

Executive – 20 June 2012

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

Officers: Torsten Daniel (Strategy Officer - Climate Change), James Barraah (Community Services Manager), Dan Webb (Performance Lead), Nick Bryant (Strategy Lead), Tonya Meers (Legal and Democratic Services Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead).

Also present: Councillors Coles, Horsley, Tooze and A Wedderkopp

(The meeting commenced at 6.15 pm.)

40. Apology

Councillor Edwards.

41. Minutes

The minutes of the meeting of the Executive held on 11 April 2012, copies of which had been circulated, were taken as read and were signed.

42. Taunton Deane Borough Council Carbon Management Plan 2012/2013

Considered report previously circulated, concerning the Council's Carbon Management Plan (CMP) for reducing carbon emissions from the Council's operations during 2012/2013.

The Council took climate change seriously and was strongly committed to reducing carbon emissions within Taunton Deane and from its own operations.

Carbon emissions came from four different sources: The electricity and gas used within buildings and the petrol/diesel used for transport by Deane DLO and the Council's Grey Fleet.

Between 2006/2007 and 2010/2011 the Council had reduced its carbon emissions by nearly 500 tonnes CO₂ or 10.4% against the baseline figure. This equated to a reduction of about 3.5% year-on-year over the last four years which exceeded the reduction target that had previously been agreed between the six Somerset Councils.

An Information Report for the first half of 2011/2012 had shown a further reduction of 86 tonnes CO₂ or 10.8% compared to the same period in 2010/2011.

Reported that the 2011/2012 Carbon Management Action Plan had contained 53 carbon reduction actions. By April 2012:-

- 19 actions had been implemented or were part of a Rolling programme;

- 22 actions had been carried forward for implementation in 2012/2013; and
- 12 actions had been cancelled for technical or financial reasons.

Key carbon reduction actions that had been implemented during 2011/2012 included:-

- (a) The decision by Theme Managers to use recycled paper for office printing. This action would save around 14 tonnes of CO2 per year;
- (b) All cavity walls at The Deane House had now been insulated;
- (c) Lights in the corridors of Kilkenny Court had been replaced with brighter lights on motion sensors that only came on when needed. Initial monitoring had shown a reduction of about 4% in electricity usage or 2 tonnes of CO2 per year as a result of the action; and
- (d) A vehicle tracking system had been installed to the entire Deane DLO Fleet. The system allowed for better journey coordination and increased ability to communicate with teams whilst off-site that would result in both fuel and carbon savings.

The proposed CMP Action Plan for 2012/2013 contained 41 carbon reduction actions. Of these, 20 had been carried forward from the 2011/2012 CMP, 9 were part of a rolling programme and 12 actions were new. If fully implemented, the actions for which savings could be quantified already would result in a further reduction of around 300 tonnes of CO2.

Details of the key actions to be carried forward from the 2011/2012 CMP and the new key actions proposed were submitted. Among the new actions were measures to identify opportunities for Pay-As-You-Save energy efficiency schemes, ensuring the Council capitalised on potential carbon savings in conjunction with The Deane House Accommodation Project and including building energy efficiency considerations into plans to build a new swimming pool at Blackbrook and to modernise the existing Taunton Pool.

Further reported that the production and implementation of the CMP was coordinated and overseen by the Carbon Management Steering Group which comprised both Members and officers group.

The Executive noted the comments that had been received from the Corporate Scrutiny Committee, particularly the points that more could be done to engage all areas of the Council's operations in the process to reduce carbon emissions and that larger projects, which would have more impact, could be identified and implemented if Taunton Deane took a longer term, more strategic approach.

One suggestion put forward was that the 'performance' of the Council's buildings could be improved by integrating carbon reduction with asset management planning. Thermal imaging of such buildings would be the first step towards assessing how energy efficient they were.

During the discussion of this item Councillor Hayward proposed that the Carbon Management Plan should be re-titled to reflect the increasing importance of 'energy resilience' alongside the overall reduction of carbon emissions.

