

Taunton Deane Borough Council

Council Meeting – 9 December 2014

Part I

To deal with written questions to and receive recommendations to the Council from the Executive.

(i) Councillor John Williams

(a) Earmarked Reserves Review

As at 31 March 2014 the level of earmarked General Fund reserves was £8,621,000. This is equivalent to 65.5% of the Council's Net Revenue Budget of £13,162,000.

A fundamental review has been undertaken of all General Fund Revenue Earmarked Reserves, with a view to balances being returned to the General Fund.

As a result of this review, there are various earmarked reserves, totalling £65,060, that are no longer required principally arising from the Waste Contract.

This matter was discussed by the Corporate Scrutiny Committee at its meeting on 28 October 2014 where the transfer of the above reserves into their corresponding general fund was supported.

Resolved that Full Council be recommended to approve a Budget Return of £65,060 to General Reserves of surplus balances currently held in Earmarked Reserves.

In the circumstances, it is **recommended** that a budget return of £65,060 to the General Fund Reserve of surplus balances currently held in Earmarked Reserves be agreed.

(b) Fees and Charges 2015/2016

The Executive has given consideration to the proposed fees and charges for 2015/2016 for the following services:-

- Cemeteries and Crematorium – It was proposed to increase the main cremation fee by £23 to £650 and make minor increases for other charges within the service. This was likely to increase income by £40,000;
- Waste Services – The Somerset Waste Partnership proposed to increase its charges for the Garden Waste Service Charge from £46.50 to £48 as well as for the removal of bulky items. It was anticipated this would generate additional income of £14,000;

- Local Land Charges – It was proposed to keep Land Charges fees the same as the current year. The Regulations required local authorities to ensure that the price charged was an accurate reflection of the costs involved in providing the function and not for creating surpluses;
- Housing and Community Services – The proposal was to increase charges by 2.3% (September Retail Price Index (RPI)) with the following exceptions:-
 - 1) Private rented garages rents private tenants and owner occupiers would be increased by 5%;
 - 2) Hire charges for the meeting halls and guest rooms would not be increased to increase the take up of their use; and
 - 3) The meal provision at Kilkenny Court had increased in accordance with the meal service contract.

The increases were likely to generate £27,600 for the Housing Revenue Account;

- Licensing – Fees for applications under the Licensing Act 2003 and Gambling Act 2005 were set by statute so increases under local arrangements were not possible. For those fees where local discretion existed they could not exceed the parameters set out within the appropriate statutes.

Guided by case law and through the results of the costs analysis detailed in the report, suggested fee levels were recommended to achieve, as far as possible, full recovery for the projected costs to the Council of unfettered administration and supervision of the various licensing regimes.

Noted that it would be unlawful for the Council to deliberately set fees to make a profit and any over (or under) recovery would need to be redressed in future fee levels.

In order to ensure fees levied were reasonable and lawful, consideration could only be given to setting fees at the level suggested or at a level lower than those set out within the report thereby subsidising those businesses regulated by the Council's Licensing Service.

It was anticipated the proposed adjustment in the Taxi Licensing charges would result in £20,000 less being collected;

- Planning and Environment – It was proposed to keep the fees the same as the current year;
- Environmental Health – It was proposed to increase the charges for Pest Control by the Consumer Price Index of 1.5%. This would raise additional income of £500;
- Promotional 'Rotunda' Units in Taunton Town Centre – A charge for

advertising was to be introduced which would raise £4,000.

- Deane Helpline – It was proposed to increase the current installation fee from £25 to £35. Corporate Contracts would also be increased by 1.84%. Both measures were likely to increase income by £15,100;
- Building Control - No changes to current charges were proposed for 2015/2016.

The results of previous public consultation events have clearly indicated that the public prefer to see increases in fees and charges, rather than in Council Tax, as a way for the Council to raise income.

