

Executive – 12 October 2011

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

Officers: Penny James (Chief Executive), Shirlene Adam (Strategic Director), Kevin Toller (Strategic Director), Joy Wishlade (Strategic Director), Tim Burton (Growth and Development Manager), Stephen Boland (Housing Services Lead), Lesley Webb-Crookes (Housing Enabling Lead), Alison North (Performance and Client Lead), Suzie Rea (Housing Regeneration Officer), John Lewis (Parking and Civil Contingencies Manager), David Evans (Economic Development Specialist), Matt Parr (Economic Development Project Officer) and Richard Bryant (Democratic Services Manager)

Also present: Councillors A Govier, Henley, Morrell, Prior-Sankey and T Slattery.
Ms Cathy Osborn, Savills (L & P) Limited

(The meeting commenced at 6.15 pm.)

85. Apology

Councillor Edwards.

86. Minutes

The minutes of the meeting of the Executive held on 14 September 2011, copies of which had been circulated, were taken as read and were signed.

87. Public Question Time

(a) Mr Aldred asked the following questions in relation to the proposed redevelopment of Halcon North, Taunton:-

- (1) We were told at the beginning of the project nearly two years ago that no-one would be disadvantaged by the project. Did the Council still believe this to be the case?
- (2) Why had the housing stock in Halcon North been allowed to fall into such disrepair?
- (3) Who had been monitoring the standard of the housing stock in Halcon North and who was accountable?
- (4) Were the families affected still going to have to bid for a new house?
- (5) How was the project directly helping the families being moved out of the area? (Was it not simply moving the issues elsewhere instead of directly helping them where they were now?)
- (6) Why had there been a lack of communication with one of the stakeholders of this project, namely the Head of Halcon School?
- (7) When would the homes in Halcon North start to be emptied?
- (8) Was this project to help the demographics of a particular political party, knowing that there would now be private housing in Halcon North once the project was finished?
- (9) Could someone confirm if there was going to be a further meeting about the project at All Saints Church Hall tomorrow afternoon?

In response the Growth and Development Manager, Tim Burton, confirmed that it was still the Council's aim not to disadvantage anyone who currently lived in Halcon North. The quality of the existing housing stock was not the reason for the proposed project. There were far wider aspirations which were set out in the report which was due to be considered by the Executive. Mr Burton also stated that it was the Housing Service who was responsible for monitoring housing standards in the area. He disputed that the Council was moving problems elsewhere. He wanted to create a situation where people wanted to return or come to Halcon to live. It would be for the Executive to decide whether the project should move onto the next stage of the process aimed at regenerating the area.

The Housing Enabling Lead, Lesley Webb-Crookes, added that a new policy that had just been introduced in connection with 'Homefinder Somerset' had, once again, created the facility to direct match. The Council would endeavour to match as many people as possible with their requests. She went on to express concern about the Head of Halcon School not being kept informed of developments and would investigate what had happened. A total of over 300 letters had been sent out recently, including one to the school, which provided information of a further meeting which had been arranged for tomorrow afternoon at the Church Hall.

Councillor Williams reported that none of the political groups were seeking any advantage from the proposed redevelopment of Halcon North. In fact, the project had enjoyed cross party support since its inception.

Councillor Jean Adkins, Housing Services Portfolio Holder, confirmed that all Council-owner properties met the Decent Homes standard except the small number of dwellings where the existing tenants had refused access for improvement works to be carried out. She also confirmed that there was no intention to disadvantage anyone. Moving expenses would be met and tenants who wished to move back to the area would be provided with similar facilities to what they had currently. Mrs Adkins concluded by saying that Halcon North comprised mostly two-bedroomed properties in large plots. As such, it was an area that should be sensibly redeveloped.

(b) Councillor Henley asked the following questions:-

- (1) With regard to the newly imposed restrictions on the availability of confidential papers to Councillors, could the Leader of the Council provide a date or a timescale as to when the restrictions would be lifted?
- (2) An update on the public toilets at Rockwell Green, Wellington had been provided to the Executive some months ago but nothing tangible had occurred leading to their re-opening. Could Councillor Hayward provide a further update concerning the Council's future intentions for these toilets?
- (3) When the application for a secure unit at Westpark, Chelston was considered by the Planning Committee, permission had been granted on the basis that arrangements with the Police over security were to be agreed within three months. This period had long since elapsed and the arrangements had not yet been sorted out. Should the application be referred back to the Committee?

