

## **BATH AND NORTH EAST SOMERSET**

### **CABINET**

Wednesday, 12th October, 2011

The decisions contained within these minutes may not be implemented until the expiry of the 5 working day call-in period which will run from 13<sup>th</sup> to 19<sup>th</sup> October. These minutes are draft until confirmed as a correct record at the next meeting.

#### **Present:**

Councillor Paul Crossley	Leader of the Council
Councillor Nathan Hartley	Deputy Leader of the Council and Cabinet Member for Early Years, Children and Youth
Councillor David Bellotti	Cabinet Member for Community Resources
Councillor Tim Ball	Cabinet Member for Homes and Planning
Councillor Cherry Beath	Cabinet Member for Sustainable Development
Councillor David Dixon	Cabinet Member for Neighbourhoods
Councillor Roger Symonds	Cabinet Member for Transport

#### **69 WELCOME AND INTRODUCTIONS**

The Chair was taken by Councillor Paul Crossley, Leader of the Council.

The Chair welcomed everyone to the meeting.

#### **70 EMERGENCY EVACUATION PROCEDURE**

The Chair drew attention to the evacuation procedure as set out in the Agenda.

#### **71 APOLOGIES FOR ABSENCE**

Apologies had been received from Councillor Simon Allen.

#### **72 DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972**

Councillor Cherry Beath declared that with respect to Item 14 (Bath Community Energy), her brother-in-law had formerly been a Director of BCE, but that she did not consider this to constitute an interest.

#### **73 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

The Chair announced that Cabinet would be asked to consider a report entitled "Civitas Renaissance and its Legacy", which had originally been scheduled for November Cabinet. The report would be considered under the Special Urgency provisions in the Council Constitution. Agreement had been given by the Chair of the Planning, Transport and Environment Policy Development and Scrutiny Panel, as well as the Council's Section 151 Officer, Monitoring Officer and Chief Executive. The report had been published as a supplementary agenda item; copies had been placed in the public gallery before the meeting; and Cabinet would consider the issue at Item 16 of the Agenda.

## **74 QUESTIONS FROM PUBLIC AND COUNCILLORS**

There were 4 questions from the following people: Councillor Malcolm Lees, Councillor Patrick Anketell-Jones, Councillor John Bull and Amanda Leon.

*[Copies of the questions and response, including supplementary questions and responses if any, have been placed on the Minute book as Appendix 1 and are available on the Council's website.]*

## **75 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS**

There was one registered speaker. Councillor Gerry Curran agreed to speak immediately before the item to which his statement related.

## **76 MINUTES OF PREVIOUS CABINET MEETING 14TH SEPTEMBER 2011**

On a motion from Councillor Paul Crossley, seconded by Councillor Nathan Hartley, it was

**RESOLVED** that the minutes of the meeting held on Wednesday 14<sup>th</sup> September 2011 be confirmed as a correct record and signed by the Chair.

## **77 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET**

There were none.

## **78 CONSIDERATION OF MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES**

There were none.

## **79 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING**

The Cabinet agreed to note the report.

## **80 DETERMINATION OF THE STATUTORY NOTICE TO REVOKE THE NOTICE TO CLOSE CULVERHAY SCHOOL**

Councillor Gerry Curran (Chair of Governors, Culverhay School) made a statement saying that he was pleased that Cabinet would consider revoking the notice of closure. Now that the consultation period for revocation had ended he asked the Cabinet to confirm the revocation so that the school could continue its plans to work towards sponsored academy status and, in due course, towards coeducational education so that it could effectively serve the local community.

Councillor Dine Romero made an *ad hoc* statement urging the Cabinet to confirm the revocation. She felt that the recent school open evening had demonstrated how many parents were interested in sending their children to the school if it were to become a coeducational academy. She said that this showed that the uncertainty about the school's future had persuaded many parents from sending their children

there in 2011, but that in 2012 this would be more than reversed. This would require the school to move rapidly to accept girls.

Sarah Moore made an *ad hoc* statement in which she said that the community would be very pleased if Cabinet were to revoke the notice of closure. It was what parents had been waiting to hear.

Councillor Tony Clarke made an *ad hoc* statement, saying that the Conservative Group position was that once closure had been revoked, the Group would be supportive of the school's application for academy status. He asked for reassurance about the freehold ownership of the site and an assurance that other schools would not suffer because of the significant cost of keeping Culverhay open.

Councillor Eleanor Jackson made an *ad hoc* statement endorsing the views of previous speakers. She observed that she had heard assurances that the freehold of the site would remain with the Council. She felt that the Council should ask the Secretary of State to announce his decision as soon as possible so that parents could make their decisions about 2012 fully informed of the facts.

Councillor Nathan Hartley, in proposing the item, observed that the proposal being considered by Cabinet was the result of a long campaign to save Culverhay School. Many people had worked hard to get to this point. He thanked Ashley Ayre (Strategic Director, People) and Tony Parker (Divisional Director Learning and Inclusion Service) for the hard work they had undertaken in the last few months. He explained that during the consultation period, negative submissions had been received from one B&NES Councillor (out of 65), 3 Head Teachers (out of 70+ and only 2 Chairs of Governors (out of 70+). He emphasised that the correct legal process had been followed to get to the current point.

