

Executive – 3 December 2015

Present: Councillor Williams (Chairman)
Councillors Habgood and Mrs Warmington

Officers: Penny James (Chief Executive), Brendan Cleere (Director – Growth and Development), Heather Tiso (Revenues and Benefits Service Manager), Simon Lewis (Assistant Director – Housing and Communities), Steve Boland (Housing Services Lead - Housing and Communities), Jan Errington (Area Community Manager), Jo Nacey (Finance Manager), Steve Meers (Principal Accountant - Services), Lucy Clothier (Accountant), Tim Burton (Assistant Director – Planning and Environment) and Richard Bryant (Democratic Services Manager)

Also present: Councillor Aldridge

(The meeting commenced at 6.15 pm.)

64. Apologies

Councillors Beale, Edwards, Mrs Herbert and Parrish.

65. Minutes

The minutes of the meeting of the Executive held on 11 November 2015, copies of which had been circulated, were taken as read and were signed.

66. Declarations of Interest

Councillor Mrs Warmington declared a personal interest as her daughter was a recipient of Housing Benefit.

67. Review of Council Tax Support Scheme for 2016/2017

Considered report previously circulated, concerning the latest review of the Council Tax Support Scheme.

On 1 April 2013 Council Tax Benefit (CTB) had been abolished and replaced with a locally designed “CTS” (CTS) Scheme. The Government had provided each billing authority with a grant and expected Councils to design a CTS scheme to help those on low incomes to meet their Council Tax liability. Initially, 90% of funding previously granted by the Government for CTB was provided for localised CTS.

Whilst the Council had discretion on the rules for CTS for people of working age, the Government had stipulated that pensioners should be fully protected under the same criteria that previously applied to CTB. The Government had also stipulated that, as far as possible, CTS for vulnerable groups should be protected too.

The Department for Communities and Local Government (DCLG) provided funding through the annual Settlement Funding Assessment (SFA) to help meet the cost of localised CTS schemes. Each of the major precepting authorities in Somerset received the initial funding based on their share of Council Tax receipts.

In Taunton Deane, the initial grant for precepting authorities was £6,110,080, with this Council's share being £587,775 (based on a 9.62% share in 2013/2014). From 1 April 2014, funding for localised CTS had been merged into the Revenue Support Grant (RSG) and Business Rates Funding Baseline and was not separately identified, but the SFA had reduced by 26.1% in cash terms in the two years up to 2015/2016, and was projected to continue to reduce significantly over the next four years.

A reduction of 26.1% would result in an overall budget of £4,423,358. If there was no change to the existing CTS scheme, it was estimated the Councils would award CTS of £5,515,725 in 2016/2017. This would mean a budget shortfall of £1,092,367, with Taunton Deane's share of that shortfall being £105,086.

Full Council had adopted the current local CTS Scheme at its meeting on 11 December 2012. For people of working age, the scheme for 2015/2016 had a number of key elements namely:-

- Maximum support was 80% of Council Tax - everyone of working age had to pay something; Increased non-dependant deductions;
- No second adult rebate;
- Earned income disregards were at increased levels than those offered under CTB; and
- An Exceptional Financial Hardship fund of £35,000, through the Discretionary Reduction in Council Tax Liability for short term help.

On 9 December 2014, Full Council had decided to continue the 2014/2015 CTS scheme for 2015/2016 with an amendment to disregard maintenance received for children.

However, with the reduced level of funding from the Government through the SFA, the Council had worked in collaboration with Somerset County Council (SCC) and the other Somerset District billing authorities to develop options to revise Taunton Deane's CTS scheme for working age applicants from 2016/2017.

Any local scheme had to be agreed with the major precepting authorities such as the SCC, Avon and Somerset Police and Devon and Somerset Fire and Rescue Authority by 31 January 2016.

Consultation with the precepting authorities and the public had taken place in respect of the following five options:-

Option 1 – The Council to work out CTS in the same way as was done now. Any shortfall in the funding received and the CTS paid in 2016/2017 would need to be met from other Council budgets. Response – 32% in favour;

Option 2 - Applicants with capital of over £6,000 would not be entitled to CTS.

