Executive – 7 December 2011

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

Officers: Penny James (Chief Executive), John Sumner (Asset Planning Manager, Southwest One Property and Facilities Management), Dan Webb (Client and Performance Lead), Paul Fitzgerald (Financial Services Manager, Southwest One), James Barrah (Community Services Manager), Chris Hall (Highways and Cleansing Manager), Stephen Boland (Housing Services Lead), Tim Burton (Growth and Development Manager), Simon Lewis (Strategy and Corporate Manager), Maggie Hammond (Strategic Finance Manager), Mark Leeman (Strategy Lead), Tonya Meers (Legal and Democratic Services Manager) and Richard Bryant (Democratic Services Manager)

Also present: Councillors Coles, Horsley and Morrell.

(The meeting commenced at 6.15 pm.)

107. Apologies

Councillors Edwards and Hayward.

108. Minutes

The minutes of the meeting of the Executive held on 16 November 2011, copies of which had been circulated, were taken as read and were signed.

109. Exclusion of the Press and Public

Resolved that the press and public be excluded from the meeting for the following item because of the likelihood that exempt information would otherwise be disclosed relating to Clause 3 of Schedule 12A to the Local Government Act, 1972 and the public interest in withholding the information outweighed the public interest in disclosing the information to the public.

110. Proposed re-use of the Goodland Gardens Public Conveniences, Taunton

Reference Minute No. 78/2011, reported that the toilet block building in Goodland Gardens, Taunton had been marketed with a closing date for Expressions of Interest being set for 2 December 2011.

Details of the Expressions of Interest were submitted for consideration by Members of the Executive. From the information received, the Executive indicated its particular preference for one of the Expressions of Interest.

It was considered important to resolve this matter at the earliest opportunity. If the Council waited a further Committee cycle there would be a risk the reopening of this building, in its new format, would be delayed until 2013 due to the commercial operator being unable to meet the profitable 2012 Spring/Summer trading period.

A Planning change of use to a cafe had already been approved subject to any external alterations first securing the approval of the Planning Officer. Project Taunton considered a cafe could be a positive asset for the improved landscape area at Goodland Gardens.

Resolved that:-

(1) Southwest One be instructed to follow up the particular Expression of Interest which met the approval of Members, with a view to obtaining satisfactory references from and agreeing more detailed heads of terms with the person/company concerned; and

(2) Approval of such references and terms be delegated to an appropriate nominee of Southwest One's Head of Property and Facilities Management, in consultation with Executive Councillor Cavill and the Strategic Director (Joy Wishlade).

111. Refresh of Corporate Strategy – Proposed way forward

Considered report previously circulated, concerning the Corporate Strategy for 2012 - 2015.

The original intention of the Budget Review Project was to deliver a balanced budget for Year One within a 'no overall control' Council and to deliver a Direction of Travel for Years two to four.

The Project had been brought to an end with budget setting for 2012/2013 following the traditional timetable. The work of the Groups had delivered some thoughts on areas of search for future budget setting rounds.

Budget setting for 2012/2013 was being led by the current Corporate Strategy and Priorities. The environment for the Council in future years was likely to be tougher in terms of funding, capacity reductions and new risks and it was unlikely that the current Corporate Strategy and priorities would be delivered in the same way, or to the same programme.

It was therefore proposed that the Corporate Strategy be fundamentally reviewed in the New Year for adoption by the start of the new Municipal Year. The Strategy would need to be clear on the Council's vision, ambition and capacity for the future. The new Strategy would then drive the Council and budget setting from 2012 to 2015.

Resolved that the proposals to 'roll forward' the existing Corporate Strategy to May 2012 and to commence work on a new strategy for May 2012 onwards in the New Year be approved.

112. Financial and Performance Monitoring – Quarter 2 2011/2012

Considered report previously circulated, which provided an update on the financial position and the performance of the Council to the end of Quarter 2 of 2011/2012 (as at 30 September 2011).

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

The following four 'key issues' had been identified from analysis of the performance and financial data for Quarter 2:-

- Planning performance (The speed of processing 'Major' applications);

- Health and Safety Inspections;

- Car Parking (Off Street) income; and

- Building Control income.

Details as to the reasons why these issues had emerged were submitted together with the proposed management actions to resolve them.

