



To: All Councillors

Our Ref DS/KK
Contact Krystyna Kowalewska kkowalewska@westsomerset.gov.uk
Date 5 December 2017

**THE PRESS AND PUBLIC ARE WELCOME TO ATTEND THE MEETING
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OR IN OTHER LANGUAGES ON REQUEST**

Dear Councillor

I hereby give you notice to attend the following meeting:

COUNCIL MEETING

Date: Wednesday 13 December 2017
Time: 4.30 pm
Venue: Council Chamber, Council Offices, Williton

Please note that this meeting may be recorded. At the start of the meeting the Chairman will confirm if all or part of the meeting is being recorded.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during the recording will be retained in accordance with the Council's policy.

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Yours sincerely

A handwritten signature in black ink, appearing to read "B. Lang".

BRUCE LANG
Proper Officer

WEST SOMERSET DISTRICT COUNCIL

Meeting to be held on Wednesday 13 December 2017 at 4.30 pm

Council Chamber, Williton

AGENDA

1. Apologies for Absence

2. Minutes

Minutes of the Meeting of Council held on 22 November 2017 to be approved and signed as a correct record – **SEE ATTACHED.**

3. Declarations of Interest

To receive and record any declarations of interest in respect of any matters included on the agenda for consideration at this meeting.

4. Public Participation

The Chairman to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public wishing to speak at this meeting there are a few points you might like to note.

A three-minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue. There will be no further opportunity for comment at a later stage. Your comments should be addressed to the Chairman and any ruling made by the Chair is not open to discussion. If a response is needed it will be given either orally at the meeting or a written reply made within five working days of the meeting.

5. Chairman's Announcements

6. Notice on Motion

In accordance with Procedure Rule 11 the following motion was received from Councillor R Woods:

"On 7th September 2016 we voted "in principle" to refer the proposed New Council to the Secretary of State. Now we have a "minded to" decision we are in a consultation period prior to it being referred to parliament.

In light of the "minded to" decision we

Recommend West Somerset Council revisits its decision to form a new council in the light of its current financial position and the outstanding issues."

7. Timetable of Meetings 2018/19

To consider the proposed timetable of meetings for the 2018/19 Municipal Year – **SEE ATTACHED.**

8. Review of Council Tax Rebate Scheme for 2018/19

To consider Report No. WSC 134/17, to be presented by Councillor D Westcott, Lead Member for Community and Customer – **SEE ATTACHED.**

The purpose of the report is to provide information on our existing Council Tax Rebate scheme and the context for reviewing our scheme for Working Age applicants from 2018/19.

PLEASE NOTE: Members are required to read all documentation when/before making a decision. Therefore, it is important that you read the separate Appendix 1 – West Somerset Council - Council Tax Reduction Scheme and consider the implications detailed in the Equality Impact Statement (Appendix 4). Appendix 1 is available online at <https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Full-Council/Full-Council---13-December-2017>

A hard copy of Appendix 1 can also be obtained from Democratic Services.

9. Heart of the South West (HotSW) Joint Committee

To consider Report No. WSC 133/17, to be presented by Councillor A Trollope-Bellew, Leader of Council – **SEE ATTACHED.**

On 15 February 2017 an Executive Councillor Record of Decision (by Cllr Anthony Trollope-Bellew, the Leader of the Council) was published (Appendix C), confirmed 'in principle' approval to the establishment of a HotSW Joint Committee, subject to approving the Joint Committee's constitutional arrangements and an inter-authority agreement necessary to support the Joint Committee. A Members' Briefing Paper was also issued and shared with Group Leaders in February which provided an update following the July 2016 'in principle' Council approvals to progress negotiations for a devolution deal and the establishment of a Combined Authority, both subject to further report and the approval of the 17 councils. The report sets out the necessary documents which, if agreed, will enable the Joint Committee to be formally established.

10. Fees and Charges 2018/19

To consider Report No. WSC 143/17, to be presented by Councillor M Chilcott, Lead Member for Resources and Central Support – **SEE ATTACHED.**

The purpose of the report is to set out the proposed fees and charges for next financial year, 2018-2019.

11. Hinkley Tourism Strategy Phase 3 Delivery Plan 2018-19

To consider Report No. WSC 142/17, to be presented by Councillor A Hadley, Lead Member for Regeneration and Economic Development – **SEE ATTACHED**.

The purpose is report to Council on what has been achieved in the first three years of delivering the Hinkley Tourism Strategy 2015-20 under Phase 1 and 2 Action Plans; to consult with Council on the details of a refreshed strategy, and proposals for a new Phase 3 Action Plan for 2018 and 2019; and to request the drawdown of £258,000 from Hinkley Point C Section 106 allocations available for tourism, to deliver the Phase 3 Action Plan.

12. Earmarked Reserves Review

To consider Report No. WSC 144/17, to be presented by Councillor A Trollope-Bellew, Leader of Council – **SEE ATTACHED**.

The purpose of the report is to provide information on the Earmarked Reserves Review for 2017-2018.

13. Business Rates Pool and 100% Business Rates Retention Pilot

To consider Report No. WSC 145/17, to be presented by Councillor A Trollope-Bellew, Leader of Council – **SEE ATTACHED**.

Following a recent meeting with Group Leaders, we submitted a bid to DCLG to become a pilot for 100% Business Rates Retention in 2018/19 with our county-wide district and County neighbours. The purpose of this report is to provide Councillors with the rationale and detail behind the bid. It is important to be clear that 100% BRR does not mean all of the business rates collected will be kept in the area, but the councils would keep 100% of the business rate growth above our funding baseline.

14. Minutes and Notes for Information

Notes and minutes relating to this item can be found on the Council's website using the following links:

- Notes of the Exmoor Area Panel meetings held on 12 September and 7 November
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Exmoor-Area-Panel/Exmoor-Area-Panel---12-September-2017>
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Exmoor-Area-Panel/Exmoor-Area-Panel---7-November-2017>
- Notes of the Minehead Area Panel held on 11 October
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Minehead-Area-Panel/Minehead-Area-Panel---11-October-2017>
- Notes of the Dunster Area Panel meetings held on 24 July and 30 October
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Dunster-Area-Panel/Dunster-Area-Panel---24-July-2017>
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Dunster-Area-Panel/Dunster-Area-Panel---30-October-2017>

- Notes of the Watchet, Williton and Quantock Vale Area Panel meetings held on 20 June and 19 September
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Watchet,-Williton-and-Quantock-Area-Panel/Watchet,-Williton---Quantocks-Area-Panel---20-June>
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Watchet,-Williton-and-Quantock-Area-Panel/Watchet,-Williton---Quantocks-Area-Panel---19-Sept>

COUNCILLORS ARE REMINDED TO CHECK THEIR POST TRAYS

WEST SOMERSET COUNCIL**Minutes of Council held on 22 November 2017 at 4.30 pm****in the Council Chamber, Williton****Present:**

Councillor B Heywood Chairman
Councillor R Woods Vice-Chairman

Councillor I Aldridge	Councillor A Behan
Councillor M J Chilcott	Councillor H J W Davies
Councillor M O A Dewdney	Councillor G S Dowding
Councillor S Goss	Councillor A P Hadley
Councillor I Jones	Councillor B Maitland-Walker
Councillor K Mills	Councillor C Morgan
Councillor P H Murphy	Councillor J Parbrook
Councillor P Pilkington	Councillor S Pugsley
Councillor A H Trollope-Bellew	Councillor K Turner
Councillor T Venner	Councillor D J Westcott

Officers in Attendance:

Assistant Chief Executive (B Lang)
Assistant Director – Place and Energy Infrastructure (A Goodchild)
Assistant Director – Resources & Support (P Carter)
Community and Housing Lead – Energy Infrastructure (L Redston)
Tim Burton, Assistant Director - Planning and Environment – Item 6
Ann Rhodes, Policy Officer (Planning and Environment) – Item 6
Martin Wilsher, Principal Planning Officer (Policy) – Item 6
Meeting Administrator (K Kowalewska)

C42 Apologies for Absence

Apologies for absence were received from Councillors R Clifford, T Hall, R Lillis, R Thomas and N Thwaites.

C43 Minutes

(Minutes of the meeting of Council held on 20 September 2017, circulated with the Agenda.)

RESOLVED that, subject to correcting the title given to the High Sheriff of Somerset within the Chairman's Announcements, the Minutes of the meeting of Council held on 20 September 2017 be confirmed as a correct record.

C44 Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:

Name	Minute No.	Member of	Action Taken
Cllr I Aldridge	All	Williton	Spoke and voted
Cllr M Chilcott	All	SCC	Spoke and voted
Cllr H Davies	All	SCC	Spoke and voted
Cllr S Goss	All	Stogursey	Spoke and voted
Cllr B Maitland-Walker	All	Carhampton	Spoke and voted
Cllr C Morgan	All	Stogursey	Spoke and voted
Cllr P H Murphy	All	Watchet	Spoke and voted
Cllr J Parbrook	All	Minehead	Spoke and voted
Cllr P Pilkington	All	Timberscombe	Spoke and voted
Cllr A H Trollope-Bellew	All	Crowcombe	Spoke and voted
Cllr K H Turner	All	Brompton Ralph	Spoke and voted
Cllr T Venner	All	Minehead	Spoke and voted
Cllr D J Westcott	All	Watchet	Spoke and voted

In addition, the following interests were declared:

Name	Minute No.	Description of interest	Personal or Prejudicial	Action Taken
Cllr S Dowding	C49	Gave advice to applicant	Personal	Spoke and voted
Cllr A Trollope-Bellew	C49	Landowner was an acquaintance	Prejudicial	Left the Chamber

C45 Public Participation

No members of the public spoke at the meeting on any items on the agenda.

C46 Chairman's Announcements

15 October 2017	WSC Chairman's Civic Service at St Mary Magdalene Church, Winsford
9 November 2017	Attended the official opening of the Quantock Restaurant at the Bridgwater and Taunton College, accompanied by the Vice-Chairman
10 November 2017	Attended the Remembrance Service and Wreath Laying at Dulverton War Memorial
11 November 2017	Attended two Remembrance Day Services at Dulverton and Minehead

In addition, the Vice-Chairman represented the Chairman of Council at two Remembrance Day Services at Watchet and Williton, visited Wells Cathedral to see a presentation on Combating Modern Slavery and attended a Presentation Evening at West Somerset College.

The Leader thanked the Chairman for hosting his Civic Service and congratulated him on its excellent success, stating the event was a credit to both the Chairman and West Somerset Council.

C47 **Stogumber Neighbourhood Development Plan formal adoption (“made”) as a Development Plan Document for WSC**

(Report No. WSC 114/17, circulated with the Agenda.)

Stogumber Neighbourhood Development Plan (SNDP) is a community led planning document which has been produced by Stogumber Parish Council. The document and its evidence base passed an Independent Examination and was supported by 59.58% of those who voted in the referendum. The Stogumber Neighbourhood Development Plan should be formally adopted (made) to enable it to be used to help it decide planning applications in the Stogumber Neighbourhood Plan Area.

The Lead Member for Housing, Health and Wellbeing presented the report and provided background information. He advised that the Council's Planning Policy Officers had assisted in the process, however Stogumber Parish Council had undertaken the majority of the work.

The Lead Member proposed the recommendation which was duly seconded by Councillor A Trollope-Bellew.

The Leader praised the hard work of Stogumber Parish Council, especially that of the former Chairman Julian Spicer, and acknowledged the time and effort spent on developing the SNPD. Thanks was also extended to the Policy Officer (Planning and Environment) for her support to the parish council.

Members reiterated that Stogumber Parish Council had produced a forward-thinking, commendable Neighbourhood Development Plan.

RESOLVED that the Stogumber Neighbourhood Development Plan be formally adopted (“made”) as a West Somerset Council (WSC) Development Plan Document, to be used in the planning application decision making process for the Stogumber Neighbourhood Plan area.

C48 **HPC Planning Obligations Board – Allocation of CIM Funding**

(Report No. WSC 119/17, circulated with the Agenda.)

The purpose of the report was to present the recommendations of the Hinkley Point C Planning Obligations Board and Cabinet, for the allocation of monies from the Community Impact Mitigation (CIM) Fund secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point.

The Lead Member for Resources and Central Support presented the item and provided information on the bids submitted to the Planning Obligations Board (POB), highlighting the key points from the report.

The Lead Member proposed the recommendation which was duly seconded by Councillor A Hadley.

Members expressed support for both the Somerset Education Business Partnership and the Holford and District Village Hall projects, believing them to be credible and worthy bids. It was positive to see such a diverse range of applications applying for funding; and it was hoped that applicants, whose bid had been unsuccessful the first time round, would be encouraged to accept assistance from officers in order to resubmit a revised application.

The Assistant Director – Place and Energy Infrastructure provided an explanation on the administration arrangements for the CIM Fund and also informed of a new HPC Community Fund of which payments, totalling £12.8m, would be administered by the Somerset Community Foundation. He advised there would be a significant overlap between the two funds and discussions were currently being held on how this would operate. A briefing note would be circulated to all Members on the matter in due course.

Attention was drawn to Appendix A of the report and Members noted that most of the ring-fenced monies for West Somerset had been allocated, and that a lot of great projects had been supported. Reference was also made to the fact that the 1st Annual Payment and 2nd Annual Payment were open to the whole of Somerset to apply for CIM funding.

RESOLVED that the recommendations of the Hinkley C Planning Obligations Board and West Somerset Cabinet be endorsed as follows:

- (1) To award Somerset County Council £393,849 from the 1st Annual CIM fund payment for the Somerset Education Business Partnership project.
- (2) To not award £300,000 of CIM funding to North Petherton Rugby Club for the New Changing Rooms project on the basis that the project did not sufficiently meet the criteria to mitigate community impacts of the HPC development.
- (3) To award Holford and District Village Hall £125,000 from the CIM Fund ring-fenced for West Somerset for the Holford Village Hall - Fit for Future project with the following conditions:
That no funding will be released until
 - Planning permission has been granted for the proposed project.
 - Match funding has been secured to cover the total project costs as set out in the application.
 - Following the tender process and selection of a preferred contractor the CIM Fund Manager is satisfied that the project remains affordable.
- (4) To not award £35,000 of CIM funding to Fiddington Village Hall for the Kitchen and Toilet Renovation project and to advise the applicants to return with a revised application.
- (5) To note that the HPC Planning Obligations Board have deferred a decision on the application from Citizens Advice Sedgemoor for £165,837 towards the Supporting Hinkley Advice Needs project pending the submission of additional information by the applicant to support their application.

C49 **Hinkley Point C Planning Obligations – Allocation of Ecology Contribution**

(Report No. WSC 120/17, circulated with the Agenda.)

The purpose of the report was to request that £250,000 be allocated to the East Quantoxhead Estate for the purpose of providing landscaping and other works to enhance the foraging habitat for bats as a result of the loss of habitat on the main Hinkley Point C site.

The Lead Member for Energy Infrastructure presented the item and highlighted key points from the report. He went on to propose the recommendation which was duly seconded by Councillor S Pugsley.

RESOLVED that that allocation of £250,000 to the East Quantoxhead Estate for the purpose of providing landscaping and other works be approved.

C50 **Standards Advisory Committee**

(Minutes of the Standards Advisory Committee held on 13 June 2017 circulated with the Agenda.)

RESOLVED that the Minutes of the Standards Advisory Committee held on 13 June 2017 be adopted.

C51 **Member Reporting on Membership of Outside Body for information**

(Somerset Playing Fields Association from Councillor H J W Davies, circulated with the Agenda.)

RESOLVED that the report be noted.

The meeting closed at 4.24 pm.

	MAY (2018)	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY (2019)	FEBRUARY	MARCH	APRIL	MAY (2019)
MON												1	
TUES	1 ENPA								1 Bank Holiday			2 ENPA Scrutiny Agenda Setting 10.30 am Dunster Area Panel 7.00 pm	
WED	2			1					2			3	1
THUR	3			2 Scrutiny Committee 3.30 pm			1		3			4	2
FRI	4	1		3			2		4	1	1	5	3
SAT	5	2		4	1		3	1	5	2	2	6	4
SUN	6	3	1	5	2		4	2	6	3	3	7	5
MON	7 Bank Holiday	4 Scrutiny Agenda Setting 10.30 am	2	6	3	1	5	3 Audit Committee 2.00pm	7	4 Scrutiny Agenda Setting 10.30 am	4	8	6 Bank Holiday
TUES	8	5 ENPA	3 ENPA	7 ENPA	4 ENPA	2 ENPA	6 ENPA	4 ENPA WWQ Area Panel 7.00 pm	8 ENPA	5 ENPA	5 ENPA	9	7 ENPA
WED	9	6 Minehead Area Panel 6.30pm	4 Licensing Committee 4.30 pm	8	5 Cabinet 4.30 pm	3	7 Cabinet Agenda Setting 1.00 pm Cabinet 4.30 pm	5 Minehead Area Panel 7.00 pm	9 Cabinet 4.30 pm	6 Cabinet (Budget) 4.30 pm	6 Cabinet 4.30 pm	10	8
THUR	10	7 Exmoor Area Panel 7.00 pm	5	9	6	4	8	6 Scrutiny Committee 3.30 pm	10	7	7 Exmoor Area Panel 7.00 pm	11 Scrutiny Committee 3.30 pm	9
FRI	11	8	6	10	7	5	9	7	11	8	8	12	10
SAT	12	9	7	11	8	6	10	8	12	9	9	13	11
SUN	13	10	8	12	9	7	11	9	13	10	10	14	12
MON	14 Informal Council 2.30 pm	11	9	13	10	8 Scrutiny Agenda Setting 10.30 am	12 Scrutiny Agenda Setting 10.30 am	10	14 Scrutiny Agenda Setting 10.30 am	11	11	15	13 Informal Council 2.30 pm
TUES	15	12 Standards Advisory 4.30 pm	10	14	11 Local Development Panel 2.30 pm Exmoor Area Panel 7.30 pm	9 Standards Advisory 4.30pm	13 Exmoor Area Panel 7.00 pm	11	15 Standards Advisory 4.30 pm	12 Local Development Panel 2.30 pm	12 Standards Advisory 4.30 pm	16	14
WED	16	13 Local Development Panel 2.30 pm	11 Cabinet 4.30 pm	15 Cabinet Agenda Setting 3.30 pm	12 Minehead Area Panel 6.30 pm	10	14 Local Development Panel 2.30 pm	12 Cabinet Agenda Setting 1.00 pm Council 4.30 pm	16	13 Cabinet Agenda Setting 3.30 pm	13 Minehead Area Panel 6.30 pm	17 Cabinet Agenda Setting 3.30 pm	15 Annual Council 2.30 pm
THUR	17 Annual Council 2.30 pm	14 Scrutiny Committee 3.30 pm	12	16	13	11	15	13 Planning 4.30 pm (Nov & Dec Meeting)	17	14 Scrutiny Committee 3.30 pm	14 Licensing Committee 4.30 pm	18 Planning Committee 4.30 pm	16
FRI	18	15	13	17	14	12	16	14	18	15	15	19 Bank Holiday	17
SAT	19	16	14	18	15	13	17	15	19	16	16	20	18
SUN	20	17	15	19	16	14	18	16	20	17	17	21	19
MON	21 Corporate PAG 1.30 pm	18 Armed Forces Day ?????	16	20	17 Audit Committee 2.00 pm	15	19	17	21	18	18 Audit Committee 2.00 pm	22 Bank Holiday	20 Corporate PAG 1.30 pm
TUES	22	19 Audit Committee 2.00 pm WWQ Area Panel 7.00 pm	17	21	18 WWQ Area Panel 7.00 pm	16 Dunster Area Panel 7.00 pm	20	18	22 Exmoor Area Panel 7.00 pm	19	19 WWQ Area Panel 7.00 pm	23	21
WED	23 Cabinet 4.30 pm	20 Cabinet Agenda Setting 3.30 pm	18	22 Corporate PAG 1.30 pm	19 Council 4.30 pm	17 Cabinet Agenda Setting 3.30 pm	21 Council 4.30 pm	19	23 Cabinet Agenda Setting 3.30 pm	20 Council (Budget) 4.30 pm	20 Council 4.30 pm	24	22 Cabinet 4.30 pm
THUR	24	21	19	23	20	18 Scrutiny Committee 3.30 pm	22 Scrutiny Committee 3.30 pm	20	24 Scrutiny Committee (Budget) 3.30 pm	21	21	25 Planning 4.30 pm	23
FRI	25	22	20	24	21	19	23	21	25	22	22	26	24
SAT	26	23	21	25	22	20	24	22	26	23	23	27	25
SUN	27	24	22	26	23	21	25	23	27	24	24	28	26
MON	28 Bank Holiday	25	23 Scrutiny Agenda Setting 10.30am Dunster Area Panel 7.00 pm	27 Bank Holiday	24	22	26 Scrutiny Agenda Setting 10.30 am	24	28 Dunster Area Panel 7.00 pm	25 Corporate PAG 1.30 pm	25	29	27 Bank Holiday
TUES	29	26	24 Corporate PAG 1.30 pm	28	25	23	27 Licensing Committee 4.30 pm	25 Bank Holiday	29	26	26	30	28
WED	30	27 Corporate PAG 1.30 pm	25 Council 4.30 pm	29	26 Corporate PAG 1.30 pm	24 Corporate PAG 1.30 pm	28 Cabinet 4.30 pm	26 Bank Holiday	30 Corporate PAG 1.30 pm	27	27 Corporate PAG 1.30 pm		29
THUR	31 Planning 4.30 pm	28 Planning 4.30 pm	26 Planning Committee 4.30 pm	30 Planning Committee 4.30 pm	27 Planning 4.30 pm	25 Planning Committee 4.30 pm	29 Corporate PAG 1.30 pm	27	31 Planning Committee 4.30 pm	28 Planning Committee 4.30 pm	28 Planning 4.30 pm		30 Planning Committee 4.30 pm
FRI		29	27	31	28	26	30	28			29		31
SAT		30	28		29	27		29			30		
SUN			29		30	28		30			31		
MON			30 Audit Committee 2.00 pm			29		31					
TUES			31			30							
WED						31							

School Holidays are highlighted in yellow.

References to ENPA are Exmoor National Park Authority Planning Committees.

Report Number: WSC 134/17

West Somerset Council

Full Council 13 December 2017

Review of Council Tax Rebate scheme for 2018/19

This matter is the responsibility of Councillor Dave Westcott

Report Author: Heather Tiso, Revenues & Benefits Service Manager

1 Executive Summary

- 1.1 This report provides Full Council with information on our existing Council Tax Rebate scheme and the context for reviewing our scheme for Working Age applicants from 2018/19.
- 1.2 The Council is legally required to give annual consideration on whether to revise its local Council Tax Rebate (CTR) scheme and to consult with interested parties if it wishes to change the scheme.
- 1.3 Consultation on options for our CTR scheme for 2018/19 has been undertaken. The Scrutiny Committee support amending the current CTR scheme for 2018/19 to that set out in [Appendix 1](#) (and illustrated in [Forecast C](#)).
- 1.4 This report seeks agreement from Full Council on our CTR scheme for the financial year 2018/19.

2 Recommendations

- 2.1 Full Council, having regard to the consultation response and the Equality Impact Assessment (EIA - see [Appendix 4](#)), agree to the recommendation from the Scrutiny Committee that the 2018/19 Council Tax Rebate scheme should be amended to that shown in [Appendix 1](#). This will award entitlement to working age recipients based on bands of income and will:
 - a) increase the maximum support available to working age recipients to 85% of their Council Tax liability;
 - b) apply a flat rate deduction of £5 a week for each non-dependant;
 - c) disregard carers' allowance from the income used to work out CTR
 - d) provide extra assistance for young people who have left local authority care by increasing maximum support to 100% of the Council Tax liability for single applicants up to the age of 25 where their weekly income falls within Band 1
- 2.2 Full Council agrees that working age applicants with protected characteristics who will receive reduced CTR from 1 April 2018, should be invited to submit a claim for a discretionary reduction to mitigate the effects in moving to a Banded Income CTR scheme.

3 Risk Assessment (if appropriate)

Risk Matrix

Description	Likelihood	Impact	Overall
The increased complexity of financial planning that could result from growing pressure from the Council Tax Rebate scheme if funding reductions are not fully addressed	3	4	12
<i>Cautious assumptions on recovery rate and therefore yield from the scheme.</i>	2	4	8
Council incurs an unacceptably high-level of debt because of people's inability to make the payments particularly if the scheme is less generous. Lower Council Tax collection rate and bad debts. 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.	4	4	16
<i>Robust arrears management procedures to maximise collection rate and prudent assumptions on collection rates council increases bad debt provision with budget. Maximise take-up of all discounts/exemptions/ hardship relief. Monthly monitoring of performance against targets.</i>	3	4	12
Higher administrative costs	3	3	9
<i>Simplify CTR scheme to reduce administrative costs associated with assessment and debt collection costs while maximising council tax collected</i>	2	3	6
Potential growth in the number of claimants.	4	4	16
<i>Realistic assumption on caseload growth based on trends</i>	3	4	12
If West Somerset's population increases, including an increase in the population segment currently receiving CTR, demand for CTR could increase against funding from the Government, thereby increasing the funding gap. Such population migration may occur if the CTR scheme is more generous than those of neighbouring boroughs. Caseload increases (e.g. Major employer loss)	3	4	12
<i>Demand and cost of scheme monitored regularly and material changes reflected in the MTFP</i>	2	4	8
Council fails to meet obligations under relevant equality legislation in adopting a scheme	3	4	12
<i>Carry out consultation on proposed scheme. Consider the results and findings as part of the approval of any scheme. Make reasonable adjustments through application of any agreed scheme.</i>	2	4	8

Risk Scoring Matrix

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

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

3.1 In addition to the principle risks outlined on the previous page, a number of other factors have been considered:

Fairness: There is also a risk that scheme may be perceived as being unfair. This risk will be studied in line with the Government’s commitment to incentivise work, the recommended scheme requires a contribution. To mitigate this, all residents will have access to a discretionary fund.

Culture of non-payment: As we are mainly asking CTR recipients to make only a small contribution to their Council Tax bill, collection and recovery strategies may not be cost-effective, and small debts may be written off. This may over time develop into a culture of non-payment, where it becomes increasingly difficult and costly to recover small amounts of Council Tax from those who can least afford to pay it. We have mitigated this risk by minimising the level of contribution which is supported by robust arrears management procedures.

4 Background

4.1 Responsibility for Council Tax Rebate (CTR) passed to Local Authorities on 1 April 2013. Government also passed funding for CTR to Local Government, but reduced the amount of funding compared to the costs of the previous Council Tax Benefit scheme where responsibility for CTB had been held by central Government and funded through the Department for Work and Pensions (DWP).

4.2 Local Authorities therefore had to decide whether to absorb the funding reduction across other areas of their budget or pass it on to recipients of CTR by requiring them to make a contribution to their overall Council Tax bill.

