

## EXECUTIVE

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN THE DEANE HOUSE, BELVEDERE ROAD, TAUNTON ON WEDNESDAY 19TH NOVEMBER 2003 AT 18:00.

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### **AGENDA**

1. Apologies
2. Minutes
3. Call Forward Items
4. Public Question Time
5. Council Tax on Second Homes  
Report of the Head of Finance (enclosed)
6. Council Tax and Non Domestic Rate Instalment Dates  
Report of the Revenues Manager (enclosed)
7. Council Tax Base  
Report of Financial Services Manager (enclosed)
8. Treasury Management Update  
Report of the Financial Services Manager (enclosed)
9. Business Improvement Districts  
Report of the Head of Finance (enclosed)

G P DYKE  
Member Services Manager

The Deane House  
Belvedere Road  
TAUNTON  
Somerset

TA1 1HE

11 November 2003



## Executive - 22 October 2003

Present: Councillor Williams (Chairman)  
Councillors Bishop, Mrs Bradley, Mrs Bryant, N Cavill, Edwards, Hall and Mrs Lewin-Harris

Officers: Mrs P James (Chief Executive), Ms S Adam (Head of Finance), Ms J Dickinson (Head of Commercial Services), Mrs J Jackson (Senior Solicitor), Mr C Gunn (Principal Computer Auditor), Mrs N Heal (Public Relations Officer) and Mr G P Dyke (Members Services Manager)

Also Present: Councillors Mrs Allgrove, Croad, Henley, Lisgo, Trollope and Wedderkopp

(The meeting commenced at 6.00 pm).

### 43. Minutes

The minutes of the meeting of the Executive held on 24 September 2003 were taken as read and were signed.

### 44. Public Question Time

The Chair (Councillor Williams) confirmed that any questions in relation to Craig Lea should be restricted to the proposed Compulsory Purchase Order and its possible funding. The merits of whether or not the footpath should be re-opened had been discussed in detail by the Planning Committee. This aspect of the issue would not be considered by the Executive.

- a) David Trathen, Neighbourhood Watch Co-ordinator, Craig Lea, speaking on behalf of 32 properties in the area felt that a C.P.O. to re-open the footpath would not succeed. Any local inquiry would be costly. He asked that no Council Tax payers money be spent on funding any such inquiry.
- b) Jefferson Horsley felt that the decision of the Planning Committee would right a wrong. He asked the Executive to consider carefully if the necessary finance was available. He also drew attention to the need to ensure that the Transport Strategy made sense.

### 45. Proposed Compulsory Purchase Order in respect of Footpath Link at Craig Lea, Taunton

At its meeting on 30 July 2003, the Planning Committee recommended to the Executive that a Compulsory Purchase Order be made under the Town and Country Planning Act to acquire a piece of land at Craig Lea, Taunton to enable the footpath link to be re-established. A request was also made to the Council for a Supplementary Estimate of £5,000 to finance the making of the proposed Order.

Following the initial consideration by the Planning Committee, two further factors arose, on the basis of which the responsible Executive Portfolio Holder had referred the matter back to the Planning Committee for further reconsideration. These issues were the receipt of a further representation from the police and concerns that had arisen over the likely cost.

At its meeting on 1 October 2003, the Planning Committee considered these issues but endorsed the recommendation made to the Executive at the meeting on 30 July 2003. Consideration was therefore given to this recommendation. It was pointed out that if it was decided to agree to the request to make a Compulsory Purchase Order, the cost, estimated at £5,000, could be found from within existing budgets and a Supplementary Estimate would not be required.

RESOLVED that:-

- (a) the recommendation of the Planning Committee be agreed and the making of a Compulsory Purchase Order be authorised under Section 226 of the Town and Country Planning Act 1990 to acquire the land comprising the former footpath link adjacent to 36 Craig Lea, Taunton to secure a public footpath link between Craig Lea and the adjacent public footpath and to secure the objectives of RPG 10 and PPG 13 Policies STR 1 and 42 of the Somerset and Exmoor National Park Structure Plan Review and Policy H1 of the Taunton Deane Local Plan Revised Deposit which was necessary to achieve the proper planning of the area; and
- (b) the cost of the Compulsory Purchase Procedure be funded from within existing budgets.

46. Local Public Service Agreement - The Cost Effectiveness Target

Reported that the Local Public Service Agreement was an agreement between the Government and the Somerset County Council whereby the County Council undertook to achieve more demanding stretched performance targets than those that would normally be expected in the absence of the LPSA.

These targets covered a wide range of services, including those service areas which would require partnership working between the county and district councils. The Somerset LPSA covered a three year period from April 2003 to March 2006. The LPSA had now been finalised and final targets agreed, including the indicators to be considered for the cost effectiveness target.

Details of the final targets for the Somerset LPSA were submitted, together with details of how Taunton Deane would influence the outcome.

The cost effectiveness target, one of the 12 performance targets in the LPSA, was to ensure continuous improvement in the economy, efficiency and effectiveness of local services through annual improvement of at least 2%.

Corporate Management Team had selected measures that summarised the Council's plans to improve service delivery but at the same time covered the breadth of the Council's activities. Details were submitted.

The maximum performance reward grant an Authority could achieve was 2.5% of its net budget. This sum would be payable as a one off grant in 2006/07 and 2007/08 at the end of the LPSA period. Although there was a possibility of securing performance reward grant of up to approximately £290,000 in total, it was recognised that this was very unlikely. It was therefore anticipated that any grant received would be significantly lower.

RESOLVED that the report together with the final targets of the LPSA be noted.

47. Implementing Electronic Government Return 2003 (IEG 3)

As part of the modernisation agenda, the Government had encouraged local government to improve by making services available electronically. The Government had set a target for all local government services to be capable of being delivered electronically by the end of 2005. In support of this, the Government had offered some funding to support Authorities who had robust plans and could demonstrate progress.

For the last two years, the Government had provided £200,000 per year in support of this Council's plans for implementing electronic government. It was hoped that a further £200,000 would be available to Authorities submitting a satisfactory IEG 3 Return.

The draft of this Council's IEG 3 Return was submitted and considered, together with the checklist for Councillors and Chief Executives which the Government required to be circulated.

RESOLVED that the IEG 3 Return as submitted be agreed.

48. Leisure Trust

Submitted report previously circulated which sought approval of both the Memorandum and Articles of Association of Tone Leisure (South West). The report also provided a brief update on progress towards the transfer of the Council's leisure assets to Tone Leisure in January 2004.

The Memorandum of Association of Tone Leisure (South West) set out the objects of the company, its powers and how it might use the income and property of the company. The Articles of Association dealt broadly with the rules of the company and with trustee and member issues. It covered the make-up of the Board, the holding and proceedings of general meetings, the appointment of and roles and responsibilities of trustees and various procedural issues.

A copy of both documents were submitted and discussed in detail. A number of minor issues were raised which required qualification or clarification. Once agreed,

they would be considered by the Shadow Board of the Trust in conjunction with their legal advisers.

Details of general progress made and the outstanding issues that were still to be dealt with were submitted. It was hoped to resolve the outstanding issues before the next meeting of the Executive to allow all of the remaining key documents to be submitted for approval. If this was not possible, a special meeting of the Executive prior to Full Council in December, might be required.

Full Council would be asked in December to approve the first year's grant. The Council would effectively be agreeing part of the 2004/05 budget ahead of full consideration of the total budget proposals. In future years, business planning for the Trust and approval of the Council's budget would be aligned.

RESOLVED that:-

- (1) the Memorandum of Association be agreed;
- (2) the Articles of Association be agreed; and
- (3) the process of the Project be noted.

(The meeting ended at 7.17 pm).

### **Executive – 4 November 2003**

Present: Councillor Williams (Chairman).  
Councillors Bishop, Mrs Bryant, N Cavill, Garner, Hall and  
Mrs Lewin-Harris.

Officers: Mrs P James (Chief Executive), Ms S Adam (Head of Finance),  
Mr R Willoughby-Foster (Forward Plan and Regeneration Manager)  
and Mr A Melhuish (Review Support Officer).

Also Present: Councillors Mrs Cluff, Gill, Hayward, Lees, Morrell, Paul,  
Miss Peppard, Trollope, Watson and Mrs Whitmarsh.

(The meeting commenced at 7.20pm).

49. Apology

Councillor Edwards.

50. Proposed Improvements to Station Road/Priory Bridge Road Junction

Reported that at its meeting on 4 November 2003, the Strategic Planning, Transportation and Economic Development Review Panel had considered a number of options for improving the Station Road/Priory Bridge Road junction in partnership with Somerset County Council. After careful consideration the Review Panel had agreed to recommend the Executive to support Option A+ as the preferred choice together with the virement of £15,000 as a contribution to the overall costs of the scheme.

