

You are requested to attend a meeting of the Executive to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 13 November 2013 at 18:15.

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## **Agenda**

- 1 Apologies.
- 2 Minutes of the meeting of the Executive held on 9 October 2013 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests  
To receive declarations of personal or prejudicial interests, in accordance with the Code of Conduct.
- 5 Review of the Council Tax Support Scheme. Report of the Head of Revenues and Benefits (attached).  
Reporting Officer: Heather Tiso
- 6 Introduction of the Community Infrastructure Levy (CIL) in Taunton Deane – Examiner’s Report and Adoption. Report of the Policy Lead Officer (attached).  
Reporting Officer: Phil Bisatt
- 8 Additional Item - Revised Capital Programme Budget Estimates 2013/2014-2017/2018. Report of the Financial Services Manager (Southwest One)(attached).  
Reporting Officer: Paul Fitzgerald
- 7 Executive Forward Plan - details of forthcoming items to be considered by the Executive and the opportunity for Members to suggest further items (attached)

Bruce Lang  
Assistant Chief Executive

12 July 2016

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.

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Lift access to the John Meikle Room and the other Committee Rooms on the first floor of The Deane House, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available off the landing directly outside the Committee Rooms.



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

**For further information about the meeting, please contact the Corporate Support Unit on 01823 356414 or email [r.bryant@tauntondeane.gov.uk](mailto:r.bryant@tauntondeane.gov.uk)**

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## **Executive Members:-**

Councillor M Edwards	(Business Development and Asset Management and Communications (Deputy Leader))
Councillor J Warmington	(Community Leadership)
Councillor J Williams - Leader of the Council	(Leader of the Council )
Councillor V Stock-Williams	(Portfolio Holder - Corporate Resources)
Councillor N Cavill	(Portfolio Holder - Economic Development, Asset Management, Arts and Tourism)
Councillor J Adkins	(Portfolio Holder - Housing Services)
Councillor C Herbert	(Sports, Parks and Leisure)

## **Executive – 9 October 2013**

Present: Councillor Williams (Chairman)  
Councillors Cavill, Edwards, Hayward, Mrs Herbert and Mrs Stock-Williams

Officers: Penny James (Chief Executive), John Lewis (Parking and Civil Contingencies Manager), Tim Burton (Planning and Development Manager), Jo Humble (Housing Enabling Lead), Nick Bryant (Policy Lead), Roy Pinney (Legal Services Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead)

Also present: Councillors Coles, Horsley, Morrell and A Wedderkopp

(The meeting commenced at 6.15 pm.)

### **38. Minutes**

The minutes of the meeting of the Executive held on 10 July 2013, copies of which had been circulated, were taken as read and were signed.

### **39. Public Question Time**

- (1) Mr Mehan referred to the Settlement Policy Boundaries being altered which appeared to have had led to a number of speculative development proposals being made for North Curry.

A local consultation exercise held earlier in the year had seen 60% of those local people who had taken part stating that they opposed development at Knapp Lane. Now the site had been included as one of Taunton Deane's 'preferred options'. How did this happen?

In response the Policy Lead, Nick Bryant, stated that the Sustainability Assessment had been used in connection with the various site being proposed at North Curry and Knapp Lane had been assessed as the strongest site. He confirmed that Somerset County Highways considered that the access arrangements to the site were adequate.

Mr Bryant went on to say that the Site Allocations and Development Management Plan (SADMP) was a draft for public consultation and that all responses received would be carefully considered before any final proposals were made.

- (2) Councillor Coles referred to the proposal for Milverton in the Minor Rural Centres section of the SADMP. He was concerned that with the Council identifying a gold and silver housing need of 11 units and only five likely to be delivered through the proposed allocation at Butts Way that the Council would fail to meet affordable need in the village.

Nick Bryant responded by saying that the situation at Milverton was complicated by the possible future development of up to 80 dwellings on land at Creedwell Orchard. Whilst this site would not necessarily deliver further affordable units, he

was mindful of ensuring that the village was not committed to a level of development which might adversely affect its character. Housing need was one of the considerations in arriving at the preferred options but consideration had also been given to capacity of local services and facilities, the character and setting of the settlement and its existing size.

He also confirmed that the Choice Based Lettings figures quoted in the SADMP was as at 1 July 2013. The Housing Enabling Lead, Jo Humble, confirmed that the October gold and silver figure was now only six. This would appear to be as a result of the recent (and un-related to the SADMP) proposal to develop land at Butts Way which had yielded five affordable dwellings.

(3) Councillor Morrell asked three questions:-

- (i) Could he be supplied with Gross Domestic Income figures for Taunton Deane between 1997 and now? He felt sure that these would demonstrate that the area had become poorer in recent years.
- (ii) 'Taunton Forward', which comprised local business people, was a newly formed group which had been set up to help rejuvenate Taunton. Would the Council provide any resources to this group to assist them in their task? Would the findings from these 'wealth creators' be listened to?

Councillor Williams responded by stating that Taunton Forward had already been informed that the Council was not in a position to provide either financial or staff resources. However, the group had been given a means of bringing their ideas into the Council. These would be welcomed particularly if they integrated with the work of Project Taunton and Somerset County Council.

- (iii) Reference was made to the earlier announcement that Taunton Deane and West Somerset Council's bid for Government Transformation Grant finance had been unsuccessful.

Following the failure of Southwest One and now the news relating to the Transformation Grant, why should the public continue to trust the Leader in relation to the West Somerset Project?

Councillor Williams replied that it would be for Councillors to decide whether to continue with the West Somerset Project. Although the news from the Government was disappointing, the Business Case had identified savings of £1,900,000 per annum for Taunton Deane if the Project was to proceed. This was an opportunity to save money – otherwise there would have to be significant cuts to services.

- (4) Mr Ormes stated that he was against the site at Knapp Lane, North Curry being proposed as a 'preferred option'. This site, by far, would have the most impact as the field was higher than surrounding land which could increase run-off. There were flooding problems at this location last year.

He went on to compare the width and alignment of Knapp Lane with Windmill Hill

and could not understand how County Highways had reached the view that access arrangements for Knapp Lane would be adequate. He also pointed out that much of the traffic generated from a site in Knapp Lane would come into the village at Queen Square, greatly increasing the number of vehicles in the centre of North Curry.

Nick Bryant referred to his previous response. The Council would always be guided by County Highways. The responses received from County Highways would be published alongside the SADMP.

#### 40. **Financial and Performance Monitoring – Quarter 1 2013/2014**

Submitted for information a report on the financial position and the performance of the Council to the end of Quarter 1 of 2013/2014 (as at 30 June 2013).

The monitoring of the Corporate Strategy, service delivery, performance indicators and budgets was an important part of the overall performance management framework.

The detailed 2013/2014 financial position for Quarter 1 was provided in Annexes A-J To the report although a high level summary was also included in the Scorecard.

The overall financial position of the Council remained within 1.1% of the approved budget.

The current forecast outturn for the financial year 2013/2014 was:-

- General Fund Revenue was an overspend of £149,000; and
- Housing Revenue Account (HRA) to remain within budget overall.

The Corporate Scorecard (aims, objectives, measures and targets) had been refreshed to reflect the new 2013 – 2016 Corporate Business Plan.

Analysis of the overall performance of the Council revealed that 60% of all performance measures were on target.

Of the five 'Red' alerts within the scorecard, information had been provided in additional 'Key Risks/Issues/Impacts' sheets for the 'Family Focus' project, Fly-tipping and the Equality Action Plan.

**Resolved** that the information report be noted.

#### 41. **Somerset Flooding Summit – Draft Final Report**

Considered report previously circulated, concerning the draft final report of the Somerset Flooding Summit.

The report – a copy of which had been circulated to Members – outlined the process

undertaken and the subsequent conclusions reached by the County-wide Joint Scrutiny review. Councillors Simon Coles and Gill Slattery had represented Taunton Deane on the Joint Steering Group.

This exercise was never about 'solving' the issue of flooding in Somerset. This had been, and continued to be, the subject of detailed and complex discussions at many levels.

Instead, the Summit had been an opportunity for Somerset residents, local agencies and the business community to come together and share experiences and suggestions for improved water management across Somerset. It was very much an evidence gathering exercise and the recommendations contained in the report reflected the information gathered as part of this Scrutiny process.

Noted that the fourteen recommendations that had been included in the draft final report had been informally considered by the Somerset Leaders and Chief Executives who had broadly supported these recommendations.

When the draft final report had been considered by all six Somerset authorities, the Joint Steering Group would meet again to collate the responses and finalise the action plan and future monitoring arrangements. The Action Plan would identify for each recommendation, the following:-

- The proposed action;
- Who was responsible for the action;
- The desired outcome;
- The resources required to deliver the outcome;
- The target date for delivery.

As such, a further report on this matter was therefore likely to be submitted to the Community Scrutiny Committee in due course.

**Resolved** that the contents of the Somerset Flooding Summit draft final report be accepted.

#### 42. **Local Development Scheme 2013**

Considered report previously circulated, concerning the Local Development Scheme (LDS) 2013.

The Planning and Compulsory Purchase Act 2004, as amended by the Localism Act 2011, required Local Planning Authorities to prepare a LDS.

The draft document, a copy of which had been circulated to Members of the Executive, was the seventh LDS prepared by the Council. The previous LDS had been submitted to the Government Office in March 2011 and it was now considered appropriate to revise the Scheme.

The LDS was a rolling project management plan for the preparation of planning policy documents – often referred to as Local Development Documents (LDD's) - that would direct future planning decisions in Taunton Deane.

Unlike previous versions of the LDS, the document was no longer required to be submitted to the Secretary of State for approval. It now had to be displayed on the Council's web site following a resolution by Full Council.

At its recent meeting, the Local Development Framework (LDF) Steering Group had requested that, if it was possible to do, any future revisions to the LDS be agreed by the Portfolio Holder for Planning and Transportation following consideration by the Steering Group, rather than taken back each time to Full Council.

The LDS identified the relevant Development Plan Documents for Taunton Deane, and other related documents such as the Community Infrastructure Levy (CIL) and the Authorities Monitoring Report which the Council would prepare and the timescale for their delivery.

It set out the staff resources available for the preparation of documents, the range of the evidence base required in their preparation, together with a profile of each programmed document prepared by the Council and the anticipated timetable over the next three years.

Noted that the Development Plans would provide the framework for delivering the Council's growth agenda and inward investment into Taunton Deane. Related measures such as CIL and the New Homes Bonus would contribute towards physical and social infrastructure improvements throughout the district. CIL was projected to raise around £7,500,000 over the next five years, whilst the New Homes Bonus was projected to amount to around £12,000,000 over the period to 2016.

**Resolved** that Full Council be recommended to:-

- (a) Adopt the Local Development Scheme and timetable for the preparation of planning documents; and
- (b) Agree that any future changes to the Local Development Scheme be agreed through the Local Development Framework Steering Group and Portfolio Holder for Planning and Transportation.

**43. Taunton Deane Borough Council Planning Obligations Affordable Housing Supplementary Planning Document**

Considered report previously circulated, concerning the proposed introduction of a Supplementary Planning Document (SPD) concerning affordable housing.

The purpose of the proposed SPD was to provide greater detail on Policy CP4 Housing in the Council's Core Strategy 2011-2028 which was adopted in September 2012.

Policy CP4 aimed to ensure that affordable housing was provided as part of all development schemes of five or more net additional dwellings. The policy stated that 25% of all new housing should be in the form of affordable units.



The Council operated an Affordable Housing Development Partnership which delivered affordable housing in Taunton Deane and the adoption of this SPD would provide a clear guide for the partnership to work with.

This proposed SPD would be processed through the Statutory Consultation process in line with the Statement of Community Involvement. The Local Development Framework (LDF) Steering Group and Strategic Planning Working Group (SPWG) had already been consulted on the content of the document.

A summary of the key points of the SPD were as follows:-

- Tenure - The Council would seek a tenure split of 60% social rented housing and 40% intermediate housing or Affordable Rented on affordable housing provision of three affordable dwellings or more.

On schemes yielding three or fewer affordable dwellings the Council might seek a partial financial contribution in lieu of housing in order to bring the total overall provision within a development up to the required 25% affordable housing.

- Site Viability - In instances where applicants claim that full or partial delivery of the affordable housing was not possible on viability grounds, the Council would consider in the first instance a revised tenure split and unit types for the development. In the event that viability issues cannot be resolved through changes to the tenure and/or unit types, the applicant will be expected to submit a viability statement.
- Off site provision - In exceptional circumstances, where the Council agrees that affordable housing can be provided off-site, its location will be sought in the following priority order taking into account local need and site availability:-
  - Adjacent to the development;
  - Elsewhere within the Parish (or Taunton urban area in the case of the Unparished Area);
  - Elsewhere in the District.

It is expected that such off-site provision will accommodate the same number and type of units that would otherwise be required on the application site.

- Financial Contribution - The Council would likewise only accept financial contributions in-lieu of on-site provision in exceptional circumstances. In such cases the applicant would be expected to set out a detailed statement outlining the reasons why on-site provision was not considered to be appropriate. The Council would use the financial contributions in the following ways:-
  - To fund the provision of new affordable housing through Registered Providers;
  - To purchase land for new affordable housing schemes either directly by the Council or through Registered Providers; or
  - To fund activities relating to the delivery of affordable housing.
- Exception Sites - The Council intended as far as possible to plan for meeting

affordable housing needs within or adjacent to rural settlements by identifying and prioritising sites for housing development through the site allocations process.

Within the adopted Core Strategy, Development Management Policy DM2 stated that affordable housing would be supported outside of defined settlement limits in certain circumstances which were detailed in the report.

Such developments would be small scale and would be expected to meet or help to meet a proven and specific local need for affordable housing in the Parish or adjoining rural Parishes, which would not otherwise be met and be within or adjacent to the settlement boundary, well related to existing community services and facilities and sympathetic to the form and character of the village.

- Design, Quality and Sustainability Standards - Policy CP4 expected the delivery of mixed, balanced and sustainable communities with affordable housing would be integrated with market housing. The affordable housing should be built to meet the latest design and quality standards.
- Housing Need - The Council would refer to Housing Needs data held within the Choice Based Lettings System in the first instance. If further information was deemed necessary, the applicant would be expected to provide a local Housing Needs Survey for approval.
- Local Connection - A local connection clause would be included in Section 106 Agreements in relation to all schemes outside the Taunton and Wellington urban area to ensure that the Parish which was accommodating the development had the priority access to the affordable homes which could contribute towards absorbing the Parish's housing need.
- Occupancy - Affordable housing for social rent and Affordable Rent secured through planning obligations would be allocated in accordance with the Choice Based Lettings System, Homefinder Somerset.

In the first instance, applicants for intermediate housing secured through the planning obligations would be taken from either the Homefinder Somerset register or the Homebuy Agent list.

**Resolved** that the Affordable Housing Supplementary Planning Document be approved for public consultation.

#### 44. **Site Allocations and Development Management Plan – Preferred Options**

Considered report previously circulated, concerning the Council's Preferred Options Site Allocations and Development Management Plan (SADMP), a full copy of which had been provided to Members of the Executive.

The SADMP represented an important Planning Policy Document as it would guide the future location of development across Taunton Deane and establish policies used to

inform decision-making through the Development Management process.

Planning Regulations guided the procedure to be followed in preparing Development Plan Documents (DPDs). This procedure required the Council to undertake consultation prior to the publication of its Draft Plan, which itself had to be subjected to a more formalised representation period prior to its examination by an independent Planning Inspector and adoption.

An initial 'Issues and Options' consultation on the SADMP had been undertaken in early 2013. This took the form of a series of public exhibitions and gave an opportunity for communities, developers, landowners and other key stakeholders to comment on a range of sites and policy options.

Having reflected on the substantive issues raised through this consultation, the Preferred Options SADMP had been drafted. It was intended to publish the SADMP for public consultation towards the end of October.

The options put forward in respect of both sites and policies had been subject to detailed consideration through a Sustainability Appraisal (SA) which had allowed the likely sustainability implications of choosing a particular policy direction as well as possible mitigation measures to be considered.

The identified Preferred Options reflected the findings of the SA but also the deliverability of particular options since National Planning Policy Framework placed significant weight on the deliverability of plans.

### **Preferred Options for Taunton**

Central to the Preferred Options for Taunton was the proposed allocation of two strategic site allocations at Comeytrowe/Trull and Staplegrove. Both of these sites were identified as 'Broad Locations' within the adopted Core Strategy and anticipated to be allocated in the SADMP.

The Council had recently commissioned consultants Parsons Brinkerhoff to undertake further technical work to inform the proposed 'red-line' boundaries identified for these proposed allocations. In both cases, there was a clear need for comprehensive masterplanning to be undertaken consistent with the requirements of Core Strategy Policies SS6 and SS7. In the event that applications were promoted in either Broad Location ahead of the Plan's adoption, the Council would need to be satisfied that appropriate masterplanning had been undertaken,

The Core Strategy also identified the need for a new strategic employment site for the town. The SADMP proposed a second strategic employment site at Junction 25/Ruishton. This site would serve the qualitative need for future employment growth to enable Taunton to fulfil its full economic potential.

In addition to the Broad Locations, the Council needed to identify a range of smaller sites to help ensure that the new homes target of at least 13,000 new homes within the Taunton over the Plan period could be met. This was particularly critical given the acknowledged high degree of reliance that the Plan would otherwise have upon the strategic sites at Monkton Heathfield, Nerrols, Staplegrove and Comeytrowe/Trull.

Further reported that Ford Farm had previously been identified as a sustainable site for allocation. Whilst the site currently lies within a Flood Plain, its identification for development would see the completion of a flood scheme, channel work improvements and ground-raising. These works would complement the wider Norton Fitzwarren Flood Risk Management Strategy and ensure that new properties at Ford Farm were protected to a 1 in 100 year plus climate change standard of protection. It would also secure the completion of the Norton Bypass which would reduce traffic through the heart of the village. The inclusion of this site within the Preferred Options Plan was therefore strongly recommended.

It was also recommended that land at Longrun Farm and St Augustines School should be safeguarded in the Plan for potential future education uses at this stage. Although both of these sites performed very well against the sustainability objectives, in view of the continuing uncertainty around secondary school provision, it was considered premature to release these sites for housing without prior assurance that the sites could not be used for education uses.

Land at Bishops Hull was proposed for around 70 dwellings. The site's development would be dependent on addressing improvements to surface water drainage at Shute Water. Officers are also proposing the allocation of a small site at Pyrland Hall Farm for up to 60 units. This site would need to be sensitively designed to respect the setting of the listed farm complex and also provide appropriate mitigation for Lesser Horseshoe Bats and landscaping.

Reported that detailed work addressing the proposed Urban Extension at Comeytrove/Trull had also identified the potential for a development at Higher Comeytrove Farm. This site could only logically come forward after an initial northern phase of an Urban Extension at the A38 had been delivered and would have potential for up to 150 dwellings. A small site for approximately 10 dwellings at Kingston Road was also proposed for inclusion. This site lies within the existing settlement limits and was compliant with development plan policies.

### **Preferred Options for Wellington**

In view of the number of plots already consented and delivered within the town, it was not considered appropriate to make any further allocations through the SADMP. Even without making any allowance for future 'windfall' unplanned development, the housing trajectory indicated a projection of more than 2,800 new homes over the Plan period set against the Core Strategy target of at least 2,500.

### **Preferred Options for the Major Rural Centres**

The Core Strategy had identified Wiveliscombe and Bishops Lydeard as 'Major Rural Centres' to accommodate up to 200 new homes through allocations.

In Wiveliscombe planning permission or resolutions to grant planning had been made on land in and around Style Road / Burges Lane. These sites would deliver around 120 of the 200 homes envisaged by the Core Strategy. The most favoured site currently without planning permission was land at Croft Way would represent a logical rounding of the town and adjoined the recently constructed Doctor's Surgery.

Sites at the southern end of Bishops Lydeard were strongly favoured through the Issues and Options consultation. These sites would not exacerbate congestion and parking problems through the heart of the village and, on this basis, they were recommended for allocation through the SADMP.

### **Preferred Options for the Minor Rural Centres**

Five Minor Rural Centres were identified in the Core Strategy at Creech St. Michael, Cotford St. Luke, Milverton, North Curry and Churchinford. These villages were anticipated to accommodate allocations of at least 250 new homes between them.

The character, setting, size and capacity of key infrastructure had been considered prior to recommending the following apportionment of new homes across the Minor Rural Centres:-

- Creech St. Michael - approximately 110;
- Cotford St. Luke - approximately 60;
- Milverton – approximately 20;
- North Curry – approximately 40;
- Churchinford – approximately 20.

It was considered that the three sites which in and around Hyde Lane, Creech St Michael which had been granted planning permission represented the most appropriate options to accommodate development. No further sites would therefore be identified.

In Cotford St Luke, the preference was to see land to the east of the settlement, a combination of Sites 2 and 3, as the Preferred Option. This would help limit the extent of encroachment into the surrounding countryside. A vehicular though route linking both sites with the southern and northern ends of Dene Road would be required.

The Council would however require evidence from the site owner that such a route is achievable to the satisfaction of the Highway Authority and is financially deliverable without detriment to other planning requirements for the allocation. If this could not be demonstrated the Council would progress an allocation on Site 2 only as this can be readily accessed from Dene Road (north).

It was also considered that a small development of up to 20 dwellings at Butts Way, Milverton should be identified through the SADMP. Whilst this site is less accessible than some of the options identified, its likely impact on landscape, nature conservation and historic character would be lesser.

The preferred sites for North Curry are Overlands and land off Knapp Lane. Overlands performed well against the SA criteria although it would be important to ensure that any new development provided footpath links to the village and protected the sensitive setting of the Grade 2\* listed farm complex. The site was considered likely to accommodate up to 20 units. Knapp Lane could accommodate the remaining 20 homes for North Curry.

Further reported that it would not be appropriate to recommend land at White Street for inclusion despite the support of the Parish Council. This site had previously been

dismissed on appeal and was recently refused planning consent on the grounds of impact on the setting of the listed buildings.

Ford Farm, Churchinford was the only site identified for potential allocation through the SADMP. It was proposed to accommodate up to 20 units and would need to be carefully designed to minimise impact on the Area of Outstanding Natural Beauty.

### **Development Management Policies**

In the case of more detailed Development Management policies, the need for additional policies had carefully been considered taking into account the Framework, the existing Local Plan policy coverage and the Government's desire to avoid un-necessary policy duplication.

The Preferred Options had structured a limited number of proposed new and carried forward Local Plan policies against the eight strategic objectives framed by the adopted Core Strategy, namely:-

- Climate Change;
- The Economy;
- Town and Other Centres;
- Housing;
- Inclusive Communities;
- Accessibility;
- Infrastructure; and
- Environment.

A series of design policies to help guide and inform planning proposals was also felt to be appropriate.

### **Proposed Changes to Settlement Boundaries**

The SADMP process also presented an opportunity to consider the appropriateness of existing settlement boundaries. A significant number of potential amendments were put forward through the Issues and Options consultation. A small number of changes as set out in the Plan had been proposed.

### **Gypsy and Traveller Pitch Provision**

The Council had recently commissioned an update to the 2010 Gypsy and Traveller Accommodation Assessment.

The adopted Core Strategy stated that provision for gypsy and traveller sites would be made through the SADMP. Unfortunately, to date no sites had been promoted for such uses despite numerous 'calls for sites' and requests for land to be put forward.

The failure to identify potential sites could, in part, be traced back to landowner expectations. Many landowners and site promoters would understandably want to maximise the return from any site and consequently did not wish to promote land for gypsy and travellers where 'hope value' exists.

As a relatively advanced stage had been reached in identifying preferred options for allocation, it seemed appropriate to contact those who had previously promoted land for allocation with a view to identifying sites which could be considered for gypsy and traveller pitches.

In the event that some landowners were prepared to promote land for pitches, the Council would need to consider these sites against its criteria-based Core Strategy policy. Further public consultation would then need to be undertaken on these sites.

Whilst this exercise might not necessarily yield any further sites for consideration, this exercise was important in taking steps to ensure the soundness of the SADMP. Failure to take proactive steps to identify land for gypsies and travellers would not only represent a significant risk to the Development Plan but would also increase the potential of planning permissions being granted on appeal on sites the Council might wish to resist.

Reported that the Statement of Community Involvement (SCI) set out how the Council would involve the community and stakeholders in the preparation, alteration and review of local planning policy and the consideration of planning applications.

The Council's last SCI was produced in 2007 and this was consequently out-of-date.

The 2013 review simplified the 2007 SCI document. It took account of changes to planning policy nationally and the way in which the Council was structured and organised. The aim is to create a clear and concise document which set out:-

- When and how people could get involved with the preparation of local planning policy and comment on planning applications; and
- How the Council would notify people of the opportunity to engage with the planning policy and development management process.

It was proposed that the Council should consult on this new draft SCI at the same time as the SADMP and draft Affordable Housing SPD.

Noted that it was intended to publish the Preferred Options for consultation towards the end of October 2013. The consultation would run for a period of not less than six weeks and would comprise a series of public consultation events to be undertaken in a range of locations likely to be affected by the growth planned by the SADMP.

Beyond the Preferred Options, the further comments made in respect of the Plan would be considered and further evidence gathering required to support the document would be undertaken.

A separate report had been prepared outlining the Project Plan for preparation of the SADMP. This was referred to as the Local Development Scheme (Minute No 42 refers) and anticipated that the Draft Plan would be published in Summer 2014. The SADMP was likely to be adopted in Spring 2015 following independent examination in early 2015.