- 4.3 Billing Authorities were tasked with designing a CTR scheme for people of working age, while rules for people of pension age are set in regulations prescribed by the Government. This means people of pension age continue to receive assistance at no less amount than had been available under the CTB scheme.
- 4.4 Approaches to the design of local CTR schemes by individual Councils have varied greatly. In designing their local schemes, a few authorities have absorbed the funding reduction passed on by Government, without passing on the cut to residents eligible for CTR by requiring them to contribute to their Council Tax bill. Other Councils have asked households to make a contribution to their annual Council Tax bill for the first time, in some cases as much as 45% of their total bill. In 2017/18, 264 Local Authorities (81%) require everyone to pay at least some Council Tax regardless of income, 35 more than in 2013/14. From April 2017, just 37 Councils (11%) continue to provide support at the level paid under the former CTB scheme.
- 4.5 The Department for Communities and Local Government (DCLG) provides funding through the annual Settlement Funding Assessment (comprising Revenue Support Grant and Business Rates Baseline) to help meet the cost of localised CTR schemes. Each of the major precepting authorities in Somerset received the initial funding based on their share of Council Tax receipts. In West Somerset, the initial grant awarded to precepting authorities was £2,831,449, with West Somerset Council's share of this grant being £265,741 (based on a 9.39% share). From 1 April 2014, funding for localised CTR was incorporated in the LGFS and is not separately identified.
- 4.6 It is now impossible to ascertain funding provided for CTR in the LGFS. Government grants to councils are being phased out and local government will move to 100% business rates retention by 2020. It has not been confirmed, but this may well be how councils will be expected to fund CTR schemes in future.
- 4.7 The approach taken by many authorities has been to assume the funding for CTR has been reduced at the same rate as the SFA. The SFA has reduced by 38.7% in cash terms since 2013/14. Therefore, in applying this methodology, the funding available for Localised CTR has reduced by £1,095,771 to £1,735,678.
- 4.8 In 2016/17, we paid CTR of £1,602,175 for people of pensionable age. Based on the assumptions stated in paragraph 4.7, this would leave just £133k available to spend on CTR for people of working age. As our expenditure for working age recipients in 2016/17 was £937,669, this leaves a funding shortfall of £801,166. Based on its precepting share of Council Tax for 2017/18 of 9.47%, the share of this shortfall in funding for West Somerset Council equates to £75,870.
- 4.9 The Department of Work and Pensions (DWP) subsidises the cost of administering Housing Benefit, while the Department for Communities and Local Government (DCLG) provides an annual grant towards the cost for CTR administration. However, funding has steadily decreased and is likely to be removed entirely with the move to 100% business rate retention in 2020.

- 4.10 Until recently, the administration of our localised CTR scheme has been both cost effective and efficient as for the majority of claims we have been able to use information supplied by claimants for a Housing Benefit claim or directly from the Department for Work and Pensions. However, CTR administration has become increasingly difficult since the roll out of the “full service for Universal Credit (UC) in October 2016, with the number of working age customers claiming UC significantly increasing.
- 4.11 We receive information from the DWP on any variations to the customer’s income and for many customers, such changes occur every month. As our CTR scheme does not contain any “de-minimus” for income variances, we need to reassess the amount of CTR entitlement. In changing the CTR award, we then need to issue an amended Council Tax bill and adjust any direct debit arrangements to reflect revised instalments. Changing payment arrangements can result in cancellation of the next direct debit, with instalments effectively delayed by one month. Where such changes take place every month, it is possible for Direct Debits to be continually set back so the customer then needs to pay a lump sum at the end of the financial year.
- 4.12 For the reasons outlined above, administration of the CTR scheme could become progressively financially burdensome, as well as being increasingly complex for customers. In addition, as working age customers need to submit claims for UC online we need to be mindful that in simplifying our CTR scheme, we support people in adapting to the digital agenda.
- 4.13 This report presents Full Council with possible options to reduce the projected shortfall as well as simplifying the CTR scheme to not only make it easier for our customers, but also to contain what could be increasing administrative costs.
- 4.14 To comply with the law, any changes that the Council is considering to the operation of the scheme for 2018/19 must be subject to a consultation process and be decided upon by Full Council by 31 January 2018.

5 West Somerset Council’s CTR Scheme

- 5.1 On 11 December 2012, the Council adopted a Local Council Tax Rebate scheme for 2013/14 that was largely based on the former national Council Tax Benefit (CTB) scheme. From 1 April 2013, those of pension age received support of up to 100% of their Council Tax liability, while the maximum support for those of working age was set at 85%. In designing our CTR scheme, we considered customers’ ability to pay and the collectability of the resultant Council Tax liability. For people of working age, our scheme included the following key elements:
- Maximum support was 85% of Council Tax;
 - Increased non-dependant deductions;
 - No Second adult rebate;
 - Earned income disregards are at increased levels than those offered under CTB;
 - Hardship fund of £22.5k for short-term help (this is a Collection Fund commitment and not fully funded by WSC).

- 5.2 While we have some discretion on designing our CTR scheme for working age people, the Government said we must protect 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 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.
- 5.3 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 scheme strengthens work incentives and does not discourage people to move off benefits and into work or to stay in work.
- 5.4 Council Tax Rebate (CTR) was unchanged until 2016/17 when as a consequence of significant cuts to funding, the Council decided to amend our CTR scheme for working age applicants in 2016/17 by:
- Removing entitlement to applicants with capital over £6,000; and
 - Applying a Minimum Income for Self-Employed applicants; and
 - Paying CTR at a level that would be no more than for a Band C property; and
 - Disregarding maintenance received for children.
- 5.5 In agreeing our scheme for 2017/18, the Council decided to align the CTR scheme with some changes made by the Government to other welfare benefits. As a consequence, CTR for working age applicants from 1 April 2017 was amended as follows:
- Maximum CTR reduced from 85% to 80%
 - Maximum backdating of CTR reduced from 6 months to 1 month;
 - Family premium not included in the applicable amount for new applicants, or existing recipients who would otherwise have a new entitlement to the premium;
 - Work Related Activity component not included in the applicable amount for new claimants of Employment and Support Allowance;
 - Removal of child allowance in applicable amount for third and any subsequent children born after 1 April 2017 but protection for some customers;
 - Reduction in the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.
- 5.6 In annual billing for 2017/18, West Somerset Council sent Council Tax bills that after the award of CTR, totalled more than £22.7million. Approximately 17% of residents receive financial support through CTR, with just under 7% of those liable to pay some Council Tax, being CTR recipients of working age.
- 5.7 There were 3,531 people who moved from the Council Tax Benefit scheme to the localised CTR scheme. At 31 March 2017, this had reduced to 2,941. Key information on CTR caseload, spending and budgets is shown on the following page.

Claimant type	% of total claims	Caseload at 31 March 2017	% of total spend	CTR Expenditure
Working Age	43%	1,262	37%	£937,669
Pension Age	57%	1,679	63%	£1,602,175
Total	100%	2,941	100%	£5,377,970

Table 5.7.1

Authority	CTR Budget
West Somerset Council (9.63%)	£260,935
Parishes (4.37%)	£118,830
Somerset County Council (72.01%)	£1,915,812
Avon and Somerset Police (11.87%)	£315,736
Devon and Somerset Fire and Rescue Authority (5.32%)	£141,661
Total Budget	£2,752,974

Table 5.7.2

Comparative data	
Council Tax Benefit awarded 2012/13	£3,105,112
Council Tax Rebate awarded 2016/17	£2,539,844
Reduction in CTR expenditure in comparison to CTB (18%)	£565,268
Council Tax Benefit claims @ 31 March 2013	3,531
Council Tax Rebate claims @ 31 March 2017	2,941
Reduction in CTR caseload in comparison to CTB (17%)	590
Council Tax Rebate Budget 2016/17	£2,752,974
Council Tax Rebate awarded 2016/17	£2,539,844
Saving in CTR awarded in 2016/17 in comparison to budget	£213,130

Table 5.7.3

5.8 Members will see from the tables above that the cost of our CTR scheme has reduced considerably, both through the implementation of our local policy and the trend in demand / eligibility for financial assistance. However, there are a number of factors potentially affecting the ongoing reduction in costs and CTR recipients, namely:

- A downturn in the economy generally (as experienced in 2008 until 2013); or
- A downturn in the local economy such as a local business going into liquidation or a reducing labour force; or
- An increase in Council Tax above the increase in allowances under the scheme.

6 Collection Activity and Debt Profile for 2016/17

6.1 The households liable for Council Tax increased from 17,595 in 2012/13 to 17,791 by 31 March 2017. While bringing additional income from Council Tax, this growth has increased the demand for services.

- 6.2 The net collectable amount for Council Tax in 2016/17 increased by nearly £3m in comparison to 2012/13, while the percentage collected has also increased from 97.52% to 97.91%. This has resulted in additional income for West Somerset of £284k based on its preceptor share of 9.48%.

	2012/13	2016/17	Difference since 2012/13	% change since 2012/13
Council Tax due	£18,716,143	£21,706,252	£2,990,109	16.0% ↑
Council Tax Collected (in year)	£18,252,909 (97.52%)	£21,252,772 (97.91%)	£2,999,863	16.4% ↑

Table 6.2.1

- 6.3 Overall, the Council Tax outstanding for 2016/17 was £453,480. Council Tax outstanding for working age CTR recipients was £77,913. Therefore, while working age CTR recipients represent just 7% of households, the value of their debt equates to 17% of Council Tax outstanding at 31 March 2017. More information on the breakdown of Council Tax arrears for CTR recipients is shown in [Appendix 5](#). In some instances, significant effort is required to collect relatively small sums of money and that effort may not be economical when balanced against the value of the debt owed. Furthermore, the impact of passing enforcement costs on to residents will only increase the level of the debt further.

7 Council Tax Rebate Scheme 2018/19

- 7.1 The Local Government Finance Act 2012 states that before making a scheme we must consult with any major precepting authorities, publish a draft scheme and then consult with other such persons who are likely to have an interest in the operation of such a scheme. We must set a realistic timeframe for consultation to ensure we can seek feedback from all appropriate individuals and groups in the community.
- 7.2 Consultation with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority took place on 19 June 2017. Public consultation started on 3 July 2017 and ended on 27 August 2017. At the closing date, we had received 259 responses. Full details of the consultation are shown in [Appendix 2](#). Information below shows a summary of the 3 options on which we consulted, as well as the response received.
- 7.3 **Option 1 - Change CTR so entitlement is based on bands of income**

Consultation Response: 64% in favour

- 7.3.1 This option involves setting bands of awards based on an applicant's net income (and that of their partner). Whilst this is the least complex option to administer and potentially provides less sophisticated protection for some groups, it would be simpler to administer. This could be an important factor as the Council anticipates a falling central government administration grant which will mean the Council will potentially bear a greater proportion if not all of the administration costs of any new scheme in the years ahead.

7.3.2 Maximum support available to all working age applicants could be increased from 80% to 85% for those applicants that are on a particularly low income. The bands below are likely to give more help to those in low paid work or with limited income from benefits:

- 85% discount for those whose income falls within Band 1
- 75% discount for those whose income falls within Band 2
- 60% discount for those whose income falls within Band 3
- 45% discount for those whose income falls within Band 4
- 30% discount for those whose income falls within Band 5
- 15% discount for those whose income falls within Band 6

7.3.3 As an alternative to the various deductions we currently apply to CTR based on a non-dependant’s income, we could apply a “flat-rate” deduction of £5 for each non-dependant to weekly CTR entitlement for working age recipients.

7.3.4 Income from earnings would be after the deduction of tax, national insurance and 50% of any contribution to a pension scheme. To incentivise employment or self-employment, we could continue to ignore (disregard) some income. For most customers that are working, we would disregard:

- £10 a week for single people
- £20 a week for couples
- £37.50 a week for lone parents
- £30 a week for those with qualifying disabilities

7.3.5 In common with Universal Credit rules, no blanket protection would be provided to households receiving disability benefits, but **income from Disability Living Allowance and Personal Independence Payments would not count as household income**. Similarly, we would continue to ignore (disregard) child benefit and maintenance received for children. If we were to include disregarded income for children or customers with disabilities in any future CTR scheme, it could be seen as having a negative effect on provisions contained within the Child Poverty Act and the Equality Act 2010. In addition, a court case has established that DLA and PIP should be fully disregarded when considering a Discretionary Hardship Payment.

7.3.6 To provide a fair scheme that recognises the additional needs of multi-person households and families the table below shows the income limits for each band:

CTR Band		Single people	Couple no Children	Couple with one child	Lone Parent with one child	Couple with two or more children	Lone Parent with two or more children
85%	1	£75.00	£115.00	£165.00	£125.00	£215.00	£175.00
75%	2	£125.00	£165.00	£215.00	£175.00	£265.00	£225.00
60%	3	£175.00	£215.00	£265.00	£225.00	£315.00	£275.00
45%	4	£225.00	£265.00	£315.00	£275.00	£365.00	£325.00
30%	5	£275.00	£315.00	£365.00	£325.00	£415.00	£375.00
15%	6	£325.00	£365.00	£415.00	£375.00	£465.00	£425.00

Table 7.3.6.1.

- 7.3.7 In applying the limits shown in table on the previous page, customers with a weekly income in excess of the limits shown for Band 6 would not receive any Council Tax Rebate. In common with our current scheme, customers with capital of over £6,000 would similarly not be entitled to assistance.
- 7.3.8 A banded discount scheme for working age recipients based on limits in the above table, and in applying the assumptions set out in paragraphs 7.3.3 to 7.3.5 would result in an additional cost of the CTR scheme for working age recipients of £2,573 ([Appendix 3, Forecast B](#)). As any cost will be shared between the precepting authorities, West Somerset Council's share would be £244.
- 7.3.9 The cost in paragraph 7.3.8, does not allow for further mitigation the Council may wish to apply to those with protected characteristics. In mitigating the effects of a banded CTR scheme, the Council could apply extra protection to those households where there are people with disabilities and carer's allowance is in payment. This would result in an additional cost of £7,138, with WSC's share being £676. See [Forecast C](#).
- 7.3.10 The Council could decide some customers need increased support to assist in meeting their Council Tax liability. Council Tax Rebate of up to 100% could be provided for those leaving care until they are 25 years old, although according to information supplied by Somerset County Council on 18 July 2017, there were no care leavers living within West Somerset who would benefit from such a change.
- 7.3.11 If the Council decides to change our CTR scheme in 2018/19 to a banded discount scheme, we will need an additional module for the Civica OpenRevenues system. The indicative purchase price of the necessary software based on West Somerset Council's contribution to the shared cost would be £9,276 with additional on-going maintenance costs of £1,855.
- 7.3.12 However, an income banded assessment scheme for working age applicants will reduce the volume of changes in circumstances and thereby reduce the potential for further increased administration costs. The information held on a person's Universal Credit claim will be used to decide the income band they fall into and the amount of CTR they are entitled to. The DWP provides the Council with this information so a Universal Credit recipient will not need to make a separate claim for CTR. In the future, we expect data for Universal Credit recipients to be automatically populated into our CTR processing software, and so reduce the administrative burden.

7.4 Option 2 - Reduce maximum CTR offered to working age recipients from 80%

Consultation Response: 17% in favour

- 7.4.1 This means working age CTR recipients would need to pay more and the Council could reduce the funding required to support the scheme in 2018/19 to assist in off-setting cuts in the Local Government Finance Settlement. Under our current CTR scheme the minimum contribution is 20%.
- 7.4.2 Increasing the contribution rate to 30% adds £2.74 a week additional Council Tax burden for a working age couple on CTR living in a band C (or above) property. It is important to consider the impact of increasing the Council Tax burden for those residents who are also likely to be impacted by wider Welfare Reform.

7.4.3 The saving from reducing the maximum CTR offered to working age recipients to 70% is estimated at £127,301. As any savings will be shared between the precepting authorities, West Somerset Council's share is estimated at £12,055. See [Appendix 3, Forecast D](#).

7.4.4 Increasing the contribution rate is likely to lead to increased administration costs in recovering the Council Tax owed. It is unknown that if contributions increase, whether residents who have paid and been able to pay, will be forced into greater indebtedness, and non-collection rates increase. However, increasing the burden to taxpayers can mean the debt is never repaid in a timely manner.

7.5 **Option 3 - Introduce entitlement limits**

Consultation Response: 16% in favour

7.5.1 There are two types of entitlement limits - minimum and maximum.

- A minimum limit is where there is no entitlement below a certain level. An example is shown below:

Mr Jones is entitled to CTR of £4 a week. Under this option a minimum entitlement of £5 a week is set. This would mean Mr Jones would lose his entitlement to CTR.

The advantage in setting a minimum weekly level at which we would award CTR is that this will avoid collecting small balances from customers and will focus limited resources towards the most needy.

- A maximum limit is where entitlement is capped at a certain level. The effect of this is illustrated in the example below.

Miss Smith is entitled to CTR of £25 a week. Under this option a maximum entitlement of £20 a week is set. This would mean Miss Smith's entitlement to CTR would be restricted to £20 a week.

7.5.2 The table below shows the weekly award range under our current CTR scheme based on 1,251 working age recipients.

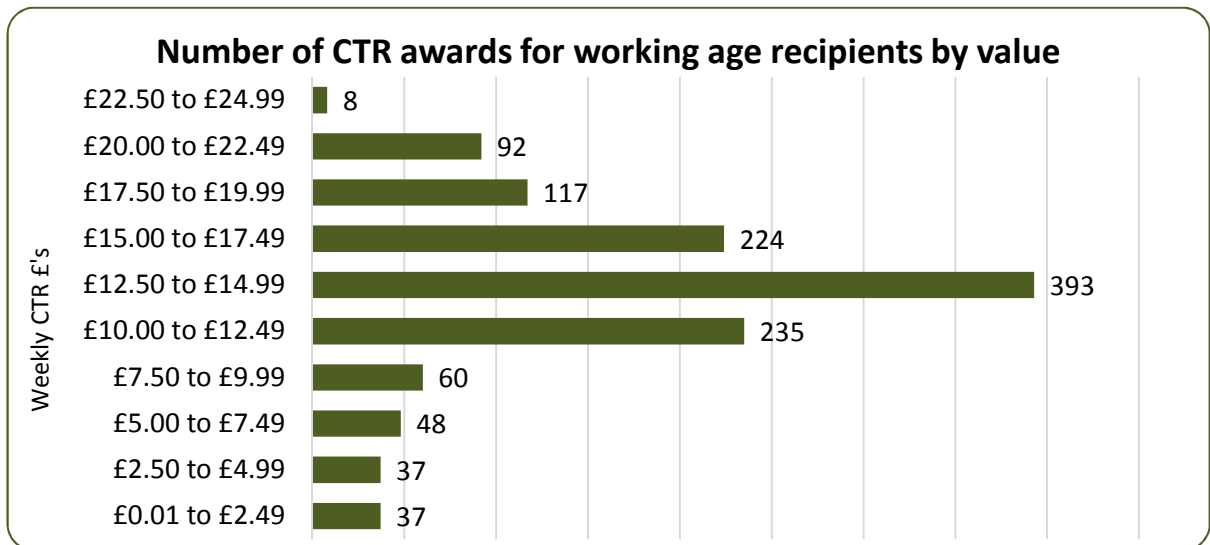


Chart 7.4.2.1.

- 7.5.3 The maximum saving by introducing a minimum entitlement limit of £5 a week combined with a maximum entitlement limit of £15 a week across all CTR recipients is estimated at £85,270, see [Appendix 3, Forecast E](#). This would reduce to £25,438 if protection is applied to all vulnerable groups. It would affect 1,269 working age CTR recipients, including 515 recipients that fall within vulnerable groups. As any savings will be shared between the precepting authorities, West Somerset Council's share is estimated at £8,075 (or £2,409 if protection is applied).

8 Key considerations applicable to all options

- 8.1 Any of the options to reduce the level of support we offer through CTR will have an adverse impact on certain applicants or groups of applicants. If we need to cut the support offered through our CTR scheme, we need to consider a careful selection of options for our particular demographic unless additional funding can be raised through other Council initiatives or by cuts in services generally. The reality is that any revised scheme that has less funding, needs to establish which applicants are more able to pay an increased level of Council Tax with the reduction in their CTR.
- 8.2 The estimated financial impact of each of the options and the numbers of customers affected have been considered are set out in detail in [Appendix 3](#).
- 8.3 Although the Council is not legally required to include transitional protection for claimants moving from one CTR 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 savings.
- 8.4 Should there be any shift in proportions between working age and pension age or an 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.
- 8.5 A decision to reduce CTR for people of working age will mean that Council Tax Collection will be a much harder task. This will result in more pressure on Revenues staff and may require additional capacity to maintain tax collection rates.

9 Links to Corporate Aims / Priorities

- 9.1 Council Tax Rebate is most closely linked with the financial performance of the Council, underpinning the delivery of corporate priorities and therefore all Corporate Aims.

10 Finance / Resource Implications

- 10.1 As reported earlier in this report, funding for CTR was reduced by 10% in 2013/14. Subsequently the Settlement Funding Assessment (SFA) has reduced by 38.7% in cash terms in the four years up to 2017/18.
- 10.2 The Medium Term Financial Plan (MTFP) for the Council, as reported to the Cabinet on 21 July 2017, shows we have a projected budget gap of £131k in 2018/19, rising to over £449k by 2022/23 if no action is taken to address the financial position. This takes into account projected cost pressures based on current service provision, and further reductions in funding from Government. It is clear that Members will need to consider a number of potential options to reduce costs / increase income to close this gap.

- 10.3 The Council has been required to make significant financial savings in recent years, and faces further cuts in funding and increasing financial risks over the coming years. It is becoming increasingly difficult to preserve core services to local residents.
- 10.4 Reducing Council Tax income will increase the Council's budget gap (and increase budget pressures for major preceptors) increasing the challenge for Members in identifying savings required to balance the budget overall.
- 10.5 The maximum saving that may be achieved in isolation is through Option 2 ([Appendix 3, Forecast D](#)). The illustrative budgetary savings for each preceptor through reducing maximum CTR for people of working age to 70% is shown below.

Authority	% CTR budget	CTR Budget for 2017/18	Estimated budget saving
WSC	9.47%	£248,982	£12,055
Parishes	4.27%	£112,395	£5,436
Somerset County Council	69.90%	£1,838,582	£88,983
Avon and Somerset Police	11.30%	£297,187	£14,385
Devon & Somerset Fire & Rescue	5.07%	£133,334	£6,454
Total	100%	£2,630,480	£127,301

Table 10.5.1.

- 10.6 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 WSC’s share of the Collection Fund (shown in the chart below) is only 9.47%, the major element of the risk falls on the other precepting local authorities.

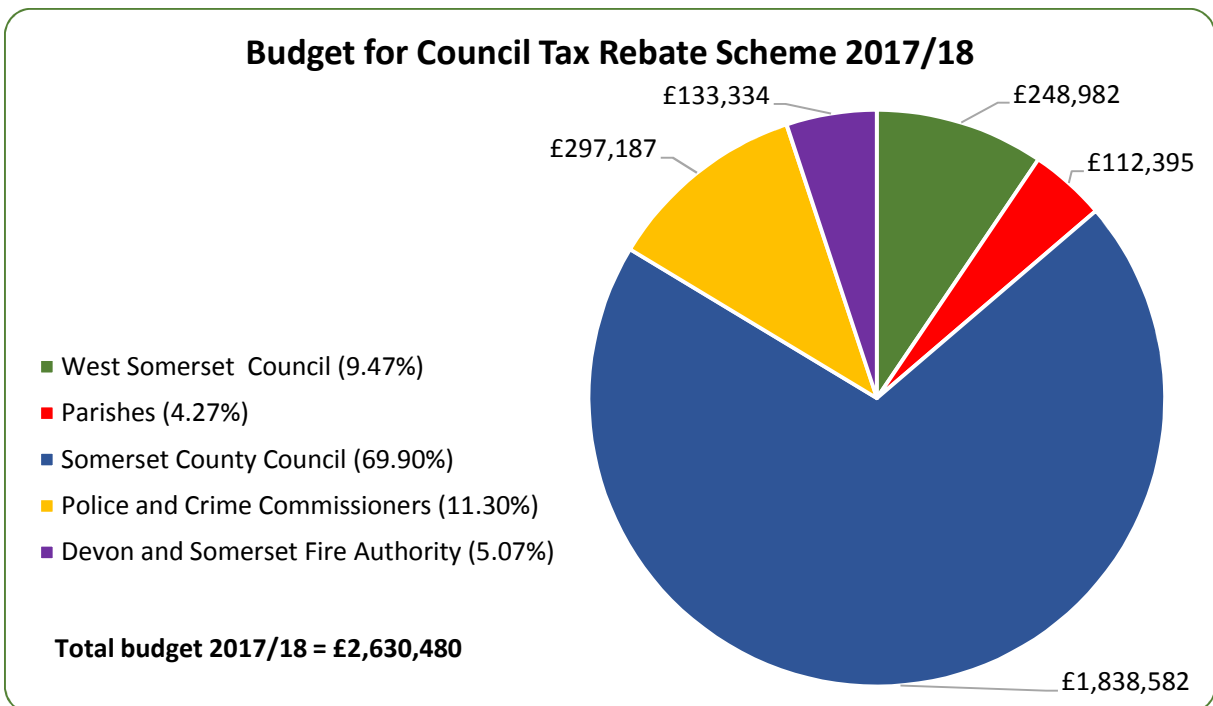


Chart 10.6.1

- 10.7 If the Council decide to change the CTR scheme for people of working age to a banded discount scheme, we will incur additional one-off costs of £29,374 in purchasing the necessary module to supplement our existing software, with on-going additional maintenance costs estimated at £5,875. This will be financed through existing budgets.

11 Legal Implications

- 11.1 Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit and any replacement scheme is excluded from the scope of the Universal Credit system set up by Section 1 of that Act. The Local Government Finance Act 2012 (“the 2012 Act”) amends the Local Government Finance Act 1992 (“the 1992 Act”) to make provision for the localisation of Council Tax Rebate.
- 11.2 The 2012 Act amends the 1992 Act by adding a new section 13A to state that Council Tax will be reduced to the extent set out in an authority’s Council Tax reduction scheme and to such further extent as the authority sees fit (new s13A(1)(c) replicating the existing provision for authorities to adopt specified additional classes).
- 11.3 Local authorities must make a Council Tax reduction scheme setting out the reductions which are to apply in its area by persons or persons in classes consisting of persons whom the authority considers to be in financial need.
- 11.4 Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, as inserted by Schedule 4 to the Local Government Finance Act 2012, requires the authority to consider whether, for each financial year, the CTR scheme is to be revised or replaced. Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of that schedule apply. Any revision/replacement must be determined by 31st of January in the preceding year to the year which the changes are to apply.
- 11.5 The Council must therefore consider whether the scheme requires revision or replacement and if so, consult with precepting authorities (Somerset County Council, Avon and Somerset Police, and Devon and Somerset Fire and Rescue Authority), publish a draft scheme and then consult with such persons as are likely to have an interest in the operation of that scheme prior to determining the scheme before 31st January. If any proposed revision is to reduce or remove a reduction to which a class of person is entitled, the revision must include such transitional provision as the Council sees fit.
- 11.6 Case law has confirmed that consultation must
- be undertaken when proposals are at a formative stage;
 - include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response;
 - give consultees sufficient time to make a response; and
 - be conscientiously taken into account when the ultimate decision is taken.

12 Environmental Impact Implications

- 12.1 There are no environmental implications associated with this report.

13 Safeguarding and/or Community Safety Implications

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

14 Equality and Diversity Implications

- 14.1 Members need to demonstrate they have consciously thought about the three aims of the Public Sector Equality Duty as part of the decision making process. The three aims the authority must have due regard for:
- Eliminate discrimination, harassment, victimisation
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it
- 14.2 The public sector equality duty, as set out in section 149 of the 2010 Equality Act, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic.
- 14.3 The “protected characteristics” are: age, disability, race (including ethnic or national origins, colour or nationality), religion or belief, sex, sexual orientation, pregnancy and maternity, and gender reassignment. Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.
- 14.4 The Council must pay due regard to any obvious risk of such discrimination arising from the decision before them. There is no prescribed manner in how the equality duty must be exercised, though producing an EIA is the most usual method. For this reason, these matters are examined in the EIA at [Appendix 4](#). In addition, debt levels are broken down by claim profile in [Appendix 5](#).
- 14.5 Councillors must consider the effect that implementing any changes to the CTR for 2018/19 will have on equality before making a decision. The EIA will assist with this. Where it is apparent the CTR policy would have an adverse effect on equality, then adjustments should be made to seek to reduce that effect and this is known as “mitigation”.
- 14.6 The Council has a duty to prevent child poverty under provisions within the Child Poverty Act 2010. In moving to a scheme based on bands of income, the scheme makes additional income provision for up to 2 children. Such a limit aligns to other Welfare Benefits administered by the Department for Work and Pensions. The calculation of a customer’s net income would continue to disregard certain income as set out in paragraphs 7.3.4. and 7.3.5. as well as disregarding qualifying childcare costs. However, where households have 3 or more children, the limitations on child numbers could have an adverse effect.

