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 12 July 2016 at 6.30 p.m.

Present The Mayor (Councillor Mrs Stock-Williams)
The Deputy Mayor (Councillor Prior-Sankey)
Councillors Mrs Adkins, M Adkins, Aldridge, Beale, Berry, Mrs Blatchford, Brown, Cavill, Coles, Coombes, Davies, D Durdan, Miss Durdan, Edwards, Farbahi, Gaines, Govier, Mrs Gunner, Habgood, Hall, Mrs Herbert, Mrs Hill, Horsley, Hunt, James, R Lees, Ms Lisgo, Martin-Scott, Morrell, Nicholls, Parrish, Mrs Reed, Ross, Ryan, Miss Smith, Mrs Smith, Stone, Sully, Townsend, Mrs Tucker, Mrs Warmington, Watson, Ms Webber, Williams and Wren

Mrs A Elder – Chairman of the Standards Advisory Committee

1. **Mayor's Cadet**

The Mayor introduced Lance Corporal Paul Bowler to the Council who had recently been appointed 'Mayor's Cadet'.

2. **Minutes**

(a) The minutes of the meeting of Taunton Deane Borough Council held on 12 April 2016, copies having been sent to each Member, were signed by the Mayor subject to the resolution of Minute No. 7 being amended to read as follows:-

"**Resolved** that it be agreed to endorse:-

(1) The additional text clarifying the current Regulation 123 infrastructure list;

(2) The proposed draft Payment in Kind Policy;

(3) The proposed draft CIL Charitable Relief Policy;

(4) The proposed draft CIL Exceptional Circumstances Relief Policy; and

(5) That the Taunton Unparished Area Advisory Panel be consulted in respect of the allocation / spending of the CIL Meaningful Proportion Payments (derived from the Payment in Kind Policy) passed to the Unparished Area following the approval of developments within Taunton."

(b) The minutes of the Annual Meeting of the Council held on 12 May 2016, copies having been sent to each Member, were signed by the Mayor.

3. **Apologies**

Councillors Bowrah, Mrs Edwards, C Hill and Wedderkopp.

4. **Declaration of Interests**

Councillors M Adkins, Coles, Govier, Prior-Sankey and Wedderkopp declared personal interests as Members of Somerset County Council. Councillor Mrs Herbert declared a personal interest as an employee of the Department of Work and Pensions. Councillor Wren declared a personal interest as the Clerk to Milverton Parish Council. Councillors Stone and D Durdan declared prejudicial interests as Tone Leisure Board representatives. Councillor Ms Lisgo declared a personal interest as a Director of Tone FM. Councillor Edwards declared a personal interest as the Chairman of Governors of Queens College. Councillor Farbahi declared a personal interest as the owner of land in Taunton Deane. Councillor Hall declared a personal interest as a Director of Southwest One. Councillor Parrish declared a personal interest as the District Councils' representative on the Somerset Pensions Committee. Councillor Mrs Hill declared personal interests as a representative on the Board of Directors of Apple FM and as a Trustee of both Hestercombe House and Gardens and the Somerset Building Preservation Trust. Councillor Federica Smith declared a personal interest as Chairperson of Refugee Aid from Taunton.

5. **Public Question Time**

Mr Alan Debenham asked whether there was any chance of extending the opening hours of the Priorswood Household Waste Recycling Centre in Taunton beyond 4 p.m. to 6 p.m. during the summer months?

Councillor Berry responded by stating that although there was a fine balance between costs and opening hours, he would arrange for this request to be seriously considered. He would respond to Mr Debenham in due course.

Mr Debenham went on to talk about the proposed devolution arrangements referred to in the agenda. He felt that devolution was a further step towards mergers and yet more public sector savings. In particular, he felt that an Elected Mayor to run a conglomeration of Local Authorities was wrong and hoped that this would be strongly resisted.

He went on to refer to potential problems with future Council funding especially when the Rate Support Grant and New Homes Bonus was phased out By the Government. This could only be mitigated by further austerity savings or by 'real' devolution where Councils could raise their own funding, for example via Business Rate retention, then deciding themselves how such funding should be spent.

In reply, Councillor Williams reported that the Government had confirmed that an Elected Mayor was not a pre-requisite to negotiating a devolution deal. Under this arrangement, funding provided by the Government would be prioritised by the Combined Authority to meet the cost of projects in the Heart of the South West Region. There were no plan to move any powers away from Local Councils to the Combined Authority.

Councillor Williams added that it would be excellent if Councils could raise its own funding. However, in terms of Business Rate retention there was little likelihood the Government would allow Councils to retain anywhere near 100% of Business Rates. If they did, the Councils current financial concerns would be considerably eased.

6. **Motion - Hate Crimes**

Moved by Councillor Mrs Warmington, seconded by Councillor Parrish.

"The recent open letter received from the Avon and Somerset Police and Crime Commissioner and the Chief Constable has been prepared in response to a reported increase in hate crime victimisation and racial or anti-immigrant abuse within the local area following the outcome of the European Union Referendum on 23 June 2016.