In reply Councillor Williams confirmed that he had no wish to see the restrictions on confidential papers being held in place for any longer than necessary.

Councillor Hayward reported that he would seek information from the Highways and Cleansing Manager, Chris Hall, about the Rockwell Green toilets and would inform Councillor Henley accordingly.

Councillor Cavill stated that discussions with the Police were continuing in respect of the secure unit at Westpark and good progress had been made in resolving the issue.

88. Declaration of Interests

Councillor Prior-Sankey declared a personal interest as her husband was a member of Halcon Baptist Church. Councillor T Slattery declared a personal interest as an employee of Sedgemoor District Council who worked within the Somerset West Private Sector Housing Partnership which covered areas in Taunton, including Halcon.

89. Halcon North, Taunton Regeneration Project

Considered report previously circulated, concerning proposals to redevelop the Halcon North area of Taunton which comprised 7.25 hectares of housing land and approximately 220 dwellings.

This part of Halcon featured in the top 5% of most deprived wards in the country. Although, much good work had been done over many years by a range of agencies, the deprivation indices showed no sign of improvement.

Housing was deemed to be a significant contributing factor, not simply because of its fabric, but also due to a high proportion of dwellings having only two bedrooms, which resulted in overcrowding that in turn led to other social problems.

The rationale for this Project was that to make a real difference in the area required a physical shift in the type of place it was. Halcon should become a place that residents were proud of and wanted to be associated with.

To achieve these wider aspirations, it was acknowledged that a multi-agency approach and the involvement of the local community would be required.

The Housing Enabling Lead had continued to keep residents engaged and informed and support for the project had been sought from key stakeholders, such as the Head Teacher of Halcon Primary School, the local Police Beat Sergeant, the Somerset Youth Service and Somerset College, all of whom were very supportive of the project and its aspirations.

Since the last report to the Executive (Minute No 6/2011 refers), the Project Team had further developed the Project Brief and the Outline Business Case.

Noted that the Project Brief defined the project scope and its vision, set out the Outline Business Case and the Project Management and governance arrangements. The Outline Business Case set out the strategic case for redevelopment, which aligned with all four of the Council's Corporate Aims. The project could also make a significant

contribution to delivery of the aims of the Priority Areas Strategy.

The Delivery Options Analysis had concluded that delivery by a developer for the market housing, in partnership with a Registered Provider for the affordable housing, was the preferred mechanism and that this should be through vacant transfer.

Advice from the Housing Quality Network had been sought in assessing delivery mechanisms and from Savills in developing a Development Appraisal to demonstrate whether a viable scheme could be delivered, and if so, what that might look like in terms of mix and tenure.

Reported that the Development Appraisal explored financial viability by considering the various elements including:-

- The number and type of new homes to be built on the site;
- The tenure mix to be provided;
- Build costs;
- Sales values; and
- Future rental income.

The appraisal had calculated a gross development value of the various different types of home, and then deducted development costs (construction, professional fees, financing and profit) to produce a scheme surplus or deficit. In order for the scheme to have a neutral impact on Council finances, the surplus needed to be sufficient to fund the costs of buying back properties previously sold under the Right to Buy and the decanting costs of moving tenants to enable the development. It would also need to fund the cost of developing any units which the Council wished to retain.

Different scenarios had been run in order to determine the scheme which produced the best financial viability, while addressing as many of the project objectives as possible.

The initial appraisal assumed a total of 400 homes being built on the site, with 300 of these affordable. However, this appraisal indicated a scheme loss. The main reasons for the loss were:-

- (1) The high proportion of affordable units meant that there was insufficient cross subsidy from private sales;
- (2) High Section 106 Agreement costs assumed to be payable on all 400 units; and
- (3) Suppressed sales values to reflect the current housing market.

Whilst it was felt that the scheme addressed project objectives in terms of new affordable units and addressing levels of overcrowding, it did not meet project objectives for financial viability and deliverability. Therefore sensitivities were run to consider the impact of:-

- Increasing the proportion of private sales to increase cross subsidy;

- Homes and Communities Agency (HCA) grant received based on discussions the Council had held with the HCA; and
- Section 106 payments only made in respect of additional homes with no education related contribution on any flats.

Two revised tenure mixes had subsequently been modelled. Both included 50% affordable housing (200 units). Within the affordable housing one mix assumed the Council retained 50 units and one 30 units.