14.7 In mitigating the effects of any reduction to CTR for working age applicants, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy

14.8 Budgetary pressures and economic and practical factors will also be relevant. The amount of weight to be placed on the same countervailing factors in the decision making process will be for Members to decide.

15 Social Value Implications

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

16 Partnership Implications

16.1 Further development of the Council Tax Rebate scheme will need collaborative working between WSC and the major precepting authorities.

17 Health and Wellbeing Implications

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

18 Asset Management Implications

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

19 Consultation Implications

19.1 Before implementing any change to the CTR scheme for 2018/19 we must consult with the public. It is important not just to consider the options to reduce funding for CTR, but also to give the public options on how we can keep our CTR scheme at the same level by making funding available from other sources or by reducing other services. The questions asked in public consultation are shown in [Appendix 2](#).

19.2 To obtain a confidence interval (CI) of 90% from public consultation, we need to receive 267 responses. The CI is a way of expressing how certain we are about the findings from our consultation, using statistics. It gives a range of results that is likely to include the “true” value for the population.

19.3 To obtain sufficient responses, officers contacted a proportional, random selection of households in each parish to obtain their views. As well as seeking views on our proposals from those selected for the random interviews, we also promoted responses through issuing a press release and publishing our consultation options on our website.

19.4 Public consultation ran for 8 weeks from 3 July 2017 to 27 August 2017. At the closing date, we had received 259 responses, thereby giving a confidence interval just under 90%, with responses from all parishes within the West Somerset district, with the exception of Oare, Exmoor and Clatworthy.

19.5 In addition, we also sought views on our proposals from the major preceptors, various welfare support agencies and advisory groups

20 Scrutiny Comments / Recommendation(s)

- 20.1 On 26 October 2017, the Scrutiny Committee recommended that the Council amends the current CTR scheme for 2018/19 to that illustrated in [Forecast C](#). This will award entitlement to working age recipients based on bands of income and will:
- increase the maximum support available to working age recipients to 85% of their Council Tax liability;
 - apply a flat rate deduction of £5 a week for each non-dependant;
 - disregard carers' allowance from the income used to work out CTR.
- 20.2 The Scrutiny Committee recommended that the Council provides extra assistance for young people who have left local authority care, by increasing maximum support to 100% of the Council Tax liability for single applicants up to the age of 25 where their weekly income is less than £75.00.
- 20.3 The Scrutiny Committee recommended the Council mitigates the effects in moving to a Banded Income CTR scheme for working age applicants by inviting applicants with protected characteristics who will receive reduced CTR from 1 April 2018 to submit a claim for a discretionary reduction.

Democratic Path:

- **Scrutiny Committee - Yes**
- **Cabinet - No**
- **Full Council - Yes**

Reporting Frequency: **Annually**

List of Appendices (delete if not applicable)

Appendix 1	West Somerset Council's Council Tax Rebate Scheme for 2018/19
Appendix 2	Public Consultation
Appendix 3	Modelling of impact of options for CTR applicants and financial effect
Appendix 4	Equality Impact Assessment
Appendix 5	Council Tax debt profile @ 31 March 2017

Contact Officers

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**West Somerset Council
Council Tax Reduction Scheme**
S13A and Schedule 1a of the Local Government Finance Act 1992

**See separate Appendix 1 available online for the Full Council Meeting scheduled for
13 December 2017 at**

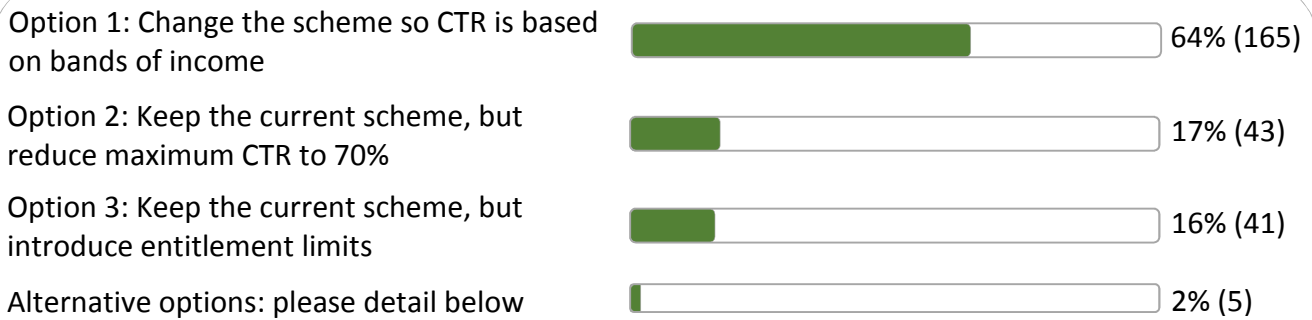
<https://www.westsomersetonline.gov.uk/Council---Democracy/Council-Meetings/Full-Council/Full-Council---13-December-2017>

A hard copy of Appendix 1 can also be obtained from Democratic Services.

Council Tax Rebate - Consultation for Changes in 2018/19

Question 1

How should Council Tax Rebate change for working age people?



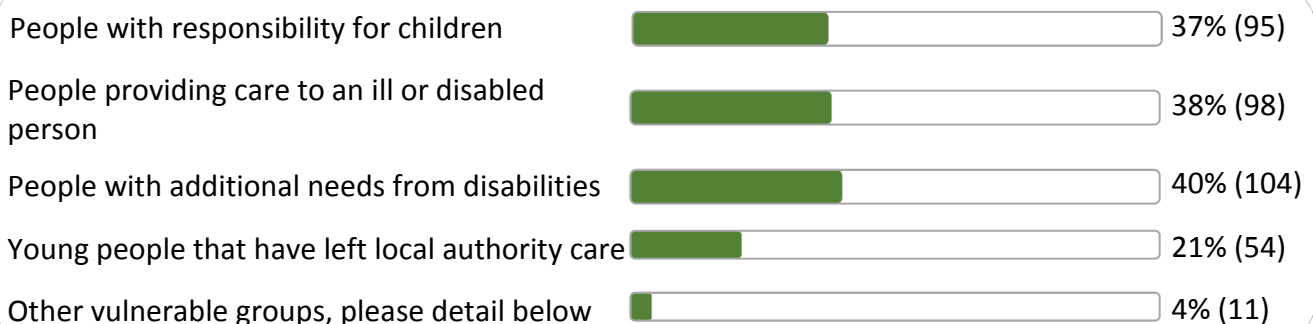
Question 2

Should the Council provide protection for some groups from any change to Council Tax Rebate from April 2018?



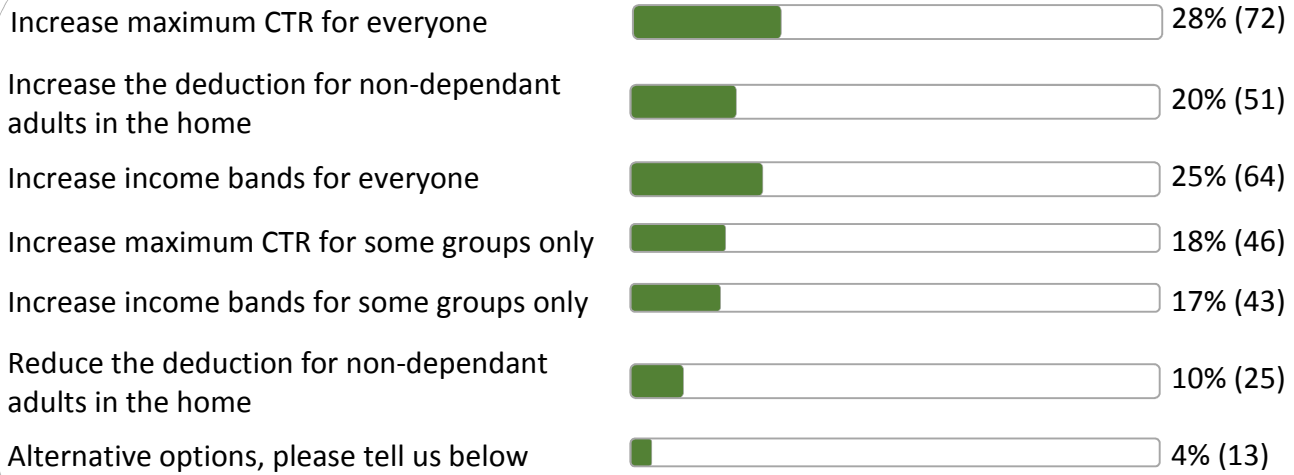
Question 3

If you think the Council should provide protection, which groups do you think should get this?



Question 4

If the Council decides to introduce an 'Income Band' scheme, which of the changes listed below do you think the Council should make?



Question 5

How do you think the Council should find savings to help pay for the Council Tax Rebate scheme from April 2018?



Are you a resident of West Somerset?



Do you pay Council Tax?



Do you currently receive Council Tax Rebate?

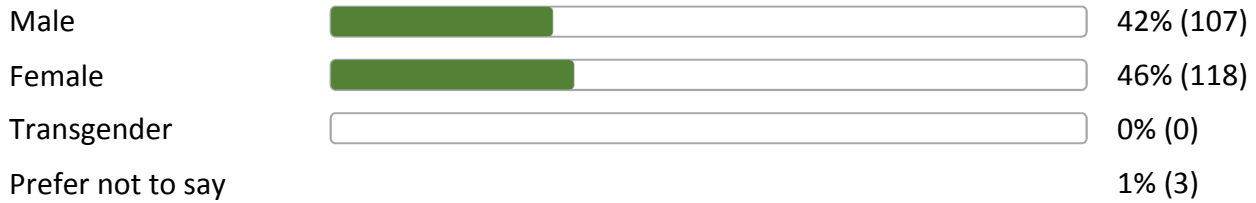


Do you work either full or part time?

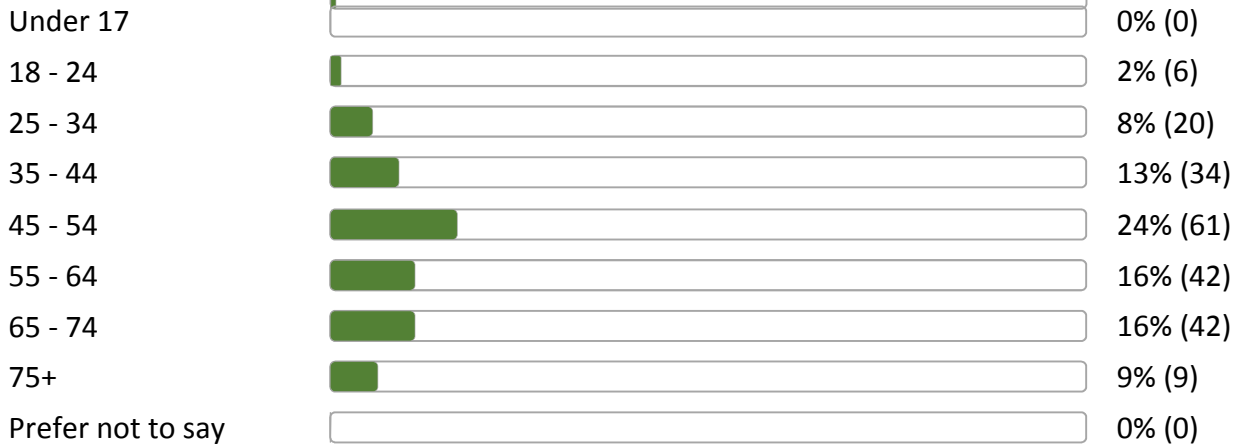


What is your gender?

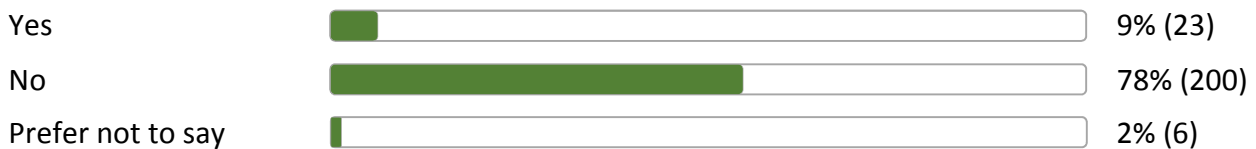
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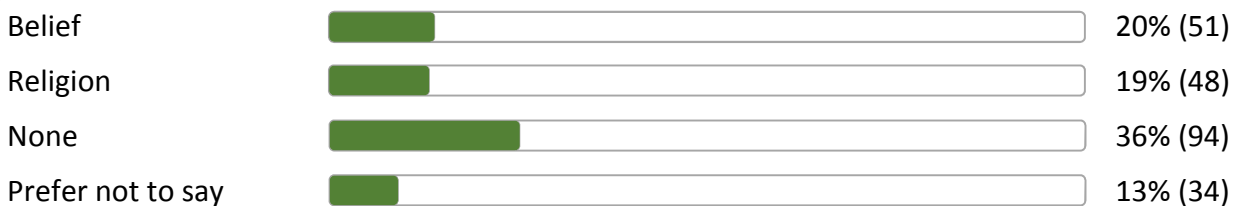
What is your age group?



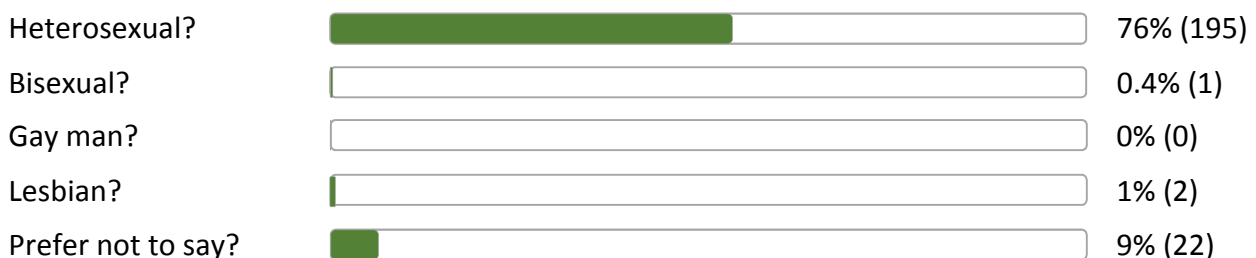
Do you consider yourself as having a disability or long-term physical or mental health condition?



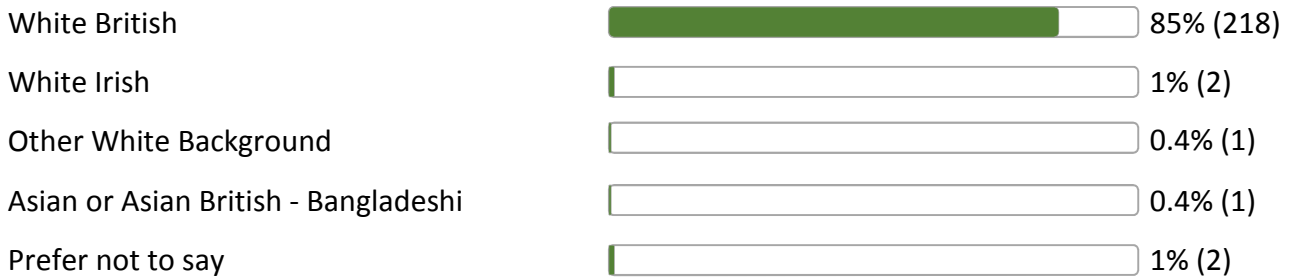
Do you consider yourself to have a religion or belief?



Do you consider your sexual orientation to be?



Which of these ethnic groups do you feel you belong to?



Question 1: Alternative Options

- 3: This would be accessible and applicable to those who need it most
- 5: This is a good idea - fair and simple
- 46: Happy
- 117: Council tax should be based on the value of the house
- 132: No council tax rebate - will encourage people to work/earn own money only rebate for lone parents with children under 3 + those with health conditions
- 228: All use the services so they should pay for them.
- 233: It is right that you protect people on low incomes, and people at a disadvantage. You must keep the system simple it was not simple reading the document. Do you really need to offer band 6 perhaps increase band 1 to 90% and remove band 6 altogether?
- 234: Happy with the present system.
- 236: Relate it to the bands - increase the costs for each band.
- 237: Should be no rebate I have to pay and I work so why should people who don't work get rebate it is unfair working people get no help.

Question 3: Other vulnerable groups (protection)

- 6: Anyone below poverty line
- 13: Unless options 2 or 3 are implemented in which case protection for all should be provided
- 21: People with long term health issues who struggle to work and maybe are on really low incomes as a result, but are really trying to make ends meet i.e. lupus fibromyalgia ME MS etc.
- 23: None of the above
- 43: For young children only
- 45: Elderly people on low incomes
- 46: Happy with present system feel it's working
- 49: Very young children only
- 53: Constant attendance incapacity benefit
- 64: For very young children only
- 83: Elderly
- 102: Young working families
- 207: Very young children only
- 230: No everybody gets the services so therefore they should pay for them.
- 234: The groups its already protects.
- 235: People in receipt of PIP payments or DLA.
- 236: Pension credit. (Don't agree) Anyone who is being supported to bring the income up.
- 237: Nobody unless caring for severely ill or disabled person.
- 258: Only for children pre-school age.

Question 4: If the Council decides to introduce an 'Income Band' scheme, which of the changes listed below do you think the Council should make - alternative options

- 8: People on lowest incomes should get maximum rebate
- 13: Implement as described. No further changes necessary
- 26: None of the above
- 79: Also take outgoings into account
- 97: Don't know
- 125: Any rebate should be equal across all bands
- 130: Not sure
- 147: I think £5 as mentioned in this booklet is too low for non-deps some could be on high wages
- 217: Don't know
- 228: Reduce the rebates
- 234: Keep the system the same.
- 235: I cannot answer this question without referring to the figures involved.
- 236: Not supporting the deduction for children. Tax codes should provide a guideline - maybe use this as a guide - HMRC linked.
- 237: No rebate for anyone should be more help for people who work.
- 258: Reduce maximum CTR Rebate to either 75% or 80% for everyone.

Question 5: How do you think the Council should find savings to help pay for the Council Tax Rebate scheme from April 2018? – Comments

- 6: Reduce no. of very highly paid staff within the council, e.g. anyone over 50k
- 12: Greatly increase council tax on 2nd homes especially not rented out locally and on empty property over 1 year
- 13: Admin savings first, by simplifying the current scheme and making it an income band scheme first. Council tax if this isn't sufficient
- 16: Increase council tax for the holiday homes
- 17: Reduce benefit paid to people get them into work
- 19: I don't mind paying extra but so should people on benefit too
- 38: Council reserves
- 39: Either way the tax payer loses out
- 40: I feel council tax is expensive enough. Find other options that don't tax hard working people harder
- 42: We pay enough already
- 43: If it a simple scheme savings can be made through this simpler system
- 45: Research more money how it's spent by people who earn the most could they afford to pay more
- 46: Leave well alone
- 47: Already paying too much
- 54: From staff savings
- 57: Stop wasting money on expensive booklets
- 65: Existing resources
- 66: Don't know
- 74: Stop changing council tax each month (saves on postage)
- 76: Increase council tax on second/holiday homes
- 114: From customer on benefit
- 126: Shared services with other councils Taunton Deane better use of available funds
- 131: Happy to pay extra if services are provided to make a difference
- 132: No rebate for people able to work will lower council tax for workers and increase spending ability for council services
- 134: Effective use of money in local and county council regarding staff and resources
- 136: Reduce benefit for all
- 138: What are the other options if there isn't any money

- 139: Don't know
- 141: People receiving council tax rebate could help run a local facility such as being on a rota system to help clean public toilets that are so often closed due to funding
- 145: why should the people that pay their full council tax bills be made to pay more to subsidise the non-payers
- 146: I am unsure how to provide savings to pay for relief but to reduce funding would be penalising people who already don't get rebate
- 147: I don't mind paying a bit more council tax but I think some services could be separated in a more efficient way to save money
- 148: Don't think tax payers should fund council tax rebate it's already a burden on the average working family. Put a cap on the rebate i.e. if people earn more than £300 per week they don't qualify
- 151: Don't know but I pay enough council tax already
- 152: Don't know
- 159: Unsure
- 160: Don't know
- 162: Get people to start working
- 163: Less benefits
- 166: Make them go to work
- 173: Wasted money on staff, internal savings through staff (wages etc.) (loss of swimming pool)
- 177: Reduce your chief execs pay
- 186: Reduce the rebate
- 193: Reduce the cost of using communities
- 202: Reduce waste. Cut councillors allowances
- 204: Don't mind a small increase
- 206: From trying to reduce the amount of council tax help paid out
- 207: Try and encourage people into work not reliant on benefits
- 209: Neither
- 227: Reduce all rebates.
- 230: Reduce printing costs - use black and white not full colour.
- 233: Definitely increase Council Tax. This has been held back for too long by ruling parties obsessed with low taxes. You cannot get something for nothing. Sensible increases to protect those at disadvantage is responsible. Base single person discount on incomes too.
- 234: Leave well alone.
- 235: This again would refer to the figures involved - however all conduits should be value for money more tenders sought for each contract.
- 236: Simplest way - causes most reaction. If the Council can explain fully what e.g. an extra £1 is ring-fenced for e.g. roads, people would more accepting.
- 237: No increase I pay enough as it is, rebate wouldn't affect me as I work and not on benefits people on benefits get enough help.
- 248: More regular checking of benefit claims and CT discounts
- 256: Reduce funding for Council services but only linked to efficiency.
- 257: Resident reporting of street light/signage issues. Ask residents to maintain verges near their homes etc. - maybe encourage use as veg plots etc. Don't send letters chasing payments for less than the cost in postage and admin of chasing the payment.

Please tell us about any impact that you think these changes could have on you or the services you receive from the Council.

- 6: I may have to pay a small percentage more but I don't mind helping others more in need
- 11: With reduced funding available for council services any efficiency savings have to be from less chiefs and more Indians. Management structures have to be streamlined
- 13: It would be an easier to understand scheme, making life easier for our tenants. More of our tenants would see an increase in their rebate entitlement, which helps them plan their finances and manage their lives
- 14: I believe that a moderate increase in council tax coupled with a maximum rebate of 70% would be fairest and would ultimately benefit the majority of the community. I also think that certain groups should be protected from the reduction of the rebate
- 15: They should not have too much of an impact. I am a 55-year-old widow bringing up two children (step granddaughters) who I have guardianship of. I can only work part time till they are older. It should depend on circumstances
- 16: As a local landlord trying to provide affordable accommodation it is a difficult balance increasing council tax as many tenants are on benefit or low incomes
- 20: There are certain members of society that do need extra support and I am willing to pay however I think that limits need to be made on what can be claimed for (long term unemployed)
- 21: The income bands sound a much more sensible way of assessing eligibility and might lead to less problems and paperwork when people's income fluctuates a small amount. This would make it much easier to budget and work towards independence from needing support.
- 23: Not sure I get many
- 24: Don't know
- 25: None, not on any working age benefits
- 27: No impact
- 30: We already pay enough
- 31: Reduction of quality of life due to an increase of cost of living for families on low working incomes
- 38: An increase would cause greater financial struggle
- 40: It will put council tax up as I have no children or dependants, not sure the increase is needed
- 44: None
- 45: Worried refuse collections being reduced. Road maintenance not being adequate. Council merger how would they cover all services as the costs of everything they have to maintain rise
- 48: We do not want to lose any more service
- 52: I will pay a little more council tax over and above any other rise
- 70: None
- 74: None
- 77: Refuse collection ours would impact hugely
- 78: N/A as state pension age. Council services such as refuse cuts etc. would impact negatively though
- 80: For me an increase in council tax. The council should continually monitor those who are eligible for rebate. The council should look to increase productivity in their council services
- 83: Can't see how it would affect my family at all
- 85: None
- 87: We will get a slight increase in our council tax bill
- 100: None
- 101: I think everyone could contribute a little more, so what services can be maintained, rather than cut further. Council tax bills have risen very little in recent years
- 125: This scheme will have no effect on our way of living as we claim no benefits and never have. We live and work within our means and expect nothing in return
- 129: None, we don't qualify for a rebate. As long as council services remain, we wouldn't object to a small rise in council tax
- 131: Improved services
- 132: Reduce my bill

- 134: Cuts to education. Reduction in library services
- 141: As I do not receive any rebate these changes won't affect me. Overall, I do not wish the council to lose revenue as I am very concerned that there is a lack of funds for local public services that everyone would benefit from
- 145: The people that work will always suffer, we make it too easy for people not to work and therefore become a financial drain on society people who claim benefit should put something back into the local community i.e. grass cutting litter picking etc.
- 146: We are not high earners but do not receive council tax rebate. Increases in council tax would affect us as we already have to spread our payments over 12 months due to tight finances. We aren't getting any different/better services and yet would pay more
- 147: I don't believe that it is fair that other services should be impacted just to provide funding for benefits. Generally, people are ok in paying a little bit more for services as long as the service is still provided in a good standard
- 150: Hopefully not too many changes if c/tax increase
- 155: None, I work
- 164: I won't be able to afford my bill
- 218: As long as Council Tax is not increased to fund any change, the changes will not affect me.
- 229: Don't understand it now so no hope for the future.
- 233: Happy to pay an extra 1 or 2% council tax to cover shortfall.
- 235: None
- 236: More clarity on what the Council Tax is spent on. People are more likely to agree to/give/spend more on Council Tax. Choice to add to - ring-fenced. Like to see more quality control of work done. Cheap work sometimes means cheap work. Take into account more than price at tender.
- 237: No change as Council are cutting back on all services and this consultation is another way to cut services and tax working people to pay for people on benefits.
- 238: There are a lot of well off retired people who receive benefit which is not needed. Look after the youngsters first and try somehow to place priority to local people first rather than those who see us as an "easy touch".
- 243: No impact on myself
- 249: Council services are cut to the bone already, if council tax increase is necessary then so be it
- 254: Since my husband's death in 2006 I have been given a 25% Single Person Discount and it seems unlikely that any changes would have much impact on my Council Tax bill.
- 255: If the Council Tax had been increased gradually there would have been less impact and fewer cutbacks.
- 256: If done properly the effect should be minimal.
- 257: Having worked at Southend on sea Borough Council I understand the difficult circumstances Somerset Council is facing with a continuation of cuts to Government funding. As a healthy, working individual I am less concerned about the impact on myself and more concerned that those members of our society already under pressure are protected and helped.
- 258: Council Tax bills area already hard to pay for most people and for those of us who don't get any help it seems unfair to continue to support those not in work. Everyone should make a contribution regardless of their income and circumstances.