Therefore, where possible, fees have been increased to take these views into account. The Corporate Scrutiny Committee also considered this matter at its meeting on 20 November 2014 and its comments have been taken into consideration.

It is therefore **recommended** that the fees and charges for 2015/2016 in respect of Cemeteries and Crematorium, Waste Services, Local Land Charges, Housing and Community Services, Licensing, Planning and Environment, Environmental Health, Promotional 'Rotunda' Units in Taunton Town Centre, Deane Helpline and Building Control be agreed.

(ii) Councillor Jean Adkins

(a) Regeneration of Weavers Arms, Rockwell Green, Wellington

At its last meeting the Executive considered a report concerning proposals to demolish and redevelop the recently acquired redundant public house, the 'Weavers Arms', the adjacent public toilet block and ten Woolaway properties in Rockwell Green, Wellington.

The redevelopment scheme is currently being designed with an estimated delivery of approximately 26 new build Council homes at a cost of approximately £3,500,000.

A primary deciding factor in purchasing the public house is the proximity of this site to the redundant public toilets and the nearby Woolaway houses. Together these three areas will provide an opportunity to regenerate an area of under-utilised land and buildings, to provide much needed additional affordable housing.

The land under the toilet block is currently owned by the General Fund and has been valued at £10,000.

The Council is seeking to facilitate a sustainable community by providing a mix of properties of 1, 2, 3 and 4 bedrooms to meet the housing need for the area, with the majority being 1 bed flats and 2 bed houses, with some wheelchair suitable

properties.

Once the site investigations and surveys are completed, a community consultation event will be held at the beginning of 2015 to show local residents the proposed plans prior to a planning application being submitted.

It is intended to design these properties to the Code for Sustainable Homes Level 4. This means the properties will be considerably more energy efficient than current Building Regulations. The Code for Sustainable Homes also requires features such as low water use bathrooms and sinks, A* rated combination boilers and highly insulated building fabric which would mean these properties will be cheaper to heat than the existing Woolaway houses.

Initial consultation has been carried out with tenants living in the Woolaway properties directly affected by the redevelopment and a 'decant officer' would assist the affected families throughout the process either in terms of relocating them or returning them to the development once it was completed.

The wider community would have an opportunity to comment on the scheme proposals at a community event which is scheduled to be held in early 2015 prior to the submission of a planning application.

The proposals have recently been considered by both the Tenants Services Management Board and the Community Scrutiny Committee which both supported the redevelopment scheme.

In the circumstances, it is **recommended** that:-

- (1) A supplementary budget of £3,500,000 within the Housing Revenue Account Capital Programme for the Weavers Arms Regeneration Scheme be approved;
- (2) The proposed funding of the scheme be approved in principle with allocations of £488,000 capital receipts; £586,000 Social Housing Development Fund contribution; and £2,426,000 through borrowing and that the determination of the final funding arrangements (in line with the Council's Capital and Treasury Strategies) be delegated to the Section 151 Officer;
- (3) The Rockwell Green Public Convenience land be transferred from the General Fund to the Housing Revenue Account at the market valuation of £10,000, in compliance with Section 122 of the Local Government Act 1972;
- (4) The Housing Revenue Account budget and 30 Year Business Plan be updated to reflect the additional income and expenditure arising from this investment; and
- (5) The service of Initial and Final Demolition Notices be approved for the demolition of Nos 1-10 Oaken Ground, the Weavers Arms buildings and public toilets and site clearance to facilitate new development.

(b) Photovoltaic Systems to be fitted to existing Housing Stock

The Executive has also considered a proposal to design, install and commission 350 Photovoltaic systems to the retained Housing Stock.

Photovoltaic panels (PV) harness sunlight to create electricity, therefore utilising an infinite resource, making it a renewable energy source. Whilst their orientation requires a Southerly aspect it is not necessary to have bright sunshine. PV Panels continue to generate electricity in daylight hours, even on overcast days.

