

You are requested to attend a meeting of the Executive to be held in The Brittons Ash Community Centre, Bridgwater Road, Bathpool, Taunton, (Activity Room). on 7 September 2017 at 18:15.

Agenda

- 1 Apologies.
- 2 Minutes of the meeting of the Executive held on 3 August 2017 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests
To receive declarations of Disclosable Pecuniary Interests or personal or prejudicial interests, in accordance with the Code of Conduct, in relation to items on the agenda. Such interests need to be declared even if they have already been recorded in the Register of Interests. The personal interests of Councillors who are County Councillors, Town or Parish Councillors will automatically be recorded in the minutes.
- 5 Proposed Business Rates Revaluation Relief. Report of the Principal Revenues and Debt Recovery Officer (attached).
Reporting Officer: Dean Emery
- 6 Supplementary Budget Request - Cemeteries and Crematorium. Report of the Assistant Director - Operational Delivery (attached).
Reporting Officer: Chris Hall
- 7 Executive Forward Plan - details of forthcoming items to be considered by the Executive and the opportunity for Members to suggest further items (attached)

The following items are likely to be considered after the exclusion of the press and public because of the likelihood that exempt information would otherwise be disclosed relating to the Clause set out below of Schedule 12A of the Local Government Act 1972.

- 8 Confidential Report - Acquisition of Thales Interests, Lisieux Way Taunton Report of the Assistant Director - Asset Development Projects. Paragraph 3 - Information relating to financial or business affairs. (to follow).

- 9 Confidential Report – Planning (Listed Buildings and Conservation Areas) Act 1990 – Listed Buildings at Tonedale Mill, Milverton Road, Wellington – Premises in Wellington. Report of the Regeneration and Infrastructure Manager. Paragraph 3 - Information relating to financial or business affairs. (attached).
Reporting Officer: Fiona Webb

Bruce Lang
Assistant Chief Executive

07 August 2018

Members of the public are welcome to attend the meeting and listen to the discussions.

There is time set aside at the beginning of most meetings to allow the public to ask questions.

Speaking under “Public Question Time” is limited to 4 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chairman will be responsible for ensuring the time permitted does not overrun. The speaker will be allowed to address the Committee once only and will not be allowed to participate further in any debate.

Except at meetings of Full Council, where public participation will be restricted to Public Question Time only, if a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors begin to debate the item.

This is more usual at meetings of the Council’s Planning Committee and details of the “rules” which apply at these meetings can be found in the leaflet “Having Your Say on Planning Applications”. A copy can be obtained free of charge from the Planning Reception Desk at The Deane House or by contacting the telephone number or e-mail address below.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

Full Council, Executive, Committees and Task and Finish Review agendas, reports and minutes are available on our website: www.tauntondeane.gov.uk



The meeting rooms at both the Brittons Ash Community Centre and West Monkton Primary School are on the ground floor and are fully accessible. Toilet facilities, with wheelchair access, are available.

Lift access to the Council Chamber on the first floor of Shire Hall, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are available through the door to the right hand side of the dais.



An induction loop operates at Shire Hall to enhance sound for anyone wearing a hearing aid or using a transmitter.

For further information about the meeting, please contact Democratic Services on 01823 219736 or email r.bryant@tauntondeane.gov.uk

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Executive Members:-

Councillor J Warmington	(Community Leadership)
Councillor A Sully	(Corporate Resources)
Councillor M Edwards	(Economic Development, Asset Management, Arts and Culture, Tourism and Communications (Deputy Leader))
Councillor P Berry	(Environmental Services & Climate Change)
Councillor T Beale	(Housing Services)
Councillor J Williams - Leader of the Council	(Leader of the Council)
Councillor R Parrish	(Planning Policy and Transportation)
Councillor V Stock-Williams	(Sports, Parks and Leisure)

Executive – 3 August 2017

Present: Councillor Williams (Chairman)
Councillors Edwards, Mrs Herbert and Parrish

Officers: Richard Doyle (Corporate Strategy and Performance Officer), Paul Carter (Assistant Director – Corporate Services), David Evans (Economic Development Manager) and Richard Bryant (Democratic Services Manager)

Also present: Councillors Aldridge, Coles and Hunt.

(The meeting commenced at 6.15 pm.)

23. Apology

Councillor Mrs Warmington.

24. Minutes

The minutes of the meeting of the Executive held on 6 July 2017, copies of which had been circulated, were taken as read and were signed.

25. Declaration of Interests

Councillor Mrs Herbert declared a personal interest as a trustee of the 'On Your Bike' Charity.

26. Quarter 4 2016/2017 Performance Report

Considered report previously circulated, which detailed the performance of the Council for the final quarter of 2016/2017.

Regularly monitoring performance was a key element of the Council's Performance Management Framework. There were 35 individual measures which were reported within the Corporate Scorecard.

The Taunton Deane Corporate Scorecard contained details of the Quarter 4 2016/2017 position against the Council's key priorities, finance and corporate health indicators. It was stressed that this information was the situation at 31 March 2017.

Each action/measure had been given a coloured status to provide the reader with a quick visual way of identifying whether particular measures were on track or whether there might be some issues with performance or delivery or an action.

The table below provided an overview of the reported indicators within the Corporate Scorecard:-

GREEN 😊	AMBER 😐	RED 😞	NOT DUE	NOT AVAILABLE	TOTAL
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24 (16)	3 (6)	5 (3)	0 (8)	3 (2)	35
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(The figures in brackets related to Quarter 3)

Submitted a comprehensive summary of each of the 35 performance measures. The five indicators on the scorecard allocated 'red' status were:-

- Completion of urgent repairs – within 24 hours;
- Customer Complaints – Response times;
- Average processing times of new Housing Benefit and Council Tax Support claims;
- Number of households making a homeless application; and
- Wage levels in Taunton Deane compared to the national average.

Reported on the actions that would be taken in an attempt to meet the performance targets that had been set for these five indicators.

Resolved that the report be noted.

27. **Financial Monitoring – Outturn 2016/2017**

Considered report previously circulated, relating to the Council's financial performance for the 2016/2017 financial year. The outturn figures had been included within the Statement of Accounts which had been approved by the Council's External Auditors.

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

The revenue outturn position for the financial year 2016/2017 was as follows:-

- The General Fund (GF) Revenue Outturn position for 2016/2017 was a net underspend of £101,000 (0.7%). The underspend had decreased since the end of quarter 2 due to significant variances in Rent Allowances and Rebates; Cemeteries and Crematorium; Council Tax Collection; Leisure Procurement; and Interest Costs and Income.
- The Housing Revenue Account (HRA) was a 'Self-Financing' account for the Council's Housing Landlord function, which was budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2016/2017 was a net underspend of £882,000 (3.3% of gross income).