It is noted that the Police want those who are victims of hate crime to feel confident in the belief that their reports will be taken seriously and that the Police will provide protection and any support that is needed.

The Council is therefore asked to formally endorse the contents of the letter".

The Motion was put and was carried.

7. **Bishops Lydeard and Cothelstone Neighbourhood Development Plan - Formal adoption as a Development Plan Document for Taunton Deane Borough Council**

Considered report previously circulated, concerning the Bishops Lydeard and Cothelstone Neighbourhood Plan.

Through the introduction of the Localism Act, Neighbourhood Development Plans had been introduced into the Planning system. The intention was to give communities direct power to develop a shared vision for their neighbourhood and shape a locally distinctive development plan which reflected growth needs and priorities.

From inception, Taunton Deane Neighbourhood Plans were community led development plan documents with the Local Planning Authority providing advice and assistance, and taking regulatory decisions at key legislative stages set out in the Acts and Regulations.

A Neighbourhood Plan was required to be predominantly land-use based. It could not be contrary to National and Local Planning Policy, nor could it conflict with European Legislation. A Neighbourhood Plan could not restrict development but it could shape development that had been allocated through local Planning Policy and allocate land for development.

The Bishops Lydeard and Cothelstone Parish Council began the process of developing a Neighbourhood Plan in 2012 and an application was subsequently received to produce a Neighbourhood Plan and the designation of the Parish as a Neighbourhood Plan Area. As required by the Regulations, the application was published for statutory consultation.

Following this consultation exercise, Taunton Deane formally designated the entirety of the Parish of Bishops Lydeard and Cothelstone as a Neighbourhood Planning Area on 30 May 2013.

The Neighbourhood Plan was developed through an iterative process over two and a half years using quantitative and qualitative data. The Plan contained nine policies covering such areas as Housing for Older People and Families, Housing Design and Density, the Conversion of Existing Premises to Commercial Use, the Provision of Transport Infrastructure and Foot and Cycle Paths.

The Neighbourhood Plan process was also used to establish Parish Priorities for Community Infrastructure Receipts. However, as this was not purely a land-use matter, this appeared as an appendix in the draft Plan.

The Neighbourhood Plan and its supporting documents were submitted to the Council on 1 October 2015 and, in accordance with the regulations, it was subjected to regulatory consultation, also for a six week period. A total of ten representations were received during the period of consultation.

These representations were submitted to an Independent Examiner who was jointly appointed by Taunton Deane and the Parish Council, in accordance with the Regulations, to carry out an independent examination of the Neighbourhood Plan.

The Independent Examiner's report was received in January 2016 and stated that the Neighbourhood Plan was compliant and compatible, subject to a number of minor changes being incorporated.

These changes were accepted by the Portfolio Holder whose decision was reported through the Council's Weekly Bulletin on 4 February 2016.

Further reported that to comply with the Neighbourhood Planning (Referendum) Regulations and Neighbourhood Planning (Prescribed Dates) Regulations, the Neighbourhood Plan had to be subjected to a referendum. This took place on 5 May 2016. Those persons on the Electoral Register eligible to vote were asked whether they wanted Taunton Deane to use the Neighbourhood Plan for Bishops Lydeard and Cothelstone to help it decide planning applications in the neighbourhood area?

From the 2,336 electorate in the Neighbourhood Plan Area, 733 persons voted with 583 (79.54%) in favour.

Noted that the Planning Guidance stated that as soon as it was reasonably practical following a referendum, the Council - as the Local Planning Authority – was required to decide whether the Neighbourhood Plan should be adopted.

Resolved that the Bishops Lydeard and Cothelstone Neighbourhood Plan be formally adopted ("made") as a Taunton Deane Borough Council

Development Plan Document, and used in the planning application decision making process for the Bishops Lydeard and Cothelstone Parish area.

8. **Heart of the South West Formal Devolution Bid**

Considered report previously circulated, which sought approval to sign up 'in principle' to the pursuit of a Devolution Deal and the creation of a Combined Authority for the Heart of the South West (HotSW) sub-region to administer the powers and funding devolved through the Deal.

Devolution for the HotSW was being led by the Leaders of Somerset and Devon County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks, the Local Enterprise Partnership and the three Clinical Commissioning Groups. The group had become an 'informal partnership' working towards a Devolution Deal to secure greater powers and control and to have a stronger voice with the Government.

A shared Devolution Statement of Intent had been submitted to the Government on 4 September 2015. Since then, the partnership had strengthened and evolved, and jointly developed the HotSW Prospectus for Prosperity which built on the three basic ambitions:-

- To raise productivity levels;
- Improve health, care and wellbeing; and
- Improve connectivity and resilience.

The Prospectus for Prosperity had been submitted to the Government at the end of February 2016 and, following the receipt of an invitation, the Leaders from the upper tier authorities had met with the Secretary of State for the Department of Communities and Local Government to seek his views on the next steps forward towards a Devolution Deal.