Response – 71% in favour;

Option 3 – The Council to use a Minimum Income figure for those who were self-employed. This Minimum Income would be in line with the UK minimum wage for 35 hours worked. The Council would not apply this Minimum Income for a designated start-up period of one year to allow the business to become established. If a self-employed person was limited in the hours they could work, the Minimum Income would be worked out proportionately. This proposal would align our treatment of income for self-employed people with that used to work out Universal Credit. Response – 67% in favour;

Option 4 – The Council to change the scheme to pay CTS at a level that would be no more than for a Band D property. This would not disadvantage any applicant who lived in smaller or lesser value property. Response – 69% in favour;

Option 5 - The Council to apply a taper of 65% to the income of applicants with no earnings and apply a taper of 20% to people in work. This would mean two applicants on similar income levels, but where one was in work, would receive different levels of support. The applicant with no earnings would receive less CTS, compared to an applicant with earnings receiving the same weekly income. Response – 53% in favour.

Any of the options to reduce the level of support the Council offered through CTS would have an adverse or positive impact on certain applicants or groups of applicants. If the support offered through the CTS scheme was cut, the Council would need to consider a careful selection of options for Taunton Deane's particular demographic. There was no single option or change to the CTS scheme that could deliver sufficient savings to meet the predicted budget gap from the reduced RSG and Business Rates funding in 2016/2017.

The reality was that any revised scheme that reduced the amount of rebate awarded, needed to establish which applicants were more able to pay an increased level of Council Tax with the reduction in their CTS. The decision would be to choose what options were acceptable to the Council bearing in mind the overall level of finance available.

The welfare changes announced in the Summer Budget would have had a significant impact on the Council's CTS scheme. However, the Chancellor had since announced in the Autumn Statement, that proposals on Tax Credits to increase the taper and reduce the threshold would not now go ahead. As a result:-

- the tax credits income threshold would remain at £6,420 from April 2016; and
- the tax credits taper would remain at 41% of gross income.

8,514 people initially moved from the CTB Scheme to the localised CTS Scheme. As at 31 March 2015, this had reduced to 7,749. It was accepted this was primarily due to the gradual improvement in economic conditions as well as increases in the pension age.

The net collectable amount for Council Tax in 2014/2015 had increased by 6.2% in comparison to 2012/2013. The collection of Council Tax in year was at a similar level, with additional income for Taunton Deane of £303,000 based on its preceptor share of 9.66% in 2014/2015.

While it had been possible to maintain in-year collection of Council tax at 98% since the introduction of CTS, this had entailed significant extra work for Revenues Officers. For many customers, having to pay Council Tax had caused them budgeting issues, not least because many were also affected by other welfare reform impacts, such as the removal of the spare room subsidy.

While working age CTS recipients represented 8% of households, the value of their debt was equivalent to 33% of all Council Tax outstanding at 31 March 2015 (£1,137,340).

Although, the collection rate had remained the same as the previous year, it had become clear that the volume of recovery action had again increased to ensure collection levels remained high.

Within the 2013/2014 Local Government Finance Settlement, the Government had included funding for CTS that included a proportion relating to Parishes and Special Expenses. The Council had previously decided to pass on a proportion of this funding to Parishes to reflect their reduction in funding as a result of CTS. For 2013/2014, a grant was given to Parishes based on the tax base reduction attributable to CTS in each Parish multiplied by their 2012/2013 Band D Charge.

Since 2014/2015 the Funding Settlement had not separately identified the proportion of funding for CTS for any preceptors - including Taunton Deane and Parishes so the Council had approved the principle of applying the same formula used in the previous year. This had meant each Parish's grant for CTS was calculated as CTS Tax Base Adjustment x 2013/2014 Parish Band D Tax rate.

In view of the significant financial pressures, the Council needed to make difficult decisions in order to balance the budget and provide a sustainable financial future. It was therefore suggested that careful consideration should be given to the level of grant funding that was affordable in 2016/2017 and subsequent years to mitigate the CTS impact on Parishes, whilst recognising the impact on Parish budgets and potential local tax requirements. If funding was reduced Parishes would have the opportunity to consider whether to take action to reduce their costs and/or adjust the amount of precept levied on the local tax payer.