In response to Councillor Eleanor Jackson's reference to the Secretary of State, Councillor Hartley said that the Council had been determined to allow the Secretary of State to make up his own mind on the options available. He observed that the Liberal Democrat Group had for 20 years said that Culverhay should be allowed to become co-educational, and had this been achieved, the school would never have suffered the reduction in its intake. He responded to Councillor Tony Clarke by saying that there had never been any finance available to other schools, and no such promises should have been made. He confirmed that no other school would suffer financially as a result of a decision to revoke closure. He also confirmed that the freehold of the site would remain with the Council, whatever the eventual outcome for the school's future. Finally, he was delighted to see that the intake had risen from 21 in 2011 (when the school was threatened with closure) to about 70 expressions of interest for the 2012 intake (assuming a coeducational intake).

Councillor Paul Crossley seconded the proposal. He said that, if Cabinet revoked the closure notice, he would write to the Secretary of State pointing out the Council's position. He was delighted that the Cabot Learning Foundation was set to become involved with the school. He felt that it had been the right decision for all four Group Leaders to sign the recent letter to the Secretary of State supporting Academy status for the school. He envisaged that Bath would have a very good mix of coeducational, single-sex and faith schools which had been the Council's aim for a number of years.

Councillor Dave Dixon referred to paragraph 3.6 of the report and pointed out that "CPR Overview and Scrutiny Panel" should read "Resources Policy Development and Scrutiny Panel". He had been very disappointed to see some interested parties

apparently pitting one school against another, and he hoped it would never happen again.

Councillor David Bellotti referred to paragraph 3 of the report (Financial Implications) and said that the assumptions of the Schools Forum had been wrong because they had been incorrectly led to believe that the £700K cost of keeping the school open would fall on the Council. But this was not true, because as was known, the school had applied for Academy status and therefore the costs would fall on the Secretary of State. On the contrary, had the school been closed, the redundancy costs would have fallen to the Council and these would have been £1M.

Councillor Bellotti referred to the long running argument about surplus places in Bath. He said that there were 700 places, spread over 7 schools. The previous administration had incorrectly used children from outside the authority to make the surplus appear worse. He felt strongly that the authority must run with a number of surplus places, so as to give parents a real choice of schools. He observed that the birth rate was rising, and that the effect of this in a few years would be that the authority might need to build new schools, not close existing ones.

Councillor Roger Symonds welcomed the prospect that a coeducational school might be established at Culverhay. He was delighted that this had become a real possibility.

Councillor Cherry Beath endorsed the previous statements. She felt that the previous administration had made very poor judgements and that was why the local community had made their feelings known so strongly. She welcomed and valued the diversity that the proposals would make possible.

Councillor Tim Ball added that in his community, the main topic of conversation had been that Culverhay should stay open to serve the whole community. He observed that the previous administration had failed to acknowledge that the school was used by a number of community groups, and had a thriving sports centre.

On a motion from Councillor Nathan Hartley, seconded by Councillor Paul Crossley, it was

**RESOLVED** (unanimously)

(1) To REVOKE the decision to close Culverhay School, to enable the school to stay open

## **81 DRAFT NATIONAL PLANNING POLICY FRAMEWORK**

The Chair drew the attention of the Cabinet to the Update Report, which had been put into the public gallery in advance of the meeting [*a copy of which is attached to the Minutes as Appendix 2 and is available on the Council's website*]. The additional material was a submission from the Development Control Committee which the Committee asked Cabinet to submit to government as part of its response.

Councillor Lew Kew made an *ad hoc* statement [*a copy of which is attached to the Minutes as Appendix 3 but is not available on the Council's website*], on behalf of the Conservative Group, saying that there had been a number of misconceptions in the press. He said that the government's intentions had been to encourage economic growth; to provide housing; and to do these things sustainably. He said that the protection of the green belt was paramount. He welcomed the Cabinet proposals in the main and felt that government should clarify its definition of "sustainable development".

Councillor John Bull made an *ad hoc* statement on behalf of the Labour Group in which he said that the framework was flawed throughout. The word “sustainable” was not defined, which meant that it would be a charter for developers. He was pleased that the comments of the Local Development Framework Group had been taken into account, especially the abandoning of the brownfield site provisions. He welcomed the recommendations and hoped that the Council’s response would lead to the framework being amended.

Councillor Gerry Curran, in an *ad hoc* statement, agreed with Councillor Bull. He said that it had always been the policy of the Council to use brownfield sites first, and wanted to see this continued. He observed that it was no longer acceptable to build houses close to where the jobs were – people now wanted a nice house, wherever it was located and the key was now to provide the right transport infrastructure.

Councillor Tim Ball, introduced the item, saying that the draft framework, as had been pointed out by others, did include a number of massive ambiguities, especially over the use of the word “sustainable”. He had many concerns. He referred to Councillor Les Kew’s observations about the green belt, and pointed out to him that the framework said that previously developed land could be used. He promised that all the comments received would be passed back to government. He repeated his concern that the framework if not amended would prove to be a field day for developers to build anywhere they wanted.

Councillor Ball moved the amended proposals which he had reworded so as to allow all the Council’s responses to be forwarded to government.

Councillor David Dixon seconded the proposal. He congratulated Councillor Tim Ball and the Planning officers for their hard work in preparing the response.

Councillor Roger Symonds expressed his disappointment that the framework did not propose the removal of Planning Inspectors.