Following the meeting, the Secretary of State had invited the partnership to come forward with a proposal and the following points were clarified:-

- **Geography** – That the Devon and Somerset area was the appropriate scale. The proposal would need to clearly demonstrate why this was the right geography for the Devolution Agreement and all Councils and Members of Parliament would be required to support the proposal.

- **Combined Authority** – That the partnership would move forward into the negotiation process based on a Combined Authority model. The Mayoral issue might be considered again at a later stage, within the timeline agreed by the partnership. A Mayor would not be imposed or be a pre-condition of any initial deal.

- **Extent of the Deal** – That areas that had agreed to have a Mayor would receive more powers than a non-Mayoral Combined Authority. However, the negotiation process would be an opportunity to push the limits of this initial Deal, and the process should therefore be viewed as being incremental.

- **Timeline** – That the partnership would still work towards an Autumn

  Statement timeline for the announcement of an initial Deal.

- **Growth Deal 3** – That the Local Enterprise Partnership (LEP) would not be penalised in Growth Deal 3 negotiations just because the area had decided to pursue a Devolution Deal based on a Combined Authority without a Mayor. The decision for allocation would be based purely on the quality of the Growth Deal bid.

The Secretary of State went on to advise that if the partnership, backed by each Council and Members of Parliament, signed up to the principle of creating a Combined Authority by the end of July 2016, he would arrange for HM Treasury to open up negotiations towards a Devolution Deal.

Any final Devolution Deal with the Government would be subject to further approval / ratification by all partners individually. A Heads of Terms document would be used as a negotiating tool to draw down additional powers and funding to provide a significant boost to the HotSW economy by creating new jobs, accelerating the delivery of new homes and raising skills levels.

Further reported that the following alternative options had been considered and had been rejected for the reasons given:-

1. To decline the Secretary of State's offer and continue at the current pace - As far as it was known, this might be the first two tier area to be given the opportunity to enter into negotiation with the Government for a Devolution Deal without committing to a directly elected Mayor. This was a prime opportunity to push the Government as far as possible for powers to be devolved to the HotSW; and

2. To make separate approaches to Government, rather than as a partnership - Since the submission of the Statement of Intent, the partnership had worked very effectively together to create a strong and credible Prospectus that had been acknowledged by the Secretary of State. It was considered that the partnership should remain united moving forward into negotiations to have a stronger voice and secure a better Deal.

The HotSW partnership had already committed to develop a Productivity Plan which would guide the powers and resources received in the Devolution Agreement, together with local contributions. This plan represented a refresh of the LEP's current Strategic Economic Plan (SEP).

Regardless of whether the Government agreed to open up negotiations for a Deal, the development of a Productivity Plan for the HotSW sub-region would be an imperative to describe the long term future growth of the area, in order to provide a better quality of life for our residents. Therefore, work would continue on the development of a sub-regional Productivity Plan irrespective of whether there is an announcement in the Chancellor's Autumn Statement.

The Productivity Plan would focus on each of the six 'golden opportunities' that had been identified in the Prospectus with detailed plans setting out the ambitions for the region and how these would be achieved.

Further reported that a Governance Review was already underway. This was examining existing structures and developing options for the best governance structure for the HotSW sub-region. As part of this review, the following key issues would be considered and all partners would be involved in this process:-

- The extent of the decision making powers to be vested in the Combined Authority;

- What decision making structures or advisory committees (including place-based arrangements) would be required under the Combined Authority – including any joint committee arrangements; and

- Proposed voting arrangements.

Noted that it was possible that one or more partners might choose not to proceed with a formal bid. Although this would be unfortunate, it would still be possible for a Devolution Deal to go ahead. There was significant discussion underway between partners to produce proposals that were acceptable to all, and this would be fully explored as the bid was developed.

Resolved that:-

(1) The Leader's current approach to devolution be endorsed and it be agreed to sign up to the principle of creating a Combined Authority for the Heart of the South West, as set out in the Prospectus for Productivity, as the basis for negotiation with the Government towards a Devolution Deal for the area;

(2) It be noted that giving this endorsement did not commit the Council to entering into a Devolution Deal or becoming a member of a Heart of the South West Combined Authority. This would be subject to future debate and agreement by the Council and subject to negotiations with the Government.

9. **Tone Leisure Merger with Greenwich Leisure Limited**

Considered report previously circulated, concerning the proposed merger of Tone Leisure (Tone) with Greenwich Leisure Limited (GLL).

Since July 2014 Tone had been in discussion with the United Kingdom's largest leisure charitable social enterprise, GLL, to explore the potential for Tone's responsibility for the provision of leisure services within Taunton Deane being merged.

It had been recognised by the Tone Board Trustees that a strategy needed to be identified, which would provide the organisation with the best chance of achieving sustainability and longevity as a service provider in the leisure sector. This had been triggered by the shifting market for Local Authority provision and the recognition that Tone was a small local trust and therefore disadvantaged in terms of competing successfully to win contracts.