The amount of grant funding provided to Parishes and the Unparished Area in 2015/2016 totalled £45,000. The Council therefore needed to determine the policy for providing any CTS Grant funding to Parishes for 2016/2017. The following options for 2016/2017 existed:-

Option (a) - Use the same formula that was used for 2015/2016, so each Parish's grant for CTS would be calculated as:-

CTS Tax Base Adjustment x 2013/2014 Parish Band D Tax rate.

This would reduce the budget requirement for CTS Parish Grants by approximately £420, to a total of approximately £44,580.

Option (b) - Use the same formula that was used for 2015/2016 as the baseline, but phase out the funding over two years, so each of the Parish grants for CTS would be calculated as:-

- 2016/2017: CTS Tax Base Adjustment x 2013/2014 Parish Band D Tax rate x 66%;
- 2017/2018: CTS Tax Base Adjustment x 2013/2014 Parish Band D Tax rate x 33%;
- 2018/2019: Nil – CTS grant funding ceases.

This would reduce the budget requirement for CTS Parish Grants by approximately £15,300 in 2016/2017, £30,150 in 2017/2018 and by £45,000 in 2018/2019.

It was also recommended that the same funding principle agreed for Parishes should be applied to the Council budget for the Unparished Area Fund.

The above proposals and options had been considered by the Corporate Scrutiny Committee on 22 October 2015. Members had recommended to amend the current CTS scheme to reduce support offered to working age applicants in 2016/2017 by:-

- removing entitlement to applicants with capital over £6,000;
- applying a Minimum Income for self-employed applicants; and
- paying CTS at a level that would be no more than for a Band D property.

The Committee had also indicated its preference to support Option (a) in terms of providing support to the Parish Councils.

Having taken account of the contents of the very detailed Equality Impact Assessment that had been undertaken, the Executive decided to agree the proposed amendments to the CTS scheme. However, option (b) – set out above – was the preferred option for the continuation of support over the next two years to the Parishes.

Resolved that:-

- (1) It be recommended to Full Council that:-
 - (i) Having regard to the consultation responses and the contents of the Equality Impact Assessment, the Council Tax Support Scheme be amended to that shown in the separate Appendix 1 to the report – and illustrated in Model 9 – to reduce support for working age applicants in 2016/2017 by:-
 - removing entitlement to applicants with capital over £6,000;
 - applying a Minimum Income for self-employed applicants; and
 - paying the Council Tax Support scheme at a level that would be no more than for a Band D property.
 - (ii) Option (b) be used in providing and calculating CTS Grant funding for Parish Councils in 2016/2017; and
- (2) It be noted that the 2016/2017 Council Tax Support Scheme was recommended

for 2016/2017 only.

68. **Sheltered Housing Service and Charges**

Considered report previously circulated, concerning the Council's Sheltered Housing Service and charges.

Taunton Deane Borough Council currently owned, managed and provided housing related support services to a total of 880 Sheltered Housing Council Tenants.

The Council's Sheltered Housing was currently comprised of two separate but highly related elements:-

- 'Designated accommodation' – This was a flat or bungalow, which was equipped with an interactive alarm system. The accommodation was paid for by tenants in the form of rent and service charges. Tenants on low incomes could claim Housing Benefit to assist with both the rent and 'Housing Benefit eligible' service charges; and
- 'Housing related support' – This could include regular and occasional welfare checks that provided reassurance and a minimal level of social contact. The support could also help with basic household tasks too. The housing related support service was paid for by Somerset County Council (SCC) grant – formerly Supporting People funding.

Over the last few years the Council's contract with SCC to provide housing related support to its Sheltered Housing Tenants had reduced significantly. In 2012/2013 the overall contract value was £244,223.48, reducing to £229,570.07 in 2013/2014.

Following a comprehensive review of commissioned services by SCC throughout 2013/2014 a new contract had been entered into by the Council to provide housing related support to its Sheltered Housing Tenants. The overall value of the new contract was £153,046.71 per year for the period October 2014 to October 2018.

In addition, SCC's review had also redefined key elements of its service contract specification, such as:-

- Limiting the provision of support to people with higher level support needs;
- Providing support that was focussed on helping people to develop ways of coping with the things they were finding difficult and would be increased, reduced or stopped according to their needs at any given time; and
- Providing support only where the person had no other means of meeting their needs.

