

Executive – 16 June 2010

Present: Councillor Williams (Chairman)
Councillors Cavill, Mrs Court-Stenning, Edwards, Hall, Hayward and Mrs Herbert

Officers: Penny James (Chief Executive), Tonya Meers (Legal and Democratic Services Manager), Maggie Hammond (Strategic Finance and Section 151 Officer), Tim Burton (Growth and Development Manager), Richard Sealy (Client and Performance Manager), Ralph Willoughby-Foster (Planning Policy Advisor), Lesley Webb (Housing Enabling Lead), Dan Webb (Client and Performance Officer), Trevor Miles (Acting Divisional Manager, Southwest One) and Richard Bryant (Democratic Services Manager).

Also present: Councillors Coles, Gaines, Morrell, Prior-Sankey, Mrs Stock-Williams, Stuart-Thorn, A Wedderkopp and Mrs Whitmarsh.

(The meeting commenced at 6.15 pm.)

54. Apology

Councillor Mrs Lewin-Harris.

55. Minutes

The minutes of the meeting of the Executive held on 28 April 2010, copies of which had been circulated, were taken as read and were signed.

56. Public Question Time

Reference Minute No. 47/2010, Councillor Stuart-Thorn reported that he had still not had a response to the question he had raised concerning Councillors being allowed to use vacant spaces in The Deane House Staff Car Park when no spaces were available either in the circle outside the front entrance to the offices or in the Belvedere Road Public Car Park.

The Chairman asked the Chief Executive if a reply could be sent to Councillor Stuart-Thorn as quickly as possible.

57. Declarations of Interest

Councillor Mrs Court-Stenning declared a personal interest as an employee of Somerset County Council. Councillor Coles declared a personal interest as a Director of Southwest One. Councillor Hayward, as someone who lived in a property which overlooked land at Ford Farm, Norton Fitzwarren, declared a prejudicial interest and stated that he would leave the room if any discussion took place on this site in connection with the item covered by Minute No. 58 below.

58. Core Strategy – Interim Sites

Considered report previously circulated, concerning the proposed release of interim

sites at Nerrols, Taunton and at Cades Farm, Wellington to contribute towards the shortfall in the five year supply of housing land in Taunton Deane.

Planning Policy Statement 3:Housing (PPS3) required that Local Planning Authorities should identify and maintain a rolling five year supply of deliverable land for housing. The Regional Spatial Strategy (RSS) had identified separate requirements for Taunton, due to its designation as a Strategically Significant Town or City (SSCT), and for the remainder of Taunton Deane.

The RSS Secretary of State Proposed Changes were 900 dwellings (18,000 dwellings over the period 2006-2026) for Taunton and 190 dwellings (3,800 dwellings over the period 2006-2026) for the rest of the district. The RSS annual housing requirement for Taunton Deane was 1,090 dwellings (or 21,800 dwellings 2006-26).

The Taunton Deane Strategic Housing Land Availability Assessment (SHLAA) was completed in July 2009 and showed 3.12 years supply for Taunton SSCT and 6.84 years supply for the rest of the district. For Taunton Deane the SHLAA showed a 3.74 years supply.

PPS3 stated that in deciding planning applications, Local Planning Authorities should have regard to:-

- Achieving high quality housing;
- Ensuring developments achieved a good mix of housing reflecting the accommodation requirements of specific groups, in particular, families and older people;
- The suitability of a site for housing, including its environmental sustainability;
- Using land effectively and efficiently; and
- Ensuring the proposed development was in line with planning for housing objectives, reflecting the need and demand for housing in, and the spatial vision for, the area and did not undermine wider policy objectives.

It also stated that where Local Planning Authorities could not demonstrate an up to date five year supply of deliverable sites, they should consider favourably planning applications for housing.