Noted that whilst this produced equivalent numbers of affordable housing to that already on the site, the replacement affordable housing would be a mix of general needs rent, affordable rent, and low cost home ownership which was different to the current mix of 100% general needs rent.

Reported that there was a risk that a large number of sales would flood the local housing market and reduce sales values. This risk could be managed by staggering sales possibly over eight years, reflecting the rate of sales that had been achieved on other local developments.

Local registered providers had identified grant funding for around 100 units. These would need to be delivered within HCA timescales (four years) which would mean the Council would need to take decisions promptly about proceeding with the scheme.

The revised development appraisal had shown that it was possible to produce a broadly viable scheme by reducing the percentage of affordable units on the scheme to 50%. At this level the scheme produced a surplus which would be larger if fewer retained units were required.

The appraisal assumed that the scheme delivery would be developer led, in order to deliver the private sales element, with the majority of the affordable housing provided in partnership with a Registered Provider, with the balance retained by the Council.

Submitted in detail the impact the proposed project would have on the Housing Revenue Account (HRA) and the impact of new build on HRA borrowing

Further reported that the Council would need to fund project costs to deliver the scheme including:-

- Commercial advisors to assist with procurement of a developer partner and negotiation of development agreement;
- Legal advisors to draw up the legal contract (development agreement) between the Council and the developer/Registered Provider;
- Urban design input to produce an outline masterplan to be used to procure a partner; and
- Additional surveys (geotechnical, environmental, services).

It was estimated that the total project costs of between £245,000 and £320,000 could be spread over several financial years. This would represent less than 1% of total scheme costs.

An indicative project plan was also submitted for the attention of the Executive. There were a number of steps required before work could start on site which was likely to be at least 12 months following any Council decision to proceed.

The proposed regeneration project had benefitted from cross-party support, as well as from a wide range of stakeholders and a significant proportion of the local community since its inception.

Whilst one regeneration project was not going to solve all of Halcon's problems, there was a strongly held consensus that physical regeneration of this part of the estate could act as a catalyst for wider social and economic change. It would also deliver additional housing and provide a wider range of tenure which should result in a more mixed and diverse community.

However, the need for redevelopment to be financially viable in what were difficult economic circumstances, meant that any proposal would deliver the additional dwellings as market housing and of the remainder there needed to be a mix of affordable tenures, with only a maximum of 50 of those being returned to the Council.

Reported that the Tenant Services Management Board had considered these issues at its meeting on 19 September 2011. Whilst they continued to support the proposal, serious concern was raised about the small number of properties that would be returned to the Council's stock.

The above factors therefore needed to be carefully considered in making a decision whether to proceed to the next stage of the project or not.

The options available to the Council appeared to be:-

- (1) Accept that the wider benefits of regeneration outweighed any concerns around mix and tenure and proceed to the next stage and procurement of a developer;
- (2) Remove the requirement to return any properties to the Housing Revenue Account which would improve viability and, therefore, increase the overall proportion of affordable housing within the scheme;
- (3) Move away from current proposals and explore options for a smaller scale redevelopment; or
- (4) No longer consider full regeneration and look at retrofit options funded through the HRA to address the overcrowding issues.

These options were considered by the Community Scrutiny Committee at a meeting held at All Saints Church Hall, Roman Road, Taunton on 3 October 2011. A large number of local residents had been in attendance.

Following a wide ranging discussion, a proposal to follow option (3) was not supported. Members subsequently resolved to support option (1) with the proviso that a minimum of 50 dwellings be returned to the Council.

During the discussion of this item, the Executive was informed that if option (1) was to be accepted, the costs involved would be in the region of £100,000. It was noted that £35,000 from the previous stage remained unspent.

It was also felt that Option (1) should be pursued but with a view to 50 dwellings or more being returned to the Council.

Resolved that:-

- (i) Option (1) (to accept that the wider benefits of regeneration outweighed any concerns around mix and tenure and proceed to the next stage and procurement of a developer) be supported with a view to 50 dwellings or more being returned to the Council;
- (ii) Full Council be recommended to approve a supplementary estimate from the Housing Revenue Account Reserves of £65,000 to fund the next stage of this project; and
- (iii) Detailed project management arrangements be presented and monitored by the Change Programme Members Steering Group.