As a direct consequence, Taunton Deane was having to make changes to the housing related support service it currently delivered to its Sheltered Housing Tenants which sought to promote independence and supported all tenants to achieve economic wellbeing, stay safe, be healthy, enjoy and achieve and make a

positive contribution.

The service was generally well regarded by all Sheltered Housing Tenants achieving consistently good levels of satisfaction ratings over many years.

The proposed new Sheltered Housing Service for tenants would continue to respond to the ageing population in our Sheltered Housing schemes. The service would have a positive social impact, helping tenants to lead active and independent lives.

Listed below was what a tenant should expect from the proposed new Sheltered Housing service which was a base line service that every tenant would receive:-

- (1) Additional housing management – To include:-
 - Help on entering the service;
 - Preventing tenancy breakdown;
 - Help with maintaining security; and
 - Help with moving on;
- (2) Community development;
- (3) Tenant involvement and empowerment;
- (4) Housing related support service; and
- (5) Deane Helpline and Emergency Response service.

At present, the amount of weekly service charge a tenant paid for their Sheltered Housing service depended on the type of Sheltered Housing scheme on which they resided.

In the existing service charges, a tenant residing on a 'low level scheme' would receive less regular contact from staff and this would be classed as the baseline service. However, a tenant residing on a more 'standard Sheltered Housing scheme' might require more regular visits and increased contact.

The usual current service charges applied to Sheltered Housing Tenants rent accounts for 2015/2016 were shown below. However some tenants had a tenancy that had 'protected rights' in relation to the sheltered component of their service charge:-

| Type of service | Current weekly charge |
|--|------------------------------|
| Sheltered housing | £12.59 |
| Low level sheltered housing | £ 4.47 |
| Current average sheltered service cost | £10.93 |

In the proposed new service a new single rate service charge would be applied to all sheltered housing tenant rent accounts from April 2016:-

| Type of service | Proposed new weekly sheltered housing service charge |
|------------------------|---|
|------------------------|---|

| | |
|---|--------|
| Additional housing management; Community Development and Tenant involvement and empowerment. | £10.93 |
|---|--------|

The housing related support element of the proposed new service would continue to be grant funded by SCC and subject to a formal contractual agreement.

The actual cost of providing the Deane Helpline and Emergency Response services to Sheltered Housing Tenants was £4.43 per week at 2015/2016.

It was therefore proposed that this cost should be applied as a charge to all Sheltered Housing Tenants rent accounts, with the financial consequences being taken account of as part of the current review of the Housing Revenue Account Business Plan.

Reported that this issue had been discussed at the meeting of the Community Scrutiny Committee held on 1 December 2015. Although Members supported the recommendations, an amendment was agreed whereby it was proposed that the above £4.43 per week charge would not be available to tenants in receipt of Attendance Allowance, Disability Living Allowance or a Personal Independence Payment.

Legal advice had subsequently been obtained that, if the amendment was adopted there would be a substantial risk that it would be successfully challenged on the grounds of discrimination under the Equalities Act 2010.

Resolved that Full Council be recommended to:-

- (1) Adopt the proposed new Sheltered Housing Service model;
- (2) Approve a flat rate Sheltered Service charge of £10.93 / week; and
- (3) Approve the inclusion of a service charge of £4.43 / week for the Deane Helpline Service with those in receipt of Housing Benefit receiving full subsidy via the Housing Revenue Account.

69. **New Homes Bonus – Funding towards Growth and Regeneration Priorities**

Considered report previously circulated, concerning proposals for the allocation of New Homes Bonus funding over the medium term.

Growth remained a top priority for the Council. This commitment had been reflected over recent years, with the allocation of New Homes Bonus (NHB) funding, primarily for growth and regeneration purposes.

In 2013, Members approved the following list of growth schemes that were intended to have 'first call' on NHB growth funding:-

- Firepool infrastructure and planning (£3,500,000);
- Toneway Corridor Transport improvements (£23,000,000);
- Junction 25 Improvements (£9,200,000); and
- Taunton Strategic Flood Alleviation works (£15,000,000).

Although it was accepted that NHB receipts would not be sufficient to fund these schemes in total, the NHB funding could nevertheless provide an important 'match funding' contribution towards them, with support from other funding partners increasing the likelihood of delivery.