If you have any further comments or suggestions to make on the Council Tax Rebate Scheme please tell us

- 6: I really think the council need to take a stronger ethical stand against austerity, which seems set to continue if the government have their way. Please consider the severe, damaging impact on people's lives of yet further cuts to services, particularly social care, domestic abuse shelters, people with disabilities & vulnerable people, homelessness, increasing youth counselling. If you need to save money please consider having fewer highly paid staff at the council which might help employ more social workers who are desperately trying to pick up the pieces of effects on families of years of austerity.
- 20: And perhaps more rewards given for people trying to establish themselves into work
- 21: I have had issues recently with old bills having charges added to them due to tax credits slow processing of information, however I think there should be an end of the year review system that takes into account wages throughout the entire financial year and averages these out more fairly. At the moment one higher month will mean that someone is not eligible and gets their claim stopped completely even if the other 11 months were lower and eligible. This causes a lot of confusion and stress. Plus for people on lowest incomes when they get extra hours this then screws things up with the council tax rebate and H/B meaning that those extra hours count for nothing.
- 46: Twice as much to be paid by immigrants as their right to abide in this country and have the same support. Buy up all disused properties turn into low paid properties for lower income families lots of wasted properties
- 89: As a lone parent myself I feel you should encourage these groups into work and help them come off benefits
- 100: You have an unenviable, nay, impossible task!!! There are many undeserving cases in this area. As Mr Meldrew would say "buy only that which you can afford". That would include smart phones, sky packages, cars etc.
- 101: I think there is a perception that individuals that receive a rebate could probably do without all or some of it. Still manage to afford luxuries, mobile phones new cars satellite tv etc. I personally feel the rebate is a little too generous
- 103: a small increase is reasonable
- 143: As a family with 3 young children we are struggling to pay the council tax and cannot claim any benefit as we are both in work
- 146: Savings should not be made to a cost at people not receiving rebate
- 148: This form is hard to complete for someone who knows nothing about benefits
- 149: This document does not provide a meaningful consultation. There is a large amount of detail to absorb, and the ability to use this to make judgements is a big ask. This consultation should have been simpler and concentrated more on basic principles, than so much detail- or more time to consider the information. A one day period is not sufficient
- 160: I can't afford my bill already so reducing benefit will make me worse off
- 190: Reduce everyone's council tax, too expensive as it is
- 210: Stop targeting vulnerable with cuts
- 213: I do not want to see council tax increased
- 218: I was unable to make sense of the e.g. of couple with no children. Payment under present scheme £969.67, payment under new scheme £750.98 so have to pay £213.79 more and not £108.16 as e.g. Having read this leaflet, I am amazed at complexity of present or any new system. Surely a simpler method could be devised. Perhaps it should be part of universal credit administered by government and not local authority.
- 231: Don't understand it.
- 233: Also, is there a need to continue offering 25% discount to single people regardless of their income? This needs looking at. How does the cost to the Council really differ between a 1 or 2 person household? Not much I guess. If someone can afford it they should pay. Maybe, the whole thing should be based on income bands full stop.

- 234: I believe immigrants should pay twice as much Council Tax to have the right to abide in this country and still have the same support. The Council should buy up all disused premises and turn these with low cost properties for lower income families as there are many wasted properties.
- 235: In principle, I would support any measures to streamline, simplify and speed up these payments.
- 236: Second homes e.g. empty homes = extra council tax. More involvement of people in people in local areas local consultation groups. More council houses right to build. Use nationally accepted standard HMRC tax codes to calculate. Use more local companies to do work more accountable for work they do. Provide tools for local communities to fix their own communities - Voluntary pride of area.
- 237: No point really this is just a scheme to save money and tax working people more to pay for the cuts you are making so you can help people on benefits.
- 238: Also find a means by which all those who have a "second home" down here are charged full and rate for the privilege of living here. There are far too many "escapees" from Council Tax by placing properties in dependents/non-domicile names, landlords particularly.
- 257: I would say as a maths graduate and teacher, this document was too wordy and numeric to be easily understood. Thank you for sending someone out to explain things, but please simplify for people, like me, who don't have time to talk to your representative but who still wish to engage in the consultation process.
- 258: Most customers who receive disability benefits have more money and should be able to afford to pay their Council Tax bills. Families with young children are the ones who most need the extra help.

Forecast A

No change to current Council Tax Rebate Scheme

	Pension Age	Working age	Total
Number of claims	1,659	1,251	2,910
Total weekly awards	£31,013.13	£17,294.55	£48,307.68
Average weekly award	£18.69	£13.82	£16.60
Estimated 2018/19 awards	£1,617,113.16	£901,787.09	£2,518,900.25
Estimated expenditure 2017/18			£2,518,900.25
Saving			£0.00
* Notional Budget 2017/18			£2,630,480.05
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£111,579.80

Working age customers	Number	Average award
Single, no children	577	£13.20
Couple no children	113	£17.35
Couple with children	197	£15.40
Lone parent with children	364	£12.86
Total	1,251	£13.82
Employed & self employed	328	£10.86
Applicants with a disability	87	£14.32
Applicants with caring responsibilities	25	£15.65

*Notional budget calculated in accordance with initial distribution of funding for CTR in 2013/14

Forecast B

Change CTR so entitlement is based on bands of income, where maximum CTR is 85% and there is a flat rate deduction of £5 for each non-dependant

	Pension Age	Working age	Total
Number of claims	1,659	1,228	2,887
Total weekly awards	£31,013.13	£17,434.89	£48,357.02
Average weekly award	£18.69	£14.12	£16.75
Estimated 2018/19 awards	£1,617,113.16	£904,360.19	£2,521,473.35
Estimated expenditure 2017/18			£2,518,900.25
Additional cost			£2,573.10
* Notional Budget 2017/18			£2,630,480.05
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£109,006.70

Working Age Customers	Number increased	Average weekly increase	Number reduced	Average weekly decrease	Number no longer qualifying	Average weekly loss
Single	490	£1.31	86	£3.10	1	£2.18
Couple	95	£1.67	18	£4.14	0	£0.00
Couple + children	109	£2.33	70	£5.39	18	£13.17
Lone parent	255	£1.83	105	£4.53	4	£9.71
Total	949	£1.60	279	£4.28	23	£12.09
Employed	176	£4.09	135	£4.14	17	£10.57
Disabled	25	£2.87	57	£3.79	5	£15.04
Carer	6	£1.91	17	£5.63	2	£15.16

*Notional budget calculated in accordance with initial distribution of funding for CTR in 2013/14

Forecast C

Change CTR so entitlement is based on bands of income, where maximum CTR is 85% there is a flat rate deduction of £5 for each non-dependant carers allowance is disregarded from income calculation

	Pension Age	Working age	Total
Number of claims	1,659	1,229	2,888
Total weekly awards	£31,013.13	£17,431.43	£48,444.56
Average weekly award	£18.69	£14.18	£16.77
Estimated 2018/19 awards	£1,617,113.16	£908,924.82	£2,526,037.98
Estimated expenditure 2017/18			£2,518,900.25
Additional cost			£7,137.73
* Notional Budget 2017/18			£2,630,480.05
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£104,442.07

Working Age Customers	Number increased	Average weekly increase	Number reduced	Average weekly decrease	Number no longer qualifying	Average weekly loss
Single	491	£1.32	85	£3.13	1	£2.18
Couple	99	£1.65	14	£3.34	0	£0.00
Couple + children	110	£2.31	70	£5.18	17	£13.20
Lone parent	256	£1.86	104	£4.45	4	£9.71
Total	956	£1.61	273	£4.17	22	£12.06
Employed	177	£4.12	135	£4.03	16	£10.44
Disabled	29	£2.76	54	£3.04	4	£15.64
Carer	13	£2.34	11	£3.62	1	£17.65

*Notional budget calculated in accordance with initial distribution of funding for CTR in 2013/14

Forecast D**Retain existing CTR scheme, but reduce maximum CTR to 70%**

	Pension Age	Working age	Total
Number of claims	1,659	1,220	2,879
Total weekly awards	£31,013.13	£14,853.15	£45,866.28
Average weekly award	£18.69	£12.17	£15.93
Estimated 2018/19 awards	£1,617,113.16	£774,485.68	£2,391,598.84
Estimated expenditure 2017/18			£2,518,900.25
Saving			£127,301.41
* Notional Budget 2017/18			£2,630,480.05
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£238,881.21

Working Age Customers	Number reduced	Average weekly decrease	Number no longer qualifying	Average weekly loss
Single	567	£1.76	10	£1.01
Couple	113	£2.38	0	£0.00
Couple + children	185	£2.46	12	£1.39
Lone parent	355	£1.92	9	£0.97
Total	1,220	£1.97	31	£1.15
Employed	328	£2.08	0	£0.00
Disabled	87	£2.17	0	£0.00
Carer	25	£2.28	0	£0.00

*Notional budget calculated in accordance with initial distribution of funding for CTR in 2013/14

Forecast E

Retain existing scheme, but set minimum CTR at £5.00 a week and maximum CTR at £15.00 a week

	Pension Age	Working age	Total
Number of claims	1,659	1,177	2,836
Total weekly awards	£31,013.13	£15,659.23	£46,672.36
Average weekly award	£18.69	£13.30	£16.46
Estimated 2018/19 awards	£1,617,113.16	£816,517.21	£2,433,630.37
Estimated expenditure 2017/18			£2,518,900.25
Saving			£85,269.88
* Notional Budget 2017/18			£2,630,480.05
Estimated underspend in 2018/19 compared to *notional budget for 2017/18			£196,849.68

Working Age Customers	Number with reduced entitlement	Average weekly loss	Number no longer qualifying	Average weekly loss
Single	114	£2.65	21	£2.07
Couple	94	£3.95	3	£3.63
Couple + children	134	£4.27	23	£2.28
Lone parent	99	£2.02	27	£3.04
Total	441	£3.28	74	£2.55
Employed	93	£3.40	71	£2.57
Disabled	45	£3.58	11	£2.54
Carer	16	£3.01	1	£3.18

***Notional budget calculated in accordance with initial distribution of funding for CTR in 2013/14**

Summary of the impact of models for working age customers

Number of claims with reduced entitlement	Forecast			
	B	C	D	E
Single, no children	86	85	567	114
Couple, no children	18	14	113	94
Couple with children	70	70	185	134
Lone parent with children	105	104	355	99
Total claims reduced	279	273	1,220	441
Employed & self employed	135	135	328	93
Applicants with a disability	57	54	87	45
Applicants with caring responsibilities	17	11	25	16

Average weekly reduction in CTR entitlement	Forecast			
	B	C	D	E
Single, no children	£3.10	£3.13	£1.76	£2.65
Couple, no children	£4.14	£3.34	£2.38	£3.95
Couple with children	£5.39	£5.18	£2.46	£4.27
Lone parent with children	£4.53	£4.45	£1.92	£2.02
Average weekly reduction (all claims)	£4.28	£4.17	£1.97	£3.28
Employed & self employed	£4.14	£4.03	£2.08	£3.40
Applicants with a disability	£3.79	£3.04	£2.17	£3.58
Applicants with caring responsibilities	£5.63	£3.62	£2.28	£3.01

Number of claims with increased entitlement	Forecast			
	B	C	D	E
Single, no children	490	491	0	0
Couple, no children	95	99	0	0
Couple with children	109	110	0	0
Lone parent with children	255	256	0	0
Total claims reduced	949	956	0	0
Employed & self employed	176	177	0	0
Applicants with a disability	25	29	0	0
Applicants with caring responsibilities	6	13	0	0

Average weekly increase in CTR entitlement	Forecast			
	B	C	D	E
Single, no children	£1.31	£1.32	£0.00	£0.00
Couple, no children	£1.67	£1.65	£0.00	£0.00
Couple with children	£2.33	£2.31	£0.00	£0.00
Lone parent with children	£1.83	£1.86	£0.00	£0.00
Average weekly reduction (all claims)	£1.60	£1.61	£0.00	£0.00
Employed & self employed	£4.09	£4.12	£0.00	£0.00
Applicants with a disability	£2.87	£2.76	£0.00	£0.00
Applicants with caring responsibilities	£1.91	£2.34	£0.00	£0.00

Summary of the impact of models for working age customers

Number of claims no longer qualifying	Forecast			
	B	C	D	E
Single, no children	1	1	10	21
Couple, no children	0	0	0	3
Couple with children	18	17	12	23
Lone parent with children	4	4	9	27
Total claims reduced	23	22	31	74
Employed & self employed	17	16	0	71
Applicants with a disability	5	4	0	11
Applicants with caring responsibilities	2	1	0	1

Average weekly loss in CTR entitlement for those no longer qualifying	Forecast			
	B	C	D	E
Single, no children	£2.18	£2.18	£1.01	£2.07
Couple, no children	£0.00	£0.00	£0.00	£3.63
Couple with children	£13.17	£13.20	£1.39	£2.28
Lone parent with children	£9.71	£9.71	£0.97	£3.04
Average weekly reduction (all claims)	£12.09	£12.06	£1.15	£2.55
Employed & self employed	£10.57	£10.44	£0.00	£2.57
Applicants with a disability	£15.04	£15.64	£0.00	£2.54
Applicants with caring responsibilities	£15.16	£17.65	£0.00	£3.18

FORECAST	Estimated 2018/19 awards	Saving against estimated spend 2017/18	Estimated saving against notional* budget 2017/18	Net funding shortfall for WSC (see para. 4.7)	Estimated saving/cost for WSC
A. No change to current CTR Scheme	£2,518,900.25	£0.00	£111,579.80	£74,171.15	£0.00
B. Banded income scheme with maximum CTR of 85% and flat rate £5 deduction for each non-dependant	£2,521,473.35	-£2,573.10	£109,006.70	£74,414.82	-£243.67
C. Banded income scheme with maximum CTR of 85%, flat rate £5 deduction for each non-dependant and with protection for carers	£2,526,037.98	-£7,137.73	£104,442.07	£74,847.09	-£675.94
D. Reduce maximum support through CTR to 70% for all working age recipients	£2,391,598.84	£127,301.41	£238,881.21	£62,115.70	£12,055.44
E. Retain existing CTR scheme, but set minimum CTR of £5.00 a week and maximum CTR of £15.00 a week	£2,433,630.37	£85,269.88	£196,849.68	£66,096.09	£8,075.06

Equality Impact Assessment Form and Action Plan

Officer completing EIA Form	Job Title	Team/Service	
Heather Tiso	Revenues & Benefits Service Manager	Revenues & Benefits Service	
Why are you completing the Equality Impact Assessment? Please ✓ as appropriate			
Proposed new policy or service	Change to policy or service	New or change to budget	Service review
	✓		
1 Description of policy, service or decision being impact assessed:			
<p>Background</p> <p>From 2013/14 district councils have operated localised Council Tax Rebate (CTR) schemes to provide assistance to people on low income. CTR replaced the previous Council Tax Benefit scheme that was administered by the council on behalf of the Department for Work and Pensions (DWP). Councils are responsible for the design and implementation of these schemes and need to consider if they are to be revised or replaced on an annual basis. The subsidy reimbursement for CTR reduced nationally by 10% in 2013/14 with councils having the option of funding the shortfall or designing a CTR scheme that is cost neutral. The Government state any CTR scheme must protect pensioners at the existing level of support. That decision means the burden falls disproportionately upon those of Working Age.</p> <p>From 1 April 2014, funding for localised CTR is incorporated in Settlement Funding Assessment (SFA) and not separately identified. The SFA has reduced by 38.7% in cash terms since 2013/14. In applying this methodology, the funding available for Localised CTR has reduced by £1,095,771 to £1,735,678. In 2016/17, we paid CTR of £1,602,175, meaning that if there is no change to the existing CTR scheme, we estimate we will have a funding shortfall of £801,166, with WSC's share of that shortfall being £75,870. The financing risk of the scheme is shared with other precepting Authorities through the tax base calculation. West Somerset's share of the collection fund in 2017/18 is 9.47%.</p> <p>West Somerset's Council Tax Rebate Scheme</p> <p>On 11 December 2012, the Council adopted the Local Council Tax Rebate scheme for 2013/14. While those of pension age receive support of up to 100% of their Council Tax liability, from 1 April 2013, the maximum support for those of working age was set at 80%.</p> <p>On 10 December 2013, the Council decided to continue the 2013/14 CTR scheme for 2014/15.</p> <p>In designing our CTR scheme, we considered customers' ability to pay and the collectability of the resultant Council Tax liability. The key changes between our local CTR scheme, for working age claimants, and the former CTB scheme are set out below. Dependent on household circumstances, more than one of these criteria below may apply simultaneously to a household.</p> <ul style="list-style-type: none"> • Maximum support is 80% of Council Tax - everyone of working age has to pay something; • Non-dependant deductions were increased; • Second adult rebate ceased for working age applicants; • Child maintenance was counted as income until 31 March 2015; • Disregards for earned income are at increased levels than those offered under CTB; • Exceptional Financial Hardship fund of £35k, through Discretionary Reduction in Council Tax Liability for short-term help (this is a Collection Fund commitment and not fully funded by WSC). <p>In December 2014, the Council decided to continue the 2014/15 CTR scheme for 2015/16 with an amendment to no longer treat maintenance received for children as income.</p> <p>In developing options for our CTR scheme for 2016/17, we worked in collaboration with the County Council (as the major preceptor) and the other Somerset District billing authorities of Taunton Deane Borough, Sedgemoor, Mendip and South Somerset. On 15 December 2015 Full Council, having regard to the consultation response and the Equality Impact Assessment, agreed to revise support for working age applicants in 2016/17 by:</p> <ul style="list-style-type: none"> • removing entitlement to applicants with capital over £6,000; • applying a Minimum Income for Self-Employed applicants; and • paying CTR at a level that would be no more than for a Band D property 			

In December 2016, the Council decided to align the CTR scheme for 2017/18 with some changes made by the Government to other welfare benefits. As a consequence, CTR for working age applicants from 1 April 2017 was amended as follows:

- Maximum backdating of CTR reduced from 6 months to 1 month;
- Family premium not included in the applicable amount for new applicants, or existing recipients who would otherwise have a new entitlement to the premium;
- Work Related Activity component not included in the applicable amount for new claimants of Employment and Support Allowance;
- Removal of child allowance in applicable amount for third and any subsequent children born after 1 April 2017 but protection for some customers;
- Reduction in the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

West Somerset Council's current Council Tax Rebate scheme for people of working age is designed to retain the majority of features of the CTB scheme through a system of additional allowances/premiums within the means test. These additional allowances/premiums recognise the additional financial burden of childcare responsibilities disability and caring responsibilities thereby having a positive impact for such households.

As a consequence of ongoing reductions to the Settlement Funding Assessment, continuing to allow the same level of CTR in 2018/19 for working age recipients could impact negatively upon WSC's budget and the budget of those that levy a precept to it (County Council, Fire, Police Authorities and Parish Councils). An adverse effect on service provision might result in us, and the other major preceptors, having to stop, reduce or seek additional charges for services with a disproportionate effect on the most vulnerable.

In addition, the DWP subsidises the cost of administering Housing Benefit, while the Department for Communities and Local Government (DCLG) provides an annual grant towards the cost for CTR administration. However, funding has steadily decreased and is likely to be removed entirely with the move to 100% business rate retention in 2020.

Until recently, the administration of our localised CTR scheme has been both cost effective and efficient as for the majority of claims we have been able to use information supplied by claimants for a Housing Benefit claim or directly from the Department for Work and Pensions. However, CTR administration has become increasingly difficult since the roll out of the "full service for Universal Credit (UC), with the number of customers claiming UC significantly increasing. We receive information from the Department of Work and Pensions (DWP) on any variations to the customer's income and for many customers, such changes occur every month. As our current CTR scheme does not contain any "de-minimus" for income variances, we need to reassess the amount of CTR entitlement. In changing the CTR award, we then need to issue an amended Council Tax bill and adjust any direct debit arrangements to reflect revised instalments. Changing payment arrangements can result in cancellation of the next direct debit, with instalments effectively delayed by one month. Where such changes take place every month, it is possible for Direct Debits to be continually set back so the customer then needs to pay a lump sum at the end of the financial year.

For the reasons outlined above, the cost and administration of the CTR scheme in the future could become progressively financially burdensome, as well as being increasingly complex for customers. Therefore, on 25 May 2017, the Corporate Policy Advisory Group agreed on options to take to public consultation for our CTR scheme for 2018/19.

Public consultation on proposals to change the CTR scheme in 2018/19 started on 3 July 2017 and ended on 27 August 2017. Every Council Taxpayer had the opportunity to comment on the proposals, although officers targeted responses from a random, proportionate selection of households in every parish to ensure we received sufficient responses. The options on which we consulted were as follows:

Option 1 – Change the CTR scheme for 2018/19 so entitlement for working age recipients would be based on bands of income.

Option 2 - Reduce maximum support offered by CTR from 80% for working age applicants, thereby reducing the cost of the scheme.

Option 3 – Introduce entitlement limits to reduce the cost of our existing CTR scheme.

2 People who could be affected, with particular regard to the legally defined protected characteristics¹:

Our localised CTR scheme affects all claimants who are of working age (and those of working age currently not in receipt of CTR but who may apply in the future). Limited equality data is held within WSC's CTR computer system (as the collection of such information has not been necessary for administering CTR) given the caseload can come from all sections of the community it is likely there will be claimants (and their household members) that contain the full range of protected characteristics 1 as defined within the Equalities Act 2010 and include:

- Age
- Disability
- Gender
- Gender Reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and belief
- Sexual orientation

The Government expect local authorities to establish schemes that minimise the impact on vulnerable groups. The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012 include provisions for those of working age but none of those prescribed requirements set out the level of support to be given.

3 People and Service Area who are delivering the policy/service/decision:

Council Staff in the Revenues & Benefits Service

4 Evidence used to assess impact: Please attached documents where appropriate.

We have obtained data relating to people affected from our Council Tax Rebate processing system. The data available has allowed us to analyse impact on people according to their age, disability, family circumstances and level of income. We have modelled options on scenarios with "live" data based on actual entitlements and CTR recipients at that point in time. We asked general diversity questions as part of the consultation exercise.

In addition, we have undertaken debt profiling against the Council Tax Rebate (CTR) customer base ([Appendix 5](#)) and also against those customer groups impacted most by the key elements of our localised scheme.

The impact of implementing any changes to our local Council Tax Rebate Scheme in 2018/19 for each of the protected groups, is considered below and on the following pages.

Equality Impact Assessment (by protected characteristic)**Age**

The proposed scheme for 2018/19 is subject to some national prescription relating to protecting pensioners' entitlements. Therefore, we have no discretion about whether or not to follow this principle. The Government is committed to protecting pensioners on low incomes and have prescribed a scheme for pensioners through legislation. This means pensioners will not see any reduction in their CTR in comparison with their former levels of Council Tax Benefit.

Pensioners are still entitled to claim up to 100% of their Council Tax liability through CTR. The Council's general equality duty is lessened to an extent with regard to older people as Government has prescribed that pensioners are not affected by CTR. However, we have a responsibility to foster good relationships between people who share a protected characteristic and those who do not. There is a risk of harming the relationship between pensioners and working age claimants of CTR as pension age claimants are not affected and working age claimants have a greater reduction to their CTR to cover the shortfall in funding.

¹ For protected characteristics, please visit:

<http://www.equalityhumanrights.com/private-and-public-sector-guidance/guidance-all/protected-characteristics>

At 31 March 2017, just 36 (1%) CTR recipients of pension age had Council Tax arrears contrasting with 1,013 (28%) for those of working age - see Table 1 below.

Table 1	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Pension Age	1,659	22	1%	£201.71	£4,437.54
Working age	1,251	272	22%	£286.45	£77,913.47
Total for CTR recipients	2,910	294	10%	£280.11	£82,351.01

Under Options 2 and 3, the CTR scheme would retain the majority of the former Council Tax Benefit assessment rules, including the use of applicable amount and personal allowances. The personal allowances and applicable amounts used to calculate CTR are the amounts deemed necessary to provide for basic needs based on household composition and disability. These allowances and applicable amounts take the claimant's circumstances into account and mean they are awarded more support if they have children or dependents under the age of 18.

In consultation, 21% of respondents felt we should offer extra support (protection) to young people that have left local authority care. According to Somerset County Council, there are currently no care leavers currently living in the West Somerset area, but should there be any in the future, any additional help provided to these young people would have a positive effect for this protected group.

For all options to change our scheme, we would continue to disregard Child Benefit in income calculations meaning that the added income this provides will not reduce the CTR that an applicant receives.

To mitigate any of the effects in changing our CTR scheme in 2018/19, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

Disability

Disabled people have a limited ability to work and are likely to have higher level disability related living expenses. This group in particular find it difficult to access and sustain employment and therefore improve on their current financial situation. This group of people is less resilient to the impact of recession and unemployment and are often living in poverty. These further impacts on the individual's mental health.

In common with other working age recipients, people with disabilities receive less CTR under the localised scheme than they did under CTB. However, the limited changes between CTB and our local CTR scheme are not such as to introduce disproportionately adverse effects on people based on disabled people as a specific group. Outside of CTR, the Council Tax scheme itself recognises disability by exempting those with a severe mental impairment. The CTR scheme does not impact upon that exemption and it will continue to apply where appropriate. Additionally, the Council Tax scheme also recognises disability where a dwelling occupied by a disabled person has a room that is adapted or additional to meet the needs of that resident. In those cases, the band attributable to that dwelling for the purposes of Council Tax is reduced in advance of any further reduction under CTR.

In moving to an income banded CTR scheme - Option 1 ([Forecast B](#)), just 25 (29%) of customers with disabilities would receive increased CTR. For those receiving reduced CTR, the average reduction in their weekly entitlement would be £3.79 a week (£197.62 a year). Further analysis shows:

- 22 are single people with weekly incomes ranging from £110 to £263 before any income disregards are applied;
- 8 are couples with weekly incomes ranging from £214 to £457 before any income disregards are applied;
- 16 are couples with responsibility for children, with weekly incomes ranging from £326 to £614 before any income disregards are applied;
- 11 are lone parents with weekly incomes ranging from £244 to £490 before any income disregards are applied.

A further 5 disabled customers would no longer receive any CTR with weekly incomes ranging from £582 to £714.

If the Council decided to move to an income banded CTR scheme (Option1), it could choose to provide additional assistance for customers with disabilities by disregarding an amount from their income that would be equivalent to the disability premium included in the applicable amount for our current CTR scheme. Such additional support would mean that the number of customers with disabilities that would receive less CTR under a banded income scheme would reduce from 62 ([Forecast B](#)) to 58. However, such protection would result in additional complexity to the scheme proposed under Option 1 and mitigation could be more efficiently managed through the application of a reduction in Council Tax liability through exceptional hardship in accordance with our discretionary policy

Under Options 2 and 3, the personal allowances and applicable amounts currently used to calculate CTR would be retained. These allowances and applicable amounts take the claimant's circumstances into account and mean that they are awarded more support if they or anyone in their household has a disability than if the household had the same income but contained no-one with a disability.

The average level of debt for working age CTR recipients in 2016/17 receiving the disability premium was £433.48 - greater than the scheme average of £286.45 for working age claims, but only 9% of CTR recipients with a disability premium were in arrears with their Council Tax - significantly less than the scheme average of 28%.

Table 2

CTR recipients with disabilities	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age	87	8	9%	£433.58	£3,468.67

Gender

There are a greater number of female recipients of CTR within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently, more females will be impacted by changes made to our CTR scheme than males. This is not deliberate but is simply a product of the makeup of our caseload. However, gender will not be a direct factor in any part of the assessment of CTR as it is not considered to be a characteristic that requires greater assistance when assessing support.

The majority of lone parents in receipt of CTR are female.

The average level of debt for working age lone parents in 2016/17 was £241.22 - less than the scheme average of £286.45. See table 3 detailing debt levels for this group.

Table 3

Lone Parents	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age	364	94	26%	£241.22	£22,674.88

Gender Reassignment

We hold no data on our Council Tax system to identifying the names or numbers of current CTR applicants who share this protected characteristic. Gender reassignment is not a factor in any part of the assessment of CTR and it is not considered to be a characteristic which requires that requires greater assistance when assessing support. In common with other working age CTR applicants, transgendered people may receive less CTR under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on transgendered people as a specific group.

Marriage and Civil Partnership

Marital or civil partnership status is not currently a factor in determining CTR as it is not considered to be a characteristic that requires greater assistance when assessing support. Options for changing our CTR scheme for 2018/19 do not introduce disproportionately adverse effects on people based on their marriage or civil partnership status.