In order to achieve the Council's goal of reducing tenants' electricity bills, generating an income via feed in tariffs (FITs) and reducing carbon emissions, the experience of The Carbon Savings Alliance (CSA) has been used.

The CSA is a consortium of social landlords committed to reducing electricity prices for their tenants. The consortium has created a number of purchasing frameworks that are OJEU compliant and suitable for members, such as the Council, to access.

It is proposed to access the CSA's Photovoltaic Framework in order to secure a competitive price and reduce the need for tendering, thus saving valuable time considering the Feed in Tariffs are predicted to drop in early 2015.

A desktop study has been carried out to identify approximately 700 suitable properties that have a southern orientation, the correct roof pitch and suitable construction type. The Senior Leadership Team has chosen to focus on 350 of these properties as a 'pilot scheme', to allow for tenant refusal and to borrow an amount that the Housing Revenue Account could feasibly permit.

Although tenants would actively be encouraged take up the opportunity of having PV panels fitted to their properties, this would be a material change leading to the tenancies of the affected properties having to be amended to include the panels as part of the structure.

The scheme will provide significant financial benefits to tenants through free electricity generated by the PV Panels and is calculated based on the Government Standard Assessment Procedure (SAP) with a saving on average of £247.54 per annum per household on current electricity bills.

Taunton Deane will also generate income through the FIT which is guaranteed for 20 years as detailed within the Energy Act. It is Indexed Linked and, based on Government SAP calculations, will generate a positive cash flow of £1,200,000 over the fixed 20 year FIT.

The PV panels will have a 25 year guarantee, although the CSA has stated that their lifespan could be up to 40 years, with efficiencies of the panels dropping by only half a percent per annum. This means tenants would continue to receive free electricity long after the FIT the Council received had ended.

The United Kingdom was the first country in the world to have a legally binding long term goal to cut Carbon emissions. This involves a 34% reduction in emissions by

2020, and 80% by 2050, based on 1990 levels. By installing 350 systems to the Housing stock, the Council can save approximately 11,015 tonnes of Carbon over 20 years.

The initial capital investment for 350 properties will be £1,509,000 for fitted systems. The systems should be paid back within the first 13 years and the revenue stream will then be additionally guaranteed for 7 years.

Consideration has also been given to the prospect of a Council property with photovoltaic panels being sold under Right to Buy (RtB). It is recommended the panels are removed prior to a RtB purchase being completed for the reasons detailed in the report to the Executive.

The proposals have recently been considered by both the Tenants Services Management Board and the Community Scrutiny Committee which both supported the PV scheme.

It is therefore **recommended** that:-

- (1) A supplementary budget of £1,509,100 within the Housing Revenue Account Capital Programme for the Photovoltaic Systems Investment Scheme to install systems at 350 properties;
- (2) The funding of the scheme be approved in principle through borrowing and that the determination of the final funding arrangements (in line with the Council's Capital and Treasury Strategies) be delegated to the Section 151 Officer;
- (3) The Housing Revenue Account Revenue budget and 30 Year Business Plan be updated to reflect the additional income and expenditure arising from this investment; and
- (4) The principle that systems are removed from properties prior to disposal and reinstalled on an appropriate alternative Housing Revenue Account dwelling.

(iii) Councillor Norman Cavill

Firepool, Taunton – Acquisition of Remaining Third Party Interests

The Executive has recently considered a report concerning the authorisation of Compulsory Purchase Order (CPO) action to facilitate the next phase of the development of Firepool, Taunton on the north side of the River Tone.

The Council has been working with its appointed partner, St Modwen Developments Limited, to bring forward the planned development of the Firepool site on a phased basis.

Although a previous CPO had been made by the Council back in 2010 which related to properties adjacent to Priory Bridge Road Car Park, a new CPO covering the area surrounding the Old Cattle Market on the north side of the River Tone is now needed to enable delivery of the next phases of the comprehensive Firepool Development.