Reported that the year-end financial statements reported that Deane DLO had made an overall deficit of £44,000 after contributing £101,000 to the GF. This deficit had been transferred from the DLO Trading Account Reserves which, together with a

£200,000 contribution to Transformation, had decreased the reserve balance to £121,000.

The Deane Helpline had reported a net deficit of £64,000 for the year, which was an underspend of £53,000 against the final budget and represented the net cost of the service to the GF.

Under regulations the Council had to report how its Licencing and Land Charges services performed in the financial year. This was set out in the table below. These services set fees and charges based on estimated reasonable costs, and aimed to break even each year. When this did not occur, the Council could transfer any surplus/deficit to a self-financing reserve. During the next round of fees and charges setting, adjustments would be made with the view to achieving a break-even position on a three year rolling basis.

Licensing and Land Charges Self-Financing Reserves

	Balance Brought Forward £	Under/(over)-recovery in 2015/2016 £	Balance Carried Forward £
Land Charges	(56,160)	(31,480)	(56,160)
Licencing	49,050	50,000	(950)
Taxi-Licencing	(19,640)	(16,970)	(36,610)

With regard to the budget for the Unparished Area of Taunton, reported that although £59,786 had been allocated to a variety of schemes during the 2016/2017 financial year, £43,204 was available for allocation during the current year.

The capital outturn position for 2016/2017 was as follows:-

- The General Fund profiled Capital Programme at the end of 2016/2017 was £25,832,000. The actual expenditure on the Capital Programme during 2016/2017 was £10,256,000, with £15,527,000 being carried forward to support delivery of approved schemes in 2017/2018. This would leave a net underspend of £49,000 (0.1%) against the overall programme.
- The HRA approved Capital Programme at the end of 2016/2017 was £20,129,000. This related to schemes which would be completed over the next five years. The actual expenditure on the Capital Programme during 2016/2017 was £11,762,000, with £9,399,000 for planned investment to implement approved schemes in future years. A net overspend of £32,000 (1%) was reported against the overall programme.

Further reported that the GF Reserves balance as at 31 March 2017 stood at £2,186,000. The balance remained above the minimum reserves expectation within the Council's Budget Strategy (£1,600,000).

The HRA Reserves balance as at 31 March 2017 stood at £3,224,000, which was above the minimum level (£1,800,000) set within the Council's Budget Strategy and the HRA Business Plan.

The total General Fund Earmarked Reserves balance as at 31 March 2017 was £17,344,000, and for HRA Earmarked Reserves the balance was £6,847,000, representing funds that had been set aside for specific purposes to be spent in 2017/2018 or later years. This had grown largely in respect of funds committed to support growth and infrastructure development, future capital programme spending, the Business Rates funding volatility, creating a new Council and funding set aside to support service restructuring and transformation projects. The majority of this was planned to be spent over the next two years, although experience had shown this might be over a longer period.

Noted that the Outturn Report had also been considered by the Corporate Scrutiny Committee on 20 July 2017 and the recommendations contained within the report were supported.

Resolved that:-

- (1) The Council's financial performance and end of year position for the General Fund and the Housing Revenue Account, including pre-approved carry forwards and transfers to earmarked reserves be noted; and
- (2) Full Council be recommended to:-
 - (a) Note the reported General Fund Revenue Budget underspend of £101,000 in 2016/2017 and the General Reserves Balance of £2,186,000 as at 31 March 2017;
 - (b) Approve the General Fund Revenue Budget Carry Forwards totalling £302,000;
 - (c) Approve a General Fund Capital Programme Budget Carry Forward totalling £15,527,000;
 - (d) Approve a Housing Revenue Account Capital Programme Budget Carry Forward totalling £9,399,000;
 - (e) Approve £590,000 of Supplementary Budget allocations in 2017/2018 for the Housing Revenue Account, utilising 2016/2017 underspends, for the following areas:-
 - (i) £250,000 to provide additional technical development capacity to the in-house team for development appraisal work on complex sites;
 - (ii) £25,000 to replace the Halcon One Team Co-ordinator post until 31 March 2018;
 - (iii) £55,000 for additional officer capacity to address anti-social behaviour for a period of 18 months due to additional pressures on the team;
 - (iv) £70,000 to fast-track replacement of Piper lifelines in Sheltered Housing where these were reaching the end of their operational life;

- (v) £40,000 to both revamp and upgrade Ladymead Road, Taunton shops for remarketing as commercial premises or to make a change of use and convert to a One Team Community Hub; and
- (vi) £150,000 to pilot a Fabric First approach to appraise options to address thermal performance and water ingress issues in some property types.

28. **Draft Medium Term Financial Strategy 2018/2019**

Considered report previously circulated, concerning the initial draft of the Council's Medium Term Financial Strategy (MTFS), a copy of which had been provided to the Members of the Executive.

The financial challenge for Taunton Deane Borough Council would continue as the Government reduced central grant funding for local authorities. The Council's financial forecasts indicated significant financial savings would be needed to maintain balanced budgets and a sound, sustainable financial footing for the future and underpin the planned investment in the top priority of growth and infrastructure.

The draft Strategy was the Council's approach for balancing the budget over the medium term including the approach to managing costs and optimising the funding that would be available to support spending on services. The Strategy would overarch the Medium Term Financial Plan (MTFP), which was a summary of the financial costs and income in monetary terms.

The MTFP forecasts had been reviewed and at this stage there were no material changes to the forecasts that were reported to Full Council in February 2017 when the Budget for 2017/2018 was approved.

The Budget Gap – the difference between projected costs and projected funding – in 2018/2019 was currently £388,000, rising to an estimated £1,118,000 by 2022/2023. This gap reflected decisions already taken by the Council such as anticipated savings from the transformation of service delivery and was based on a range of assumptions.

The MTFS included a summary of the approach in respect of:-

- Business Rates funding;
- New Homes Bonus;
- Council Tax and Council Tax Support;
- Service spending and income;
- Reserves and balances;
- Capital; and
- Treasury.

There were a number of risks and uncertainties recognised in the Strategy. The financial forecasts were considered to be reasonable and robust at this stage but it was right to recognise that the position could change in future, particularly with a significant update in the allocation of Business Rates funding expected in 2019/2020 or 2020/2021.

At this stage it was not possible to predict what the results of this change would be.

The General Reserves balance was currently £2,186,000, which stood at £586,000 above the recommended minimum balance of £1,600,000. This provided some financial resilience to unplanned costs, but falling below the minimum would require urgent action to return the balance to an acceptable level.

Reported that the MTFs had also been considered by the Corporate Scrutiny Committee on 20 July 2017 when the recommended approach was supported.

Resolved that:-

- (1) The draft Medium Term Financial Strategy be supported; and
- (2) The proposed approach within the Strategy to address the challenge of closing the gap between costs and income in order to produce a sustainable financial position for the foreseeable future be also supported.

29. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

Resolved that the Forward Plan be noted.

30. **Exclusion of the Press and Public**

Resolved that the press and public be excluded from the meeting for the following item as it included exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and that the public interest in withholding the information outweighed the public interest in disclosing the information to the public.

31. **Proposed secured loan to The Collar Factory Limited in relation to the redevelopment of The Collar Factory, Taunton**

Considered report previously circulated, concerning the proposed redevelopment of the former Collar Factory off St Augustine Street, Taunton.

The owner of premises was seeking funding from a number of sources, including a loan from the Council, to enable its redevelopment and the creation of shared work and office space.

The project was described as a next generation workspace complex providing innovation and enterprise space to start-up and emerging businesses alongside learning and training facilities aimed at re-skilling and up-skilling existing workers.

Actively managing the space would ensure a diversified range of small companies with the aim of developing a business cluster that supported valuable opportunities for collaborative working, the creation of an internal market and encouraged a high numbers of start-ups.

The report set out the loan requested together with details of the overall funding package, the security that would be available against the proposed loan, the assessment of risk and an analysis of the demand in the area for the services proposed at the former Collar Factory.

The Executive was requested to support in principle a financial investment in this scheme through provision of loan finance on commercial terms subject to receipt of the applicant's proposed Business Plan, and, completion of due diligence checks, agreeing appropriate security, and other financial checks. The interest rate would be commercially based and linked to the likely exposure to risk.

Reported that as with any investment the provision of a loan would not be risk free, however subject to the Council obtaining sufficient security for the full amount advanced and accrued interest, the balance of risks against the gains in this case were considered to be acceptable.

There were financial benefits for the Council, particularly through increased investment income. This would be augmented by the leverage with other organisations that the loan would create.

The Council's investment would also enable significant benefits to the business environment within Taunton Deane to be achieved which were set out in the report.

The proposed loan was considered by the Corporate Scrutiny Committee at its meeting on 20 July 2017. Members supported the recommendation to the Executive subject to further due diligence being carried out on the applicant's Business Plan.

Resolved that Full Council be recommended to:-

- (1) Approve the principle of a loan as detailed in the report at a commercial rate to The Collar Factory Limited. This loan would be secured against properties in the ownership of the applicant as required, to provide sufficient security for the amount advanced and accrued interest;
- (2) Approve in principle a Supplementary Budget in the Council's 2017/2018 Capital Programme in respect of the loan which was to be treated as capital expenditure; and
- (3) Delegate authority to the Executive Councillor for Economic Development, Asset Management, Arts, Culture and Tourism to agree the terms for the offer of a loan to the applicant, and to enter a Legal Charge drafted in consultation with the Director of Growth and Development, Assistant Director - Business Development and the Section 151 Officer. This offer must provide for adequate security against defined properties, give clarity on the draw-down of funding, loan repayments, the interest rate and other key terms.

(The meeting ended at 7.22 p.m.)

Usual Declarations of Interest by Councillors

Executive

- **Employee of the Department of Work and Pensions – Councillor Mrs Herbert.**
- **Councillor Beale declared personal interests as a Board Member and Director of Tone FM and as a Governor of the South West Ambulance NHS Trust.**
- **Councillor Edwards declared a personal interest as the Chairman of Governors of Queens College.**
- **District Council’s representative on the Somerset Pensions Committee – Councillor Richard Parrish.**

Taunton Deane Borough Council

Executive - 7 September 2017

Proposed Business Rates Revaluation Relief

This matter is the responsibility of Councillor Richard Parrish

Report Author: Dean Emery, Principal Revenues and Debt Recovery Officer

1 Executive Summary

- 1.1 The Executive is asked to consider amending the Discretionary Rate Relief policy to include a new relief for revaluation from 1 April 2017. The inclusion of this additional relief will require approval by Full Council.
- 1.2 In the Budget on 8 March 2017, the Chancellor announced that the Government would make available a discretionary fund of £300 million over four years from 2017-2018 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Local government is best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.
- 1.3 The total funding available to support local authority's discretionary relief schemes is:

2017/18	2018/19	2019/20	2020/21
175	85	35	5

2 Recommendations

- 2.1 The Executive is asked to support the use of Council's local discount powers from 1 April 2017 to award Revaluation Relief to those organisations that face significant increases in their business rates bills following revaluation.

3 Risk Assessment (if appropriate)

Risk Matrix

Description	Likelihood	Impact	Overall
There is a risk any reduction in Discretionary Rate Relief could result in a number of enterprises and organisations going out of business and ceasing to exist.	2	3	6
<i>Regular monitoring of use and effectiveness of discretionary rate relief and continued emphasis on supporting those that meet the policy objectives. Flexible policy that can be reviewed readily</i>	1	2	3

continued overleaf...

Risk Matrix

Description	Likelihood	Impact	Overall
Expenditure on Discretionary Rate Relief exceeds finance available through Medium Term Plan	2	4	8
<i>Close monitoring of expenditure and review policy where appropriate</i>	1	2	3
Changes to future Government funding	3	3	9
None	2	3	6

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
Impact							

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

- 3.1 The scoring of the risks identified in the above table has been based on the scoring matrix. Each risk has been assessed and scored both before and after the mitigation measures have been actioned.

4 Background

- 4.1 A range of Mandatory and Discretionary Rate Reliefs reduce (in some cases to Nil) the amount of Non-Domestic Rates (commonly known as business rates) a business or organisation has to pay. The qualifying rules and levels of relief for Mandatory Reliefs are set by Government and are the same throughout the country. The rules and levels of award for Discretionary Rate reliefs are set by each Council and as such may vary from Council to Council. A full review and updating of the policy was undertaken in 2015 with the policy coming in to effect from 1 April 2016.