On a motion from Councillor Tim Ball, seconded by Councillor David Dixon, it was

**RESOLVED** (unanimously)

(1) To AGREE that the comments in paragraphs 5.4 – 5.19 of the report, as well as those contained in Annex 1 (suitably amended to include the comments received from the Development Control Committee and from others during the debate), be forwarded to the Department for Communities and Local Government, with the request that amendments are made to the Draft Framework;

(2) To DELEGATE authority to the Divisional Director for Planning and Transport, in consultation with the Cabinet Member for Neighbourhoods, to finalise the comments before submission.

## **82 BATH COMMUNITY ENERGY COOPERATION AGREEMENT**

Councillor Charles Gerrish in an *ad hoc* statement welcomed the proposals.

Councillor Paul Crossley referred to the Update Report which had been put into the public galley before the meeting [*a copy of which is attached to the Minutes as Appendices 4(i) and 4(ii) and on the Council’s website*]. The update report showed proposed changes to paragraph 6.6 of the agreement, which would ensure that revenues could only be used for the benefit of the Council’s district.

Councillor Crossley moved the proposals, amended to reflect the contents of the update report.

Councillor Cherry Beath seconded the proposals, saying that it was very appropriate for the Council to engage in the way proposed by the report. The BCE was not for profit and its work started with schools. It would bring direct benefits for the local community.

On a motion from Councillor Paul Crossley, seconded by Councillor Cherry Beath, it was

**RESOLVED** (unanimously)

(1) To AGREE that the Council should enter into a Cooperation agreement with Bath Community Energy.

(2) The proposed agreement be amended at paragraph 6.6 to include the words: 'The intention of the Parties is that Community Fund revenues accrued from Projects within the District will be reinvested only in other projects within the District.'

### **83 TOURIST INFORMATION CENTRE REFURBISHMENT**

Councillor Cherry Beath, in proposing the item, said that the Bath Tourist Information Centre presently looked a little sad, surrounded as it was by such beautiful buildings. Yet it was the second most used TIC in the country. She explained the proposals and said that the refurbishment would enable better promotion of events.

Councillor David Bellotti in seconding the proposal referred to paragraph 3.1 of the report, which clearly stated that all borrowing would be repaid. He pointed out that by bringing together the tourist Information Centre and the Festivals Box Office, a staffing reduction of 0.4 would be achieved.

Councillor David Dixon supported the project which he said was a real example of joined up thinking.

Councillor Tim Ball supported the proposals, but with reservations. He felt that in times of austerity, this would be a big investment. He saw the benefits of the investment but would have preferred to see it paid back in 5 years instead of 10 years.

Councillor Roger Symonds supported the proposals. He felt that Bath was fortunate to have its TIC in such a good location and reminded Cabinet that the TIC had almost been lost to the city a few years earlier when it had been proposed for closure. He was delighted it had been saved and would now be refurbished.

Councillor Cherry Beath said that she would be mindful of the comments made by Cabinet members.

On a motion from Councillor Cherry Beath, seconded by Councillor David Bellotti, it was

**RESOLVED** (unanimously)

(1) To APPROVE the capital project enable Bath Tourism Plus, a controlled company of the Council, to progress the refurbishment of the Tourist Information Centre on behalf of the Council;

(2) To AGREE that the Council's annual borrowing costs should be met by reducing the annual fee to Bath Tourism Plus by an equivalent amount.

*[At this point, Councillor David Dixon left the meeting]*

### **84 CIVITAS RENAISSANCE AND ITS LEGACY**

Councillor Roger Symonds explained the need for urgency in the matter and confirmed that the Council's provision for Special Urgency had been invoked with all the required agreements. He referred to the report [*which had been distributed as a late agenda report on the Council's website and copies of which had been placed into the public gallery before the meeting*]. He moved his proposals, which were displayed on the screen.

Councillor Symonds recommended in particular to Cabinet that the Council should retain the Freight Consolidation Trial, which he said had been very successful in its trial period. The Council now needed to clarify its position in order to avoid losing out on the progress already made.

Councillor David Bellotti seconded the proposals. He referred to the explanation on page 7 of the report, and promised that there would in future be clarity about the dates by which next steps must be taken.

On a motion from Councillor Roger Symonds, seconded by Councillor David Bellotti, it was

**RESOLVED** (unanimously – 7 Cabinet members present))

(1) To AGREE that they wish to retain the legacy provided by the Civitas transport demonstrators, in particular Freight Consolidation Trial;

(2) To TAKE UP and fund the option in the contract for the Freight Consolidation Trial scheme to run for a second year in Bath, funded from revenue budget contingency at a cost of £102,873;

(3) To CONTINUE to engage with Bristol City Council on this joint contract.

The meeting ended at 7:50pm

Chair \_\_\_\_\_

Date Confirmed and Signed \_\_\_\_\_

**Prepared by Democratic Services**

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## CABINET MEETING 12<sup>th</sup> October 2011

The following Statements and Questions had been registered by the time of publication.