90. Installation of Solar PV on Council Housing Stock

Considered report previously circulated, which sought approval to enter into a procurement exercise for the installation of Solar PV on appropriate homes owned by the Council.

Feed in Tariffs (FIT) had become available in Great Britain from the 1 April 2010. The overall aim of the scheme was to encourage the deployment of additional small scale low carbon electricity generation. The scheme offered a minimum payment for all electricity exported to the National Grid. These payments were in addition to the fuel bill savings made by using the electricity generated on site.

The primary financial benefits were:-

1. The Generation Tariff – the set rate paid by the energy supplier for each unit (KWh) of electricity generated – The Energy Savings Trust (EST) estimated this benefit to be valued at approx £700 per annum for a typical 2KWp installation.
2. The Export Tariff - a payment of 3p/KWh received from the energy supplier for each unit exported back to the National Grid. The EST estimated an income of around £25 per annum for a typical 2KWh installation.
3. Energy Bill Savings – The typical benefit to tenants/residents, dependant on their consumption profile, was expected to be between £90 and £120 per year.

Taunton Deane had recognised the potential benefits of installing Solar PV to its properties and had already identified 720 suitable properties that met the criteria for maximising the benefit of Solar PV installation - namely a south/south-west facing and a recently refurbished roof.

The generation tariff for PV retrofit was currently 41.3p per KWh produced.

The current FIT only applied to properties with Solar PV fully installed prior to the 31 March 2012. For the period between 1 April 2012 and 31 March 2013 the tariff applicable to new installations would fall to 39.6p per KWh. Once an installation had joined the scheme the FIT was fixed for 25 years.

The Council's own estimation of the effect of this known reduction in the FIT would have on the income to the PV Provider was given in the table below:-

	Electricity generated per kW installation	Av. size of array	Number of houses	Generation tariff. p/KWh	Tariff fixed for x years	TOTAL	Loss in %
Installations completed before 31/03/12	950	2	720	0.413	25	£14.125m	
Installations completed after 31/03/12	950	2	720	0.396	25	£13.544m	
Loss if installations start from April 2012						£581K	4%

The reduction in the income received by the Solar PV provider was expected to be around 4%. However given the falling costs of PV equipment and increased competition among installers similar returns might still be possible against the reduced FIT.

What is not known is the effect on the FIT from April 2012 of the Government's current review of the scheme. The Comprehensive Spending Review had stipulated the need to make 10% savings to the scheme in 2014.

Reported that the Council had been approached by a national PV provider with a specific lease based "rent a roof" proposal.

The offer was based on a single upfront payment per property in return for the rights to the FIT tariff. The payment increased with the size of the installation/property but based on a typical 2.07KWp installation the offer presented a payment of £330 per property. This represented a one off up front payment to the Council of approximately £238,000 for the 720 identified properties. This would increase to £288,000 for 2.11KWp installations and £324,000 for 2.3KWp installations

The contract period for this was 25 years. The income receivable under the FIT by the Solar PV was expected to be in the region of £14,000,000 over this period. Therefore the upfront payment represented approximately 1.75% - 2.25% of the projected FIT income received by the provider.

At this point the Strategic Procurement Service was approached to advise on the relative value for money of the offer received and the procurement implications for accepting the offer or any similar proposal. Full details of the response received were set out in the report.

It was clear from this that the potential income from the implementation of a rent-a-roof type scheme was much greater than the initial proposal received by the Council. Under the current FIT levels the target share of the FIT should be in the region of 10-12 % rather than the 1.75 - 2% initially offered.

It was recognised that given the planned reduction in the level of the FIT from 1 April 2012, and the unknown consequences of the comprehensive spend review that Taunton Deane would need to act quickly to give a realistic opportunity of maximising PV installations in the available timescale.

A licence based approach to a rent-a-roof type scheme was considered more suitable for the reasons set out in the report.

The complexities of implementing such a project, the related legal support, and the general resource requirements that would be regarded to deliver could easily erode the benefits of any scheme that delivered a low % return.

Notwithstanding the increasing market activity and timescale pressure, it was crucial that the Council did not expose itself to unnecessary risk or sign up to deals which did not offer best value.

To take advantage of the current FIT rates, it was important to move very quickly. Many PV providers were saying that they needed to be mobilised by the end of October 2011.