Reported that the Community Scrutiny Committee had considered the Site Allocations and Development Management Plan Preferred Options at its meeting on 8 October 2013.

The Committee had expressed reservations and concerns regarding the proposed alterations and reductions in size of some of the current Green Wedges and asked for these views to be submitted to the Executive.

In response, Councillor Edwards reported that he would be reviewing the situation relating to the Green Wedges.

The Community Scrutiny Committee had also resolved to recommend the Executive to delete Knapp Lane, North Curry as a preferred option site, to be replaced with a proposed development at White Street for five dwellings with the remainder of the North Curry allocation of 35-40 houses being accommodated on the site near Overlands/Canterbury Drive but developed in three phases of 18 dwellings, 10 dwellings and seven dwellings, each five years apart.

The Executive took the view that this recommended change should not be made to the preferred options. It was felt that the Site Allocations and Development Management Plan should proceed to consultation in its present form. The suggested change to the preferred option at North Curry could be considered at the conclusion of the consultation period.

**Resolved** that:-

- a) The contents of the Site Allocations and Development Management Plan Preferred Options be noted;
- b) It be agreed that the Site Allocations and Development Management Plan be published for consultation as soon as practicable (subject to any necessary minor amendments to be agreed with the Portfolio Holder);
- c) It also be agreed that independently of the Preferred Options consultation, officers be authorised to write to the promoters of appropriate sites not proposed to be included for allocation in the Plan to ascertain if these sites could be considered for gypsy and traveller pitch provision; and
- d) Publication of the Council's revised Statement of Community Involvement for consultation be approved alongside the Site Allocations and Development Management Plan.

#### 44. **Executive Forward Plan**

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

**Resolved** that the Forward Plan be noted.



(The meeting ended at 7.54 pm.)

# Taunton Deane Borough Council

**Executive - 13 November 2013**

## **Review of Council Tax Support scheme**

**Report of Head of Revenues and Benefits**

(This matter is the responsibility of the Executive Councillor Vivienne Stock-Williams)

### **Executive Summary**

On 1 April 2013 Council Tax Benefit (CTB) was abolished and replaced with a locally designed "Council Tax Support Scheme" (CTS). Each billing authority (district council in two-tier area) is responsible for designing and approving a CTS scheme for their area. Only 90% of funding previously granted for CTB was given for localised CTS. However, those of pensionable age were protected from any reduction in support, so cuts could only apply to people of working age.

On 11 December 2012, Full Council adopted the Local Council Tax Support scheme for 2013/14. Consideration must now be given to the scheme for the financial year 2014/15 that will need approval by Full Council by 31 January 2014.

The Government state they will keep localised CTS funding unchanged in cash terms from its 2014-15 total level. However funding for localised CTS is incorporated in the total Local Government Finance Settlement (LGFS) and is not separately identified. This is the grant we get from central Government as a contribution towards the cost of our services. We have indicative figures the LGFS will reduce not only in 2014/15 but in future years. Therefore, Members may wish to consider applying cuts to localised CTS spending.

A decision not to change the money paid out by CTS will leave a greater cut in the remaining LGFS. A decision to decrease the money paid out by CTS by the same proportion the LGFS is reduced could mean significant cuts in CTS available to working age recipients. For example, we have indicative figures the LGFS will be cut by 14.3% in 2015/16. If Members decide to decrease the money paid out by the localised CTS at the same level, this will reduce CTS for working age recipients by £876k.

Such a reduction should be considered against the cuts already applied to people of working age when we replaced CTB with CTS in 1 April 2013. In 2012/13, we paid CTB of £3.54m to working age recipients. From 1 April 2013, CTS for this group reduced to £2.71m - a cut of approximately 23%. Cutting CTS by £876k in 2015/16 will reduce help available to working age recipients to £1.83m. This equates to a cut of 48% in comparison to help previously available through CTB in 2012/13. Such a reduction in support will impact upon working age people already affected by significant cuts through Welfare Reform, for example the overall Benefit Cap and removal of the spare room subsidy ("bedroom tax").

If we are to amend localised CTS we must undertake public consultation on any proposed amendments before the scheme can be adopted. We do not need consultation if the Council decides to retain our existing CTS scheme for 2014/15.

The proposals and recommendations in this report were considered by Corporate Scrutiny on 19 September 2013. No changes were requested. The Committee unanimously supported the recommendations.

## **1. Background**

- 1.1. The Council Tax Benefit (CTB) scheme was abolished on 31st March 2013 and replaced by the Council Tax Support (CTS) Scheme. The Government provide all billing authorities (and major precepting authorities) with a grant and expect Councils to design a Council Tax Support scheme to help those on low incomes to meet their Council Tax liability. The scheme is referred to in the Local Government Finance Act as the "Council Tax Reduction Scheme". It is important to understand the Government grant will not rise each year to match demand and it is not ring-fenced.
- 1.2. Each of the major precepting authorities in Somerset receive the grant based on their current share of Council Tax receipts and therefore the County Council get the biggest share. If more residents than expected claim Council Tax Support, the major precepting authorities share the risk based on their share of council tax receipts.
- 1.3. We must agree any local scheme with the major precepting authorities i.e. Somerset County Council, Avon and Somerset Police and Devon and Somerset Fire and Rescue Authority by 31 January 2014. If we cannot agree, the Government will impose a default scheme that will be much more expensive than our localised CTS scheme for 2013/14.
- 1.4. Schemes can be changed and what we have in place for 2014/15 does not have to remain in place for subsequent years, but we cannot change schemes mid-year.
- 1.5. Councils are not allowed complete freedom on the design of their Council Tax Support schemes. The Government have stipulated that pensioners should be fully protected under the same criteria that previously applied to Council Tax Benefit. This principle means there is no local discretion in CTS awards for people over pension age, as there are nationally set entitlement rules for this group. Pensioners, make up 48% of our CTS caseload, but account for 55% of spending on CTS. This means any cut in the support paid under CTS is borne by the remaining 52% of working age claimants
- 1.6. The Government say we must also protect, as far as possible, CTS for vulnerable groups. There is no definition of which groups are counted as "vulnerable" as each authority has to make its own assessment. However, the Government have highlighted Local Authority statutory duties regarding:
  - Children and duties under the 2010 Child Poverty Act to reduce and mitigate the effects of child poverty
  - Disabled people and duties under the Equality Act 2010
  - Homelessness Prevention and duties under the 1996 Housing Act to prevent homelessness with special regard to vulnerable groups.

It is up to Billing Authorities to decide how they apply any such protection. Our scheme considers disabled people's needs and those responsible for children. It fully ignores income from a War Disablement or War Widows Pension. Also following the Government's direction, our CTS scheme strengthens work incentives and does not discourage people to move off benefits and into work or to stay in work.

## **2. Council Tax Support Scheme for 2013/14**

- 2.1. People of pension age were protected as required and a more generous system applied. If a person claims Pension Credit (guarantee element) there is no limit on the savings they can have and they will normally not pay Council Tax at all. Pensioners with higher incomes can also qualify, even if they do not get Pension Credit. Depending on their circumstances they can qualify for some help with their Council Tax with an income of £400 a week or more

2.2. For people of working age, we adopted a scheme with the following key elements:

- Maximum support is 80% of Council Tax - everyone of working age has to pay something;
- Non-dependant deductions are increased;
- Second adult rebate stopped;
- Child maintenance is counted as income;
- Earned income disregards were increased;
- Hardship fund set up for short-term help (this is a Collection Fund commitment and not fully funded by TDBC).

2.3. There were about 8,300 people of working age who moved from the Council Tax Benefit scheme to the localised CTS scheme. The average weekly CTS award for a Pension Age claim is £15.80, whilst for people of Working Age, it is £12.06. Other key facts on CTS caseload, spending and budgets are shown below:

Claimant type	% of total claims	Caseload at 30 September 2013	% of total spend	CTS Expenditure
Working Age	52%	4,245	45%	£2,661,815.32
Pension Age	48%	3,915	55%	£3,248,314.41
<b>Total</b>	<b>100%</b>	<b>8,160</b>	<b>100%</b>	<b>£5,910,129.73</b>

Table 2.3.1

Breakdown of working age group	% of claims	Number of claims
Working Age – IS/JSA/ ESA income based	26%	1,122
Working Age – disability (not on IS/JSA/ESA income based)	29%	1,233
Working Age - with children (not on IS/JSA/ESA income based)	30%	1,273
Working age in remunerative work (over 16 hours) (not on IS/JSA/ESA income based)	8%	311
All other working age customers (not on IS/JSA/ESA income based)	7%	306
<b>Total</b>	<b>100%</b>	<b>4,245</b>

Table 2.3.2

Authority	CTS Budget
Taunton Deane Borough Council (9.52%)	£583,214
Parishes and the Unparished Area (0.98%)	£60,224
Somerset County Council (72.35%)	£4,431,803
Avon and Somerset Police (11.84%)	£724,886
Devon and Somerset Fire and Rescue Authority (5.31%)	£325,235
<b>Total Budget</b>	<b>£6,125,362</b>

Table 2.3.3

2.4. Members will see from the totals shown in the tables 2.3.1. and 2.3.3. we are currently paying out £215k less in CTS than the budget. This “underspend” equates to 3%. While we award most CTS at annual billing, fluctuations in claimant need impact on Council Tax Support take-up and the consequent expenditure. To put this into context, if 210 more people claim CTS, then our budget would be overspent. In 2011/2012 our caseload increased by 196 claims.

- 2.5. From October 2013 the Government plans to begin merging payments of Income Support, income-based Jobseekers Allowance, income-related Employment and Support Allowance, Child Tax Credit, Working Tax Credit and Housing Benefit into a single payment called "Universal Credit". The exact details of how Universal Credit will work are still emerging but in working out CTS, we will treat Universal Credit as income but we will apply a disregard for any payment for housing costs.
- 2.6. We designed our CTS scheme considering ability to pay and the collectability of the resultant Council Tax liability. At the time of writing this report, we have data up to 30 September 2013. Early signs are that collection has decreased by 0.54% compared with last year (September 2012). The volume of recovery action (reminders and summons) has greatly increased. Recovery action is still in the early stages for 2013/14 and collection should improve as the year progresses and we take further action. When setting Council Tax for 2013/14, TDBC Finance Officers assumed a small reduction in collection and the shortfall so far is within that assumption
- 2.7. There have been relatively few complaints about the scheme and most people affected have accepted they need to pay something. Revenues Officers have set up special arrangements to help people struggling to pay. We routinely offered 12 monthly instalment arrangements (usually Council Tax is paid over 10 months) for customers affected by the reduced help through CTS and have been quite successful in agreeing new Direct Debit arrangements. However, it is too early to predict confidently the impact of our localised CTS scheme. Clearly those affected are residents on low incomes and are typically being asked to pay £150 - £300 Council Tax a year when previously they had nothing to pay.
- 2.8. We have updated our current scheme to include minor legislative changes and amended amounts due to up-rating and a draft copy of the scheme is attached at Appendix 1. Further updating to allow for annual "uprating" of applicable amounts will be required when these amounts are known later this year. Although members can decide to alter the scheme for 2014/15 **the recommendation is to leave our localised CTS scheme unchanged in 2014/15**. It is currently within budget and operating within the collection parameters used at tax setting. National funding and demand is expected to be similar in 2014/15 as now. Other Somerset billing authorities (Mendip, Sedgemoor and West Somerset) have given early indications they will leave their CTS schemes unchanged in 2014/15.
- 2.9. From 31 March 2014, when we have fully implemented recovery measures we can get a better picture of collection rates and the impact of reduced CTS on affected households. However, Members are well aware of the national economy and the uncertainty facing local government funding in the medium term. There can be no certainty the council can preserve the localised CTS scheme at its current level into the medium term.
- 2.10. Members can decide now - in advance of updated information - if they wish to consider changing the scheme from **2015-16**. Creating a revised scheme will involve complex decisions and judgements on which groups of claimants would face reduced support.

### 3. Options for the future CTS scheme

3.1. The main options available are:

- Option 1 - To leave the scheme unchanged as now but make efficiency savings/ cuts in services, and/or use reserves to meet the funding gap either in full or part;
- Option 2 - To pass on any further funding shortfall in full to all working age residents receiving localised CTS, reducing their financial help;
- Option 3 - To offset some of the effects of any further funding shortfall by increasing revenue, specifically using discretionary changes to Council Tax discounts and exemptions as in 2013/14; or
- Option 4 - A combination of the above

3.2. Options appraisal

Option	Advantages	Disadvantages
1 - cuts in services/ use of reserves	<ul style="list-style-type: none"> <li>• Vulnerable better protected</li> <li>• Lessens financial impact on claimants</li> </ul>	<ul style="list-style-type: none"> <li>• Costs borne by Council Taxpayers or cuts in other TDBC services</li> <li>• Not sustainable over multiple years</li> </ul>
2 - reduce financial support to claimants	<ul style="list-style-type: none"> <li>• Meets government objectives</li> <li>• Council Taxpayers protected</li> </ul>	<ul style="list-style-type: none"> <li>• Will not achieve full objectives due to level of cuts needed and collection difficulties</li> <li>• Impacts heavily on those with little or no means to pay</li> </ul>
3 - offset by increasing revenue by Council Tax exemption and discount changes	<ul style="list-style-type: none"> <li>• Vulnerable better protected</li> <li>• Lessens financial impact on claimants</li> <li>• Principles fit with bringing homes into use quicker and could benefit the council through the New Homes Bonus</li> </ul>	<ul style="list-style-type: none"> <li>• Will not achieve full objectives due to level of cuts needed</li> <li>• Costs borne by Council Taxpayers</li> <li>• Revenue generated may not be realised</li> </ul>
4 - combination	<ul style="list-style-type: none"> <li>• Shares out cost more evenly</li> <li>• Gives some cushion to the financially disadvantaged</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue generated may not be realised</li> <li>• Not sustainable over multiple years</li> </ul>

Table 3.2.1

### 4. Implications

- 4.1. It is likely some working age people will be disadvantaged financially unless a decision is taken to “bridge the gap” between the expected cut in the Government grant and the current localised CTS award levels. This would impact on all Council Taxpayers by increasing the Council Tax levied and/or cut other Council services. Any increase in basic Council Tax above 2% in 2014/15 or 2015/16 is expected to trigger the requirement for a Referendum with local taxpayers, which in itself will be costly.
- 4.2. Should there be any shift in proportions between working age and pension age or further economic downturn resulting in more people relying on some form of state financial support, there would be greater pressure on remaining Council Taxpayers to meet potentially higher outlay.
- 4.3. Council Tax Collection will be a much harder task as shown by the experiences of Local Authorities when they tried to collect relatively small amounts of (20%) Community Charge (Poll Tax) from people with minimal financial resources. This will result in more pressure on Revenues staff.
- 4.4. There are potentially significant Equalities issues depending on how we configure CTS locally for vulnerable groups.

- 4.5. Although the Council is not legally required to include transitional protection for claimants moving from one CTS scheme to a replacement scheme, the legislation does state that Members must consider if transitional arrangements may be needed and if protection should apply to all groups or just certain groups. Such protection could limit our ability to realise the full savings required

## **5. Highlighted risks**

- 5.1. The financial risks associated with localised CTS are notable and there are several major assumptions and estimated data used in calculations including:
- The CTS grant will continue to be at least that outlined in DCLG forecasts (however as it will be part of a bigger grant the exact amount received for this particular element will not be transparent);
  - The number of people claiming localised CTS will not increase significantly above estimated caseload profile;
  - The relative split of caseload between those of pension age and working age will not alter significantly from the present split;
  - People will still have the financial means to pay a proportion of Council Tax as well as meeting their other commitments and living needs;
  - Major preceptors may not contribute proportionately towards increased costs of Council Tax collection;
  - Overall Council Tax collection rates will not significantly decrease;
  - The element of administration grant received from the government for administering Council Tax support will not reduce significantly.

## **6. Consultation**

- 6.1. The recommendation for 2014/15 is to leave the scheme as it is, but consultation is necessary if the CTS scheme is to change from 2015/16.
- 6.2. Last year, consultation with the major precepting authorities gave a clear steer they wanted our scheme to be cost neutral (i.e. to keep localised CTS spending within the expected Government grant).
- 6.3. Consultation on changing our CTS scheme from 2015/16 will be:
- From 6 January 2014 we will start joint consultation with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority)
  - Public consultation is likely to start on 24 February 2014. By including consultation with Council Tax bills during annual billing for 2014/15 we will ensure every Council Taxpayer has the opportunity to comment on our proposals. This will also minimise consultation costs of as there will be no added postage charges. We will also carry out on-line consultation through the Council's website as well seeking separate views from local stakeholders - e.g. Citizens Advice Bureau, Age UK, JobCentre Plus and the Tenants Forum.
- 6.4. Results from the consultation exercise will be collated and reported to members of the Corporate Scrutiny Committee.
- 6.5. The consultation will be carried out broadly based on:
- (a) No change to the scheme;
  - (b) Views on the options for cuts detailed in 7.2.
- 6.6. Any costs of consultation on the localised CTS scheme for 2015/16 must be met from existing budgets.

## **7. Approach to Revising Localised Council Tax Support**

- 7.1. To provide options to Members for 2015/16, public and preceptor consultation must be complete by the end of August 2014. This will provide enough time to evaluate the responses and gather more information on Council Tax collection rates. However, without a decision on the money available to pay out in Council Tax Support, any consultation must contain some options.
- 7.2. There are three basic options.
- i. **Pass on the full amount of the anticipated grant cut**
    - This would increase the amount working age recipients have to pay by £4 a week on average.
    - Such a large cut could cause significant defaults in Council Tax payments and mean we collect less Council Tax than we do currently as people decide they cannot afford to pay the amount sought and stop paying anything at all.
    - To put £4 a week into perspective, a single unemployed person aged over 25 receives £71.70 a week in Job Seeker's Allowance. They are already being asked to pay from £2.70 (Band A) to £8.11 (Band H) a week towards their Council Tax, so passing on the anticipated full grant cut would increase their weekly Council Tax payments to £5.41 (Band A) up to £16.22 (Band H).
  - ii. **Absorb the cost in full**
    - TDBC and the other preceptors would jointly fund the difference between CTS paid out and the grant we expect to receive in 2015/16.
    - For Somerset County Council, this could result in a loss of income of approximately £630K with the TDBC having to fund approximately £83k.
    - This has the potential for objections from preceptors and non-CTS recipients as these are the people who could be viewed as "subsidising" CTS recipients.
  - iii. **Pass on some of the cut**
    - The problem here is discovering the "tipping point" at which CTS recipients might decide the amount we are asking them to pay is simply unaffordable.
- 7.3. The first and third options will have to include potential ways of achieving each option in the public consultation to ensure the consultation is meaningful.
- 7.4. The more flexibility on consultation and options included, the greater likelihood consultation can be based on the best available information and therefore provide better information on which the Council can set its scheme for the following year
- 7.5. The final decision on scheme design will still rest with Full Council



## 8. Proposals for changing the CTS scheme from 2015/16

- 8.1. While it may be necessary to reduce spending for Council Tax Support we must consider the impact on “vulnerable” groups. As stated in paragraph 1.6. authorities must make their own assessment of which groups should be treated as “vulnerable”, although people with disabilities and those with responsibility for young children are likely to fall into this category. Our proposals therefore seek to mitigate the effect on these groups as well as align income considered for CTS purposes with DWP rules for other welfare benefits to ease any administration burden in future.
- 8.2. Although the Council is not legally required to include transitional protection for claimants moving from one CTS scheme to a replacement scheme, the legislation states Members have a duty to consider if transitional arrangements may be needed and if protection should apply to all groups or just certain groups.

### 8.3. Proposal 1 - Maximum CTS limit

- 8.3.1. We would propose to limit the maximum support a working age person can receive, from 80% to between 50% and 70% (final percentage dependant on expected Government grant. However, on the assumption of maximum support being 60%, this means everyone would have to pay at least the figures shown in the tables below:

Single Claimant					
Band	Annual Council Tax (after sole occupier discount)	Current minimum contribution 2013/14	Minimum proposed Annual Contribution	Current minimum weekly contribution 2013/14	Minimum proposed weekly Contribution
A	£702.96	£140.59	£281.18	£2.70	£5.41
B	£820.12	£164.02	£328.05	£3.15	£6.31
C	£937.28	£187.46	£374.91	£3.60	£7.21
D	£1,054.43	£210.89	£421.77	£4.06	£8.11
E	£1,288.75	£257.75	£515.50	£4.96	£9.91
F	£1,523.07	£304.61	£609.23	£5.86	£11.72
G	£1,757.39	£351.48	£702.96	£6.76	£13.52
H	£2,108.87	£421.77	£843.55	£8.11	£16.22

Table 8.3.1

Claimant Couple					
Band	Annual Council Tax	Current minimum contribution 2013/14	Minimum proposed Annual Contribution	Current minimum weekly contribution 2013/14	Minimum proposed weekly Contribution
A	£937.28	£187.46	£374.91	£3.60	£7.21
B	£1,093.49	£218.70	£437.40	£4.21	£8.41
C	£1,249.70	£249.94	£499.88	£4.81	£9.61
D	£1,405.91	£281.18	£562.36	£5.41	£10.81
E	£1,718.33	£343.67	£687.33	£6.61	£13.22
F	£2,030.76	£406.15	£812.30	£7.81	£15.62
G	£2,343.19	£468.64	£937.28	£9.01	£18.02
H	£2,811.82	£562.36	£1,124.73	£10.81	£21.63

Table 8.3.2.

Financial effect in implementing proposal 1 in isolation	
Current CTS spend based on 80% maximum support	£5,910,129.73
Revised spend on CTS based on 60% maximum support	£5,165,591.25
<b>Potential saving</b>	<b>£744,538.48</b>
<i>TDBC's share (9.52 %) of the saving</i>	<i>£70,880.06</i>

#### 8.4. **Proposal 2 - Disregard Child Maintenance as Income**

- 8.4.1. Maintenance received for a child, is disregarded (ignored) in the default and prescribed Council Tax Support schemes as well as in the DWP's calculations for many other state benefits. To align our CTS scheme more closely with DWP benefits and therefore provide for simple administration, we would ignore maintenance received for a child or children.

<b>Financial effect in implementing proposal 2 in isolation</b>	
Current CTS spend based on 80% maximum support	£5,910,129.73
Revised spend through disregarding child maintenance	£5,935,258.19
<b>Potential increase in cost</b>	<b>£25,128.46</b>
<i>TDBC's share (9.52 %) of the increased cost</i>	<i>£2,392.23</i>

#### 8.5. **Proposal 3 - Flat rate Non-Dependant Deductions**

- 8.5.1. If the person claiming CTS has any non-dependants who are in work living in their home, we will usually make a deduction from their CTS entitlement. A non-dependant is a person aged 18 or over who is at work and is living with the person claiming benefit but not dependent on them, and not living in their home as a joint tenant or sub tenant. Non-dependants include an adult son or daughter, a mother or father, or a friend.
- 8.5.2. These non-dependant adults are assumed to give the claimant some money towards their Council Tax, regardless of whether they do so. We would propose to introduce one flat rate non-dependant deduction of £5 for each non-dependant in the property. Currently the rate of deduction is based on the non-dependant's income. This will align treatment of non-dependants to the proposed method in Universal Credit and will reduce administrative burdens.
- 8.5.3. The current and proposed levels of weekly deductions are shown in the table below:

<b>Non-dependant deductions for CTS</b>	<b>April 2013 (weekly)</b>	<b>Proposed from April 2015</b>
Receiving IS, JSA (IB), ESA (IR) or Pension Credit.	£4.80	£5.00
<b>Aged 18 or over and in remunerative work</b>		
- gross income less than £183	£5.80	£5.00
- gross income £183 to £316	£10.55	£5.00
- gross income £316 to £394	£13.50	£5.00
- gross income more than £394	£16.40	£5.00
<b>Others aged 18 or over</b>	<b>£5.80</b>	<b>£5.00</b>

Table 8.7.3.

<b>Financial effect in implementing proposal 3 in isolation</b>	
Current CTS spend based on 80% maximum support	£5,910,129.73
Revised spend through implementing flat rate non-dependant deductions	£5,923,529.28
<b>Potential increase in cost</b>	<b>£13,399.55</b>
<i>TDBC's share (9.52 %) of the increased cost</i>	<i>£1,275.64</i>

**8.6. Proposal 4 - Maximum CTS limit increased where the claimant or their partner gets Disability Living Allowance for care at the higher or middle rate**

8.6.1. We would propose to increase the maximum support if a working age person or their partner gets Disability Living Allowance for care at the higher or the middle rate. Our current scheme limits the maximum help available to 80% of the Council Tax liability. The proposal is that from 2015/16 the maximum help will be increased from 80% to 85%.

<b>Financial effect in implementing proposal 4 in isolation</b>	
Current CTS spend based on 80% maximum support	£5,910,129.73
Revised spend through increasing maximum to 85% for those getting DLA care at higher or middle rate	£5,935,770.22
<b>Potential increase in cost</b>	<b>£25,640.49</b>
<i>TDBC's share (9.52 %) of the increased cost</i>	<i>£2,440.97</i>

**8.7. Proposal 5 - Maximum CTS limit increased where the claimant is a single parent and is responsible for a child (children) under 5 years old**

8.7.1. We would propose to increase the maximum support if a working age person who is a single parent has responsibility for a child or children under 5 years old. Our current scheme limits the maximum help available to 80% of the Council Tax liability. The proposal is that from 2015/16 the maximum help will be increased from 80% to 85%.