Resolved that:-

- (i) The Carbon Management and Energy Resilience Plan for 2012/2013 be adopted;
- (ii) The improvement of the performance of buildings owned by the Council by linking carbon reduction with asset management planning in the future be fully considered; and
- (iii) The possibility of undertaking, on a trial basis, a scheme involving the thermal imaging of a sample of the buildings owned by Taunton Deane, be investigated.

43. Changes to the Right to Buy Policy

Considered report previously circulated, which summarised recent changes introduced by the Government concerning the Right to Buy provisions and the impact this would have on the Council.

The Right to Buy scheme was introduced in 1980 and gave qualifying social tenants the right to buy their home at a discount. The scheme was open to secure tenants of local authorities and non-charitable housing associations, and to those assured tenants of housing associations who had transferred with their homes from a local authority as part of a housing stock transfer.

The Government had recently announced its intention to increase the caps on Right to Buy discounts to enable more tenants to achieve their ambition for home ownership. It also set out the Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy were used to fund its replacement, on a one for one basis, with a new home for Affordable Rent.

Reported that the key changes to existing policy were set out in the following table:-

Policy	Current Policy	From 2 April 2012
Discount Rates, Cap and Eligibility	<p>Current discount rates were:-</p> <ul style="list-style-type: none">• For houses: 35% of the property's value plus 1% for each year beyond the qualifying period up to a maximum of 60%;• For flats: 50% plus 2% for each year beyond the qualifying period up to a	<p>The discount cap had been increased to £75,000 across England, giving tenants a much greater incentive to purchase their own home.</p> <p>Discount rates would not change and tenants would still need to have been public sector tenants for 5 years.</p>

	<p>maximum of 70%.</p> <p>Tenants must have been public sector tenants for 5 years before they qualified for the Right to Buy</p> <p>In practice, most Right to Buy discounts were limited by caps. These currently ranged from £16,000 in most parts of London and were currently £30,000 in the South West.</p>	<table border="1"> <thead> <tr> <th rowspan="2">Years renting from council</th> <th colspan="2">Discount</th> </tr> <tr> <th>House</th> <th>Flat</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>35%</td> <td>50%</td> </tr> <tr> <td>10</td> <td>40%</td> <td>60%</td> </tr> <tr> <td>15</td> <td>45%</td> <td>70%</td> </tr> <tr> <td>20</td> <td>50%</td> <td>70%</td> </tr> <tr> <td>25</td> <td>55%</td> <td>70%</td> </tr> <tr> <td>30</td> <td>60%</td> <td>70%</td> </tr> <tr> <td>Over 30</td> <td>60%</td> <td>70%</td> </tr> </tbody> </table>	Years renting from council	Discount		House	Flat	5	35%	50%	10	40%	60%	15	45%	70%	20	50%	70%	25	55%	70%	30	60%	70%	Over 30	60%	70%
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Use of Right to Buy Receipts	Subject to the deductions mentioned below, 75% of the receipts were paid to HM Treasury (“the poolable amount”) and the remaining 25% was retained by local authorities.	After calculating transaction costs and compensating authorities for loss of income above what had been covered in the self-financing settlement, HM Treasury and local authorities would receive the amounts they would have expected to receive, had the policy on Right to Buy remained unchanged.																										
Administration Costs	For the purposes of calculating the poolable amount, local authorities could deduct the actual transaction costs of successful sales from Right to Buy receipts, but there was no allowance for costs relating to Right to Buy applications which did not result in a sale.	Flat rate allowances for London and the rest of England had been set with a 50% uplift for withdrawn applications. Allowances would be fixed at £2,850 for London and £1,300 for the rest of England.																										
Buy Back	Councils could Buy Back former council properties and claim around 50% of the costs from their total Right to Buy receipts.	The Council would retain the Buy Back facility, allowing councils to claim up to 50% of the value of each property bought-up to a total of 6.5% of the value of net Right to Buy receipts (after administration costs, debt and assumed income). 6.5% was around the average level of Right to Buy receipts retained by local authorities for Buy Back over the last three years.																										