Analysis of the overall performance of the Council had revealed a slightly improved position to the previous quarter, with 68% of all performance measures being on target. An improving trend was shown in the areas of:- Managing Finances, Key Partnerships, People and Corporate Management.

The Corporate Strategy section of the report indicated that performance remained good in this area with 76% of all measures given 'improving' status alerts.

The key messages as far as the Council's financial performance was concerned were:-

i) The economic climate continued to have an adverse impact upon on the Revenue Budget position;
ii) The overspend on the General Fund continued to be monitored by the Corporate Management Team and had improved slightly from the Quarter 1 estimates;
iii) The Housing Revenue Account was predicting an increase in repairs and maintenance costs due to higher than budgeted voids; and
iv) The capital programmes were currently predicting no significant issues.

Resolved that the report be noted.

113. 2012/2013 Budget Gap Update and Budget Savings Plans

Considered report previously circulated, concerning the budget gap for 2012/2013 and the draft Savings Plans.

The Council's Budget Strategy had been approved by Full Council in October 2010. There was a need to set a four year balanced budget for the period 2012/2013 to 2015/2016 in light of unprecedented funding cuts and funding uncertainty for local government.

The savings target over this period based on estimated financial projections was 40%. This meant that the Council's General Fund net expenditure budget to provide services to the public would be 40% less by 2015/2016.

The projected budget gap was currently estimated at £2,100,000 for 2012/2013, which had previously been reported to the Corporate Scrutiny Committee.

A Budget Review Programme had been carried out to identify options for achieving savings over the medium term.

The DLO Transformation had confirmed General Fund savings of £157,000 which could be built in to the Medium Term Financial Plan (MTFP). The Core Council Review Theme 5 proposed savings of £301,000 in the General Fund in 2012/2013. There was a potential additional income from increasing fees and charges resulting in a further budget saving of £60,000 and the Year 1 New Homes Bonus grant of £392,000 could be built into the Base Budget from 2012/2013 onwards.

A number of savings options had gained general Member support and had been submitted for consideration. The impact of the savings plans on the updated Budget Gap, showed a potential reduction to £699,000. Reported that officers would continue to work with Members to prioritise savings proposals to fully close the budget gap.

The plans presented did include staffing reductions, with proposals to delete three posts which might lead to three staff being made redundant. A further seven vacant posts were proposed to be deleted. Redundancy costs had been estimated to be in the region of £19,000 and it was proposed that these would be funded by a supplementary budget allocation from General Fund Reserves.

The General Reserves balance brought forward in April 2011 was £2,937,000. There would be a call on these reserves related to termination costs for the DLO Transformation and Core Council Review Theme 5. The projected reserves position at March 2012 was £2,320,000.

Capital bids for the General Fund had been submitted and would be circulated to Members as part of the Budget Consultation Pack.

A 30 year Business Plan was being developed for the Housing Revenue Account (HRA) in preparation of the move to self-financing from April 2012. Noted that the financial model being developed as part of the business plan would be used to inform the Medium Term Financial Plan and annual budget for the HRA.

Further reported that the Budget Update and the Savings Plans had been considered by the Corporate Scrutiny Committee on 24 November 2011. The main comments raised at this meeting were reported bit it was recognised that the outstanding Budget Gap was still significant and that there were difficult challenges ahead to address this situation.

Resolved that:-

(a) The contents of the report be noted; and

(b) The potential requirement for a supplementary budget allocation in 2011/2012 of

£19,000 from the General Fund Reserves to fund redundancy costs be also noted.

114. General Fund Earmarked Reserves Review

Considered report previously circulated, concerning the review of a number of earmarked reserves held by the Council for various purposes.

The level of earmarked General Fund reserves as at 31 March 2011 was £6,858,000. This included money set aside for specific revenue purposes, but did not include the £2,937,000 in General Fund balances.

The Strategic Finance Manager had recently reviewed the earmarked reserves to ensure that the level of each reserve was adequate and that the purpose for which the funds were set aside still applied.

As a result of this review, there were various earmarked reserves, totalling £159,003, that were no longer required. Details of these reserves were submitted for the information of Members.

Details of the remaining earmarked reserves would be set out in the Budget Packs provided to all Councillors.

Resolved that Full Council be recommended to transfer £159,003 of surplus earmarked reserves to the General Fund Reserves in the 2011/2012 financial year.