<b>Financial effect in implementing proposal 5 in isolation</b>	
Current CTS spend based on 80% maximum support	£5,910,129.73
Revised spend through increasing maximum to 85% for single parents with children under 5 years old	£5,940,519.73
<b>Potential increase in cost</b>	<b>£30,390.00</b>
<i>TDBC's share (9.52 %) of the increased cost</i>	<i>£2,893.13</i>

**8.8. Illustrative financial effect of proposals for reduced Council Tax Support (CTS) for people of working age (based on data @ 31/8/2013)**

<b>Description of proposal</b>	<b>Revised CTS expenditure</b>
<b>Proposal 1.</b> Maximum CTS limit reduced to 60%	£5,165,591.25
<b>Proposal 2.</b> Disregard Child Maintenance as income <u>and</u> implement <u>Proposal 1</u>	£5,190,719.71
<b>Proposal 3.</b> Flat rate Non-Dependant Deductions <u>and</u> implement <u>Proposals 1 and 2</u>	£5,204,119.26
<b>Proposal 4.</b> Maximum CTS limit increased to 85% where the claimant or their partner gets DLA for care at the higher or middle rate <u>and</u> implement <u>Proposals 1, 2 and 3</u>	£5,229,759.75
<b>Proposal 5.</b> Maximum CTS limit increased if claimant is a single parent and is responsible for children under 5 years old <u>and</u> implement <u>Proposals 1, 2, 3 and 4</u>	£5,260,149.75
<b>Potential saving in 2015/16 by implementing all proposals</b> <i>(£5,910,129.73 less £5,260,149.75)</i>	<b>£649,979.98</b>

Table 8.8.1.

8.9. **Estimated budgetary savings for each preceptor based on implementing all proposals for reduced Council Tax Support (CTS) for people of working age.**

Authority	% CTS budget	Current Scheme Budget	Revised CTS budget	Budget saving
TDBC	9.52%	£583,214	£500,766	£82,448
Parishes / Unparished	0.98%	£60,224	£51,549	£8,675
Somerset County Council	72.35%	£4,431,803	£3,805,719	£626,084
Avon and Somerset Police	11.84%	£724,886	£622,802	£102,084
Devon and Somerset Fire and Rescue	5.31%	£325,235	£279,314	£45,921
<b>Total</b>	<b>100%</b>	<b>£6,125,362</b>	<b>£5,260,150</b>	<b>£865,212</b>

Table 8.9.1.

8.10. Carrying out any or all of these proposals for April 2015 will involve some changes to the Civica OpenRevenues system. There may also be a need to review the processes for assessing claims, and for managing the Discretionary Council Tax Reduction Scheme.

**9. Final Decision Making Process**

9.1. Following consideration by Corporate Scrutiny on 19 September 2013, this report recommending the Council Tax Support (CTS) scheme for 2014/15 is before the Executive on 13 November 2013, with a further report going to Full Council on 10 December 2013.

9.2. We cannot afford to wait until the deadline of 31 January to approve our local CTS scheme. Realistically, we need the scheme approved in December at the latest. The new scheme impacts on the Council Tax Base. By law, we must have the tax base approved by 31 January if we are to safely set tax next year. We can't risk this not being in place.

9.3. The other major preceptors are reliant on us providing tax base information in December for their own financial planning and budget setting. How we operate CTS will play a fundamental part in that.

**10. Finance Comments**

10.1. By running the scheme as a “discount” we share the risk of financing the costs with the other precepting authorities through the Tax base calculation. The first financial impact is on the Collection Fund that is used to manage all Council Tax income, before that funding is shared between the various local precepting bodies. Given TDBC’s share of the Collection Fund (shown in the chart below) is only 9.52%, the major element of the risk falls on the other precepting local authorities.

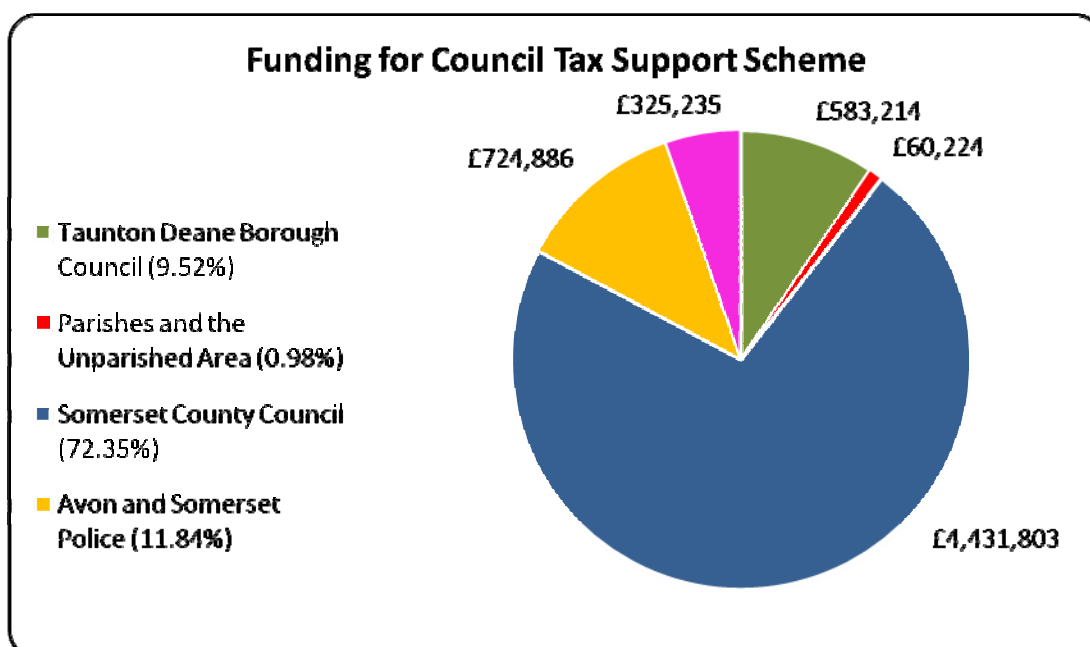


Chart 10.1.1.

- 10.2. Funding for localised CTS in 2015/16 is incorporated into the Local Government Finance Settlement (LGFS). Any decrease in the LGFS is not yet confirmed but we have indicative figures to show a reduction of 14.3%. On existing information, the net effect in decreasing CTS funding by the same proportion means reducing TDBC's contribution to the CTS budget by over £83k. Similar decreases in preceptors' contributions would see the overall cut in the CTS budget rising to £876k.

**Cut in CTS budget assuming preceptors reduce budget by 14.3% in 2015/16  
(Estimated cut in total CTS budget of £876k)**

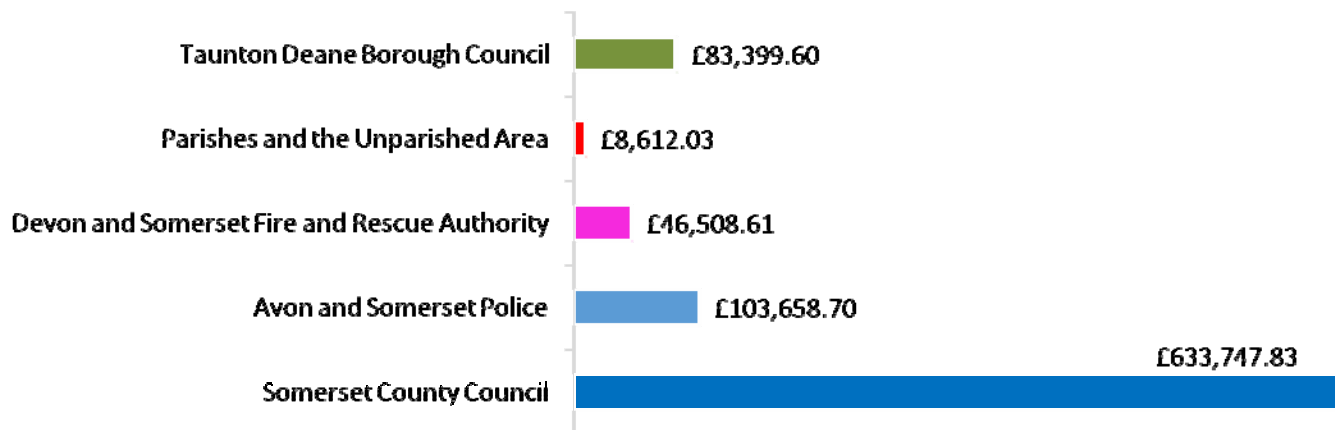


Chart 10.2.1.

- 10.3. CTS claimants of working age are adversely affected in reduced support available through CTS as the Government prescribe the CTS scheme for those of pensionable age and we have no discretion in the CTS paid to that group. In Taunton Deane, 48% of our claimants are pensioners and 52% are working-age. Therefore a cut in funding is shared across only our working-age claimants. If we exempt certain working age groups from cuts in support, for example people with disabilities, the cut in CTS for the remaining working age claimants will be even greater.
- 10.4. The Council and the major preceptors are expected to consider and fund any increases in demand for Council Tax Support. The trend in recent years has been an increase in caseload due to the economic downturn.
- 10.5. The Council has been required to make significant financial savings in recent years, and faces further major cuts in funding and increasing financial risks over the coming years. It is becoming increasingly difficult to preserve core services to local residents.
- 10.6. Against this background, further cuts in income from Council Tax are not considered to be a recommended way forward. The situation faced by TDBC is mirrored by the other authorities that precept on the Collection Fund (County Council, Police, Fire and Parish Councils). Reducing Council Tax income will increase the Council's budget gap (and increase budget pressures for major preceptors) and in turn place further pressure on service budgets.
- 10.7. **CTS Grant Funding to Parishes**
- 10.7.1. Within the 2013/14 Funding Settlement for TDBC, the Government included funding for Council Tax Support that included a proportion related to Parishes and Special Expenses. The Council decided to pass on a proportion of this funding to parishes to reflect their reduction in funding as a result of Council Tax Support, although there is no legal requirement to do so and no prescribed method by the Government. For 2013/14, a grant was given by TDBC to parishes based on the tax base reduction attributable to Council Tax Support in each parish multiplied by their 2012/13 Band D Charge.

- 10.7.2. The Funding Settlement for 2014/15 and beyond will not separately identify the proportion of funding for CTS for any preceptors - including TDBC and parishes. TDBC therefore needs to determine the policy for providing any CTS Grant funding to parishes for 2014/15, and it is recommended this is approved at this stage to give the Council and Parishes some certainty for financial planning and budget setting purposes.
- 10.7.3. For 2014/15 there are two proposed options, based on available information:
- Option 1:** Use the same formula that was used for 2013/14, so each parishes grant for CTS would be calculated as:
- CTS Tax Base Adjustment x 2012/13 Parish Band D Tax rate
- Option 2:** Use the same formula that was used for 2013/14, but apply the same reduction to parish grant funding as that experienced by TDBC in the Funding Settlement. Provisional figures indicate a 13.6% cut in funding for 2014/15, so each parishes grant for CTS would be calculated as:
- CTS Tax Base Adjustment x 2012/13 Parish Band D Tax rate x [1-0.136]
- 10.7.4. The Council is recommended to approve Option 1 as it will provide protection for parish budget. However, this does mean that TDBC will need to find savings from its own service budgets to subsidise CTS costs for parishes.
- 10.7.5. A third option would be for the Council not to provide a grant to parishes, and require them to budget and precept for CTS costs according to their local requirements. This would impact on the parishes to varying degrees depending on the Tax Base Adjustment and Band D charge for each parish. However, this is not a recommended option.
- 10.7.6. It is proposed the same funding principle agreed for parishes is applied to the Council budget for the Unparished Area Fund.

## **11. Legal Comments**

- 11.1. So far, the only legal challenges to localised CTS schemes have been on the basis that consultation was not carried out correctly. Although none of the challenges were successful, it highlights the importance of carrying out consultation and any amendments to the Local Council Tax Support scheme will need consultation to be undertaken.

## **12. Links to Corporate Aims**

- 12.1. Council Tax and Council Tax Support are most closely linked with the “Transformed Council” section that details three further objectives that underpin the Council’s ability to achieve the Corporate Aims. The three objectives are:
- Achieving financial sustainability;
  - Transforming services; and
  - Transforming the way we work

## **13. Environmental and Community Safety Implications**

- 13.1. There are no environmental and community safety implications associated with this report and there are unlikely to be any associated with the final design of the Local Council Tax Support Scheme.

## **14. Equalities**

- 14.1. The Council undertook a detailed Equality Impact Assessment (EIA) in preparation for the Council Tax Support Scheme in 2013/14. If Members approve this scheme to carry on for 2014/15 no further EIA will be necessary.
- 14.2. However, in considering amendments to the scheme for 2015/16 another EIA will be needed. That assessment will consider in detail what impact the changed policy could have on the protected characteristics: age, disability, gender reassignment, pregnancy, maternity, race, religion or belief, sex and sexual orientation. Although a full EIA will be presented to Members deciding on the final scheme for 2015/16, key impacts initially identified are:

### **Age**

- Working age customers are significantly impacted
- People who are just below pensionable age can be negatively affected. For example people close to retirement could have taken early retirement or redundancy and so on a lower income with less likelihood of finding on-going work.
- Families with children of pre-school age could be negatively affected as they have caring responsibilities so have more difficulties in finding work. They are protected to an extent by the maximum entitlement being limited to 90%

### **Disability**

- Carers have responsibility for caring and so have less opportunity to increase income through work.
- Disabled children – customers with a responsibility for a disabled child have less opportunity to increase income through work although they are protected to an extent by the maximum entitlement being limited to 90%
- Disabled customers are potentially unable to work or to increase hours of work to increase income, although they are protected to an extent by maximum entitlement being limited to 90%

### **Gender**

- Carers of pre-school children who are often female have caring responsibilities and so work is less likely to be an option.

### **Race**

- Large families are characteristics of some ethnic groups so there is potential that these groups could be negatively impacted by the flat-rate non-dependant deduction.

## **15. Risk Management**

- 15.1. A Risk Matrix has been prepared and is attached at [Appendix 2](#).
- 15.2. Working collaboratively with the other Districts in designing a local scheme mitigates certain specific risks such as reducing the likelihood of legal challenge and sharing costs if a challenge is made.
- 15.3. The risk of increased levels take-up for Support is a significant issue. Local Councils are exposed to both national and local trends in employment levels that impact on the number of working age people claiming benefits. If more people become eligible to claim CTS e.g. because of economic downturn, then the cost of the scheme will increase.
- 15.4. Variations in take up and changes in employment levels are largely outside local authority control there is relatively little that can be done to mitigate these risks.

- 15.5. Collection Risk - the impact of the scheme is that low incomes working age households are now paying more Council Tax. Collection has decreased by 0.54% in comparison with the same point last year (September 2012). Recovery action is still in the early stages for 2013/14 and collection should improve as the year progresses and further action is taken. However, there will be a point if people are asked to pay more Council Tax where the liability is too high for them and they will not pay anything.
- 15.6. While the DCLG state the Government will keep localised council tax support funding unchanged in 2014/15, this will not be assured until the outcome of the Local Government Finance Settlement in December 2013. If funding does reduce, this will lead to either making changes to the LCTS scheme to reduce spending or to make savings elsewhere from Council budgets.
- 15.7. CTS costs will increase if any of the precepting Authorities increase their Council Tax.

## **16. Partnership Implications**

- 16.1. Development of a Council Tax Support scheme will need collaborative working between the TDBC and the major precepting authorities

## **17. Recommendation**

- 17.1. That the Executive recommends to Full Council at its meeting on 10 December 2013 that:
- (a) The Council continues the current CTS scheme, as outlined in Appendix 1, from 1 April 2014/15.
  - (b) As detailed in paragraph 10.7.3. Option 1 is the preferred route in providing and calculating CTS Grant funding for Parish Councils in 2014/15.
  - (c) The Council continues to provide discretionary help through the Discretionary Council Tax Assistance (DCTA) policy ([Appendix 3](#)) to give extra short-term help towards Council Tax costs for those in hardship.  
  
(Funding of DCTA will be from Council Tax receipts and shared between the various local precepting bodies. The exact amount of the DCTA fund for 2014/15 has not yet been agreed but is expected to be in the range of £30k-£35k)
- 17.2. That the Executive agrees to the proposals as outlined in Section 8 of this report, as a basis for formal consultation for changing the CTS scheme from 2015/16. A further report on the outcome of consultation to develop the Council Tax Support scheme for 2015/16 is to be presented to the Corporate Scrutiny Committee in September 2014.

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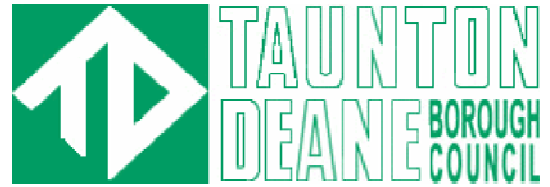




Risk	Consequence of risk	Assessment of risk			Mitigation
		Likelihood	Impact	Score (L x I)	
Failure/difficulties in Council Tax collection from financially disadvantaged	<ul style="list-style-type: none"> <li>Collection losses will be shared between all preceptors and will require future savings or cuts to mitigate.</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>Reduced impact by agreeing a more generous LSCT scheme (if adopted)</li> </ul>
Caseload increases (e.g. major employer loss) and/or total value of awards exceeds estimates	<ul style="list-style-type: none"> <li>Financial shortfall</li> <li>Additional workload</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Profiling and extensive modelling of various scheme options, regular on-going review</li> </ul>
Changes to future Government grant	<ul style="list-style-type: none"> <li>Financial shortfall</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>None</li> </ul>
Wider welfare reforms (HB reductions, Universal Credit) cause additional hardship and/or migration of people claiming to TDBC from more expensive areas and impact on Council Tax Collection	<ul style="list-style-type: none"> <li>Financial shortfall</li> <li>Additional workload</li> </ul>	2	3	6	<ul style="list-style-type: none"> <li>Ensure adherence to robust recovery timetable</li> <li>Maximise take-up of all available discounts/exemptions/ hardship relief</li> <li>Strict adherence to monthly monitoring of performance against targets</li> <li>Maximise DD take-up to free more resource in pursuing recovery</li> </ul>
New scheme leads to increased take-up particularly from pension age	<ul style="list-style-type: none"> <li>Financial shortfall</li> <li>Additional workload</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>None</li> </ul>
Council Tax Support Scheme is challenged on equality grounds	<ul style="list-style-type: none"> <li>Additional cost through changes to scheme and inability to achieve required savings</li> </ul>	2	4	8	<ul style="list-style-type: none"> <li>Consultation with preceptors and general public</li> <li>Full Equalities Impact Assessment</li> </ul>

RISK RATING MATRIX							Likelihood	Severity of Impact	Risk
LIKELIHOOD (A)	Very likely 5	5	10	15	20	25			
	Likely 4	4	8	12	16	20	1. Very unlikely – hasn't occurred before	1. Insignificant (has no effect)	Likelihood x impact
	Feasible 3	3	6	9	12	15	2. Slight (rarely occurs)	2. Minor (little effect)	
	Slight 2	2	4	6	8	10	3. Feasible (possible, but not common)	3. Significant (may pose a problem)	
	Very unlikely 1	1	2	3	4	5	4. Likely (has before, will again)	4. Major (will pose a problem)	
		Insignificant 1	Minor 2	Significant 3	Major 4	Critical 5	5. Very likely (occurs frequently)	5. Critical (Immediate action required)	
IMPACT (B)									





## **HOUSING BENEFIT & COUNCIL TAX SUPPORT**

# Discretionary Housing Payment and Discretionary Council Tax Assistance Policy

# Discretionary Housing Payment & Discretionary Council Tax Assistance Policy

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## Revision history

Version number	Date	Summary of changes	Author
V1.0	26/02/2002	Initial creation of document	Heather Tiso
V1.1	22/09/2005	Refresh of policy	Heather Tiso
V1.2	03/02/2009	Refresh & updating policy	Heather Tiso
V1.3	16/06/2011	Updating policy	Heather Tiso
V1.4	11/09/2012	Inclusion of Council Tax Support provisions	Paul Harding
V1.5	12/09/2012	Further refinement and updating of policy	Heather Tiso

## Approvals

This document has been approved by the following people.

Name	Role
Councillor Terry Hall	Executive Portfolio Holder - Corporate Resources
Councillor Francesca Smith	Executive Portfolio Holder - Corporate Resources
Councillor Terry Hall	Executive Portfolio Holder - Corporate Resources
Councillor Vivienne Stock-Williams	Executive Portfolio Holder - Corporate Resources

# Table of Contents

<b>Policy .....</b>	<b>23</b>
<b>Background .....</b>	<b>23</b>
<b>Purpose .....</b>	<b>24</b>
<b>Statement of Objectives .....</b>	<b>24</b>
<b>Fraud .....</b>	<b>27</b>
<b>Publicity .....</b>	<b>27</b>
<b>Monitoring of DHP and DCTA expenditure.....</b>	<b>27</b>
<b>Claiming a DHP or DCTA .....</b>	<b>28</b>
<b>Period of Award.....</b>	<b>28</b>
<b>Awarding a DHP or DCTA.....</b>	<b>29</b>
<b>Changes of Circumstances.....</b>	<b>29</b>
<b>Method of Payment .....</b>	<b>29</b>
<b>Notification .....</b>	<b>30</b>
<b>Overpayments .....</b>	<b>30</b>
<b>Reviews of Decisions relating to DHPs and DCTAs.....</b>	<b>31</b>
<b>The right to seek a review .....</b>	<b>31</b>



## Section

# 1

## Policy

### Background

From 2 July 2001, exceptional circumstances and hardship payments were abolished and replaced by the Discretionary Housing Payment (DHP) scheme. This gave Local Authorities new powers to top up Housing and Council Tax Benefit. The legislation governing DHPs can be found in the Discretionary Financial Assistance Regulations 2001 (SI 2001 / 1167).

The DHP scheme provides discretionary support where the claimant has a shortfall between their:

- Housing Benefit and the rent they must pay; and/or
- Council Tax Benefit and their liability to pay Council Tax.

Every claimant who was entitled to the minimum amount of Housing and/or Council Tax Benefit and who has such a shortfall was entitled to make a claim for help.

The overall spending on DHPs is cash-limited by the Secretary of State under a Permitted Totals Order.

The main features of the DHP scheme are:

- the scheme is discretionary - a claimant does not have a statutory right to a payment;
- The Revenues & Benefits Service decides how the scheme is administered; the overall outlay on DHPs is cash-limited by the Secretary of State,
- DHPs are not a payment of Housing or Council Tax Benefit. However, the claimant must be entitled to Housing or Council Tax Benefit in the benefit week for which it awards a DHP.

The Department for Work and Pensions provides us with a specified Discretionary Housing Payments allocation that can vary each year as it is partly based upon our previous Discretionary Housing Payments spending. We must return any unspent funding to the Department for Work and Pensions. During the year in question, we can only award Discretionary Housing Payments up to a cash limit of two and a half times this annual allocation. Any spending we make above the allocation and up to the legal limit has to be funded by us from our budget (and so in turn from our Council Tax payers).

Discretionary Housing Payments are not payments of benefit, and we have discretion in how we manage this funding. We can only award Discretionary Housing Payments to people receiving Housing Benefit and / or Council Tax Benefit where it does not meet the full amount of their eligible rent and / or Council Tax.



From 1 April 2013 the Government state that DHP's can no longer be used to provide additional help for Council Tax. This coincides with the abolition of the Council Tax Benefit Scheme and the introduction of a local Council Tax Support (CTS) scheme.

Therefore on 1 April 2013 the Council introduced a Discretionary Council Tax Assistance (DCTA) scheme to replace DHP's for Council Tax. The provision of DCTA will be reviewed annually. Nothing in this policy affects a customer's right to apply for a Council Tax reduction under section 13A (1) (c) of the Local Government Finance Act 1992 (as amended).

Funding for DCTA will be entirely from Council budgets and will be limited to a maximum of £35,000 in 2014/2015. When the fund is exhausted, there can be no further payments of DCTA. Recipients of DCTA will receive credits on their Council Tax accounts.

## Purpose

The purpose of this policy is to specify how the Revenues & Benefits Service will manage both the DHP and DCTA schemes and to suggest some of the factors we will consider when deciding to award additional help.

We will treat each case strictly on its merits and all eligible customers will receive equal and fair treatment. The Revenues & Benefits Service is committed to working with the local voluntary sector, social landlords and other interested parties in the Borough to maximise claims for all available state benefits and will reflect this in running the DHP & DCTA schemes.

The Revenues & Benefits Service is committed to the equitable operation of the DHP & DCTA schemes. Where the evidence provided shows the customer is not claiming another state benefit they may be entitled to, we will advise them to make such a claim and provide details of other agencies in the Borough who may be able to help. Similarly, if a customer is not claiming a Council Tax Discount to which they may be entitled we will advise them to firstly make such a claim.

## Statement of Objectives

The Revenues & Benefits Service will consider awarding a DHP and / or DCTA to all customers who meet the qualifying criteria set out in this policy. We will treat all applications on their individual merits, and will seek through this policy to:

- allow a short period of time for someone to adjust to unforeseen short-term circumstances and by providing a DHP and / or DCTA to enable them to “bridge the gap” during this time;
- help people who live near their jobs because they work unsocial hours/split shifts or where there is inadequate public transport;
- help people who as a consequence of a move have extra travel to work costs;
- sustain tenancies to prevent homelessness support vulnerable young people in the transition to adult life;
- encourage Taunton Deane residents to get and keep employment;
- safeguard Taunton Deane residents in their homes;
- help those who are trying to help themselves; keep families together;
- assist those with medical or health problems where they need access to medical services or support that would not be available elsewhere
- act as a tool in supporting vulnerable people in the local community;
- help customers through personal crises and difficult events.