This comprises a mixed-use scheme which is considered to be in the public interest as the delivery of this scheme forms a key component of the regeneration of Taunton.

A planning application is proposed to be submitted early in 2015 in relation to this phase which will be in accordance with the broad aims of the adopted Taunton Town Centre Area Action Plan (TTCAAP) and the Taunton Rethink.

Provided planning permission is granted and there are no other impediments to delivery identified, then the Council will be able to progress with the next major phases of development. As St Modwen has reached an advanced stage of negotiations with prospective tenants, it is felt appropriate to proceed with the making of a CPO.

Although the Council owns almost all of the site of the planned development on the north side, there remains various interests which require to be either acquired or over-ridden. Even though negotiations with third party landowners to seek agreement on acquisition will continue, it is considered that CPO powers should be utilised in the event that agreements cannot be concluded.

This matter was considered by the Corporate Scrutiny Committee at its meeting on 28 October 2014 when it was agreed to support the proposed CPO.

It is **recommended** that Full Council agree:-

- (1) To the principle of making of a Compulsory Purchase Order or Orders under Section 226(1) (a) of the Town and Country Planning Act 1990 (as amended) in respect of the land edged red on the plan submitted to the Executive; and
- (2) To authorise the Chief Executive and the Solicitor to the Council to:-
 - (a) Carry out all necessary steps to reference the areas of land to be considered for compulsory purchase and to consult with the owners and occupiers of that land;
 - (b) Report back on the effects that the potential Compulsory Purchase Order would have on all owners and occupiers and the steps that should be taken to mitigate those effects;
 - (c) Negotiate and agree terms for the acquisition by agreement of any of the outstanding land interests detailed in the confidential appendix to the report submitted to the Executive or those which were otherwise subsequently identified as affecting the land and interests to be acquired;
 - (d) Make any necessary preparations to consider potential future payments of compensation (including any interim payments) after future Compulsory Purchase Order notice, either as agreed with landowners or as determined by the Lands Chamber of the Upper Tribunal in relation to acquisition/overriding of properties/interests; and
 - (e) Dispose of the land interests acquired either voluntarily (or by way of a future Compulsory Purchase Order or Orders when confirmed in future), to St Modwen Developments Limited in accordance with the Development Agreement dated 15 April 2009 and made between the Council, St Modwen Properties plc and St Modwen Developments Limited.

(iv) Councillor Edwards

Publication of the Taunton Deane Site Allocations and Development Management Plan

A report concerning the publication of the Taunton Deane Site Allocations and Development Management Plan (SADMP) had recently been considered by the Executive. A copy of the Plan has been circulated to all Members and a hard copy has been placed for reference purposes in the Members' Room.

The Taunton Deane Core Strategy had been adopted by Full Council in September 2012. This plan provides an overarching framework for the Borough and its long-term development over the period up to 2028.

Whilst the Core Strategy has established long-term requirements for growth and its broad distribution, barring a number of larger, strategic site allocations and some high level development management policies, it did not include smaller allocations or more detailed development management policies to guide decision-making.

The SADMP sets out the development management policies and further site allocations to ensure sustainable development is delivered, consistent with the objectives of the National Planning Policy Framework and the adopted Core Strategy. The Plan includes strategic urban extensions at Comeytrove/Trull and Staplegrove as well as further allocations in Taunton and elsewhere in the Borough consistent with the adopted Core Strategy.

Work commenced on the SADMP in early 2013 with the Council publishing an 'Issues and Options' consultation. The comments made through this exercise subsequently informed a 'Preferred Options' Plan which was issued towards the end of 2013.

At all stages the SADMP has been through the Local Development Framework Steering Group which has acted as a 'sounding board' and discussion forum for planning policy matters. The Issues and Options and Preferred Options Plans have also been considered by the Community Scrutiny Committee and the Executive prior to publication.

The current stage reached in the process is referred to as 'Publication'. It is the point at which the Council agrees the draft plan which it intends to submit for consideration by The Planning Inspectorate. The Published Plan is underpinned by a considerable evidence base and the findings of previous consultation.