There was insufficient time to run a full OJEU (Official Journal of the European Union) compliant procurement and achieve any significant numbers of installations before the end of March 2012. There were, however, two approaches to the procurement that could be adopted by the Council which were set out below. In either case the timescales were very challenging, and there were no guarantees that all 720 properties could be installed by the end of March 2012.

- A Taunton Deane competitive procurement exercise in isolation. If the authority carried out its own procurement the risk of a challenge from not complying with the full requirements of the EU procurement regulations would remain. This would be partially mitigated by ensuring an openly advertised tender through a media such as "Inside Housing" and ensuring that the procurement was, in all other respects, managed as if it were OJEU procurement.

- A mini competition through the Yorkshire Purchasing Organisation (YPO) framework which offered an OJEU compliant solution. The use of the YPO framework would remove the risk of challenge but could limit the size of response due to the available capacity of the contractors.

Either way the authority should aim, as far as possible, to specify what it wished to achieve rather than invite offers and to try to evaluate the variations in proposal that might otherwise be received

Whichever route was chosen there were two potential ways in which it could be approached. In both cases legal assistance would be required to support the development of the Tender and Contract documents and in the evaluation of the proposals received:-

- a. The first would be to treat this as an accelerated competitive dialogue process under which Taunton Deane would send out a base PV licence (or a lease if it was considered more appropriate) and to then require providers to provide a mark up which would be assessed alongside other scoring criteria.
- b. The second would be to simply list "non-negotiable" elements of the proposals and ask bidders to bid based on those assumptions.

On the basis of the above analysis it was considered that if the Council wished to install Solar PV on appropriate homes which it owned, the following route was most appropriate - subject to a satisfactory assessment that there would be enough interest from contractors, to carry out a mini procurement process using the YPO framework based on a "rent a roof" style scheme operated through licence rather than lease.

Further reported that PV systems would have positive financial benefits to tenants, as they would be able to use the electricity generated. However, the amount that a tenant benefitted would be dependant on the amount of the free electricity they could use as any surplus would be exported to the National Grid.

It was also important to appreciate that tenants would not receive 100% of their electricity requirements free of charge.

The possibility of the value of the free electricity being generated being spread across all tenants had been explored and there was no means currently in which this could be done. The beneficiaries of the free electricity therefore would be the tenants of the particular property. If though the income from the project was reinvested in other renewable energy schemes, more and more tenants would benefit.

The proposal had been considered by the Tenant Services Management Board (TSMB) on 19 September 2011 who were very supportive although it was strongly recommended that the income from the Solar PV was ring-fenced within the Housing Revenue Account to work in relation to renewable energy and dealing with fuel poverty.

The Community Scrutiny Committee had also discussed the issue at its meeting on 11 October 2011. The proposal had also been supported by Members of the Committee.

Resolved that subject to a satisfactory assessment that there would be enough interest from contractors, approval be given to carry out a mini procurement process for the installation of Solar PV on suitable Council owned homes, using the Yorkshire Purchasing Organisation framework based on a “rent a roof” style scheme operated through licence rather than lease.

91. Installation of a medium sized Solar PV array on a Taunton Deane corporate building or site

Considered report previously circulated, concerning a proposal to install a Solar PV array on the roof of the Station Road Swimming Pool, Taunton.

In April 2010, the Government introduced the Feed in Tariffs (FIT) scheme to incentivise small scale electricity generation, for example through Solar PV installations. The FIT scheme guaranteed a minimum payment for all electricity generated from Solar PV over 25 years regardless as to whether this energy was fed back into the National Grid or used on-site.

The current rate for feeding electricity back into the National Grid was £0.031/ KWh, whilst if used on-site it was worth the commercial rate of the electricity that it replaced.

The Government had recently significantly reduced the FIT rates for Solar PV installations above 50kW to discourage large scale installations.

Since the introduction of the FITs, the Government had urged Local Authorities to grasp the opportunity and create income from renewable energy generation. In order to support this it had lifted the ban on the sale of surplus electricity to the National Grid by Councils.

