

Taunton Deane Borough Council

At a meeting of Taunton Deane Borough Council held in the John Meikle Room, The Deane House, Belvedere Road, Taunton on 15 May 2013 at 7.50 pm.

Present The Mayor (Councillor Ms Lisgo)
The Deputy Mayor (Councillor D Durdan)
Councillors Mrs Allgrove, Mrs Baker, Beaven, Bishop, Bowrah, Cavill, Coles, Denington, Miss Durdan, Farbahi, Mrs Gaden, Gaines, Hayward, Mrs Herbert, C Hill, Mrs Hill, Horsley, Hunt, Miss James, R Lees, Mrs Lees, Meikle, Morrell, Nottrodt, Ms Palmer, Prior-Sankey, D Reed, Mrs Reed, Ross, Gill Slattery, T Slattery, Mrs Smith, P Smith, Mrs Stock-Williams, Stone, Mrs Warmington, Watson, A Wedderkopp, D Wedderkopp and Williams

1. Apologies

Councillors Mrs Adkins, Edwards, Mrs Floyd, A Govier, Mrs Govier, Tooze and Wren.

2. Declaration of Interests

Councillors Mrs Baker, Coles, Hunt, Prior-Sankey, A Wedderkopp and D Wedderkopp declared personal interests as Members of Somerset County Council. Councillor Coles also declared a personal interest as a holder of a Leisure Card issued by Tone Leisure. Councillors Mrs Hill declared a personal interest as an employee of Somerset County Council. Councillor T Slattery declared personal interests as an employee of Sedgemoor District Council and as a holder of a Leisure Card issued by Tone Leisure. Councillor Wren declared personal interests as an employee of Natural England and as Clerk to Milverton Parish Council. Councillors Hayward and Ross declared personal interests as the Council's representatives on the Somerset Waste Board. Councillor Ross also declared a personal interest as the alternate Director of Southwest One. Councillor Nottrodt declared a personal interest as a Director of Southwest One. Councillors D Durdan declared a prejudicial interest as a Tone Leisure Board representative. He left the meeting during the consideration of the recommendation relating to the proposed new swimming pool. Councillor Gill Slattery declared personal interests as a member of the Board of Governors at Somerset College and a Patron of the Supporters of Taunton Women's Aid. Councillor Farbahi declared a personal interest as a local owner of land in Taunton Deane. Councillor D Reed declared a personal interest as a Director of the Taunton Town Centre Company.

3. Recommendations to Council from the Executive

(i) Proposal to build a Swimming Pool at Blackbrook Pavilion Sports Centre, Blackbrook Way, Taunton

At its meeting immediately beforehand, the Executive had considered a report

detailing work which had been undertaken with Tone Leisure since September last year in relation to the options for future swimming pool provision in Taunton.

The Project Team had been working on the following project objectives:-

- A suitable renovation of the Station Road Pool to increase the life of the facility by 15–20 years;
- To produce a detailed Business Case for the provision of a new Swimming Pool Facility at the agreed site of Blackbrook with the decommissioning of St James Street Pool - including how this could be funded and procured; and
- Optimisation of swimming activities for the community now and in the future.

As far as the Station Road Pool was concerned, an application to Sport England had recently resulted in £497,802 being awarded to the Council towards the refurbishment of the pool. Added to the £770,000 from unallocated capital receipts the Council had allocated to the project, the scope of the refurbishment would consist of:-

- Pool Side;
- Changing Facilities;
- Reception; and
- Pool Plant Equipment.

Work had already begun on the detailed design and procurement with an anticipated start time of October/November 2013.

One of the criteria that the application to Sport England had to meet was an increase in participation figures. This included the whole Pools Project scheme involving the closure of St James Street and the opening of a new pool.

If the new swimming pool was not advanced then swimming participation figures would be lower than those currently. Sport England had indicated that they would need to work closely with the Council to manage this and, there was a small risk that Sport England might claim some of its funding back.

In order for the St James Street Pool to remain operational and meet modern day standards a significant amount of spend would be required to rebuild the pool/building. In economic terms, trying to modernise this pool did not make sense.

Now that the detailed Business Case work had been completed there were three questions for Councillors to consider:-

- Based on the findings, did the Council wish to proceed with the build of a

new swimming pool?