### REGISTERED SPEAKERS

*There was one notice of intention to make a statement.*

#### **Re: Statutory Notice to Revoke the Closure of Culverhay School (Item 16)**

- Councillor Gerry Curran

### QUESTIONS AND ANSWERS - COUNCILLORS

<b>M 01</b>	<b>Question from:</b>	Councillor Malcolm Lees
Some residents in Weston have expressed concern over an apparent lack of progress in implementing a Residents Parking scheme which was consulted upon earlier this year. The roads concerned are Manor Road, Manor Villas and Weston Lane and part of Penn Hill Road. Can the Cabinet Member please confirm when this will be implemented?		
	<b>Answer from:</b>	Councillor Roger Symonds
<p><i>There is always demand for new waiting and parking restrictions from individuals and communities as well as for changes to existing arrangements and I appreciate that each is important to our local communities. The Council regularly receives representations demanding, for example, waiting restrictions to control or regulate inappropriate parking which may cause safety problems, obstruct the free flow of traffic or to reserve the highway for parking by a particular group such as residents.</i></p> <p><i>All waiting and parking restrictions are controlled by Traffic Regulation Orders (TROs). The TRO process can take many months, sometimes years, to complete and the costs of developing proposals, consultation, advertising and legal process, can be substantial. For this reason, I believe that schemes requiring a TRO should not be undertaken in isolation as experience has shown that the introduction of ad hoc restrictions can result in shifting the problem elsewhere.</i></p> <p><i>I have therefore decided that there should be no further work carried out on changes to parking restrictions and the introduction of Residents Parking Zones whilst we take stock of what has been promised, what the current demands are and what our priorities should be across the whole of Bath &amp; North East Somerset. This is in order that we can establish how best to plan and use the limited resource at our disposal for this work and ensure that any changes made are consistent with the authority's transportation priorities. It is also vital that any TROs we promote are legally valid and must be</i></p>		

*introduced for a traffic related reason. As the responsible Cabinet Member, I shall be seeking reassurance on this legal requirement before committing valuable resources to developing schemes.*

*Once this information is received and analysed I will be in a position to further update all members on the forward plan. I envisage this review being completed swiftly so that I can share with you my proposals for our forward plan by the 18th November 2011.*

*I do apologise if this delay causes any difficulty locally but I hope that you will understand the need to take a rational and properly planned approach to this in order to make sure that we take a coherent approach to such applications and make the best use of the resources at our disposal.*

**Supplementary Question:**

Thank you for the reply. Would the Cabinet member explain why residents were not consulted about the delay in the proposals?

**Answer from:**

Councillor Roger Symonds

*The application is still on the table and is still being considered. The delay is so that the proposals can be reassessed to ensure we get it right, which I'm sure the local residents welcome.*

**M 02**

**Question from:**

Councillor Patrick Anketell-Jones

It was reported to a recent PD&S Panel meeting that it is understood that Kraft is due to announce its preferred developer for the Keynsham Somerdale site this Autumn, with consultation on a Planning Application expected to start in early 2012. Can the Cabinet Member please offer assurance that the Council has expressed to Kraft that any plans for the Somerdale site must include provision for significant employment use as well as housing, as well as a retention of the Fry Club, and that any proposals for the site will form an integral part of the Council's and residents' vision for the wider regeneration of the town?

**Answer from:**

Councillor Cherry Beath

*Cllr Crossley and myself met with Trevor Routledge from Kraft and his development advisor John Bowles in August '11 to discuss progress of the redevelopment of Somerdale.*

*We explained the Council's vision for a balanced economy and its vision to see Keynsham become more sustainable. It was emphasised that Somerdale is a unique site which has an important role to play in achieving this vision. As well as an opportunity for new homes, the site would be expected to provide a significant number of jobs to help put Keynsham on the map as a commercial location complementing Bath and Bristol.*

*Kraft representatives explained that they are currently in the middle of a tender process which started in March 2011 when expressions of interest were invited from developers.*

*We understand they are still currently assessing the final bids and therefore not yet in a position to announce their preferred developer. Following their decision, the developer will be expected to work up proposals and submit a planning application in 2012.*

*We stressed to Kraft the importance of early local public engagement whilst the ideas for the site are emerging and we offered our support in these discussions with the community.*

*Kraft agreed to continue to work in partnership with the Council as this would be beneficial to bringing forward the redevelopment of the site in a timely manner, and confirmed that they are working with the Fry Club to ensure the club becomes a sustainable entity. New facilities will be provided for the Fry Club as part of the redevelopment of the site. In due course, the details of the proposed redevelopment scheme will in any event be publicised and subjected to public and Council scrutiny through the Planning application process.*

<b>M 03</b>	<b>Question from:</b>	Councillor John Bull
What is the cost of redecorating the Council Chamber and when was the decision made to undertake the work?		
	<b>Answer from:</b>	Councillor David Bellotti
<p><i>The redecoration was only part of a project of refurbishment of the council chamber which included upgrading the lighting; improving the power provision; renewing the heating installation; bringing the air handling system back into use; provision of new desk top audio units and audio system; improved access for disabled and removal of trip hazards; conservation work to furniture and columns; carpeting and decorations. The lighting, heating, ventilation and audio system have all been subjects of complaints from members and other users over the years. The cost of the work was £166,000. The project was part of the councils capital planned maintenance programme for 2011/12 which was approved by Council on 15th February 2011".</i></p> <p><i>I'm sure we will all be pleased with the resulting work and it will be a big improvement. It will greatly restore that part of the Guildhall. However this spending could not be identified publicly and separately and at a time when we are making reductions in front line council services I can understand if there are concerns about this spending. I know that at least the former Cabinet Member for Resources in the previous administration was aware of the proposals.</i></p> <p><i>As Cabinet Member for Resources in this administration I have decided that in future a list of planned maintenance items over £10k will be reported publicly before the works are undertaken unless they are an emergency.</i></p>		
	<b>Supplementary Question:</b>	
Thank you for your reply. In view of the successful use of the Banqueting Room for the recent Council and Cabinet meetings, would the Cabinet member say that this Council Chamber is any more fit for purpose?		