115. Fees and Charges 2012/2013

Considered report previously circulated, which set out the proposed fees and charges for 2012/2013 for the following services:

- Cemeteries and Crematorium – It was proposed to increase the main cremation fee by £20 to £590 and make minor increases for other charges within the service. It was estimated that this would generate additional income of £44,000. The main burial fees had been increased by £50 which would generate additional income of £6,000;

- Waste Services – It was not proposed to increase fees for Garden Bins and Garden Waste Sacks;

- Land Charges – It was proposed to keep Land Charges fees the same as the current year. This was in line with Government expectations that the service should break even;

- Housing and Deane Helpline – The proposal was to increase all charges by 5.6% (September Retail Price Index). It was estimated that this would generate additional income of £60,000 for the Housing Revenue Account;

- Licensing – Many licensing fees were set by the Government. It was proposed to retain the discretionary fees and charges for licensing functions. However, where there was local flexibility to set fees, officers had worked to ensure that the Council's costs in administering and enforcing such licences were adequately met from the income received. Noted that great care had to be taken to set an appropriate rate as many of the licensing fees and charges were deliberately balanced. If rates went up too much, this could easily suppress the market and lead to an overall reduction in income. It could also encourage more illegal and therefore unregulated trading resulting in greater risks to public safety.

There was a proposed new pricing zone for Street Trading and Promotions. It was anticipated that increased income could be made by encouraging use of the southern end of the High Street and the new areas of Somerset Square, Goodland Gardens and Castle Green through a clearer pricing structure.

It was also proposed to offer advance booking of street trading spaces in areas away from the immediate centre of Taunton and advance block booking of the promotional spaces. Where bookings were taken for a minimum of fifteen days in total over a calendar year, a discount of 10% would be given where payment was made in full at the time of confirming the booking dates.

Having considered the comments of the Corporate Scrutiny Committee which met on 24 November 2011, the Executive was minded to increase the licensing fees by inflation and these new charges which would generate additional income of an estimated £12,427, were reported.

- Planning – It was proposed to increase pre-application advice and charges which would generate additional income of an estimated £10,000;

- Car Parking Charges – The fees and charges relating to the Car Park Service would be subject to consideration by the Traffic Regulation Orders Panel in January 2012;

- Environmental Health – Local Authorities were able to charge for the provision of health certificates for the export of foods to non-EU countries and could recover costs for a few limited services the Council was asked to provide. It was anticipated this would generate approximately £250; and

- Recovery of Court Costs – reasonable costs could be added to debts if recovery was assisted through the Magistrate's Court. The charge for a summons would remain at £63.50 and the charge for a liability order would remain at £10.

Resolved that Full Council be recommended to approve the proposed fees and charges, for 2012/2013.

116. Capital Strategy

Considered report previously circulated, concerning the draft Capital Strategy for 2012-2015.

The Capital Strategy was the Council's high level approach to capital investment, ensuring it was in line with the Council's priorities and it laid out rules against which capital schemes were evaluated and monitored.

The Capital Strategy included:

- The Council's vision;
- The identification of the Council's needs and its needs gap;
- The management and monitoring of the capital programme;
- The capital programme and the level of resources available;
- The Council's approach to procurement and partnership working; and
- Links to other corporate plans.

The draft Capital Strategy which had been circulated to Members had been updated and included refreshed financial data.

A review of comments made on the draft Capital Strategy had resulted in the following statement being written:- 'The Council needed to be clear on its capital spending priorities and should aim to set a proportion of capital aside for investment into capital schemes that provided a revenue return'. This had been reflected in the Strategy.

Resolved that the Capital Strategy be approved.

117. Council Tax Base 2012/2013

Reported that the Council Tax Base, which was calculated annually, had to be set between 1 December and 31 January each year.

The Council Tax Base was the "Band D" equivalent of the properties included in the Valuation Officer's banding list as at 16 October 2011, as adjusted for voids, appeals and new properties and the provision for non-collection.

The Band D equivalent was arrived at by taking the laid down proportion of each Band as compared to Band D, and aggregating the total. The approved Tax Base had to be notified to the County Council, the Police Authority, the Fire Authority and to each of the Parishes.

Adjustments had also been included for new dwellings and for initial void exemptions for empty properties.