Religion and Belief

We do not gather data on religion or belief as part of the CTR application process; we do not hold full data specific to religion or belief within our caseload. Religion and belief is not a factor in any part of the assessment of Council Tax Rebate as it is not considered to be a characteristic which requires greater assistance when assessing support. Some working age CTR applicants, people of all or no religion or belief, may receive less CTR under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on people based on their religion or belief status.

Race

Race is not a factor in the assessment of CTR and it is not considered to be a characteristic that requires greater assistance when assessing support. Some people of all races, may receive less CTR under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on people based on their race status.

Pregnancy and Maternity

For the purposes of CTR, pregnancy and maternity must be considered as two separate characteristics as while the applicants is pregnant, her applicable amounts and personal allowances are lower (as for a person without children). Once a child is born, it becomes part of the household composition and increased allowances are currently applied and would continue to be applied under all the options to change our CTS scheme in 2018/19.

Pregnancy alone is not a factor in the current assessment of CTR as it is not considered to be a characteristic that requires a higher level of support. Providing that the child (or children) forms part of the mother's household composition once it is born, the application for CTR will then include the child (or children) as part of the household and the CTR available will increase which, once other income changes have been taken into account may provide for a more generous assessment of CTR and reduced Council Tax payments.

The CTR scheme would retain the current disregard of Child Benefit in income calculations for all the options in changing our scheme for 2018/19. This will mean the income that Child Benefit provides will not reduce the amount of CTR that a recipient receives as a result of having a baby.

Sexual Orientation

Sexual orientation is not a factor in any part of the assessment of CTR as it is not considered to be a characteristic which requires a higher level of support when assessing CTR. Some working age CTR applicants may receive less CTR under the proposals for change in 2018/19. However, these are not such as to introduce disproportionately adverse effects on people based on their sexual orientation.

Children and duties under the 2010 Child Poverty Act

The minimum age for receiving CTR is 18 and so people under the age of 18 will not be impacted directly by the CTR scheme. Indirect impact has been considered as people under the age of 18 are included as part of a claimant's household and the Council has a duty to prevent child poverty as outlined in the Child Poverty Act 2010. There are 561 working age CTR recipients with children, accounting for 45% of all working age CTR recipients. Of those with children, 25% (143) have debt that at 31 March 2017 totalled £47k with these arrears making up 60% of all Council Tax debt for those of working age getting CTR. Analysis of debt levels at 31 March 2017 for working age applicants with children is shown in Table 4 below

Table 4

Working age claims with children	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
Working Age	561	143	25%	£325.68	£46,571.60

Under the CTR scheme applying before 1 April 2017, applicants with children were awarded a dependant's addition of £66.90 for each child within the calculation of their needs (Applicable Amounts). There was no limit to the number of dependants' additions that could be awarded. From April 2017, the Council decided to limit dependants' additions to a maximum of two. This only affected households who had a third or subsequent child on or after 1 April 2017. We continued to include the amount for first and second children and applied protection for multiple births or for women who had a third child as the result of rape or other exceptional circumstances.

Under an income band scheme (Option1), there is additional income provision for up to 2 children. Such a limit aligns to other Welfare Benefits administered by the Department for Work and Pensions. The calculation of a customer's net income would continue to disregard certain income as well as disregarding qualifying childcare costs. However, where households have 3 or more children, the limitations on child numbers could have an adverse effect. In mitigating such an effect, a disregard of £50 could be applied to net income for third and subsequent children under the age of 5 years old. Such a provision would recognise the potential limitations experienced by parents in increasing their income through employment as a result of caring for young children.

In mitigating the effects under any of the options proposed to change our CTR scheme in 2018/19, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

Other Groups (non-statutory)

Employment

The number of working age CTR recipients in employment is 328, accounting for 26% of all working age recipients. Those CTR recipients without employment are 11% less likely to have Council Tax arrears, with the average value of their debt (£217.40) significantly less than for those with employment (£407.11) - see Table 5.

Table 5

Working age claims - employment status	Number of claims	Cases with debt	% of cases with debt	Average debt for those in arrears	Total Debt
In employment	328	99	30%	£407.11	£40,303.54
Not in employment	923	173	19%	£217.40	£37,609.93

For people of working age that are not in employment, the benefit cap restricts the amount in certain benefits that a household can receive. Any household receiving more than the cap will have their Housing Benefit reduced to bring them back within the limit. The Benefit Cap is £20,000 for households living in the West Somerset area. This reduction in income may mean Council Tax is more difficult to collect from those households.

Carers

People who provide care to a person with disabilities have a limited ability to work. This group may find it difficult to access and sustain employment as a result of their caring responsibilities to improve their financial situation.

In common with other working age recipients, people with caring responsibilities receive less CTR under the localised scheme than they did under CTB. However, the current CTR scheme also recognises caring responsibilities by the inclusion of a Carer Premium within the Applicable Amount, thereby providing a greater level of support.

In moving to an income banded CTR scheme - Option 1 ([Forecast B](#)), 6 customers with caring responsibilities would receive increased CTR. For those receiving reduced CTR – 17 customers, the average reduction in their weekly entitlement would be £5.63 a week (£293.56 a year). A further 2 customers with caring responsibilities would no longer receive any CTR with the average weekly loss in support being £15.16.

If the Council decided to move to an income banded CTR scheme (Option1), it could choose to provide additional assistance for customers with caring responsibilities by disregarding Carers Allowance (money for people who spend at least 35 hours a week providing regular care to someone who has a disability) from any income used to work out CTR. Such additional support would mean that the number of customers with caring responsibilities that would receive less or no CTR under a banded income scheme would reduce from 19 to 12 ([Forecast C](#)).

Under Options 2 and 3, the personal allowances and applicable amounts currently used to calculate CTR would be retained. These allowances and applicable amounts take the claimant's circumstances into account and mean that they are awarded more support if they have caring responsibilities.

Armed Forces

Veteran Benefits will continue to be fully disregarded in the means test for Council Tax Rebate. Our scheme does not appear to have a differential impact but we are aware some ex veterans experience mental health issues and have physical disabilities.

5 Conclusions on impact of proposed decision or new policy/service change:

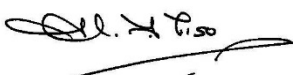
In considering options to change our CTR scheme we have tried hard to balance the reality of a significant cut in Central Government funding to protecting the most vulnerable members of our community as far as practicable. The proposed options acknowledge that recipients of CTR need to contribute more to meet the funding shortfall but also looks to protect people with protected characteristics as much as possible.

In mitigating any disproportionate effect through implementing any of the proposed options to change our CTR scheme, officers could apply a reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our discretionary policy.

6 Recommendation based on findings. These need to be outlined in the attached action plan.

Adjust the policy/decision/service.

Equality Impact Assessment Action Plan					
Group Affected	Action required	Expected outcome of action	Person to undertake action	Service Plan - for monitoring	Expected Completion date
Age	Young people leaving care may have particular difficulties and it is recommended that additional support be provided to help with Council Tax costs. Liaison is to be established with Somerset County Council to identify care leavers aged up to 25 to ensure they receive extra support.	Flagging affected individuals as “vulnerable” with Revenue IT systems to ensure collection of debt is appropriately managed	DHP/Welfare Reform Officer	Revenues & Benefits	On-going
Disability	Members to consider providing mitigation against any adverse effects of the proposed changes. For those customers with reduced or no entitlement through any changes applied to the CTR scheme for 2018/19, invite applications for a discretionary reduction in Council Tax liability in accordance with agreed policy	Flagging affected individuals as “vulnerable” with Revenue IT systems to ensure collection of debt is appropriately managed. Provide short-term help for instances of hardship.	DHP/Welfare Reform Officer	Revenues & Benefits	Throughout 2018/19
Marriage and Civil Partnership	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Pregnancy and Maternity	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Race	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Gender Re-assignment	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable

Religion and Belief	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Sex	There are a greater number of female CTR recipients within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently, more females will be impacted by changes made to our scheme. However, gender is not a direct factor in any part of the assessment of CTR as it is not considered to be a characteristic that requires a higher applicable amount when assessing support.	Provide short-term help for instances of hardship.	DHP/Welfare Reform Officer	Revenues & Benefits	On-going
Sexual Orientation	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Rurality	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Author's Signature:		Report Title Review of CTR scheme for 2018/19	Date	28/9/2017/2017	EIA Version 1.2
Contact Details:	Tel:	01823 356541	Email:	h.tiso@tauntondeane.gov.uk	

Debt Profile for working age CTR recipients @ 31 March 2017

	Number of cases	Cases with debt	Percentage of cases with debt	Average arrears cases	Average arrears across scheme	Total arrears
Single, no children	577	109	19%	£220.19	£41.60	£24,000.84
Couple no children	113	20	18%	£367.05	£64.96	£7,341.03
Couple with children	197	49	25%	£487.69	£121.30	£23,896.72
Lone parent with children	364	94	26%	£241.22	£62.29	£22,674.88
Total	1,251	272	22%	£286.45	£62.28	£77,913.47
Employed & self employed	328	99	30%	£407.11	£122.88	£40,303.54
Applicants with a disability	87	8	9%	£433.58	£39.87	£3,468.67
Applicants with caring responsibilities	25	2	8%	£447.91	£35.83	£895.81

Impact of banded income scheme with maximum CTR of 85% and £5 deduction for each non-dependant where CTR recipient is in arrears

Working age customers in arrears	Number reduced	Average weekly reduction	Total CTR lost for those reduced in arrears	Number increased	Average weekly increase	Total CTR increased for those in arrears	Applicants that would no longer qualify	Average weekly loss for those no longer entitled	Total CTR lost for those in arrears who no longer qualify
Single	17	£3.64	£3,226.88	92	£1.65	£7,934.49	0	£0.00	£0.00
Couple	4	£2.48	£517.11	16	£2.63	£2,193.30	0	£0.00	£0.00
Couple + children	19	£5.04	£4,995.20	30	£2.53	£3,954.13	7	£14.96	£5,459.08
Lone parent	31	£4.17	£6,734.37	63	£1.49	£4,878.78	3	£11.21	£1,753.17
Total	71	£4.18	£15,473.56	201	£1.81	£18,960.70	10	£13.83	£7,212.25
Employed	42	£4.31	£9,430.52	47	£4.05	£9,920.41	7	£12.05	£4,398.23
Disabled	4	£4.31	£898.89	3	£4.65	£727.85	1	£13.18	£687.10
Carer	1	£6.80	£354.68	0	£0.00	£0.00	1	£13.18	£687.10

Impact of banded income scheme with maximum CTR of 85% and £5 deduction for each non-dependant where CTR recipient is in arrears

Working age customers in arrears	% of those in arrears with reduced CTR	% of those in arrears with increased CTR
Single	16%	84%
Couple	20%	80%
Couple + children	39%	61%
Lone parent	33%	67%
Total	26%	74%
Employed	42%	47%
Disabled	50%	38%
Carer	50%	0%

Report Number: WSC 133/17

West Somerset Council

Full Council – 13 December 2017

Heart of the South West (HotSW) – Joint Committee

This matter is the responsibility of Councillor Anthony Trollope-Bellew, Leader of the Council

Report Author: Brendan Cleere, Director – Growth & Development

1 Executive Summary / Purpose of the Report (All headings to be in Arial 12 Bold)

- 1.1 On 15 February 2017 an Executive Councillor Record of Decision (by Cllr Anthony Trollope-Bellew, the Leader of the Council) was published (Appendix C), confirmed 'in principle' approval to the establishment of a HotSW Joint Committee, subject to approving the Joint Committee's constitutional arrangements and an inter-authority agreement necessary to support the Joint Committee. A Members' Briefing Paper was also issued and shared with Group Leaders in February which provided an update following the July 2016 'in principle' Council approvals to progress negotiations for a devolution deal and the establishment of a Combined Authority, both subject to further report and the approval of the 17 councils.
- 1.2 This report sets out the necessary documents which, if agreed, will enable the Joint Committee to be formally established.

2 Recommendations

- 2.1 Approve the recommendation of the HotSW Leaders (meeting as a shadow Joint Committee) to form a Joint Committee for the Heart of the South West;
- 2.2 Approve the Arrangements and Inter-Authority Agreement documents set out in appendices A and B for the establishment of the Joint Committee with the commencement date of Monday 22nd January 2018;
- 2.3 Appoint Cllr Anthony Trollope-Bellew and Cllr Mandy Chilcott as the Council's named representative and substitute named representative on the Joint Committee;
- 2.4 Appoint Somerset County Council as the Administering Authority for the Joint Committee for a 2 year period commencing 22nd January 2018;
- 2.5 Approve the transfer of the remaining joint devolution budget to meet the support costs of the Joint Committee for the remainder of 2017/18 financial year subject to approval of any expenditure by the Administering Authority;
- 2.6 Approve an initial contribution of £1,400 for 2018/19 to fund the administration and the work programme of the Joint Committee, noting that any expenditure will be subject to the approval of the Administering Authority;
- 2.7 Agree that the key function of the Joint Committee is to approve the Productivity Strategy (it is intended to bring the Strategy to the Joint Committee for approval by February

2018);

- 2.8 Authorise the initial work programme of the Joint Committee aimed at the successful delivery of the Productivity Strategy;
- 2.9 Agree the proposed meeting arrangements for the Joint Committee including the timetable of meetings for the Joint Committee as proposed in para 2.14.

3 Risk Assessment

Description
The creation of a Joint Committee will place a formal governance structure around the preparation and implementation of the Productivity Strategy. The Strategy will be used as a tool to attract a greater share of Government funding around the Industrial Strategy to mitigate the risk of Devon and Somerset being left behind other areas of the country.
Without a Productivity Strategy and Joint Committee in place, the Council and its partners will lack credibility and be at a disadvantage in negotiating and lobbying Government on a range of policy initiatives including the growth agenda and are likely to miss out on potential funding streams.
The individual financial risk to the individual Constituent Authorities of establishing the Joint Committee is limited to their financial contributions to the running and operational costs of the Joint Committee. The risk is shared between all of the Constituent Authorities.

4 Introduction and background

- 4.1 Since August 2015, Devon and Somerset County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks, the Local Enterprise Partnership (LEP) and the three Clinical Commissioning Groups have worked in partnership to progress towards securing a devolution deal for the HotSW area focusing on delivering improved productivity. Since that time the partnership has continued to progress its objectives in spite of policy shifts at a national level.
- 4.2 On 15 February 2017 an Executive Councillor Record of Decision (by Cllr Anthony Trollope-Bellew, the Leader of the Council) was published (Appendix C), which confirmed 'in principle' approval to the establishment of a HotSW Joint Committee, subject to approving the Joint Committee's constitutional arrangements and an inter-authority agreement necessary to support the Joint Committee. A Members' Briefing Paper was also issued and shared with Group Leaders in February provided an update following the July 2016 'in principle' Council approvals to progress negotiations for a devolution deal and the establishment of a Combined Authority, both subject to further report and the approval of the 17 councils.
- 4.3 This report sets out the necessary documents which, if agreed if agreed by the partner authorities, will enable the Joint Committee to be formally established.
- 4.4 Since then the General Election has further shifted the national policy position. On the 13th October representatives of HotSW (from the Somerset, Devon, Plymouth and Torbay upper tier authorities) met Jake Berry MP, Minister for devolution to clarify the position of the Government and the HotSW Partnership on the devolution issue. The

meeting was very positive and although no agreements were reached at the meeting, the partnership's representatives were given a clear message that the Government would welcome a bid from the partnership to progress our productivity ambitions by identifying areas where we can work together with Government. Importantly the Minister indicated that there would be no requirement to have an elected mayor for Devon and Somerset as a condition of any deal. This statement has removed one significant blockage to moving our ambitions forward and we now need to agree what we want from this initiative and then find practical ways to work with the Government on delivery.

4.5 There is now no doubt that the Government is keen to engage with wider areas that can demonstrate:

- Unity, clarity of purpose and a shared, ambitious vision built on local strengths
- Strong partnership between business and the public sector with solid governance arrangements that provide assurance in capacity to deliver
- Compelling ideas that can help to deliver Government objectives
- Clarity about the offer to Government in terms of savings and is prepared to take hard decisions based on a robust analysis of risk and benefits.

The Joint Committee will provide the ideal governance framework at this stage to take forward this dialogue with Government.

4.6 The key role of the HotSW Joint Committee is to develop, agree and ensure the implementation of the Productivity Strategy. This can only be achieved by working, where appropriate, in collaboration with the individual constituent authorities and the LEP. The Strategy will agree a common vision for increased prosperity through economic growth informed by a local evidence base and engagement with local stakeholders. It will also link to Government policy initiatives, particularly in relation to the Industrial Strategy, and will form the basis for developing our collective 'ask' of Government.

HotSW Joint Committee Proposal

4.7 The detail of the proposed functions of the Joint Committee and how it will operate are set out in **appendix A** attached – **the Arrangements document**. **Appendix B** attached sets out **an Inter-Authority Agreement** for consideration which details how the Joint Committee will be supported and sets out the obligations of the Council if it agrees to become a constituent member.

4.8 The documents detail the Administering Authority functions in support of the operation of the Committee including the provision of financial, legal, constitutional and administrative support to the Committee.

4.9 At this stage the Arrangements and Inter-Authority documents have been 'scaled' to fit the functions of the Joint Committee and the limited liabilities that each authority faces in signing up to be a Constituent Authority. In the event that the remit of the Joint Committee expands to take on more decision-making responsibilities and functions of the constituent authorities, the Arrangements and Inter-Authority agreement will be revisited to ensure that they remain fit for purpose and proportionate. Any expansion of the functions and responsibilities would require the approval of the Constituent Authorities.

4.10 The Joint Committee has a much more limited role than a Combined Authority. It does not have the statutory or legal status of a Combined Authority and cannot deliver the full range of benefits that a Combined Authority can, but it does have the potential to provide

cohesive, coherent leadership and a formal governance structure. Its role will focus on collaboration, negotiation and influencing with full decision making responsibilities limited to developing and agreeing the Productivity Strategy. The principle of subsidiarity will apply to the relationship between the Joint Committee, the Constituent Authorities and local Sub-Regional Partnerships with decisions to deliver the Productivity Strategy and decisions necessary as a result of the other functions of the Joint Committee being taken at the most local and appropriate level.

- 4.11 The aim of the Joint Committee through the delivery of the Productivity Strategy will be to:
- Improve the economic prosperity of the wider area by bringing together the public, private and education sectors;
 - Work together to realise opportunities and mitigate impacts resulting from Brexit;
 - Increase understanding of the local economy and what needs to be implemented locally to improve prosperity for all;
 - Ensure the necessary strategic framework, including infrastructure requirements, is in place across the HotSW area to enable sub-regional arrangements to fully deliver local aspirations; and improve the efficiency and productivity of the public sector. This work will be supported by a Joint Committee budget based on an agreed work programme.
- 4.12 The creation of a single strategic public sector partnership covering the HotSW area will: facilitate collaborative working; help us to remove barriers to progress; as well as provide a formal structure to engage with Government at a strategic level on major areas of policy. It also has the potential to enable the Constituent Authorities and partners to have discussions with neighbouring Councils / Combined Authorities / LEPs on South West peninsula priorities and issues as well as the ability to move swiftly towards a Combined Authority model in the future (by potentially acting as a shadow Combined Authority) if the conditions are deemed acceptable to the Constituent Authorities.
- 4.13 Critically, the Joint Committee will also provide a formal mechanism for the Constituent Authorities to engage effectively with the LEP across common boundaries and agendas. District Council partners, in particular, might view this as an opportunity to engage more effectively with the LEP. The LEP, which will sit alongside the Joint Committee, has recently adopted new governance requirements to ensure greater transparency and accountability and wishes to further improve its democratic accountability in discussion with HotSW partners. The Joint Committee will provide a formal structure to take these discussions forward and for the Constituent Authorities to have greater influence over the activities of the LEP on our common agendas.
- 4.14 Although the Joint Committee is a cost-effective formal structure, some provision needs to be made to meet the support costs of what will be a fully constituted local authority joint committee. It is proposed that Somerset County Council (who have provided the lead for the governance workstream of the devolution project over the last two years) takes on the support role (with the option of rotating the role after 2 years of operation), to provide the financial, legal, democratic support to the Joint Committee from 22nd January 2018.
- 4.15 There is currently the remainder of the joint devolution budget raised from an initial contribution from all Authorities and the LEP in 2015. It is recommended that the remaining funds from this budget - £42,000 - are transferred to the Administering Authority and the budget is used to support the costs of the Joint Committee for the remainder of 2017/18 financial year and for some of 2018/19.

- 4.16 In addition, the Joint Committee will need a budget to undertake its work programme in order to oversee the implementation of the Productivity Strategy. The overall budget required to support the Joint Committee and enable it to undertake its work programme will be dependent, to an extent, on the level of 'in-kind' officer resources provided to the Committee by the constituent authorities. The Administering Authority will review the in-kind support which has been provided for the devolution project in consultation with the constituent authorities and bring forward revised budget figures as part of a budget and cost sharing agreement as necessary in due course to the Joint Committee for consideration and recommendation to the Constituent Authorities. The budget figures set out in this report in paragraph 2.11 are therefore provisional at this stage. The initial Joint Committee work programme is set out in section 3 below for approval.
- 4.17 Through work undertaken by the partners it is estimated that the operating cost of a Joint Committee will be £89,000 in 2018/19 (and to cover the remainder of 2017/18) excluding any in-kind support. This estimate is made up of the following:
- £40,000 for the Administering Authority to undertake its duties. This is seen as a minimum cost and assumes that 'in-kind' officer resource remains in place at the same level; the Joint Committee meeting venues are provided by partners as 'in-kind' contribution
 - £25,000 (estimate) for work the Joint Committee would wish to commission
 - £24,000 for the Brexit Resilience and Opportunities Group Secretariat.
- 4.18 The Shadow Joint Committee recommends the budget is met by contributions from the Constituent Authorities. This would exclude the LEP and the CCGs from contributing as non-voting partners. As stated above it is estimated there will be a funding carry forward of £42,000 from the 2015 devolution budget. This would leave a shortfall of £47,000 to meet the total estimated budget requirement of the Joint Committee in 2018/19. Using the formula of contributions agreed in 2015 to support the devolution project the contribution requested of each Constituent Authority for 2018/19 is set out below. This assumes that all authorities agree to become members of the Joint Committee and would have to be recalculated should fewer than 19 Authorities become Members.
- County Councils - £10,500
 - Unitary Councils - £4,000
 - **District Councils (and National Parks) £1,400**
- 4.19 Under this formula it is recommended this Council contributes £1,400 for 2018/19 as a Constituent Authority. Any expenditure against this budget would be subject to the formal approval of the Administering Authority.
- 4.20 In terms of the proposed meeting arrangements for the Joint Committee, it is recommended:
- a) That the Joint Committee should meet formally immediately after the LEP Board meetings to assist with engagement and co-operation between the bodies and allow co-ordination of the respective work programmes.
 - b) That the following dates are reserved for meetings of the Joint Committee in 2018:
 - Friday 26th January
 - Friday 23rd March
 - Friday 25th May
 - Friday 20th July
 - Friday 28th September

- Friday 30th November
- c) That the Joint Committee meetings should start at 10am with the venues rotated throughout the HotSW area. The assumption will be that the host authority for that meeting will provide appropriate accommodation and facilities 'in kind'.

HotSW Productivity Plan and the Joint Committee Work Programme

- 4.21 The Partnership has, since its inception, been focused on working together to tackle low productivity as this is seen as the key to future economic growth. The academic research undertaken in the HotSW Green Paper on Productivity - <http://www.torbay.gov.uk/council/how-the-council-works/devolution/productivity-plan-green-paper/> highlighted that whilst Devon and Somerset have one of the highest employment rates in the country too many of those jobs are part-time and low paid. This means that our area has one of the lowest productivity rates in the Country and this is a major barrier to future prosperity.
- 4.22 The Partnership has continued to lobby Government to work more closely with our area in order to make good on its promise to spread economic growth across the Country and we now need to build on the recent meeting of the Minister and the momentum achieved. This work is urgently needed to ensure that areas such as the Heart of the South West don't get left behind as Government look to focus investment in areas where there are strong, cross boundary strategic partnership arrangements such as the six Mayoral Combined Authorities.
- 4.23 The Productivity Strategy is being developed through an academic evidence base and engagement with stakeholders and the community. The draft plan is currently out to consultation (<http://www.torbay.gov.uk/devolution>). The deadline for response is 30th November 2017. Members are encouraged to respond to the draft strategy.
- 4.24 In summary the Strategy proposes to deliver prosperity and productivity across the entire HotSW and to do so in an inclusive way. It proposes to build on existing strengths such as aerospace, advanced manufacturing, nuclear energy and agri-tech as well as exploiting new opportunities and releasing untapped potential.

The Strategy is built around three key objectives:

- Developing **leadership and knowledge** within businesses in our area;
- Strengthening the **connectivity and infrastructure** our businesses and people rely on; and
- Developing the ability of people in our area to **work and learn** in a rapidly changing economy.

	Leadership and knowledge	Connectivity and infrastructure	Working and learning
Aspiration	To substantially improve the productivity of businesses in the area.	Improve our physical and natural assets to support wellbeing and economic opportunities.	Meet the potential of every individual within the area to work and contribute to our shared prosperity.
High-level aim	Help develop innovative, ambitious, growing businesses that can compete internationally.	Create vibrant places that are attractive to skilled people and new investment, with infrastructure to support productivity growth.	Develop, attract and retain a highly skilled and adaptable workforce.
Strategic objective	Programmes <ul style="list-style-type: none"> • Management excellence • New markets, new opportunities • Remove barriers to expansion • Attract talent and investment 	Programmes <ul style="list-style-type: none"> • Clean energy infrastructure • Connectivity and resilience • Land for business and housing needs • Natural capital to support productivity 	Programmes <ul style="list-style-type: none"> • Skills for a knowledge-led economy • Pathways to success • Access to work and opportunities • Skills for our 'golden opportunities'

4.25 It is recommended that one of the first tasks of the Joint Committee will be to approve the Productivity Strategy early in the New Year;

4.26 The Partnership has been meeting as a Shadow Joint Committee since 22nd September 2017. Its focus is to ensure the Joint Committee can immediately move into action and take advantage of major funding streams, national policy debates and lobbying around the economy. The Partnership will be working with the LEP to deliver the Productivity Strategy and will be supporting a joint work programme which initially will involve:

- Developing and recommending a delivery and investment Framework, to implement the Productivity Strategy and demonstrating our capacity to deliver. This will complement the LEP's Strategic Investment Panel which oversees the LEP's investments;
- Investigating ways to complement existing work to draw out opportunities to attract infrastructure investment in line with the Productivity Strategy aims, building our track record for ambitious and compelling propositions;
- Investigating ways to complement existing work on improving the delivery of skills in line with the Productivity Strategy aims
- Investigating ways to complement existing work on strengthening leadership & knowledge within the area's SMEs in line with the Productivity Strategy aims;

- 4.27 Any Joint Committee expenditure on the joint work programme will be subject to approval by the Administering Authority.

Options/Alternatives

- 4.28 There are two options and alternatives that Members might consider:

Option 1 – Do nothing and continue with informal arrangements within the Partnership. As set out above the feedback from Government is they prefer to work ‘at scale’ and are looking more favourably at areas that have a unity of vision and purpose.

Option 2 – move to a Combined Authority. The Partnership now need to review the option of establishing a Combined Authority at some point following the indication from the Minister that there will be no requirement to have an elected mayor in order to pursue our ambitions. Establishing a Combined Authority requires a substantial lead in time to allow for the Parliamentary approval process and would inevitably require the creation of a shadow Combined Authority to test and confirm the concept. The potential benefits of moving to a Combined Authority model will have to be judged against the implications of doing so, including the cost implications. The Joint Committee has the benefit of allowing the Partnership to move relatively quickly to establish a Combined Authority if that is the wish of the partners.