Cost Floor	Section 131 of the Housing Act 1985 (the cost floor) limited the Right to Buy discount 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 (relevant expenditure).	The period of time the cost floor covered had been increased from 10 to 15 years for new homes subject to Right to Buy, bringing rules for councils into line with those for Housing Associations and protecting initial investment in the housing. In addition the option for councils to apply for an exemption from pooling receipts for new homes built in future would be retained.
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Further reported that the Council had a legal duty to make tenants aware of these changes to the Right to Buy provisions.

Although arrangements to do this were in hand, due to the national publicity there had already been a number of enquiries from tenants about the new arrangements, suggesting a significant increase in sales. From the 1 April to 25 May, 22 Right to Buy applications had been received, against 25 in all of the last financial year.

Increases in numbers of Right to Buys would have an impact on administration and conveyancing, so capacity in both Housing and Legal Services would have to be monitored. The addition of an uplift in deductible allowances for withdrawn applications was welcomed as a number of these may arise particularly in the early days of the new policy.

With regard to the new provision for the one to one replacement of dwellings, submitted for information an extract from documents released by the Department for Communities and Local Government (DCLG) which explained the new system.

In essence, receipts from additional sales would be used to fund replacement stock on a one-for-one basis and that delivering these new homes would be through local authorities retaining receipts to spend in their areas.

In order for Taunton Deane to keep these additional receipts it would be necessary to enter into an agreement with the Secretary of State for Communities and Local Government who would:-

- i. allow the Council to retain additional Right to Buy receipts to fund the provision of replacement stock, and
- ii. allow the Council three years (from commencement of the agreement) to invest those receipts before asking for the money to be returned. (The agreement would not require the Council to complete the building of any home within three years. However, the Council would be required to have incurred expenditure sufficient that Right to Buy receipts formed no more than 30% of it.)

In return Taunton Deane would be expected to agree that:-

- i. Right to Buy receipts would not make up more than 30% of total spend on replacement stock, and
- ii. any unused receipts were returned to the Secretary of State with interest.

Should the Council not wish to enter into an agreement then any surplus receipts arising would have to be surrendered to the Secretary of the State for them to investment in replacement stock.

Noted that the 30% cap was necessary to ensure that the Government obtained maximum value for money from the Right to Buy receipts and enabled the building of as many new homes as possible. The Council would be expected to fund the remaining 70% from its own reserves or through borrowing serviced by the anticipated rental income from the new homes built.

Where retained receipts exceeded 30%, the Council would be required to return the additional receipt to the Secretary of State with interest.

Each financial quarter a report would have to be submitted to DCLG showing the cumulative sum the Council had retained for replacement stock and the cumulative amount it had spent on replacement stock.

Although there would be no requirement to return receipts in the first three years of the agreement, in Quarter 1 of 2015/2016 Taunton Deane would have to compare

- the total amount spent on replacement stock from the start of the agreement to the end of that quarter, with
- the total amount it had retained from Right to Buy receipts in Quarter 1 of 2012/2013.

Where the latter was 30% or less than the former then no further action would be necessary.

In Quarter 2 of 2015/2016 the comparison would be between the total spent on replacement stock since the agreement began with the total it retained on Quarters 1 and 2 in 2012/2013 and then for each subsequent quarter.

Historically Right to Buy receipts had been used to fund our Housing Enabling Programme and had primarily been targeted to schemes in conjunction with Registered Housing Providers.

The recent introduction in the new Housing Revenue Account (HRA) 30 year business plan of a Social Housing Development fund provided a second option for the provision of new units retained within the HRA. In practice if the Executive was minded to accept an agreement with the Government for one for one replacement, both of these avenues would be needed to allow a suitable level of investment to be made to offset the 30% restriction. The additional investment now available for affordable housing in the HRA would improve our ability to meet the 30% requirement.

Reported that the Council did not have to sign up to an agreement now. However, if it was not signed by the deadline of 27 June 2012, the Council would not be able to retain any receipts for the first quarter of this financial year.