- 4.2 The Local Government Finance Bill 2012 introduced the Business Rates Retention Scheme. The scheme is designed to help achieve two of Government's key priorities:- economic growth and localism. The scheme enables the retention of a proportion of the business rates revenue generated in a local area by the relevant local authorities. Business rates retention is intended to provide incentives for local authorities to drive economic growth, as the authorities will be able to retain a share of the growth that is generated in business rates revenue in their areas, as opposed to the previous system where all business rates revenues were held centrally. The share to be paid to central government from business rates collected is 50%, while the remaining 50% of business rates is retained locally (40% District, 9% County, 1% Fire authorities).
- 4.3 Under the former arrangements, the Government met the cost of Mandatory Relief in full on the basis that local authorities had no choice but to award it under set criteria. The costs of discretionary relief had to be met in full or in part, by the local authorities as awards were decided upon based on the Council's own criteria. Under the new rules Taunton Deane Council has to contribute 40% towards the cost of most relief - even those that it has no choice about awarding. Therefore it is important to recognise the financial risk of applying reliefs when considering any changes to our policy. The financing of reliefs need to be both affordable and balance the needs of the business and those of the local tax payer.
- 4.4 A Business Rates Revaluation normally takes place every five years. A revaluation was originally due to take effect from 1 April 2015 but Government delayed it by two years. Therefore the new rating List comes in to effect on 1 April 2017.
- 4.5 Each rating list has a Transitional Relief Scheme which is designed to phase in both the increases and decreases in the amount of business rates payable following revaluation. This phasing can last for between one and five years depending on the level of increase or decrease in rateable values.
- 4.6 However, Transitional Relief does not provide support for changes in Business Rate Reliefs. Despite the increase in the threshold for eligibility to Small Business Rate Relief, some ratepayers will no longer be eligible to receive it due to an increase in their rateable value. This situation may also apply to current recipients of Rural Rate Relief.
- 4.7 The Chancellor announced in the Spring Budget a number of measures to provide support to these ratepayers, along with support for pubs and businesses facing the largest increases

5 Proposed Policy Changes for 2017/2018 - Discretionary Revaluation Relief

- 5.1 The Government has announced the establishment of a £300m discretionary fund over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the 2017 revaluation.

- 5.2 The intention is that every billing authority in England will be provided with a share of the £300m to support their local businesses. Billing authorities will be expected to use their share of the funding to develop their own discretionary relief schemes to deliver targeted support to the most hard-pressed ratepayers. The £300m will cover the four years from 2017/18:
- £175m in 2017/18
 - £85m in 2018/19
 - £35m in 2019/20
 - £5m in 2020/21
- 5.3 The DCLG published a consultation on the design of the discretionary relief on 9 March, seeking views on the allocation of the fund, arrangements for compensation for local authorities, and the operation of local schemes. This can be accessed at: <https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme>. Taunton Deane Council's proposed share of the £300m is as follows:
- 2017/18 - £276k (see point 7.1 for 2017/18 estimates)
 - 2018/19 - £134k
 - 2019/20 - £55k
 - 2020/21 - £8k
- 5.4 As Members will see from Appendix A, we have designed a Discretionary Revaluation Relief Policy that is based on the following criteria:
- Relief will only be granted where the rateable value is less than £200,000 as at 01 April 2017 & the gross rates increase is greater than 5%
 - Reductions if awarded will be to further increase the Transitional Relief that is phasing in the increased charge. Each year will be less and less over 4 years.
 - The scheme is designed solely to assist ratepayers who have seen a significant increase in bills due to revaluation
 - Relief will only be granted for premises which are occupied
 - Relief will not be awarded where mandatory relief has been granted
 - Taxpayers will be invited to apply
 - All relief awarded is subject to state aid €200,000 (de-minimis)
 - Relief will be targeted to local businesses, not national or multi-national in nature. Local businesses are, for the purpose of the scheme, those which have premises wholly in the Council's area

The Council will consider every application for Discretionary Revaluation Relief on its merits

- 5.5 We will invite applications from taxpayers to confirm their "state aid" position as we will be unable to award relief to any business that has already received more than €200,000 in state aid (de-minimis level).
- 5.6 There is no statutory right of appeal against any award of Discretionary Revaluation Relief, although as with any decision by a public authority, this could be challenged by Judicial Review. The authority will however, upon request, review decisions made.

6 Links to Corporate Aims / Priorities

6.1 This report is most closely linked with Key Theme 2 – Business & Enterprise.

7 Finance / Resource Implications

7.1 The use of the Council's local discount powers to grant Revaluation Relief will be reimbursed in full by Government through s31 grant funding. In year one 2017/18 it is estimated that the relief granted from modelling will be £244,795. A reserve of £31,205.44 will be used to award relief from for other applications. Where funding remains there will be a supplementary payment to those that are receiving revaluation relief as at 15/03/2018. Current funding rules will not allow for a carried forward amount.

8 Legal Implications

8.1 There are no direct legal implications associated with this report

9 Environmental Impact Implications

9.1 There are no environmental implications associated with this report.

10 Safeguarding and/or Community Safety Implications

10.1 Safeguarding and community safety implications have been considered, and there are not expected to be any implications relating to this report.

11 Equality and Diversity Implications

11.1 Members need to demonstrate they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process. The three aims the authority must have due regard for:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

11.2 The public sector equality duty, as set out in section 149 of the 2010 Equality Act, requires the Council, when exercising its functions, to have "due regard" to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a "protected characteristic" and those who do not share that protected characteristic.

11.3 The "protected characteristics" are: age, disability, race (including ethnic or national origins, colour or nationality), religion or belief, sex, sexual orientation, pregnancy and maternity, and gender reassignment. Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

11.4 A full Equalities Impact Assessment was carried out as part of the original policy review approved by Full Council on 21 October 2015. There are no further implications associated with the proposed policy revisions.

12 Social Value Implications

12.1 There are no social value implications associated with this report.

13 Partnership Implications

13.1 There are no Partnership implications associated with this report.

14 Health and Wellbeing Implications

14.1 There are no Health and Wellbeing implications associated with this report.

15 Asset Management Implications

15.1 There are no asset management implications associated with this report.

16 Consultation Implications

16.1 The grant determination states that a condition of the fun is that consultation is undertaken with 'relevant authorities'. The relevant authorities for the purpose of this scheme are any major precepting authority and any combined authority. We have consulted the major precepting authorities of Somerset County Council and Devon and Fire and Rescue Service. Both have replied with formal consent no changes required.

17 Scrutiny Comments / Recommendation(s)

17.1 Not applicable

Democratic Path:

- **Corporate Scrutiny Committee – Yes**
- **Executive Yes**
- **Full Council - Yes**

Reporting Frequency: **Ad hoc**

List of Appendices (delete if not applicable)

Appendix 1 Draft Discretionary Revelation Relief Policy

Contact Officers

Name	Dean Emery
Direct Dial	01823 356567
Email	d.emery@tauntondeane.gov.uk

Policy for the granting of the Revaluation Relief

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Version Control

<i>Version</i>	<i>Version date</i>	<i>Revised by</i>	<i>Description</i>
1	May 2017	LM	Policy
2	May 2017	DA	Revisions
4	July 2017	LM	Amendments
5	July 2017	DA	Sign off
6	July 2017	LM	Amendments DE

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1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of Discretionary Business Rates Relief to be granted to certain defined ratepayers within the Council's area.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant discretionary relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met.
- 1.5 This document outlines the following areas:
 - Details of the criteria for receiving an award under the Discretionary Business Rates Relief Scheme;
 - The Council's general policy for granting of all types of Discretionary Reliefs;
 - Guidance on granting and administering the reliefs;
 - European Union requirements including provisions for State Aid; and
 - The Council's Scheme of Delegation.
- 1.6 This document covers all aspects of the new Discretionary Business Rates Relief scheme which is available from 1st April 2017. Where businesses apply for relief they will be granted (or not granted) relief in line with the following policy.