Since 2013, the Council had achieved significant success with partners in taking forward its growth priority. Examples of success included:-

- Joint agreement (with Somerset County Council) of a *Growth Prospectus for Taunton*, establishing a clear vision for Taunton's economic success and a list of key growth projects to accelerate delivery.
- Funding awards for major transport schemes, including the Taunton Railway Station enhancement (£4,600,000), Junction 25 improvement (£12,000,000) and dualling of the A358 between A303 and Junction 25 (c. £275,000,000).
- Roll-out of Superfast Broadband to at least 90% of properties through Phase 1 of the *Connecting Devon and Somerset* programme in a £52,000,000 contract by the end of 2016.
- Development of an alternative and commercially viable proposal for the Firepool site, consistent with the *Taunton Rethink*, which would bring forward an exciting mixed use scheme.
- Approval of a Delivery Strategy for the redevelopment of the Coal Orchard site, and appointment of consultants to progress the next phase.
- Transformation of the landmark Market House Building, to provide a new home for the Taunton Visitor Centre as well as a new high quality restaurant.
- £1,200,000 funding for the Wiveliscombe Enterprise Centre.
- Shared commitment of key partners to the delivery of a major new strategic employment site adjacent to Junction 25, providing up to 4,000 jobs and stimulating growth in higher value business.
- Government funding for a dedicated delivery team for the Monkton Heathfield Urban Extension, providing 4,500 new homes.

Having made significant progress, it was now appropriate for the Council to renew and refresh its plans for allocation of NHB, so that spending plans were aligned as far as possible with current and emerging growth priorities.

A number of growth spend categories were proposed, reflecting the priorities established in the Taunton Growth Prospectus and aligned with the relevant plans and priorities of key partners. Having such funds allocated would enable the

Council to respond quickly to commercial and funding opportunities to support growth, which in turn would facilitate the realisation of Taunton's economic vision and key economic benefits.

The following table outlined a number of proposed growth spend categories, the NHB commitment proposed for each category over the period 2016/2017 – 2020/2021 and the NHB balance remaining in each of the financial years shown. The current projected closing balance (end 2015/2016) for unallocated NHB was an estimated £1,960,000.

Proposed NHB Allocation and Indicative Spend Profile

| Growth project / category | 2016/17 £ | 2017/18 £ | 2018/19 £ | 2019/20 £ | 2020/21 £ | Total NHB allocation £ |
|---|------------------|------------------|------------------|------------------|------------------|---------------------------|
| Taunton Strategic Flood Alleviation | | | 1,000,000 | 1,000,000 | 1,000,000 | 3,000,000 |
| Major transport schemes | 400,000 | 800,000 | 1,000,000 | 300,000 | | 2,500,000 |
| Town Centre regeneration | 500,000 | 750,000 | 750,000 | 500,000 | | 2,500,000 |
| Employment site enabling and innovation to promote Growth | | 2,000,000 | 2,000,000 | | | 4,000,000 |
| Urban Extensions | | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 4,000,000 |
| Marketing, Promotion and Inward Investment | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 500,000 |
| Preparation of LDOs | 50,000 | 50,000 | | | | 100,000 |
| Total NHB allocation | 1,050,000 | 4,700,000 | 5,850,000 | 2,900,000 | 2,100,000 | 16,600,000 |

| | | | | | | |
|--|------------------|------------------|----------------|------------------|------------------|--|
| Estimated NHB receipt | 3,890,106 | 4,014,306 | 3,882,741 | 3,711,974 | 3,651,974 | |
| Less allocation to annual GF budget | 392,000 | 392,000 | 392,000 | 392,000 | 392,000 | |
| Indicative year end unallocated NHB balance (rounded) | 4,410,000 | 3,330,000 | 970,000 | 1,390,000 | 2,550,000 | |

Reported that the following were proposed as principles that would guide the spending of allocated NHB funds. These had been updated to reflect views expressed by the Corporate Scrutiny Committee on 17 November 2015 where the proposals were generally supported:-