Other important issues to be noted on qualifying spend to put towards the 70% requirement included:-

- Any contribution from a partner housing association could not include any Homes and Communities Agency grant; and
- The Council could not use HRA receipts from non Right to Buy receipts for example selling surplus to requirements property, as a dispensation from Government already existed which allowed the Council to keep these receipts if spent on affordable housing;
- The Council could spend receipts on the acquisition of property but would have to decide whether to utilise the existing provision of Buy Back Allowance or not depending on which route would be more financially favourable.

Resolved that the agreement offered by the Secretary of State for Communities and Local Government, made pursuant to Section 11(6) of the Local Government Act 2003 relating to the retention of Right to Buy receipts (as outlined above), be signed.

44. **Corporate Performance Monitoring – Quarter 4 / Outturn 2011/2012**

Considered report previously circulated, concerning the final performance data for 2011/2012.

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 had revealed that 65% of all performance measures were on target – see table below. This was a slightly improved position compared to the previous quarter (Quarter 3 was 64%).

Section	No. of measures	☺ Green	☹ Amber	⊗ Red	N/A	Trend (from last quarter)
1) Corporate Strategy Aims	20	60% (12)	25% (5)	10% (2)	5% (1)	↓
2) Service Delivery	15	73% (11)	20% (3)	7% (1)		↑
3) Managing Finances	7	71% (5)	14% (1)	14% (1)		N/A - awaiting year-end £
4) Key Projects	4	50%	50%			↔

		(2)	(2)			
5) Key Partnerships	9	55%	11%	33%		↓
		(5)	(1)	(3)		
6) People	6	83%		17%		↑
		(5)		(1)		
7) Corporate Management	11	64%	36%			↑
		(7)	(4)			
TOTALS	72	65%	22%	11%	1%	↑
		(47)	(16)	(8)	(1)	

The Executive noted the comments that had been received from the Corporate Scrutiny Committee particularly with regard to the aged debt situation, the Customer Contact Centre and fly-tipping.

During the discussion of this item, the Chairman asked whether the indicator relating to the Index of Multiple Deprivation (IMD) score could perhaps be 'broken down' into more local indicators which reflected the real improvements that were taking place in the Priority Areas. Because the IMD scores were only refreshed every three years, there was very little that could be done to show an improvement in performance between times.

This would be looked into.

Resolved that the report be noted.

45. **Introduction of the Community Infrastructure Levy in Taunton Deane**

Considered report previously circulated, which proposed the introduction of the Community Infrastructure Levy (CIL) from 1 April 2013 as a key mechanism for funding the infrastructure identified in the Council's Infrastructure Delivery Plan.

The Council had prepared its Core Strategy which set out the long-term vision for the Taunton Deane up to 2028. Linked to this was the Infrastructure Delivery Plan (IDP) which identified the infrastructure that would be required to deliver the Core Strategy proposals, and the scale of expenditure that was anticipated to be needed. The IDP included infrastructure identified through the preparation of the Taunton Town Centre Area Action Plan.

The Planning Act 2008 had made provision for local authorities to raise a levy from development to fund essential infrastructure.

Traditionally, local authorities had negotiated contributions from developers via Section 106 Agreements (or Section 278 for highways). However, many developments did not currently make any contribution to infrastructure costs.

By contrast, CIL would be applicable to all development meeting certain criteria. It would therefore be a more comprehensive and more effective means of raising money for the provision of infrastructure.

Estimates of likely income from CIL would depend on the level (in £ per square metre of floorspace) at which the charge was set and the number and area of dwellings and other developments that were liable to pay it. However, it was anticipated that CIL was likely to be several million pounds per annum.

In two-tier areas, district councils were the charging authorities for CIL on account of their role as the Local Planning Authority. Taunton Deane would therefore be the charging authority within its area.

A practical reason for introducing CIL was that, from April 2014, the ability to 'pool' contributions from developers via Section 106 Agreements (S106's) to deliver infrastructure, would be substantially curtailed. The Government's intention was that CIL would be used to deliver larger strategic items, with S106's retained only for direct mitigation of site-specific impacts.