Noted that if it was decided to agree to the request to make a contribution to the scheme that the cost could be found from within existing budgets by way of a virement as part of the second quarter budget monitoring process.

RESOLVED that Option A+ be endorsed as the way of improving the Station Road/Priory Bridge Road junction and that the contribution required of £15,000 be funded from within existing budgets by way of a virement.

(The meeting finished at 7.25pm.)

## **TAUNTON DEANE BOROUGH COUNCIL**

**EXECUTIVE 19<sup>TH</sup> NOVEMBER 2003**

### **COUNCIL TAX ON SECOND HOMES**

**REPORT OF THE HEAD OF FINANCE (this matter is the responsibility of the Leader of the Council)**

#### **EXECUTIVE SUMMARY**

The Local Government Act 2003 introduced new freedoms to Local Authorities with regard to the amount of discount offered on council tax on second homes, and long-term empty properties.

The Executive is requested to approve a policy to reduce the current discount on second homes to the minimum allowed of 10%, and to earmark the resultant extra income raised to the Local Strategic Partnership.

#### **1. Purpose of Report**

- 1.1 To advise the Executive of a change to the regulations for Council Tax charges on second and long-term empty homes, and to gain approval for a change of policy at Taunton Deane Borough Council.

#### **2. Background**

- 2.1 The Government issued a consultation paper last year outlining their ideas on the treatment of Council Tax discounts on second, and long-term empty homes. Currently second homes only pay a 50% charge. Long Term Empty properties are exempt for the first 6 months and then pay a 50% charge. The consultation paper looked at introducing some flexibility in the system to allow local authorities the option of reducing or removing this discount.
- 2.2 The Resources Panel considered the questions raised in this consultation paper at their meeting in February 2002 – the resultant debate helped formulate this Councils formal response.
- 2.3 The Government have now set out in the Local Government Act 2003 the necessary primary legislation for this to take effect from 1<sup>st</sup> April 2003.
- 2.4 The Resources Panel considered the proposed policy change outlined in this report at their meeting on 13<sup>th</sup> November 2003 – a verbal update will be given to the Executive on their views.

#### **3. The Proposal – Second Homes**

- 3.1 ‘Second Homes’, for Council Tax purposes, are defined as being any dwelling which is furnished and is no ones sole or main residence.



3.2 The Local Government Act 2003 concluded that additional income raised by reducing the discount offered on second homes should be shared by the billing authority (TDBC) and the two main precepting authorities (Somerset County Council and Avon and Somerset Police Authority) in proportion to the amount levied via the Council Tax bills.

3.3 The additional income from second homes is currently estimated as follows:-

| Property Band       | No of 2 <sup>nd</sup> Homes | Total Extra Income<br>£'000 | ALLOCATION OF EXTRA INCOME |              |               |
|---------------------|-----------------------------|-----------------------------|----------------------------|--------------|---------------|
|                     |                             |                             | TDBC<br>£'000              | SCC<br>£'000 | ASPA<br>£'000 |
| A                   | 64                          | 19                          | 2                          | 15           | 2             |
| B                   | 85                          | 29                          | 3                          | 23           | 3             |
| C                   | 78                          | 30                          | 3                          | 24           | 3             |
| D                   | 49                          | 21                          | 2                          | 17           | 2             |
| E                   | 39                          | 20                          | 2                          | 16           | 2             |
| F                   | 34                          | 21                          | 2                          | 17           | 2             |
| G                   | 17                          | 12                          | 1                          | 10           | 1             |
| H                   | 3                           | 2                           | -                          | 2            | -             |
| <b>% Allocation</b> |                             | <b>154</b>                  | <b>15</b>                  | <b>124</b>   | <b>15</b>     |

3.4 These figures are based on the second homes in Taunton Deane being awarded the minimum 10% discount proposed in the new legislation.

3.5 As shown in the table above, Taunton Deane's share of the additional revenue raised is fairly small, despite this Council, as the billing authority, having to undertake all of the extra work to bill and collect this revenue.

3.6 Somerset County Council have suggested that all Somerset Authorities should earmark the additional revenue raised by this change of policy for investment in schemes within the billing authorities area. This could be effected by giving first priority to any plans put forward by the local Strategic Partnership and/or the local Crime and Disorder Partnership. It would be possible for any of the three major precepting authorities involved to suggest and promote individual schemes, but this would be done via the Local Strategic Partnership.

3.7 A report will be submitted to the Executive requesting that this Council support and adopt this policy.

#### **4. The Proposal – Long-Term Empty Homes**

4.1 'Long-Term Empty Homes', for Council Tax purposes include properties which have been empty and unoccupied for 6 months or more, or, where they are requiring major repairs, 12 months or more.

4.2 We currently have 373 long-term empty properties within Taunton Deane.

4.3 The Local Government Act 2003 concluded that Local Authorities would have the freedom to decide whether discounts should be applied to long-term empty

properties. Currently long-term empty homes receive a 50% discount once the period of exemption expires. The Act allows authorities to reduce or remove the discount.

- 4.4 However, reducing or removing the discount for long-term empty homes would not generate any additional income, as the additional amount charged would be offset by a reduction in Revenue Support Grant (RSG). Taunton Deane, as the billing authority, would however have to bear the increased costs of billing and collecting this additional charge.
- 4.5 Pending research on the impact of a policy change on long-term empty properties, it is proposed that no reduction be made in the level of discount currently applied to long-term empty properties.

## **5. Recommendation**

- 5.1 The Executive is requested to approve:-
  - a) The policy of charging 90% of the full council tax on second homes instead of the present 50%; and
  - b) That the additional income raised be delegated to the Taunton Deane Local Strategic Partnership for decisions on how it would be spent.

## **Background Papers**

Resources Panel – February 2002 – Consultation Paper on Council Tax on 2<sup>nd</sup> Homes.  
Resources Panel – November 2003 – Council Tax on 2<sup>nd</sup> Homes

### **Contact Officers:**

Shirlene Adam  
Head of Finance  
01823 356310  
[s.adam@tauntondeane.gov.uk](mailto:s.adam@tauntondeane.gov.uk)

Richard Sealy  
Revenues Manager  
01823 356567  
[r.sealy@tauntondeane.gov.uk](mailto:r.sealy@tauntondeane.gov.uk)

# TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 19 NOVEMBER 2003

## REPORT OF THE REVENUES MANAGER

### COUNCIL TAX & NON DOMESTIC RATE INSTALMENT DATES

This matter is the responsibility of Executive Councillor T Hall (Portfolio Holder for Resources)

#### **EXECUTIVE SUMMARY**

Taunton Deane currently operate a payment schedule for local taxation (Council Tax & Non Domestic Rates) that is out of sync with our neighbouring authorities. We have an opportunity to reschedule this, which could, dependant on the option chosen, have positive cashflow implications for the Council.

The report details various options for changing the instalment dates and seeks a decision from members upon whether or not to pursue such a change.

#### 1. PURPOSE OF REPORT

- 1.1. To provide members with details of the current local taxation payment schedules and to offer suggestions for rescheduling these to bring Taunton Deane in line with other local authorities.

#### 2. BACKGROUND

- 2.1. The Revenues Best Value Review identified the need to review the Council's instalment dates for Council Tax and Non Domestic Rates and consequently contained a commitment to do so.
- 2.2. Taunton Deane has traditionally required 'cash' instalments (all non-direct debit instalments) for Council Tax and Non Domestic Rates to be paid on the twentieth of the month commencing in April of each year. Direct debit payments are largely paid on the first of each month commencing in May. In the Council Tax system the twentieth of the month is also offered as a payment date for direct debit, although only a minority pay on this date. (Detailed below are the number and approximate annual value of the different methods of payment and instalment dates).

| Payment date & type             | Council Tax  |            | Non Domestic Rates |            |
|---------------------------------|--------------|------------|--------------------|------------|
|                                 | No. of cases | Percentage | No. of cases       | Percentage |
| CASH - 20 <sup>th</sup> monthly | 19,798       | 43.4       | 1,530              | 43.6       |
| DD – 20 <sup>th</sup> monthly   | 7,312        | 16.0       | N/A                | -          |
| DD – 1 <sup>st</sup> monthly    | 17,199       | 37.7       | 1,572              | 44.8       |
| Salary – 22nd                   | 162          | 0.4        | N/A                | -          |
| Zero bill accounts              | 1,142        | 2.5        | 405                | 11.5       |

- 2.3. When compared with the other Somerset authorities and authorities nationally Taunton Deane has one of the latest set of payment dates. This results in a potential

loss in income and impacts upon collection rates. The instalment dates for the Somerset authorities are set out below

| Authority            | Council Tax    |                           | Non Domestic Rates |                |
|----------------------|----------------|---------------------------|--------------------|----------------|
|                      | Cash           | Direct Debit              | Cash               | Direct Debit   |
| Bath & N E Somerset  | 1 Apr          | 1 Apr                     | 1 Apr              | 1 Apr          |
| Mendip               | 1 Apr          | 1 Apr                     | 1 Apr              | 1 Apr          |
| North Somerset       | 1, 15 & 22 Apr | 1, 15 & 22 Apr            | 8 Apr              | 8 Apr          |
| Sedgemoor *          | 10 Apr         | 1, 10 & 21 Apr            | 10 Apr             | 1, 10 & 21 Apr |
| South Somerset       | 1 Apr          | 1 & 25 Apr                | 1 Apr              | 1 Apr          |
| <b>Taunton Deane</b> | <b>20 Apr</b>  | <b>20 Apr &amp; 1 May</b> | <b>20 Apr</b>      | <b>1 May</b>   |
| West Somerset        | 1 Apr          | 1 Apr                     | 1 Apr              | 1 Apr          |

(\* Sedgemoor intend to bring their cash payment date forward to 1 April from next year).