The risk of failing to provide a five year supply of housing land was that planning appeals would be allowed on unplanned, less sustainable sites. As the Core Strategy would not be adopted until September 2011, provision had been made in the Local Development Scheme for the release of "interim sites" following public consultation in 2010 to contribute towards providing a five year supply of housing land for Taunton Deane.

The Minister had recently confirmed that the RSS would be abolished and although it would require legislation, it was no longer considered to be a material consideration.

The studies that informed the draft submitted RSS provided an evidence base for 14,000 new homes in Taunton and 17,300 for the district as a whole. The draft RSS assumed a lower rate of growth for the first half of the plan period to 2026, and this had been used to calculate the current five year supply figures.

Assuming the future scale of growth for Taunton was reduced to the draft RSS figure of 14,000, the Nerrols Interim Site at Taunton would give a 5.07 years supply for Taunton SSCT. A failure to identify a five year supply of housing land for Taunton SSCT would involve a high risk of the current planning application at Maidenbrook, Taunton or the site that was subject to pre-application consultation at Broadlands in Staplehay being allowed on appeal.

Further assuming the future scale of growth for Taunton Deane was reduced from the RSS Proposed Changes level of 21,800 to the draft RSS level of 17,300, the two interim sites recommended (at Nerrols and Cades Farm in Wellington) would provide a 5.67 years supply of housing land for Taunton Deane.

Reported that the number of vacant homes in Taunton Deane was specifically raised at the meeting of the Community Scrutiny Committee on 26 May 2010. Currently, there were 362 empty homes in Taunton Deane. This was not particularly high and was in line with national rates. Nevertheless, the calculation of housing figures took this figure into account.

The Council had conducted a public consultation exercise during January and February 2010 on the Core Strategy and Local Development Framework (LDF). There was a clear need for urgent action to address the housing land supply situation and four interim sites had originally been identified at:-

- Bishops Hull about 220 dwellings
- Ford Farm, Norton Fitzwarren about 250 dwellings
- Killams, Taunton about 250 dwellings
- Nerrols Farm about 250 dwellings

Detailed information relating to these sites was submitted for the information of Members.

As far as Bishops Hull was concerned, a planning application for 220 dwellings had recently been granted permission subject to completion of a Section 106 Agreement. It was therefore considered as a planning commitment and not as part of the release of interim sites.

Despite the completion of the Halse Water Dam, much of Ford Farm was still in flood zone 3 and channel improvements would need to be made before it was reclassified as flood zone 2. The Council could not allocate this development until the channel improvements had been made.

The Community Scrutiny Committee had considered the inclusion of Killams as an Interim Site at its meeting on 26 May 2010. A number of detailed issues were raised and it was resolved that the site should be the subject of a detailed report for consideration at a later date.

With regard to the site at Nerrols, Taunton, the company Entec on behalf of the Crown Estate had reached an advanced stage in their preparations to submit a planning application. They had met with Urban Initiatives to discuss the design of the site and had recently attended meetings with local Councillors and representatives of Parish Councils and were planning pre-application consultation locally.

Concerns had been expressed that a development would impede views and that agricultural land would be lost. An extensive belt of woodland planting was proposed which would ensure that the setting of Cheddon Fitzpaine would be preserved and enhanced.

The Green Infrastructure Strategy had proposed a country park in the core part of the green wedge between Maidenbrook and Allen's Brook and developer contributions would be sought to provide this informal recreational facility. There was also an opportunity to incorporate surface water attenuation and sustainable drainage systems which would create a semi-wetland habitat, which would enhance the landscape and biodiversity of the green wedge.

Transport issues included traffic congestion, pollution and the safety of cyclists and pedestrians. A new distributor road was proposed to connect Nerrols Drive to Cheddon Road and enhanced pedestrian and cycle links would be provided.

The Education Authority had identified capacity issues at Lyngford Park Primary School. Whilst it was unlikely that a new school could be provided at Nerrols, a serviced site could be provided in the first phase, enabling the buildings to follow early in the second phase. A new local centre was proposed as part of the first phase adjoining the existing roundabout at the southern end of Nerrols Drive to provide the community with a range of services and local employment opportunities.