This list is not exhaustive and we will consider any other relevant factors or special circumstances that may apply.

The DHP and DCTA schemes should be seen as short-term emergency funds. They are not and should not be considered as a way around any current or future restrictions in Housing Benefit, localised Council Tax Support provisions or Council Tax legislation.

A DHP can help meet shortfalls in areas such as:

- Restrictions in Housing Benefit entitlement because the rent payable is more than the Local Reference Rent (LRR), Shared Room Rate (SRR), size criteria or Local Housing Allowance (LHA).
- Reductions in HB entitlement following changes to LHA rates from April 2011
- Non dependant deduction
- Income tapers
- Increases in essential work related expenditure such as increased fares to work if a customer has had to move because they could not afford to live in proximity to their work following a reduction in their LHA rates.

The DHP scheme allows for payments to be made for rent deposits and rent in advance if the claimant receives Housing Benefit for their present home. However, Taunton Deane Borough Council has a Deposit Guarantee Bond Scheme administered by the Housing Options Team.

We would seek to utilise this facility in the first instance, with the DHP Scheme complimenting this as an alternative option. Any reasons or factors applied by the Housing Options Team in deciding assistance under the Deposit Guarantee Bond Scheme will be taken into consideration in any subsequent DHP request.

A DHP cannot help with the following:

(a) Certain elements of the rent:

- ineligible service charges (as specified in Schedule 1 of the Housing Benefit Regulations); water, sewerage and environmental services (as defined and calculated under Housing Benefit provisions);
- increases in rent due to outstanding rent arrears.

(b) Suspensions

- where a person's HB or any other benefit has been suspended, it is not appropriate to pay a DHP. The aim of the suspension provision is to act as a lever to ensure the customer provides necessary information or evidence – paying a DHP could reduce the effectiveness of this lever.

(c) Sanctions

- where a reduction has been applied to Income Support or income-based Jobseeker's Allowance due to a Reduced Benefit Direction for failing to comply with the Child Support Agency, the claim for a DHP should assume such a sanction has not been applied;
- where a reduction has been applied because of absence at a work-focussed interview, the claim for a DHP should assume such a sanction has not been applied.

DCTA can only assist working age Council Tax Support claimants to help meet shortfalls in areas such as:

- Non dependant deductions
- Income tapers
- Shortfalls between maximum Council Tax Support entitlement and Council Tax liability

DCTA cannot help with the following:

- (a) Rent or other similar housing costs
- (b) Suspensions where a person's CTS or any other benefit has been suspended, it is not appropriate to pay an DCTA.
- (c) Sanctions
  - where a reduction has been applied to Income Support or income-based Jobseeker's Allowance due to a Reduced Benefit Direction for failing to comply with the Child Support Agency, the claim for an DCTA should assume such a sanction has not been applied;
  - where a reduction has been applied because of absence at a work-focussed interview, the claim for a DCTA should assume such a sanction has not been applied.

### **DCTA Priority Groups**

Wherever possible DCTA's will be prioritised for customers who are in our opinion, the most vulnerable. This will particularly include, although not be limited to:

- Claimants who have someone who is pregnant within their household
- Young adults who have recently left the care system
- Households containing adults or children with disabilities
- Households with children under 5 years of age
- Claimants who are carers
- People who are fleeing domestic violence
- People accepted as homeless under homelessness legislation of the Housing Act 1996 and placed in temporary accommodation by the Council as described in regulation A13(3), because they are homeless or to prevent homelessness

Being in one or more of the above groups does not guarantee a DCTA award.

For those applying for a DCTA on the grounds of exceptional hardship we would expect the customer to demonstrate they have taken steps to try to address their financial difficulties by seeking money / debt advice from the CAB, National Money Advice Helpline or similar organisations or are prepared to do so.

## **Fraud**

The Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a DHP or DCTA by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968. Where we suspects such a fraud may have occurred, the matter will be investigated and this may lead to the instigation of criminal proceedings.

## **Publicity**

The Revenues & Benefits Service will publicise the DHP and DCTA schemes and will work with all interested parties to achieve this. A copy of this policy will be made available for inspection and will be posted on the Taunton Deane Borough Council web site. Information about the amount spent will not normally be made available except at the end of the financial year.

## **Monitoring of DHP and DCTA expenditure**

The Revenues & Benefits Service will extract reports from the DHP and DCTA software on a monthly basis to ensure expenditure is within budget and is correctly profiled to ensure no overspend at the end of the financial year.

## Section

# 2

## Claiming a DHP or DCTA

A claim for a DHP and / or DCTA must be in writing and signed by the customer. A letter or signed statement received by the Revenues & Benefits Service will be sufficient if the following conditions are met:

- On request the customer supplies any relevant supporting evidence.
- The Revenues & Benefits Service may ask for any (reasonable) evidence in support of an application for a DHP or DCTA. The Revenues & Benefits Service will make such requests in writing. The customer will provide the evidence within one month of our letter, although we will extend this in appropriate circumstances.
- If the customer is unable to or does not provide the evidence, we will still consider the application and take into account any other available evidence including that which we already hold.
- The Revenues & Benefits Service reserves the right to verify any information or evidence provided by the customer in appropriate circumstances.

### Period of Award

The Revenues & Benefits Service will decide the length of time to award a DHP or DCTA from the evidence supplied and the facts known.

The start date of an award will normally be:

- the Monday after we get the written claim for a DHP or DCTA; or
- the date HB/CTS starts (providing we get the application for the DHP within one month of the decision on the claim for HB/CTS) whichever is the earlier, or the most appropriate.

We cannot award a DHP or DCTA for any period outside an existing HB/CTS benefit period granted under the HB statutory scheme or local CT scheme. The minimum award of a DHP or DCTA is one week.

- We will not normally award a DHP or DCTA for a period over 12 months.
- We will consider any reasonable request for backdating an award of a DHP or DCTA but will usually limit such consideration to the current financial year

## Awarding a DHP or DCTA

In deciding whether to award a DHP or DCTA, the Revenues & Benefits Service will consider:

- the shortfall between Housing Benefit and Council Tax Support and the liability; any steps taken by the customer to reduce their rental or Council Tax liability;
- the financial and medical circumstances of the customer, their partner and any dependants and any other occupants of the customer's home;
- the income and expenses of the customer, their partner and any dependants or other occupants of the customer's home;
- any savings or capital that might be held by the customer or their family;
- the indebtedness of the customer and their family;
- the exceptional nature of the customer and their family's circumstances;
- the amount available in the DHP and / or DCTA budget at the time of the application;
- the possible impact on the Council of not making such an award, for example the pressure on priority homeless accommodation;
- any other special circumstances brought to the attention of the Revenues & Benefits Service.

The Revenues & Benefits Service will decide how much to award based on all the circumstances. This may be an amount below the difference between the liability and the Housing Benefit or Council Tax Support award. Granting a DHP and / or DCTA does not guarantee or imply a further award even if the customer's circumstances do not change.

## Changes of Circumstances

The Revenues & Benefits Service may need to revise an award of a DHP or DCTA where the customer's circumstances have materially changed. Any revision to the award will take effect from the Monday following the date of change in circumstances.

## Method of Payment

**DHP** - The Revenues & Benefits Service will decide the most suitable person to pay based on the circumstances of each case. This could include paying:

- the customer;
- their partner;
- an appointee;
- their landlord (or an agent of the landlord); or
- any third party to whom it might be most suitable to pay.

The Revenues & Benefits Service will pay a DHP by the most suitable means available in each case. This could include payment:

- By direct credit to a bank or building society account by crediting the customer's rent account;

Payment frequency will normally be in line with payments of Housing Benefit.

**DCTA** - awards of **DCTA** will always be made by crediting the customer's Council Tax account. Payment frequency will normally be in line with payments of Council Tax Support.

## Notification

The Revenues & Benefits Service will aim to write to the customer to tell them the outcome of their claim within 14 days of receipt. Where the claim is unsuccessful, we will set out the reasons and explain their appeal rights. Where the claim is successful, the Revenues & Benefits Service will advise:

- the weekly amount of DHP or DCTA;
- if it is paid in advance or in arrears;
- the period of the award;
- how, when and to whom (for DHP only) it will pay the award;
- the need to report a change in circumstances;

## Overpayments

The Revenues & Benefits Service will seek to recover any overpaid DHP or DCTA.

For DHP this will normally this will involve issuing an invoice to the customer or the person to whom the award was paid.

It is most unlikely the Revenues & Benefits Service will seek recovery of any overpayment caused by an “official error”. However, where it is reasonable to expect the claimant of a DHP to have realised an overpayment was occurring, we may seek recovery.

Under no circumstances will we make recovery from Housing Benefit (unless the customer seeks this specifically in writing). The overpayment decision letter will set out the right of review.

For DCTA overpayments, these will be recovered through adjusting the Council Tax account for the period to which the overpayment relates. The customer will be required to repay the overpayment as part of that year's Council Tax liability.

## Section

# 3

## Reviews of Decisions relating to DHPs and DCTAs

### The right to seek a review

DHPs are not payments of Housing Benefit and DCTAs are not payments of Council Tax Support. Therefore they are not subject to the statutory appeals mechanism. The Revenues & Benefits Service will use the following policy for dealing with appeals about a:

- refusal to award a DHP or DCTA; or
- decision to award a reduced amount of DHP or DCTA; or
- decision not to backdate a DHP or DCTA; or
- decision there has been an overpayment of a DHP or DCTA.

A customer (or their appointee or agent) who disagrees with a DHP or DCTA decision may dispute the decision. The Revenues & Benefits Service must receive a request for a review within one month of the issue of the written decision about the DHP or DCTA to the customer. Where this has not already been done, officers from the Revenues & Benefits Service will explain the DHP or DCTA decision to the customer by telephone, at interview or in writing and will seek to resolve the matter.

Where agreement cannot be reached, the Head of Revenues & Benefits will consider the case. The Head of Revenues & Benefits will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable.

Where the Head of Revenues & Benefits decides not to revise the original decision, he/ she will tell the customer in writing, setting out the reasons for their decision.

The Head of Revenues & Benefits' decision is final and binding and may only be challenged through judicial review or by complaint to the Local Government Ombudsman.



# Taunton Deane Borough Council

## Executive - 13 November 2013

### Introduction of the Community Infrastructure Levy (CIL) in Taunton Deane – Examiner’s Report and Adoption

#### Report of the Policy Lead Officer

**This matter is the responsibility of Executive Councillor Edwards**

#### 1.0 Executive Summary

The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008 and is intended to replace Section 106 as the main means of funding infrastructure associated with new development. The Council has previously prepared and submitted its proposals to an independent Examination, which was held on 24<sup>th</sup> July, and the Examiner has submitted his report. The Council now needs to formally adopt its CIL Charging Schedule with the amendments proposed by the Examiner. It also needs to adopt a policy for payment of CIL by instalments and establish governance mechanisms for spending and distribution of CIL receipts.

#### 2.0 Background

- 2.1 The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008. It is intended to replace S106 agreements as the main means of securing funding from developers towards the cost of infrastructure. At its meeting on 20<sup>th</sup> June 2012, the Executive agreed to progress the introduction of the Community Infrastructure Levy (CIL) in Taunton Deane, and approved a Preliminary Draft Charging Schedule (PDCS) for consultation. The introduction of CIL is necessary in part because, from April 2015, the ability to pool S106 contributions to deliver larger items of infrastructure will be restricted.
- 2.2 Following consultation on the PDCS, a Draft Charging Schedule (DCS) was then prepared, taking account of the comments which had been received, and made available for representations between 1<sup>st</sup> February and 15<sup>th</sup> March, 2013. The DCS was then submitted for independent Examination, which was held on 24<sup>th</sup> July.
- 2.3 The Examiner has now submitted his report to the Council. He recommends a number of minor changes to the Charging Schedule, which need to be incorporated before the Council can adopt CIL and proceed to introduce the charges.

- 2.4 Respondents at the preliminary draft stage suggested that the Council include with the charging schedule a policy for payment of CIL by instalments. A draft instalment policy was therefore prepared, and was attached to the report approved by the Executive on 16<sup>th</sup> January 2013. Subsequently an amended version was approved by the Executive on 16<sup>th</sup> July 2013 and put forward for comments at the CIL Examination. A minor change to the instalment policy is now proposed in response to the comments received.
- 2.5 The Council also now needs to set up the organisational arrangements for introducing and managing CIL and the delivery of the infrastructure it is intended to fund. These are addressed in Sections 5.0 and 6.0 of this report.

### 3.0 Examiner's Report

3.1 It is gratifying that the Examiner has endorsed the Council's proposals for the levels of CIL within Taunton Deane and the zones within which they would apply. This includes the proposed zero rates for all development in Taunton and Wellington town centres and for the wider urban area of Wellington. He has recommended two relatively minor modifications that the Council will need to include in the Charging Schedule:

1. Clarification that the rate of CIL for the Taunton urban area will apply in the 'broad locations' for future growth at Taunton (Staplegrove and Comeytrove) identified in the Core Strategy and the Site Allocations (Preferred Options) planning documents.
2. Clarification that retail development includes uses within classes A1-A5 as defined in the Town and Country Planning (Uses Classes Order) 1987, as amended.

These modifications arise from matters discussed during the Examination.

- 3.2 Overall, the Examiner concludes that the Council's proposed Charging Schedule provides an appropriate basis for the collection of the levy and the charges are set at a level which would not put the overall development of the area at risk.
- 3.3 The Charging Schedule which it is recommended that the Council now adopts, including the modifications recommended by the Examiner, is included as Appendix 1.

### 4.0 Proposed Instalments Policy

- 4.1 Regulation 69B of the Community Infrastructure Levy (Amendment) Regulations 2011 allows a charging authority to accept payment of CIL by instalments, so long as it publishes on its website a policy to that effect.
- 4.2 A draft instalment policy was approved by the Executive in July 2013 so that it could be tabled at the Examination for consideration by the development industry. The policy takes account of the rate at which developments might be

completed, and thus the appropriate number of instalments and reasonable time periods for payment of each instalment.

4.3 In response to the comments made by developers, it is proposed to introduce an additional payment band for sums in excess of £1m. Otherwise, the instalment policy remains as approved in July 2013. The amended policy is attached to this report (Appendix 2).

4.4 It is important to note that, if there is no instalment policy in place, payment of CIL becomes due in full 60 days following commencement of development.

## 5.0 CIL Governance

5.1 It is important that systems are in place and functioning ahead of CIL implementation. It is therefore proposed to appoint a CIL administration officer early in 2014. Members have previously agreed to fund this post for two years on the basis that the costs will be recouped. This can be achieved using the provisions that allow up to 5% of CIL receipts to be 'top sliced' to cover the costs of administration.

5.2 Once CIL is in place, money will begin to come in, although receipts will take time to build up given that CIL will only apply to schemes that are granted planning permission after its introduction.

5.3 Under Regulation 62, the Council must publish an annual report on its website setting out the following:

- Total CIL receipts for the year;
- Total CIL expenditure for the year;
- Summary of CIL expenditure during the reported year including:
  - a. The items of infrastructure to which CIL has been applied;
  - b. The amount of CIL on each items;
  - c. The total amount of CIL receipts retained at the end of the reported year.

It is anticipated that this work would be carried out by the CIL administration officer referred to in 5.1.

## 6.0 Managing Infrastructure Delivery

6.1 Delivering infrastructure is one of the major challenges facing the Council in support of its growth agenda. Receipts from CIL and New Homes Bonus are likely to be the two largest sources of funding for this.

6.2 There will be a need for a process to determine how the CIL receipts should be spent, to agree on the timing of spend and to arrange the distribution of funds to partner organisations. It may also be necessary for the Council to

directly commission certain items of infrastructure that will be funded through CIL.

- 6.3 Under Regulation 123 of the CIL Regulations, the Council is required to publish a list of the projects that it intends to finance, in whole or in part, using CIL receipts. It will need to do this prior to the introduction of CIL. The Regulation 123 list can and will need to be reviewed on a regular basis and reported on annually. A separate report on the Regulation 123 list will be prepared and submitted early in 2014.
  - 6.4 The Council is statutorily required to pass 25% of CIL receipts to the parish council in areas where there is a neighbourhood plan in place, and where there is no neighbourhood plan in place, 15% of CIL receipts up to a maximum of £100 per extant dwelling.
  - 6.5 In areas with unitary local government, all decisions can be negotiated and agreed within one group of elected Members. In Taunton Deane, as well as Borough councillors it will also be reasonable to involve County Council Members, specifically those with responsibility for spending on transport and education, which will be major elements of infrastructure to be delivered using CIL receipts.
  - 6.6 Detailed arrangements for managing the delivery of infrastructure, and the involvement of Members in the decision-making process, will be the subject of a further report early in 2014.
- 7.0 Timescale for introducing CIL
- 7.1 The process of getting ready to introduce CIL will take some time – for example, owing to the need to install computer software to issue documents and process information, and to train staff in its use. It is therefore proposed that CIL be introduced in Taunton Deane with effect from 1<sup>st</sup> April 2014. An announcement to this effect will also provide the development industry with time to adapt to the change.
- 8.0 Links to Corporate Aims
- 8.1 The funding that will be obtained through the introduction of CIL is fundamental to delivering the Council's objectives for tackling deprivation and sustainability community development, regeneration and climate change. At present, under the Regulations, CIL cannot be spent on providing affordable housing. Affordable housing will remain the role of S106 agreements.
- 9.0 Environmental Implications
- 9.1 There are no direct environmental implications.
- 10.0 Community Safety Implications

10.1 There are no identified community safety implications.

#### 11.0 Equalities Impact

11.1 No separate Equalities Impact Assessment has been carried out as CIL is essentially a mechanism, rather than a proposal in its own right.

#### 12.0 Risk Management

12.1 The principal risks associated with failure to introduce CIL are that the infrastructure needed to deliver the growth in the Core Strategy cannot be provided. This would undermine the long-term strategy for Taunton Deane and the achievement of the Council's corporate objectives.

12.2 There is also a risk is that the decision process for the spending on infrastructure is no longer linked to the decision to allow development. Thus the delivery of infrastructure and the delivery of development could become disconnected. Great care will be needed to ensure that this does not happen.

#### 13.0 Partnership Implications

13.1 The Council will need to work in partnership with a range of other organisations to deliver the proposals using CIL receipts.

#### 14.0 Recommendations

14.1 The Executive are requested to approve:

1. The introduction of the Community Infrastructure Levy in Taunton Deane from 1<sup>st</sup> April 2014;
2. The Charging Schedule set out in Appendix 1, incorporating the modifications recommended by the Examiner;
3. The proposed Instalment Policy set out in Appendix 2.

#### 15.0 Persons to Contact

Phil Bisatt, Policy Officer (Planning and Development)

Tel: (01823) 356305

E-mail: [p.bisatt@tauntondeane.gov.uk](mailto:p.bisatt@tauntondeane.gov.uk)

# **Taunton Deane Borough Council**

## **Community Infrastructure Levy**

### **Charging Schedule**

**April 2014**

# **Community Infrastructure Levy (CIL) – Charging Schedule**

## **Introduction**

The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008 and is defined in the CIL Regulations 2010 (as amended 2011 and 2012). Local authorities in England and Wales can elect to charge CIL on new developments.

CIL takes the form of a charge per square metre of additional floorspace (new build or extensions) and can be charged on most new development. There are exemptions for charitable organisations and affordable housing, together with some size thresholds for non-residential uses. Domestic extensions, together with development resulting in the creation of less than 100 sq m of net additional floorspace, are not liable for CIL.

The introduction of CIL is seen as necessary in part because, from April 2015, the ability to pool planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), will be restricted. It will therefore become difficult to deliver larger scale items of infrastructure such as schools, built sports facilities and transport schemes, where pooling of numerous individual planning contributions is often necessary. Section 106 agreements will continue to be used to deliver some infrastructure (as will Section 278 for highways), but this will largely be restricted to site-specific mitigation and for providing affordable housing.

The money raised through CIL will be used to deliver infrastructure that is needed to support the proposals set out in the Council's Core Strategy and the Taunton Town Centre Area Action Plan.

## **Evidence to support the proposed levels of CIL**

The evidence to support this Charging Schedule is available on the Council's website at [www.tauntondeane.gov.uk/corestrategy/cil](http://www.tauntondeane.gov.uk/corestrategy/cil). Other links are given at the end of this document. The viability appraisal to support the proposed charges was prepared on behalf of the Council by Three Dragons and Peter Brett Associates.

The viability appraisal looks at notional and actual housing development sites in Taunton Deane, and also considers non-residential uses. It recommends rates of CIL that can be charged without putting the majority of development proposed at risk. The evidence indicates that for residential development, CIL would not render the majority of development unviable in most of Taunton Deane. For non-residential uses the only type of development which could support CIL and remain viable, at present, is retailing outside the town centres of Taunton and Wellington.

## **The Levy**

The Charging Schedule attached has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended). The Council has sought to strike a balance between ensuring appropriate development comes forward and the impact of CIL on development viability. It has also sought to balance costs between aspects of site-specific infrastructure which will continue to be secured through Section 106 planning obligations and those that will be funded through CIL.

The CIL rates proposed are set out in the Charging Schedule and are derived from the assessment of the viability of development in different parts of the Borough carried out by the Council's consultants. The Regulations recognise that the CIL charge may make some development unviable and that CIL should not be set at such a low rate as to ensure that every development remains viable.

Viability evidence suggests that there is no scope to charge CIL on residential development within Taunton town centre and Wellington urban area, nor on retail development within Taunton and Wellington town centres in Taunton Deane. Employment development in the Borough is also not able to support CIL.

The rates in the Charging Schedule will be indexed to account for inflation using a nationally recognised index (BCIS). They will be regularly reviewed to take account of changes in viability, and any proposed changes to the Charging Schedule will be submitted for further examination.

### **CIL Relief**

The CIL Regulations provide for full relief from the CIL charge for any part of a development which is affordable housing (and includes social and affordable rent and shared ownership). Charity landowners will also benefit from relief provided that the development is to be used for charitable purposes. If a development is initially granted CIL relief and then circumstances change, there is a claw-back period of 7 years within which the development will become liable for CIL.

Relief can also be given in exceptional circumstances, subject to the Council publishing a policy to this effect. Such exceptional circumstances will only apply where there is a Section 106 planning obligation in place that has costs greater than the chargeable amount and where the addition of CIL would make the development unviable; additionally the amount of relief granted must not be sufficient to qualify as notifiable state aid under EU law.<sup>1</sup> The fact that an application may be unviable is unlikely, in itself, to constitute an exceptional circumstance in terms of the CIL Regulations. At the time of adopting its CIL proposals, the Council decided not to offer exceptional circumstances relief, although it will review the position from time to time.

### **Payment of CIL**

CIL is payable on commencement of development. However, the Council invited views at the Preliminary Draft stage as to whether there should be a policy to allow payment of CIL by instalments. As a result of views received, the Council has adopted an instalments policy, and this is published alongside this Charging Schedule.

### **Relationship between CIL and Section 106 agreements**

Provision for Section 106 agreements remain, but from April 2015, under Regulation 123, the ability to pool contributions from developers via S106 to deliver larger items of infrastructure will be substantially curtailed. The Council's intention is that CIL will

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<sup>1</sup> The current de minimis threshold is €200,000 (€100,000 for undertakings in the road transport sector) over a rolling three year fiscal period. Community Infrastructure Levy Relief Information document published by CLG.



be used to deliver larger strategic items with S106 retained only for direct mitigation of site-specific impacts.

Under Regulation 123, the Council is also required to prepare a list setting out the types of infrastructure that it intends to fund through CIL, prior to the adoption of its Charging Schedule. CIL cannot be used as well as Section 106 to deliver the same piece of infrastructure. The Regulation 123 list will be published in advance of the introduction of CIL, and will be periodically updated.

### **CIL for local communities**

The Council is required to pass a 'meaningful' proportion of CIL receipts to parish councils for use on infrastructure identified as important by the local community. Under Regulation 59A, this involves:

- 25% of CIL receipts to the parish council in areas where there is a neighbourhood plan in place.
- Where there is no neighbourhood plan in place, 15% of CIL receipts up to a maximum of £100 per extant dwelling to the parish council.

### **Date of Commencement**

This Charging Schedule takes effect from 1<sup>st</sup> April 2014 and will remain in force until further notice.

### **Links**

Report to Executive 13<sup>th</sup> November 2013:

Report to Executive 16<sup>th</sup> January 2013:

Report to Executive 20<sup>th</sup> June 2012: [www.tauntondeane.gov.uk/corestrategy/cil](http://www.tauntondeane.gov.uk/corestrategy/cil)

CIL Viability Appraisal: [www.tauntondeane.gov.uk/corestrategy/cil](http://www.tauntondeane.gov.uk/corestrategy/cil)

Taunton Deane Borough Council Infrastructure Delivery Plan:

<http://www.tauntondeane.gov.uk/irj/go/km/docs/CouncilDocuments/TDBC/Documents/Forward%20Planning/Evidence%20Base/IDP.pdf>

# Taunton Deane Community Infrastructure Levy Charging Schedule 2014

This charging schedule has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended by the 2011 and 2012 Regulations). It is supported by local evidence regarding infrastructure requirements and the impact of the levy on the viability of development, as set out in the consultants' reports. These can be found on the Council's website as part of the Core Strategy and CIL Evidence Base (see links on previous page).