2.0 Discretionary Relief – Legislative Background

Introduction

- 2.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top' up cases where ratepayers already receive mandatory relief.
- 2.2 Over recent years, and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 2.3 The range of bodies, which are eligible for discretionary rate relief, is wide and has been developed by both the Council and Central Government to address certain issues with business rates.
- 2.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information, evidence, certificates etc. as required in order to determine whether relief should be awarded.
- 2.5 The Council is obliged to consider carefully every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority's area. There is no statutory appeal process or Tribunal against any decision made by the Council, although as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.
- 2.6 The granting of discretionary relief falls broadly into the following categories:
 - a. Discretionary Relief – Charities who already receive mandatory relief;
 - b. Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts **or** premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes recreation;
 - c. Discretionary Relief – Granted under the Localism Act 2011 provisions;
 - d. Local Newspaper Relief (from 1st April 2017 for a period of two years);
 - e. Local Public House Relief (from April 2017 for a one year period);
 - f. Supporting Small Businesses Relief (from 1st April 2017 for a period of five years or until business pay their full rate charge or their transitional rate charge (calculated in accordance with the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016); and
 - g. Discretionary Business Rates Relief Scheme (from 1st April 2017 for a period of up to four years).
- 2.7 This policy document purely covers the granting of awards under the Discretionary Business Rates Relief Scheme (g. above) which covers a period from 1st April 2017 for up to four years. The decision to grant or not to grant discretionary relief is a matter purely for the Council. The Council's policy for granting other reliefs can be found on the Council's website www.tauntondeane.gov.uk.

The Council's general approach to granting Discretionary Relief

- 2.8 In deciding which organisations should receive discretionary rate relief, the Council has considered the following factors and priorities:
- a. That any award should support business, organisations and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
 - b. It should help and encourage business, organisations, groups and communities to become self-reliant;
 - c. Awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
 - d. Local organisations will be given priority over national organisations. Where requested, the organisation will need to supply the Council with clear evidence of **all** financial affairs including, and most importantly, the amounts of monies raised, used and invested locally. This will be essential where the organisation is national in nature;
 - e. To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which, without granting discretionary relief they would be unable to do;
 - f. To assist the Council in delivering services which could not be provided otherwise;
 - g. To assist the Council to meet its priorities; and
 - h. To ensure that the financial impact of awarding discretionary business rate relief is justified in terms of the local outcomes achieved by the organisation receiving it.
- 2.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988(Hardship Relief) where hardship is proven to the Council, then there will be no requirement to grant Discretionary Rate Relief for that amount.
- 2.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

The Council's approach to granting Government led Discretionary Relief schemes

- 2.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximising any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.
- 2.12 In the case of the Discretionary Business Rate Relief scheme, Central Government is keen that individual Councils develop their own scheme to meet local needs. Government has allocated funds to

the Council using a particular methodology, but it has been keen to point out that this should have **no** bearing on the actual scheme adopted by the Council.

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3.0 Effect on the Council's Finances

- 3.1 The granting of discretionary relief will, in the main, potentially involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 3.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. Any amounts granted for similar cases after 1st April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share namely 50% borne by Central Government, 40% by the Council, 9% by Somerset County Council and 1% by Devon and Somerset Fire and Rescue Service. This also applies where mandatory relief is granted.
- 3.3 In March 2017, Central Government announced that it would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Government determined that Councils would be best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.
- 3.4 Where Central Government leads an initiative such as the Discretionary Business Rates Relief Scheme, grants are often made available. This is not automatic and Central Government will look to the Council to adopt any recommended criteria when granting in these areas to ensure that any grant is paid
- 3.5 Every authority within England is to be provided with a share of the fund to support their local businesses. This is to be administered through billing authorities' discretionary relief powers under section 47 of the Local Government Act 1988. The full effects of the financial allocation are shown below.
- 3.6 The allocation of monies to authorities and the methodology of the funding award is completely separate to the scheme itself and Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.
- 3.7 The funding of £300m is not provided equally over the four-year period but in the following approximate proportions:
- Year 1 (2017/18) 58%
- Year 2 (2018/19) 28%
- Year 3 (2019/20) 12%
- Year 4 (2020/21) 2%

- 3.8 Councils will be compensated for any relief granted under section 31 of the Local Government Act 2003. The Government is unclear at this stage as to whether any underspend can be 'vired' from one year to the next although their initial guidance is that any underspend will be returned to Treasury¹.
- 3.9 A key criteria of reimbursement will be that all Billing Authorities will consult with major precepting authorities when formulating their schemes.
- 3.10 The financial effects to the Council of the Discretionary Business Rates Relief Scheme are shown in the following table

Amount of discretionary fund awarded (£000s) - Taunton Deane Borough Council			
2017-18	2018-19	2019-20	2020-21
276	134	55	8

- 3.11 The above is to be awarded up to the maximum level set by Central Government. It is possible for the Council to grant more relief than that allocated by grant. However, once the maximum grant level has been reached, any additional amount granted is borne 50% borne by Central Government, 40% by the Council, 9% by Somerset County Council and 1% by Devon and Somerset Fire and Rescue Service.

¹ DCLG Letter 27th April 2017 – Discretionary Rates Relief Scheme – Payment of Section 31 grant to reimburse cost of relief

4.0 Discretionary Relief – EU State Aid requirements

- 4.1 European Union competition rules generally prohibit Government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. The Council must bear this in mind when granting discretionary rate relief.
- 4.2 Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 4.3 Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)². The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years).
- 4.4 Where the relief to any one business is greater than the De Minimis level, then permission will need to be obtained from the European Commission. In such cases the matter will be referred to the Department for Communities and Local Government (DCLG) for advice and then referred back to the Council for consideration. It will be for the ratepayer to provide confirmation as to whether the State Aid provisions apply to them.
- 4.5 In all cases, where discretionary relief is to be granted or where liability is to be reduced, when making an application, ratepayers will be required to provide the Council with sufficient information to determine whether these provisions are applicable in their case.