The discussions with GLL had been undertaken in order to explore the potential for Tone to utilise the national expertise of GLL, their financial strength and skills whilst maintaining local networks and employees. By considering a merger rather than remaining as an owned subsidiary had enabled Tone to become the lead for the South West Region as GLL expanded on their regionalisation strategy.

If the Council chose to support the proposed merger, this could be achieved in one of two ways. The simplest approach would be for the assignment of the existing leases from Tone to GLL or the more complex approach which would involve Tone being converted into a community benefit society, which would then be formally transferred to GLL via the statutory transfer process. The recommended approach was the former.

In terms of service, GLL would continue to be required to provide the services in the same manner as Tone had to date, in full accordance with the current service agreement. Overall customers would see no change to the services which they enjoyed and they would benefit from the ability to use other GLL sites across the country if they held a membership.

Noted that GLL would only be able to continue with the provision of services on this basis until 2019, at which point the entire service would need to be subjected to a full formal procurement exercise. This would be for a different offering than was in place now.

Following the transfer to GLL, the annual grant management fee that was currently paid by the Council to Tone would be payable to GLL, but there would be no change to how this payment was administered, which was through quarterly instalments. The Council would continue to control the level of payment set at each budget.

Following transfer and absorption, it was proposed that GLL would operate via an Advisory Board, which would have the purpose of maintaining the connection of service delivery with the community through Councillor Representation.

The requirement within the current funding agreement, which stipulated that an annual Business Plan should be produced setting out the key areas of work for each forthcoming year would also remain in force, as would the requirement for a company representative to attend the Community Scrutiny Committee on a quarterly basis.

Tone staff would transfer via TUPE to GLL and new employees would have access to GLL’s current pension provision.

Members had been advised of the general nature of the current proposals in May 2015 in a briefing note, which also announced that Tone had become a wholly owned subsidiary in GLL's group structure with a view to further integration being progressed over time.

A further briefing was carried out as part of the Members Induction Programme last year and as part of the regular reports submitted by Tone to the Community Scrutiny Committee.

Overall, the merger would lead to a situation in which Council leisure services would be provided by a major operator with a significant position in the market, which it was argued would make leisure services within Taunton Deane more resilient to economic and financial pressures, whilst securing significant benefits in terms of access to capital, cash flow support and general risk management.

Resolved that:-

(1) The proposed merger between Tone Leisure and Greenwich Leisure Limited be approved; and

(2) In order to facilitate the transfer of leisure service provision from Tone Leisure to Greenwich Leisure Limited, that for the three years remaining of the current arrangements with Tone Leisure:-

- The assignment of relevant property leases from Tone Leisure to Greenwich Leisure Limited be agreed; and

- The transfer of the funding agreement from Tone Leisure to Greenwich Leisure Limited be also agreed.

10. **Housing Revenue Account Business Plan Review**

Considered report previously circulated, which provided an update on the progress of the review of the Housing Revenue Account (HRA) Business Plan.

The Business Plan contained the aims and objectives of the HRA, and included a financial model of the next 30 years. A number of largely external changes had meant that a full refresh of the Business Plan was necessary. The report therefore identified the changes and the impact of these changes.

The new Business Plan was more robust than previously with the inclusion of better quality data, in particular around the Council's assets. However, the financial margins were now much tighter with the plan relying on the delivery of savings, which would require the imposition of continuing management vigilance in order to maintain a viable Business Plan.

The Business Plan had brought everything together and had set out the aims and objectives of the HRA. The review had updated strategic objectives for the service, which were to provide quality homes, support the most vulnerable, provide a better service and build a stronger business.

The review had also detailed the way in which the HRA would work in the future, including setting out a new operating model that would allowed tenants, where appropriate, to move into additional services such as shared ownership. This model showed the way in which the HRA would support tenants into and through the Housing service.

Following consultations with Members, the Tenant Services Management Board, the Tenants Forum and all staff members in the Housing and Communities Directorate, the following conclusions had been established:-

- The HRA's Core Business should be social rented housing for the most vulnerable in our communities.
- The proposed new objectives for the HRA were appropriate.
- That much could be done to improve the customer experience of the Housing Service.
- Subject to continuing commitments with repairs and maintenance service standards, that it would be acceptable to prioritise new build projects over some maintenance expenditure.
- The priority for the tenants groups was not to allow standards in the Council's existing housing to fall.
- To make better use of current repairs and maintenance service in order to free up resources.
- There was an appetite for looking at housing products closer to the market in order to generate additional income on new build/regeneration schemes.
- The current revised debt repayment approach was acceptable based on treasury management advice and to achieve a viable Business Plan and protect services.