An initial quote for a roof-mounted installation of Solar PV panels on Station Road Swimming Pool was received from Rainbow Renewables Limited in March 2011. The company modelled different installation layouts for the roof resulting in three options - 32kW, 36kW or 69kW. Out of the options, the medium sized installation would deliver the highest rate of return on investment as shown in the following table:-

Table.1: Return on medium sized Solar PV installation (36kW)	
Total power output	36.00kW
Total installed costs (ex. VAT)	£100,000
Estimated annual energy performance (kWh)	32,200
FIT rate – Generation	£0.329
FIT rate – Export	£0.031
Estimated annual income from FIT (Generation)	£10,594
Estimated annual income from FIT (Export)	£998
TOTAL	£11,592
Annual return on investment	11.59%
Payback Period (Years)	8.6

Total earnings over 25 years	£289,800
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The carbon reduction from the installation would be about 19 tonnes of CO2 per year.

Various other sites had been considered as potentially feasible but for various reasons all had been discounted except the site occupied by the Deane DLO Nursery.

An installation there would be ground-mounted and wired to provide electricity to the buildings on-site. Rainbow Renewables quoted that for a £100,000 investment they could deliver an installation of about 40kW.

Full details of the Project Specification were submitted including the proposed size of the installation, the funding arrangements and an assessment of the location for the installation. With regard to the funding of the project, it was intended to use the funding that had been earmarked for the 'Boiler Replacement' scheme at The Deane House together with funding from the 'Climate Change' budget.

The advantages and disadvantages of both the Station Road Swimming Pool site and the Nursery site were set out in detail. On the basis of this assessment, the conclusion had been reached that the Swimming Pool site was preferable.

The crucial date for the project was the 31 March 2012 by when the installation must have been completed and registered in order to maximise the benefits from the FIT payments. After this date, the FIT rate paid per kWh would drop from £0.329 to £0.301.

The suggested timeframe of the project was as follows:-

Table 2: Timeframe for project	
Completion dates:	
15 September 2011	Structural survey
15 September 2011	Other assessments
12 October 2011	Executive decision to proceed
End October 2011	Full building condition survey (if needed)
January 2012	Tendering process
February 2012	Planning Permission (if needed)
March 2012	Installation
March 2012	Registration

Reported that the FITs for an installation would be paid for 25 years. If within that time the swimming pool was sold, the installation could be added to the value of the building.

If however a decision was taken to redevelop the pool it would need to be assessed whether it was viable to re-install the installation at a different location.

Also reported that it needed to be recognised that there were parts of the installation which could potentially fail during the 25 year period, which meant the Council would need to set aside an appropriate proportion of the annual income to cover these potential costs.

One further risk was if the installation was not completed and registered by 31 March 2012. The cumulative financial loss over the 25 year period because of the reduction in FIT rates from 1 April 2012 would be in the region of £22,500.

Resolved that:-

- (i) A virement of £55,000 to transfer the budget from The Deane House 'Boiler Replacement' scheme to a new 'Solar PV Installation' budget within the 2011/2012 General Fund Capital Programme be approved;
- (ii) A virement of £45,000 from the 'Climate Change' Budget to the 'Revenue Contributions to Capital (RCCO)' budget, in order to fund an increase in the 'Solar PV Installation' capital budget to £100,000 in total be approved; and
- (iii) The installation of Solar PV panels on the main roof of the Station Road Swimming Pool, Taunton be also approved.

92. Taunton Car Parking Strategy 2011-2021

Considered report previously circulated, concerning the Taunton Car Parking Strategy which had last been reviewed by the Executive in June 2008 (Minute No 168/2008 refers). That report had looked at both the availability of spaces and the future impact on Taunton Deane's revenue funding.

Three years later, some of the car park closures had occurred and there was a clearer understanding of when other closures might occur. The second County Council Park and Ride facility, at Taunton Gateway (near Junction 25), had also opened.

The current update of the Car Parking Strategy, a copy of which had been circulated to Members, dealt with the numbers of spaces predicted as needed to meet demand within Taunton over the next 10 year period – subject to regular review and updating during that period. The document considered a wide range of options to mitigate the shortfall in spaces and to improve car park efficiency. Certain options were linked together to provide three 'packages' by which more spaces could be made available as well as recommending some car parks remaining open in the medium term.

The financial implications for the preferred option in the Strategy were detailed in the report. However, it was clear that the economic downturn and the opening of the latest Park and Ride were also having a significant impact on the revenue generated from pay and display.

This was something that had to be considered as a corporate issue, and it was possible that some of the recommendations in the June 2008 report (investment of capital income to produce returns) would be taken forward. This would be considered as part of the Budget Review programme.