- 2.4. A recent analysis of our instalment payment dates indicates that bringing them forward to the first of April could produce substantial additional income through cashflow advantages for the Authority. This additional income would result from the investment income we could obtain by having received and invested the bulk of the payments three to four weeks earlier each month than we currently do.
- 2.5. Additionally, in the long-term bringing the instalment date forward will improve our ability to recover debt more quickly and enhance collection rates. This will also enable us to identify and commence action against bad payers far earlier in the financial year.

### 3. OPTIONS

- 3.1. There are three alternative options that should be considered:

#### 3.2. **Option 1 – Phased Introduction of New Instalment Date**

- 3.2.1. The twentieth of April payment date for 'cash' payers would move to the first of April with effect from next year. The date for the first of May direct debit payers would not change until the following year. The payment date for the twentieth of April direct debit payers would remain the same.
- 3.2.2. The estimated additional income in the first year with this option is £31k based on this year's figures. This would rise to £121k in the second year when the 1 May direct debit payment date was brought forward.
- 3.2.3. The advantages of this option:
  - Provides for a phased approach and limits the impact to roughly 50% of chargepayers in the first year.
  - Enables us to incentivise direct debit in the first year.
- 3.2.4. The disadvantage of this option is that it prevents us from maximising the potential additional income

#### 3.3. **Option 2 – Limited Move to New Date Retaining Direct Debit Flexibility**

- 3.3.1. This option entails moving the cash instalment date (20 April) and the first of May direct debit instalment date to first April from next year. The twentieth of April direct

debit instalment date would remain and be supplemented with the addition of a tenth of April direct debit instalment date.

3.3.2. This would generate estimated additional income of £121k per annum based on this year's figures.

3.3.3. The advantages of this option:

- Provides for significant additional income from the start.
- Retains and enhances the flexibility of the direct debit system, which in the long-term should result in a greater take-up of this method of payment.
- Enables us to still incentivise direct debit by offering alternative payment dates.

3.3.4. The disadvantages of this option:

- This may result in our initially losing some first of the month direct debit payers who are unhappy with the decision and opt to pay by cash instead.
- This will effect virtually all chargepayers and consequently there will potentially be a greater degree of disruption.

#### **3.4. Option 3 – Moving ALL Payments to 1 April**

3.4.1. That the instalment dates for ALL payment methods moves to the first of April with effect from next year. This includes the twentieth of the month direct debit payers.

3.4.2. This would generate estimated additional income of £151k per annum based on this year's figures.

3.4.3. However, this option has the major disadvantage that it would potentially cause us to lose direct debit payers by being less flexible with regard to payment dates. This would impact upon collection rates with more payments being made late. In time this would act to reduce the additional income being received through investment.

#### **4. INTRODUCING ANY CHANGE**

4.1. The key to successfully introducing any change to the instalment dates with minimal effect upon collection rates is in effectively publicising the change.

4.2. However, even with effective publicity, it must be understood that any such change is inevitably going to cause some short-term discontentment and misunderstanding with a consequent effect on collection rates, cashflow and payment trends during the first year.

4.3. Our intention would be to issue a mailshot to all affected chargepayers in January 2004. This mailshot would advise them of the forthcoming change to the payment date and clearly explain the reasons for doing so. Additionally, the mailshot would include a direct debit instruction and an invitation to move over to electronic billing via e-mail. The cost of this would be approximately £10,000, which can be met from existing budgets.

4.4. In addition we would investigate the potential for a poster campaign in local Post Offices together with explanations clearly set out in the Council Tax leaflet and in local newspapers.

## 5. CONCLUSIONS

- 5.1. Rescheduling our local taxation instalment dates would bring us into line with other local authorities, improve cashflow and consequently income.
- 5.2. The third option for change outlined above, whilst theoretically generating the largest amount of additional income, would actually in the long-term make direct debit a less flexible method of payment. This would potentially act to reduce the number of people making payment by direct debit and would consequently increase the cost of collecting payment by other methods. This option, should, therefore be discounted.
- 5.3. The decision as to whether to implement the first or second option is around determining whether we wish to make this change in one hit (option 2) or more gradually over the period of two financial years (option 1).

## 6. IMPACT UPON THE CORPORATE PRIORITIES

- 6.1. Making this change will assist the Council in maximising income and consequently its ability to deliver services.

## 7. RECOMMENDATIONS

- 7.1. That Option 2 be agreed, implemented with effect from 1 April 2004 and kept under review.

## BACKGROUND PAPERS

Resources Review Panel 13 Feb 2003 - Revenues Best Value Review

Richard Sealy  
Revenues Manager

Contact officer: Richard Sealy  
Telephone: (01823) 356567 (Ext. 2500)  
E-mail: r.sealy@tauntondeane.gov.uk

# TAUNTON DEANE BOROUGH COUNCIL

**EXECUTIVE 19 NOVEMBER 2003**

## **REPORT OF THE FINANCIAL SERVICES MANAGER**

### **COUNCIL TAX BASE 2004/05**

This matter is the responsibility of Executive Councillor Williams, Leader of the Council

#### **EXECUTIVE SUMMARY**

To approve the Council Tax Base for 2004/05, which is calculated at 38,410.50, an increase of 287.71 (0.75%) on the 2003/04 Tax Base.

#### **1 Purpose**

- 1.1 To request endorsement from the Executive of the Council Tax base for the Borough and for each parish for 2004/05.

#### **2 Introduction**

- 2.1 Members will be aware that the Council Tax base calculated each year has to be set between 1 December and 31 January in each year and approved by full Council. This year full Council will be requested to approve the Council Tax base at the meeting held on 16 December 2003.
- 2.2 The Council tax base is the "Band D" equivalent of the properties included in the Valuation Officer's banding list as at 16 October 2003, as adjusted for voids, appeals, new properties etc., and the provision for non-collection.
- 2.3 It should be noted that at the date of writing this report a consultation paper had recently been circulated by the ODPM regarding the reduction in Council Tax discount currently awarded to second homes. In this consultation paper it is stated that any reduction in the discount will have the effect of increasing the Council Tax Base. These calculations assume no increase in the Tax base as a result of any policy change on the treatment of second homes and long term empty properties. The results of this consultation exercise are awaited and members should be aware that any legislative changes to the treatment of second homes in the Tax base calculations could result in revised figures being submitted to full Council for approval.
- 2.4 The Band D equivalent is arrived at by taking the laid down proportion of each Band as compared to Band D, and aggregating the total. This is shown in Appendix A.
- 2.5 The approved base has to be notified to the County Council, the Police Authority and to each of the parishes.

### **3 Other adjustments and rate of collection**

- 3.1 Adjustments have also been included for new dwellings and for initial void exemptions for empty properties.
- 3.2 The Council Tax base also has to reflect the provision for losses on collection. In the current year a collection rate of 99% was agreed, and this rate is reasonable for 2004/05.
- 3.3 Appendix A sets out in summary form the totals recently submitted to the Office for the Deputy Prime Minister, which will be used in the final FSS calculations. The adjustments for appeals and property movements is then shown and the total for each Band expressed as “Band D equivalents”.
- 3.4 Appendix B sets out the same information but analysed over each parish and the unparished area and the further reduction for the non-collection provision is shown.
- 3.5 Appendix C sets out the Band D equivalent for each parish with the parish reduction for non-collection provision and the resultant Local Tax Base.
- 3.6 The Council Tax base for 2003/04 is 38,122.79 and the recommended base for 2004/05 of 38,410.50 represents an increase of 287.71 or 0.75%.

### **4 Effect on Corporate Priorities**

- 4.1 With the exception of Government Grant the Council Tax is the major source of income available to the Council to finance the provision of its services. The Council Tax Base determines the amount of Council Tax payable and can also influence the total amount raised through local taxation, it is therefore fundamental to the achievement of all the Corporate Priorities.