There were no major constraints to development at Nerrols. The developers would be in a position to submit a planning application in July 2010. Nerrols was considered to be a sustainable and deliverable site.

Due to the current positions with regard to the sites at Bishops Hull, Ford Farm, Norton Fitzwarren and Killams a further proposed interim site had been considered at Cades Farm, Wellington.

The Taunton Deane Local Plan had allocated a site for about 250 dwellings at Cades Farm which was now being developed. 87 dwellings had been completed and an application for a further 110 had been submitted.

The summary of consultation to the Core Strategy proposals for Wellington had shown that there was general support for the strategic sites identified in Wellington.

The response on Cades Farm had suggested surface water attenuation to reduce flood risk, allotments or community orchards, high standards of design and sustainability and cycle/pedestrian links with the town centre should be as direct as possible. Also a primary school should be provided at Cades Farm to maximise opportunities for 'non-car' travel modes.

Noted that these comments were supported. The Council's strategy to reduce flood risk was to incorporate major surface water attenuation into green infrastructure that centred on existing watercourses.

The Green Infrastructure Strategy had concluded that the eastern part of Wellington was deficient in accessible green space and suggested that a new green space be created. This could incorporate surface water attenuation, allotments, community orchard and recreation opportunities to provide a new green wedge between the residential areas of the town and the Westpark Industrial Estate. A larger scale of development would however be required to justify the provision of a new primary school.

There were no major constraints to development at Cades Farm. A first phase could provide 300 dwellings and it was likely developers would be in a position to submit a planning application later in the year. Cades Farm was therefore considered as a sustainable and deliverable site which should be included as one of the interim sites.

Resolved that the release of interim sites for 300 dwellings each at Nerrols, Taunton and Cades Farm, Wellington to contribute towards the shortfall in the five years supply of housing land in Taunton Deane, be agreed.

59. **Proposed regeneration of part of the Halcon Estate, Taunton**

Considered report previously circulated, concerning proposals to regenerate part of the Halcon Estate in Taunton namely Moorland Road, Valley Road, Beadon Road and part of Creechbarrow Road.

Halcon North stood on 7.25 hectares of housing land. There were 192 houses and flats which were mainly semi-detached brick houses, with a further 31 properties in private ownership. There were 96 two bed houses and 28 two bed flats. There were few four or five bed houses, a third of which had been sold under the Right to Buy scheme. There were 30 three bed houses for rent and 10 which had been sold. The high percentage of two bed houses contributed to overcrowding, which had had an adverse effect on the children and their health. The majority of properties had large gardens.

For several decades the Council had committed significant funding for maintenance and improvement to the fabric of the houses in Halcon. Although such works had continued, the age of the buildings required ever increasing funding in order to keep pace with the rate of decline.

With the delivery of Affordable Housing through Section 106 Agreements on the decline and funding from the Homes and Communities Agency being currently at risk, discussions had taken place to look for a way forward to provide the regeneration of the area. The vision for Halcon was to make the area a place where people wanted to live and where residents were no longer disadvantaged economically, socially or in their health.

Reported that an architect had been asked to look at the area with a view to creating a new community to include a mix of all tenures, a church, a community hall,

allotments, green open space and possibly an Anaerobic Digester which could provide heat and power for the community.

A Concept was produced, which gave an indication of what could fit onto the cleared site. This was used to demonstrate the possibilities of the proposals to all the political groups and subsequently the Halcon Multi-Agency Group who unanimously supported the proposals.

A consultation was then arranged for the tenants and residents affected by the proposals. This was well attended by 120 people and the questions that were asked were reported. Whilst some residents found it difficult to express their views at the consultation event, it was subsequently felt that the proposals were welcomed by many of the residents.