- A Business Case for funding should be provided to the Director and relevant Portfolio Holder, justifying the proposed investment in terms of contribution to growth and regeneration priorities and/or the potential for financial return.
- NHB contributions for physical infrastructure projects should normally be used as match funding, or to attract match funding, from other sources as part of a total funding package.
- NHB funding in the above categories could be used to fund specialist expertise and project related costs that would be required to deliver key schemes, as well as costs associated with 'hard infrastructure'.
- The NHB funding allocation and indicative profile would be refreshed annually, to ensure that spending plans remained aligned with an evolving picture of external funding secured, opportunities for new funding and new growth priorities.
- The profile of spending shown was indicative. With approval of the Director and relevant Portfolio Holder, spend might fall outside of the indicative years shown, within the overall sum allocated for the category and subject to sufficient NHB balance being available.
- The principles for NHB spend did not apply to the Community Infrastructure Levy, for which separate governance arrangements had been established.
- Decisions on project spend within allocated budgets would be taken by the Director – Growth and Development, in consultation with the Leader of the Council and the relevant Portfolio Holder.
- The Growth Steering Group would have an overview of all major spending on growth projects and additional monitoring by Councillors would occur through Budget Monitoring reports.
- Any significant single items of expenditure (with a value of more than £250,000) would be published in the Weekly Bulletin and therefore subject to the usual 'call in' process.

Further reported that the request to support the above prioritisation of NHB would enable these outline plans to be factored into the Medium Term Financial Plan, with initial requests in respect of 2016/2017 being included in the final budget proposals for next year.

The medium term proposals would be predicated on the NHB funding regime remaining in its current form. However, the Government's Autumn Statement had thrown some doubt on the long term availability of NHB funding.

Resolved that Full Council be recommended to:-

- (1) Approve the principles of spending;
- (2) Approve the proposed allocation of New Homes Bonus in 2016/2017 budgets (as part of the Budget approval process); and

- (3) Agree that the growth spend categories and proposed New Homes Bonus commitment for 2017/2018 to 2020/2021 be incorporated within the draft Medium Term Financial Plan and Capital Programme (subject to annual review).

70. **Financial Monitoring – Quarter 2 2015/2016**

Considered report previously circulated, concerning the Council's financial performance for Quarter 2 of the financial year 2015/2016.

Effective financial management formed an important part of the Council's overall performance management framework.

A summary of the Council's Financial Performance during Quarter 2 was as follows:-

General Fund (GF) Revenue - The GF Revenue Outturn position was currently projected as a net underspend of £186,000 which was 1% below budget.

One of the main variances to the budget related to Rent Rebates. This service was reporting an underspend on budget of £114,000. This was a demand led service and the underspend represented less than 1% of the annual expenditure. It was proposed that £100,000 was transferred into an earmarked Benefits smoothing reserve to mitigate against the effects of anticipated changes in the funding of the Pathway for Adults (P4A) service in 2016/2017.

The GF reserve balance at the start of the year was £2,109,000. The 2015/2016 Budget included a one-off transfer of £105,000, and the Council also approved an allocation of £222,000 to the Business Rates Smoothing Reserve through the 2014/2015 Outturn report in July 2015.

The Council also received New Burdens Grant funding amounting to £81,000 for property searches in November 2015. The Council had already set aside from revenue £101,000 for the repayment of personal searches and the Government had paid an interim grant to help mitigate the cost. It was proposed to transfer this sum to the GF reserve to offset the sum set aside. This would take the current budgeted balance to £1,863,000 as at 31 March 2016.

If the current outturn forecast remained accurate and the Council took no corrective action in the year, the potential underspend of £186,000 would also be transferred to this reserve, increasing the projected balance to £2,049,000 at the end of the financial year. This remained above the current minimum balance of £1,500,000 required in the Council's Financial Strategy.

General Fund (GF) Capital - The GF approved Capital Programme was currently £12,543,000. This related to schemes which would be completed over the next five years. Of this, Budget Holders were projecting that £8,412,000 was planned to be spent during 2015/2016 with £4,126,000 due to be spent in future years. The Council was supporting this investment through the use of Capital Grants and Contributions, Capital Receipts, Revenue Funding and Borrowing.

Housing Revenue Account (HRA) - The current forecast outturn for the Council's Housing Revenue Account (HRA) was an overspend of £102,000 (0.4% of budget).