### **5 Recommendations**

- 5.1 The Executive is recommended to endorse the following recommendations to Council (subject to changes in legislation):-
  - a) That the report of the Financial Services Manager for the calculation of the Council Tax base for the whole and parts of the area for 2004/05 be approved.
  - b) That, pursuant to the Financial Services Manager’s report, and in accordance with the Local Authority (Calculation of Tax Base) Regulations 1992, the amount calculated by Taunton Deane Borough Council as its Tax Base for the whole area for the year 2004/05 shall be 38,410.50 and for the parts of the area listed below shall, for 2004/05 be:-

|            |       |
|------------|-------|
| Ash Priors | 64.53 |
| Ashbrittle | 86.10 |
| Bathealton | 82.69 |



|                             |           |
|-----------------------------|-----------|
| Bishops Hull                | 1,065.98  |
| Bishops Lydeard/Cothelstone | 1,810.11  |
| Bradford on Tone            | 276.21    |
| Burrowbridge                | 200.55    |
| Cheddon Fitzpaine           | 624.55    |
| Chipstable                  | 110.09    |
| Churchstanton               | 303.62    |
| Combe Florey                | 108.31    |
| Comeytrowe                  | 2,058.60  |
| Corfe                       | 131.44    |
| Creech St Michael           | 928.88    |
| Durston                     | 57.21     |
| Fitzhead                    | 117.95    |
| Halse                       | 142.53    |
| Hatch Beauchamp             | 240.69    |
| Kingston St Mary            | 428.18    |
| Langford Budville           | 210.93    |
| Lydeard St Lawrence/Tolland | 191.45    |
| Milverton                   | 566.97    |
| Neroche                     | 239.82    |
| North Curry                 | 681.90    |
| Norton Fitzwarren           | 652.72    |
| Nynehead                    | 146.60    |
| Oake                        | 315.95    |
| Otterford                   | 159.73    |
| Pitminster                  | 437.89    |
| Ruishton/Thornfalcon        | 604.16    |
| Sampford Arundel            | 126.01    |
| Staplegrove                 | 714.55    |
| Stawley                     | 114.10    |
| Stoke St Gregory            | 372.11    |
| Stoke St Mary               | 192.23    |
| Taunton                     | 15,317.36 |
| Trull                       | 934.62    |
| Wellington                  | 4,478.96  |
| Wellington (Without)        | 290.80    |
| West Bagborough             | 152.81    |
| West Buckland               | 396.61    |
| West Hatch                  | 139.37    |
| West Monkton                | 1,068.29  |
| Wiveliscombe                | 1,066.35  |

|              |                  |
|--------------|------------------|
| <b>Total</b> | <b>38,410.50</b> |
|--------------|------------------|

**Background Papers:** Executive 20 November 2002, Council Tax Base 2003/04

**Contact Officer:** Mark Swallow  
Group Accountant – Corporate Finance  
Tel: 01823 356421

E Mail: [m.swallow@tauntondeane.gov.uk](mailto:m.swallow@tauntondeane.gov.uk)

|                                                  | A (dis)     | A               | B               | C               | D               | E               | F               | G               | H             | TOTAL            |
|--------------------------------------------------|-------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|------------------|
| Ash Priors                                       | 0.00        | 3.17            | 1.56            | 3.56            | 6.25            | 15.28           | 22.03           | 13.33           | 0.00          | 65.18            |
| Ashbrittle                                       | 0.00        | 3.00            | 7.00            | 12.67           | 13.75           | 11.61           | 27.44           | 10.00           | 1.50          | 86.97            |
| Bathealton                                       | 0.00        | 3.00            | 1.36            | 8.89            | 6.00            | 26.28           | 31.42           | 4.58            | 2.00          | 83.53            |
| Bishops Hull                                     | 0.56        | 69.50           | 275.33          | 198.22          | 237.25          | 164.08          | 74.39           | 55.42           | 2.00          | 1,076.75         |
| Bishops Lydeard/Cothelstone                      | 0.00        | 67.83           | 269.70          | 388.44          | 315.00          | 273.16          | 204.02          | 133.75          | 7.50          | 1,659.40         |
| Bradford on Tone                                 | 0.00        | 7.67            | 7.58            | 29.33           | 52.00           | 63.86           | 71.14           | 45.42           | 2.00          | 279.00           |
| Burrowbridge                                     | 0.00        | 8.00            | 16.53           | 27.33           | 43.25           | 50.72           | 45.50           | 11.25           | 0.00          | 202.58           |
| Cheddon Fitzpaine                                | 0.00        | 15.50           | 87.89           | 181.78          | 101.50          | 120.69          | 89.92           | 29.58           | 4.00          | 630.86           |
| Chipstable                                       | 0.00        | 1.33            | 8.75            | 12.89           | 18.25           | 31.17           | 31.06           | 6.25            | 1.50          | 111.20           |
| Churchstanton                                    | 0.00        | 12.33           | 31.50           | 36.89           | 71.75           | 76.08           | 49.47           | 26.67           | 2.00          | 306.69           |
| Combe Florey                                     | 0.00        | 1.67            | 4.47            | 11.56           | 16.00           | 25.06           | 33.22           | 15.42           | 2.00          | 109.40           |
| Comeytrowe                                       | 0.00        | 43.00           | 355.06          | 654.00          | 393.25          | 429.61          | 152.39          | 52.08           | 0.00          | 2,079.39         |
| Corfe                                            | 0.00        | 2.50            | 7.58            | 14.44           | 12.25           | 15.89           | 33.94           | 44.17           | 2.00          | 132.77           |
| Creech St Michael                                | 0.00        | 10.67           | 88.08           | 258.89          | 220.50          | 241.39          | 86.31           | 30.42           | 2.00          | 938.26           |
| Durston                                          | 0.00        | 1.00            | 5.83            | 14.67           | 4.00            | 14.06           | 11.56           | 6.67            | 0.00          | 57.79            |
| Fitzhead                                         | 0.00        | 0.00            | 9.33            | 13.33           | 22.75           | 28.42           | 22.39           | 22.92           | 0.00          | 119.14           |
| Halse                                            | 0.00        | 2.33            | 4.08            | 9.11            | 20.50           | 47.36           | 31.42           | 29.17           | 0.00          | 143.97           |
| Hatch Beauchamp                                  | 0.00        | 4.67            | 27.42           | 37.33           | 31.75           | 58.06           | 58.14           | 23.75           | 2.00          | 243.12           |
| Kingston St Mary                                 | 0.00        | 15.67           | 49.39           | 34.22           | 37.00           | 70.28           | 77.28           | 141.67          | 7.00          | 432.51           |
| Langford Budville                                | 0.00        | 1.67            | 21.00           | 27.78           | 37.25           | 34.22           | 58.14           | 27.50           | 5.50          | 213.06           |
| Lydeard St Lawrence/Tolland                      | 0.00        | 4.16            | 26.25           | 13.78           | 25.75           | 49.80           | 54.89           | 18.75           | 0.00          | 193.38           |
| Milverton                                        | 0.00        | 26.67           | 95.67           | 73.11           | 78.75           | 90.14           | 145.53          | 60.83           | 2.00          | 572.70           |
| Neroche (Bickenhall/Curland/Orchard/S Fitzpaine) | 0.00        | 0.33            | 15.16           | 36.00           | 36.50           | 39.41           | 76.92           | 32.92           | 5.00          | 242.24           |
| North Curry                                      | 0.00        | 37.33           | 59.11           | 57.11           | 114.00          | 203.81          | 127.47          | 75.00           | 4.00          | 677.83           |
| Norton Fitzwarren                                | 0.00        | 121.00          | 143.89          | 161.34          | 119.75          | 58.97           | 29.61           | 18.75           | 6.00          | 659.31           |
| Nynehead                                         | 0.00        | 7.00            | 9.14            | 22.22           | 19.00           | 38.50           | 32.14           | 17.08           | 3.00          | 148.08           |
| Oake                                             | 0.00        | 24.17           | 19.25           | 39.56           | 62.00           | 67.22           | 78.36           | 24.58           | 4.00          | 319.14           |
| Otterford                                        | 0.00        | 12.17           | 5.44            | 10.67           | 21.50           | 51.64           | 47.67           | 11.25           | 1.00          | 161.34           |
| Pitminster                                       | 0.00        | 6.17            | 18.67           | 32.00           | 44.25           | 100.22          | 118.08          | 117.92          | 5.00          | 442.31           |
| Ruishton/Thornfalcon                             | 0.00        | 70.17           | 51.53           | 114.89          | 153.75          | 145.14          | 50.20           | 24.58           | 0.00          | 610.26           |
| Sampford Arundel                                 | 0.00        | 2.00            | 8.75            | 16.89           | 20.50           | 44.31           | 19.50           | 13.33           | 2.00          | 127.28           |
| Staplegrave                                      | 0.00        | 42.83           | 149.33          | 118.89          | 98.00           | 166.22          | 100.75          | 43.75           | 2.00          | 721.77           |
| Stawley                                          | 0.00        | 1.00            | 7.39            | 10.00           | 8.50            | 27.50           | 31.78           | 22.08           | 7.00          | 115.25           |
| Stoke St Gregory                                 | 0.00        | 11.67           | 70.78           | 38.67           | 75.75           | 93.81           | 55.61           | 29.58           | 0.00          | 375.87           |
| Stoke St Mary                                    | 0.00        | 19.83           | 17.11           | 14.67           | 16.50           | 26.58           | 60.31           | 39.17           | 0.00          | 194.17           |
| Taunton                                          | 2.08        | 2,020.50        | 5,801.06        | 2,842.67        | 2,132.25        | 1,171.50        | 911.44          | 322.09          | 7.00          | 15,210.59        |
| Trull                                            | 0.00        | 17.83           | 49.78           | 93.78           | 141.00          | 220.31          | 222.44          | 195.42          | 3.50          | 944.06           |
| Wellington                                       | 0.56        | 531.17          | 1,608.64        | 830.22          | 697.25          | 572.31          | 187.78          | 44.17           | 0.00          | 4,472.10         |
| Wellington (Without)                             | 0.00        | 3.83            | 9.33            | 20.44           | 48.00           | 89.53           | 96.78           | 25.83           | 0.00          | 293.74           |
| West Bagborough                                  | 0.00        | 1.83            | 28.58           | 20.00           | 22.50           | 23.22           | 29.97           | 26.25           | 2.00          | 154.35           |
| West Buckland                                    | 0.00        | 9.00            | 72.14           | 63.56           | 48.75           | 91.06           | 70.78           | 43.33           | 2.00          | 400.62           |
| West Hatch                                       | 0.00        | 5.17            | 3.50            | 8.00            | 25.00           | 34.22           | 44.06           | 20.83           | 0.00          | 140.78           |
| West Monkton                                     | 0.00        | 89.50           | 98.00           | 124.89          | 151.00          | 335.19          | 204.75          | 73.75           | 2.00          | 1,079.08         |
| Wiveliscombe                                     | 0.00        | 62.67           | 226.53          | 231.11          | 185.50          | 178.14          | 107.97          | 68.75           | 2.00          | 1,062.67         |
| <b>Totals</b>                                    | <b>3.20</b> | <b>3,402.51</b> | <b>9,874.47</b> | <b>6,969.80</b> | <b>6,006.00</b> | <b>5,716.03</b> | <b>4,115.97</b> | <b>2,100.01</b> | <b>102.50</b> | <b>38,290.49</b> |
| <b>Summary totals</b>                            | <b>3.19</b> | <b>3,402.50</b> | <b>9,874.47</b> | <b>6,969.78</b> | <b>6,006.00</b> | <b>5,716.03</b> | <b>4,115.97</b> | <b>2,100.00</b> | <b>102.50</b> | <b>38,290.49</b> |
| <b>diff</b>                                      | <b>0.01</b> | <b>0.01</b>     | <b>0.00</b>     | <b>0.02</b>     | <b>0.00</b>     | <b>0.00</b>     | <b>0.00</b>     | <b>0.01</b>     | <b>0.00</b>   | <b>0.00</b>      |