<b>Answer from:</b>	Councillor David Bellotti
<p><i>Some will like it, some not – it is a matter of personal preference. There should have been a consultation before the Chamber was refurbished, although as Councillor Bull will be aware, I was not at that time the responsible Cabinet member. I agree that the Banqueting Room did prove to be a convenient place in which to meet. I would like to repeat that in future, all planned maintenance items over £10k will be reported publicly before the works are undertaken unless they are an emergency.</i></p>	

## QUESTIONS AND ANSWERS - PUBLIC

P 01	Question from:	Amanda Leon
<p>1. Given how important the independent assessment of the feasibility of re-opening the Radstock-Frome railway line is for planning the future town centre of Radstock, when is this study, promised in May 2011, going to be progressed?</p> <p>2. On his last visit to Radstock, Cllr Crossley promised to investigate alternative road schemes for Radstock, and in particular the one involving moving the old sub-station and having a single roundabout at the A367/362 junction. Has anything been done about this, especially given the fact that there appears to have been no communication with Western Power, the company who would have to be involved in any such changes? Additionally given the fact that informed experts appear to think the costs might be less than the amounts quoted by B&amp;NES and half of what appears to have been committed to the current NRR scheme, we would like to know why proper costings have apparently not been obtained and published.</p>		
Answer from:		Councillor Roger Symonds
<p><i>1. The Study to review and update the existing study on the feasibility of re-opening the Radstock-Frome railway line is being commissioned. The study will take around four months to complete and the outcome is expected in February next year. (Background – at that time of the original consent there was no intention to maintain or protect the line for rail use. The Local Plan policy T9 protects the route for ‘Sustainable Transport Purposes’. The committee report to the original application stated that “If the development goes ahead it will not be possible to re-open the railway line to Frome...” It use as a tourist heritage railway in line with the Policy of Somerset County Council is still possible.)</i></p> <p><i>2. The Cabinet at their meeting on 14th September decided to postpone their decision on the TROs for the proposed highway improvement associated with the Norton Radstock Regeneration Scheme. Cabinet asked officers to review the objections to the TROs, look again at the traffic data and, in the light of this information and the many changes that have been suggested to the current proposal, see if the scheme can be further amended to maintain traffic flows and pedestrian movements through the town. We remain of the view that the location of the sub-station constrains the nature of any</i></p>		

*improvements to the roads at the junction of the A367 & A362. Council Officers have made contact with Western Power in relation to the costs of relocation of the substation. However in addition to the direct costs associated with the provision of a relocated substation, the costs associated with the following other factors would also need to be included:-*

- The cost of designing a totally new highway scheme, detailed design to confirm the technical design geometry and land take needs.*
- The cost of purchasing land outside the Council's ownership once this land take had been established.*
- The establishment of the legal right to procure the land needed to deliver the scheme. As the scheme would require land beyond Council's control, land transfer would be needed and negotiation/CPO required to procure this process would require funding.*
- A larger roundabout would have impacts upon an adjacent river corridor in particular the need to widen an existing river bridge.*
- The costs of relocating other utility company assets. This may also require additional land to be purchased.*
- The suggested single roundabout proposal may also impact upon plans designed to address flooding issues and as such a suitable alternative location/scheme may need to be provided to facilitate that requirement.*

*These costs are likely to be significant and not be cost effective in terms of the overall scheme.*

*(Background – The relocation of the existing electricity sub-station and diversion of the high-voltage oil-cooled cabling/ducting etc., would be at an excessive cost and severe disruption both to traffic and electricity supply over an extended period, and potentially over a wider area than the centre of Radstock. At that time it was said that the cost could not be estimated with any certainty because of the age (and unknown condition) of the equipment. Our current review of the proposed traffic arrangements have not included a single roundabout.)*

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## Update Report for Cabinet Meeting 12 October 2011

### Item 13: Draft National Planning Policy Framework – Response from Bath and North East Somerset Council

Additional changes to the Cabinet Report:

#### Appendix A

B. Add '**Comment to CLG:** The removal of the 'town centre first' policy for office development potentially undermines the Council's aspirations for the regeneration of our urban centres, and will put considerable pressure on important safeguarded industrial land that is required to ensure we can sustain a healthy and balanced economy. The allocation of sites for out of centre office development should be determined at the local level through the Local Plan process, based on local evidence. We therefore object to the approach advocated in the NPPF. If the Government wish to continue with their approach towards the location of new office development, then we urge the additional wording of 'easily accessible by public transport' to be applied.'

C. Add '**Comment to CLG:** The target for the redevelopment of brownfield land is a powerful tool in encouraging the redevelopment of previously developed sites. The removal of the target will undermine the Council's aspirations to achieve development of brownfield sites. The target should therefore remain, and it should be left to local authorities to determine when and where a departure from this target would be acceptable.'