Reason for Recommendation/Conclusion

- 4.29 Working together will deliver better results if we are to help our businesses improve their productivity levels and deliver greater prosperity across the Heart of the South West. By collaborating across local geographies we will strengthen the area’s voice to Government and strengthen the actions the area can take to improve productivity.
- 4.30 The Productivity Strategy will replace the Local Enterprise Partnership’s Strategic Economic Plan. It will be the key strategic document for the partners to engage with Government and each other on a range of investment opportunities and powers emerging from the Industrial Strategy, Brexit and other policy opportunities.
- 4.31 The HotSW Joint Committee will provide a formal strategic partnership to complement and maximise the ability of individual authorities and sub-regional arrangements to deliver their aspirations. It will provide the formal arrangements for collaboration on productivity.
- 4.32 Through the Joint Committee the partners can test and improve their ability to work together as a potential precursor to the possible establishment of a Combined Authority at some point in the future. It will also provide a mechanism to further strengthen democratic input and influence with the LEP and align more effectively with the LEP’s new model of governance and accountability.
- 4.33 Without a Joint Committee in place, the HotSW area will continue to struggle to position itself to be able to take advantage of Government policy initiatives and new funding opportunities compared to those areas that have and are establishing formal strategic partnerships.

5 Links to Corporate Aims / Priorities

5.1 Our devolution proposals seek to deliver priorities and targets across all parts of the WSC Corporate Vision and Strategy, namely:

- Vision: “To enable people to live, work and prosper and for business to thrive in West Somerset”
- Key theme 1 – Our communities (increasing availability of homes, retaining young people, the wellbeing of older people)
- Key theme 2 – Business and enterprise (encouraging inward investment, supporting and promoting tourism and agricultural sectors, improving skills, maximising local economic benefits from Hinkley Point C)
- Key theme 3 – Our Place & Infrastructure (keeping West Somerset a place to be proud of, well maintained, welcoming to resident, visitors and businesses)

6 Finance / Resource Implications

6.1 The costs associated with the early work on the Productivity Strategy preparation largely relate to officer time which is being provided ‘in kind’ by the authorities and partners. Specifically the LEP has met some direct costs.

6.2 The establishment of the Joint Committee provides a low cost option compared to a Combined Authority model of governance. As part of the Inter-Authority Agreement the assumption is that the Constituent Authorities will continue to provide in-kind support although this will be reviewed by the Administering Authority to ensure that the levels of support are appropriate, sustainable into the future and acceptable to the authorities providing the support. The direct running costs of the Joint Committee will be limited to providing officer support for the meetings, if there is insufficient ‘in-house’ capacity, and the costs of the meetings themselves. At this stage direct support costs will be kept to a minimum and for 2017/18 and some of 2018/19 will be covered by the residual joint devolution budget established in 2015.

6.3 In addition to the direct costs of administering the Joint Committee there is also the issue of a budget to fund its Work Programme. Further details of the provisional budget requirements are set out in section 4 together with the proposed funding mechanism for contributions from individual Constituent Authorities.

6.4 In coming to their decision about a Joint Committee and whether the potential costs provide good value for money, Members might like to consider the potential cost/impact of not working in this way and the potential loss of influence with the Government and investment to the area. Through recent funding initiatives and policy – including through the recent meeting with the Minister, it is clear that Government is looking for areas to come together and articulate their vision and priorities across footprints wider than their organisational boundary or sub-regional areas.

6.5 The proposal put before Members sets out a low risk, low cost option to work in a more formal way to capitalise on opportunities arising from future Government strategies, funding announcements and in preparation for Brexit.

7 Legal Implications

7.1 Each of the partners’ legal teams and Monitoring Officers have been involved in the development of the Arrangements and Inter-Authority documents set out as Appendices

A and B. The documentation also aligns to the LEP's Assurance Framework.

- 7.2 This simple documentation sets out the functions, membership and operations of the Joint Committee and the requirements upon the constituent authorities in supporting it.

8 Environmental Impact Implications

- 8.1 No environmental / sustainability impacts associated with the publication of this report (in itself) have been identified however a key objective of the Productivity Plan concerns sustainability and will be addressed as the detail of the devolution deal is negotiated, ratified and delivered.

9 Safeguarding and/or Community Safety Implications

- 9.1 No impacts on community safety associated with the publication of this report (in itself) have been identified however they will be addressed as the detail of a devolution deal is negotiated, ratified and delivered.

10 Equality and Diversity Implications

- 10.1 The Inter-Authority Agreement requires all Constituent Authorities to support, promote and discharge its duties under the Equality Act through the work of the Joint Committee. The Partnership is developing an Equality Impact Needs Assessment to inform the development of the Productivity Strategy. The Joint Committee will consider this assessment alongside the Productivity Strategy before adoption.

11 Social Value Implications

- 11.1 No impacts on Social Value associated with the publication of this report (in itself) have been identified.

12 Partnership Implications

- 12.1 Since August 2015, Devon and Somerset County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks, the Local Enterprise Partnership (LEP) and the three Clinical Commissioning Groups have worked in partnership to progress towards securing a devolution deal for the HotSW area focusing on delivering improved productivity.

13 Health and Wellbeing Implications

- 13.1 There is a strong correlation between economic prosperity and health of the population. Public Health specialists will be key stakeholders within the consultation process and will be asked to advise on ways in which the Productivity Strategy could be connected to public health strategies to maximise the benefits to our communities.

14 Asset Management Implications

- 14.1 No impacts on Asset Management associated with the publication of this report (in itself) have been identified.

15 Consultation Implications

- 15.1 Members, partners and the public have been kept informed of developments of the HotSW Devolution Partnership and the Productivity Strategy through press releases, newsletters, presentations, workshops and publications. This information flow will be maintained by the Joint Committee. In addition, all of the Authorities within the Partnership have taken formal decisions as required during the various stages of consideration of devolution proposals and the proposed creation of the Joint Committee.
- 15.2 A draft Productivity Strategy has been released for public consultation. To complement the on-line consultation there will be; Council-based briefings and targeted key stakeholder events through 6 sub-regional roadshows held in Plymouth, Northern Devon, Cullompton/Exeter, Torbay, Taunton/Bridgwater and Yeovil/Shepton Mallet. The consultation will end on 30th November 2017 and feedback will influence the final strategy which is due for approval in early 2018.

16 Scrutiny Comments / Recommendation(s)

- 16.1 Not applicable

Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – No**
(however this topic was discussed at WSC PAG 29 November 2017)
- **Cabinet – No**
- **Full Council – Yes**

Reporting Frequency : Once only Ad-hoc Quarterly
 Twice-yearly Annually

List of Appendices (delete if not applicable)

Appendix A	Heart of the South West (HotSW) joint committee – draft arrangements
Appendix B	HotSW joint committee - draft Inter – Authority Agreement
Appendix C	Executive decision record sheet - Supporting in principle the creation of a HotSW Joint Committee (15 Feb 2017)

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APPENDIX A

HEART OF THE SOUTH WEST (HOTSW) JOINT COMMITTEE – DRAFT ARRANGEMENTS

1. Introduction:

1.1 Legal status: The HotSW Joint Committee is a Joint Committee of the local authorities listed in 1.5 below that comprise the HotSW area and established under Sections 101 to 103 of the Local Government Act 1972 and all other enabling legislation to undertake the functions detailed in section 2 of this Agreement.

1.2 Key purpose: The key purpose of the Joint Committee is to be the vehicle through which the HotSW partners will ensure that the desired increase in productivity across the area is achieved.

1.3 Aims and objectives: The aim is to provide a single strategic public sector partnership that covers the entire area and provides cohesive, coherent leadership and governance to ensure delivery of the Productivity Strategy for the HotSW area. The specific objectives of the Joint Committee are to:

- (a) Improve the economy and the prospects for the region by bringing together the public, private and education sectors;
- (b) Increase our understanding of the economy and what needs to be done to make it stronger;
- (c) Improve the efficiency and productivity of the public sector;
- (d) Identify and remove barriers to progress and maximise the opportunities /benefits available to the area from current and future government policy.

1.4 Commencement: The Joint Committee will be established in accordance with the resolutions of the Constituent Authorities listed below in paragraph 1.5 with effect from the Commencement Date (22nd January 2018) and shall continue in existence unless and until dissolved by resolution of a majority of the Constituent Authorities.

1.5 Membership: Each of the Constituent Authorities listed below shall appoint 1 member and 1 named substitute member to the Joint Committee on an annual basis. Each member shall have 1 vote including substitute members. For the Councils, the member appointed shall be that Council's Leader except in the case of Torridge District Council where the member appointed by the Council shall have authority to speak and vote on matters on behalf of the Council. Political balance rules do not apply to the Joint Committee membership. The substitute member shall also be a cabinet member where the Council is operating executive arrangements. For the National Park Authorities the member appointed shall have authority to speak and vote on matters on behalf of the Authority:

- Dartmoor National Park Authority
- Devon County Council
- East Devon District Council
- Exeter City Council

- Exmoor National Park Authority
- Mendip District Council
- Mid Devon District Council
- North Devon Council
- Plymouth City Council
- Sedgemoor District Council
- Somerset County Council
- South Hams District Council
- South Somerset District Council
- Torbay Council
- Taunton Deane Borough Council
- Teignbridge District Council
- Torrington District Council
- West Devon Borough Council
- West Somerset Council.

1.6 In addition to the Constituent Authorities the partner organisations listed below shall each be invited to appoint 1 co-opted representative and 1 named substitute co-opted representative to the Joint Committee. Co-opted members shall not have voting rights:

- Heart of the South West Local Enterprise Partnership (the LEP)
- NHS Northern, Eastern and Weston Devon Clinical Commissioning Group
- NHS South Devon and Torbay Clinical Commissioning Group
- NHS Somerset Clinical Commissioning Group

1.7 The Joint Committee may co-opt further non-voting representatives from the private, public and/or voluntary sectors at any time.

1.8 Each appointed member / representative shall remain a member of the Joint Committee until removed or replaced by the appointing authority / organisation. Appointments to fill vacancies arising should be notified to the Joint Committee Secretary as soon as possible after the vacancy occurs.

1.9 Standing Orders / Rules of Procedure: Outside of the contents of this 'Arrangements' document, the Standing Orders and Rules of Procedure for the Joint Committee shall be those contained in the Constitution of the Administering Authority to the Joint Committee, subject, in the event of any conflict, to the provisions in the Arrangements document taking precedent.

1.10 Administering Authority: A Council shall be appointed by the Constituent Authorities as the Administering Authority for the Joint Committee and shall provide legal, democratic services, financial and communications support to the Committee. The Joint Committee's Forward Plan of business and papers for its meetings shall be published on the Administering Authority's website with links provided to the websites of the other Constituent Authorities and partner organisations.

2. Joint Committee Functions:

2.1 The only delegated function of the Joint Committee relates to the approval of the HotSW Productivity Strategy. All other matters referred to in 2.3 are 'referred' matters where the Joint Committee will make recommendations to the Constituent Authority or Authorities for decision. Additional delegated or referred functions may be proposed for the Joint Committee in the future by the Joint Committee or any of the Constituent Authorities, but shall only be agreed if approved by all of the Constituent Authorities.

2.2 The principle of subsidiarity will apply to the relationship between the Joint Committee, the Constituent Authorities and local Sub-Regional Partnerships with decisions being made at the most local and appropriate level on all matters to do with the delivery of the Productivity Strategy and in relation to the other functions of the Joint Committee.

2.3 The Joint Committee shall:

- (a) Develop and agree the HotSW Productivity Strategy in collaboration with the LEP.
- (b) Ensure delivery of the HotSW Productivity Strategy in collaboration with the LEP and the Constituent Authorities.
- (c) Continue discussions /negotiations with the Government on the possibility of achieving devolved responsibilities, funding and related governance amendments to assist with the delivery of the Productivity Strategy. Joint Committee proposals arising from these discussions /negotiations would require the formal approval of the Constituent Authorities / partner agencies.
- (d) Continue discussions / negotiations with the Government / relevant agencies to secure delivery of the Government's strategic infrastructure commitments, eg, strategic road and rail transport improvements
- (e) Work with the LEP to identify and deliver adjustments to the LEP's democratic accountability and to assist the organisation to comply with the revised (November 2016) LEP Assurance Framework. This includes endorsing the LEP's assurance framework on behalf of the Constituent Authorities as and when required. However, this is subject to the Framework being formally approved by the LEP's Administering Authority.
- (f) Ensure that adequate resources (including staff and funding) are allocated by the Constituent Authorities to enable the objectives in (a) to (e) above to be delivered.

3. Funding

3.1 The Constituent Authorities shall agree each year and in advance of the start of the financial year (except in the year of the establishment of the Joint Committee) a budget for the Joint Committee in accordance with a Budget and Cost Sharing Agreement to cover the administrative costs of the Joint Committee and costs incurred in carrying out its functions. All funds will be held and administered by the Administering Authority on behalf of the Constituent Authorities and spent in accordance with that Authority's financial regulations and policies.

3.2 In the Joint Committee's first year of operation, the budget will be approved by the constituent authorities on the recommendation of the Joint Committee as soon as possible after the establishment of the Joint Committee.

3.3 Joint Committee members' costs and expenses will be funded and administered by the respective Constituent Authority.

4. Review of the Joint Committee Arrangements

5.1 The Joint Committee may at any time propose amendments to the Arrangements document which shall be subject to the approval of all of the Constituent Authorities.

5.2 Any Constituent Authority may propose to the Joint Committee amendments to the Arrangements. Such amendments shall only be implemented if agreed by all of the Constituent Authorities on the recommendation of the Joint Committee.

5. Members' Conduct

5.1 All members of the Joint Committee shall observe the "Seven Principles of Public Life" (the 'Nolan' principles) and will be bound by their own authority's code of conduct in their work on the Joint Committee.

5.2 Joint Committee members / representatives shall be subject to the code of conduct for elected members adopted by the Constituent Authority that nominated them to be a Joint Committee member or to the conduct requirements of the organisation that appointed them. This includes the requirement to declare relevant interests at formal meetings of the Joint Committee.

6. Requirements of Joint Committee members

6.1 Joint Committee members shall:

- (a) Act in the interests of the Joint Committee as a whole except where this would result in a breach of a statutory or other duty to their constituent authority or would be in breach of their Constituent Authority's Code of Conduct.

- (b) Be committed to, and act as a champion for, the achievement of the Joint Committee's aims.
- (c) Be an ambassador for the Joint Committee and its work.
- (d) Attend Joint Committee meetings regularly, work with others to achieve consensus on items of business and make a positive contribution to the Committee's work.
- (e) Act as an advocate for the Joint Committee in any dealings with their organisation including seeking any approvals from their Constituent Authority/partner organisation to Joint Committee recommendations.
- (f) Adhere to the requirements of the 'Arrangements' document and maintain high ethical standards.

7. Appointment of Chairman and Vice-Chairman

7.1 The Joint Committee shall elect a Chairman and Vice-Chairman from amongst the voting membership as the first items of business at its inaugural meeting and at each Joint Committee Annual General Meeting thereafter. The appointments shall be confirmed by a simple majority vote of Constituent Authority members. If a deadlock occurs between two or more candidates a secret ballot shall immediately be conducted to confirm the appointment. If there is still deadlock following a secret ballot then a further meeting of the Joint Committee shall be held within 14 days and a further secret ballot shall be held to resolve the appointment.

7.2 A vacancy occurring in the positions of Chairman or Vice-Chairman between Annual General Meetings shall be filled by election at the next meeting of the Joint Committee. The person elected will serve until the next Annual General Meeting.

7.3 The Chairman and Vice-Chairman shall, unless he or she resigns the office or ceases to be a member of the Joint Committee and subject to 7.5 below, continue in office until a successor is appointed.

7.4 In the absence of the Chairman and the Vice-Chairman at a meeting, the voting members of the Committee present shall elect a Chairman for that meeting.

7.5 The Chairman or Vice-Chairman may be removed by a vote of all of the Constituent Authority members present at a meeting of the Joint Committee.

8. Quorum

The quorum for any meeting of the Joint Committee shall be 9 Constituent Authority members. The Chairman will adjourn the meeting if there is not a quorum present. In the absence of a quorum, the meeting shall be adjourned to a date, time and venue to be agreed by the Chairman.

9. Voting

9.1 Wherever possible the elected and co-opted members of the Joint Committee shall reach decisions by consensus and shall seek to achieve unanimity.

9.2 In exceptional circumstances where a formal vote is required, the proposal will be carried by a simple majority agreement of the voting members present and voting by a show of hands. The Chairman of the Joint Committee shall not have a casting vote in the event of a tied vote.

10 Decision making Arrangements

10.1 Only the Joint Committee shall approve the Productivity Strategy.

10.2 The Joint Committee may at any time appoint working groups consisting of Joint Committee members and/or co-opted representatives / officers to consider specific matters and report back / make recommendations to the Joint Committee.

11 Formal Meeting Arrangements

11.1 The Joint Committee will hold an Inaugural Meeting within 30 days of the agreed commencement date and thereafter shall meet on a regular basis as agreed by the Joint Committee annually at its Annual General Meeting.

11.2 The Chairman or in his/her absence the Vice-Chairman, may call a special meeting of the Joint Committee following consultation with the Chief Executives' Advisory Group to consider a matter that falls within the Committee's remit but cannot be deferred to the next scheduled meeting, provided that at least ten clear working days notice in writing is given to the Joint Committee membership.

11.3 Formal meetings of the Joint Committee shall normally be held in public, in accordance with the Access to Information Rules and the Standing Orders / Rules of Procedure of the Administering Authority.

11.4 Meetings of any working groups or task groups established by the Joint Committee shall, unless otherwise agreed, be held in private.

12. Who can put items on the Joint Committee's agenda?

- (a) The Joint Committee itself;
- (b) Any of the members of the Joint Committee appointed by the Constituent Authorities
- (c) A Constituent Authority by way of a formal resolution
- (d) The Chief Executives' Advisory Group
- (e) The Monitoring Officer and / or the Chief Finance Officer of the Administering Authority.

13. Reporting Arrangements

13.1 In addition to any ad hoc reports to the Constituent Authorities, the Joint Committee shall supply an annual report of its activities to the Constituent Authorities in May of each year.

13.2 The Joint Committee shall co-operate with the public scrutiny arrangements of the Constituent Authorities.

14 Record of attendance

14.1 All members present during the whole or part of a meeting are asked sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

Julian Gale
Monitoring Officer
Somerset County Council

30.10.17

APPENDIX B

HOTSW JOINT COMMITTEE DRAFT INTER – AUTHORITY AGREEMENT

1. Commencement and Duration:

1.1 This Agreement (and the obligation of the Constituent Authorities [CAs]) shall take effect on the agreed Commencement Date – Monday 22nd January 2018 - and shall continue until the Joint Committee (JC) is dissolved.

2. Formation provisions:

2.1 The CAs agree to form the JC from the agreed Commencement Date and to delegate / refer the functions specified to the JC from that date as set out in section 2.3 of the Arrangements document.

2.1 The JC shall operate in accordance with the Arrangements document and the Standing Orders and Rules of Procedure of the Administering Authority (AA).

3. Administering Authority (AA) arrangements

3.1 The AA shall be appointed by resolution of the CAs for a 24 month period (24 months is considered as appropriate to provide sufficient continuity but also to provide the option to rotate the role on a regular basis).

3.2 The AA shall provide:

- Financial, legal, constitutional and administrative support to the JC and its meetings
- An on-line presence for the JC via the AA website with links to the CAs / partner organisations websites.
- Ensure it has appropriate insurance arrangements in place to cover the AA role.

3.3 The AA may resign from the role by giving 6 months' notice to the CAs.

3.4 The AA may be removed and replaced by a majority vote of the CA members at a formal meeting of the JC.

3.5 The JC shall cease to exist in the event that no CA or organisation can be identified to undertake the AA role.

4. JC Finance

4.1 The JC's budgetary arrangements shall be detailed in a budget and cost sharing agreement (to be drafted) to be agreed by all of the CAs annually on the recommendation of the JC and in advance of the financial year. The only exception

to this will be in the JC's first year of operation when the JC shall recommend a budget and cost sharing agreement to the CAs for approval at the first opportunity following its establishment.

- 4.2 The budget and cost sharing agreement shall cover:
- (a) The responsibilities of the CAs for providing funding for the JC
 - (b) The anticipated level of expenditure for the JC for the year ahead
 - (c) The cost sharing mechanism to be applied to the CAs
 - (d) Details of how the budget will be set and agreed each year
 - (e) Who is to be responsible for maintaining financial records on behalf of the JC (the 'accountable body');
 - (f) What financial records are to be maintained;
 - (g) What financial reports are to be made, to whom and when;
 - (h) What arrangements and responsibilities are to be made for:
 - auditing accounts;
 - insurance including ensuring all partners have sufficient cover;
 - (i) How any financial assets held by the JC on behalf of the CAs will be redistributed to the CAs in the event of the dissolution of the JC or in the event of a CA formally withdrawing from the CA.

5. Roles and responsibilities of the CAs

- 5.1 The CAs shall:
- (a) Appoint Members and named substitutes to the JC in accordance with the 'Arrangements'.
 - (b) Undertake to share the costs of the JC in accordance with the budget and cost sharing agreement and pay their contribution to the JC to the AA in good time.
 - (c) Make appropriate arrangements for recommendations of the JC to be considered and decisions made by the CA.
 - (d) Support the work of the JC by offering services, resources or other 'in kind' support to assist with JC projects and activities.
 - (e) Within the terms of the Inter-Authority Agreement, agree to share information to support the work of the JC.

6. Chief Executives' Advisory Group

- 6.1 The Group shall:
- (a) Ensure that the JC fulfils its functions and responsibilities and in accordance with all legal and constitutional requirements.
 - (b) Plan and co-ordinate the JC's activities to ensure the achievement of its aims and objectives
 - (c) Consider the performance and effectiveness of the JC on an on-going basis and make recommendations for changes for consideration by the JC and CAs as necessary.
 - (d) Ensure that professional advice is available and provided as necessary to the JC to enable it to carry out its functions.
 - (e) Rigorously monitor and scrutinise the JC's budget.

- (f) Consider disputes between the CAs over the application or interpretation of this Agreement together with any potential breaches of this Agreement.

7. Withdrawal from / dissolution of the JC

7.1 A CA wishing to withdraw from the JC shall give a minimum of 6 months' notice in writing to the other CA via the AA. The CAs shall co-operate with any such request.

7.2 If two or more CAs give notice of withdrawal from membership of the JC in the same Financial Year, the JC shall consider and make recommendations to the remaining CA as to the future operation of the JC and, if appropriate, recommend any necessary amendments required to the JC's functions and operating arrangements.

7.3 Where a majority of the CAs at any time agree (via formal resolutions) that the JC should be dissolved or terminated on a specified date then the JC shall cease to exist from that date.

8. Accounts, Audit and Reporting arrangements

8.1 The AA's accounts and audit arrangements will apply to JC business.

8.2 The AA will ensure appropriate reporting arrangements are in place for the JC.

9. Review of Inter-Authority Agreement

9.1 At any time one or more of the CAs may seek a review of this agreement and the operation of the JC by giving notice to the CAs via the AA.

9.2 The review shall be undertaken by the Chief Executives Advisory Group for report to the JC. Any recommendations for changes to the agreement from the JC shall only be implemented if agreed by all of the CAs.

10. Insurance, Indemnities, and Conduct of Claims

10.1 The JC as a scrutiny and policy making group rather than a commissioning body undertakes administrative functions and therefore carries relatively little risk.

10.2 Each authority's insurance cover will automatically extend to provide protection for their members and officers participating in the work of the JC and in their capacity as officers or members of that authority.

11. Information Sharing, Data Protection, Confidentiality, Publicity and Freedom of Information (FOI) Requests

11.1 The CA shall share information about their organisations where that information is relevant to the aims and objectives of the JC.

11.2 Where such information is confidential or privileged, for example for reasons of commercial, customer or client confidentiality, the CA concerned shall seek to provide the information in such a form as to assist the JC whilst maintaining confidentiality, for example by the use of statistical and other non-identifiable forms of data. If confidential information is provided by a constituent authority to assist the work of the JC, then each CA will respect that confidentiality and shall not use or disclose such information without the permission of the authority that provided the information.

11.3 In respect of FOI requests, the AA will ensure that the requirements of the FOI Act 2000 are met in respect of the activities of the JC. In particular the AA will consult the officers of the CA as necessary regarding any potentially contentious enquiries and will then respond to them accordingly on behalf of the JC.

11.4 The JC and the CAs shall at all times abide by the requirements of the Data Protection Act.

11.5 All press releases and public statements to be sent out on behalf of the Joint Committee shall be the responsibility of the press office of the Administering Authority.

12. Promoting Equality, Diversity and Social Inclusion

12.1 All CAs will support and promote the principles of inclusiveness and equality for all through the work of the JC.

13. Extent of obligations and further assurance

13.1 Nothing in this Agreement is to require any of the CA to act in any way that is inconsistent with its obligations or duties as a local authority.

14. Variations of the Agreement

14.1 Subject to the express provisions of this Agreement, no variation of this Agreement will be valid or effective unless agreed by formal resolution of all of the CA.

15. Dispute Resolution / Breach of this Agreement

15.1 In the event of a dispute arising from the interpretation and operation of this Agreement or a breach of this Agreement by any CA or JC member, the matter shall

first be considered by the Chief Executives' Advisory Group. The Group shall seek to resolve the matter by discussion and mutual agreement and report to the JC and CA as necessary.

15.2 Where this fails to achieve a resolution, then the JC may give formal consideration to further action. Such action may include:

- (a) A request to a CA to replace a JC member;
- (b) A request to a CA to withdraw from the JC;
- (c) A recommendation to the other CAs for the termination of the participation of a CA.

Julian Gale
Monitoring Officer
Somerset County Council

30.10.17

EXECUTIVE DECISION RECORD SHEET

<p>Name of decision maker Cllr Anthony Trollope - Bellew</p> <p>Portfolio Devolution related activity</p> <p>Date of Portfolio Holder Decision 15th February 2017</p>
<p>Title of Decision Supporting in principle the creation of a HotSW Joint Committee</p>
<p>Decision made and reasons</p> <p>To support “in principle” the creation of a Heart of the South West (HotSW) Joint Committee of the local authorities, national park authorities and partners to take forward the Productivity plan.</p> <p>This decision to support the principle of creating a joint committee will confirm WSC`s continued support for joint working and a devolution deal through the HotSW area with Central Government.</p> <p>The decision will lay the foundation for a further decision by members in early summer to agree the detailed arrangements that will be required for governance of the joint committee.</p> <p>This proposed joint committee will provide a mechanism for a formal strategic partnership to complement and maximise the ability of local sub-regional arrangements to deliver partner aspirations.</p> <p>Membership of the committee will enable WSC to continue to play a role in the strategic investment decisions that will link to the productivity plan.</p>
<p>Reports considered</p> <p>See attached appendix for wider information</p>
<p>Officers/Councillors consulted Brendan Cleere, Ian Timms</p> <p>Item debated at Corporate Policy Advisory Group on 25th January 2017.</p>
<p>Alternative options considered and reasons for rejection</p> <p>Not to agree principle - this would disadvantage WSC in any future wider negotiation on devolution and would be contrary to previous council decision in Summer 2016 to support combined authority approach</p>

The following are if appropriate / applicable
If yes, the implications should be included in this decision notice

Finance/Resource implications	None at this stage
Legal implications	None at this stage
Links to corporate priorities	No
Equality and Diversity implications	None at this stage
Crime and Disorder implications	No
Consultation implications	None
Asset Management implications	No
Environmental Impact implications	No
Health and Wellbeing	No
Partnership implications	Yes – impacts continued partnership work
Risk Management	Yes – see attached appendix

Portfolio Holder's Signature
Date

Details of any interests declared and any dispensations given by the Standards Advisory Committee
None

Ratification of decision by the Leader
Leader's signature
Date

For Monitoring Officer use only
Date Decision Record Sheet received from Portfolio Holder
Date Decision Record Sheet passed to Leader
Date Decision Record Sheet received back from Leader
Date Members informed of decision
Date any Call-In received or decision implemented

WSC 143/17

West Somerset Council

Full Council – 13 December 2017

Fees and Charges 2018/19

Report of the Financial Services Manager

This matter is the responsibility of Councillor M Chilcott, Lead Member for Resources and Central Services

1. Executive Summary

- 1.1 This report sets out the proposed fees and charges for next financial year, 2018/19.