## Levy Rates

The rates below will be charged against the gross internal floor area of:

- All new dwellings
- All other development exceeding 100 sq m in size

<b>Development Uses</b>	<b>Levy (per sq m)</b>
Residential Development in Taunton, including urban extensions	£70
Residential Development in Taunton town centre	£0
Residential Development within the settlement limit of Wellington	£0
Residential Development outside the settlement limits of Taunton and Wellington	£125
Retail development (classes A1 – A5) outside Taunton and Wellington town centres	£140
All other development	£0

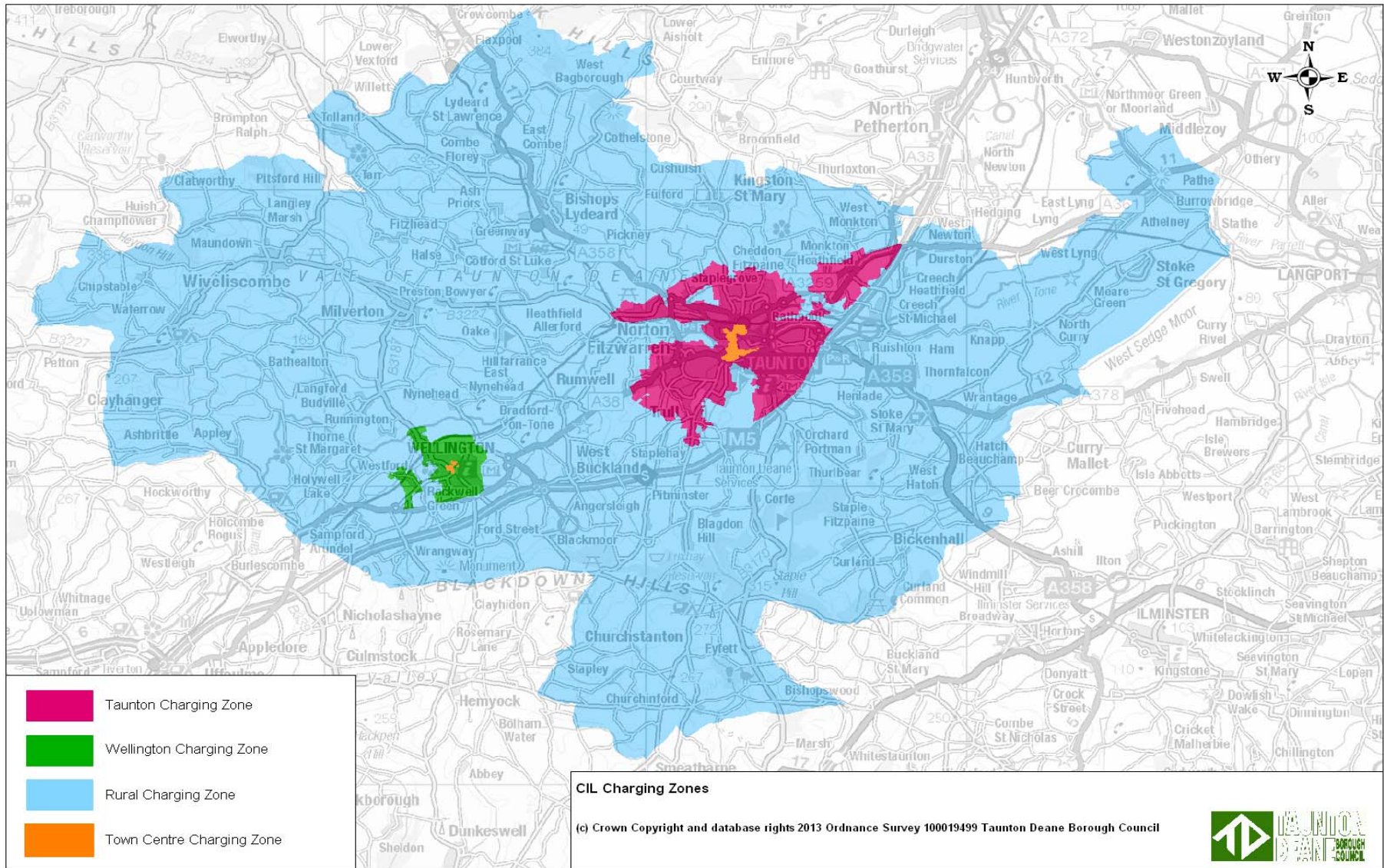
## How the CIL charge will be calculated

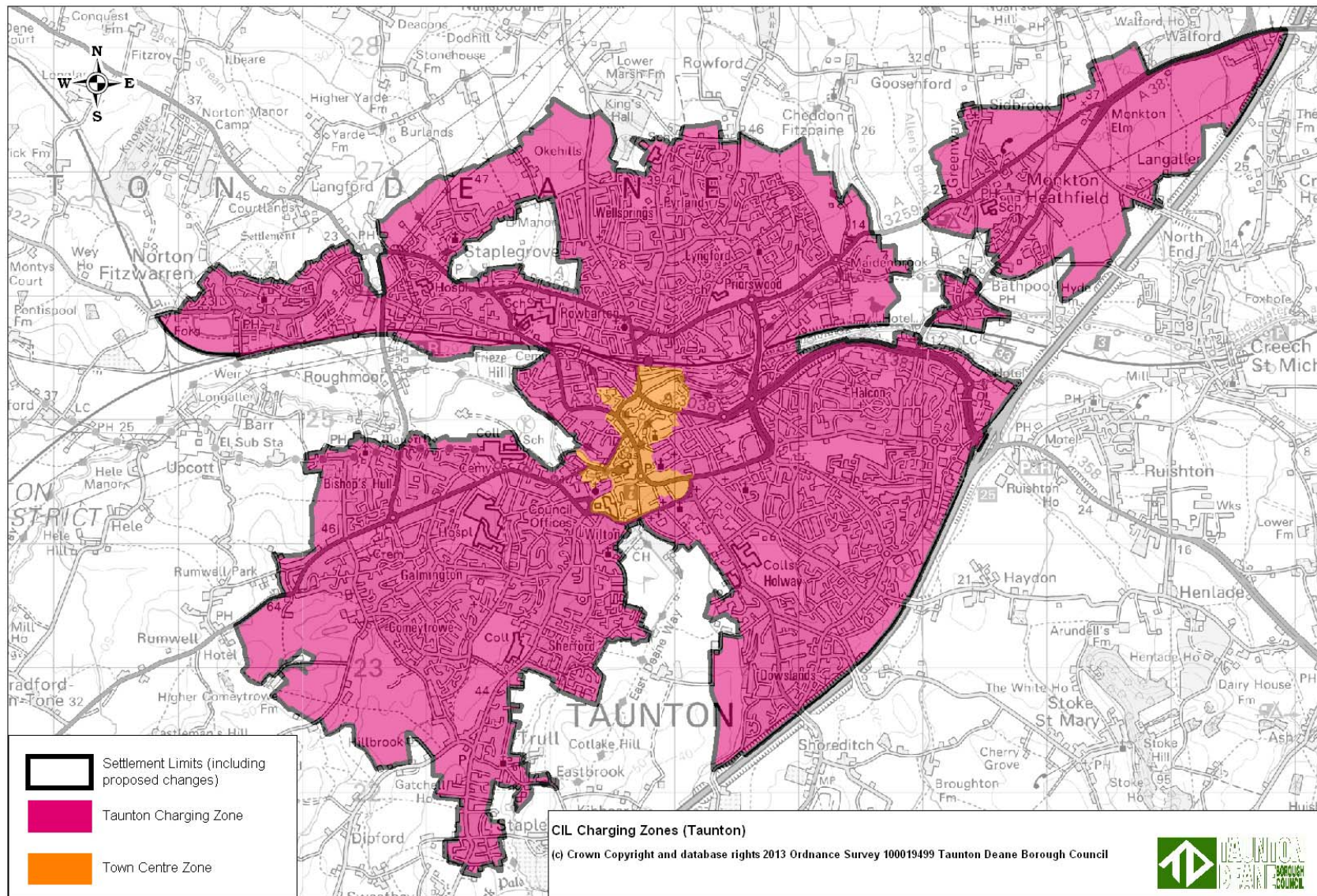
In accordance with the Regulations, where applicable the Council will issue a Liability Notice that states the chargeable amount on grant of planning permission or as soon as possible after the grant of planning permission. The Council will calculate the amount of CIL chargeable using the formulae set out in the Regulations.

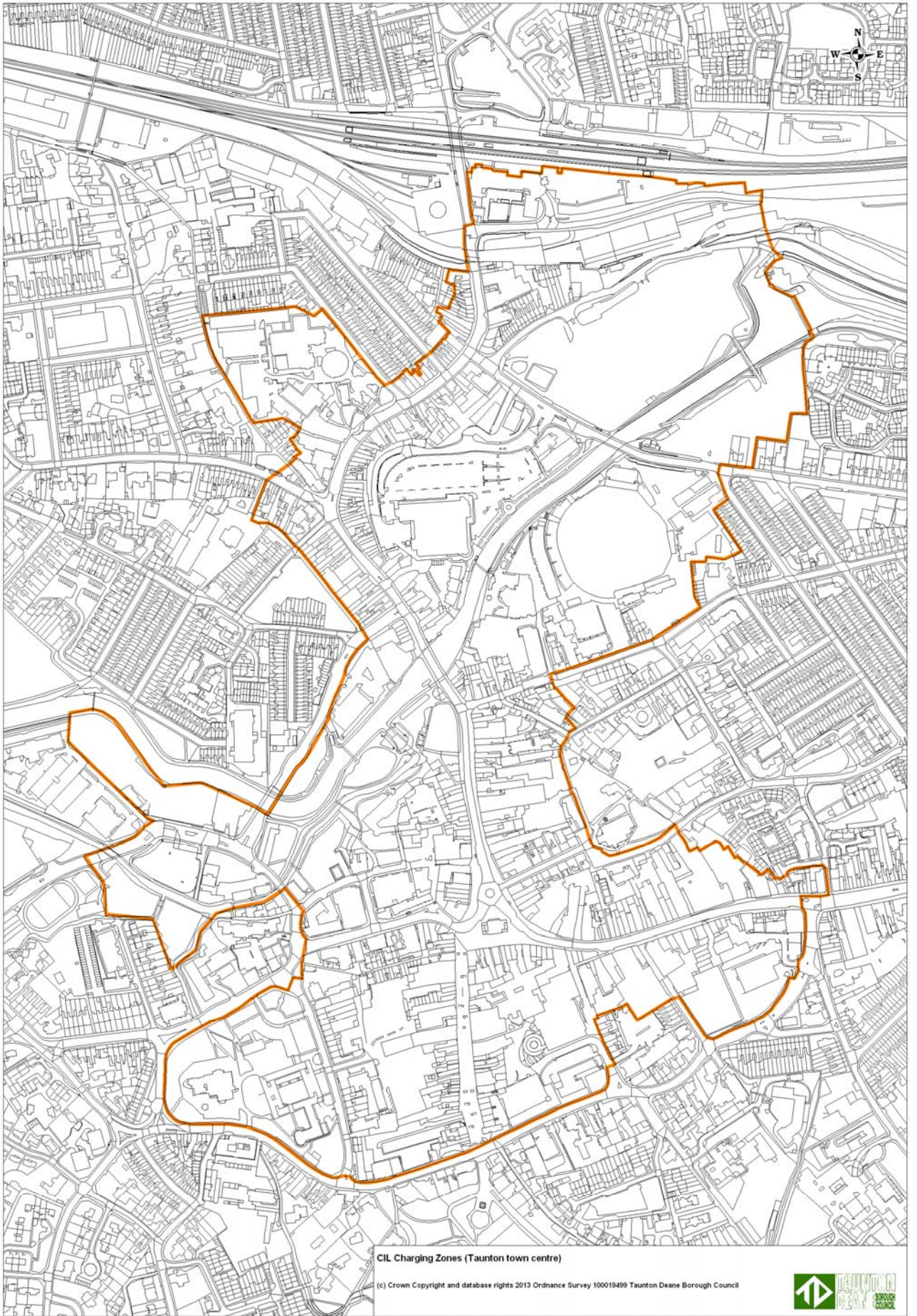
Full details of the way in which CIL will be calculated, together with an overview of CIL and the full Regulations, can be found on the CLG website:

[www.communities.gov.uk](http://www.communities.gov.uk).







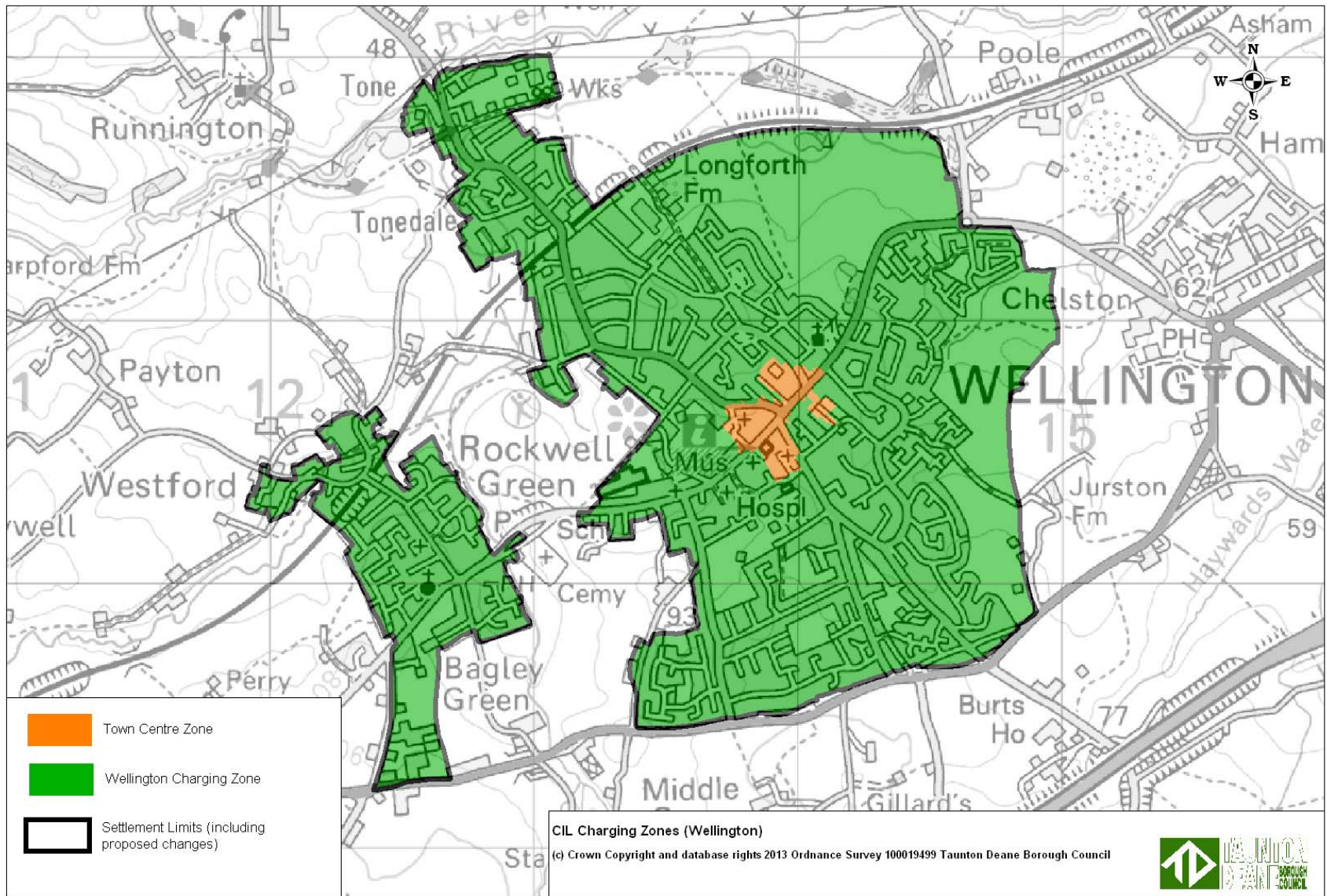


CIL Charging Zones (Taunton town centre)

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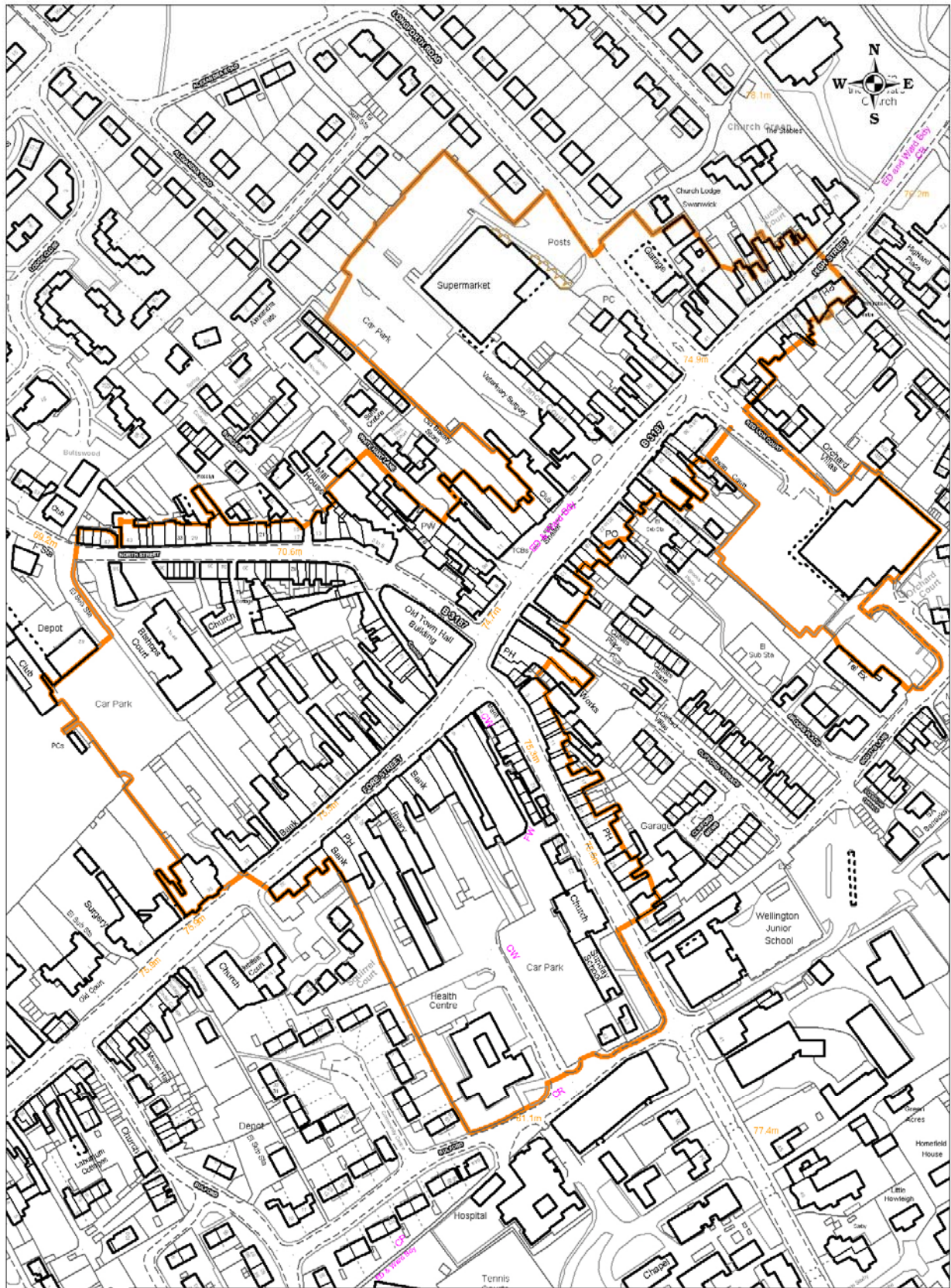


CIL Charging Zones (Wellington)

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**CIL Charging Zones (Wellington town centre)**

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**Taunton Deane Borough Council**  
**Community Infrastructure Levy (CIL)**  
**Instalment Policy**

In accordance with Regulation 69B of the Community Infrastructure Levy (Amendment) Regulations 2011, Taunton Deane Borough Council will allow the payment of CIL by instalments.

As permitted under Regulation 9 (4) of the Community Infrastructure Levy Regulations 2010 (as amended), where outline planning permission has been granted which permits development to be implemented in phases, each phase of the development as agreed by Taunton Deane Borough Council is a separate chargeable development, and the instalment policy will therefore apply to each separate chargeable development and the associated separate chargeable amount.

This policy will not apply in the case of any one or more of the following:

- a. A Commencement Notice has not been submitted prior to commencement of the chargeable development, as required by Regulation 67 of the Community Infrastructure Levy Regulations 2010 (as amended);
- b. On the intended date of commencement
  - (i) No-one has assumed liability to pay CIL in respect of the chargeable development;
  - (ii) A Commencement Notice has been received by Taunton Deane Borough Council in respect of the chargeable development; and
  - (iii) Taunton Deane Borough Council has not determined a deemed commencement date for the chargeable development and payment is therefore required in full (as specified in Regulation 71 of the Community Infrastructure Levy Regulations 2010 (as amended));
- c. A person has failed to notify Taunton Deane Borough Council of a disqualifying event before the end of 14 days beginning with the day on which the disqualifying event occurs, as per the Community Infrastructure Levy Regulations 2010 (as amended);
- d. An instalment payment has not been made in full after the end of the period of 30 days beginning with the day on which the instalment payment was due, as per the Community Infrastructure Levy Regulations 2010 (as amended).

Where the instalment policy is not applicable, the amount must be paid in full at the end of the period of 60 days beginning with the notified or deemed commencement date of the chargeable development or the date of the disqualifying event, whichever is the earliest, unless specified otherwise within the Community Infrastructure Levy Regulations 2010 (as amended).

Once the development has commenced, all CIL payments must be made in accordance with the CIL Instalment Policy. Where a payment is not received in full on or before the day on which it is due, the total CIL liability becomes payable in full immediately (Regulation 70(8)(a) of the Community Infrastructure Levy Regulations 2010 (as amended)).

The Instalment Policy takes effect on 1<sup>st</sup> April 2014, the date of the introduction of the Taunton Deane Community Infrastructure Levy: Charging Schedule 2014.

<b>Total CIL liability</b>	<b>Number of instalments and amount payable</b>	<b>Payment period</b>
Amount less than £16,000 or the amount due in respect of a single dwelling	Payable in two instalments	1 <sup>st</sup> instalment of 50% payable within 60 days of the commencement date 2 <sup>nd</sup> instalment of 50% payable within 120 days of the commencement date
Amount between £16,000 and £50,000 in respect of two or more dwellings	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 60 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable within 120 days of the commencement date 3 <sup>rd</sup> instalment of 50% payable within 180 days of the commencement date
Amount between £50,000 and £500,000	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 90 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable within 225 days of the commencement date 3 <sup>rd</sup> instalment of 50% payable within 360 days of the commencement date
Amount between £500,000 and £1m	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 90 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable within 405 days of the commencement date 3 <sup>rd</sup> instalment of 50% payable within 720 days of the commencement date
Amount over £1m	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 120 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable within 720 days of the commencement date 3 <sup>rd</sup> instalment of 50% payable within 1440 days of the commencement date

Nothing in this policy prevents payments being made at earlier times than specified above.

# Taunton Deane Borough Council

## Executive – 13 November 2013

### Revised Capital Programme Budget Estimates 2013/2014-2017/2018

#### Report of the Financial Services Manager (Southwest One)

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

#### 1 Executive Summary

This report presents an updated Capital Programme for consideration by the Executive prior to recommendation to Full Council for approval.

This updated programme allocates the Council's limited capital resources to priority projects.

The **Updated General Fund Capital Programme proposes additional expenditure of £2.304m**. Previously approved schemes currently total £14.121m, therefore the updated total proposed capital programme is £16.425m. The previously approved schemes are shown in Appendix A.

Members are asked to make a number of recommendations which include:

- Approval of priority 1 and 2 non-growth schemes.
- Approval of the top priority growth project
- Approval to progress affordable housing schemes where funding has specifically been received.

#### 2 Purpose

- 2.1 The purpose of this report is to provide updated information on the Council's capital investment priorities and funding position; and request Executive recommendation to Full Council for the approval of additions to the General Fund Capital Programme.

#### 3 Background

- 3.1 In February 2013, Full Council approved an interim capital programme pending a more fundamental review of our capital spending priorities, including infrastructure requirements. This was felt appropriate to ensure the limited amount of funding available to the Council was targeted at the true priority areas. In order to do this, a different approach was needed than that traditionally followed at each budget setting round.

- 3.2 A comprehensive review of the Council's capital spending needs has now been undertaken, taking into account growth agenda projects, the more traditional non-growth capital projects, and infrastructure needs that won't be met via the Community Infrastructure Levy (CIL) regime. This now allows us to capture – for the first time – the scale of the spending “need” ahead, and to be really clear what projects should and shouldn't be progressed in light of our limited funding.
- 3.3 The remainder of this report sets out:
- An update on the unallocated capital resources available (section 4)
  - The principles used in the prioritisation review (section 5)
  - The outcome of the prioritisation review (section 6 and 7)
  - The proposed capital programme (section 8)
- 3.4 The report content was considered at Corporate Scrutiny on 22 October 2013. Following debate there were no specific recommendations to the Executive to change the prioritisation or scheme approvals within this report.