H. Add '**Comment to CLG:** This new designation will be of value to local communities as an effective policy tool to safeguard valued green spaces. The Council therefore supports this new designation.'

These additions have been made in response to the 28<sup>th</sup> September 2011 Development Control Committee and the LDF Steering Group meeting of 6<sup>th</sup> October 2011.



Relevant MINUTES OF DEVELOPMENT CONTROL COMMITTEE:  
Wednesday, 28th September, 2011

Members discussed the issues and the proposed changes. Various views were expressed including:

- Concern regarding removal of brownfield targets from housing development
- Insufficient weight given to energy efficiency and renewable energy regarding sustainable development - the standard should be as high as practicable
- Little weight given to demography regarding more housing provision for older people
- The Certificate of Conformity was too vague and should be in line with the Core Strategy
- There should be more emphasis on protecting local green spaces
- A better definition of "sustainable development" was required

Members considered it to be a good report with a clearly set out summary of the issues. The Chair requested Members to make their views known to the Senior Planning Policy Officer and Councillor Tim Ball. The Officer stated that he would be willing to make a presentation to individual Groups if requested to do so.

RESOLVED (1) to support the proposed comments to the Department of Communities and Local Government (DCLG) set out in the report to Cabinet on 12th October; and (2) that the above views and any further views be submitted to Cabinet to forward to DCLG.



### Note on Change to the BCE Cooperation Agreement

#### To table at Cabinet Meeting, 12.10.11

Please note the changes to Point 6.6. (underlined) which relate to the Community Fund. There was the request following a meeting with Andrew Pate and other managers to add wording clarifying BWCE's intention to spend Community Fund revenues generated by energy projects within the district on projects within Bath and North East Somerset.

As such, the following wording has been approved by Amanda Brooks in Legal Services:

- 6.6 *The Agreement is entered into on the understanding that BCE will re-invest revenues it generates from Projects into a Community Fund which it establishes. The purpose of the Community Fund shall be to reinvest in further local projects that contribute to carbon reduction in the area. The intention of the Parties is that Community Fund revenues accrued from Projects within the District will be reinvested only in other projects within the District. Investment into the Community Fund, in terms of amount and regularity, will be dependent on the availability of revenues once other higher priority commitments have first been satisfied by BCE, and will be subject to review by the Steering Group. The priority of revenue allocation will be as follows:*

Sara Grimes 11.10.11

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# Information Pack on Bath & North East Somerset Council and Bath & West Community Energy: 10/10/11

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1. Why is the Council cooperating with BWCE?
2. How is the Council cooperating with BWCE?

### Part 2: BWCE Projects

3. Solar schools, including:
  - What has the Council done?
  - What stage are the projects at?
  - How does the Feed In Tariff work?
  - What are typical costs and revenues?
  - How does BWCE's offer compare to other offers?
4. Possible projects on Council Operational Estate
5. Wind turbines
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### Part 2: Further information on BWCE

7. What type of organisation is BWCE?
8. How BWCE will allocate their income
9. BWCE and the local low carbon economy
10. BWCE Targets

### See Also:

- BWCE Business plan
- BWCE Rules – as registered with the FSA

## **Part 1: Why and how is the Council working with BWCE?**

### **1. Why is the Council working with BWCE?**

As a local authority, the Council exists for the wellbeing of our residents and has broad powers to pursue this aim. Since wellbeing is threatened by climate change and rising energy prices, we have made de-carbonising our district a priority. Our Sustainable Community Strategy aims to help cut the district's carbon emissions by 45% by 2026. As part of this, our Draft Core Strategy contains the aim of installing 110 megawatts of renewable electricity in our district by 2026.

To take full advantage of the economic opportunity, revenues from renewable energy must stay in the district. BWCE offers us an opportunity to start to make this happen, by aiming to generate at least 25% of the draft Core Strategy target by 2026, amounting to over 25MWe, through community-based, local projects. Further information on how they will do this in Part 2.

### **2. How is the Council cooperating with BWCE?**

The Cabinet will shortly consider approval of a formal Cooperation Agreement. Whilst not a legally binding document, this Agreement sets out the intention to work cooperatively with BWCE under the Council's Wellbeing Powers -- Section 2 of the Local Government Act 2000 states that a Council has the power to do anything which it considers is likely to achieve the promotion or improvement of the economic, social or environmental well-being of its area.

## **Part 2: BWCE projects**

### **3. Solar schools project**

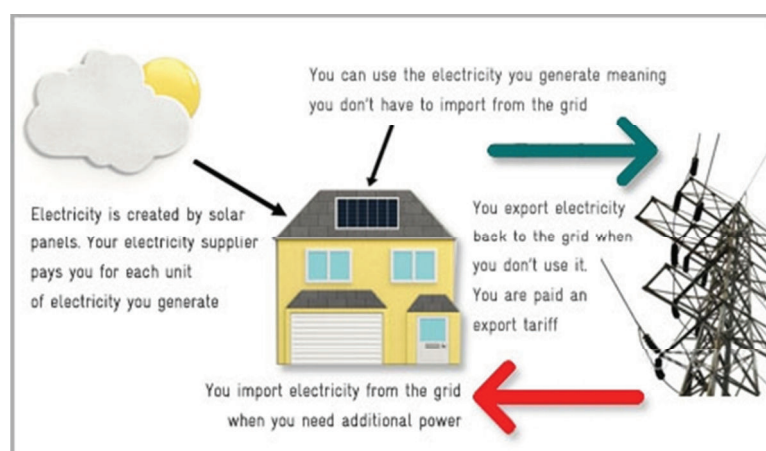
4. What has the Council done? Following agreement with Property Services and Children's Services, we have promoted to our schools the opportunity to work with BWCE on a "solar for free" scheme. In this scheme BWCE buys panels to put on a school roof, the school gets the free electricity and BWCE collects the Feed In Tariff to pay back their investment, with the surplus going into a Community Fund. Schools could then choose whether they wish to take this opportunity.