2. Recommendations

- 2.1 Full Council is recommended to approve the Fees and Charges proposals to be added to the 2018/19 budget, with the new charges for Environmental Health to come into effect from 1 January 2018.

3. Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
Fees and Charges are not set at an appropriate level	3	4	12
<i>Fees and Charges are reviewed annually to ensure they are compliant with regulation and the Council's policies.</i>	1	4	4

Risk Scoring Matrix

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

	1	2	3	4	5
	Negligible	Minor	Moderate	Major	Catastrophic
	Impact				

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

4. Proposed Fees and Charges for 2018/19

4.1 The Council receives general funding for services from a variety sources including Government grant, council tax, business rates and other grants and contributions such as S106 funding from developers. The Council also provides a number of services where customers / users pay directly as they are provided.

4.2 The services that WSC charge for and are covered by this report are:

- Garden Waste Collection and Recycling
- Land Charges
- Environmental Health
- Licensing
- Planning
- Harbours and Mooring
- Court Fees
- Off-Street Parking

4.3 Included within the appendices in this report are the detailed proposed charges for each of the above services. These include the legislation that allows West Somerset Council to charge for the service in question, confirms if the charges can only be what it costs to provide the service or can be another charge, or if the charge is set by Central Government. This will give Councillors reassurance that the charges being proposed are legally set.

5. Proposed Increases for 2018/19

5.1 Those services proposing an increase to charges for 2018/19 include:

- Garden Waste Collection and Recycling (Appendix A)
- Environmental Health (Appendix B)
- Licensing (Appendix C)
- Land Charges (Appendix D)
- Harbours (Appendix F)

- 5.2 Due to a rebasing of the associated costs, Court Fees are proposed to be reduced for 2018/19 (Appendix E).
- 5.3 Parking Permit Fees have also been reviewed and these are proposed to be reduced in some areas. (Appendix H)

6 Proposed New Charges for 2018/19

- 6.1 The Environmental Health Manager proposes to introduce a cost recovery fee for the provision of food hygiene advice to food businesses in Taunton Deane and West Somerset from 1st January 2018. This includes a charge for food safety advisory visits, a printed copy of a guidance booklet and a Food Hygiene Rating Scheme request for a re-inspection visit. See Appendix B2.
- 6.2 The Environmental Health Team do not currently charge for food safety advisory visits and this would allow for specialist advice to be provided to the business owner at a calculated fee of £130 based on a 1 hour visit. The Food Standards Agency (FSA) has reviewed its guidance on charging a fee for requested re-inspection visits to re-assess a business's Food Hygiene Rating Scheme (FHRS) score, in consideration of the general power under the Localism Act (2011). The Agency considers that providing a re-inspection upon request by a food business operator, in circumstances where there is no statutory requirement to provide that re-inspection, falls within the general power that allows for the recovery of costs. It is proposed that a fee of £122.50 is introduced for a FHRS re-inspection visit and a charge of £30 for a printed guidance pack from 1st January 2018.
- 6.3 Based on figures for 2016/17 this will bring in additional income of £612 for West Somerset Council. This is likely to increase if the mandatory display of food hygiene stickers is introduced.

7. Detailed Proposals

- 7.1 Appended to this report are the detailed proposed charges for each service as outlined below:

Waste Services	Appendix A
Environmental Health	Appendix B1
Environmental Health (New Charge)	Appendix B2
Licensing	Appendix C
Land Charges	Appendix D
Court Fees	Appendix E
Harbours	Appendix F
Freedom of Information	Appendix G
Parking	Appendix H
Planning	Appendix I

5. Links to Corporate Aims / Priorities

- 5.1 The Council must formally approve fees and charges, and ensure these comply with relevant powers and duties. The approach continues to seek, wherever possible, that fees and charges will cover the costs of the services to which they relate. The resulting income forecasts will subsequently be reflected in the budget estimates for next financial year.

6. Finance / Resource Implications

- 6.1 Fees and charges income contributes to the overall costs of running the organisation. The level of fees and charges impact directly on the Council's budget, and detailed analysis is required to understand the impact of price increases and decreases on service budgets as a whole. It is important that fee levels comply with statutory requirements and where there are no statutory levels in place, that they are reasonable, affordable and proportionate to the service costs.
- 6.2 In order to set appropriate fees, services analyse trends and seek to understand how fee levels influence their customers. An understanding of risks associated with the fee levels is important, including how this may affect customers or the services provided, and how robust are the related financial forecasts that feed into estimates for budget setting purposes. If the estimates are not reliable – particularly where demand can be volatile – this could lead to a shortfall in funding which may impact in service delivery and/or require prompt mitigation. In addition, proposals are equally important in meeting non-financial priorities and strategies for particular service areas.
- 6.3 The projected impact on budget estimates of the various proposals are summarised below. This shows that the changes to Fees & Charges should only contribute an additional £1,000 in income, whilst and in other areas help cover increased costs.

Service Area	Appendix	Additional Income £
Garden Waste Collection and Recycling	A	0
Environmental Health	B1	0
Environmental Health (New Charge)	B2	612
Licensing	C	0
Land Charges	D	0
Court Fees	E	0
Harbours	F	3,000
Parking	H	(2,560)
TOTAL		1,052

- 6.4 The following comments summarise the proposals in respect of each service area, with further detail included in the appendices.

Garden Waste Collection and Recycling

- 6.5 The increases proposed are based on the inflationary rate set within the collection contract with Kier, for 2018/19 this is expected to be 3.5%. As such, the increase will be cost neutral.(Appendix A)

Harbours and Mooring

- 6.6 The proposed increases in fees are made in order to provide additional resources needed to assist the Council in meeting essential operating costs. (Appendix F)

7. Legal Implications

- 7.1 The legislation that allows West Somerset Council to charge are included within the appendices.

8. Environmental Impact Implications

- 8.1 None for the purpose of this report.

9. Safeguarding and/or Community Safety Implications

- 9.1 None for the purpose of this report.

10. Equality and Diversity Implications

- 10.1 Equalities impact assessments have been completed where appropriate and are included within the appendices for this report.

11. Social Value Implications

- 11.1 None for the purpose of this report.

12. Partnership Implications

- 12.1 None for the purpose of this report.

13. Health and Wellbeing Implications

- 13.1 None for the purpose of this report.

14. Asset Management Implications

- 14.1 None for the purpose of this report.

15. Consultation Implications

15.1 None for the purpose of this report.

16. Scrutiny Comments

16.1 Scrutiny recommended to;

- I. To support the proposed Fees and Charges for 2018/19; and also
- II. A suggested proposal for the Cabinet to consider was recommended that the proposed charge on the Sea Scouts Group be waived for the next 12 months whilst the legal position regarding a 1948 document between the Sea Scouts Group and the Council's predecessor body is established and clarified.

16.2 These comments were considered but not supported by Cabinet.

Democratic Path:

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

Reporting Frequency: Annual

List of Appendices

Appendix A	Waste Services
Appendix B	Environmental Health
Appendix C	Licensing
Appendix D	Land Charges
Appendix E	Court Fees
Appendix F	Harbours and Mooring
Appendix G	Freedom of Information
Appendix H	Off-Street Parking
Appendix I	Planning

Contact Officers

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Appendix A

West Somerset Council - Fees and Charges 2018/19

Waste Services – Somerset Waste Partnership

This paper relates to the optional elements of the waste service provided by West Somerset Council through the Somerset Waste Partnership.

Traditionally all partners try and set their fees in a universal fashion, the Senior Management Group of Somerset Waste Partnership and the Partnership Board have considered the cost increases proposed and believe that this still represents a good value for money service for those that chose to use it. Customers continue to have a choice over who supplies these waste removal services as there is no requirement on them to purchase this from SWP.

The increases proposed are based on the inflationary rate set within the collection contract with Kier, for 2018/19 this is expected to be 3.5%.

Extra consideration was given to those customers who cannot store a green bin, they are already paying more by volume for the waste due to the price and capacity of the bags. Customers that use bags are also disadvantaged due to the taxation rules.

Legal Authority

- These are discretionary services leaving customers with choice.
- The charge for this service is set locally by each of the partners.
- There is no requirement for this to be a 'cost recovery only' and a 'reasonable charge can be made' however the proposal continues to have an element of subsidy in the admin and bin costs.

Charges

- Green waste bins and bulky items are classified as non-business for VAT purposes and as such no vat is payable on these services. The green waste sacks are standard rated (currently 20%) which is included in the price shown below.
- The table below is consistent with the other Somerset districts proposed pricing.

	Current £ (2017/18)	Proposed £
Green Waste Bins	53.50	55.40
Green Waste Sacks x10	26.50	27.40

3 x bulky items	41.50	43.00
Subsequent items	11.50	11.90
Bin replacements	25.00	25.90

Discounts

There are no discounts provided through this service but there remains a subsidy to the public for the elements of administration and provision of bins (for green waste only).

Budget Impacts

Any price increase has the potential to have an effect on the number of users of the service, however this is an area that has been expanding in its user numbers over the years. Increased customer numbers coupled with a cost neutral pricing strategy have meant that the subsidy provided by the council is relatively small.

It is not considered good practice to charge of the green waste bin as this may detract from the use of the service with customers placing this waste in the residual bin increasing the overall costs of the collection contract.

The price increases will allow for the service to continue on cost neutral basis in terms of the contract price paid to Kier, there remains a service subsidy in the bin costs, administration and postage associated with the respective services.

The proposed increase will not alter the net position on green waste services as the increased charges are matched by the increasing costs of provision.

Equality Impact Assessment

Please see attached Equality Impact Assessment form.

Recommendation

Corporate Scrutiny is invited to make comments upon the proposed fees and charges for inclusion in the report to Executive.

END

Chris Hall

Assistant Director – Operational Delivery

**Taunton Deane Borough Council
West Somerset Council**

**Fees and Charges Report 2018/19
Environmental Health**

The following services in Environmental Health incur charges:

1. Environmental Permits - businesses carrying out activities that could potentially cause emissions to air, land or water may need to hold an Environment Permit under the Environmental Permitting (England and Wales) Regulations 2010. Fees are applicable and conditions will be attached to any permit. There may also be a charge to vary, transfer or surrender an existing permit. Annual subsistence fees are payable each year. Fees are set by DEFRA and can be found on the DEFRA website.
2. Private Water Supplies – the council has a general duty under the Water Industry Act 1991 to take all steps appropriate for keeping itself informed about the wholesomeness and sufficiency of drinking waters in the district, including any private water supply. A private water supply is any water supply which is not provided by the local water undertaker or company and which is not a "mains" supply. It includes water intended for human consumption, used for domestic purposes, such as for drinking, washing, in food preparation, heating and also for sanitary purposes.

The Private Water Supplies Regulations 2016 came into force in June 2016, at the time we took the opportunity to review charges for TDBC and WSC to ensure they reflect the costs of providing the service including officer time, mileage and laboratory charges.

3. Pest Control Service – a report providing a review of pest control charges is attached below. In summary the small increase in charges, based on inflation of 2.5%, aims to ensure that the service remains sustainable and that these charges reflect the true cost of providing the service.

Private Water Supply Service Charges Review 2018/19

The Private Water Supply Service provides the following in both Taunton Deane and West Somerset; the monitoring and risk assessment of drinking water from private water supplies located across both authority areas.

Taunton Deane Borough Council and West Somerset Council has a general duty under the Water Industry Act 1991 to take all steps appropriate for keeping itself informed about the wholesomeness and sufficiency of drinking water supplies in the district, including any private water supply.

A private water supply is any water supply which is not provided by the local water undertaker or company and which is not a "mains" supply. It includes water intended for human consumption, used for domestic purposes, such as for drinking, washing, in food preparation, heating and also for sanitary purposes.

The Regulations or "The Private Water Supplies Regulations 2016" updated previous provisions and came into force on 27th June 2016. They place a requirement on the local authority to risk assess and carry out water quality inspections to all supplies except those to single domestic dwellings.

Whilst there is no requirement on the Council to monitor single domestic private water supplies, they can be monitored by request. The standards still apply but local authorities are not required to pro-actively monitor these supplies.

Both regulations 9 and 10 specify certain parameters which must be analysed, but with the addition of any others based on risk. For example, we analyse for arsenic as an additional parameter, as it is found naturally around the Quantocks and occasionally elsewhere. There is also a relatively new requirement to commence monitoring for radioactive substances, including Radon, this will be carried out on a risk basis, in partnership with our colleagues at Somerset Scientific Services and at the request of the relevant person having control over the supply.

Taunton Deane and West Somerset Council have a total of 962 regulated private water supplies, we have two full time officers that spend a large proportion of their time dealing with the monitoring and risk assessment of private water supplies across the district. They also carry out other tasks such as the investigation of environmental protection complaints such as noise, odour and drainage, requests for environmental information, contaminated land and air quality. These officers are both Environmental Control Officers. The hourly rate for an environmental control officer 2017/18 is £45.00 including recharges.

The following table details the charges to be introduced from 1st April 2018. These charges also reflect the changes in fees introduced by Somerset Scientific Services (SSS), the laboratory currently used by both councils for analysis work associated with private water supplies. The rise in fees will result in increased income and also improve cost recovery for each council in this area of work.

**Fees and Charges for Private Water Supply Work from 1st April 2018 for
Taunton Deane Borough Council and West Somerset Council**

	Service	Maximum fee under the Regulations	TDBC & WSC Fee	Notes
1.	Risk Assessment	£500	Charges at hourly rate £50, typical risk assessment at 2 hr will total £100. Plus analysis costs	Time taken to inspect a supply inc.background research, travel time + admin. Average time 2 hours (£100)
2.	Sampling visit	£100	£50 (half an hour for each, sampling visit and report) plus analysis costs	Charge for a visit and to take a sample.
3.	Investigation	£100	Hourly rate (£50) + any analysis costs	Carried out by the Council in the event of the failure of a supply to meet the required standard.
4.	Authorisation	£100	Hourly rate x time	Application by the owner of a supply for permission from the Council to continue supplying water of a lower quality temporarily whilst remedial work is carried out on the supply.
5.	Sample analysis for small/domestic supplies	£25	£22.10	Where a supply provides <10m ³ /day or, <50 people and is used for domestic purposes.
6.	Large/Commercial supplies - Check Monitoring Reg 9	£100	£39.80 per supply Plus additional parameters based on risk and size of supply	Check monitoring is carried out to ensure that water complies with the standards. Where possible it should be carried out at the same time as any requirement for audit monitoring, to keep cost down.
7.	Audit Monitoring		£29.75	Fee set by SSS
8.	Advisory Visits		Charged at £50 per hour	
9.	Requests for Environmental Information		Charged at £65 per request	Requests for environmental information, including requests from solicitors, searches for contaminated land.

(1) Hourly Officer rate £50

(2) Sampling cost not applied to risk assessment

Please note that the actual costs will vary depending on the type of supply, the frequency of testing and the outcome of a Risk Assessment.

1. Risk Assessment

The average risk assessment takes 2 hours including preparation, travel time and the time for the inspection, sampling and report writing, therefore the average cost is likely to be £100. The customer would also be required to pay for the analysis fees set by SSS on top of this, the amount will depend on the suites of analysis chosen by the officer and depend on the size, location and nature of the supply.

2. Sampling Visit

Water quality inspections (such as sampling visits) are carried out regularly at many supplies in the intervening years between the mandatory risk assessments. These water quality checks are used to help inform and complete the risk assessment. The minimum time to carry these out is around 30 minutes for time on site plus travelling, and the time required to report results back to relevant persons. Therefore the cost is likely to be in region of £25, where advice is provided or the visit takes longer, this will be charged at the officer hourly rate. Analysis fees are added to this charge depending the number of tests required as determined by the risk assessment.

3. Investigation

These are carried out by the council in the event of the failure of a supply to meet the required standard and charged at the hourly rate.

4. Authorisation

These are carried out at the request of the owner of a supply for permission from the Council to continue supplying water of a lower quality temporarily whilst remedial work is carried out on the supply and also charged at the hourly rate.

5. Sample analysis for small/domestic supplies

The cost of this is determined by Somerset Scientific Services who carry out the analysis for both council's.

6. Large/Commercial supplies – Check Monitoring Reg 9

This cost is set by SSS.

7. Audit Monitoring

This cost is set by SSS.

8. Advisory Visits or Requests for Advice under Regulation 10

The average advisory visit takes approximately 1 hour including travelling time and preparation work and is currently charged at £50 per hour, the average cost to the customer would be £50. Analyses are charged in addition to officer time

9. Requests for Environmental Information

Requests for environmental information, including requests from solicitors, searches for contaminated land to be charged at a flat rate of £65 in line with the current charge at TDBC. Requests which do not take significant time e.g. requests which confirm that the council hold no information or requests for copies of certificates of water quality are not charged for.

Pest Control Service Charges Review 2018/19

The Pest Control Service provides treatment of rats, mice and wasps along with domestic and commercial pest control contracts in the Taunton Deane and West Somerset areas.

When considering the pest control charges it is important to first establish the true cost of delivering the service. We can then consider areas of potential growth and areas which are subsidised.

The Pest Control Officer's hourly rate for 2017/18 is £83.14 including all recharges for senior staff, salaries, stationary, transport etc. If you exclude recharges the hourly rate reduces to £33.05. These charges are important to consider as they will be incurred by the cost centre whether or not any additional paid work is undertaken and should be considered in this context.

Rat & Mice Treatments

It takes 60 minutes for a 1st call rats/mice visit and 45 minutes for a revisit. The average service request take a 1st visit and 2 subsequent visits, this includes officer's travelling time. A rat/mouse treatment takes 2 ½ hours at a true cost of £207.85 (or £82.63 at the lower hourly rate). The proposed charges for 2018/19 are £67 for rats and mice and £33.50 at the subsidised rate.

If charges were increased to £207.85 to cover the full cost of the service for rats and mice, this would have a detrimental impact on the service.

Wasp Nest Treatments

A wasp's nest treatment takes 45 minutes and only requires 1 visit. The true cost of this service is £62.36 (or £24.77 at the lower hourly rate). The current charges for 2017/18 are £55 for wasps.

Advice/Call Out Visits

The average advice/call out takes 40 minutes and is currently charged at £32.50. If the call out charge was increased to £33.50 this would reflect the proposed increases in the treatments and generate a further increase in income.

Commercial Treatments

Commercial treatments including contracts are charged at an hourly rate plus, materials and VAT. These charges presently make a small profit above the hourly officer rate (excluding recharges) so a 2.5% increase in charges should be considered. Material costs are charged at cost price. The service currently has 11 commercial contracts in place.

Domestic Pest Control Contracts 100

The current charge for Domestic Pest Control Contracts is £110 per year, the contracts are for 3 visits plus 2 additional call out visits. The call out visits are rarely used by customers. The average visit takes 1 hour, so the cost of providing the contract is £249.42 (or £99.09 at the lower hourly rate). We currently have 26 Domestic Pest Control contracts.

I propose an increase to the cost of the Domestic Pest Control Contracts to £112.75 per year.

West Somerset

The service was extended into West Somerset in 2016/17. This service has the potential to grow and service requests for 2017/18 have increased from last year. During 2017/18 the number of treatments provided is 25 for rats, 8 for Mice and 25 for wasps. Service requests from the WSC area will continue to be monitored throughout 2018/19.

Appendix A is the proposed charging sheet.

Pest Control Charges from 1st April 2018 for TDBC and WSC

Domestic Properties

Visits for Rats and Mice **£67.00 full charge**
£33.50 subsidised charge*

Visits for Wasps **£56.00 full charge**

Where two or more nests are found an additional nest charge of 20% per nest (£11.00) is payable for **each** additional nest before treatment can commence.

Visits to give Advice only **£33.50**

This will not include any treatment, if this is requested at the time of the advice visit the difference must be paid before treatment can commence. If treatment is requested and a new appointment is needed, this must be paid in full.

We only provide treatment for fleas in void council properties, or DH

Drainage Camera Survey **£77 + VAT**

***Subsidised charges will only apply if the main householder or their partner is in receipt of, and can provide proof of:-**

- Income Support
- Income Based Jobseekers Allowance
- Employment and Support Allowance Income Based (ESA)
- Working Tax Credit
- Child Tax Credit
- Housing Benefit
- Council Tax Reduction Scheme.
- Pension Credit Guarantee Credit
- Pension Credit Savings Credit

Commercial Properties

Rats and Mice **£77.00 per hour + materials + VAT**

Wasps **£60.00 + VAT**

Advice visits **£36.00 + VAT for wasps**

Contracts

Domestic Contracts are for rats and mice only and are priced at £112.75 a year.

Commercial Contracts shall be priced on an individual basis using an hourly rate of £55.70 plus materials cost. Payable annually in advance.

Equality Impact Assessment

Responsible person	Erica Lake	Job Title: Environmental Health Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	Private Water Supplies Fees and Pest Control Fees and Charges	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	<p>Proposal to increase the fees and charges from April 2018 for the pest control service as detailed in the attached reports. Fees and charges for private water supply service to remain the same as 17/18.</p> <p>The proposed increase to fees and charges will ensure sufficient financial resources are in place to deliver the services.</p>	
Which protected groups are targeted by the policy?	All protected groups are affected equally by the changes.	
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....	Historic evidence has been gathered regarding people that access these services including property and land owners and tenants. Information is available on those people who are entitled to the subsidies applied to the pest control fees. This information is available via the business support team and officers within Environmental Health team.	
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.		
I have concluded that there should be:		
The proposed fees and charges increases will apply to all services users and as such no potential discrimination amongst the protected groups has been identified.		

To help support service users on low incomes a subsidised rate will continue to be available for those in receipt of income-related benefit. This subsidised rate will apply to public health nuisance pests such as rats and mice only.	
No major change - no adverse equality impact identified	Yes
Adjust the policy	
Continue with the policy	
Stop and remove the policy	
Reasons and documentation to support conclusions: Historic data and knowledge of the service gained through a number of years of administering discounts for those that have hardship issues lend itself to continuing to make discretionary relief available for public health nuisance pests (rats and mice only).	
Section four – Implementation – timescale for implementation	
April 2018	
Section Five – Sign off	
Responsible officer: Erica Lake Date: 10 th October 2017	Management Team: Scott Weetch Date: 10 th October 2017
Section six – Publication and monitoring	
Published on	
Next review date	Date logged on Covalent

Action Planning

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

Service area	Environmental Health		Date	10th October 2017		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	
N/A						

Appendix C West Somerset District Council Fees and Charges 2018/19

Licensing

Background

The Licensing Service offers advice, processes applications, monitors compliance and undertakes enforcement action across a number of different regimes;

- Animal Welfare (animal boarding, dog breeding, dangerous wild animals, pet shops and riding establishments)
- Caravan Sites
- Charitable Collections (street & house to house Collections)
- Gambling Act 2005
- Licensing Act 2003
- Highways Act 1980 (s115E permissions)
- Scrap Metal Dealers Act 2013
- Sex Establishments (shops, cinemas and sexual entertainment venues)
- Skin Piercing
- Street Parties
- Street Trading
- Taxis (vehicles, drivers & operators)

Where legislation allows for cost recovery, fees are levied against the administration of the regime and the supervision of licences issued.

These fees are calculated from a combination of four elements.

Application Processing	Time taken to process application from initial enquiry to issue of the decision
Consumables	The cost of specialist materials specific to the licence type
Administration	Time allocated to maintenance of the regime
Monitoring Compliance	Time allocated to supervision of the regime

Each element is split down into a series of activities against which a time allocation is given and the appropriate proportion of an hourly rate (constructed from salary costs and non salary on costs for all officers involved in the process) is then applied and totalled to give an overall cost.

In accordance with case law and the Provision of Services Regulations no fee is levied in respect of enforcement action against unauthorised activities.

Legal Authority

Powers to levy fees and limitations on the extent of activities that can be charged for are provided through the following statutes and case law.

Animal Licensing

Animal Boarding Establishments Act 1963

s.1 (2) "and on payment of such fee as may be determined by the local authority"

Breeding of Dogs Act 1973

s3A

(2)A local authority may charge fees—

(a)in respect of applications for the grant of licences under this Act; and

(b)in respect of inspections of premises under section 1(2A) of this Act.

(3)A local authority may set the level of fees to be charged by virtue of subsection (2) of this section—

(a)with a view to recovering the reasonable costs incurred by them in connection with the administration and enforcement of this Act and the Breeding of Dogs Act 1991; and

(b)so that different fees are payable in different circumstances.

Pet Animals Act 1951

s1(2) "and on payment of such fee as may be determined by the local authority"

Riding Establishment Act 1964

s1(2) "and on payment of such fee as may be determined by the local authority"

Dangerous Wild Animals Act 1976

s1(2)(e) is accompanied by such fee as the authority may stipulate (being a fee which is in the authority's opinion sufficient to meet the direct and indirect costs which it may incur as a result of the application

Zoo Licensing Act 1981

"s15

(1)Subject to this section, the local authority may charge such reasonable fees as they may determine in respect of —

(a)applications for the grant, renewal or transfer of licences;

(b)the grant, renewal, alteration or transfer of licences;

(2)Any fee charged under paragraph (a) of subsection (1) in respect of an application shall be treated as paid on account of the fee charged under paragraph (b) on the grant, renewal or transfer applied for.

(2A)Subject to this section, the authority may charge to the operator of the zoo such sums as they may determine in respect of reasonable expenses incurred by them—

(a)in connection with inspections in accordance with section 9A and under sections 10 to 12;

(b) in connection with the exercise of their powers to make directions under this Act;

(c) in the exercise of their function under section 16E(4) of supervising the implementation of plans prepared under section 16E(2); and

(d) in connection with the exercise of their function under section 16E(7) or (8).

(2B) The authority's charge under subsection (2A)(d) shall take into account any sums that have been, or will fall to be, deducted by them from a payment under section 16F(7) in respect of their costs.

(3) In respect of any fee or other sum charged under this section, the local authority may, if so requested by the operator, accept payment by instalments.

(4) Any fee or other charge payable under this section by any person shall be recoverable by the local authority as a debt due from him to them.

(5) The local authority shall secure that the amount of all the fees and other sums charged by them under this section in a year is sufficient to cover the reasonable expenditure incurred by the authority in the year by virtue of this Act.

Caravan Sites

Power to levy a fee - coming into force April 2014

Caravan Sites & Control of Development Act 1960 as amended by the Mobile Homes Act 2013 s1

s.3(2A) A local authority in England may require a relevant protected site application in respect of land in their area to be accompanied by a fee fixed by the authority

s3 (5A) (1) A local authority in England who have issued a site licence in respect of a relevant protected site in their area may require the licence holder to pay an annual fee fixed by the local authority

Charitable Collections

There is no power to levy a fee for a charitable collection

Gambling Act 2005

Gambling Act 2005

Various Regulations

Maximum fees are set centrally by the Government. Local discretion can be exercised over fees or levels of cost recovery up to the maximum permitted fee.