Due to a number of changes driven by both internal and external factors, which included a reduction in rent by 1% for four years, rental income by 2042 was likely to be reduced by 39%. Noted that there was likely to be a reduction in income of £185,000,000 over the next 30 years. This substantial impact on the financial position of the Business Plan had meant the Council had to consider some corrective action to mitigate these impacts within the updated Plan.

The new financial position and baseline assumptions of the HRA Business Plan included the following:-

- Right to Buy (RtB) – This had been updated to include 60 sales per annum for a three year period, followed by a reduction to 30 sales a year. This would result in a reduced number of dwellings in the Housing stock and reduced rental income.
- Pay to Stay – The introduction of this meant that tenant households of local authorities earning over £31,000 per annum must be charged a higher rent, depending on their income, up to market, or near market

rents.

- Welfare Reform – This included a provision for lower income for a period of three years due to an increase in bad debt. This would cover the roll out of Universal Credit in Taunton Deane.
- Maintenance – Inclusion of a slight increase to major works spend following the recent Stock Condition Survey as well as a reduction over five years to the day to day spend on maintenance.
- New Developments – Committing a budget over the full 30 years of £77,000,000, which equated to 15 units per year at an average rate of £130,000 per unit, rising with inflation.
- Disabled Facilities Grant – A budget reduction from £435,000 per annum to £300,000 per annum over a five year period.
- Capital Improvements - This once separate budget for Sustainable Energy had been 'mainstreamed' into the heating replacement programme and would now be included within the core capital programme. The Estate Improvements annual budget of up to £50,000 would be continued, which the Council had acknowledged was very important to tenants.
- Management Costs – This included efficiency savings of £253,000, which had been identified from management and service costs as well as a new permanent provision of £140,000 per annum was being included for schemes currently being covered with temporary funding.
- Debt – Where the Council's reserves allowed debt was being repaid, otherwise it would be refinanced. Also included were provisions for long term debt repayment to be spread over 60 years. This should result in the debt being reduced to less than £50,000,000 by year 30.

Further reported that the Business Plan faced a number of risks and uncertainties that were not currently quantifiable and so had not been included within the Business Plan finances. These included the introduction of Pay to Stay, selling off Higher Value Void Stock, the introduction of Local Housing Allowance Rates and the full roll out of Universal Credit replacing Housing Benefit.

The HRA had a well-established development programme and to ensure a continuing and deliverable programme, and the best use of the funding, a Development Strategy had been established which would allow opportunities for the development pipeline and other new challenges to be identified. A copy of the Development Strategy was attached as an appendix to the Business Plan for the information of Members.

The review had also identified some future drivers for the HRA priorities, which included dealing with the loss of housing stock through Right to Buy, the Council's investment priorities and dealing with non-traditional stock and poor performing stock as identified in the Asset Management Strategy.

Through the Asset Management Strategy, the Council had identified its objectives and principles in relation to active asset management and these included:-

- Objectives:-

    - Good quality homes and environmental standards;
    - Strengthening financial viability; and
    - Improving social sustainability.

- Principles:-

    - Using information on performance to target investment; and
    - The use of Options appraisals where performance was poor – prior to long term investment decisions.

This strategy had been developed so that decisions could be made in order to fund the contribution to Government, but also to start active asset management and stock churn. This was in order to make sure that the housing held was right for both the HRA and tenants.

This tool had been created to take all of the data and assess the Housing stock using this information. This did not indicate what stock should be sold but showed which groups should have an options appraisal. Following an appraisal, it was the Council's intention that decisions should be made regarding the disposal of vacant dwellings or related assets through an Executive Portfolio Holder decision in conjunction with the Director of Housing and Communities.

The financial position of the HRA Business Plan had changed considerably from a forecasted reserves balance of £156,000,000 at 2042 (year 30 of the existing Business Plan) to £18,000,000 at 2046 (year 30 of the new Business Plan). This was largely due to external changes such as the national rent policy, which had greatly reduced income expectations.

These changes meant that the HRA would not be able to continue the financing of the repayment of the current self-financing loans by year 2030 (year 18 of the Business Plan 2012) without a significant reduction in service quality.

The Council's Treasury Advisors had confirmed that the HRA would have a shortfall in cash when the loans were repaid. It would not therefore be beneficial to refinance the existing loans immediately and replace them with new longer term loans. Instead, it had been recommended to refinance the loans on maturity as and when needed, over the period required.

The current balance of HRA General Reserves was £2,686,000, which was £886,000 over the minimum recommended balance of £1,800,000. These forecasted deficits would reduce the HRA general reserves balance to £1,800,000 in 2018/2019. This meant that all of the available funding in general reserves (over the minimum balance) was needed over the next two years, and no further allocations would be possible.

As a result of the review, an Action Plan had been developed based on the HRA Business Plan's key priority areas of providing quality homes, supporting the most vulnerable, providing a better service and building a stronger business. This detailed the future action for each priority and the sponsor for that priority.