What stage are the projects at? Below is the current status of solar school projects in the District as of 10.10.11; it should also be noted that BWCE will install panels on the Walcot Rugby Club:

School	Planning Status	Target installation
St Martins Gardens Primary school	Permission granted	October
Newbridge School	Permission granted	November
Oldfield	Permission granted	November
St Michaels Junior	Planning submitted	November
Oldfield Park Infants	Planning submitted	November
Peasedown School	Planning submitted	December
Ralph Allen School	Planning submitted	December

The panels will typically produce between 10% and 25% of a schools energy need. Each kW of installed capacity uses about 8m<sup>2</sup> of roof space.

### How does the Feed In Tariff work?



As the diagram above from the Energy Saving Trust shows, there are three revenues available from solar panels:

1. Feed In Tariff (FIT) – around 33p/kWh<sup>1</sup>, paid for every kWh generated, whether or not you use it.
2. Export Tariff – around 3p/kwh, paid for electricity you do not use
3. Using solar instead of grid electricity – around 12p/kwh, saved by the consumer

The FIT is by far the most lucrative revenue stream, however the avoided cost of buying electricity will continue to rise. It is better to use the electricity, saving 12p/kw, than not use it and sell it back to the grid at 5p. Because of this, buildings that use energy when the sun is out get the maximum benefit. Schools will generally use all the electricity that the panels produce.

It should be noted that the FIT levels will decline in April 2012. It is quite possible that this will significantly change the economics of solar PV, for example, meaning that “solar for free” schemes such as those offered by BWCE will become “low cost solar” schemes.

In order to obtain the FIT, the solar panels must be installed. There may also be a “solar rush” close to the FIT deadline in April. This means that we have under 6 months to get panels installed to obtain the highest level of FITs.

What are typical costs and revenues? The table below shows approximate figures:

			Who gets the cost or benefit?	
Size kW	10	50	BWCE owns panels	Schools owns panels
<b>Upfront Costs</b>				
Capital cost	28000	125000	BWCE	School
Development Cost	2000	10000	BWCE	School
<b>Total Cost</b>	<b>30000</b>	<b>135000</b>	-	-
<b>On-going costs</b>				
O&M Year 1 £	500	2350	BWCE	School
Insurance Year 1 £	112	500	BWCE	School
<b>Revenues</b>				
Energy generated kWh/yr	8500	42500	-	-
Value of electricity generated for site owner £ (at current grid electricity prices- prices will rise significantly)	1105	5525	School	School
FIT Income Year 1 £	3213	13983	BWCE	School

How does BWCE's offer compare to other offers? All commercial roof rental offers that we have seen offer the same deal; free electricity in return for hosting the solar panels. There is some variation in how risks are handled, e.g. the demolition of schools or

<sup>1</sup> The FIT tariff depends on the size of the system. 33p/kWh is for systems in the range 10 to 50 kW. Smaller systems have a higher tariff.

temporary panel removal, and our agreement with BWCE obtains the same value for money as other offers available on the market.

The unique value of BWCE over and above that offered elsewhere in the market are their community benefits, e.g. their community fund (see below), the fact that they are locally owned by community shareholders so keep revenue in the area, and that they aim to stimulate the local low carbon economy. This reinvestment opportunity is not offered by other companies, and will become increasingly important as energy prices rise and we need to insulate our district against these price rises.

## **5. Possible projects on Council Operational Estate**

From an initial survey, Lewis House, Dartmouth Ave and The Hollies are the roofs on the B&NES operational estate that may be suitable for solar panels and of these, Lewis House is the by far the best.

At the Informal Cabinet meeting on the 28<sup>th</sup> October the Council will consider and decide whether to buy panels itself with a view to BWCE managing the installation, or to enter a “solar for free” arrangement with BWCE as the schools are doing. Following this, the Council would need to enter into a Heads of Agreement with BWCE at which point BWCE could do a more detailed survey of each roof to further check its suitability.

## **6. Wind turbines**

BWCE is currently investigating sites for wind turbines, since wind is the most efficient renewable energy technology and can generate by far the most revenue for the community.

## **7. Hydro schemes**

BWCE is currently negotiating with hydro sites.

## **Part 3: Further information on BWCE**

## **8. What type of organisation is BWCE?**

BWCE is social enterprise, registered with the FSA as an “Industrial and Provident Society for the Benefit of the Community” (IPS Bencom). IPS Bencoms are industrial and provident societies, like co-ops, which are owned by their members. However, their profit is not distributed among members or external shareholders but is returned to the community.

Anyone can become a member of BWCE by buying a minimum of 500 shares at £1 and a maximum of £20,000. Regardless of the number of shares held, each member has one vote in governance decisions.