- Did the Council wish to support the Business Case with an extra income generating activity of a Spa?
- Was the chosen option affordable and would the Council agree to the finance option?

The production of the Business Case had been a detailed and complex process and had been modelled on four options to provide a detailed evaluation. These options were as follows:-

4a	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and no new pool at the Blackbrook site.
4b	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and a boom to create a teaching pool (additional cost £200,000) to be included and no new pool at the Blackbrook site.
5	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and a new pool at Blackbrook site.
6	Closure of St James Street Pool leaving Station Road Pool (including the £1,270,000 refurbishment) and a new pool and Spa facility at the Blackbrook site.

The options had been modelled covering capital costs, operating income and expenditure, building life cycle costs and the potential loss of income claims for Station Road and St James Street.

The costed design for a potential pool would provide a facility that met modern day standards operationally and would provide a greatly enhanced customer experience.

The capital cost for a new pool at Blackbrook was estimated at £4,400,000 which compared well with the data base held by Sport England.

There was also an opportunity to support the Business Case further with an income generating facility - a Spa. The total Capital Cost including a Spa was estimated at £5,400,000.

The current proposal would not increase the amount of available water space. If a new pool was not built and St James Street was decommissioned this would leave the Council with one pool to service the Taunton community.

Presently St James Street Pool accommodated all of the swimming lessons and club sessions. If these were transferred to Station Road Pool, there would be a significant impact on the available public swimming for members of the public.

The design of a new swimming pool at Blackbrook would provide a wide range of facilities including a 25m x 6 lane swimming pool; 25 pool side

spectator seats; a 8m x 12m learner pool; a changing village; and a café/kitchen.

The Project Team had commissioned independent research of current users and the wider community to gauge attitudes towards a Spa proposal. The key findings could be summarised as follows:-

Non user/Community

- Blackbrook Pavilion was the leisure facility with the widest awareness in the community;
- 47% would very likely use a Spa; and
- Most popular choices of Spa facilities people would like to see were heat treatment, steam rooms, hydro therapy pool and treatment rooms.

Existing Users

- 46% would very likely use a Spa;
- 56% would definitely use a Spa at Blackbrook; and
- Most popular choices of Spa facilities people would like to see were heat treatment, steam rooms, hydro therapy pool and treatment rooms.

A range of funding mechanisms had been considered by the Project Team, including potential access to external finance through delivery by a developer, to a more traditional use of the Council's own capital resources and prudential borrowing.

The funding options were closely linked to the Procurement Strategy and the Business Case had therefore been prepared on the basis of using a combination of revenue resources (Earmarked Reserves and General Reserves), capital receipts, and prudential borrowing.

The Business Case assumed that the Council would be able to recover the Value Added Tax (VAT) costs on the capital investment. This was based on the lease of the buildings to the operator at a peppercorn rate with no consideration value (cash or non-cash) received in return.

However, consideration had also been given to the potential risks around VAT partial exemption, and specialist advice had very recently been obtained in respect of the lease of the Blackbrook Pavilion Sports Centre and the potential new pool / spa.

The advice had concluded that there were potential VAT risks that could be material to the affordability of the project, and it had therefore been recommended that a submission to Her Majesty's Revenues and Customs was developed confirming the Council's assessment of the nature of the transactions.

This was a major capital project for the Council and as such would require adequate resource in terms of capacity and skill level to ensure it was delivered safely. It was proposed that a Project Team working in partnership with Tone Leisure should be formed and that external expertise was obtained.

The first stage of the project would be to prepare to procure. It was proposed that external expertise from a leisure consultant was utilised to support the Council in the preparation of options and proposals to develop a clear brief to prepare a detailed design, to assist the procurement and contract works and by working alongside the Council and Tone Leisure complementing the capacity and capability that the Project Team would bring to the project.

The proposed resources for the next stages of the project were as follows:-

Role	Who	Cost (Est) £
TDBC Lead	Alison North, Community Leisure Manager	
Finance	Paul Fitzgerald, SWOne Finance	
Procurement	SWOne Procurement	
Legal	External expertise, Leonie Cowen and VAT Advice from LAVAT	100,000
Operator Lead	Tone Leisure	
Leisure Procurement Advice	External Leisure consultancy expertise	50,000
Contingency		50,000
TOTAL		200,000

It was recommended that this cost should be funded from the Leisure Asset Maintenance earmarked reserve.