A more immediate reason for moving CIL forward as quickly as possible, was to minimise the number of developers who were able to avoid paying CIL by securing outline planning permission linked to S106's. Under the Regulations, such developments could not be made liable for CIL at the subsequent stage of securing detailed planning permission. The longer that the introduction of CIL was delayed, the more money that Taunton Deane and its communities stood to lose.

Reported that the Council's Preliminary Draft Charging Schedule was underpinned by detailed viability testing and was based upon different assumptions about development values and costs. The residential modelling was on the basis of 25% affordable housing of which 45% would be social rent, 15% affordable rent and 40% intermediate housing.

The Government had advised that the levy should not be set so high as to render a large proportion of development unviable; but equally, it should not be set so low that every development would remain viable (while raising insufficient money for infrastructure).

If there was consistent evidence to show that development viability had changed, the Council would be able in future to amend the CIL rates, although amendments to the CIL Charging Schedule would need to be the subject of consultation and an independent examination.

It was considered reasonable to aim to introduce CIL by 1 April 2013. In practice, this meant completing the majority of work needed to put CIL in place by the end of 2012. To achieve this, a number of key steps had to be undertaken as follows:-

(i) Production of Preliminary Draft Charging Schedule

A copy of the Preliminary Draft Charging Schedule was attached as an appendix to these minutes.

There would need to be public consultation on the Preliminary Draft Charging Schedule. It was proposed that this would start on 28 June 2012 and would run for a minimum of 4 weeks.

(ii) Production of Draft Charging Schedule

In the light of comments received, the Preliminary Draft Charging Schedule would be reviewed and, if necessary, any proposed changes brought back to Members for consideration in September 2012 before the Schedule was published as a draft for submission to the person appointed as the examiner.

Formal representations on the Draft Charging Schedule could then be made, prior to it being submitted for examination.

(iii) Submission to examiner

End of October 2012 – following Executive Councillor / LDF Steering Group sign-off.

(iv) Examination

It was assumed that the examination would be in early 2013, although the precise date will need to be confirmed by the examiner.

(v) Adoption

Taking account of any changes recommended by the examiner in his/her report following the examination, the Charging Schedule would need to be considered by Members and adopted by Full Council in March 2013.

Further reported that it was already clear that the level of CIL received would not by itself be sufficient to fund all of the infrastructure that was required. The level of CIL needed to be set with regard to the funding gap that would exist between what it collected and the expenditure on infrastructure that was required.

To provide the infrastructure needed for our planned levels of growth, a policy decision would be required in the near future as to where other funding could be found to fill this gap and undoubtedly the New Homes Bonus (NHB) would be a logical choice as the resultant growth would generate further NHB for the Council.

Resolved that:-

- (1) the introduction of the Community Infrastructure Levy in Taunton Deane be approved in principle; and
- (2) the Preliminary Draft Charging Schedule be endorsed for public consultation.

46. Proposed Crime and Disorder Reduction Partnership Merger

Considered report previously circulated, concerning proposals to merge the Somerset East and West Crime and Disorder Reduction Partnerships into one countywide structure.

The Crime and Disorder Act 1998 (CDA) as amended by the Police Reform Act 2002 and the Police and Justice Act 2006 (the '2006 Act'), placed a duty on specific agencies, known as responsible authorities, to work together and with other

agencies within the community to tackle crime and disorder and the misuse of drugs.

This legislation required that a Crime and Disorder Reduction Partnership (CDRP) be organised. Taunton Deane first fulfilled this statutory requirement with the formation of a Taunton Deane CDRP.

The 2006 Act introduced the requirement for minimum standards to be placed upon all CDRPs.

The standards were:-

- To convene a strategy group comprising all the responsible authorities in the CDRP and others as they choose;
- To prepare a strategic assessment;
- To produce a partnership plan;
- To meet minimum standards of community consultation and engagement on issues of crime and disorder and substance misuse; and
- To ensure that each CDRP has an information sharing protocol in place and that each responsible authority has a designated information sharing liaison officer to promote and facilitate information sharing.