The Council Tax Base also had to reflect the provision for losses on collection. The rate for 2012/2013 was 1% (also 1% in the previous year), giving an anticipated collection rate of 99.0%.

The Council Tax Base for 2011/2012 was 40,390.60 and the recommended Base for 2012/2013 of 41,216.39 represented an increase of 825.79 or 2.04%.

This significant increase was largely because the tax base for the past two years was set prudently low by anticipating low or no growth in properties, as the Collection Fund (where Council Tax proceeds were accounted) was reporting an increasing deficit position. The Collection Fund was now projecting a surplus position. The Tax Base calculation for 2012/2013 reflects the actual increase in properties plus a reasonable estimate for new housing growth.

Resolved that:-

(a) The calculation of the 2012/2013 Council Tax Base for the whole and parts of the area be approved; and

(b) pursuant to the Financial Services Manager's report, and in accordance with the Local Authority (Calculation of Tax Base) Regulations 1992, the amount calculated by Taunton Deane Borough Council as its 2012/2013 Tax Base for the whole area for the year shall be 41,216.39 and for the parts of the area listed below shall be:-

Parish Area	**Tax Base**	**Parish Area**	**Tax Base**
Ash Priors	84.83	Neroche	255.27
Ashbrittle	95.72	North Curry	741.43
Bathealton	89.28	Norton Fitzwarren	932.33
Bishops Hull	1,112.99	Nynehead	164.15
Bishops Lydeard/Cothelstone	1,122.35	Oake	333.34
Bradford on Tone	293.94	Otterford	174.06
Burrowbridge	205.99	Pitminster	464.42
Cheddon Fitzpaine	643.53	Ruishton/Thornfalcon	624.94
Chipstable	133.31	Sampford Arundel	127.60
Churchstanton	337.87	Staplegrove	748.42
Combe Florey	122.05	Stawley	128.82
Comeytrowe	2,111.95	Stoke St Gregory	384.63
Corfe	133.48	Stoke St Mary	210.86
Cotford St Luke	821.67	Taunton	16,226.62
Creech St Michael	999.23	Trull	1,032.39
Durston	59.10	Wellington	4,852.37
Fitzhead	122.29	Wellington (Without)	304.54
Halse	142.58	West Bagborough	169.77
Hatch Beauchamp	268.82	West Buckland	448.31
Kingston St Mary	463.52	West Hatch	143.00
Langford Budville	238.94	West Monkton	1,184.22
Lydeard St Lawrence/Tolland	208.84	Wiveliscombe	1,128.51
Milverton	624.11	**GRAND TOTAL**	**41,216.39**

118. Housing Revenue Account Business Plan 2012-2042 and New Borrowing Requirement

Considered report previously circulated, concerning the creation of a new Housing Revenue Account (HRA) Business Plan 2012-2042 which was an integral part of the Council's preparation for the reform of council housing finance.

The draft business plan, a copy of which had been circulated for the information of Members, set out the Council's overall aims and objectives for Housing Services. The document analysed the current position of the service and the council stock and set out the actions planned to achieve the Council's objectives. It reflected consultation carried out with tenants, Members and wider stakeholders and provided an action plan to ensure the plan was delivered.

The business plan had also been developed to manage the significantly increased level of housing debt and the new associated financial risks following the implementation of the self financing system. It also aimed to address the new opportunities for freedoms and flexibilities arising from potential changes in Government policy and the opportunity for effective asset management.

The creation of a new HRA business plan was part of the wider Housing Revenue Account Reform Project where the housing service was preparing to exit the negative subsidy system and enter into self financing by April 2012. It had updated the strategic objectives of the service in order to reflect the Council's current corporate priorities:-

- **Securing a long term future for our Housing Service** - Continuing to invest in the management of the housing stock to ensure it met tenants' needs, who should be at the heart of decision making.

- **Tackling deprivation and sustainable community development** - Taking action so that disadvantaged communities would have better access to local housing services, training and employment, continuing the Council's support for a range of vulnerable people.

- **Investing in our housing stock, regeneration and affordable housing** - Investing in our existing stock to deliver a standard that met the needs of the stock and local aspirations. It also meant planning and successfully managing the regeneration of our housing estates and communities, providing homes that catered for the needs of an expanding and diverse population within communities that people were proud of.

