £9,200 each per annum.

The HIA Commissioning Group was now looking to extend the Aster HIA contract for a further sixteen months from November 2013 with the intention to retain the same overall level of funding for the contract. The District Council representatives had requested that a more equitable contribution was made from each District Council toward the District Council share of the bill.

It was clear that Taunton Deane was currently not contributing an equitable amount to the cost of operating the HIA in Somerset compared to its neighbouring Districts. Each of the District Councils had now been asked to put forward their commitments for the next two years.

Although there was no exact science to what a fair contribution should be, the HIA Commissioning Board had proposed that District Council funding for the Core Service for the sixteen month contract extension should be based on the number of DFGs delivered in their area by Aster during 2012/2013.

Together with a contribution towards the Handyperson Service, it had been calculated that Taunton Deane would be required to identify a £48,300 annual contribution towards the contract (£44,300 General Fund and £4,000 from the Housing Revenue Account). As the contract started in November, the part year cost in 2013/2014 would be up to £17,800 General Fund and £1,700 HRA.

The report contained a number of alternative options which could be considered by Councillors. These included increasing the charges on the Handyperson Service, withdrawing from the contract and providing the service in-house which would be far more expensive and remaining in the HIA Partnership and continue not to contribute financially. With regard to the latter, this would result in a much reduced service or even the withdrawal of the service in Taunton Deane.

**Resolved** that £48,300 per annum be committed annually (£44,300 from the General Fund and £4,000 from the Housing Revenue Account) from November 2013 towards the Home Improvement Agency contract, with the continuing budgetary impact being factored into the Medium Term Financial Plan.

34. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

**Resolved** that the Forward Plan be noted.

35. **Exclusion of the Press and Public**

**Resolved** that the press and public be excluded from the meeting for the following items 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.

36. **Sale and Acquisition of Freehold Interest in Land at Lisieux Way, Taunton**

Considered report previously circulated, concerning 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 the lease, details of which were reported. 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", details of which were submitted.

Reported that a Property Development Company had recently agreed terms to purchase the business's interest in the site. They had 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. Details of the current occupiers and the current annual rental were detailed in the report.

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.

The report went on to comment on the Capital Costs and Funding, the Return on Investment and the Revenue Implications and Affordability.

From an investment perspective, the positive Net Present Values indicated the investment opportunity represented an attractive proposition. However, it was important to note that as with any investment this would not be risk-free.

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 (cash) towards the funding of the capital costs.

**Resolved** that:-

- (1) Full Council be recommended to support the proposed sale and acquisition of land and buildings at Lisieux Way, Taunton 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) The 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.

**37. Land at Creedwell Orchard Housing Estate, Milverton**

Reference Minute No 100/2011, considered report previously circulated, concerning the broad terms and conditions to be included in an Option Agreement in respect of the proposed sale of a small area of land to S Notaro Limited (SNL).

At its meeting on 16 November 2011, the Executive resolved to dispose of an area of land forming part of Creedwell Orchard Housing Estate in Milverton on terms and conditions to be agreed by Southwest One and endorsed by the District Valuer to provide access to an adjoining field to be developed by SNL.

However, following the submission of a Town and Village Green Application by a group of Milverton Residents on the land to be developed by SNL, terms and conditions for the immediate sale of the Council's land could not be agreed.

Following further discussions with SNL, the company was now prepared to enter into an Option Agreement to purchase the Council's land in the future assuming a successful outcome with the Town and Village Green Application, on terms and conditions to be agreed in consultation with specialist external legal advisors and endorsed by the District Valuer. Details of the draft terms and conditions were submitted for the information of the Executive.

The sale of an Option Agreement would provide the Council with a relatively modest capital receipt now with the prospect of a substantial capital receipt in due course, both for reinvestment into affordable housing.

Also reported that after full consideration by the Council's Legal and Democratic Services Manager, it had been established that the Critchel Down rules were not considered to be applicable in this case and, therefore, the Council could proceed with the sale of its access land to SNL without the need to formally offer the land back to the previous owner or successors in title.

It had now been formally accepted by Taunton Deane, as the Local Planning Authority, and the County Council that the Council's land was suitable as a single highway access for the development land and as a consequence of this, Council had amended the original Section 52 Agreement associated with the extant permission, so omitting any requirement for off-site widening work or two points of access for the development.

**Resolved** that:-

- (a) The granting of an Option Agreement to S Notaro Limited to purchase the Council's access land, identified on the plan included with the report, on terms and conditions to be agreed by Southwest One be approved, subject to being certified by the District Valuer as representing best value for Taunton Deane Borough Council;
- (b) It be also approved that the premium for the option Agreement and any future capital receipt arising from the sale of the Council's land be reinvested into the provision of affordable housing; and
- (c) The Solicitors, David Jones Bould, provide further advice to the Council in respect of other terms and conditions to ensure that the Council's future interests were best protected.

(The meeting ended at 7.36 pm.)