Resolved that:-

Business Plan:

(1) The Housing Revenue Account Business Plan 2016-2046 be approved;

Finance:

(2) The policy for voluntary revenue provision for the repayment of capital debt in the Housing Revenue Account be changed to be over the average life of Housing Revenue Account assets (estimated at 60 years);

Development Strategy:

(3) The new Housing Revenue Account Development Strategy be adopted;

(4) A supplementary estimate of £950,000 be added to the Housing Revenue Account Social Housing Development Fund capital programme in 2016/2017. This would bring the total development programme to £1,950,000 which represented the 15 units in the new Development Strategy to be delivered in 2017/2018. This would be funded through capital receipts and revenue funding in line with the Business Plan; and

Asset Strategy:

(5) The new Housing Revenue Account Asset Strategy be adopted.

11. **Recommendations to Council from the Executive**

(a) Delivery of Electronic Car Park Signage and Pay on Foot Systems to Key Car Parks

The Executive had recently considered the introduction of a proposed new approach to car park signage in Taunton.

This proposal had three key components which were:-

- A comprehensive signage package for Taunton incorporating electronic parking signage (VMS – Variable Message Signage) which would improve the flow of traffic to key car parks, create an early warning system for events and enable improved traffic flow management;

- Improvements to seven key car parks by the installation of pay on foot systems which would enable customers to pay on exit from car parks; and

- Connecting the electronic signage and the pay on foot systems together for key car parks together to create a comprehensive and informative way-finding system for motorists.

A comprehensive Signing Strategy had also been commissioned to examine how effective the existing signage package would be in serving the needs of Taunton. The strategy focussed on three significant component parts of the network which were mentioned in the Council's Corporate Strategy - the park and ride provision, car park signage and tourist (brown) signage. The proposals were a defined project within the Council`s growth programme which supported delivery of the Council`s Growth Agenda.

The broad benefits of this investment included:-

(1) A reduced time in finding a space. The signage would reduce unnecessary circulation to car parks and minimise queuing at car parks through influencing driver behaviour;

(2) Improving user experience as pay on foot would remove the time limitation created by pay and display car parks. The inference was that people would spend more money into the economy whilst shopping; and

(3) The installation of these systems had seen revenue rise in other towns generated by the car parks. This was in the order of 15-20% so would enable the Council to invest further in car park improvements.

The likely costs of implementing the electronic car park signage and pay on foot systems, were as follows:-

Capital Costs and Funding

The estimated capital costs are:-

	£
<u>Total costing</u> Variable Message Signage (VMS) Pay on Foot (POF) Fees, Contingency	 486,283 555,927 157,790
Total Capital Budget Requirement	**1,200,000**
Funded by	**£**
Approved in current 2016/2017 Capital Programme	400,000
Revenue Budget Contributions	450,000
From New Homes Bonus	350,000

Intrinsic to this Business Case were IT interface revenue costs of approximately £36,000 per annum. Approval was therefore sought to set aside these funds from the anticipated additional parking revenues generated annually to address this budget pressure.

Within the Business Case the projected replacement cost of the system had been factored in before arriving at the "Net Present Value" of the estimated cash flows over a 15 year period. In order to ensure the funds were available to fund this replacement, approval was sought to earmark sufficient funds from each year's parking income and to hold this in an earmarked reserve. The current projected cost would be £972,000 and the projected increase in forecast income of £300,000 per annum would be more than adequate to make this affordable.

This proposal clearly represented a significant investment for Taunton and was also one which was supported widely by the business community. The aim would be to complete delivery of this investment by the end of 2017.

On the motion of Councillor Habgood, it was

Resolved that:-

(i) An increase to the Major Transport Schemes Capital Budget of £800,000, from £400,000 to £1,200,000 be approved;

(ii) The earmarking of parking income to the value of approximately £36,000 per annum to fund the annual revenue expense of the IT interface, when these costs had been formalised through the procurement process, be approved; and

(iii) The setting aside on an annual basis an appropriate sum of approximately £70,000 from parking income to fund the replacement system in 15 years' time, which was currently estimated to be £972,000 in total, be also approved.

(b) Corporate Debt Policy

Consideration has been given to the Council's Corporate Debt Policy which had been adopted in 2012. In line with good practice, the policy had recently been reviewed to ensure it remained fit for purpose.

The Corporate Debt Policy covered the management of all debts owed to the Council. This included the billing/invoicing, collection, enforcement and write offs for the five income streams of Council Tax, Business Rates, Housing Rents, Housing Benefit Overpayments and all other debts (known as Sundry Debts).

It was essential that all monies owed to the Council were actively pursued. The Policy therefore reflected a range of measures to help customers pay sums due, therefore maximising the level of resources available to support service delivery.

The Policy followed the debt recovery principles of Proportionality, Consistency, Transparency, Offset and Appropriate Costs/Fees.

It had been noted that a small proportion of the Council's overall income might not be collectable due to matters outside its control. Where a debt was assessed to be irrecoverable it would be subject to a write off process that was in accordance with the Council's Financial Regulations.