- **Climate change** - Taking action to reduce carbon emissions across our housing stock through the Council's investment planning, service delivery, partnership and community action.

Reported that he business plan reflected the Council's current rent policy which in turn reflected national social rent policy to move council rents to a target rent based on property value and local earnings. The aim of the national social rent policy was that rents charged by all social landlords should converge. Rent convergence would be mandatory in 2015/2016.

Up until convergence, rents would move gradually to target over four years, with maximum increases limited to inflation (RPI) + 0.5% + £2. After convergence with target, rents would increase by inflation (RPI) + 0.5%. The financial viability of the business plan was based on annual rent increases being agreed in line with this policy.

The Localism Act 2011 would potentially provide the Council with further flexibility to charge higher rents on new build properties and a proportion of relets, in order to fund new development. The Council could charge “Affordable Rents” at up to 80% of market value on these properties and the income used to fund new development but this could not be used as a policy to increase business plan resources generally.

Noted that the Council did not currently offer probationary or introductory tenancies. As a result of feedback from the consultation undertaken on the business plan, the Council had committed to review this policy in the next 12 months to consider the advantages and disadvantages of this scheme for Taunton Deane.

The Localism Act also proposed a new form of tenancy for local authority tenants. These proposals included a new regulatory requirement for all social landlords “to offer and issue the most secure form of tenancy compatible with the purpose of the housing and the sustainability of the community”. This meant that Councils would no longer be required to automatically let all new tenancies on long term secure tenancies but would have the option to issue fixed term tenancies in some cases.

Further reported that the financial issues emerging from the HRA Reforms programme were significant. The existing housing subsidy system would be abolished and instead, housing authorities will move to a “self-financing” system by either taking on additional borrowing to buy themselves out of the Government’s subsidy system, or receive a lump sum from the Government to repay existing borrowing.

For Taunton Deane, this meant taking on additional borrowing – currently estimated at £87,200,000. The Council’s total current housing debt was only £14,000,000 – so this transaction was on a scale not seen before in terms of both value and complexity.

The Council had appointed treasury management advisors (Arlingclose) to help with determining the repayment profile, the number of loans, the source of loans and how existing and new debts should be treated.

With Arlingclose, the key issues supporting the HRA Reform transaction had been reviewed. These included:-

- The level of new borrowing;
- The timing of taking on the new borrowing;
- The source of new borrowing; and
- The repayment profile of new borrowing.

Submitted for the information of the Executive detailed information in respect of each of these issues.

The total expenditure to improve and maintain stock and related assets over 30 years was currently forecast at £185,100,000. This equated to £30,770 per dwelling over 30 years.

Within the business plan capital requirements had been set out in five year bands for the next 30 years with year one capital expenditure in the business plan reflecting the 2011/2012 capital programme. The profile in the business plan indicated a requirement for an increase in the capital programme from current levels in years two - five. A capital programme of £5,500,000 in year two, represented a £1,200,000 increase in the current programme.

Further reported that this matter had been considered by the Community Scrutiny Committee on the 8 November 2011. Although the Committee had agreed the draft recommendations within the report, two particular amendments had been suggested for consideration by the Executive. With regard to the inclusion of the words “subject to an annual review” in Recommendation 6, it was reported that as the business plan was due to run for a 30 year period, it would be subject to regular reviews in any event and therefore there was no need to include the suggested words.

The report contained the following draft recommendations which were presented to give an indication of the final version, to seek feedback and comment and to ensure the direction of travel of the business plan and emerging debt management arrangements were consistent with Members’ expectations:-

Recommendation 1 – Agree the new four strategic objectives for Housing Services.

Recommendation 2 – That the business plan reflected the Council’s current rent policy and assumed rent convergence by 2015/2016 and RPI +0.5% increases thereafter.

Recommendation 3 - That the Council would explore the use of proposed new “Affordable Rents” in developing its plans for affordable housing.

Recommendation 4 – That the Council would review the use of probationary or introductory tenancies in the next 12 months to consider the advantages and disadvantages to Taunton Deane Borough Council.

Recommendation 5 - That the Council welcomed the potential introduction of fixed term tenancies and over the next 12 months would explore how they might be used by Taunton Deane Borough Council to better manage our housing stock.

Recommendation 6:

- That Taunton Deane was prepared to take on new borrowing in March 2012 to the “settlement” level published by Government.