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

5.0 Administration of Discretionary Relief – General approach

- 5.1 The following section outlines the procedures followed by officers in granting, amending or cancelling discretionary relief and reduction. This is essentially laid down by legislation³

Applications and Evidence

- 5.2 In the case of this relief, the Council will invite businesses to apply. Application forms are produced by the Council both in hard copy and electronic format. The relevant application form is included within Appendix A of this policy. The Council will specify how applications are to be received and this may vary from time to time.
- 5.3 Organisations are required to provide a completed application form plus any such evidence, documents, accounts, financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.
- 5.4 Applications should initially be made to the Revenues and Benefits Section and will be determined in accordance with this policy.
- 5.5 **The Council will provide this service and guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties.**

Granting of relief

- 5.6 In all cases, the Council will notify the ratepayer of decisions made.
- 5.7 Where an application is successful, then the following will be notified to them in writing:
- The amount of relief granted and the date from which it has been granted;
 - If relief has been granted for a specified period, the date on which it will end;
 - The new chargeable amount;
 - The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
 - A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.
- 5.8 Where relief is not granted then the following information is provided, again in writing:
- An explanation of the decision within the context of the Council's statutory duty; and
 - An explanation of the appeal rights (see below).

³The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- 5.9 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the Council *may* backdate its decision.
- 5.10 A decision to award discretionary relief and how much relief is given is normally only applicable to the financial year for which the application is made. However, the Council reserves the right to grant relief for any other period as appropriate. In relation to the Discretionary Business Rate Relief scheme, awards will, in the main be granted from 1st April 2017.
- 5.11 A fresh application for discretionary relief will be necessary for each financial year **or** at such time-period as the Council determines.

Variation of a decision

- 5.12 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- Where the amount is to be increased due to a change in rate charge or a change in the Council's decision which increases the award – this will apply from a date determined by the Council as appropriate;
 - Where the amount is to increase for any other reason it will take effect at the expiry of a financial year, and so that at least one year's notice is given;
 - Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; and
 - Where the amount is to be reduced for any other reason, it will take effect at the expiry of a financial year, and so that at least one year's notice is given.
- 5.13 A decision may be revoked at any time, however, a one year period of notice will be given and the change will take effect at the expiry of a financial year.

6.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

- 6.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 6.2 When the application has been returned complete with state aid declaration and officer will process the form and apply an award of relief as appropriate. The relief will be first approved by the Senior Revenues Officer or the Principal Revenues and Debt Recovery Officer. When first approvals are complete, the application will be sent to s151 for final approval. The above follows current policy.
- 6.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

- 6.4 The policy for granting relief will be reviewed annually or sooner where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council or executive member as appropriate.
- 6.5 The monitoring of the amount granted will be monitored monthly by the Principal Revenues Officer or the Senior Revenues Officer.

Appeals

- 6.6 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Principal Revenues and Debt Recovery Officer or the Senior Revenues Officer. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 6.7 Where the ratepayer continues to be aggrieved by the decision, the case will be referred to the Revenues and Benefits Manager for review. Where appropriate, cases of this nature may also be referred to the Executive member as appropriate. All appeals will test whether the policy has been applied correctly.
- 6.8 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

7.0 Consultation

- 7.1 The Council has consulted with the major preceptors in relation to this scheme and has taken their comments into account when determining the eligibility criteria. This is an essential part of the Discretionary Business Rates Relief Scheme and is in line with the grant determination issued by the Department of Communities and Local Government (DCLG) No.31/3071.
- 7.2 The grant determination states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purposes of this scheme means:
- a. Any major precepting authority; and
 - b. Any combined authority.
- 7.3 In the case of the Council only the major precepting authorities have been consulted namely:
- a. Somerset County Council;
 - b. Avon and Somerset Police and Crime Commissioner; and
 - c. Devon and Somerset Fire and Rescue Service.

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8.0 Decisions by the Council under this scheme

- 8.1 Decisions by the Council are made directly in line with the Scheme of Delegation as outlined within section 6 of this policy. Any decision to award relief under this scheme will follow the core principles of the Council's discretionary relief policy as defined by section 2.8.
- 8.2 It should be noted that, whilst the funding from Central Government for Discretionary Business Rate Relief Scheme is limited, the decision of the Council whether to award any relief under this scheme **cannot not take account** of the level of any funding.

Discretionary Business Rate Relief Scheme- the Council's policy for granting discretionary relief.

Applications for relief under this scheme

- 8.3 The Council is keen to identify ratepayers who may qualify for the relief and as such will look to encourage certain ratepayers to apply. The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by the Council to support their application.
- 8.4 The Council has decided that relief under the scheme will be awarded using the following criteria:
- a. The scheme is designed **solely** to assist ratepayers who have suffered significant increases in rate liability due to the revaluation and the subsequent increase to their Rateable Value;
 - b. Relief will not be awarded where mandatory relief is granted and in line with legislative requirements, no relief can be granted to any precepting authority;
 - c. Relief will only be granted to those hereditaments whose rateable value at 1st April 2017 of the hereditament less than £200,000 and where the increase calculated in 8.4(d) is greater than 5%;
 - d. In assessing any potential entitlement to an award under this scheme, the Council will compare the following:
 - i. The rate liability of the ratepayer at 31st March 2017 for the 2016/17 financial year after any reliefs and reductions; and
 - ii. The rate liability of the ratepayer at 1st April 2017 for the 2017/18 financial year taking into account any transitional relief or discretionary relief granted under any other provision;
 - e. Relief will only be given to premises which are liable for occupied rates. **No relief within this scheme will be granted for unoccupied premises** or where the premises becomes re-occupied;
 - f. Relief will only be granted to ratepayers who were in occupation at 31st March 2017 and in occupation on 1st April 2017. Relief will cease at any point the hereditament becomes unoccupied and will not be re-granted;
 - g. Ratepayers (including previous ratepayers) taking up occupation after the 1st April 2017 will **not** be eligible for relief on the basis that new ratepayers would not have suffered from increases due to a revaluation;

- h. Relief will be targeted to local businesses and not those business that are national or multi-national in nature. Local businesses are, for the purposes of this scheme, those which have premises wholly in the Councils area;
- i. Relief may be awarded for more than one premises as long as **all** other criteria are met;
- j. Relief (or further relief) will **not** be awarded where the hereditament has an increase in Rateable Value after the 1st April 2017 which increases the rate charge above the 1st April 2017 value.
- k. Where a ratepayer is in receipt of any award under this policy, the authority will **not** consider any application for relief under Section 44A of the Local Government Finance Act 1988 for the same hereditament.

Applications for relief under this scheme

- 8.5 The Council is keen to identify ratepayers who may qualify for the relief and as such will look to encourage certain ratepayers to apply. The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by the Council to support their application

Amount of Relief

- 8.6 The amount of relief is tapered and will be calculated as follows:
- 2017/18**
Where the increase in rates payable as calculated in 8.4d is greater than 5%, the award shall reduce the increase to 5%
- 2018/19**
Award = 2017/18 award x 50% (for clarity this will be half of the relief awarded in 2017/18)
- 2019/20**
Award = 2018/19 award x 50% (for clarity this will be half of the relief awarded in 2018/19)
- 2020/21**
Award = 2019/20 award x 10% (for clarity this will be 10% of the relief awarded in 2019/20)
- 8.7 In exceptional circumstances, the authority shall consider applications on a case by case basis where the ratepayer falls outside of the criteria detailed in paragraph 8.4 but where the ratepayer can demonstrate that they are experiencing severe financial difficulties due to the revaluation on 1st April 2017.