The HRA Reserves ("working balance") at the start of the year was £3,484,000, and the Council had approved an allocation of £776,000 for a number of initiatives and investment in services through the 2014/2015 Outturn report in July 2015. This reduced the current budgeted balance to £2,708,000, and was forecast to be £2,606,000 at the end of the current financial year based on current projected outturn. This was above the minimum recommended reserve level of £1,800,000.

As part of the continuing HRA Business Plan Review, a large piece of work was underway to look at the investment needed in our homes over the next 30 years. However, this had identified that further work, in the form of specialist surveys, was needed to update the Council's current stock condition data.

The cost of commissioning these surveys, along with fully updating the Council's stock condition system to ensure that it was fit for purpose, was expected to be in the region of £250,000.

It was therefore proposed that a supplementary estimate should be added to the 2015/2016 budget, funded from general reserves.

This would reduce the HRA general reserves balance to £2,458,000 with a forecast of £2,356,000 at the end of the financial year.

Housing Revenue Account (HRA) Capital - The approved HRA capital programme was £23,459,000, of which £12,927,000 related to works on existing dwellings and £10,532,000 for the provision of new housing through development.

Deane DLO Trading Account - The DLO was not forecasting an over/ underspend /over recovery after contributing £101,000 to the General Fund. Any surplus would be transferred to the DLO trading reserve.

The Trading Account Reserves Position balance brought forward of £679,000 related to a retained trading surplus of £314,000, plus capital reserves set aside to support investment in the service.

Deane Helpline Trading Account - The Deane Helpline was currently underspent on budget, forecasting a year end outturn net deficit of £40,000.

Resolved that Full Council be recommended to approve:-

- (1) The request to transfer the £81,000 New Burdens Grant income on Property Searches to the General Reserves;
- (2) The request to transfer the £100,000 underspend on Rent Rebates to a Benefits smoothing reserve to cover the potential effects on Housing Benefits of Pathway for Adults (P4A); and
- (3) A supplementary estimate in 2015/2016 of £250,000 funded from Housing Revenue Account reserves to commission a survey of the housing stock and the updating of the stock condition database.

71. Fees and Charges 2016/2017

Considered report previously circulated, concerning the proposed fees and charges for 2016/2017 for the following services:-

- Cemeteries and Crematorium – It was proposed to increase the main cremation fee by £50 to £700 and make minor increases for other charges within the service. This was likely to increase income by £75,000;
- Waste Services – The Somerset Waste Partnership proposed to increase its charges for the Garden Waste Service Charge from £48 to £53 as well as a modest increase to the cost of garden waste sacks. It was anticipated this would generate additional income of £50,000;
- Housing Services – In accordance with the 30 year Housing Business Plan, it was proposed to increase housing (non-rent) fees and charges by applying Retail Price Index (RPI) inflation as at September 2015 (0.8%). The increases were likely to generate £2,800 for the Housing Revenue Account;
- Court Fees - Due to a recent High Court Case Local Authorities were required to review and detail the breakdown of how costs were calculated. The proposal was a single charge added at the point the summonses were issued, where previously a separate Liability Order fee was added at the date of the hearing. The implementation of the new fee of £74.15 would take effect from 16 December 2015 and would generate additional income of £3,500.

No increases to the fees charged by Land Charges, Licensing, Planning, Environmental Health, Promotional 'Rotunda Units', Building Control and Freedom of Information were proposed.

Resolved that Full Council be recommended to agree the fees and charges for 2016/2017 in respect of the Cemeteries and Crematorium, Waste Services, Housing Services and Court Fees.

72. The use of Local Development Orders for development sites in the Taunton area as an alternative to a review of the Town Centre Area Action Plan and a Development Plan Document for the Strategic Employment site adjacent to Junction 25 of the M5

Considered report previously circulated, concerning Local Development Orders (LDO's) which had been introduced as a planning tool by the Labour Government as part of the suite of planning reforms outlined in the Planning and Compulsory Purchase Order Act of 2004. Up until fairly recently however, take up of LDOs had been quite limited across the Country.

An LDO was a means of bringing forward land for development without the need for an individual planning permission to be issued. Instead, development which met the criteria set out in the Order would automatically be allowed. LDOs therefore represented an important planning tool which could act as a catalyst to bring forward development and investment by providing certainty - particularly useful in the

redevelopment of complex brownfield opportunities.