- That the new borrowing be taken in line with the timetable for the implementation of Housing Revenue Account Reforms.

- Agree that the source of borrowing for all the funds necessary to pay the Department of Communities and Local Government on 28 March 2012 regarding self-financing be the Public Works Loan Board.

- That the loan structure be such that the borrowing was paid off as soon as the business plan allowed.

- That any surpluses generated by the Housing Revenue Account be used to pay off debt early, providing the Housing Revenue Account with flexibility and headroom to pursue new priorities.

Recommendation 7 - It was proposed that the Housing Revenue Account Business Plan would be subject to an annual review involving Member scrutiny and agreement as part of the budget setting timetable each year.

Noted that these recommendations were to be approved in the New Year, once full settlement figures had been confirmed by the Government and the business plan had been updated accordingly.

Resolved that the contents of the draft Housing Revenue Account Business Plan 2012-2042 and the seven recommendations set out above, be supported.

(Councillor Mrs Stock-Williams, as a trustee of the Citizens Advice Bureau, declared a prejudicial interest in the item covered by Minute No. 119 below and left the meeting during its consideration.)

119. Taunton Deane Borough Council's Voluntary and Community Sector Spending Review

Considered report previously circulated, which set out to review the Council's Voluntary and Community Sector (VCS) spending.

Taunton Deane Borough Council provided financial support to a wide range of VCS organisations that helped deliver the Council's Corporate Priorities consistent with community needs. A total of approximately £615,000 had been awarded to the VCS in 2011/2012 through four main service areas:-

- Strategy Unit;
- Community Development Unit;
- Economic Development Unit; and
- Housing.

However, it was the VCS funding that originated from the Strategy Unit which was currently under review against the background of:-

- the Comprehensive Spending Review, Big Society and Localism;
- Communities and Local Government – Best Value Duty; and
- The Somerset Compact.

The Strategy Unit had awarded approximately £842,000 to the VCS since April 2007 and the annual budget had increased from £157,000 (2006/2007) to £235,000 (2011/2012).

A summary of currently funded VCS organisations and how their services linked to the Council's Corporate Aims was submitted for the information of Members.

The Strategy Unit VCS annual budget was currently awarded through a mix of Service Level Agreements (SLA) and VCS grants - awards of 'small grants' to a maximum of £5,000.

From the overall budget, £180,000 was awarded through SLA arrangements to fund eight VCS organisations. All SLA agreements were due to expire on 31 March 2012, with the exception of those for the North Taunton Partnership and the Link Partnership which were due to expire on 31 March 2013.

The annual allowance for small grants during the current financial year was approximately £20,000. This budget had (so far) been used to fund four VCS organisations.

Applications for funding could be made on an ad hoc basis throughout the financial year to carry out projects that were aligned with the Council's Corporate Priorities. Proposals were considered by the Executive Councillor responsible for Community Leadership and decisions were advertised in the Weekly Bulletin.

Of the remaining budget, £25,000 was currently allocated to the Youth Initiatives Fund and £10,000 was identified to support the Priority Areas Strategy.

Reported that as part of the Budget Review Programme and "Year 1 Savings Plans" a proposal to reduce the Strategy Unit VCS budget by £30,000 (12.8%) in 2012/13 had been made. This would only affect the Strategy Unit VCS budgets and that the reduction on overall spend on VCS spend would be around 4.9%.

The following five options had been considered to meet the proposed reduction:-

Option 1	Cease providing small grants, saving £20,000 and reduce all SLA's by a small proportion with the exception of North Taunton Partnership and the Link Partnership which already had a SLA in place to cover the financial year 2012/2013.
Option 2	Cease providing small grants, saving £20,000 and remove the Priority Areas Strategy (PAS) contribution of £10,000.
Option 3	Cease PAS contribution of £10,000 and reduce small grants fund by £10,000 and make small proportionate cuts to all existing SLAs amounting to a total of £10,000. Roll forward existing SLA arrangements to 31 March 2013.
Option 4	Cut Youth Initiatives Fund by £10,000 or less plus variation of the above (Options 1,2 or 3)

Option 5	Reduce or remove a combination of the following SLAs:- • Accessible Transport (currently £10,000 pa) • Citizens Advice Bureau (currently £91,500 pa) • Community Council for Somerset (currently £6,000 pa) • Somerset Association of Local Councils (currently £1,000 pa) • Taunton Voluntary Action (currently £26,500 pa) • Wiveliscombe Area Partnership including Wivey Link (currently £35,000 pa)

Reported that Option 3 was the preferred option which would allow currently funded organisations to be awarded slightly reduced funding rather than complete and sudden withdrawal of funding. It also retained some funding for small grants to enable the Council to support small 'ad hoc' projects within the VCS that were aligned with our Corporate Priorities (subject to the existing bidding / scrutiny process).