Following the Plan's approval by the Council it will be published. Comments are then invited relating to the 'soundness' of the Plan from communities and other stakeholders on 8 January 2015 for the statutory six-week period ending on 19 February 2015. The Plan and these comments will then be considered by an

independently appointed Planning Inspector at an Examination which is likely to take place in late Spring / early Summer 2015.

The table below illustrates the remaining stages in the process of Plan preparation and an anticipated time frame.

SADMP TIMELINE

Key Stage/Milestone	Anticipated/Actual Date
Issues and Options consultation	January/February 2013
Preferred Options consultation	October/November 2013
Published Plan stage	January/February 2015
Submission of Plan to Sec. of State	April 2015
Examination	June/July 2015
Adoption	Autumn 2015

It is **recommended** that:-

- (1) The contents of the Draft Site Allocations and Development Management Plan be noted and that the Plan be approved;
- (2) It be agreed that minor typographical amendments to the Plan could be made following the Plan's approval but prior to its publication; and
- (3) It also be agreed that the Published Plan be submitted to the Secretary of State following the formal representation period, subject to the Executive Councillor for Planning and Transportation, as guided by officers, considering there are no substantive soundness issues raised which would warrant further amendment to the Plan.

(v) Councillor Mrs Vivienne Stock-Williams

Review of Council Tax Support Scheme for 2015/2016

On 1 April 2013 Council Tax Benefit (CTB) was abolished and replaced with a locally designed "CTS" (CTS) Scheme. The Government 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 has discretion on the rules for CTS for people of working age, the Government has stipulated that pensioners should be fully protected under the same criteria that previously applied to CTB. The Government has also stipulated that, as far as possible, CTS for vulnerable groups should be protected too.

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

- Maximum support was 80% of Council Tax - everyone of working age had to pay something;
- Child maintenance was counted as income; and
- A hardship fund was set up for short-term help.

On 10 December 2013, Full Council had decided to continue the 2013/2014 CTS scheme for 2014/2015. However, as indicative figures showed the Local Government Finance Settlement (LGFS) would reduce by 14.2% in 2014/2015 and by a further 16.3% in 2015/2016, officers were tasked with consulting on proposals to amend the existing CTS scheme from 1 April 2015.

Any local scheme has to be agreed with the major precepting authorities such as the Somerset County Council, Avon and Somerset Police and Devon and Somerset Fire and Rescue Authority by 31 January 2015.

In 2013/2014 the Government provided total funding of £6,110,080. However, the indicative figures shown above would reduce funding for CTS in 2015/2016 by £1,600,000 to £4,503,377 (a cut of £179,000 for Taunton Deane in isolation).

As the Council is prevented from reducing CTS spending for those of pension age, if cuts are applied they will have to be made from the support provided to people of working age. In 2014/2015, it was estimated that CTS of £3,122,765 would be paid to pension age customers and in 2015/2016 this figure was expected to increase to £3,170,566.

By reducing the overall budget for CTS in 2015/2016 to £4,503,377, it would mean the remaining budget for CTS for working age recipients would be reduced to £1,332,811. Based on the current CTS Scheme it is estimated that £2,643,757 will be required for working age recipients. However, the reduction would mean an overall CTS budget shortfall of £1,310,000, with Taunton Deane's share of that shortfall being £127,000.

Under CTB, Taunton Deane spent £3,540,000 in 2012/2013 for people of working age. If spending on CTS in 2015/2016 is reduced to £1,332,811 it will equate to a reduction in help offered to this group of 62%.

There are approximately 8,300 people who have moved from the CTB Scheme to the localised CTS Scheme. As at 31 March 2014, this reduced to 8,106. The average weekly CTS award for a Pension Age claim was £16.11, whilst for people of Working Age, it was £12.13.