## Council Tax 'T' Figure Calculation for 2003/2004 Charge

Appendix A

### TOTALS - ALL PARISHES

| Description of information          | Band A<br>(disabled) | Band A          | Band B           | Band C          | Band D          | Band E          | Band F          | Band G          | Band H       | Totals           |
|-------------------------------------|----------------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|------------------|
| Total no of banded dwellings        |                      | 6,367.00        | 14,504.00        | 8,836.00        | 6,623.00        | 5,030.00        | 3,039.00        | 1,341.00        | 82.00        | 45,822.00        |
| Additions                           |                      | 82.19           | 195.25           | 115.76          | 78.65           | 47.74           | 27.58           | 12.19           | 0.65         | 560.00           |
| Exempt dwellings                    |                      | 282.00          | 323.00           | 224.00          | 113.00          | 82.00           | 45.00           | 20.00           | 6.00         | 1,095.00         |
| Demolished dwellings                |                      | 2.00            | 1.00             | 0.00            | 1.00            | 0.00            | 0.00            | 0.00            | 0.00         | 4.00             |
| Disabled relief aggregate           | 6.00                 | 54.00           | 1.00             | -9.00           | -14.00          | -12.00          | -7.00           | 2.00            | -21.00       | 0.00             |
| <b>Total no of banded dwellings</b> | <b>6.00</b>          | <b>6,219.19</b> | <b>14,376.25</b> | <b>8,718.76</b> | <b>6,573.65</b> | <b>4,983.74</b> | <b>3,014.58</b> | <b>1,335.19</b> | <b>55.65</b> | <b>45,283.00</b> |
| 25% discounts                       | 1.00                 | 3,783.00        | 5,723.00         | 2,798.00        | 1,802.00        | 969.00          | 466.00          | 158.00          | 5.00         | 15,705.00        |
| 50% discounts                       | 0.00                 | 175.00          | 213.00           | 151.00          | 99.00           | 66.00           | 56.00           | 53.00           | 9.00         | 822.00           |
| <b>Discounts deduction</b>          | <b>0.25</b>          | <b>1,033.25</b> | <b>1,537.25</b>  | <b>775.00</b>   | <b>500.00</b>   | <b>275.25</b>   | <b>144.50</b>   | <b>66.00</b>    | <b>5.75</b>  | <b>4,337.25</b>  |
| MOD properties (exemption class O)  | 0.00                 | 0.00            | 51.99            | 13.01           | 11.00           | 16.00           | 7.00            | 3.00            | 2.00         | 101.70           |
| Net dwellings                       | 5.75                 | 5,185.94        | 12,890.99        | 7,956.76        | 6,084.65        | 4,724.50        | 2,877.08        | 1,272.19        | 51.90        | 41,047.45        |
| Band D equivalents                  | 3.2                  | 3,457.3         | 10,026.3         | 7,072.7         | 6,084.7         | 5,774.4         | 4,155.8         | 2,120.3         | 103.8        | 38,798.4         |

**Reconciliation Between CTB1 Calculation & Council Tax 'T' Figure Calculation**

|                              |                         |
|------------------------------|-------------------------|
| Band D Equivalent re CTB1    | 38,290.40               |
| Add Additions:               |                         |
| Band D Equivalent for Band A | 54.79                   |
| Band D Equivalent for Band B | 151.86                  |
| Band D Equivalent for Band C | 102.89                  |
| Band D Equivalent for Band D | 78.65                   |
| Band D Equivalent for Band E | 58.35                   |
| Band D Equivalent for Band F | 39.83                   |
| Band D Equivalent for Band G | 20.31                   |
| Band D Equivalent for Band H | 1.31                    |
| Equals                       | <u><u>38,798.40</u></u> |