#### **4 Unallocated Capital Funding**

- 4.1 Funding for capital investment undertaken by the Council can come from a variety of sources including the following:
- Capital Receipts
  - Grant Funding
  - Capital Contributions (e.g. from a local authority, third party, Section 106 planning agreement)
  - Revenue budgets/reserves (often referred to as “RCCO” – Revenue Contributions to Capital Outlay)
  - Borrowing
- 4.2 The current uncommitted funding balances held in various reserve accounts are shown in the table below. This funding is available for allocation to new projects.

***Table 1: Current available uncommitted funding***

<b>General Fund</b>	<b>Affordable Housing £k</b>	<b>DLO £k</b>	<b>Growth Funding £k</b>	<b>General £k</b>	<b>TOTAL £k</b>
Capital Reserve				393	393
Growth Point Grant				157	157
Capital Receipts				1,014	1,014
General Fund “non additional”				197	197
Right to Buy Receipts					
Firepool Receipts				320	320
Affordable Housing Receipts (S106 / developer contributions)	624				624
DLO Vehicle Sales		7			7
Growth & Regeneration Reserve (NHB)			519		519
<b>Total</b>	<b>624</b>	<b>7</b>	<b>519</b>	<b>2,081</b>	<b>3,231</b>

- 4.3 In addition to the funding shown in Table 1 there is further estimated / projected funding availability over the next 5 years:

**Table 2: Projected funding 2013/14 – 2017/18 (Illustrative Only)**

<b>RCCO Funding</b>	<b>13/14 £k</b>	<b>14/15 £k</b>	<b>15/16 £k</b>	<b>16/17 £k</b>	<b>17/18 + £k</b>	<b>Total £k</b>
General Fund RCCO	0	200	200	200	150	750
DLO RCCO	0	203	203	203	202	811
Disabled Facilities Grant Income	0	300	310	320	310	1,240
General Fund “non additional” Right To Buy Receipts	100	100	100	100	100	500
New Homes Bonus	0	1,825	2,305	2,779	2,856	9,765
Potential Capital Receipts	1,300	500	0	0	0	1,800
<b>Total</b>	<b>1,400</b>	<b>3,128</b>	<b>3,118</b>	<b>3,602</b>	<b>3,618</b>	<b>14,866</b>

- 4.4 This table gives an ***indication*** of the potential future funding streams available to the Council, but Members should note that at this point in time these resources have not been received, or formally approved in the case of revenue funding, and are **not** therefore available for allocation to new projects at this stage.
- 4.5 There are a number of projects that have been traditionally funded from revenue resources (“RCCO”), and the above projections assume the funding will continue in the Council’s revenue budgets. If Members choose not to fund some of these capital projects the revenue funding could be used for other capital projects, or could be taken as a revenue budget saving.
- 4.6 The disabled facilities grant income is a yearly grant received from Central Government which has to be used to fund the cost of disabled facilities grants. The funding is not guaranteed and is not normally confirmed until the February or March for the following financial year starting in April. The projection above assumes the current funding trend continues. The grant is 100% allocated to spend on Disabled Facilities Grants in private sector housing.
- 4.7 Traditionally, Right to Buy (RTB) receipts have been used to fund housing related projects but this is not a mandatory requirement. The proposal is to split the RTB receipts between the General Fund and Housing Revenue Account. As the Council has entered the ‘One for One Replacement’ Agreement with Government, we keep a higher proportion of the income from RTB sales. The income is split to show the amount expected had we not entered the Agreement, and an “additional” amount that we can keep under the Agreement. We plan to allocate the non-additional income to the General Fund, and the “additional” income to the Housing Revenue Account.
- 4.8 **New Homes Bonus (NHB):** Members have shown a commitment to use future NHB grant funding for growth and regeneration purposes. The current projections included in the MTFP of future NHB is shown in the table below (note this has been updated since the Scrutiny report).

**Table 3: Expected New Homes Bonus Funding**

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	Total £k
Estimated New Homes Bonus Funding	2,217	2,697	3,171	3,248	11,333
Transfer to LEP*		(510)	?	?	(510)
Assumed use for annual budget **	(392)	(392)	(392)	(392)	(1,568)
<b>Amount unallocated</b>	<b>1,825</b>	<b>1,795</b>	<b>2,779</b>	<b>2,856</b>	<b>9,255</b>

\* Following the recent Spending Review the Secretary of State has consulted on a potential 40% top slice of NHB to push funding towards growth via Local Enterprise Partnerships (LEPs) in (from?) 2015/16. We await the Government's response to the consultation feedback. The amount of grant to be passed over in 2015/16 is uncertain (it could be higher than £510k, possibly up to £1m) as is the government's intentions in relation to subsequent years. NHB funding projections are therefore very risky at this stage, and our income estimates range from £5.8m to £9.3m for the period 2014/15 to 2017/18.

\*\* There is an assumed use of £0.392m per year of NHB in the MTFP to support the annual revenue budget. This is subject to approval by Members through the annual budget setting process.

## **5 Prioritisation Review**

- 5.1 In recognition of the challenges ahead for the Council, the Directors have reviewed and prioritised the entire list of capital schemes within the following categories:

Priority	
1	Business Continuity (corporate / organisational)
2	Statutory Service Investment (to get to statutory minimum / contractual / continuity)
3	Growth (top 5)
4	Transformation
5	Others

- 5.2 This reflects the issues flagged by Members as being important during the Corporate Business Plan review process. In addition to the above prioritisation the Directors propose the general principle that schemes will only be supported if they are "invest to save". This reflects the need for the Council to invest in schemes that will improve the Council's revenue position in light of the pressure on the General Fund Revenue Budget.
- 5.3 First priority must be given to schemes that ensure Business Continuity (BC). The Corporate BC schemes are those that ensure the doors remain open and we can function irrespective of what services we choose to deliver. The Organisational BC schemes are more around service continuity and in this regard if the Council were to choose to no longer deliver any of these services the need for capital investment would also fall away.

- 5.4 Second priority must be given to investment that is unavoidable with respect to maintaining our statutory services to a minimum level. This is not about “gold plating” but about keeping safe and legal.
- 5.5 Growth schemes are considered to be first priority (but third overall) over what is effectively our first opportunity to consider discretionary spend. This is in line with the Business Plan priorities. They must however come behind business continuity and statutory requirements however important they are to Members, businesses and the wider community.
- 5.6 Directors have given Transformation second priority (but fourth over all) over the discretionary spend again in line with the Business Plan. We need to change to not only respond to our changing environment and the demands on us, but also – bluntly – to reduce costs and generate revenue to support our ambitions.
- 5.7 The schemes included in ‘Others’ are a catch all. It is suggested that within this group the only schemes considered are those that meet “invest to save” criteria set out in the Capital Strategy.
- 5.8 So having set out this framework for the prioritisation review, the long list of schemes identified has been reviewed against this with the outcomes for Non-Growth schemes set out in section 6 below, and Growth schemes in section 7 below.

## **6 Prioritisation Review – Non Growth Schemes**

- 6.1 The results of the prioritisation review are shown in the tables below. Tables 4 and 5 show the costs of the ongoing non-growth schemes for both general schemes and DLO schemes. This is where a bid is put in for a scheme that happens every year. These schemes have traditionally been funded from RCCO or Government Grants. For 2013/14 these schemes have already been approved but there have been no approvals beyond this financial year.

**Table 4: Existing Ongoing Non-Growth Schemes**

	Annual £k	Priority				
		1	2	3	4	5
PC Refresh	60	30				
Members IT Equipment	4	4				
Waste Containers (3 years)	50		50			
Grants to Clubs	46					46
Play Equip Grants to Parishes	20					20
Play Equip - Replacement	20		20			
Disabled Facilities Grants	490		310			180
Enabling (affordable housing) [see 6.6 below]	425					425
Taunton & Bridgwater Canal	10					10
<b>Total</b>	<b>1,125</b>	<b>34</b>	<b>410</b>	<b>0</b>	<b>0</b>	<b>681</b>



- 6.2 It is proposed that the DLO schemes should be funded from DLO resources so they effectively become 'self-financing'. The on-going DLO annual capital requirements are shown in table 5 below. Funding has already been approved for 2013/14 but there is currently no funding approved beyond this financial year.

**Table 5: Existing Ongoing Non-Growth DLO Schemes**

	Annual £k	Priority				
		1	2	3	4	5
DLO Vehicles	180		180			
DLO Plant & Equip	23		23			
<b>Total</b>	<b>203</b>		<b>203</b>			

- 6.3 Table 6 shows the bids for new non-growth schemes. These span over the next 5 years and include one off schemes and yearly schemes.

**Table 6: New Non-Growth Schemes**

	£k	Priority				
		1	2	3	4	5
Wellington Cemetery	50					50
Taunton Cemetery	100					100
Crematorium Cabinet	15					15
Chapel Roof	180		180			
Private Housing - Landlord Accreditation / Loans etc	1,735					1,735
Private Hsg - Category 1 Hazards	130					130
Website Development	30				30	
Cycle Path (Hankridge)	50					50
ICT Infrastructure	?	?				
Customer Access/ Accommodation	?				?	
Deane House Improvements	?				?	
B Plan – Trans & Restructuring	?				?	
Gypsy Provision	?					?
West Somerset Project*						
DLO Relocation – subject to BC						
DLO Refurb – subject to BC						
Deane Helpline – subject to BC						
	<b>2,290</b>	<b>0</b>	<b>180</b>	<b>0</b>	<b>30</b>	<b>2,080</b>

\*If the West Somerset project goes ahead there will be costs which can be capitalised. Details are provided in the Business Case report to be considered by Full Council on 12 November 2013.

- 6.4 The last three schemes in the table above will be brought to Members for consideration separately as individual business cases.

- 6.5 Section 4 sets out the funding available for progressing non-growth schemes. Based on the above prioritisation exercise **it is suggested that all of the priority 1 and 2 schemes are funded**. This would mean that £180k of the £2,081k 'general' available funding would be used leaving a remaining general funding balance of £1,901k
- 6.6 The Council receives funding through s.106's that must be spent on affordable housing schemes. Through the prioritisation, affordable housing has been allocated a priority 5. Although this has not been identified as a highest priority **it is recommended that Members agree the principal that any funding received for affordable housing should be approved to spend on affordable housing**. Members cannot choose to spend this funding on other priorities.

## **7 Prioritisation Review – Growth Schemes**

- 7.1 The growth schemes were overall allocated a **priority 3**. Within this priority group a number of potential investment needs have been considered by Directors and ranked in order to provide a steer on which schemes should be supported as funds become available. The schemes are set out in rank in order in Table 7 overleaf.

**Table 7: Growth Schemes**

<b>Project</b>	<b>Rank</b>	<b>14/15 £k</b>	<b>15/16 £k</b>	<b>16/17 £k</b>	<b>17/18+ £k</b>	<b>Total £k</b>
Firepool Access	1	1,500	0	0	0	1,500
Firepool Infrastructure and Planning	2	0	3,500	0	0	3,500
Toneway Corridor Improvements (incl Creech Castle)	3	23,120	0	0	0	23,120
J25 Improvements	4	0	0	9,240	0	9,240
Taunton Strategic Flood Alleviation Work	5	0	0	0	15,000	15,000
<b>Total</b>		<b>24,620</b>	<b>3,500</b>	<b>9,240</b>	<b>15,000</b>	<b>52,360</b>

- 7.2 The top Growth priority is Firepool Access and Members have expressed a wish to progress this.
- 7.3 Having funded priority 1 and 2 non-growth schemes (section 6 above) there is then a balance of unallocated general funding of £1,901k and £519k of Growth Reserve. Members should note that details of other priority non-growth projects will emerge over the coming weeks and there will be a need to fund some initial capital expenditure.
- 7.4 It is however, reasonable to assume that the top growth scheme identified above could be progressed within existing funding streams. This would reduce the unallocated general funding to £920k and the Growth Reserve to £0 (pending receipt of any 2014/15 New Homes Bonus).
- 7.5 It is important that this sum is not fully allocated at this point, considering the potential capital investment requirements included in the Joint Management

and Shared Services Business Case, and other Priority 1 and 2 Projects from the non-growth area.

## 8 Summary of Additions to Capital Programme

8.1 Assuming the prioritisation methodology is accepted by Members, the priority 1 and 2 schemes will be funded along with the affordable housing scheme (funded by s.106/developer contributions) and the top growth scheme. The additions to the capital programme and funding of additions will be as shown in the table below.

**Table 8: Planned additions to the capital programme**

Project	14/15 £k	15/16 £k	Total £k
Chapel Roof	90	90	180
Affordable Housing (S106 / developer conts)	450	174	624
Firepool Access	1,500	0	1,500
<b>Total</b>	<b>2,040</b>	<b>264</b>	<b>2,304</b>
<b>Funded by:</b>			
Capital Receipts	594	90	684
Growth Point Capital	157	0	157
Firepool Receipts	320	0	320
Growth & Regeneration Reserve (NHB)	519	0	519
Affordable Housing Receipts (S106 / developer contributions)	450	174	624
<b>Total</b>	<b>2,040</b>	<b>264</b>	<b>2,304</b>

8.2 Assuming the schemes proposed are approved remaining funding will be as shown in the table below.

**Table 9: Remaining Funding**

General Fund	Total £k	Funding Used £k	Remaining Total £k
<b>Affordable Housing</b>			
Affordable Housing Receipts (S106 / developer contributions)	624	(624)	0
<b>DLO</b>			
DLO Vehicle Sales	7	0	7
<b>Growth Funding</b>			
Growth & Regeneration Reserve (NHB)	519	(519)	0
<b>General Funding</b>			
Capital Reserve	393	0	393
Growth Point Grant	157	(157)	0
Capital Receipts	1,014	(684)	330
General Fund "non additional" RTB Receipts	197		197
Firepool Receipts	320	(320)	0
<b>Sub Total: General Funding</b>	<b>2,081</b>	<b>(1,161)</b>	<b>920</b>
<b>TOTAL Remaining Funding</b>	<b>3,231</b>	<b>(2,304)</b>	<b>927</b>

## **9 Finance Comments**

9.1 This is a finance report and there are no additional comments.

## **10 Legal Comments**

7.1 Managers have considered legal implications in arriving at the proposed capital programme.

## **11 Links to Corporate Aims**

11.1 The capital programme has been prepared with consideration to links with the Corporate Aims and the Corporate Business Plan.

## **12 Environmental and Community Safety Implications**

12.1 Environmental and community safety implications have been considered in arriving at the capital programme.

## **13 Equalities Impact**

13.1 Equalities Impact Assessments have been undertaken for the capital schemes where appropriate, in line with the Council's statutory obligations. See Appendix B.

## **14 Risk Management**

14.1 The risks associated with the proposed budget have been considered by services when preparing capital bids.

## **15 Partnership Implications**

15.1 The private sector housing capital budget is managed on behalf of TDBC by the Somerset West Private Sector Housing Partnership (SWPSHP).

## **16 Recommendations**

16.1 The Executive is recommended to support the Prioritisation Framework set out in this report.

16.2 The Executive is requested to recommend to Full Council the approval of Supplementary Budget in the General Fund Capital Programme of £2.304m to fund Priority 1 and 2 Non-Growth Schemes, funded Affordable Housing Schemes, and the highest ranked Growth Scheme within this report.

16.3 The Executive is requested to recommend to Full Council that the principle that future external funding received specifically for affordable housing should be allocated to affordable housing projects in line with funding conditions and automatically added to the capital programme.

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## APPENDIX A

General Fund Capital Programme 2013/14 - 2017/18		Current Budget 2013/14	Current Budget 2014/15	Current Budget 2015/16	Current Budget 2016/17	Current Budget 2017/18	Total
Cost Centre	Cost Centre Name	£	£	£	£	£	£
<b>Community Leadership</b>							
	800058 Swim Pool PV Cells	65,000	0	0	0	0	65,000
<b>Total Community Leadership</b>		<b>65,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>65,000</b>
<b>Corporate Resources</b>							
	800000 PC Refresh Project	131,920	0	0	0	0	131,920
	800001 Members IT Equipment	8,000	0	0	0	0	8,000
	800040 IT Infrastructure	25,400	0	0	0	0	25,400
	800074 SCCC Loan	1,000,000	0	0	0	0	1,000,000
	800075 Gypsy Site	108,470	0	0	0	0	108,470
<b>Total Corporate Resources</b>		<b>1,273,790</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,273,790</b>
<b>Environmental Services</b>							
	800008 Canal Grant	10,000	0	0	0	0	10,000
	800009 Waste Containers	106,800	0	0	0	0	106,800
	800041 Mercury Abatement	239,800	0	0	0	0	239,800
<b>Total Environmental Services</b>		<b>356,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>356,600</b>
<b>Housing Services</b>							
	800016 Energy Efficiency	27,000	0	0	0	0	27,000
	800017 Landlord Acc Scheme	46,000	0	0	0	0	46,000
	800018 Wessex HI Loans	8,700	0	0	0	0	8,700
	800019 DFGs Private Sector	683,000	0	0	0	0	683,000
	800020 Grants to RSLs	916,890	0	0	0	0	916,890
	800101 Community Alarms	3,200	0	0	0	0	3,200
<b>Total Housing Services</b>		<b>1,684,790</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,684,790</b>
<b>Ec Dev, Asset Management, Arts &amp; Tourism</b>							
	800002 DLO Vehicles	180,000	0	0	0	0	180,000
	800003 DLO Plant	22,710	0	0	0	0	22,710
	800004 PT Longrun Meadow C	108,000	0	0	0	0	108,000
	800007 PT High Street	82,500	0	0	0	0	82,500
	800042 DLO System	388,100	0	0	0	0	388,100
	800044 PT Firepool	76,700	0	0	0	0	76,700
	800045 PT Castle Green	291,900	0	0	0	0	291,900
	800046 PT High St Retail	34,600	0	0	0	0	34,600
	800049 PT Urban Growth	28,000	0	0	0	0	28,000
	800052 PT Coal Orchard	10,000	0	0	0	0	10,000
	800053 PT Bus Station	3,400	0	0	0	0	3,400
	800054 PT Sineage	6,900	0	0	0	0	6,900
	800103 Brewhouse	120,000	0	0	0	0	120,000
	800106 Thales	800,000	0	0	0	0	800,000
	800105 Creech Castle Improvements	375,000	0	0	0	0	375,000
<b>Total Ec Dev, Asset Management, Arts &amp; Tourism</b>		<b>2,527,810</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,527,810</b>
<b>Planning, Transport &amp; Communications</b>							
	800011 Accolaid Upgrade	20,000	0	0	0	0	20,000
	800010 Orchard Car Park	508,500	126,000	126,000	125,500	0	886,000
<b>Total Planning, Transport &amp; Communications</b>		<b>528,500</b>	<b>126,000</b>	<b>126,000</b>	<b>125,500</b>	<b>0</b>	<b>906,000</b>
<b>Sports Parks and Leisure</b>							
	800012 Grants to Clubs Play	154,300	0	0	0	0	154,300
	800013 Grants to Parishes	52,500	0	0	0	0	52,500
	800014 Replace Play Equip	46,600	0	0	0	0	46,600
	800071 Wellington Pavilion	252,400	0	0	0	0	252,400
	800076 Station Road Swimming Pool	1,270,000	0	0	0	0	1,270,000
	800089 Wellington Skate Park	62,000	0	0	0	0	62,000
	800073 Wellington Sports Centre	115,980	0	0	0	0	115,980
	800102 Blackbrook Pool	1,295,300	4,057,700	0	0	0	5,353,000
<b>Total Sports Parks and Leisure</b>		<b>3,249,080</b>	<b>4,057,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,306,780</b>
<b>Total GF</b>		<b>9,685,570</b>	<b>4,183,700</b>	<b>126,000</b>	<b>125,500</b>	<b>0</b>	<b>14,120,770</b>

## **APPENDIX B**

### **EQUALITY IMPACT ASSESSMENTS 2013/2014**

- **Private Sector Housing Capital Budget including TDBC contribution to Disabled Facilities Grants (See Disability)**

## Equality Impact Assessment – Private Sector Housing 2013/14 Capital Bids

<b>Responsible person</b>	<i>Paul Harding &amp; Vikki Hearn</i>	<b>Job Title: Corporate &amp; Client Lead And Strategy Officer</b>
<b>Why are you completing the Equality Impact Assessment? (Please mark as appropriate)</b>	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	√
	Part of timetable	
<b>What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)</b>	<b>The Council is being asked to provide financial support for disabled facilities grants and other private sector housing interventions in 2013/14.</b>	
<b>Section One – Scope of the assessment</b>		
What are the main purposes/aims of the policy?	<i>The strategic objectives of private sector housing work are to: improve the health and well being of vulnerable people; reduce fuel poverty; bring empty properties back into use; increase the supply and affordability of good quality private rented accommodation; reduce the number of households with preventable ill health and housing inequalities; improve housing conditions; deal with inadequate energy efficiency and carbon emissions ratings; and ensure local people have sufficient choices of housing to meet their needs, at a standard and price they can afford, where they want to live.</i>	
Which protected groups are targeted by the policy?	<i>The 2013/14 private sector housing capital budget is designed to support and meet the needs of a wide customer base, and is targeted at all the protected groups including: Age; Disability. Gender Reassignment; Pregnancy and Maternity; Race; Religion or belief; Sex; Sexual Orientation; Marriage and civil partnership.</i>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used  The information can be found on....	<p>Evidence and Data used for assessment</p> <ul style="list-style-type: none"> <li>• Private Sector housing staff performance data</li> <li>• Joint Strategic Needs Assessment 2011</li> <li>• Older Persons Evidence 2010</li> <li>• Housing Market Assessment 2009</li> <li>• Public Health Report 2008.</li> </ul> <p>Fordham Research was commissioned in July 2010 to undertake a study into the housing and support needs of older people (defined as those aged 55 and over, the qualification age for Council older person services), living in the Housing</p>	



Market Area (HMA) of Taunton. The Taunton HMA includes the districts of Taunton Deane, Sedgemoor and West Somerset.

There are about 91,000 older people in the Taunton HMA: some 35.9% of the total population, larger than the regional and national average. The number of older people in the HMA is expected to increase by 41.1% in the next 20 years. There are about 51,500 older person only households in the Taunton HMA and in Taunton Deane itself the number of older people is above average and is expected to increase. The Sustainable Community Strategy underlines the housing and support needs of Taunton's older population. It states that Taunton Deane has a higher than average dependency ratio due to there being proportionately more pensioners, and fewer 15 - 44 year olds. The dependency ratio is a measure of the proportion of a population who are too young or too old to work. A rising dependency ratio is a concern in many areas that are facing an ageing population, since it becomes difficult for pension and social security systems to provide for a significantly older, non-working population.

Estimates suggest that, by 2030, the number of people over 65 with mobility problems and a limiting long term illness will also increase by over 40%. More than a quarter of these older households in 2010 reported a 'support need', most commonly for a physical disability. For households who would prefer to stay in their homes, 40% of those who needed adaptations did not have them. One reason for this is through a lack of awareness of the adaptations service. SWPSHP will be resolving this through extensive promotion and through new and established user groups. From experience, adaptations promotion will generate an uplift of demand of around 10%. It is important to promote the service as inequalities are generated in pockets of rural outposts. The most commonly required adaptations are a downstairs toilet and handrails. Many older person households with support needs required further adaptations such as a low level shower and stair lift. This all points to a need to support adaptations funding in 2013/14, as our partners in other councils have done for next year, in response to these changing demographics and demands

**Section two – Conclusion drawn** about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality

***All Groups:***

If resources are limited for private sector housing activities we should be aware this will mean some groups or communities could be disadvantaged: not having

a range of effective interventions to improve private sector housing conditions will long term result in a marked deterioration of private sector housing stock, and an inability to tackle one of the key determinants of health and well being, namely the poor housing conditions of vulnerable households who cannot afford to pay repairs themselves. Inability to maintain their homes will increase applications from the older population for social housing and potentially towards expensive accommodation based supported housing services. This is at a time when relevant partner organisations are also facing extensive cuts and may not be able to provide the more costly housing support that would otherwise have been met through a simple low cost low level intervention such as a disabled adaptation.

The 2013/14 capital budget proposals, namely, disabled facilities grants, home improvement loans, energy efficiency, Somerset West Landlord and Tenants Services (SWELT) including landlord accreditation, and health and safety, are designed to achieve positive outcomes for more vulnerable people in this sector who rely on us to help them improve their living conditions, and bring their homes up to a basic standard of energy efficiency, repair and safety. If we do not do this it will leave us with a legacy of poor housing for the future which will have the potential to go beyond any financial means for rectification in the future if intervention is not made now. This will also have major and costly implications for the continuing supply of good quality private sector housing lettings and it will increase the demand for social housing, at a time when pressure on private rented housing has never been greater – through increasing housing market demand and costs and thus the likely displacement of its traditional, benefits dependant market by households who can afford to pay higher rents.

People who apply for housing, if they are unable to remain in their current homes, may be forced to seek homelessness assistance from the Council. If found vulnerable under the terms of the Homelessness Act, the Council will have a duty to house applicants if the property in which they live is not suitable. This is significant because 41% of all owner-occupied homes in the Borough fail the very basic Decent Homes standard (all social housing meets this) and 28% of all homes in this sector have a hazard that poses a serious health and safety risk to the occupant. The council has a statutory duty to identify and eliminate these hazards. There is also a significant fuel poverty issue in this sector: an estimated 17% of all owner-occupied homes have sub-standard energy efficiency ratings and an estimated 25% of private housing occupants are in fuel poverty in Taunton Deane.