The number of households billed for Council Tax has increased from 50,211 in 2012/2013 to 50,882 in 2013/2014. Although, the collection rate has remained the same as the previous year, it has become clear that the volume of recovery action has again increased to ensure collection levels remain high. A review of the current circumstances has revealed that:-

- (1) Despite overall in-year collection for 2013/2014 being 98.0%, the collection rate for working age CTS recipients is just 79.9%;
- (2) While working age CTS recipients represent 8% of households, the value of their debt accounts for nearly 37% of all Council Tax arrears; and
- (3) One in four Council Tax bills issued for working age CTS recipients in 2013/2014 has costs totalling £115,000 for summonses and liability orders added.

Although a decision to alter the scheme for 2015/2016 could be taken, the Council has to consult with the major precepting authorities, publish a draft scheme and then consult with other such persons who are likely to have an interest in the operation of such a scheme.

To ensure consultation was meaningful, the Council included potential ways of achieving each option as well as a number of proposals on how the CTS scheme could be changed to mitigate the effects on vulnerable groups. The consultation exercise took place during the Spring.

Within the 2013/2014 LGFS the Government has included funding for CTS that includes a proportion relating to parishes and Special Expenses. The Council has 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.

The Funding Settlement for 2015/2016 and beyond would not separately identify the proportion of funding for CTS for any preceptors. The Council therefore needs to determine the policy for providing any CTS Grant funding to parishes for 2015/2016, at this stage to give the Council and parishes some certainty for financial planning and budget setting purposes.

For 2015/2016 there are two proposed options, based on available information:-

- Option 1:** Use the same formula that was used for 2014/2015, so each parish grant for CTS will be calculated as CTS Tax Base Adjustment x 2013/2014 Parish Band D Tax rate; and
- Option 2:** Use the same formula that was used for 2014/2015, but apply the same reduction to parish grant funding as that experienced by Taunton Deane in the Funding Settlement. Provisional figures indicate a 30.5% cut in funding for 2014/2015 and 2015/2016, so each parish grant for CTS would be calculated as CTS Tax Base Adjustment x 2013/2014 Parish Band D Tax rate x [1-0.305].

Option 1 is recommended by the Executive for approval as it will provide protection for parish budgets. However, this means that Taunton Deane will need to find savings from its own service budgets to subsidise CTS costs for parishes.

It is 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 recommendations were considered by the Corporate Scrutiny Committee on 28 October 2014. Members expressed concern regarding the

impact of the CTS Scheme on vulnerable people in the community.

Having considered the outcome of the consultation, the feedback from customers in how they are attempting to meet shortfall and the profile of Council Tax debt for CTS recipients, Corporate Scrutiny recommended the Executive to retain maximum support for all working age recipients at 80% in 2015/2016.

In addition, the Corporate Scrutiny Committee recommended that maintenance received for children should not be treated as income when working out CTS in 2015/2016. This recommendation was in recognition of the statutory duty on Local Authorities to reduce and mitigate the effects of child poverty.

In the circumstances, it is **recommended** that:-

(1) Having regard to:-

- the recommendations from the Corporate Scrutiny Committee;
- the outcome of the consultation exercise;
- the feedback from customers as to how they are attempting to meet shortfall;
- the profile of Council Tax debt for CTS recipients; and
- the Equality Impact Assessment,

a Council Tax Support scheme for 2015/2016 be adopted that sought, as far as possible, to balance the significant cut to the Council's resources for Council Tax Support and the Council's wider budget challenges with the need to help the most financially vulnerable members of the community;

(2) It be agreed to continue to provide maximum support through Council Tax Support for working age recipients at 80% with the current Council Tax Support scheme being amended to ignore maintenance received for a child or children;

(3) It be further agree that Option 1 be the preferred route in providing and calculating Council Tax Support Grant funding for Parish Councils in 2015/2016; and

(4) It be noted that the 2015/2016 Council Tax Support Scheme was recommended for 2015/2016 only.