The Medium Term Financial Plan (MTFP) had already identified the potential loss of income from the redevelopment of the retail centre in the town centre. The viability of this scheme was still marginal and the developer would need to take all the income from the parking provision to make it work.

However, the discussions on the terms for any agreement were still to be had and the Council would want to ensure that as the economic situation improved and schemes became more profitable, that some return would be available for Taunton Deane.

For the purposes of the MTFP a loss of £900,000 had been identified, which was the worst case scenario based on closure of the two multi-storey car parks with no replacement funding stream.

All of the options for better space and traffic management identified in the Strategy had financial implications. Some options were inter-related and the overall impact would depend on decisions made by and reactions and changes in behaviour, by motorists.

This item had been considered by the Corporate Scrutiny Committee on 22 September 2011. Members had welcomed the review, felt the document was very thorough and reaffirmed the existing Strategy of maintaining town centre spaces primarily for shoppers and visitors whilst encouraging commuters and long term parkers to use Park and Ride sites or other peripheral car parks.

The Committee had been broadly supportive of Package 2, although some concerns were expressed on Sunday charging. Other issues specifically mentioned were future demand for spaces, disabled parking provision and charges, RingGo, motor cycle and bicycle parking, electric vehicles and the impact of public transport.

Resolved that:-

- (i) The Taunton Car Parking Strategy 2011-2021 be agreed;
- (ii) A phased implementation of Package 2 as the best range of options to achieve the aims, including:-
 - restricting some car parks to short-stay only;
 - adjusting disabled parking length of stay;
 - encouraging use of Park and Ride;
 - adjusting the charging scheme and reviewing payment methods;
 - charging on Sundays;
 - increasing fees on long stay; and
 - providing better information to users,be also agreed; and
- (iii) Further work and consultation, as appropriate, on the above be undertaken prior to implementation and in particular:-
 - car park usage, travel habits and modelling of the impact of travel planning;
 - the costs of alternative space provision as part of a phased approach to retail redevelopment; and
 - usage by Blue Badge holders.

93. Review of Floodlighting

Considered report previously circulated, concerning the future of the Council's floodlighting installations.

Floodlighting was originally installed by the Council between 1986 and 1993 to illuminate some of Taunton Deane's churches, monuments and other architectural features. Many of the installations were situated on private property, illuminating third party structures.

During the past few months, Deane DLO's Building Supervisor [Electrical] had arranged for the inspection of all 114 fittings at the 43 sites listed in the un-metered supply inventory and the carrying out of minor upgrade work to ensure their immediate safety. From those inspections, a schedule of works required to enhance the safety of or to bring the installations up to a reasonable standard had been produced.

Reported that research which referred back to the installation of the floodlights implied that no formal legal agreements had been entered between the Council and any of the third party property owners. However, the items had been installed on the unwritten understanding that, should it be in the Council's interest at the appropriate time, the assets would transfer to the third parties at no cost.

The Council maintained a budget for the repair and maintenance of the assets. This budget currently stood at £9,750 and in previous years had been spent on both energy consumption costs and repairs. It was anticipated that energy costs would rise even further in the coming years.

Further reported that there were four options as to what to do with the floodlighting in the future:-

Option 1: Do nothing: Continue existing programme of ad hoc repairs

Although the inspections carried out over the summer had shown no immediate concern over the safety of the installations, deterioration was such that without a planned schedule of maintenance and repair, this could pose a potential Health and Safety risk to the public. That, plus the ad hoc management arrangement, the environmental impact of the lights and the anticipated increase in costs had forced a fundamental review of the floodlighting policy, and implied that doing nothing was not a viable option.

Option 2: Disconnect electricity supply to all fittings, but leave fittings in situ.

Western Power Distribution had stated that in order for the sites to be removed from the un-metered supply inventory, a physical disconnection had to be made, leaving fittings in place in a safe condition.

If the site owners wished to reinstate the lights or remove the fittings, they could do so at their own expense.

The average cost per site to disconnect the electricity supply safely was £400. With 43 sites, the total estimated cost was £17,200.

Although this would be a one-off cost to the Council, there would be an annual budgetary saving during future years of £9,750 per annum.

Option 3: Offer lights to third party owners, and remove or refurbish the Council owned installations

If the Council was to transfer ownership and control of the lights and fittings to third party landowners, Western Power Distribution's Un-metered Supplies Unit had confirmed that it would be willing to set up agreements with individual churches and property owners. This would involve each site entering into an 'Un-metered connection agreement', but would mean a proportion of the properties could remain floodlit.