A further consultation was held for residents of the wider area of Halcon and observations centred around the effects of dust, owner occupiers not wanting to sell their homes and the effects that the proposed development could have on children with asthma.

This part of Halcon featured in the top 10% of the most deprived wards in the country. Although good work had been going on for many years from a range of agencies, the deprivation indices had shown no improvement.

Housing was deemed to be a significant issue, not because of its fabric but due to the high level of small two bedroom accommodation, which was resulting in overcrowding, leading in turn to other social problems. Much of the housing was in the Council's ownership however, it was difficult to let vacancies in this area as people, generally, did not wish to live there.

In order to deliver this project, it was recognised that a multi-agency approach was needed together with the full involvement of the community.

Resolved that:-

- (1) The initiation of this proposal as a formal project of the Council be approved, taking into account the fact that no final or binding decisions could be made without further reports to Scrutiny and the Executive;
- (2) It be recognised that further consultations during the next period would be required and an ongoing close working relationship with the tenants and residents would need to be maintained;
- (3) Necessary financial resources be identified as required for consultancy work subject to a further report to, and decisions of, the Executive;
- (4) Reports to Members be made on a regular basis to keep them informed of progress; and
- (5) It be noted that the Council was committed to the regeneration of the Halcon Estate, Taunton to improve the health and well-being of people living in the locality.

60. **Treasury Management Outturn 2009/2010 and 2010/2011 Update**

Submitted report previously circulated, which detailed the treasury management activities for 2009/2010 and the current position to date for the 2010/2011 financial year.

The Council's Debt, as at 31 March 2010, continued to stand at £15,000,000.

It was noted that the Bank of England had maintained the low interest rate of 0.5% during the whole of 2009/2010. This had been to aid stability to the economy during the recession.

A short-term £6,000,000 borrowing from the Public Works Loan Board (PWLB) had fallen payable in November 2009. This was replaced with one year variable rate borrowing from the PWLB.

Noted that the average consolidated rate of interest on the total portfolio for 2009/2010 was 4.27%.

Reported that the level of investments outstanding at 31 March 2010 amounted to £8,600,000. The average range of interest rates achieved during 2009/2010 was 0.25% - 6.38%. Interest earned on these investments amounted to £173,000 of which approximately £138,000 was allocated to the General Fund, and the balance to the Housing Revenue Account.

Further reported that for the current year interest rates were predicted to slowly rise towards the end of the year, although the Government's emergency Budget on 22 June 2010 was an unknown factor which could have an impact on rates.

On the advice of the Council's treasury advisors, the current lending policy was to ensure the liquidity and preservation of principal. As a consequence, the Council was not assuming returns in excess of the current budget.

The short term variable rate loan of £6,000,000 would be repaid to the PWLB in November 2010. As at 3 June 2009, sums totalling £19,000,000 had been invested at interest rates ranging from 0.75% - 1.85%.

Resolved that the treasury management outturn for 2009/2010 and the position to date for 2010/2011 be noted.

61. **Climate Change – Revenue contribution to Capital**

Considered report previously circulated, concerning the proposed replacement of the gas boilers at The Deane House.

In April 2010 the Executive approved the Council's Carbon Reduction Plan (Minute No 50/2010 refers), which in this year was aimed at delivering on the 10:10 challenge.

The Plan included the replacement of the old gas fired boilers at The Deane House with more modern, high efficiency gas boilers at a cost of approximately £55,000.

The funding for the replacement boilers (and associated zoning of the heating system) was available within the existing Climate Change revenue budget. However, the boiler replacement was a capital project.

It was therefore proposed to transfer the funding from revenue to capital.

Resolved that Full Council be recommended to authorise a Revenue Contribution to Capital of £55,000 to enable the funding of replacement gas boilers at The Deane House, in line with the Council's agreed Carbon Reduction Plan.

62. **Asset Management Plan**

Considered report previously submitted, concerning the Council's Asset Management Plan.