Band D Equivalent re Council Tax 'T' Figure Calculation 38,798.42 per Appendix A

Difference -0.02ok

## TAX BASE - BAND D EQUIVALENTS

| Band                        | A (disabled) | A        | B         | C        | D        | E        | F        | G        | H      | Totals    |
|-----------------------------|--------------|----------|-----------|----------|----------|----------|----------|----------|--------|-----------|
| Taunton Deane Borough       | 3.19         | 3,457.29 | 10,026.33 | 7,072.68 | 6,084.65 | 5,774.39 | 4,155.78 | 2,120.31 | 103.81 | 38,798.42 |
| Ash Priors                  | 0.00         | 3.17     | 1.56      | 3.56     | 6.25     | 15.28    | 22.03    | 13.33    | 0.00   | 65.18     |
| Ashbrittle                  | 0.00         | 3.00     | 7.00      | 12.67    | 13.75    | 11.61    | 27.44    | 10.00    | 1.50   | 86.97     |
| Bathealton                  | 0.00         | 3.00     | 1.36      | 8.89     | 6.00     | 26.28    | 31.42    | 4.58     | 2.00   | 83.53     |
| Bishops Hull                | 0.56         | 69.50    | 275.33    | 198.22   | 237.25   | 164.08   | 74.39    | 55.42    | 2.00   | 1,076.75  |
| Bishops Lydeard/Cothelstone | 0.00         | 75.86    | 298.63    | 429.32   | 345.88   | 300.62   | 223.63   | 146.18   | 8.26   | 1,828.39  |
| Bradford on Tone            | 0.00         | 7.67     | 7.58      | 29.33    | 52.00    | 63.86    | 71.14    | 45.42    | 2.00   | 279.00    |
| Burrowbridge                | 0.00         | 8.00     | 16.53     | 27.33    | 43.25    | 50.72    | 45.50    | 11.25    | 0.00   | 202.58    |
| Cheddon Fitzpaine           | 0.00         | 15.50    | 87.89     | 181.78   | 101.50   | 120.69   | 89.92    | 29.58    | 4.00   | 630.86    |
| Chipstable                  | 0.00         | 1.33     | 8.75      | 12.89    | 18.25    | 31.17    | 31.06    | 6.25     | 1.50   | 111.20    |
| Churchstanton               | 0.00         | 12.33    | 31.50     | 36.89    | 71.75    | 76.08    | 49.47    | 26.67    | 2.00   | 306.69    |
| Combe Florey                | 0.00         | 1.67     | 4.47      | 11.56    | 16.00    | 25.06    | 33.22    | 15.42    | 2.00   | 109.40    |
| Comeytrowe                  | 0.00         | 43.00    | 355.06    | 654.00   | 393.25   | 429.61   | 152.39   | 52.08    | 0.00   | 2,079.39  |
| Corfe                       | 0.00         | 2.50     | 7.58      | 14.44    | 12.25    | 15.89    | 33.94    | 44.17    | 2.00   | 132.77    |
| Creech St Michael           | 0.00         | 10.67    | 88.08     | 258.89   | 220.50   | 241.39   | 86.31    | 30.42    | 2.00   | 938.26    |
| Durston                     | 0.00         | 1.00     | 5.83      | 14.67    | 4.00     | 14.06    | 11.56    | 6.67     | 0.00   | 57.79     |
| Fitzhead                    | 0.00         | 0.00     | 9.33      | 13.33    | 22.75    | 28.42    | 22.39    | 22.92    | 0.00   | 119.14    |
| Halse                       | 0.00         | 2.33     | 4.08      | 9.11     | 20.50    | 47.36    | 31.42    | 29.17    | 0.00   | 143.97    |
| Hatch Beauchamp             | 0.00         | 4.67     | 27.42     | 37.33    | 31.75    | 58.06    | 58.14    | 23.75    | 2.00   | 243.12    |
| Kingston St Mary            | 0.00         | 15.67    | 49.39     | 34.22    | 37.00    | 70.28    | 77.28    | 141.67   | 7.00   | 432.51    |
| Langford Budville           | 0.00         | 1.67     | 21.00     | 27.78    | 37.25    | 34.22    | 58.14    | 27.50    | 5.50   | 213.06    |
| Lydeard St Lawrence/Tolland | 0.00         | 4.16     | 26.25     | 13.78    | 25.75    | 49.80    | 54.89    | 18.75    | 0.00   | 193.38    |
| Milverton                   | 0.00         | 26.67    | 95.67     | 73.11    | 78.75    | 90.14    | 145.53   | 60.83    | 2.00   | 572.70    |
| Neroche                     | 0.00         | 0.33     | 15.16     | 36.00    | 36.50    | 39.41    | 76.92    | 32.92    | 5.00   | 242.24    |
| North Curry                 | 0.00         | 38.01    | 60.10     | 58.04    | 115.86   | 207.08   | 129.53   | 76.11    | 4.06   | 688.79    |
| Norton Fitzwarren           | 0.00         | 121.00   | 143.89    | 161.34   | 119.75   | 58.97    | 29.61    | 18.75    | 6.00   | 659.31    |
| Nynehead                    | 0.00         | 7.00     | 9.14      | 22.22    | 19.00    | 38.50    | 32.14    | 17.08    | 3.00   | 148.08    |
| Oake                        | 0.00         | 24.17    | 19.25     | 39.56    | 62.00    | 67.22    | 78.36    | 24.58    | 4.00   | 319.14    |
| Otterford                   | 0.00         | 12.17    | 5.44      | 10.67    | 21.50    | 51.64    | 47.67    | 11.25    | 1.00   | 161.34    |
| Pitminster                  | 0.00         | 6.17     | 18.67     | 32.00    | 44.25    | 100.22   | 118.08   | 117.92   | 5.00   | 442.31    |
| Ruishton/Thornfalcon        | 0.00         | 70.17    | 51.53     | 114.89   | 153.75   | 145.14   | 50.20    | 24.58    | 0.00   | 610.26    |
| Sampford Arundel            | 0.00         | 2.00     | 8.75      | 16.89    | 20.50    | 44.31    | 19.50    | 13.33    | 2.00   | 127.28    |
| Staplegrove                 | 0.00         | 42.83    | 149.33    | 118.89   | 98.00    | 166.22   | 100.75   | 43.75    | 2.00   | 721.77    |
| Stawley                     | 0.00         | 1.00     | 7.39      | 10.00    | 8.50     | 27.50    | 31.78    | 22.08    | 7.00   | 115.25    |
| Stoke St Gregory            | 0.00         | 11.67    | 70.78     | 38.67    | 75.75    | 93.81    | 55.61    | 29.58    | 0.00   | 375.87    |
| Stoke St Mary               | 0.00         | 19.83    | 17.11     | 14.67    | 16.50    | 26.58    | 60.31    | 39.17    | 0.00   | 194.17    |
| Taunton                     | 2.08         | 2,058.87 | 5,901.09  | 2,890.98 | 2,167.61 | 1,190.51 | 926.15   | 327.47   | 7.33   | 15,472.08 |
| Trull                       | 0.00         | 17.83    | 49.78     | 93.78    | 141.00   | 220.31   | 222.44   | 195.42   | 3.50   | 944.06    |
| Wellington                  | 0.56         | 537.93   | 1,627.38  | 839.83   | 705.28   | 578.60   | 189.84   | 44.67    | 0.10   | 4,524.20  |
| Wellington (Without)        | 0.00         | 3.83     | 9.33      | 20.44    | 48.00    | 89.53    | 96.78    | 25.83    | 0.00   | 293.74    |
| West Bagborough             | 0.00         | 1.83     | 28.58     | 20.00    | 22.50    | 23.22    | 29.97    | 26.25    | 2.00   | 154.35    |
| West Buckland               | 0.00         | 9.00     | 72.14     | 63.56    | 48.75    | 91.06    | 70.78    | 43.33    | 2.00   | 400.62    |
| West Hatch                  | 0.00         | 5.17     | 3.50      | 8.00     | 25.00    | 34.22    | 44.06    | 20.83    | 0.00   | 140.78    |
| West Monkton                | 0.00         | 89.50    | 98.00     | 124.89   | 151.00   | 335.19   | 204.75   | 73.75    | 2.00   | 1,079.08  |
| Wiveliscombe                | 0.00         | 63.62    | 229.70    | 234.27   | 188.02   | 180.46   | 109.37   | 69.64    | 2.05   | 1,077.12  |
|                             | 3.20         | 3,457.30 | 10,026.33 | 7,072.69 | 6,084.65 | 5,774.38 | 4,155.80 | 2,120.32 | 103.81 | 38,798.49 |
| Non Collection Provision    | 0.03         | 34.57    | 100.26    | 70.73    | 60.85    | 57.74    | 41.56    | 21.20    | 1.04   | 387.98    |
| COUNCIL TAX BASE            | 3.17         | 3,422.73 | 9,926.07  | 7,001.97 | 6,023.80 | 5,716.64 | 4,114.25 | 2,099.12 | 102.77 | 38,410.50 |