Variation and amendment of relief under the scheme

- 8.8 As with all reliefs, the amount of relief awarded under the Discretionary Businesses Rates relief scheme will be recalculated in the event of a change of circumstances. In effect, relief is calculated on a daily basis in line with the ratepayer's liability on that day. This will include, for example, a backdated change to the rateable value of the hereditament. This change of circumstances could arise during the year in question or during a later year.
- 8.9 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) requires the Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or

variation of a decision can only take effect at the end of a financial year. But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

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9.0 Reporting changes in circumstances

- 9.1 Where any award is granted to a ratepayer, the Council will require **any** changes in circumstances which may affect the relief to be reported as soon as possible and in any event not more than 21 days from the happening of the event. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 9.2 Where a change of circumstances is reported, the relief will, if appropriate be revised or cancelled. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.
- 9.3 Where a change in circumstances is not reported and it is subsequently identified that it would have reduced the relief awarded, the Council reserve the right to remove any award completely.

10.0 Fraud

- 10.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

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Appendix A

Application Form for the Discretionary Business Rate Relief Scheme.

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Taunton Deane Borough Council

Executive – 7 September 2017

Supplementary Budget Request - Cemeteries and Crematorium

This matter is the responsibility of Executive Councillor Patrick Berry

Report Author: Chris Hall

1 Executive Summary

This report seeks additional funding for a number of improvements in the Cemeteries and Crematorium. The total funding requested is £94,000 and will bring income in the region of £360,000 over the next 20 years.

2 Recommendations

2.1 It is recommended that Members support the recommendation to Full Council to:-

- a) Approve a supplementary capital budget of £94,000 for the improvements to the Cemeteries and Crematorium as identified in the report.
- b) Approve the transfer of £94,000 from the Waste Earmarked Reserve to add to the Revenue Contribution to Capital (“RCCO”) budget to provide the funding for the Capital Supplementary Estimate.

3 Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
Loss of income to service once all plots have been sold	4	4	16
<i>The report proposes increasing the numbers of plots for sale protecting that income stream</i>	2	2	4
Loss of plot availability to the public and Wellington site being closed	4	4	16
<i>The report proposes increasing the numbers of plots for sale to the public</i>	2	2	4
Project resources are not sufficient	3	3	9
<i>The project will be delivered using the in house team to oversee contractors and undertake some works themselves.</i>	2	3	6

4 Background and details of the request

- 4.1 The service has identified a number of areas which require investment beyond that achievable in the revenue maintenance budget. The maintenance budget allows for the continuation of day to day service and not service improvements or asset life extension. The existing budgets go towards the operation of all Council operated cemeteries and the crematorium.
- 4.2 This report highlights the need for an additional budget to enhance the services offered to the public and extend the life of some assets through the creation of new plots and new income opportunities. By making this investment we can continue to offer burial services and receive the resulting income.
- 4.3 Each request has the ability to deliver income greater than the initial cost, with the exception of the children and baby memorial gardens where the cost would be recovered but without surplus. Income for these services will remain demand led but without new burial plots becoming available we will have to stop offering this service in some locations, Wellington would have no further plots by the end of 2017.
- 4.4 Income achievable is based upon the charging profile for this year, the period of time for achieving the return on investment is dependent on the time taken to sell the newly created plots and memorial opportunities but should be considered as a long term investment in the ongoing provision of services rather than a financial quick win.
- 4.5 The bereavement service provides a significant contribution to the Council each year. In 2016/17 the surplus was £584,580 which was £115,000 more than the budget, this reflects an increasing demand on the service and burial plots.

5 Wellington Cemetery Grave Spaces - £23,000 investment - Income generated upwards of £100,000

- 5.1 We currently have only 4 new grave spaces remaining, once these have been sold the site will no longer generate income but will still need to be maintained to the current standard.
- 5.2 With an investment of £23k we would be able to remove the hard standing located at the centre of the cemetery to free up land for new burial spaces. It is estimated that 100 full grave spaces could be released from this work ensuring that Wellington has capacity for full burial for the next 8 – 10 years. The income generated from this would be upwards of £100k for the sale of graves, memorial rights and interments. There would be an opportunity to provide some cremated remains placement options which would further enhance choice and generate income.
- 5.3 Having a further 100 graves will allow a continuation of service whilst further options for land are identified in the Wellington area.

6 St Mary's new Cemetery Grave Spaces - £26,000 investment – Income generated upwards of £120,000

- 6.1 £26k invested in this site would allow for much of the main drive to be removed and re-laid to create full new grave spaces. The area from the small roundabout leading to the boundary wall adjacent to the hospital will yield 120 new full graves.
- 6.2 By carrying out these works it would mean a further choice to the bereaved for grave locations and allow traditional type memorials (full kerbed memorials) on the plot - this is something we no longer provide but is requested frequently. The income generated from this site at present is generated solely from reopening graves and goes little towards the maintenance of the site. The income generated from this project would be upward of £120k.
- 6.3 At the current rate of burials 120 graves would extend the life of this service to around 2037.

7 Cremation Memorial Walkway and Cremation Plots - £24,000 investment – Income generated upwards of £70,000

- 7.1 Our post cremation memorials and plots are limited in choice and older in fashion. Releasing an area that has never previously been looked at and memorialising closer to the car park in a prime location would generate further interest and retain more cremated remains on site and therefore further income generation.
- 7.2 Setting out the area in a formal garden arrangement using set, installed memorials would create a tranquil and modern reverent area for remembrance. This would provide additional choice, lengthen the life of the cemetery and create a further income stream.

8 New Children and Babies Garden - £15,000 investment – break-even

- 8.1 The present baby garden is adjacent to the workers' yard. There is little choice to memorialise or remember the deceased that are laid to rest there. Many crematoria have formalised, dedicated gardens for this specialist area that are very popular and give great comfort to the bereaved. The current area is very municipal in its feel and would benefit from investment. Memorials can be provided for a longer term at a cost that would only recover the cost of purchase and installation.
- 8.2 The service could work with local child bereavement charities to ensure that they have input into its design and layout and explore the possibility of some third party funding from them.

9 Natural Burial/Remembrance Area - £6,000 investment for 110 metres of Memorial Boardwalk - Income generated £55,000 (@£500 per metre).

- 9.1 We have been setting out an area of Taunton cemetery (which has previously been a small wooded area and unkempt scrubland) to create a natural spinney/copse for interments of ashes and some full interments. Tree works and planting have taken place to provide an alternative to the formal memorial and burial sections our cemeteries offered.