The Council was required to have an Asset Management Plan which set out how it intended to manage its major assets. The plan would enable a strategic view to be taken in decision making on its assets base to further the Council's policy and service delivery objectives. It was designed to encourage efficient use of assets and the capital tied-up in them.

The Council had 284 property assets in its operational and non-operational portfolios and these had been valued for balance sheet purposes at £64,000,000. In addition, there were 6,078 dwellings and 1,496 garages that were held in the Housing Revenue Account. Their current value was £318,800,000.

A copy of the Plan was submitted for the information of Members of the Executive.

Resolved that the Asset Management Plan be adopted as the strategic plan to assist both Members and Officers in giving consideration to land and property in support of the Council's key priorities.

63. **Performance Monitoring – Outturn Report 2009/2010**

Considered report previously circulated, which outlined the final performance data of the Council for the 2009/2010 financial year.

The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets was an important part of the overall performance management framework.

A new Performance 'Scorecard' had been developed to monitor and manage the performance of all Council services, and was introduced in Quarter 3, 2009/2010 (Minute No. 34/2010 refers). This scorecard was designed to be simple to use and to reduce the size of performance reports.

Following submission of the Quarter 3 report and scorecard, feedback was gained from the Corporate Management Team, the Executive and the Corporate Scrutiny Committee and the following improvements had been made for the Quarter 4 (Outturn) scorecard:-

- More 'signposting' to avoid too much detail on the scorecard;

- The alerts were more logical; and
- The reason for Amber and Red alerts were more clearly identified.

Reported that a high level summary of successes and/or improvements included:-

- National Non Domestic Rate debit collection exceeded target and improved on last year;
- a new Economic Development Strategy had been adopted;
- a significant decrease in serious acquisitive crime in Taunton Deane;
- a significant increase in visits to leisure centres and successful first year of the Free Swimming initiative;
- Carbon Management Plan completed;
- 96% of calls to the Customer Contact Centre were resolved at the first point of contact;
- Speed in processing planning applications ('minor' and 'other' applications);
- 90% satisfaction of businesses with regulation services (Environmental Health service);
- 'Street Scene' indicators (such as litter, detritus, graffiti, fly-posting, fly-tipping) had all improved on last year; and
- 'Sort It Plus' rolled out across Taunton Deane.

Further reported that areas off course included Council Tax collection rates, procurement benefits, Housing Rent collection, the overall employment rate in Taunton Deane had decreased significantly, additional homes provided and affordable homes delivered both significantly missed target due to the economic downturn, household waste levels and recycling had missed target, the speed of processing 'major' planning applications and planning appeals allowed, Environmental Health inspections (licensing and health and safety) and Southwest One failed to achieve nine KPI targets (4%) during 2009/2010.

Noted that the scorecard also detailed the actions that had been, or would be, put in place in an attempt to improve current performance.

Resolved that the report be noted.

64. **2009/2010 Budget Outturn Report**

Considered report previously circulated, on the outturn position of the Council on revenue and capital expenditure for the General Fund, Housing Revenue Account and trading services for 2009/2010.

A key feature of well-regarded Councils was their ability to manage performance effectively. Effective financial management therefore formed an important part of the Council's overall performance management framework

The outturn position reported for the Housing Revenue Account (HRA) and General Fund (GF) contained some estimated figures for Government subsidies on Housing and Council Tax Benefit. The final figures for these would not be available in time for the final accounts to be produced.

Should the final figures differ significantly from those used in closing down the accounts for 2009/2010, a further report would be presented to Members giving the

updated position on subsidy and the implications for the Council's reserves.

The following outturn figures would therefore be used to prepare the Council's Statement of Accounts, which would be presented to the Corporate Governance Committee on 28 June 2010.