It was accepted that the lighting units would need to be refurbished before they were handed over. There would be a one off cost of £15,445 for the refurbishment of those on third party properties with a further £3,200 if all lights on Council properties were to be retained.

Although this option would reduce the Council's ongoing costs, it would still require revenue funding (for electricity, repair and a rolling programme of six yearly inspections) for those lights which remained in Taunton Deane's ownership (approximately £2,500 per annum).

The third party owners would be invited to consider taking on the management and funding of the floodlighting and given a reasonable period of time to respond to the Council before action was taken at the end of the current financial year. Should the third party owners not wish to take on the installation, it would be safely removed as set out in Option 2.

Option 4: Upgrade all electrical equipment and fittings and continue to light all premises.

Based on the inspection programme carried out during the summer, work to upgrade the electrical systems and replace damaged fittings at all 43 sites would involve a one-off cost of around £18,645 (maximum) plus ongoing costs at the current level of a minimum of £9,750 per year, plus an annual sum of £500 to pay for a rolling programme of six yearly inspections.

Reported that the Corporate Scrutiny Committee had discussed this issue back in February 2011. Although consideration of the above options was based on slightly different estimates of the costs of repairs, the same principles still stood.

At the time, the Committee recognised that 'doing nothing' was not an option. Furthermore they requested that, should Option 3 be adopted, the third parties be given adequate notice to consider taking on the installations. Members also raised concerns over the impact of the lighting on the environment, referring specifically to the Dark Skies Initiative, which lobbied against light pollution of the night skies.

The Committee resolved that the Executive should be recommended to offer floodlights to third party owners, incorporating a notice period and that all Council owned installations should be removed.

Resolved that:-

- (i) Option 3 be agreed, offering those floodlighting installations on third party land to the owner of that land before the end of the current financial year;
- (ii) the Executive Councillor for Economic Development, Asset Management, Arts and Tourism be given authority to ascertain which of those floodlights on Council-owned property should remain in operation; and
- (iii) the one-off costs of £18,645 for refurbishing the lighting units be funded from unallocated Local Authority Business Growth Incentive (LABGI) resources.

94. Proposal to adopt a Client-based approach to delivering Construction Skills in Taunton Deane

Submitted report previously circulated, on a proposal to work with other Somerset local authorities and ConstructionSkills to adopt a Client-Based Approach (CBA), to deliver employment, apprenticeships and training through their major construction projects.

Such projects were increasingly recognised as an opportunity to deliver recruitment, training and other social benefits, including improving the local skills base. Many Local Authorities and other public sector bodies were already using charters, voluntary agreements and contract clauses to achieve this, tying developers and construction companies into delivery of a minimum number of skills and employment opportunities.

ConstructionSkills was the Sector Skills Council and Industry Training Board for the Construction industry. The Client-Based Approach (CBA) provided a toolkit to deliver employment, apprenticeships and training for public sector clients through their construction projects. It included all of the necessary components to deliver opportunities on any new-build or repair and maintenance contract, including 16 benchmarks that had been 'employer approved'.

Somerset Local Authorities already had some experience of negotiating education, employment and skills outcomes for local people through the Project Taunton and Building Schools for the Future contracts. The CBA would build on Project Taunton's 'Taunton Protocol' by putting firm, measurable outputs into construction contracts.

The scheme would initially apply to all projects of £1,000,000 upwards under the control of the Council.

In Taunton Deane there were a number of significant infrastructure projects for which the Local Authority (the Council or Somerset County Council) would be the client. These included the Taunton Northern Inner Distributor Road (NIDR), Taunton Town Centre redevelopments, and Superfast Broadband delivery. Each project would have a dedicated Employment and Skills Plan, submitted by contractors, with 16 KPI's and associated benchmark targets. The NIDR and Superfast Broadband contracts alone could generate a minimum of 15 apprentices, 30 local jobs, 20-30 NVQ's and multiple links to local schools for work placements and curriculum activities.

The Corporate Scrutiny Committee had considered this item at its meeting on 6 September 2011 and had supported the proposal.

Resolved that the Client-Based Approach be adopted to ensure delivery of employment and skills opportunities in all major construction projects in which it had a controlling influence, and authorised officers to progress an application for National Skills Academy status.

95. 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 8.03 pm.)