- 9.2 This will be a very different area in feeling and memorialisation and offer something that has not previously been provided by the service. The current gardens of remembrance are nearly at capacity for interring ashes retained by the crematorium and we may have to consider strewing remains rather than interring them there. The formalisation of this natural area will give relief to the high usage the current garden of remembrance has seen and extend the life of onsite ashes interments that are not witnessed.
- 9.3 We wish to install a hardwood boardwalk where each board can be memorialised at a cost of £200 per tread for 10 years, this then becomes a working memorial and allows year round access to this site, without anyone walking through the planting. This will also provide further memorial options within the area and access to them.

10 Links to Corporate Aims / Priorities

- 10.1 The proposal links to the stated desire to make the best use of our assets, in this case by increasing the time they can remain open and offering enhanced services. "Make better use of our land and property assets; investing in, transferring or selling assets where it makes sense to do so"

11 Finance / Resource Implications

- 11.1 If approved the projects would be overseen by the bereavement manager and the onsite team, although the ground works and waste disposal would likely be contracted out.
- 11.2 As stated within the report this is a long term investment of the facilities and whilst there is a healthy financial return on the money invested, by the nature of this being an extension to the life of the assets it will take a number of years for the full recovery to occur. The length of time this will take will be dependent on the demand and therefore the sales of burial plots and memorials in the coming years.
- 11.3 At the point when the last burial plots are sold in Wellington the income from these sales will also end. The Council will continue to maintain the closed site to the same standard without the receipt of any income. This maintenance unsupported by continuing income will cause future budget pressures.
- 11.4 The recommendation is to use money identified from the review of the earmarked reserves to support this funding bid. It is proposed to take the requested £94k from the waste collection contract earmarked reserve which currently stands at £134k. This will leave an adequate balance in the reserve to cover current commitments. The Deputy S151 office has reviewed the report and supports the proposals.

	Investment	Income achievable	Net benefit
Wellington grave spaces	£23k	£100k	£77k
St Mary's grave spaces	£26k	£120k	£94k
Memorial walkway and cremation plots	£24k	£70k	£46k

Children and baby garden	£15k	£15k	£0
Memorial Boardwalk	£6k	£55k	£49k
Total	£94k	£360k	£266k

12 Scrutiny Comments

- 12.1 The Corporate Scrutiny Committee considered this item on 17 August 2017 and were supportive of the recommendations.
- 12.2 One Member raised concerns as to why we had allowed the situation at Wellington to become so urgent. The Committee was informed that the service, working with Asset Management had been looking for suitable land at Wellington for many years. To date no suitable additional land has been identified and the option to increase capacity within the existing land was now considered as the most appropriate solution to buy more time for land search and acquisition. It has been established that whilst the Task and Finish Group made suggestions to create additional plots in the way suggested in this report, a bid had previously been presented to Council that was rejected at that time.
- 12.3 There were concerns that the report was written as a financial Business Case and that this should be considered as a service to the public and not a decision led by money. It was explained to the Committee that whilst this may be a heart lead decision it was only right that in requesting additional funds the impacts on the Council's accounts were transparent. In this case the impact was a positive one.
- 12.4 A number of Members raised concerns about the boardwalk and the level of maintenance this would require to prevent it being coming slippery. It was reported to the Committee that the service was aware of the increase in maintenance responsibilities but considered that this was manageable and worthwhile to be able to offer this type of memorial.

13 Legal Implications

- 13.1 This is a discretionary service with no requirements for the local authority to provide burial plots.

14 Environmental Impact Implications

- 14.1 This proposal seeks to improve the availability of burial plots and offer a number of enhanced services to the public which will also improve the feel of the cemetery and crematorium.

15 Safeguarding and/or Community Safety Implications

- 15.1 There are no identified implications as a result of this report.

16 The Equality and Diversity Implications

- 16.1 There are no identified implications as a result of this report.

17 Social Value Implications

17.1 There are no identified implications as a result of this report.

18 Partnership Implications

18.1 There are no identified implications as a result of this report.

19 Health and Wellbeing Implications

19.1 There are no identified implications as a result of this report.

20 Asset Management Implications

20.1 There is no burden placed on the asset management team as a result of this report or Member approval of the recommendations. It is proposed that the improvements are managed within the service.

21 Consultation Implications

21.1 It is noted in the report that if approved we would want to consult with local child bereavement charities in exploring options and layout of the children and baby memorial garden.

Democratic Path:

- **Scrutiny– Yes**
- **Cabinet – Yes**
- **Full Council – Yes**

Reporting Frequency : **Once only**

Contact Officers

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Executive Forward Plan

07/09/2017, Report:Proposed acquisition of land at Lisieux Way Business Park, Taunton

Reporting Officers:Tom Gillham

Contains exempt information requiring private consideration: Yes

Exempt reason:The report is likely to contain confidential information relating to financial and business affairs.

07/09/2017, Report:Cemetery and Crematorium - Supplementary Budget

Reporting Officers:Chris Hall

07/09/2017, Report:Business Rates - "Revaluation Relief"

Reporting Officers:Dean Emery

07/09/2017, Report:Proposed Repairs Notice - Premises in Wellington

Reporting Officers:Tim Burton

Contains exempt information requiring private consideration: Yes

Exempt reason:The item is likely to include confidential information relating to financial and/or business affairs.

09/11/2017, Report:Review of the Council Tax Support Scheme for 2018/19

Reporting Officers:Heather Tiso

29/11/2017, Report:Fees and Charges 2018/2019

29/11/2017, Report:Earmarked Reserves Review

29/11/2017, Report:2018/2019 Draft Budget Estimates Update

29/11/2017, Report:Somerset Waste Partnership Business Plan

Reporting Officers:Chris Hall

29/11/2017, Report:TDBC General Fund Asset Strategy

11/01/2018, Report:Crematorium Waiting Room Extension

Reporting Officers:Chris Hall

08/02/2018, Report:General Fund Revenue Budget 2018/ 2019

08/02/2018, Report:Housing Revenue Account Budget 2018/2019

08/02/2018, Report:Treasury Management Strategy 2018/

19/03/2018, Report:Transitioning to a New Council

Reporting Officers:Penny James,Shirlene Adam

05/07/2018, Report:Quarter 4 Performance Monitoring Report

Reporting Officers:Richard Doyle

05/07/2018, Report:Finance Outturn Report

Reporting Officers:Paul Carter

06/09/2018, Report:Taunton Transport Strategy

Reporting Officers:Dan Webb

06/09/2018, Report:Electric Vehicle Charging Points

Reporting Officers:Chris Hall

28/11/2018, Report:North Taunton Woolaway Project Proposal

Reporting Officers:Jo Humble