This option complied with the County/National Compact. Organisations would be given three months notice of any reduction in funding.

By 31 March 2013, all SLA arrangements would have expired. This presented an opportunity to reconsider our support for the VCS in a strategic manner consistent with the Council's Corporate Priorities. The Corporate Strategy was due to be reviewed during Spring 2012 providing a good opportunity to reassess our requirements from VCS grant recipients.

A review of Taunton Deane's support to the VCS (across all service areas) had recently been undertaken. The findings of the review highlighted that whilst the Council had developed good working relations with the VCS, the current practice did not always follow the guidance set in the Somerset Compact or necessarily provide value for money. A summary of the main findings of the review were reported.

To deal with these issues, it was recommended that a grants / commissioning panel (comprising a mix of relevant Members and officers) be established during Spring 2012 to administer and monitor financial support to the VCS from across the Council.

It was proposed that the aims of the proposed Grants Panel should be:-

- To introduce a single, transparent and efficient way of allocating grant aid across the Authority;
- To reduce the cost of administration in processing applications;
- To align application and award processes across the authority;
- To treat all VCS organisations fairly and equally; and
- To ensure value for money.

Noted that there was a small risk that the process might favour current grant recipients and thereby not distribute funding to new and innovative organisations. However, it was intended to proceed with this option whilst encouraging a wide range of bidders following an effective marketing campaign.

This grant awarding process was recognised as Best Practice by the Policy Commission and fully complied with the County/National Compact and incorporated all Policy Commission recommendations. This process was understood and accepted by local VCS organisations.

Although a reduction in funding was being proposed, the Council was actively exploring mitigation measures. Initially this would involve consultation with affected organisations and helping organisations to identify alternative funding / support where possible. In addition, the Council could offer the following:-

- The continued provision of Grantfinder and GrantNet on the Council web-site for the next year to support organisations and individuals identify and apply for alternative funding.

- Taunton Deane, working with Somerset County Council and Mendip District Council, had recently achieved Capital Asset Pathfinder status. This was a Government led initiative that sought to make best use of public assets. All public sector assets had been mapped across Taunton Deane in an attempt to maximise the efficiency and effectiveness of this resource. The Council was committed to mapping VCS assets too and including them in dialogue regarding asset management to deliver both improved service delivery and savings.

- In addition, the Taunton Deane Partnership was committed to coordinating bidding activity amongst partners where this was consistent with the priorities of the partnership. The Community Council and Taunton Voluntary Action were currently in the process of re-establishing a ‘funding network’ that would help. The Council would help with supporting relevant bids.

Reported that this matter had been considered by the Community Scrutiny Committee at its meeting held on 6 December 2011. Although generally supportive of the proposals contained in the report, the Members specifically requested that, once they had been formulated, the details of the membership of, and the governance arrangements for, the suggested Grants Panel should be submitted to the Community Scrutiny Committee for consideration.

Resolved that:-

(1) With regard to the Strategy Unit, that Option 3 be supported as the way in which to deal with reductions to the Voluntary and Community Sector Budget during 2012/1013 by ceasing the £10,000 contribution to the Priority Areas Strategy; reducing the small grants budget by £10,000 and making proportionate cuts to the remaining Service Level Agreements;

(2) Members be requested to provide a steer as to which of the existing Service Level Agreements should be excluded from the proportionate reductions, if any;

(3) The establishment of a Grants Panel during Spring 2012, to consider the distribution of future funding (from across the Council) to the Voluntary and Community Sector within new Service Level Agreement arrangements, be supported; and

(4) It be agreed that, once formulated, the details of the membership of, and the governance arrangements for, the suggested Grants Panel be submitted to the Community Scrutiny Committee for consideration.

120. 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 8.18 pm.)