The process for preparing a LDO was rather complex. The Local Planning Authority had to undertake informal consultation outlining the policies it proposed to implement, the development permitted and the area to which the Order would relate. It had also to set out a 'statement of reasons' that established the reasons for making an Order based upon sound evidence.

LDOs could not be required to provide Section 106 obligations which meant that sites covered could not be obliged to provide affordable housing or other financial contributions in order to make development acceptable in planning terms. However, the Community Infrastructure Levy would still be applied.

There was no definitive process for putting an LDO in place once preparatory work on the Order and public consultation had been carried out. However, many Councils had already resolved to adopt LDOs at Full Council meetings since the Orders were effectively Council policy. It was proposed that Taunton Deane should follow the same route following detailed consultations with Members and the public.

It would appear that LDOs were a tool which the Government would increasingly expect Local Planning Authorities to use, particularly in relation to brownfield opportunities. As such, the Executive had considered a proposal to use LDOs for some of the brownfield redevelopment sites currently identified in the adopted Taunton Town Centre Area Action Plan (TTCAAP) as well as an alternative to the single issue plan proposed for the Strategic Employment site.

As the TTCAAP was several years old there was a need to review the assumptions made regarding key sites. However, by preparing LDOs for such sites the Council could reduce the amount of work involved when compared to a review of the Plan, whilst at the same time accelerating the redevelopment of key sites.

In addition to those sites in the TTCAAP, The Deane House site was also considered to be a site suitable for an LDO should it become available for redevelopment. With the site being in a single ownership, this would make preparation of an Order simpler and would increase certainty of delivery.

The preparation of an LDO for the Strategic Employment site off Junction 25 would not only accelerate the process, but would also have the advantage of being a marketing tool for potential occupiers who would have greater certainty over the appropriateness of their use and a quicker and easier process for resolution. The LDO route would still enable the local communities to be involved through consultation and to influence the outcome as would be the case if this site were to be brought forward through the preparation of a development plan as had previously been envisaged.

It was proposed to use the Homes and Community Agency Procurement Framework to procure consultants to undertake further scoping associated with the preparation of LDO's. This would enable the in house resource to concentrate on a review of the Core Strategy, although there would clearly still be some work involved for the team who will need to client the projects, be involved in consultation and taking them through Council for adoption.

It is therefore proposed to allocate £100,000 of New Homes Bonus towards the cost of preparing a series of Orders.

The Chairman reported that he had received a letter from Stoke St Mary and Ruishton and Thornfalcon Parish Councils concerning the possibility of a LDO being introduced to bring forward the Strategic Employment adjacent to Junction 25 of the M5 Motorway. He read out the contents to the Members present.

During the discussion of this item, Members asked for further details of the process that would need to be followed towards the preparation of a LDO. The Assistant Director – Planning and Environment reported that the process was likely to be:-

- A decision to begin the preparation of a LDO for any particular site to be made by the appropriate Executive Councillor (This would be a Weekly Bulletin decision which would be subject to the Council's call in arrangements);
- Approval of draft LDO to be obtained from the Local Development Framework (LDF) Steering Group, Community Scrutiny Committee and the Executive prior to public consultation being undertaken;
- Once consultation had taken place and responses assessed, final sign off of LDO to be sought from the LDF Steering Group, Community Scrutiny Committee, the Executive and Full Council; and
- Sign off of proposals in compliance with an LDO (delegated to the Assistant Director - Planning and Environment).

Resolved that Full Council be recommended:-

- (a) To approve the preparation of a series of Local Development Orders for a number of town centre sites as an alternative to reviewing the Taunton Town Centre Area Action Plan and to seek specific authority to prepare Local Development Orders for the Strategic Employment site off Junction 25 and The Deane House site (should it become available for redevelopment);
- (b) It be agreed that £100,000 of New Homes Bonus be allocated to support the preparation of Local Development Orders; and
- (c) The Portfolio Holder for Planning Policy and Transportation be authorised to approve the programme for the preparation of further Orders for Taunton Town Centre sites. Such schemes would then be presented to Members for approval following consultation.

73. **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 8.25 p.m.)