A range of indicators had been developed to monitor performance against agreed targets and to ensure the Corporate Debt Policy achieved its objectives. These would continue to be included in the Council's performance reporting updates.

On the motion of Councillor Parrish, it was

Resolved that the revised Corporate Debt Policy be adopted.

(c) Financial Monitoring - Outturn 2015/2016

A report relating to the Council's financial performance for the 2015/2016 financial year had recently been considered by the Executive. The outturn figures included were provisional subject to external audit review, the findings of which would be reported to the Corporate Governance Committee in September 2016.

Monitoring the budget was an important part of the Council's performance management framework. Crucially it enabled remedial action to be taken in response to significant budget variances, some of which might be unavoidable. It also provided the opportunity to assess any consequent impact on reserves and the Council's Medium Term Financial Plan.

The revenue outturn position for the financial year 2015/2016 was as follows:-

- The General Fund (GF) Revenue Outturn position for 2015/2016 was a net underspend of £280,000 (2.07%). The underspend had increased since the end of quarter 3 due to significant variances in the Street Cleansing budget and Interest Costs and Income.

- The Housing Revenue Account (HRA) was a 'Self-Financing' account for the Council's Housing Landlord function, which was budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2015/2016 was a net underspend of £476,000 (1.8% of gross income).

The year-end financial statements reported that Deane DLO had made an overall profit of £47,000 after contributing £101,000 to the GF. This surplus had been transferred to the DLO Trading Account Reserve which had increased the reserve balance to £365,000.

The Deane Helpline had reported a net deficit of £67,000 for the year, which was an underspend of £13,000 against the final budget and represented the net cost of the service to the GF.

With regard to the budget for the Unparished Area of Taunton, although £46,170 had been allocated to a variety of schemes during the 2015/2016 financial year, £55,610 was available for allocation during the current year.

The capital outturn position for 2015/2016 was as follows:-

- The General Fund profiled Capital Programme at the end of 2015/2016 was £17,345,000. The actual expenditure on the Capital Programme during 2015/2016 was £7,244,000, with £9,976,000 being carried forward to support delivery of approved schemes in 2016/2017. This would leave a net underspend of £125,000 (0.7%) against the overall programme.

- The HRA approved Capital Programme at the end of 2015/2016 was £23,759,000. This related to schemes which would be completed over the next five years. The actual expenditure on the Capital Programme during 2015/2016 was £11,391,000, with £10,214,000 for planned investment to implement approved schemes in future years. A net underspend of £2,154,000 (9%) was reported against the overall programme.

The GF Reserves balance as at 31 March 2016 stood at £2,113,000. The balance remained above the minimum reserves expectation within the Council's Budget Strategy (£1,600,000).

The HRA Reserves balance as at 31 March 2016 stood at £2,675,000, which was above the minimum level (£1,800,000) set within the Council's Budget Strategy and the HRA Business Plan.

The total General Fund Earmarked Reserves balance as at 31 March 2016 was £16,722,000, and for HRA Earmarked Reserves the balance was £4,985,000, representing funds that had been set aside for specific purposes to be spent in 2016/2017 or later years. This had grown largely in respect of funds committed to support growth and infrastructure development, future capital programme spending, the Business Rates funding volatility, and funding set aside to support service restructuring and Transformation Projects.

On the motion of Councillor Parrish, it was

Resolved that:-

(1) The Council's financial performance and end of year position for the General Fund and the Housing Revenue Account, including pre-approved carry forwards and transfers to earmarked reserves be

noted; and

(2) (a) The reported General Fund Revenue Budget underspend of £280,000 in 2015/2016 and the General Reserves Balance of £2,113,000 as at 31 March 2016 be noted;

(b) The General Fund Revenue Budget Carry Forwards totalling £892,000 be approved;

(c) A General Fund Capital Programme Budget Carry Forward totalling £9,976,000 be approved;

(d) A Housing Revenue Account Capital Programme Budget Carry Forward totalling £10,214,000 be approved;

(e) Supplementary Budget allocations of £333,000 in 2016/2017 for the Housing Revenue Account be approved, utilising 2015/2016 underspends, for the following areas:-

i. £33,000 to fund an extension to the employment of the Welfare Reform Officer to March 2018;

ii. £38,000 to fund an extension to the additional Debt and Benefit Advisor to March 2018;

iii. £198,000 to increase the Estate Officer capacity by one in each area until March 2018;

iv. £21,000 to fund an extension to the Mental Health support until March 2017;

v. £25,000 to provide funding to Pilot a dedicated part-time resource to roll-out, drive and oversee the 'Chill and Chat' peer support group to vulnerable women across all three One Team areas; and

vi. £18,000 to increase funding available to Community Development Officers in each of the One Team Areas for 2016/2017.