There had been a number of significant challenges faced by the Council this year, and these had had an impact on the overall financial position for the authority. These included:-

- The general economic climate and the recession in the United Kingdom, which had been the worst seen in this country for 60 years;
- Major changes within the Council's organisation with the ongoing review of the Core Council structure; and
- The implementation of a new finance system and changes in ways of working as part of the wider business transformation programme.

The above issues had impacted on the Council's services and financial performance in a variety of ways. However, the Council had continued to operate within the framework of its Budget Strategy and the overall financial standing at the end of the financial year was sound.

Regular budget monitoring information had been presented to Members, with quarterly performance reports submitted to the Executive and the Corporate Scrutiny Committee during the year.

The following provided a summary of the 2009/2010 outturn and reserves position for GF and HRA services:-

- (1) The 2009/2010 Provisional GF Revenue Outturn was a deficit of £10,100, which represented an underspend of £8,500 against the Final Budget for the year. General Fund Reserves as at 31 March 2010 stood at £1,564,000 (subject to audit). This was above the minimum reserves expectation within the Council's Budget Strategy;
- (2) The 2009/2010 GF Capital Programme total expenditure for the year amounted to £4,562,000, which was £1,925,000 below the total budget for the year. The underspend in the year was predominantly due to slippage, with officers requesting that £1,027,000 was carried forward to the 2010/2011 Capital Programme budget. The Council had made good use of external funding to support its capital investment not least related to Project Taunton;
- (3) The HRA Outturn for 2009/2010 was £963,000 below budget. This was largely due to underspend on maintenance (asbestos and exterior high-level work). The HRA Reserves position (or "working balance") carried forward into 2010/11 was therefore a credit of £2,685,000 (subject to audit);
- (4) HRA Capital Programme total expenditure in 2009/2010 totalled £5,142,000, related largely to the Council's continued investment in Decent Homes. This outturn resulted in underspend against the HRA Capital Programme budget for the year of £1,582,000;

- (5) The Deane DLO had made a provisional overall trading surplus of £355,500; and
- (6) The Deane Helpline had made a trading deficit in the year of £102,500.

Reported that overall, the outturn performance was a marginal improvement on the position reported in the Quarter 3 forecast reported to the Executive in early March 2010.

The reported outturn position remained subject to external audit as part of the annual audit of the Statement of Accounts.

During the discussion of this item it was reported that, subject to a Supplementary Estimate being agreed by Full Council, funding was to be made available to enable the Council to enter a display in this year's Taunton Flower Show.

Resolved that:-

(a) the draft outturn position for General Fund and Housing Revenue Account revenue and capital budgets for 2009/2010 be noted; and

(b) Full Council be recommended to approve:-

- (i) the net transfer of £856,000 to earmarked reserves for use on General Fund Services and £513,000 to earmarked reserves for use on Housing Revenue Account Services, in 2010/2011 or later years, as set out in the report;
- (ii) the Carry Forward of General Fund Capital Programme Budget totalling £1,026,580 for slippage into 2010/2011 and the carry forward of Housing Revenue Account Capital Programme Budget of £1,497,820 for slippage into 2010/2011 as set out in the report; and
- (iii) a Supplementary Estimate of £8,500 within the Leisure Portfolio for entry in the Taunton Flower Show in 2010, to be funded by a one-off transfer from the Deane DLO Trading Account Earmarked Reserve in 2010/2011; and that funding for entry in the Show in future years be considered as part of budget setting for 2011/2012.

(Councillor Prior-Sankey declared a personal interest as a member of the Taunton Flower Show. She also declared a prejudicial interest, as her husband was currently the Vice-Chairman of the Flower Show Committee, and left the meeting before any discussion on this topic took place.)

65. **Executive Forward Plan**

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

Noted that the special meeting of the Executive which had been scheduled to take place immediately before the meeting of Full Council on 13 July 2010 would not now be taking place.

Resolved that the Forward Plan be noted.

(The meeting ended at 8.25 pm.)