When this issue was considered by the Corporate Scrutiny Committee at its meeting on 25 April 2013, the Committee's recommendations were that:-

- All were in favour of the proposal to build a new swimming pool at Blackbrook;
- Members were against the proposal to build a Spa; and
- £200,000 should be taken from the Leisure Asset Maintenance Reserve to pay for the 'next steps' set out in the table above.

The Executive was of the view that the replacement of the pool at St James Street was essential and that the construction of a new swimming pool at the Blackbrook Pavilion Sports Centre should be supported.

The Executive was also of the view that the opportunity should be taken to provide a Spa facility in conjunction with the new pool which was likely to prove very popular and would provide a further income generating facility.

On the motion of Councillor Mrs Herbert, it was

Resolved that:-

- (1) Option 5 - Closure of St James Street Pool to leave the Station Road Pool (including the £1,270,000 refurbishment) and the provision of a new pool

at the Blackbrook Pavilion Sports Centre, Blackbrook Way, Taunton, be supported;

- (2) A Spa facility be also provided in conjunction with the new swimming pool;
- (3) A Supplementary Estimate of £5,353,000 be approved in the General Fund Capital Programme, for the capital costs involved, with related approval to allocate £1,500,000 from the Growth and Regeneration Reserve and £1,500,000 from General Reserves towards the funding of the capital costs, with the balance to be funded through borrowing;
- (4) £200,000 from the Leisure Asset Maintenance Reserve be approved to take the project forward to the next stage; and
- (5) Officers be requested to prepare a submission to Her Majesty's Revenues and Customs (HMRC) to confirm the VAT position of the project. In the event that estimated costs of the project were increased as a result of advice from HMRC, the Business Case be updated and resubmitted to Members for consideration, prior to commencement of any procurement for capital works.

(ii) Asset Strategy Project Funding

Central Government had provided a clear direction to local authorities to make better use of property assets in order to minimise Council Tax increases and protect services.

In January 2013, the Executive formally adopted a new Asset Management Plan (AMP) subject to a more detailed and strategic review of Taunton Deane's approach to asset management being undertaken following the agreement of the Corporate Business Plan.

The Business Plan recognised that to achieve this objective the Council needed to bring in specialist external expertise to help develop a new Asset Strategy.

The objective of the review would be to develop a new Asset Strategy, which maximised the return from assets and which provided a clear decision making framework for future property asset decisions.

Specifically the new Asset Management Strategy and decision making framework would:-

- i) Ensure the Council made best use of its property assets to deliver the Corporate Objectives and to help deliver financial sustainability;
- ii) Clearly articulated the balance between financial return and wider objectives;
- iii) Clearly reflected the Council's appetite for risk and reward; and
- iv) Provided a clear framework for future decisions about acquisitions and disposals, with appropriate levels of delegations regarding decisions.

Once the external expert was appointed, the strategy development work would commence. It was anticipated that between 20 and 30 days of external consultancy would be required at a potential cost of £40,000, although efforts would be made to minimise the cost involved.

A draft strategy and decision making framework would then be brought to Members through the normal Scrutiny, Executive and Full Council process for agreement. The draft strategy and decision making framework would include details of the impact on our current property portfolio if it was adopted.

It was hoped the new Asset Strategy would be ready for adoption in October 2013.

When developed and agreed, the new Asset Strategy and decision making framework would be applied to existing and future non-housing assets by the Property Service.

On the motion of Councillor Cavill, it was

Resolved that:-

- (1) £40,000 be allocated from the General Fund Reserve to fund the procurement of external expertise to enable a new Asset Strategy to be developed; and
- (2) It be noted that costs would be minimised wherever possible and any under spend would be returned to the General Fund Reserve.

(iii) Introduction of the Community Infrastructure Levy in Taunton Deane – Declaration under Section 212(4) of the Planning Act 2008

When the Council submitted its Community Infrastructure Levy (CIL) Draft Charging Schedule for Examination it had to be accompanied by a Declaration that:-

- (a) It had complied with the requirements of Section 212(4) of the Planning Act 2008 and CIL Regulations (including the requirements to have regard to the matters listed in Sections 211(2) and (4));
- (b) The charging authority had used appropriate available evidence to inform the draft Charging Schedule, and
- (c) It dealt with any other matters prescribed by CIL Regulations.

This Declaration is set out in full in the attached Appendix to these minutes.