12. **Reports of the Leader of the Council and Executive Councillors**

(i) **Leader of the Council (Councillor Williams)**

Councillor Williams's report covered the following topics:-

- The Referendum – Decision to Leave European Union;
- Heart of the South West Devolution;
- Shared Services and Management with West Somerset Council;

- Proposed Firepool Development;
- Junction 25 (J25) and A358 Improvements with Access to Employment;
- Merger of Bridgwater College and Somerset College;
- Blackbrook Swimming Pool; and
- Deane DLO Relocation.

(ii) **Economic Development, Asset Management, Arts and Tourism and Communications (Councillor Edwards)**

The report from Councillor Edwards covered:-

- Business Development
  - Economic Development Service Plan;
  - Support for Digital Innovation;
  - The Glass Box;
  - Wiveliscombe Business Park;
  - Taunton Deane Business Awards;
  - Heart of the South West Growth Hub;
  - Wiveliscombe Business Showcase; and
  - Business Communications.
- Marketing the Area to Businesses and Visitors
  - Marketing to Visitors;
  - Somerfest;
  - Taunton Live;
  - Arts and Events Grants; and
  - Social Media and Website.
- Asset Management Service General Fund Activities
- Asset Development Sites in Taunton
  - Lisieux Way (Thales Site);
  - New footbridge at Longrun Meadow; and
  - Unlocking Employment Land.

(iii) **Planning, Transportation and Communications (Councillor Habgood)**

The report from Councillor Habgood provided information on the following areas within his portfolio:-

- Planning Policy
  - Core Strategy Development;
  - Site Allocation and Development Plan (SADMP);
  - Neighbourhood Planning;
  - Bishops Lydeard and Cothelstone to be ‘made’ (adopted);
  - Two New Neighbourhood Plan Areas Designated;
  - Neighbourhood Planning Grant;
  - Timescales for Decisions on Neighbourhood Plans;
  - Sharing Information and Experience; and
  - Custom/Self Build Register.

- Development Management
  - Major Planning Applications;
  - Local Development Order; and
  - Making Saving Bringing Benefit.

- Transportation
  - 20 Year Transport Strategy;
  - Car Park Performance; and
  - Signage.

(iv) **Sport, Parks and Leisure (Councillor Mrs Herbert)**

The report from Councillor Mrs Herbert dealt with activities taking place in the following areas:-

- Parks – Bedding displays and hanging baskets; Green Flag Judging; Nursery Contract Work; and Tree Survey.
- Play and Leisure – Vivary Bandstand Concerts; Section 106 Agreement play areas; and The Blackbrook Pool Project.
- Tone Leisure (Taunton Deane) Limited Activities – Active Lifestyles; and Facility News.

(v) **Corporate Resources (Councillor Parrish)**

The report from Councillor Parrish provided information on the following areas within his portfolio:-

- Democratic Services;
- Electoral Services;
- Electoral Review;
- Law and Governance – Shape Partnership Services;
- Revenues and Benefits Service;
- Procurement;
- Finance;
- Finance Systems Replacement Project; and
- Corporate Services.

(vi) **Community Leadership (Councillor Mrs Jane Warmington)**

Councillor Mrs Warmington presented the Community Leadership report which focused on the following areas within that portfolio:-

- Three Priority Area One Teams;
- Link Power Project;
- Raising Aspirations through Mentoring in Schools;
- Let’s Make Isolation and Loneliness History!
- Quantock Hills Area of Outstanding Natural Beauty;
- Community Safety;
- Businesses Against Crime;
- Psychoactive Substances Act 2016;

- Syrian Refugee Resettlement; and
- Referendum.

(vii) **Housing Services (Councillor Beale)**

Councillor Beale submitted his report which drew attention to the following:-

- Deane Housing Development – Creechbarrow Road, Taunton; Weavers Arms, Wellington; Parmin Close, Taunton; Extensions; Scooter Storage and Car Parking;
- Affordable Housing – Delivery and Affordable Housing Open Day 2016;
- Welfare Reform – Welfare Reform Visits; Discretionary Housing Payments; Universal Credit; Rent Arrears; and Right to Buy Social Mobility;
- Anti-Social Behaviour Service – Performance; Casework; Closed Cases; and High Profile/Risk Cases.

(viii) **Environmental Services and Climate Change (Councillor Berry)**

The report from Councillor Berry drew attention to developments in the following areas:-

- Environmental Health;
- Licensing;
- Deane DLO; and
- Somerset Waste Partnership.

(Councillors Miss Durdan left the meeting at 8.19 p.m. Councillors Mrs Gunner and Hall left the meeting at 8.24 p.m. Councillors Coombes and D Durdan left the meeting at 8.39 p.m. Councillors Davies and Stone left the meeting at 8.50 p.m. Councillors Farbahi, Govier, Morrell, Mrs Reed and Wren all left the meeting at 8.52 p.m. Councillor Hunt and James left the meeting at 9.02 p.m. Councillor Mrs Lees left the meeting at 9.07 p.m. and Councillors Gaines and Ross left the meeting at 9.25 p.m.)

(The meeting ended at 9.27 p.m.)