The previous Home Finder Lettings Review has seen that priority awarded to those with medical conditions has increased, resulting in more people being able to qualify for a 'gold band' status, along side other vulnerable applicants who are unable to remain in their homes. The Localism Act 2011 also allows the council to house vulnerable people (such as homeless applicants) into the private rented sector with one offer of accommodation. If adequate funding is not provided to improve private sector housing standards to meet at least decent homes levels, legal challenges to the council on homelessness housing suitability grounds will almost certainly increase. Cuts elsewhere to housing support funding will also significantly affect vulnerable adults via reductions in floating support services. Combined with housing and benefit changes, financial hardship in this sector is likely to increase the number of vulnerable applicants applying to the council for housing assistance and advice.

To date, we have not had the opportunity to consult relevant service user groups, customers, and partner organisations who could be affected by a reduction in the 2013/14 private sector housing capital budget, to obtain their views on the potential impacts and outcomes – and what actions they think we should be taking to deal with negative and or unequal consequences. However, the anticipated main impacts on specific groups are:

**Age:**

A further reduction in 2013/14 capital funding to help vulnerable private sector housing residents will have an adverse impact on the independence, health and well-being of older people which will, in turn, increase their need for care and support services. Improvements to private sector housing properties to facilitate independent living, energy efficiency, better housing conditions, and housing functionality, will allow older people to live more meaningful lives in their own homes for longer – and thus for housing standards in this sector to move closer to those in the social housing sector, leading to a more balanced housing market. Understanding older people’s position in the housing market is important: around 75% of older people (aged 55+) in the Borough live in private sector housing and more than 25% of these reported a “support need,” most commonly for a physical disability, yet 40% of older person households did not already have an existing adaptation in their home. Health and social care policy encourages older people to remain living at home, but their living costs are under extreme pressure from fuel and food price inflation, and declining pension values in real terms.

A further reduction in 2013/14 capital funding will also be to the detriment of vulnerable younger people who have traditionally been housed in private rented sector housing, often in houses that are occupied by more than one household. This group is already being discriminated against by national changes in local housing allowances and welfare benefit reforms, and will increasingly be displaced from this sector by upward pressures on rents and the impact of the EDF nuclear power station development. Therefore, mitigating this locally is important for this group. Apart from making full use of our statutory housing powers to tackle dangerous and poorly maintained private rented homes, we should also be raising management and maintenance standards in this sector, through landlord accreditation, attracting energy efficiency funding and through “invest to save” schemes and low-interest loans to encourage owners to improve their homes.

**Disability:**

Disabled households benefit greatly in increased mobility and independence from disabled facilities grants. Reducing the capital budget will increase customer waiting times for adaptations and therefore cause unnecessary discomfort and distress to disabled people, when we should be doing our utmost to deal with the disadvantages faced by this group. This would be a missed opportunity for promoting equality and more equal outcomes for disabled people as those in the

Council stock would still see well maintained DFG budgets which result in Council tenants receiving a better service. The work of the County Council Independent Living Teams in assessing needs earlier and putting in place early measures has resulted in a reduction in demand for DFGs, however there is a fear that these measures provide temporary alleviation and simply delay the need for more permanent measures paid for from disabled facilities grants. It is therefore too early to properly assess the benefits of the work of the Independent Living Teams.

In 2011/12 the Council awarded 35 DFGs and 50 in 2012/13 (£366k spend). In the current year (2013/14) we are using some underspend from last year and therefore have adequate budget and expect to award 65 DFGs (£555k spend)

We estimate that the Council receives between 60-70 DFG recommendations a year from Adult Social Care occupational therapists. This takes into account historical data and the trends toward an aging population. The future budget required to address this annual demand is estimated at £456k including the fee payable to Aster Home Living. Without a future TDBC contribution toward the DFG budget (and relying on the government grant alone) we estimate a minimum of 20 applicants would need to go on a waiting list. This waiting list would double annually. The current legislation around DFGs requires the District Council to provide a DFG where the need has been identified by an Occupational Therapist. There is no requirement about the length of time before an application process is commenced by the Local Authority, however once started then it has to be completed within 12 months unless there are mitigating factors that complicate the process. In practice unreasonable delays can be challenged through an ombudsman and there is case history of councils being challenged about unreasonable delays and losing under the Humans Right Act.

**Race:**

It is important to be culturally sensitive when providing private sector housing services, and statutory and/or enforcement interventions are not always the not appropriate in achieving equitable equality outcomes, particularly for households living in this sector for whom English is not their first language. For example, our statutory responsibility to inspect houses occupied by multiple households could inadvertently discriminate against minority ethnic groups in private rented sector housing where Black and Minority Ethnic (BME) households have a much higher proportionate presence than in other housing sector and tenures in the Borough. It is also significant that of the private landlords surveyed in Taunton Deane, there was a relatively low level of awareness of the needs of BME groups and how discrimination against them could be avoided and/or dealt with. Consequently, reducing the 2013/14 private sector housing budget, particularly for the new landlord accreditation scheme, which is designed to promote better, more equal treatment of private rented tenants, would be racially disadvantageous.

**Sex:**

No obvious direct impact identified although it is recognised that women generally have longer life expectancy than men and may therefore be a group which benefit most from the interventions outlined above and any reduction in funding for these interventions could disproportionately impact more female than males.

**I have concluded that there is/should be:**

No major change - no adverse equality impact identified	
Adjust the policy	Actions will be identified that will help mitigate the impacts identified above.
Continue with the policy	
Stop and remove the policy	

Reasons and documentation to support conclusions  
 Actions will be put in place to limit the actions as far as possible.

**Section four – Implementation – timescale for implementation**

Private Sector Housing Service Plan 2013/14. This will involve quarterly monitoring of: performance against budget; key service measures; and service outcomes.

**Section Five – Sign off**

Responsible officer: Paul Harding & Vikki Hearn Date: 16th January 2013	Management Team Date
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**Section six – Publication and monitoring**

Published on

Next review date	Date logged on Covalent
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## Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Strategy	Date	2013/14		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
Reduction and/or loss of 2013/14 private sector housing capital funding support	Identify alternative sources of funding and any "invest to save" projects that can increase external income, produce cashable savings, and pay back any investments	Partnership Manager	June 2013 and on going from then	Somerset West Private Sector Housing Board quarterly reports	<p>Extra money released that can be used to support and influence key private sector housing priorities beyond 2013/14</p> <p>Services maintained for vulnerable private sector residents in future</p> <p>Effective, lower cost private sector housing interventions in quantitative terms (property conditions and living standards) and qualitative terms (how satisfied residents are in this sector).</p>
Significance of age, disability, race and sex equality groups in private sector housing activities	<p>Raise awareness of characteristics of all these protected groups in relation to local housing market.</p> <p>Close monitoring of waiting lists for DFGs and impact and ensure</p>	Joint Housing Group	September 2013	Scrutiny and information reports, staff briefings and housing briefings	Easily understood and accessible data and information on protected groups and specific characteristics in private housing

Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
	councillors are kept apprised of any impact				
Ensure consistency, accessibility and equality of all advice and assistance given by council staff to private sector housing residents	Induction process for all new staff (including any temporary/agency staff); clear written procedures; effective staff supervision; and regularly reviewing all customer satisfaction returns and comments	Partnership Manager	April 2013 and ongoing from then	Quarterly Housing Partnership Board reports	Private sector housing residents receive the same level and quality of advice and assistance, irrespective of who they are, where they live, and who they deal with
The strategic need for the council to intervene in and influence the local housing market and thus ensure better private sector housing conditions, costs, and choices for local people in need	Critically assessing affordability, choices of housing, the varied housing needs of local residents, and housing conditions, in the context of changing housing market conditions, public funding, and national housing policy	Joint Housing Group	April 2013 and ongoing from then	Executive, Scrutiny and Partnership Board reports	A greater understanding and shaping of the local housing market .
Ensure effective communications, monitoring and equality protocols with relevant partner	Regular meetings with relevant partner organisations; a common understanding of priorities and pressures; initiatives to utilise complimentary work skills and	Partnership Manager	June 2013 and ongoing from then	Partnership Board	More effective joint working and focus on priorities, better use of limited resources and consensual, co-operative approach to challenges in private sector housing

Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
organisations	experience; joint awareness and information exchange sessions				
The specific needs of older home owners in the local housing market	Evaluation of housing needs and choices for older people beyond the traditional adaptations and small repairs at home approach	Strategic Housing Officer's Group	August 2013	Executive, Scrutiny and Partnership Board reports	Explore measures and potential housing options for older home owners who are equity rich but struggling with limited income and poorer quality of life



## Equality Impact Assessment – HRA Disabled Facilities Grants and Adaptations (minor works) 2013/14 Capital Bids

<b>Responsible person</b>	<i>Paul Harding &amp; Vikki Hearn</i>	<b>Job Title: Corporate &amp; Client Lead And Strategy Officer</b>
<b>Why are you completing the Equality Impact Assessment? (Please mark as appropriate)</b>	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	√
	Part of timetable	
<b>What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)</b>	<b>The Council is being asked to provide financial support through the Housing Revenue Account (HRA) for disabled facilities grants and minor disabled works aids and adaptations in Council owned HRA properties in 2013/14</b>	
<b>Section One – Scope of the assessment</b>		
What are the main purposes/aims of the policy?	<i>One of the strategic objectives of the HRA Business Plan 2012-42 is to tackle deprivation by continuing support for a range of vulnerable people.</i>	
Which protected groups are targeted by the policy?	<i>The 2013/14 HRA disabled facilities and adaptations budget is designed to support and meet the needs of a wide tenant customer base, and is targeted at all the protected groups including: Age; Disability. Gender Reassignment; Pregnancy and Maternity; Race; Religion or belief; Sex; Sexual Orientation; Marriage and civil partnership.</i>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used  The information can be found on....	<p>Evidence and Data used for assessment</p> <ul style="list-style-type: none"> <li>• Joint Strategic Needs Assessment 2011</li> <li>• Older Persons Evidence 2010</li> <li>• Housing Market Assessment 2009</li> <li>• Public Health Report 2008.</li> </ul> <p>Fordham Research was commissioned in July 2010 to undertake a study into the housing and support needs of older people (defined as those aged 55 and over, the qualification age for Council older person services), living in the Housing Market Area (HMA) of Taunton. The Taunton HMA includes Taunton Deane, Sedgemoor and West Somerset.</p> <p>There are about 91,000 older people in the Taunton HMA: some 35.9% of the total population, larger than the regional</p>	

and national average. The number of older people in the HMA is expected to increase by 41.1% in the next 20 years. There are about 51,500 older person only households in the Taunton HMA and in Taunton Deane itself the number of older people is above average and is expected to increase. The Sustainable Community Strategy underlines the housing and support needs of Taunton's older population. It states that Taunton Deane has a higher than average dependency ratio due to there being proportionately more pensioners, and fewer 15 - 44 year olds. The dependency ratio is a measure of the proportion of a population who are too young or too old to work. A rising dependency ratio is a concern in many areas that are facing an ageing population, since it becomes difficult for pension and social security systems to provide for a significantly older, non-working population.

Estimates suggest that, by 2030, the number of people over 65 with mobility problems and a limiting long term illness will also increase by over 40%. More than a quarter of these older households in 2010 reported a 'support need', most commonly for a physical disability. For households who would prefer to stay in their homes, 40% of those who needed adaptations did not have them. One reason given for this is a lack of awareness of the adaptations service provided by the Somerset Private Sector Housing Partnership (SWPSHP). We will be resolving this through extensive promotion and through new and established user groups, including the Tenant Services Management Board and the Tenants' Forum. From experience, disabled facilities and adaptations promotion will generate an uplift of demand of around 10%. It is important to promote this service to deal with any inequalities that have been identified. The most commonly required adaptations are a downstairs toilet and handrails. Some older person households with support needs required further minor works adaptations such as a low level shower and stair lift. This all points to a need to continue to support HRA disabled facilities and adaptations funding in 2013/14, in response to these changing demographics and demands.

**Section two – Conclusion drawn** about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality

The anticipated main impacts of a reduction in 2013/14 HRA disabled facilities grants and adaptations funding on specific groups are:

**Age:**

A reduction in 2013/14 capital funding to help vulnerable HRA households will have an adverse impact on the independence, health and well-being of older council tenants which will, in turn, increase their need for care and support services. Disabled facilities grants and minor works adaptations to council owned HRA housing properties to facilitate independent living will allow older, more vulnerable tenants to live meaningful, fulfilled lives in HRA homes for longer.

**Disability:**

Disabled households benefit greatly in increased mobility and independence from disabled facilities grants and minor works adaptations. Reducing the 2013/14

HRA budget for this will increase customer waiting times and therefore cause unnecessary discomfort and distress to disabled people, when we should be doing our utmost to deal with the disadvantages faced by this group. This would be a missed opportunity for promoting equality and more equal outcomes in the HRA.

**I have concluded that there is/should be:**

No major change - no adverse equality impact identified	
Adjust the policy	Actions will be identified that will help mitigate the impacts identified above.
Continue with the policy	
Stop and remove the policy	

Reasons and documentation to support conclusions

**Section four – Implementation – timescale for implementation**

**Section Five – Sign off**

Responsible officer: Paul Harding & Vikki Hearn Date: 16th January 2013	Management Team Date
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**Section six – Publication and monitoring**

Published on

Next review date	Date logged on Covalent
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**Action Planning**

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Strategy	Date	2013/14		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
Awareness of disabled facilities grants and disabled adaptations for HRA tenants	Promotion of disabled adaptation service provided by the Somerset West Private Sector Housing Partnership for HRA tenants	Partnership Manager	April 2013 onwards and ongoing	Monthly performance monitoring of demand for disabled facilities grants and adaptations from HRA tenants	Raised awareness amongst the Tenant Services Management Board and the Tenants' Forum of the Partnership service  Identification of any inequalities
The specific equality needs of older and disabled HRA tenants	Identify housing equalities, needs and choices for older and disabled HRA tenants to supplement the grants and adaptations approach	Housing Services Manager	August 2013	Tenant Services Board, Executive, Scrutiny and Partnership Board reports	Explore measures and potential housing options for older HRA tenants struggling with limited income and poor quality of life but who want to stay put
Ensure consistency, accessibility and equality of all advice and assistance given by council staff to HRA tenants	Induction process for all new staff (including any temporary/agency staff); clear written procedures; effective staff supervision; and regularly reviewing all customer	Partnership Manager	April 2013 and ongoing from then	Quarterly Housing Partnership Board reports  Tenant Services	HRA tenants receive the same level and quality of advice and assistance, irrespective of who they are, where they live, and who they deal with

	satisfaction returns and comments			Management Board	
The significance of age and disability in meeting equalities responsibilities	Raise awareness of characteristics of all these protected groups in relation to wider housing market and how this links to the local authority strategic housing role	Housing Services Manager	September 2013	Tenant Services Management Board, Scrutiny and information reports, staff briefings and housing briefings	Easily understood and accessible data and information on protected groups and their specific characteristics in the HRA  Raised awareness of our responsibilities to these protected groups and how these duties can be discharged within the HRA

**15/01/2014, Report:Council Tax Base 2014/2015**

Reporting Officers:Paul Fitzgerald

**15/01/2014, Report:Business Rates Retention - NNDR 1 2014/2015**

Reporting Officers:Paul Fitzgerald

**15/01/2014, Report:Affordable Housing Supplementary Planning Document**

Reporting Officers:Jo Humble

**15/01/2014, Report:Taunton Town Centre Re-think - Final Proposals from Independent Consultants**

Reporting Officers:Brendan Cleere

**15/01/2014, Report:Report on Growth Prospectus for Taunton**

Reporting Officers:Brendan Cleere

**15/01/2014, Report:Housing Revenue Account Business Plan Review**

Reporting Officers:James Barra

**16/04/2014, Report:Review of the Statement of Community Involvement**

Reporting Officers:Ann Rhodes

**08/10/2014, Report:Smoke Free Zone Pilot**

**05/02/2015, Report:Capital Programme 2015/2016**

Reporting Officers:Steve Plenty

**05/02/2015, Report:General Fund Revenue Budget 2015/2016**

Reporting Officers:Steve Plenty

**05/02/2015, Report:Housing Revenue Account Estimates 2015/2016**

Reporting Officers:Steve Plenty

**05/02/2015, Report:Relocation of TIC to the Market House – request for funding**

Reporting Officers:Ian Timms

**05/02/2015, Report:Somerset Waste Board Business Plan**

Reporting Officers:Chris Hall

**05/02/2015, Report:Support and Funding for the Arts and Creative Industries - CICCIC**

Reporting Officers:Ian Timms

**11/02/2015, Report:Creation of the Somerset Building Control Partnership**

Reporting Officers:Chris Hall

**11/03/2015, Report:Discretionary Reduction in Council Tax Liability Policy and Discretionary Housing Payment Policy**

Reporting Officers:Dean Emery

**11/03/2015, Report:Establishment of the Somerset Growth Board**

Reporting Officers:Dan Webb

**11/03/2015, Report:Creation of the Somerset Building Control Partnership**

Reporting Officers:Chris Hall

**11/03/2015, Report:Funding request from Creative Innovation Centre Community Interest Company (CICCIC)**

Reporting Officers:Ian Timms

**22/04/2015, Report:Universal Credit and Local Support**

Reporting Officers:Mark Antonelli

**10/06/2015, Report:Deane DLO Relocation**

Reporting Officers:Chris Hall

Contains exempt information requiring private consideration: Yes

Exempt reason:Some of the information contained in the report is likely to be of a confidential nature.

**08/07/2015, Report:Q4 Performance Report**

Reporting Officers:Paul Harding

**08/07/2015, Report:Proposed Compulsory Purchase Action - Land at Monkton Heathfield**

Reporting Officers:Julie Moore

Contains exempt information requiring private consideration: Yes

Exempt reason:The report is likely to contain confidential information.

**08/07/2015, Report:Financial Outturn Report**

Reporting Officers:Paul Fitzgerald

**09/09/2015, Report:Write Off Report**

Reporting Officers:Steve Read

**09/09/2015, Report:Firepool Land Assembly - Confidential**

Reporting Officers:Tom Gillham

Contains exempt information requiring private consideration: Yes

Exempt reason:The report will contain confidential information relating to land-holdings and other related material.

**09/09/2015, Report:Citizens Advice Bureau Constructions Skills**

Reporting Officers:Matt Parr

**09/09/2015, Report:Proposed Apprentice Post in Housing and Communities**

Reporting Officers:Martin Price

**03/12/2015, Report:Council Tax Support Scheme 2016/17**

Reporting Officers:Heather Tiso

**03/12/2015, Report:Proposed Sheltered Housing Service Model Report**

Reporting Officers:Gary Kingman,Stephen Boland

**03/12/2015, Report:Fees and Charges 2016/2017**

Reporting Officers:Steve Plenty

**03/12/2015, Report:Local Development Orders – Progress Report**

Reporting Officers:Tim Burton

**03/12/2015, Report:Q2 Financial Monitoring 2015/2016**

Reporting Officers:Steve Plenty

**03/12/2015, Report:New Homes Bonus Report**

Reporting Officers:Dan Webb

**04/02/2016, Report:Treasury Management Strategy Statement, Annual Investment Strategy and MRP Policy 2016/17**

Reporting Officers:Paul Fitzgerald

**04/02/2016, Report:Earmarked Reserves Review**

Reporting Officers:Steve Plenty

**04/02/2016, Report:Capital Programme 2016/2017**

Reporting Officers:Steve Plenty

**04/02/2016, Report:General Fund Revenue Budget 2016/2017**

Reporting Officers:Steve Plenty

**04/02/2016, Report:Housing Revenue Account Budget 2016/2017**

Reporting Officers:Steve Plenty

**04/02/2016, Report:Corporate Strategy 2016/2020**

Reporting Officers:Paul Harding

**04/02/2016, Report:Somerset Waste Partnership Business Plan**

Reporting Officers:Chris Hall

**09/03/2016, Report:Community Asset Transfer Policy – Taunton Deane Borough Council and West Somerset Council**

Reporting Officers:Tim Child

Contains exempt information requiring private consideration: Yes

Exempt reason:Yes. The report may contain some commercially sensitive information.

**09/03/2016, Report:Q3 Performance Report**

Reporting Officers:Paul Harding

**09/03/2016, Report:Corporate Equality Objectives**

Reporting Officers:Christine Gale

**09/03/2016, Report:Q3 - Financial Performance report**

Reporting Officers:Steve Plenty



**09/03/2016, Report:Housing Revenue Account Business Plan Review**

Reporting Officers:James Barrah

**24/03/2016, Report:Creedwell Orchard, Milverton Option Agreement – Proposed Extension of the Trigger Date**

Reporting Officers:Adrian Priest

Contains exempt information requiring private consideration: Yes

Exempt reason:The report may contain a confidential appendix.

**21/04/2016, Report:Empty Homes Strategy and review of Empty Property Coordinator**

Reporting Officers:Mark Leeman

**21/04/2016, Report:Superfast Broadband Phase 2 report**

Reporting Officers:Ian Timms

**09/06/2016, Report:Car park variable message signage and pay on foot – Request for budget allocation**

Reporting Officers:Ian Timms

**09/06/2016, Report:TDBC revised Corporate Debt Policy**

Reporting Officers:Dean Emery

**07/07/2016, Report:Housing Revenue Account Business Plan Review**

Reporting Officers:James Barrah

**07/07/2016, Report:Q4 - Financial Outturn report**

Reporting Officers:Steve Plenty

**07/07/2016, Report:Q4 Performance Report**

Reporting Officers:Paul Harding

**04/08/2016, Report:Housing Company**

Reporting Officers:James Barrah

**04/08/2016, Report:Report on Grants Policy**

Reporting Officers:Christian Trevelyan,Mark Leeman

**08/09/2016, Report:Review of Deane Helpline**

Reporting Officers:Chris Hall

Contains exempt information requiring private consideration: Yes

Exempt reason:The report may contain some commercially sensitive information.

**08/09/2016, Report:Update on Coal Orchard Consultation**

Reporting Officers:Ian Timms

**09/11/2016, Report:Review of Council Tax Support Scheme**

Reporting Officers:Heather Tiso

**09/11/2016, Report:Deane Lottery**  
Reporting Officers:Angela Summers

## **Executive – 13 November 2013**

Present: Councillor Williams (Chairman)  
Councillors Mrs Adkins, Edwards, Mrs Stock-Williams and Mrs Warmington

Officers: Penny James (Chief Executive), Shirlene Adam (Strategic Director), Heather Tiso (Head of Revenues and Benefits Service), Tim Burton (Planning and Development Manager), Phil Bisatt (Policy Officer), Paul Fitzgerald (Financial Services Manager (Southwest One), Roy Pinney (Legal Services Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead)

Also present: Councillors Coles and Horsley

(The meeting commenced at 6.15 pm.)

### **45. Apologies**

Councillors Cavill and Hayward.

### **46. Minutes**

The minutes of the meeting of the Executive held on 9 October 2013, copies of which had been circulated, were taken as read and were signed.

### **47. Review of the Council Tax Support Scheme**

Reference Minute 85/2012, reported that on 1 April 2013 Council Tax Benefit (CTB) was abolished and replaced with a locally designed "Council Tax Support Scheme" (CTS). Each billing authority was responsible for designing and approving a CTS Scheme for its area. Only 90% of funding previously granted by the Government for CTB was now provided for localised CTS.

Councils were not allowed complete freedom on the design of its CTS Schemes. The Government had stipulated that pensioners should be fully protected under the same criteria that previously applied to CTB. Pensioners made up 48% of the Council's CTS caseload, but accounted for 55% of spending on CTS. This meant any cut in the support paid under CTS would be borne by the remaining 52% of working age claimants

The Government had also stipulated that, as far as possible, CTS for vulnerable groups should be protected too. Although there was no definition as to which groups should be counted as "vulnerable", the Government had highlighted Local Authority statutory duties regarding:-

- Children and duties under the 2010 Child Poverty Act to reduce and mitigate the effects of child poverty;
- Disabled people and duties under the Equality Act 2010; and
- Homelessness Prevention and duties under the 1996 Housing Act to prevent homelessness with special regard to vulnerable groups.

It was up to Billing Authorities to decide how they applied any such protection. Taunton Deane's scheme considered disabled people's needs and those responsible for

children.

Full Council had adopted the Local CTS Scheme for 2013/2014 at its meeting on 11 December 2012. For people of working age, the scheme had the following key elements:-

- Maximum support was 80% of Council Tax - everyone of working age had to pay something;
- Non-dependant deductions were increased;
- Second adult rebate was stopped;
- Child maintenance was counted as income;
- Earned income disregards were increased;
- A hardship fund was set up for short-term help.

There were approximately 8,300 people of working age who had moved from the CTB Scheme to the localised CTS Scheme. The average weekly CTS award for a Pension Age claim was £15.80, whilst for people of Working Age, it was £12.06.

The CTS scheme had been designed to consider ability to pay and the collectability of the resultant Council Tax liability. As of September 2013 it appeared that collection had decreased by 0.54% compared with last year. The volume of recovery action (reminders and summons) had greatly increased to ensure collection levels remained high.

Although a decision to alter the scheme for 2014/2015 could be taken, it was recommended to leave the localised CTS Scheme unchanged in 2014/2015. It was currently within budget and operating within the collection parameters used at tax setting. National funding and demand was expected to be similar in 2014/2015 as now. If this recommendation was accepted this would need approval by Full Council by 31 January 2014.

Further reported that Members could decide now if they wished to consider changing the scheme from the start of the 2015-2016 financial year.