On the motion of Councillor Williams, it was

Resolved that the Declaration under Section 212(4) of the Planning Act 2008 be approved.

(iv) Council Accommodation and Customer Access Project – Project Mandate

One of the recommendations contained in the report considered by the Executive last year in connection with The Deane House Accommodation Project was to look comprehensively at the Council's future accommodation needs in the light of the priorities identified in the Corporate Business Plan (CBP).

A mandate to undertake this review, which would also need to take into account access to services, was now required.

The latest Customer Access Strategy was approved in 2005 as part of the Southwest One project. This needed to be revisited and updated in the light of both social and technological changes and the Council's changing role.

Other Councils were very much in the same position and were, or had, re-considered their approach to accommodation (with a view to reducing their overheads) and their customer access. In Somerset there were several Councils, including the County Council, who had implemented "smart office" standards to release space which could then be let out to other organisations.

In the current economic climate it was important for the Council to consider its overhead costs and seek to reduce these. The recent report about the opportunity to share The Deane House with the Police had shown that the investment required to bring the building up to modern day standards outweighed the financial return that the Council was likely to receive from rental income sharing with only one other organisation.

However, some of this investment would be required for any option that retained The Deane House as an office base. As such, it was proposed to commission a full condition survey of The Deane House as part of this project so that the true costs of continuing within this building were fully understood.

It was appropriate that the Council considered all the options available to it for the future. The scope of the project would therefore include:-

- To remain as sole / key occupier at The Deane House;
- To review the business case for making changes to The Deane House in order to make it fit for purpose for sharing with other partners;
- Joining a public sector hub at another location;
- Moving as sole occupier to another location;
- Dispersing the Council to a number of locations within the community; and
- To review all customer access channels: web, physical premises, telephone, social media;

All of these would have an impact on the communities the Council served and each would need to be assessed as to this impact.

The fundamental outputs from this project had to be a Business Case to provide:-

- (1) flexible office accommodation for staff and Members which reduced our overhead costs; and
- (2) customer access to Taunton Deane services that was cost effective for the Council and best met the future needs of its customers.

It was important for the Council to undertake this work in the near future to ensure that:-

- The Council had customer access that was fit for purpose;
- To drive down costs;
- To make the most of the Council's resources;
- To enable decisions on investment priorities; and
- To ensure that any opportunities to share overheads were not missed.

The project would require project management resource above the day to day work of the Council plus funding to employ external expertise in the areas of property advice and updating the way Taunton Deane worked and the Council's interaction with customers, including new technologies.

Such funding – estimated in the region of £70,000 – would pay for the external expertise as well as a Project Manager to work part time for up to a nine month period plus some dedicated administrative support. Any monies not used would be returned to the General Fund at the end of the project.

This topic was discussed at the meeting of the Community Scrutiny Committee on 2 April 2013. Although the recommendations were supported, concerns were raised on the following issues:-

- Consideration should be given to ensuring the Council continued to serve those who did not wish or were unable to use self help mechanisms;
- That the true value of the Council's assets was established; and
- That Members were involved with the project and that the Portfolio Holders for Asset Management were included in the governance arrangements.

Moved by Councillor Horsley, seconded by Councillor Coles that the proposed recommendations be replaced with the following:-

“That £30,000 be allocated from General Fund Reserves to fund the cost of preparation of a scheme to ensure that a sound Business Case was made for the sale of The Deane House site and the transfer of its office requirements to existing offices within Taunton according to the five points set out in the preamble to the amendment; and

Such a scheme would take account of the recognised need for taxpayers, tenants and other users of Taunton Deane's services to have good customer access and could well lead to a separate site from the rest of the accommodation.”

The amendment was put and was lost.

On the motion of Councillor Mrs Stock-Williams, it was

Resolved that:-

- (1) The Council's Accommodation and Customer Access Project was mandated; and
- (2) £70,000 be allocated from General Fund Reserves to fund the costs of the project, recognising that costs would be minimised wherever possible and any under spend returned to the General Fund.

(The meeting ended at 9.14 p.m.)