## APPENDIX C

**TAX BASE**  
**LOCAL TAX BASE (WHOLE/PART AREAS)**

|                                               | Band D<br>Equivalents | Provision for Non<br>Collection | Local Tax Base |
|-----------------------------------------------|-----------------------|---------------------------------|----------------|
| Taunton Deane Borough Council -<br>whole area | 38,798.49             | 387.98                          | 38,410.50      |
| <hr/>                                         |                       |                                 |                |
| Ash Priors                                    | 65.18                 | 0.65                            | 64.53          |
| Ashbrittle                                    | 86.97                 | 0.87                            | 86.10          |
| Bathealton                                    | 83.53                 | 0.84                            | 82.69          |
| Bishops Hull                                  | 1,076.75              | 10.77                           | 1,065.98       |
| Bishops Lydeard/Cothelstone                   | 1,828.39              | 18.28                           | 1,810.11       |
| Bradford on Tone                              | 279.00                | 2.79                            | 276.21         |
| Burrowbridge                                  | 202.58                | 2.03                            | 200.55         |
| Cheddon Fitzpaine                             | 630.86                | 6.31                            | 624.55         |
| Chipstable                                    | 111.20                | 1.11                            | 110.09         |
| Churchstanton                                 | 306.69                | 3.07                            | 303.62         |
| Combe Florey                                  | 109.40                | 1.09                            | 108.31         |
| Comeytrowe                                    | 2,079.39              | 20.79                           | 2,058.60       |
| Corfe                                         | 132.77                | 1.33                            | 131.44         |
| Creech St Michael                             | 938.26                | 9.38                            | 928.88         |
| Durstun                                       | 57.79                 | 0.58                            | 57.21          |
| Fitzhead                                      | 119.14                | 1.19                            | 117.95         |
| Halse                                         | 143.97                | 1.44                            | 142.53         |
| Hatch Beauchamp                               | 243.12                | 2.43                            | 240.69         |
| Kingston St Mary                              | 432.51                | 4.33                            | 428.18         |
| Langford Budville                             | 213.06                | 2.13                            | 210.93         |
| Lydeard St Lawrence/Tolland                   | 193.38                | 1.93                            | 191.45         |
| Milverton                                     | 572.70                | 5.73                            | 566.97         |
| Neroche                                       | 242.24                | 2.42                            | 239.82         |
| North Curry                                   | 688.79                | 6.89                            | 681.90         |
| Norton Fitzwarren                             | 659.31                | 6.59                            | 652.72         |
| Nynehead                                      | 148.08                | 1.48                            | 146.60         |
| Oake                                          | 319.14                | 3.19                            | 315.95         |
| Otterford                                     | 161.34                | 1.61                            | 159.73         |
| Pitminster                                    | 442.31                | 4.42                            | 437.89         |
| Ruishton/Thornfalcon                          | 610.26                | 6.10                            | 604.16         |
| Sampford Arundel                              | 127.28                | 1.27                            | 126.01         |
| Staplegrove                                   | 721.77                | 7.22                            | 714.55         |
| Stawley                                       | 115.25                | 1.15                            | 114.10         |
| Stoke St Gregory                              | 375.87                | 3.76                            | 372.11         |
| Stoke St Mary                                 | 194.17                | 1.94                            | 192.23         |
| Taunton                                       | 15,472.08             | 154.72                          | 15,317.36      |
| Trull                                         | 944.06                | 9.44                            | 934.62         |
| Wellington                                    | 4,524.20              | 45.24                           | 4,478.96       |
| Wellington (Without)                          | 293.74                | 2.94                            | 290.80         |
| West Bagborough                               | 154.35                | 1.54                            | 152.81         |
| West Buckland                                 | 400.62                | 4.01                            | 396.61         |
| West Hatch                                    | 140.78                | 1.41                            | 139.37         |
| West Monkton                                  | 1,079.08              | 10.79                           | 1,068.29       |
| Wiveliscombe                                  | 1,077.12              | 10.77                           | 1,066.35       |
|                                               | <hr/> <hr/>           | <hr/> <hr/>                     | <hr/> <hr/>    |
|                                               | 38,798.49             | 387.98                          | 38,410.50      |

# TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 19<sup>th</sup> NOVEMBER 2003

## REPORT OF THE FINANCIAL SERVICES MANAGER

This matter is the responsibility of Executive Councillor Williams (Leader of the Council)

### TREASURY MANAGEMENT UPDATE 2003/04

#### EXECUTIVE SUMMARY

- The Bank of England base rate is expected to rise to 3.75% in November 03, followed by two further rises to 4.25% by December 04.
- Investment income generated to end of quarter two, £110,000 over budget.
- Debt restructuring currently under review with view to reducing annual debt cost and 'smoothing' repayment profile of debt.
- Investments outstanding £18,115,000 (£16,800,000 on 11/06/03)
- Average return 3.73% on investments. (3.75% to 11/06/03)

#### 1. Purpose of Report

- 1.1 To update the Executive on the current position for treasury management activities in 2003/04, and raise any issues related to this function over the remainder of this financial year and into the next financial year.

#### 2. Interest Rates

- 2.1 Since the last Treasury Management report in June, the Bank of England, via the Monetary Policy Committee (MPC), has reduced base rate to 3.5% and maintained it at this level since then. In response to the results of the MPC meeting in October, showing a narrow 5-4 vote in keeping rates at 3.5%, our treasury advisors are expecting a rise, at the next meeting, on the 6<sup>th</sup> of November and have forecast two further rises in the Summer and Autumn of next year, taking rates to a predicted position of 4.25%.
- 2.2 The above forecast suggests that we can expect to benefit from a higher return from investment income in the remaining part of this financial year, and better returns than currently budgeted / expected should be achievable in 2004/5. These improvements will be monitored and reported during the remainder of the financial year.
- 2.3 In light of the above, at quarter two, we expect to exceed our original estimate of General Fund interest receipts by £110,000.



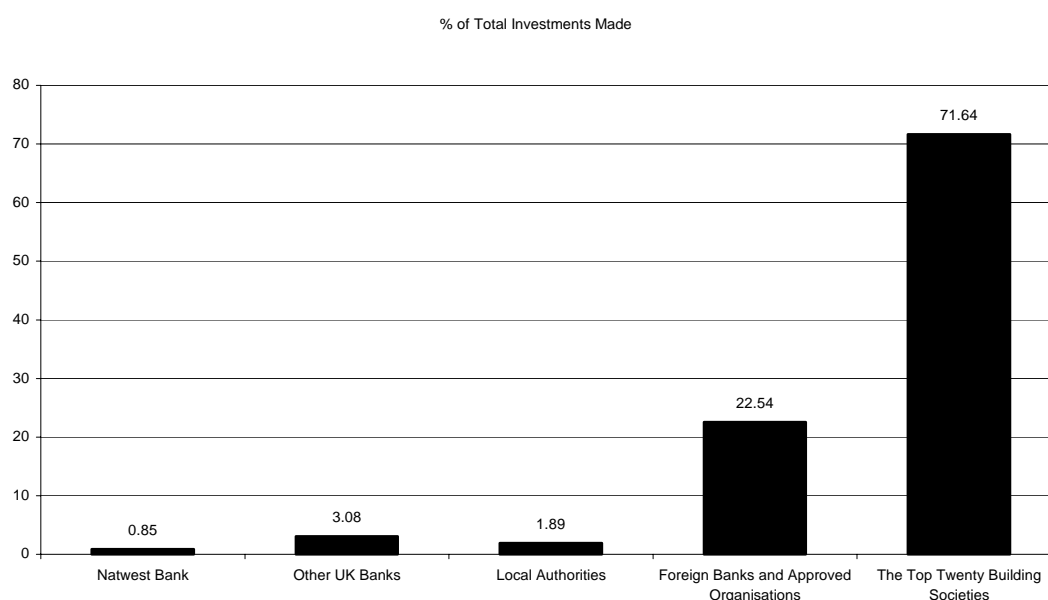
### 3. External Debt

3.1 Notwithstanding the potential impact of the 'Prudential Code', discussed in the last update report. Council officers are currently investigating the potential for restructuring some of our existing debt. This may involve repaying some debt early and re-borrowing at a reduced rate. This has an obvious beneficial impact on the cost of financing our debt and allows us to smooth the repayment period of our debt. This is an ongoing exercise and future opportunities will be exploited as they become apparent.

### 4. Investment Transactions

4.1 As at 3<sup>rd</sup> November 2003, sums totalling £18,115,000 were invested as set out in Appendix A.

4.2 The weighted average total of investments (£'s/day) was loaned proportionally to the following institutions between 1<sup>st</sup> April and 3<sup>rd</sup> November 2003: -



4.3 At the end of 2003/4 it is expected that at least £6 million will remain invested, with the remaining investments drawn down to meet cash flow demands.

4.4 The average rate of interest achieved on all new investments during 2003/04 to date is 3.73%. This slight reduction since the last Treasury Management report is due to many of our investments being 'short dated' (i.e. a period of only a few weeks in order to meet short term cash flows demands). The effect of an increasing base rate and lengthening periods of investment could push this average up by the end of the financial year.

### 5. EFFECT ON CORPORATE PRIORITIES

5.1 Treasury Management impacts on all aspects of the Council's revenue and capital finances and therefore affects all Corporate Priorities.

**6. RECOMMENDATION**

- 6.1 The Executive is requested to note the treasury management position to date for 2003/04 and the highlighted issues for the six months into 2004/05.

**Background Papers:** Executive 12<sup>th</sup> March 2003, Treasury Management Strategy Statement 2003/4; Executive 25<sup>th</sup> June 2003, Treasury Management Update.