BWCE has included in their rules of incorporation an “asset lock” which prevents the organisation being sold and the assets being distributed amongst its members. Instead, assets must be given to a not for profit organisation with subject to at least the same degree of restriction on the distribution of surpluses and assets as BWCE.

In order to manage its finances and protect loan repayments, BWCE has set up separate, wholly owned “Special Purpose Vehicles” (SPVs) to handle different parts of their business. For example, the first tranche of Solar Schools projects above are all funded by the SSE

loan, so are held in an SPV called “Bath & West Community Solar” (BWCS). BWCE is considering setting up geographically-based SPVs also, where local people can raise share capital, have technologies installed and then keep the revenues from the project in their own local community fund (see diagram on p18 of BWCE’s business plan).

## **9. How BWCE will allocate their income**

BWCE will distribute its revenues using the following hierarchy:

a. Loan repayment: BWCE’s first obligation is to repay its loans. BWCE has gotten an initial £1m loan from SSE at a favourable rate, and will look to attract further low cost loans.

b. Payment of interest to BCE members: BWCE aim to provide members with about 7% interest rate on their share investment, subject to information outlined in share offer document

c. Funding of continuation and development of BCE: Currently, BWCE directors and project managers have been working either voluntarily, or on a “success fee” basis at a rate that is significantly lower than market rates, to be paid once their project succeeds. However, they intend to pay their staff in order to be sustainable. BWCE intends to remunerate staff at no more than the market rate for their expertise. See the pages from the BWCE business plan, included below, for projected figures for staff remuneration.

d. Payment into Community Fund: The remaining revenue will go into a community fund, for further low-carbon projects, which could include further renewable energy projects that would “recycle” the funds further, or energy efficiency projects and so on. Wind turbines will generate greater income into the fund than solar PV projects and the income will increase over time as the loans are repaid. If BWCE’s aims are met, they intend to reinvest at least £200,000 per year into the Community Fund.

## **10. BWCE and the local low carbon economy**

For BWCE’s initial solar projects, the time pressure requires a large partner to deliver to the necessary timeframe and quality standards. However, if we are to grow our local low carbon economy, there must be local demand for low carbon products and services. BWCE aims to provide this by moving to using local suppliers as soon as possible to stimulate the local low carbon economy, the development of which is an aim of the Sustainable Community Strategy. BWCE plans to coordinate with the Low Carbon Skills Academy project to provide demand for skills and expertise that can then be met by people in the area.

## **11. BWCE Goals**

Please find below BWCE’s medium term goals. BWCE has done extensive modelling work to set these goals, for more details about the BWCE targets and budgets, please contact BWCE Chair Pete Capener at [pete.capener@bwce.coop](mailto:pete.capener@bwce.coop).



# BWCE Goals 2011 - 2014



Bath & West Community Energy  
Generating Local Energy

## Short term goals: 2011 to 2012

**Initial focus 2011:** maximise installation of solar PV on schools and community buildings before the solar PV Feed in Tariff starts to reduce. An early focus on solar PV offers the quickest approach to demonstrating tangible progress and an ability to deliver, whilst also enabling widespread communication with communities on the back of practical action.

### First year fundraising targets

Target	Current status
£1 million asset finance from corporate investor	Agreed terms with corporate investor
£400k via local share offer	Preparations underway for Autumn launch
£1.5m from bank asset finance and/or social investors	Negotiations underway with range of banks and social investors
£400k development finance (grants and loan stock)	In advanced discussions with funders for development finance

### Short term goals to be delivered by March 2012

- First tranche of approximately 400kW of solar PV to be installed during quarter 4 of 2011 with loan from a corporate partner.
- Share offer: launch of first local BWCE share offer with a target of £500k scheduled for autumn 2011, on the back of the summer installations and a pipeline of future projects.
- Second tranche of 600kW of solar PV to be installed before March 2012 with financing from the first share offer alongside bank loans.
- Development finance - In parallel BWCE will build its organisational capacity and invest in project development financed via grants and development loan. BWCE will identify and secure options on wind and hydro sites and do the survey work and community consultation necessary to get projects ready for planning.

## Medium term goals: 2012 to 2014

### Focus on next phase of development

Building upon the foundation laid during 2011/2012, BWCE will be able to move into a further phase of development characterised by:

- Expansion into renewable heat projects, utilising the Renewable Heat Incentive
- Development of wind turbine and hydro projects
- Continuing development of solar PV, dependent on government changes to Feed in Tariff levels
- Further development of BWCE's business model to integrate energy efficiency including the Green Deal, and the supply of electricity and heat
- Organisational development and capacity building.

### Medium term business goals to be delivered by July 2014

- 4.5 MW of renewable energy capacity installed, approximately 2500kW wind, 2000kW solar PV and some small hydro
- £11m capital raised for asset investment, £4m equity and £7m debt and/or co-investment
- Interest paid to members of 3-4% over 10 year average RPI (initially equivalent to a target return of around 7%, though this figure will change over time in the light of changes to RPI and will be subject to the performance of our projects)
- Forecasted income over project life enabling nearly £7m to be invested in a community fund, an average of £275,000 per year
- Building a financially sustainable community enterprise supporting a permanent staff team and appropriate organisational overheads
- By July 2014, BWCE will be generating an annual turnover of between £1.5m and £2m, not including capital investment