Appendix

Compliance with the Requirements of the Planning Act 2008	
Section 211	<p>In preparing the Draft Charging Schedule Taunton Deane Borough Council has had regard to the actual and expected costs of infrastructure; the economic viability of development; other actual or expected sources of funding for infrastructure; the actual or expected administrative expenses in connection with CIL; and the Statutory Guidance.</p> <p>Taunton Deane Borough Council has consulted a range of stakeholders in preparing the Draft Charging Schedule, with consultations taking place as follows:</p> <p>Preliminary Draft Charging Schedule: 29 June 2012 to 27 July 2012</p> <p>Draft Charging Schedule: 1 February 2013 to 15 March 2013</p>
Section 212	<p>Taunton Deane Borough Council has appointed the Planning Inspectorate to examine the Draft Charging Schedule, as an appropriate independent body that has suitable qualifications and experience for the task. All persons who have submitted representations about the Draft Charging Schedule have been given the opportunity to be heard by the Examiner.</p>
Section 212	<p>The following appropriate, available evidence has informed the Draft Charging Schedule:</p> <p>Taunton Deane Borough Council Infrastructure Delivery Plan June 2011</p> <p>Taunton Deane Borough Council Community Infrastructure Levy Viability Appraisal May 2012</p> <p>PDCS Summary of Consultation Responses January 2013</p> <p>Taunton Deane Core Strategy September 2012</p>
Regulation No.	Compliance with the Community Infrastructure Levy Regulations, 2010 as amended by the CIL Regulations 2011
12	<p>The Draft Charging Schedule contains the information required by the Regulations, namely (a) the name of the charging authority; (b) the rates (in pounds per square metre) at which CIL is to be chargeable in the authority's area; (c) the location and boundaries of the zones for differential rates, on an Ordnance Survey base showing grid lines and references; and (d) an explanation of how the chargeable amount will be calculated.</p>
13	<p>Taunton Deane Borough Council's differential Levy rates are compliant with Regulation 13, which enables charging authorities to set differential rates (including nil rates) by location and type of development.</p>

14	<p>In setting its differential Levy rates, Taunton Deane Borough Council has complied with Regulation 14(1), which requires that it ‘...must aim to strike what appears to the charging authority to be an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.’</p>
15	<p>A Preliminary Draft Charging Schedule was approved on 20 June 2012 and published on 29 June, together with the accompanying evidence base. Consultation occurred in accordance with the Regulations over the period from 29 June 2012 to 27 July 2012 with the prescribed consultation bodies. Comments were also invited from residents, businesses and voluntary bodies, including:-</p> <p>All parties on the LDF consultation database; The public – a press release was issued, a press advertisement published and a copy of the Preliminary Draft (and supporting documents) was made available at the Borough Council’s offices and on the Council’s website.</p> <p>25 responses were received on the Preliminary Draft Charging Schedule (PDCS). These informed the preparation of the Draft Charging Schedule, and were reported to Taunton Deane Borough Council’s Executive on 16 January 2013. Full details are contained in the CIL PDCS Consultation Responses, available on the Council’s website.</p>
16	<p>In accordance with the Regulations, the Draft Charging Schedule was published, together with relevant evidence and Representations Procedure on the Council’s website on 1 February 2013. The webpage stated that the documents could be inspected at The Deane House, Belvedere Road, Taunton. Copies were sent to each of the prescribed consultation bodies.</p> <p>In addition, all previous respondents on the Preliminary Draft Charging Schedule and consultees on the LDF Consultation database were notified of the publication of the Draft Charging Schedule.</p> <p>A local advertisement notice was placed in the Somerset County Gazette and the Wellington Weekly News.</p> <p>25 representations on the Draft Charging Schedule were received.</p> <p>All those making representations will be informed of each subsequent stage in the examination and adoption process, including submission, publication of the Examiner’s report and approval of the charging schedule by the charging authority.</p>

17	The period for representations on the Draft Charging Schedule was 1 February to 15 March 2013.
19	<p>Taunton Deane Borough Council will submit this Declaration and the following to the examiner in accordance with the Regulations: (a) the Draft Charging Schedule; (b) a summary of the main issues raised by the representations; (c) copies of the representations; (d) any modifications; (e) copies of the relevant evidence.</p> <p>Copies of the above documents will be made available at the Council's offices as required by the Regulations. All documents will be available on the Council's website and a statement of the fact that the documents are available for inspection and where they can be inspected will be published.</p> <p>Any modifications to the Draft Charging Schedule will be published on the Council's website and notified to all prescribed consultation bodies as required by the Regulations.</p>