**Contact: - Steve Murphy**  
**Technical & Systems Support Accountant**  
**Tel: 01823 331 448**  
**E-mail: j.murphy@tauntondeane.gov.uk**

**Appendix A**

**Investments At 3<sup>rd</sup> November 2003 (in Order of Maturity)**

| <b>Borrower</b>                          | <b>Amount<br/>£</b> | <b>Rate of<br/>Interest<br/>%</b> | <b>Date of<br/>Investment</b> | <b>Date of<br/>Maturity</b> |
|------------------------------------------|---------------------|-----------------------------------|-------------------------------|-----------------------------|
| HFC Bank plc                             | 1,000,000           | 3.59                              | 22/09/03                      | 17/11/03                    |
| Skipton Building Society                 | 1,000,000           | 3.54                              | 15/10/03                      | 17/11/03                    |
| Portman Building Society                 | 1,500,000           | 3.53                              | 15/10/03                      | 17/11/03                    |
| West Bromwich Building Society           | 1,000,000           | 3.60                              | 24/10/03                      | 21/11/03                    |
| Stroud & Swindon Building Society        | 1,000,000           | 3.60                              | 09/10/03                      | 05/12/03                    |
| Staffordshire Building Society           | 1,000,000           | 3.61                              | 15/10/03                      | 15/12/03                    |
| Derbyshire Building Society              | 1,000,000           | 3.66                              | 01/10/03                      | 05/01/04                    |
| Cheshire Building Society                | 500,000             | 3.60                              | 15/09/03                      | 19/01/04                    |
| Staffordshire Building Society           | 1,000,000           | 3.90                              | 03/11/03                      | 17/03/04                    |
| Scarborough Building Society             | 1,000,000           | 3.93                              | 03/11/03                      | 17/03/04                    |
| Stroud & Swindon Building Society        | 1,000,000           | 3.96                              | 03/11/03                      | 17/03/04                    |
| Newcastle Building Society               | 1,500,000           | 3.77                              | 01/10/03                      | 07/04/04                    |
| Cheshire Building Society                | 1,000,000           | 3.40                              | 01/05/03                      | 29/04/04                    |
| Dexia Bank International a Luxembourg SA | 1,000,000           | 3.50                              | 01/08/03                      | 30/07/04                    |
| National Australia Bank                  | 1,500,000           | 3.86                              | 15/08/03                      | 13/08/04                    |
| Norddeutsche LG Bank                     | 1,000,000           | 4.00                              | 06/10/03                      | 04/10/04                    |
| Standard Life Money Market Fund          | 700,000             | Variable                          | N/A                           | On Demand                   |
| Abbey National Business Reserve          | 115,000             | 3.5                               | N/A                           | On Demand                   |
| Bank of Scotland Business Reserve        | 300,000             | 3.5                               | N/A                           | On Demand                   |
| <b>TOTAL</b>                             | <b>18,115,000</b>   |                                   |                               |                             |

## **TAUNTON DEANE BOROUGH COUNCIL**

**EXECUTIVE 19<sup>TH</sup> NOVEMBER 2003**

### **BUSINESS IMPROVEMENT DISTRICTS**

#### **REPORT OF THE HEAD OF FINANCE**

**(this matter is the responsibility of the Leader of the Council)**

#### **EXECUTIVE SUMMARY**

The Local Government Act 2003 introduced the primary legislation necessary to create Business Improvement Districts (partnerships between local authorities and local businesses to deliver schemes that will operate for the benefit of the community). There are still further consultation papers expected on this subject before the formal guidance is issued to allow BIDs to go live. Meantime local authorities are encouraged to work with local businesses to develop BIDs. This report requests the Executive to approve TDBC's involvement in a project team to develop a BID.

#### **1. Purpose of Report**

- 1.1 To inform the Executive of the opportunities offered by the Local Government Bill 2003 with regard to the creation of Business Improvement Districts.

#### **2. Background**

- 2.1 The Government issued a consultation paper earlier this year outlining their ideas on the creation of Business Improvement Districts (BIDs). The paper covered the policy and legislative background on BIDs, gave suggestions on how to form a BID and prepare a proposal, and guidance on how to manage a BID once it has been formed.
- 2.2 The consultation paper was the first attempt at developing policy on this subject and recognised that it would evolve over time and indeed may need to be revised in light of the lessons learned from the pilot BID schemes currently running throughout the country.
- 2.3 The Government have now set out in the Local Government Act 2003 the necessary primary legislation for BIDs to be formed, although further guidance papers are expected before a formal BID can commence.

#### **3. What is a Business Improvement District?**

- 3.1 A BID is a partnership arrangement through which local authorities and the local business community can take forward schemes that will benefit the local community, subject to the agreement of business ratepayers.
- 3.2 BIDs are funded by an additional levy on business ratepayers. A BID can be established in any place where additional services to those that the local

authority provides are desired (ie town centres / particular streets / or larger areas).

- 3.3 BIDs are part of the Governments strategy in encouraging partnership working between local authorities and businesses to achieve improvements. In BIDs the partnership between businesses and local authorities will be mutual; local authorities and business will need to reach agreement on the nature and scope of improvements, and secure a favourable vote from businesses before the improvements can be made.
- 3.4 BIDs are also part of a wider agenda encompassing urban and community regeneration including liveability, cleanliness, safety and attractiveness of street and public places.

#### 4. The Legislative Framework

- 4.1 The Local Government Act 2003 was passed in Parliament on 18<sup>th</sup> Sept 2003. This gave the primary legislation necessary to create BIDs. Draft Regulations are likely to be issued for formal consultation in November 2003, with a view to coming into force in Summer 2004. Guidance papers were issued to local authorities for consultation earlier this year and will be finalised in Summer 2004. This is the earliest that a formal BID could be created.

#### 5. Rough Guide To Creating A BID

- 5.1 An outline timetable is set out below for illustrative purposes only.

|                     |                                                                                                                                    |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------|
| <b>Month 1</b>      | Begin to form a partnership. Meetings of key stakeholders in the local area to discuss possible improvements.                      |
| <b>Month 4</b>      | Stakeholders interested in forming a BID should come together and discuss the feasibility (ie geographic area / projects / sector) |
| <b>Month 8</b>      | Plans produced by stakeholders should be discussed in the proposed BID area.                                                       |
| <b>Months 9-10</b>  | Forming the BID board. Production of business plan.                                                                                |
| <b>Months 10-15</b> | Drawing up the BID proposal.                                                                                                       |
| <b>Month 15</b>     | Consult on BID proposal and secure support of key businesses in the area.                                                          |
| <b>Months 16-18</b> | Put the BID proposal to a vote.                                                                                                    |
| <b>Months 18-20</b> | Should the BID vote be successful, BID arrangements can commence.                                                                  |

#### 6. Outstanding Issues

- 6.1 There are a few fundamental issues that need to be resolved by Government prior to the formal creation of any BID scheme, including:-

- 6.2
  - The Vote            Electoral legislation is complex and the Government intend to develop new simplified procedures for BIDs (Regulations).

|                 |                                                                                                                                                                                                                                             |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue Issues  | Still lots of unanswered questions re the billing and collection of BIDs. The Govt intend to issue a separate guidance document on this area.                                                                                               |
| Data Sharing    | Perhaps the biggest issue to be resolved. The Government need to introduce legislation to give local authorities the power to use NNDR data for BID purposes.                                                                               |
| Property Owners | The current situation does not allow for the mandatory involvement of the property owners. It is entirely at the discretion of the individual BID. This is causing some debate nationally and is likely to be reviewed in a few years time. |

## **7. Lesson Learned From Pilot BID Schemes**

7.1 The main issues emerging from the pilot scheme are:-

- It is important to timetable sufficient time in the planning stage of a BID project. It is important to get the content right and this may take a significant amount of time and effort.
- It is important to ensure the BID doesn't stand alone. It must fit with the local authority's strategic wider objectives (and those of the Local Strategic Partnership!).
- BID schemes can be used for all types of projects – don't assume they should focus entirely on the retail sector.

## **8. What Next For Taunton Deane Borough Council?**

8.1 The Town Centre Partnership (TCP) is keen to develop a BID. A project team, chaired by Richard Lee (Manager of Boots), has been created to try and push this forward. The team is currently made up of:-

Richard Lee - Manager of Boots  
Lucy Ball - Town Centre Manager  
Keith Lowe - Manager – Old Market Shopping Centre  
Vincent Boni - County Gazette  
Nicola McLean – Taunton Times  
Shirlene Adam – Taunton Deane Borough Council

The core team is likely to grow as the BID project develops.

8.2 The project team are currently engaging with key partners to ensure that the BID concept is supported (LSP and TDBC).

## **9. Impact on Corporate Priorities**

9.1 The creation of a BID would strengthen the relationship between this Council, the Local Strategic Partnership and the local business community. It would focus attention on key projects that meet our shared priorities.

**10. Recommendation**

- 10.1 The Executive is requested to consider the concept of Business Improvement Districts and to support the project team in its strive to gain stakeholder backing.
- 10.2 The Executive is recommended to request the Community Leadership Panel to monitor the progress of the BID over the coming months.

Shirlene Adam  
Head of Finance  
01823 356310  
[s.adam@tauntondeane.gov.uk](mailto:s.adam@tauntondeane.gov.uk)