In two-tier areas, there were minimum standards for organisations at county level to ensure that there was an appropriate linkage between decisions which might be made at the county level (for example by a Police Authority for a force covering the whole county) and those taken more locally. Further, this coordination at county level would allow the identification of county-wide priorities to feed into the new Police and Crime Commissioner's plans from November 2012 and opportunities for cross-border working.

In light of the minimum standards, a decision was taken in 2007 for the Taunton Deane CDRP to enter into a period of informal merger with Sedgemoor and West Somerset CDRPs to form the Safer Somerset West Partnership. In 2010, this was widened to include the whole county.

In January 2009, the Safer Communities Group, a sub group of the Somerset Strategic Partnership, approved a proposal to carry out a review of the community safety structures in Somerset. Its primary aim was to investigate how Somerset priorities were aligned to the available resources and to make recommendations for improvement. The Community Safety Network (CSN), a group of practitioners from the statutory agencies, undertook this review.

Following the review, a recommendation was made that the Safer Communities Group become the CDRP, as all statutory agencies already attended this meeting. Member representation in the structure was at portfolio holder level.

Scrutiny of this new group by Members could be achieved through the scrutiny structure agreed at the Community Scrutiny Committee in 2009. Effectively this

recommended two members from each of the districts, Taunton Deane, Sedgemoor and West Somerset to be co opted to look at community safety scrutiny issues.

Somerset had been operating on an informal merger basis since 2010. As the recommended minimum informal merger period was 12 months a decision was needed as to whether a formal merger should take place.

There were two options for consideration:-

- (1) Members could oppose the countywide merger, instead opting to remain informally merged. However, this option would only be achievable if West Somerset and Sedgemoor also decided to oppose the countywide merger or if Taunton Deane has an appetite for its own CDRP. Also noted that the Home Secretary had the power to force a merger, making an order for two or more CDRP areas to work as a combined partnership; and
- (2) Members could acknowledge and approve the merger of East and West CDRPs to a County CDRP, currently operating as the Safer Communities Group. Further work will then follow to ensure tactical and operational structures beneath reflected the local delivery needs.

Resolved that Full Council be recommended to approve the merger of the Safer Somerset West CDRP with Mendip and South Somerset Community Safety Partnership (Somerset East) to form a Countywide CDRP which was currently operating as the Safer Communities Group.

47. **Executive Forward Plan**

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

Resolved that the Forward Plan be noted.

(The meeting ended at 7.55 pm.)

Appendix

Taunton Deane Community Infrastructure Levy Preliminary Draft Charging Schedule

This charging schedule has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended by the 2011 Regulations). It is supported by local evidence regarding infrastructure requirements and the impact of the levy on the viability of development, as set out in the consultants' reports. These can be found on the Council's website as part of the Core Strategy and CIL Evidence Base (see links on previous page).

Levy Rates

The rates below will be charged against the gross internal floor area of:

- All new dwellings
- All other development exceeding 100 sq m in size

Development Uses	Levy (per sq m)
Residential Development in Taunton, including urban extensions	£80
Residential Development in Wellington urban area	£0
Residential Development in Wellington urban extensions	£25
Residential Development outside Taunton and Wellington	£125
Retail Warehousing of any size throughout Taunton Deane	£300
Retail superstores – over 2,500 sq m food and convenience shopping stores but with a significant proportion of comparison goods throughout Taunton Deane	£300
Supermarkets and convenience stores – under 2,500 sq m and predominantly food and convenience shopping throughout Taunton Deane	£150
All other development	£0

How the CIL charge will be calculated

In accordance with the Regulations, where applicable the Council will issue a Liability Notice that states the chargeable amount on grant of planning permission or as soon as possible after the grant of planning permission. The Council will calculate the amount of CIL chargeable using the formulae set out in the Regulations.

Full details of the way in which CIL will be calculated, together with an overview of CIL and the full Regulations, can be found on the CLG website: www.communities.gov.uk.