The main options available were:-

- Option 1 - To leave the scheme unchanged as now but make efficiency savings/ cuts in services, and/or use reserves to meet the funding gap either in full or part;
- Option 2 - To pass on any further funding shortfall in full to all working age residents receiving localised CTS, reducing their financial help;
- Option 3 - To offset some of the effects of any further funding shortfall by increasing revenue, specifically using discretionary changes to Council Tax discounts and exemptions as in 2013/2014; or
- Option 4 - A combination of the above.

The implications and the risks involved resulting from the introduction of such changes were detailed in the report.

If the Council wished to amend localised CTS beyond 2014/2015, public consultation on any proposed amendments had to be undertaken before the scheme could be adopted.

To provide options to Members for 2015/2016, public and preceptor consultation had to be completed by the end of August 2014. This would provide enough time to evaluate the responses and gather more information on Council Tax collection rates. However, without a decision on the money available to pay out in CTS, any consultation had to contain the following three basic options:-

i. **Pass on the full amount of the anticipated grant cut**

- This would increase the amount working age recipients had to pay by £4 a week on average.
- Such a large cut could cause significant defaults in Council Tax payments and mean the Council collected less Council Tax than currently as people decided they could not afford to pay the amount sought and stop paying anything at all.

ii. **Absorb the cost in full**

- Taunton Deane and the other preceptors could jointly fund the difference between CTS paid out and the grant expected to be received in 2015/2016 with a consequential loss of income.
- This had the potential for objections from preceptors and non-CTS recipients as these were the people who could be viewed as “subsidising” CTS recipients.

iii. **Pass on some of the cut**

- The problem was discovering the “tipping point” at which CTS recipients might decide the amount they were being asked to pay was simply unaffordable.

The final decision on scheme design would still rest with Full Council.

**Proposals for changing the CTS scheme from 2015/2016**

Whilst it might be necessary to reduce spending for CTS, the Council had to consider the impact on “vulnerable” groups. The following proposals therefore sought to mitigate the effect on these groups as well as align income considered for CTS purposes with Department of Work and Pensions (DWP) rules for other welfare benefits to ease any administration burden in future.

Although the Council was not legally required to include transitional protection for claimants moving from one CTS scheme to a replacement scheme, the legislation stated that Councils had a duty to consider if transitional arrangements might be needed and if protection should apply to all groups or just certain groups.

**Proposal 1 – Maximum CTS limit** - It was proposed to limit the maximum support a working age person could receive, from 80% to between 50% and 70% (final percentage dependant on expected Government grant).

**Proposal 2 – Disregard Child Maintenance as Income** - Maintenance received for a child, was disregarded in the default and prescribed CTS Schemes as well as in the DWP’s calculations for many other state benefits. To align Taunton Deane’s CTS Scheme more closely with DWP benefits and therefore provide for simple administration, maintenance received for a child or children would be ignored.

**Proposal 3 – Flat Rate Non-Dependant Deductions** - If the person claiming CTS had any non-dependants who were in work living in their home, the Council would usually

make a deduction from their CTS entitlement. These non-dependant adults were assumed to give the claimant some money towards their Council Tax, regardless of whether they did so. It was proposed to introduce one flat rate non-dependant deduction of £5 for each non-dependant in the property.

**Proposal 4 – Maximum CTS limit increased where the claimant or their partner received Disability Living Allowance for care at the higher or middle rate** – The Council proposed to increase the maximum support if a working age person or their partner received Disability Living Allowance for care at the higher or the middle rate. Our current scheme limited the maximum help available to 80% of the Council Tax liability. The proposal was that from 2015/2016 the maximum help would be increased from 80% to 85%.

**Proposal 5 – Maximum CTS limit increased where the claimant was a single parent and was responsible for a child (children) under five years old** – The Council proposed to increase the maximum support if a working age person who was a single parent had responsibility for a child or children under five years old. The current scheme limited the maximum help available to 80% of the Council Tax liability. The proposal was that from 2015/2016 the maximum help would be increased from 80% to 85%.

The Government had stated that they would keep localised CTS funding unchanged in cash terms from its 2014-2015 total level. However funding for localised CTS was incorporated in the total Local Government Finance Settlement (LGFS) and was not separately identified. This was the grant Taunton Deane received from Central Government as a contribution towards the cost of the Council's services. Indicative figures had shown that the LGFS would reduce not only in 2014/2015 but in future years too. Therefore, the application of cuts to localised CTS spending might need to be considered.

A decision not to change the money paid out by CTS would leave a greater cut in the remaining LGFS. A decision to decrease the money paid out by CTS by the same proportion the LGFS was reduced would mean significant cuts in CTS available to working age recipients. The indicative figures for the LGFS had shown a cut by 14.3% in 2015/2016. If it was decided to decrease the money paid out by the localised CTS at the same level, this would reduce CTS for working age recipients by £876,000.

Such a reduction should be considered against the cuts already applied to people of working age when CTB was replaced with CTS in 1 April 2013.

In 2012/2013, CTB of £3,540,000 was paid to working age recipients. From 1 April 2013, CTS for this group was reduced to £2,710,000 - a cut of approximately 23%.

Cutting CTS by £876,000 in 2015/2016 would reduce help available to working age recipients to £1,830,000.

This equated to a cut of 48% in comparison to help previously available through CTB in 2012/2013. Such a reduction in support would impact upon working age people already affected by significant cuts through Welfare Reform, for example the overall Benefit Cap and removal of the spare room subsidy ("bedroom tax").

Further reported that within the 2013/2014 LGFS the Government had included funding for CTS that included a proportion related to parishes and Special Expenses. The Council had decided to pass on a proportion of this funding to parishes to reflect their

reduction in funding as a result of CTS. For 2013/2014, a grant was given to parishes based on the tax base reduction attributable to CTS in each parish multiplied by their 2012/2013 Band D Charge.

The Funding Settlement for 2014/2015 and beyond would not separately identify the proportion of funding for CTS for any preceptors. The Council therefore needed to determine the policy for providing any CTS Grant funding to parishes for 2014/2015, and it was recommended this was approved at this stage to give the Council and parishes some certainty for financial planning and budget setting purposes.

For 2014/2015 there were two proposed options, based on available information:-

- Option 1:** Use the same formula that was used for 2013/2014, so each parish grant for CTS would be calculated as CTS Tax Base Adjustment x 2012/2013 Parish Band D Tax rate; and
- Option 2:** Use the same formula that was used for 2013/2014, but apply the same reduction to parish grant funding as that experienced by Taunton Deane in the Funding Settlement. Provisional figures indicated a 13.6% cut in funding for 2014/2015, so each parish grant for CTS would be calculated as CTS Tax Base Adjustment x 2012/13 Parish Band D Tax rate x [1-0.136].

Option 1 was recommended for approval as it would provide protection for parish budgets. However, this did mean that Taunton Deane would need to find savings from its own service budgets to subsidise CTS costs for parishes.

It was proposed the same funding principle agreed for parishes should be applied to the Council budget for the Unparished Area Fund.

Reported that the above proposals and recommendations were considered by the Corporate Scrutiny Committee on 19 September 2013. No changes had been requested. The Committee had unanimously supported the recommendations.

**Resolved** that:-

(1) Full Council be recommended that:-

- (a) The current Council Tax Support Scheme, as outlined in the report, be continued from 1 April 2014;
- (b) Option 1 be the preferred route in providing and calculating Council Tax Support Grant funding for Parish Councils in 2014/2015; and
- (c) The Council continued to provide discretionary help through the Discretionary Council Tax Assistance (DCTA) policy to give extra short-term help towards Council Tax costs for those in hardship.

(Funding of DCTA would be from Council Tax receipts and shared between the various local precepting bodies. The exact amount of the DCTA fund for 2014/2015 had not yet been agreed but was expected to be in the range of £30-£35,000); and

(2) The proposals outlined in the report as a basis for formal consultation for changing the Council Tax Support Scheme for 2015/2016 be agreed. A further report on the outcome of consultation to develop the Council Tax Support Scheme for 2015/2016 to be presented to the Corporate Scrutiny Committee in September 2014.

(Councillor Edwards declared a personal interest during the discussion of the above item as Taunton Deane's [representative on the Police and Crime Panel for Avon and Somerset.](#))

#### 48. **Introduction of the Community Infrastructure Levy in Taunton Deane – Examiner's Report and Adoption**

Reference Minute Nos 3 and 31/2013, considered report previously circulated, concerning the adoption and subsequent introduction of the Community Infrastructure Levy (CIL).

Following consultation on the Preliminary Draft Charging Schedule, a Draft Charging Schedule had been prepared and submitted for independent Examination, which was held on 24 July 2013. The draft Instalment Policy was also put forward for comments at the CIL Examination.

The Examiner had endorsed the Council's proposals for the levels of CIL within Taunton Deane and the zones within which they would apply. This included the proposed zero rates for all development in Taunton and Wellington Town Centres and for the wider urban area of Wellington. He had however recommended two relatively minor modifications that the Council would need to include in the Charging Schedule:-

1. Clarification that the rate of CIL for the Taunton urban area would apply in the 'broad locations' for future growth at Taunton (Staplegrove and Comeytrowe) identified in the Core Strategy and the Site Allocations (Preferred Options) planning documents; and
2. Clarification that retail development included uses within Classes A1-A5 as defined in the Town and Country Planning (Uses Classes Order) 1987, as amended.

Overall, the Examiner had concluded that the Council's proposed Charging Schedule provided an appropriate basis for the collection of the levy and the charges were set at a level which would not put the overall development of the area at risk.

With regard to the instalment policy it was proposed to introduce an additional payment band for sums in excess of £1,000,000. This was in response to comments made by developers.

Reported that it would be important that systems were in place and functioning ahead of CIL implementation. It was therefore proposed to appoint a CIL administration officer early in 2014. Members had previously agreed to fund this post for two years on the basis that the costs would be recouped. This could be achieved using the provisions that allowed up to 5% of CIL receipts to be 'top sliced' to cover the costs of administration.

Once CIL was in place, money would begin to come in, although receipts would take time to build up given that CIL would only apply to schemes that were granted planning permission after its introduction.



Under Regulation 62, the Council had to publish an annual report on its website setting out the following:-

- Total CIL receipts for the year;
- Total CIL expenditure for the year;
- A summary of CIL expenditure during the reported year including:-
  - a. The items of infrastructure to which CIL had been applied;
  - b. The amount of CIL on each item;
  - c. The total amount of CIL receipts retained at the end of the reported year.

Further reported that delivering infrastructure was one of the major challenges facing the Council in support of its growth agenda. Receipts from CIL and New Homes Bonus were likely to be the two largest sources of funding for this.

A process was required to determine how the CIL receipts should be spent, to agree on the timing of spend and to arrange the distribution of funds to partner organisations.

Under Regulation 123 of the CIL Regulations, the Council was required to publish a list of the projects that it intended to finance using CIL receipts. The Regulation 123 list would need to be reviewed on a regular basis and reported on annually.

The Council was statutorily required to pass 25% of CIL receipts to the parish council in areas where there was a Neighbourhood Plan in place, and where there was no such plan, 15% of CIL receipts up to a maximum of £100 per extant dwelling.

In areas with unitary local government, all decisions could be negotiated and agreed within one group of elected Members. In Taunton Deane however, it would be necessary to also involve County Council Members, specifically those with responsibility for spending on transport and education, which would be major elements of infrastructure to be delivered using CIL receipts.

The process of preparing to introduce CIL would take some time – for example, owing to the need to install computer software to issue documents and process information and to train staff in its use. It was therefore proposed that CIL be introduced in Taunton Deane with effect from 1 April 2014. An announcement to this effect would also provide the development industry with time to adapt to this forthcoming change.

**Resolved** that Full Council be recommended to approve:-

- (1) The introduction of the Community Infrastructure Levy in Taunton Deane from 1 April 2014;
- (2) The Charging Schedule, set out in the report, which incorporated the modifications recommended by the Examiner; and
- (3) The proposed Instalment Policy set out in the report.

49. **Business requiring to be considered as a matter of urgency**

The Chairman certified that the item of business covered by Minute No. 50 below was urgent and required a decision before the next scheduled meeting of the Executive.

**50. Revised Capital Programme Budget Estimates 2013/2014 – 2017/2018**

Considered report previously circulated, which provided updated information on the Council's capital investment priorities and funding position.

In February 2013, Full Council had approved an interim capital programme pending a more fundamental review of Taunton Deane's capital spending priorities, including infrastructure requirements. This was felt appropriate to ensure the limited amount of funding available to the Council was targeted at the true priority areas. In order to do this, a different approach was needed than that traditionally followed at each budget setting round.

A comprehensive review of the Council's capital spending needs had now been undertaken, taking into account growth agenda projects, the more traditional non-growth capital projects and infrastructure needs that would not be met via the Community Infrastructure Levy regime. This had captured the scale of the spending "need" ahead and had provided clarity as to what projects should and should not be progressed in light of the limited amount of funding available.

Funding for capital investment undertaken by the Council could come from a variety of sources including Capital Receipts; Grant Funding; Capital Contributions (for example from a local authority, third party, Section 106 Agreements); Revenue budgets/reserves (often referred to as "RCCO" – Revenue Contributions to Capital Outlay); and Borrowing.

The current uncommitted funding balances held in various reserve accounts were shown in the table below. This funding was available for allocation to new projects.

**Table 1: Current available uncommitted funding**

<b>General Fund</b>	<b>Affordable Housing £k</b>	<b>DLO £k</b>	<b>Growth Funding £k</b>	<b>General £k</b>	<b>TOTAL £k</b>
Capital Reserve				393	393
Growth Point Grant				157	157
Capital Receipts				1,014	1,014
General Fund "non additional" Right to Buy Receipts				197	197
Firepool Receipts				320	320
Affordable Housing Receipts (S106 / developer contributions)	624				624
DLO Vehicle Sales		7			7
Growth and Regeneration Reserve (NHB)			519		519
<b>Total</b>	<b>624</b>	<b>7</b>	<b>519</b>	<b>2,081</b>	<b>3,231</b>

Noted that following the decision of Full Council on 12 November 2013 to proceed with the West Somerset Project, the above total would be reduced by £800,000 to fund the likely transition costs involved.

In addition to the funding shown in Table 1 there was further estimated/projected funding availability over the next 5 years:-

**Table 2: Projected funding 2013/2014 – 2017/2018 (Illustrative Only)**

<b>RCCO Funding</b>	<b>13/14 £k</b>	<b>14/15 £k</b>	<b>15/16 £k</b>	<b>16/17 £k</b>	<b>17/18 + £k</b>	<b>Total £k</b>
General Fund RCCO	0	200	200	200	150	750
DLO RCCO	0	203	203	203	202	811
Disabled Facilities Grant Income	0	300	310	320	310	1,240
General Fund “non additional” Right To Buy Receipts	100	100	100	100	100	500
New Homes Bonus (NHB)	0	1,825	2,305	2,779	2,856	9,765
Potential Capital Receipts	1,300	500	0	0	0	1,800
<b>Total</b>	<b>1,400</b>	<b>3,128</b>	<b>3,118</b>	<b>3,602</b>	<b>3,618</b>	<b>14,866</b>

There were a number of projects that had been traditionally funded from revenue resources (“RCCO”), and the above projections assumed the funding would continue in the Council’s revenue budgets. If Members chose not to fund some of these capital projects the revenue funding could be used for other capital projects, or could be taken as a revenue budget saving.

The Disabled Facilities Grant income was a yearly grant received from Central Government which had to be used to fund the cost of Disabled Facilities Grants in private sector housing. The funding was not guaranteed and was not normally confirmed until late into the current financial year.

Right to Buy (RTB) receipts had, in the past, been used to fund housing related projects but this was not a mandatory requirement. The proposal was to split the RTB receipts between the General Fund and Housing Revenue Account. As the Council had entered the ‘One for One Replacement’ Agreement with the Government, a higher proportion of the income from RTB sales was retained. Details of the proposed split in this income between the two funds was reported.

With regard to the New Homes Bonus (NHB), Members had previously shown a commitment to use future NHB grant funding for growth and regeneration purposes. The current projections included in the Medium Term Financial Plan of future NHB was shown in the table below:-

**Table 3: Expected New Homes Bonus Funding**

	<b>2014/15 £k</b>	<b>2015/16 £k</b>	<b>2016/17 £k</b>	<b>2017/18 £k</b>	<b>Total £k</b>
Estimated New Homes Bonus Funding	2,217	2,697	3,171	3,248	11,333

Transfer to LEP*		(510)	?	?	(510)
Assumed use for annual budget	(392)	(392)	(392)	(392)	(1,568)
<b>Amount unallocated</b>	<b>1,825</b>	<b>1,795</b>	<b>2,779</b>	<b>2,856</b>	<b>9,255</b>

\* Following the recent Spending Review, the Secretary of State had consulted on a potential 40% top slice of NHB to push funding towards growth via Local Enterprise Partnerships from 2015/16. The Government's response to the consultation feedback was awaited.

In recognition of the challenges ahead for the Council, the Directors had reviewed and prioritised the entire list of capital schemes within the following categories:-

Priority

- 1 Business Continuity (corporate/organisational)
- 2 Statutory Service Investment (to get to statutory minimum/contractual/continuity)
- 3 Growth (Top 5)
- 4 Transformation
- 5 Others

This priority list reflected the issues flagged by Members as being important during the Corporate Business Plan review process. In addition to the above prioritisation, the Directors also propose the general principle that schemes would only be supported if they were "invest to save". This reflected the need for the Council to invest in schemes that would improve the Council's revenue position in light of the pressure on the General Fund Revenue Budget.

First priority had to be given to schemes that ensured Business Continuity (BC). The Corporate BC schemes were those that ensured the doors remained open irrespective of what services the Council chose to deliver. The Organisational BC schemes were more around service continuity and in this regard if the Council chose to no longer deliver any of these services the need for capital investment would also fall away.

Second priority had to be given to investment that was unavoidable with respect to maintaining our statutory services to a minimum level.

Growth schemes were considered to be first priority (but third overall) over what was effectively our first opportunity to consider discretionary spend. This is in line with the Business Plan priorities.

Transformation had been recommended as second priority (but fourth overall) again in line with the Business Plan. Taunton Deane needed to change not only to respond to our changing environment and the demands on the Council, but also to reduce costs and generate revenue to support ambitions.

Noted that the schemes included in 'Others' were a catch all. It was suggested that within this group the only schemes considered would be those that met "invest to save" criteria set out in the Capital Strategy.

Further reported that the results of the prioritisation review were shown in the tables

below. Tables 4 and 5 showed the costs of the continuing non-growth schemes for both general schemes and Deane DLO schemes. These schemes had traditionally been funded from RCCO or Government Grants. For 2013/2014 these schemes had already been approved but there had been no approvals beyond this financial year.

**Table 4: Existing Ongoing Non-Growth Schemes**

	Annual £k	Priority				
		1	2	3	4	5
PC Refresh	60	30				
Members IT Equipment	4	4				
Waste Containers (3 years)	50		50			
Grants to Clubs	46					46
Play Equip Grants to Parishes	20					20
Play Equip - Replacement	20		20			
Disabled Facilities Grants	490		310			180
Enabling (affordable housing) [see 6.6 below]	425					425
Taunton & Bridgwater Canal	10					10
<b>Total</b>	<b>1,125</b>	<b>34</b>	<b>410</b>	<b>0</b>	<b>0</b>	<b>681</b>

It was proposed that the Deane DLO schemes should be funded from DLO resources so they effectively became 'self-financing'. The continuing DLO annual capital requirements were shown below. Funding had already been approved for 2013/2014 but there was currently no funding approved beyond this financial year.

**Table 5: Existing Ongoing Non-Growth DLO Schemes**

	Annu £k	Priority				
		1	2	3	4	5
DLO Vehicles	180		180			
DLO Plant and Equipment	23		23			
<b>Total</b>	<b>203</b>		<b>203</b>			

The following table showed the bids for new non-growth schemes. These spanned over the next five years and included one off schemes and yearly schemes.

**Table 6: New Non-Growth Schemes**

	£k	Priority				
		1	2	3	4	5
Wellington Cemetery	50					50
Taunton Cemetery	100					100
Crematorium Cabinet	15					15
Chapel Roof	180		180			
Private Housing - Landlord Accreditation / Loans etc	1,735					1,735
Private Housing - Category 1 Hazards	130					130
Website Development	30				30	

Cycle Path (Hankridge)	50					50
ICT Infrastructure	?	?				
Customer Access / Accommodation	?				?	
Deane House Improvements	?				?	
B Plan – Trans & Restructuring	?				?	
Gypsy Provision	?					?
West Somerset Project*						
DLO Relocation – subject to BC						
DLO Refurb – subject to BC						
Deane Helpline – subject to BC						
	<b>2,290</b>	<b>0</b>	<b>180</b>	<b>0</b>	<b>30</b>	<b>2,080</b>

Based on the above prioritisation exercise it was suggested that schemes within either Priority 1 or 2 should be funded. This would mean that £180,000 of the £2,081,000 'general' available funding would be used leaving a remaining general funding balance of £1,901,000.

The Council received funding through Section 106 Agreements that must be spent on Affordable Housing Schemes. Through the prioritisation, affordable housing had been allocated a Priority 5. Nevertheless, it was recommended that Members agree the principal that any funding received for affordable housing should be approved to spend on affordable housing.

Noted that the growth schemes were overall allocated a Priority 3. Within this priority group a number of potential investment needs had been considered and ranked in order to provide a steer on which schemes should be supported as funds became available. These schemes were set out in the following table:-

**Table 7: Growth Schemes**

Project	Rank	14/15 £k	15/16 £k	16/17 £k	17/18+ £k	Total £k
Firepool Access	1	1,500	0	0	0	1,500
Firepool Infrastructure and Planning	2	0	3,500	0	0	3,500
Toneway Corridor Improvements (incl Creech Castle)	3	23,120	0	0	0	23,120
J25 Improvements	4	0	0	9,240	0	9,240
Taunton Strategic Flood Alleviation Work	5	0	0	0	15,000	15,000
<b>Total</b>		<b>24,620</b>	<b>3,500</b>	<b>9,240</b>	<b>15,000</b>	<b>52,360</b>

The top Growth priority was Firepool Access as Members had expressed a wish to progress this.

Reported that having funded Priority 1 and 2 non-growth schemes, a balance of unallocated general funding of £1,901,000 and £519,000 of Growth Reserve existed.

It was however, reasonable to assume that the top growth scheme identified above could be progressed within existing funding streams. This would reduce the unallocated general funding to £920,000 and the Growth Reserve to £0 (pending receipt of any 2014/2015 New Homes Bonus).

It was important that this sum was not fully allocated at this point, considering the potential capital investment requirements included in the Joint Management and Shared Services Business Case, and other Priority 1 and 2 Projects from the non-growth area.

Assuming the prioritisation methodology was accepted, the Priority 1 and 2 schemes would be funded along with the Affordable Housing Schemes and the top Growth Scheme. The additions to the capital programme and funding of additions would be as shown in the table below:-

**Table 8: Planned additions to the capital programme**

<b>Project</b>	<b>14/15 £k</b>	<b>15/16 £k</b>	<b>Total £k</b>
Chapel Roof	90	90	180
Affordable Housing (S106 / developer conts)	450	174	624
Firepool Access	1,500	0	1,500
<b>Total</b>	<b>2,040</b>	<b>264</b>	<b>2,304</b>
<b>Funded by:</b>			
Capital Receipts	594	90	684
Growth Point Capital	157	0	157
Firepool Receipts	320	0	320
Growth and Regeneration Reserve (NHB)	519	0	519
Affordable Housing Receipts (S106 / developer contributions)	450	174	624
<b>Total</b>	<b>2,040</b>	<b>264</b>	<b>2,304</b>

Assuming the schemes proposed were approved remaining funding would be as shown in the table below:-

**Table 9: Remaining Funding**

<b>General Fund</b>	<b>Total £k</b>	<b>Funding Used £k</b>	<b>Remaining Total £k</b>
<b>Affordable Housing</b>			
Affordable Housing Receipts (S106 / developer contributions)	<b>624</b>	<b>(624)</b>	<b>0</b>
<b>DLO</b>			
DLO Vehicle Sales	<b>7</b>	<b>0</b>	<b>7</b>
<b>Growth Funding</b>			
Growth and Regeneration Reserve (NHB)	<b>519</b>	<b>(519)</b>	<b>0</b>
<b>General Funding</b>			
Capital Reserve	393	0	393
Growth Point Grant	157	(157)	0
Capital Receipts	1,014	(684)	330

General Fund “non additional” RTB	197		197
Firepool Receipts	320	(320)	0
<b>Sub Total: General Funding</b>	<b>2,081</b>	<b>(1,161)</b>	<b>920</b>
<b>TOTAL Remaining Funding</b>	<b>3,231</b>	<b>(2,304)</b>	<b>927</b>

Noted that following the decision of Full Council on 12 November 2013 to proceed with the West Somerset Project, the above total would be reduced by £800,000 to fund the likely transition costs involved. The above balance would therefore be reduced to £127,000.

**Resolved** that:-

(1) The Prioritisation Framework set out in this report be noted; and

(2) Full Council be recommended to approve:-

- (i) The Supplementary Budget in the General Fund Capital Programme of £2,304,000 to fund Priority 1 and 2 Non-Growth Schemes, funded Affordable Housing Schemes and the highest ranked Growth Scheme detailed in the report; and
- (ii) The principle that future external funding received specifically for affordable housing should be allocated to affordable housing projects in line with funding conditions and automatically added to the Capital Programme.

## 51. **Executive Forward Plan**

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

**Resolved** that the Forward Plan be noted.

(The meeting ended at 7.28 pm.)