Licensing Act 2003

Licensing Act 2003 s55, 92, 100(7)(b), 110(3), 133(2) and 178(1)(b)

SI 2005 No79 The Licensing Act 2003 (Fees Regulations) 2005

Fees are set centrally by the Government and currently there is no local discretion over fees or levels of cost recovery.

Scrap Metal Dealers

Scrap Metal Dealers Act 2013 Schedule 1 s6

(1) An application must be accompanied by a fee set by the authority.

(2) In setting a fee under this paragraph, the authority must have regard to any guidance issued from time to time by the Secretary of State with the approval of the Treasury.

s115E Licensing Fee Construction Overview

Highways Act 1980

s115F

3(c) "in any other case, such charges as will reimburse the council their reasonable expenses in connection with granting the permission."

Sex Establishments

Adoption of Schedule 3 under Part II of the Local Government (Miscellaneous Provisions) Act (LG(MPA)) 1982

Schedule 3

s19 An applicant for the grant, renewal or transfer of a licence under this Schedule shall pay a reasonable fee determined by the appropriate authority.

Skin Piercing

Adoption of Part VIII of the LG(MPA) 1982

Acupuncture – LG(MPA) 1982 s14(6)

"A local authority may charge such reasonable fees as they may determine for registration under this section."

Tattooing, ear-piercing and electrolysis – LG(MPA) 1982 s15(6)

"A local authority may charge such reasonable fees as they may determine for registration under this section."

Street Parties

No Power to levy a fee

There is no power to levy a fee for a road closure made under s21 of the Town Police Causes Act 1847

Street Trading Consents

Adoption of Schedule 4 the LG(MPA)1982

S.9(1) A district council may charge such fees as they consider reasonable for the grant or renewal of a street trading licence or a street trading consent.

s.9(2) A council may determine different fees for different types of licence or consent and, in particular, but without prejudice to the generality of this sub paragraph, may determine fees differing according -

(a) to the duration of the licence or consent:

(b) to the street in which it authorises trading; and

(c) to the descriptions of articles in which the holder is authorised to trade.

Taxis

Drivers Licence Fees – LG(MPA) 1976 s53(2)

"Notwithstanding the provisions of the Act of 1847, a district council may demand and recover for the grant to any person of a licence to drive a hackney carriage, or a private hire vehicle, as the case may be, such a fee as they consider reasonable with a view to recovering the costs of issue and

administration and may remit the whole or part of the fee in respect of a private hire vehicle in any case in which they think it appropriate to do so.”

Vehicles & operators' licences – LG(MPA)1976 s70(1)

Subject to the provisions of subsection (2) of this section, a district council may charge such fees for the grant of vehicle and operators' licences as may be resolved by them from time to time and as may be sufficient in the aggregate to cover in whole or in part—

(a) the reasonable cost of the carrying out by or on behalf of the district council of inspections of hackney carriages and private hire vehicles for the purpose of determining whether any such licence should be granted or renewed;

(b) the reasonable cost of providing hackney carriage stands; and

(c) any reasonable administrative or other costs in connection with the foregoing and with the control and supervision of hackney carriages and private hire vehicles.

All fees

R v Manchester City Council, ex p King (1991) –

The cost of the licence has to be related to the cost of the licensing scheme itself.

All Fees with the exception of Taxis

Provision of Services Regulations 2009 s18(4) - Any charges provided for by a competent authority which applicants may incur under an authorisation scheme must be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities

R(Hemming and others) v Westminster Council

103. It is clear and undisputed that costs incurred in investigating the suitability of an applicant for a licence can be reflected in the fee. In the case of an application to renew a licence, I consider that the costs of monitoring the applicant's continued suitability can include the costs of monitoring compliance with the terms of their licences in the past. Once the Council knows what those costs are in broad terms, as it does by reference to what has happened in the past, it is, in my judgment, entitled to include them in the calculation for the next year's licence. There may be a formulaic element to this calculation. But the example of European Commission v Spain is a strong indication that using a formula that proceeds on the basis of the cost of the actual authorisation process is justified.

Charges

Set out in Appendix A

Discounts

The fee has been calculated on the basis of full recovery of costs allocated directly to the service and it is not proposed to offer any discounts in respect of any of the fees levied. An exception exists with those fee levied under the Gambling Act where the Council charges eighty five percent (85%) of the

maximum fee permitted, as the original fee levels set by government included an element for enforcement against unlicensed operators and the Provision of Services Regulations 2009 removed the ability to charge for such activities.

Budget Impacts

Surplus and deficit should be dealt with across a rolling three years such that the balance is zero on those fees which are set locally. This should be reflected in the fee.

It is recommended to maintain fees at their current level for the coming financial year. It is anticipated that this will meet the Council's aim of full cost recovery for locally set fees.

Equality Impact Assessment

There are no proposed changes to the charging policy, therefore No Equality Impact Assessment is required.

Recommendation

Fees for applications under the Licensing Act 2003 and Gambling Act 2005 are set by statute so increases under local arrangements are not possible. For those fees where local discretion exists they cannot exceed the parameters set out within the appropriate statutes.

Guided by case law the suggested fee levels are set to achieve, as far as possible, full recovery for the projected costs to the Council of unfettered administration and supervision of the various licensing regimes.

It would be unlawful for the Council to deliberately set fees to make a profit and any over (or under) recovery will need to be redressed in future fee levels.

In order to ensure fees levied are reasonable and lawful, consideration can only be given to setting fees at the level suggested or at a level lower than those set out within the report thereby subsidising those businesses regulated by the Council's Licensing Service.

Application Type	Application Type 2017 - 18	APPENDIX C1	
		Fees set by statute	Current Fees 2017 -2018
Animal Licensing (Vet fees are not included and must be borne by the applicant)			
Animal Boarding	Animal Boarding - Further Licence		£191.00
Dangerous Wild Animals	Dangerous Wild Animals - Further Licence		£173.00
Dog Breeding	Dog Breeding - Further Licence		£173.00
Home Boarding Licence	Home Boarding - Further Licence		£191.00
Pet Shop Licence	Pet Shop - Further Licence		£173.00
Riding Establishments Up to 10 horses 10 - 25 horses 26+ horses	Riding Establishments		£206.00
Zoos*	Riding Establishments - Further Licence		£188.00
Zoos - Transfer *Applicant to meet Defra inspection costs	Zoos - Further Licence*		£201.00
Caravan Sites (ability to charge came into force 01 April 2014)			
	Caravan Site Licence - Grant		£106.00
	Caravan Site Licence - Transfer		£132.00
			£165.00
			£408.00
			£141.50
			£183.00
			£205.00
			£188.00
			£105.00
			£152.00
			£28.00
Gambling Act 2005			
New Regional Casino			
New Application		£15,000.00	£12,750.00
New Application – with Provisional Statement		£8,000.00	£6,800.00
Provisional Statement		£15,000.00	£12,750.00
Transfer		£6,500.00	£5,525.00
Re-instatement		£6,500.00	£5,525.00
Variation		£7,500.00	£6,375.00
Annual Fees		£15,000.00	£12,750.00
New Large Casino			
New Application		£10,000.00	£8,500.00
New Application – with Provisional Statement		£5,000.00	£4,250.00
Provisional Statement		£10,000.00	£8,500.00
Transfer		£2,150.00	£1,830.00
Re-instatement		£2,150.00	£1,830.00
Variation		£5,000.00	£4,250.00
Annual Fees		£10,000.00	£8,500.00

Application Type	Application Type 2017 - 18	Fees set by statute	Current Fees 2017 -2018	Proposed Fees 2018 -2019
New Small Casino				
New Application		£8,000.00		£6,800.00
New Application – with Provisional Statement		£3,000.00		£2,550.00
Provisional Statement		£8,000.00		£6,800.00
Transfer		£1,800.00		£1,530.00
Re-instatement		£1,800.00		£1,530.00
Variation		£4,000.00		£3,400.00
Annual Fees		£5,000.00		£4,250.00
Bingo				
New Application		£3,500.00	£3,049.00	£2,975.00
New Application – with Provisional Statement		£1,200.00	£523.00	£510.00
Provisional Statement		£3,500.00	£3,049.00	£2,975.00
Transfer		£1,200.00	£1,045.50	£1,020.00
Re-instatement		£1,200.00	£1,045.50	£1,020.00
Variation		£1,750.00	£1,537.50	£1,500.00
Minor Variation				
Annual Fees		£1,000.00	£871.50	£850.00
Betting – not on course				
New Application		£3,000.00	£2,614.00	£2,550.00
New Application – with Provisional Statement		£1,200.00	£523.00	£510.00
Provisional Statement		£3,000.00	£2,614.00	£2,550.00
Transfer		£1,200.00	£1,045.50	£1,020.00
Re-instatement		£1,200.00	£1,045.50	£1,020.00
Variation		£1,500.00	£1,307.00	£1,275.00
Annual Fees		£600.00	£523.00	£510.00
Track Betting (on course)				
New Application		£2,500.00	£2,178.00	£2,125.00
New Application – with Provisional Statement		£950.00	£410.00	£400.00
Provisional Statement		£2,500.00	£2,178.00	£2,125.00
Transfer		£950.00	£820.00	£800.00
Re-instatement		£950.00	£820.00	£800.00
Variation		£1,250.00	£1,127.50	£1,100.00
Annual Fees		£1,000.00	£871.00	£850.00
Adult Gaming Centre				
New Application		£2,000.00	£1,742.50	£1,700.00
New Application – with Provisional Statement		£1,200.00	£523.00	£510.00
Provisional Statement		£2,000.00	£1,742.50	£1,700.00
Transfer		£1,200.00	£1,045.50	£1,020.00
Re-instatement		£1,200.00	£1,045.50	£1,020.00
Variation		£1,000.00	£871.00	£850.00
Annual Fees		£1,000.00	£871.00	£850.00

Application Type	Application Type 2017 - 18	Fees set by statute	Current Fees 2017 -2018	Proposed Fees 2018 -2019
Family Entertainment Centre				
New Application		£2,000.00	£1,742.50	£1,700.00
New Application – with Provisional Statement		£950.00	£410.00	£400.00
Provisional Statement		£2,000.00	£1,742.50	£1,700.00
Transfer		£950.00	£820.00	£800.00
Re-instatement		£950.00	£820.00	£800.00
Variation		£1,000.00	£871.00	£850.00
Annual Fees		£750.00	£666.50	£650.00
Family Entertainment Centre Gaming Machine Permits				
New application		£300.00	£300.00	£300.00
Renewal		£300.00	£300.00	£300.00
Change of name		£25.00	£25.00	£25.00
Copy of permit		£15.00	£15.00	£15.00
Licensed Premises Gaming Machine Permit				
New Application		£150.00	£150.00	£150.00
Variation		£100.00	£100.00	£100.00
Transfer		£25.00	£25.00	£25.00
Change of Name		£25.00	£25.00	£25.00
Copy of permit		£15.00	£15.00	£15.00
Annual Fee		£50.00	£50.00	£50.00
Notification of 2 or less Gaming Machines				
Notification		£50.00	£50.00	£50.00
Prize Gaming Permit				
New Application		£300.00	£300.00	£300.00
Renewal		£300.00	£300.00	£300.00
Change of name		£25.00	£25.00	£25.00
Copy of permit		£15.00	£15.00	£15.00
Club Gaming & Club Machine Permit				
New Application		£200.00	£200.00	£200.00
Variation		£100.00	£100.00	£100.00
Copy Permit		£15.00	£15.00	£15.00
Renewal		£200.00	£200.00	£200.00
Annual Fee		£50.00	£50.00	£50.00
Lotteries				
New		£40.00	£40.00	£40.00
Renewal		£20.00	£20.00	£20.00
Temporary Use Notice				
New		£500.00	£45.00	£40.00
Replacement		£25.00	£25.00	£20.00

Application Type	Application Type 2017 - 18	Fees set by statute	Current Fees 2017 -2018	Proposed Fees 2018 -2019
Occasional Use Notice		£0.00	£0.00	£0.00
Licensing Act 2003				
Premises Licence/Club Premises Certificate Grant				
Band A		£100.00	£100.00	£100.00
Band B		£190.00	£190.00	£190.00
Band C		£315.00	£315.00	£315.00
Band D		£450.00	£450.00	£450.00
Band D*		£900.00	£900.00	£900.00
Band E		£635.00	£635.00	£635.00
Band E*		£1,905.00	£1,905.00	£1,905.00
Premises Licence/Club Premises Certificate Variation				
Band A		£100.00	£100.00	£100.00
Band B		£190.00	£190.00	£190.00
Band C		£315.00	£315.00	£315.00
Band D		£450.00	£450.00	£450.00
Band D*		£900.00	£900.00	£900.00
Band E		£635.00	£635.00	£635.00
Band E*		£1,905.00	£1,905.00	£1,905.00
Annual Fee				
Band A		£70.00	£70.00	£70.00
Band B		£180.00	£180.00	£180.00
Band C		£295.00	£295.00	£295.00
Band D		£320.00	£320.00	£320.00
Band D*		£640.00	£640.00	£640.00
Band E		£350.00	£350.00	£350.00
Band E*		£1,050.00	£1,050.00	£1,050.00
Personal Licence - Grant		£37.00	£37.00	£37.00
Personal Licence Renewal		£37.00	£37.00	£37.00
Temporary Event Notice (TEN)		£21.00	£21.00	£21.00
Replacement Premises Licence		£10.50	£10.50	£10.50
Provisional Statement		£315.00	£315.00	£315.00
Change of name and/or address		£10.50	£10.50	£10.50
Variation of DPS		£23.00	£23.00	£23.00
Dissapplication of DPS			£23.00	£23.00
Transfer of Premises Licence		£23.00	£23.00	£23.00
Interim Authority Notice		£23.00	£23.00	£23.00
Change of Club name or rules		£10.50	£10.50	£10.50
Change of Club address		£10.50	£10.50	£10.50
Replacement TEN		£10.50	£10.50	£10.50
Replacement Personal Licence		£10.50	£10.50	£10.50
Name/address change (Pers. Lic)		£10.50	£10.50	£10.50
Right of freeholder to be notified of licensing matters		£21.00	£21.00	£21.00
Minor Variation		£89.00	£89.00	£89.00

Application Type	Application Type 2017 - 18	Fees set by statute	Current Fees 2017 -2018	Proposed Fees 2018 -2019
Scrap Metal Dealers Act				
SMD Licence - Grant	(3 year duration)		£755.00	£755.00
SMD Licence - Renew	(3 year duration)		£744.00	£744.00
SMD Licence - Variation			£50.00	£50.00
Sex Establishments				
Grant			£3,270.00	£687.00
Licence renewal			£2,946.00	£630.00
Licence variation			£0.00	£90.00
Licence transfer			£0.00	£90.00
Skin Piercing				
Premises			£100.00	£50.00
Individual at premises			£50.00	£50.00
Street Trading				
A' Roads - Annual	Street Trading Consent - Grant, 1 year		£884.00	£454.00
A' Roads - 6 months	Street Trading Consent - Grant, 1 month		£458.00	£55.00
A' Roads - 3 months	Street Trading Consent - Grant, 1 week		£230.00	£39.00
Other Areas - Annual 0800 - 2000 hours			£455.00	
Other Areas - Annual 0800 - 2330 hours			£911.00	
Other Areas - 6 months 0800 - 2000 hours			£247.50	
Other Areas - 6 months 0800 - 2330 hours			£495.00	
Other Areas - 3 months (minimum) 0800 - 2000 hours			£124.00	
Other Areas - 3 months (minimum) 0800 - 2330 hours			£247.50	
Daily rates for one-off events (all areas) - Stalls 0900 - 2000				
Up to 5m2 (50% reduction for charitable organisations)	Street Trading Consent - Grant, 1 day		£16.50	£35.00
Up to 7m2 (50% reduction for charitable organisations)			£22.50	
Replacement/Additional Assistant Badge Fee			£10.00	
Temporary Street Trading/Markets				
Charitable Events (75% of proceeds allotted to charity/cause)			£10.00	
Commercial Event 5 -24 stalls/vehicles			£25.00	
Commercial Event 25 -49 stalls/vehicles			£50.00	
Commercial Event 50 or more stalls/vehicles			£100.00	
	Street Trading Consent - renewal			£439.00
Taxi Licensing				
(MOT, Plate Test & DVLA fees are not included and must be borne by the applicant)				
Hackney Carriage/Private Hire Vehicle Licence			£168.50	£101.00
Hackney Carriage/Private Hire Vehicle Licence - Renewal			£168.50	£100.00
Transfer of interest for vehicle			£40.00	£34.00
Trailer Plate			£15.00	£25.00
Replacement vehicle plate			£15.00	£25.00
	Internal identification sticker			£16.00

Application Type	Application Type 2017 - 18	Fees set	Current Fees	Proposed Fees
		by statute	2017 -2018	2018 -2019
Private Hire Operator Licence 1 year			£70.00	£126.00
Private Hire Operator Licence 3years			£150.00	£210.00
	Private Hire Operator Licence - Renewal			£91.00
	Private Hire Operator Licence - Renewal 3 years			£176.00
Application for new drivers licence	* DBS fee separate in 2014 -15 but included within 2015 - 16 fees	80*		£141.00
Application for a new 3 year driver's licence		170*		£225.00
	Driver licence renewal – 1 year			£89.00
	Driver licence renewal – 3 years			£211.00
Replacement Badge			£15.00	£17.00
	Advertising on vehicles			£35.00
	Medical			£18.00

Appendix D West Somerset Council Fees and Charges 2018/19

Local Land Charges

Background

Local Land Charges is a fee earning, self-financing service that operates on a rolling three-year cost recovery basis.

Under the Local Land Charges Act 1975 ('the Act'), each registering authority is responsible for keeping a register of local land charges for its area and an index in which the entries can be readily traced. In addition, also hold other information on a number of matters of importance to purchasers of property: eg road schemes; the property's planning history; Tree Preservation Orders; Compulsory Purchase Orders; and various notices which affect the property.

Legal Authority

The Local Authorities (England) (Charges for Property Searches) Regulations 2008 make provision authorising local authorities in England and Wales to set their own charges in a scheme, based on full cost recovery, for carrying out their main Local Land Search functions. The principles of the charges regulations require authorities to ensure that the price charged is an accurate reflection of the costs of carrying out the Local Land Charge function and not for creating surplus.

Regulations 4, 5 and 7 allow a local authority to make a charge for granting access to property records or answering enquiries about a property; or if it makes or proposes an internal recharge. Exceptions apply where it may or must impose a charge apart from these regulations or in respect of access to free statutory information (eg public registers; Environmental Information Regulations).

Regulation 6 explains how the charges must be calculated. These must be no more than the cost to the local authority of granting access to the records and must be calculated by dividing a reasonable estimate of the total costs by a reasonable estimate of the number of request for access likely to be received. A local authority must take all reasonable steps to ensure that over the period of any three consecutive financial years the total income...does not exceed the total costs for granting access to property records. Where...a local authority makes an overestimate or underestimate of the unit charge for the financial year, it must take this into account in determining the unit charge for the following financial year.

Regulation 9 relates to transparency in setting of charges and stipulates that during each financial year, a local authority must publish a statement setting out the estimates the local authority has made (estimates of total costs and estimates of numbers of requests) in respect of the unit charge for the following financial year; the basis for these estimates and the amount of the unit charge.

These are set out below under charges.

Charges

Land charge fees were changed in July 2016 due to changes in national regulations and changes in the fee charged by the County Council and Building Control. This had the effect of reducing the fee for a full search from £99 to £79.

Since then, a full costs exercise has been undertaken to underpin the fee setting process and to comply with legislation. It is proposed to reduce the full search fee by £6 to £76. This will have the effect of a decrease of £46 of income based on the estimated number of searches set out below. It is proposed to maintain the LLC1 fee at £9. There are a very small number of these in a year (approximately 30).

Estimated total costs of service - £69,960 (base budget 2016/17)

Estimated number of requests – 948

- Based on average number of searches received across three years
- 2014/15 – 832
- 2015/16 – 954
- 2016/17 - 1059

Therefore estimate is $832+954+1059 = 2845$ divided by 3 = 948

The unit charge is comprised of the cost of administering the service, plus the cost of paying Somerset County Council for their elements, plus additional costs such as software.

Estimated total income is £69,680 giving a small under recovery of £280. Due to the Council's financial position, it is appropriate to aim for full cost recovery in the coming financial year. If the Council over recovers against costs, this must be reflected in the unit costs for a future financial year.

The Council is not allowed to charge for personal searches or Environmental Information Regulation requests. Accordingly, the service does not spend any time in assisting the public with these requests, which are accessible in person. There will however be some cost to the Council associated with time spent by reception staff. As this is not chargeable, it is not quantified here.

Local Land Charge Searches and Enquiries

Full search	£76
Statutory search fee on form LLC1	£9
Highway authority charge (SCC)	£15.81 *
*charged as inclusive within full search fee	
Personal search fee	No charge

Environmental Information Regulations No charge

Discounts

No discounts are available for this service.

Budget impacts

Estimated total costs of service - £69,960 (base budget 2016/17)

Estimated number of requests – 948

- Based on average number of searches received across three years
- 2014/15 – 832
- 2015/16 – 954
- 2016/17 - 1059

The full basis of the estimate of costs is held with the Land Charges Manager and is available on request.

Estimated total income is £69,680 giving a small under recovery of £280.

Equality Impact Assessment

There are no changes to the charging policy which remains based on full cost recovery and therefore no Equality Impact Assessment is required.

Appendix E

West Somerset Council - Fees and Charges 2018/19

Court Fees

Background

Council Tax is a charge to owners and occupiers of domestic dwellings and Business Rates, sometimes known as non-domestic rates, is a charge on the occupation of a non-domestic property. The Revenue Service bills those liable of the charges and collects the monies due.

Should the bills not be paid in accordance with the instalments on the bill a reminder is sent. A second reminder and a final notice are also issued should the payments not be made. Sometimes, despite these reminders, the bill is not paid. In these cases the Revenues Service will issue a Summons and apply to the Magistrate's Court for a Liability Order.

The costs of issuing the Summons is charged to the taxpayer.

Legal Authority

The Council Tax (Administration and Enforcement) Regulations (1992) and The Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1990 are the 2 pieces of legislation surrounding the charging of costs incurred by the authority for the issue of a Summons.

Charges

Following a High Court Case (Nicolson v Tottenham & London Borough of Haringey) there is a requirement to evidence a detailed breakdown of how the costs are calculated. Whilst a charge for Summons and Liability is allowed it has been our decision to agree a single cost added upon the issue of a summons. As soon as the proposed costs are agreed by members this will take effect from the next court hearing.

	Current £ (2017/18)	Proposed £ (from next hearing)
Court Costs	62.00	61.00

Discounts

Discounts are not provided as we charge what it costs to issue a summons from Final Notice Stage up to the point of the court hearing. We do however withdraw costs in some cases on customer's willingness to pay the arrears in full.

Budget Impacts

Council Tax Court Costs Recovered in 2018/2019 using the current fee structure of £62.00 per case the forecast would increase to £93,000 owing to additional court cases for the year. However with reference to the following case (Nicolson v Tottenham & London Borough of Haringey) the proposed fee structure of £61.00 should be applied which would yield income of £91,500, showing a reduction of £1,500.

The impact on NNDR Court Cost Recovered would be nominal showing a reduction of £85.

Equality Impact Assessment

There has been no material change to the policy of charging for summons and or liability orders and the charge has decreased, therefore no Equality Impact Assessment is required.

APPENDIX F**Revised - West Somerset Council - Fees and Charges 2018/19
Watchet and Minehead Harbours**

Both Harbours struggle to maintain their statutory compliance with the level of funding brought in through the Harbour operation alone.

In recent years WSC have invested further financial support in to the Harbours at an increase cost to the tax payer, or by drawing in resources from other services. The ultimate goal should be for the Harbours to be self-financing, however a jump to the level required to achieve this would be unsustainable.

The table below identifies the current and proposed charging schedule:

Slipway Fees at Watchet and Minehead	Current approve for 2017/18 £	Proposed 18/19 £
Annual	85.00	150.00
Weekly	31.00	40.00
Daily	14.50	12.00
Annual kayak launch - junior u16 / full		40.00 / 50.00
Daily kayak launch - junior u16 / full		3.50 / 4.50
Leisure mooring fees per metre or part metre		
Annual (permanent mooring only)	42.00	45.00
Weekly	10.00	15.00
Daily	3.00	Remove
Flat fee half day		10.00
Flat full day		15.00
Commercial mooring fees per metre or part metre		
Annual (permanent mooring only)	65.00	70.00
Flat administration fee for transfer between moorings		
	46.00	60.00
Harbour dues per metre or part metre for vessels under 400 gross registered tonnes		
Annual	225.00	250.00
Six monthly		175.00
Weekly	50.00	65.00
Daily	15.00	20.00
Vessels over 400 gross registered tonnes (excluding hobbling duties) per visit		
	400.00	400.00
Vessels over 400 gross registered tonnes (exc. hobbling duties) per cancelled visit		
	200.00	200.00
Non-standard shared use of the harbour		
Annual	0.00	500.00
Weekly	0.00	150.00
Daily	0.00	50.00

Non-standard shared use of the harbour, charities and community groups		
Annual	0.00	100.00
Minehead and Watchet advertising board annual fee		125.00
Fishing permits Minehead and Watchet in advance		
Weekly		10.00
Monthly		20.00
Annual		50.00
Fishing permits Minehead and Watchet on the spot		
Weekly		15.00
Monthly		25.00
Annual		50.00

All fees include VAT.

A number of new fees have been created to close gaps in the fees structure or to make a charge for functions that required a greater level of control.

The annual slipway charges represent a considerable discount over the daily or weekly charges, it is felt that the level of discount applied here is disproportionate, and the proposed charges make a move towards closing this gap.

The daily slipway fee is currently the only mechanism in place for charging Kayak users, as a result they tend to find other places to launch. Our proposal is to put in place a new more reasonable charge for their use of the slipway, this provides a safer entry and exit for the users and encourages greater use of the Harbour area in general.

The leisure mooring fee is considered to be quite high for daily visitors, an area where we want to increase user numbers, previously we have charged based on the size of the vessel, with a limited number of day visitor spaces any vessel takes up the available space and therefore the size has less of an impact here than in the rest of the harbour. It is therefore proposed to set a flat rate for a half day until 13:30 and full day until 09:00 the following day.

A new charge for non-standard use of the Harbour is also proposed, this covers activities that may be undertaken within the harbour that would interrupt with the normal operation in some way, no matter how limited.

A heavily discounted variation of this has been produced for charities and community groups.

Last year we introduced a charge for large vessels over 400 gross registered tonnes, we have made the decision not to increase this charge in a bid to retain the visits from the Balmoral and the associated benefits for the wider community.

Advertising board space, this is a new offering for the Harbours in Minehead and Watchet, it should prevent some of the fly posting that goes on currently as well as providing an opportunity for commercial operators within the harbour to advertise their trips and contact details. The charge is for the space only, the cost of the signs are not included. WSC will maintain control over the size and design of the signs to provide some consistence. This item is subject to discussion with MTC and WTC to ensure the correct approach to marketing for these areas.

A new permit is being proposed for the provision of a safe position to fish from the harbour wall in Minehead and Watchet, by purchasing a permit users will agree to the rules which will limit the negative impact and unsafe practice that can occasionally be identified.

Anecdotal evidence suggests that WSC fees are lower than other ports, each port's method of charging is different so being able to identify a meaning full comparison is complex. This proposed fee structure does not seek to resolve that situation and further work on comparisons will be undertake in the coming years alongside the ultimate aim of self-financing.

The increase in fees will bring new income for the authority, whilst this income should be ring-fenced for the operation of the Harbour it does reduce the general fund contribution made and therefore an improvement in the councils MTFP should be the result.

Whilst there are new fees proposed and increases in some existing fees the user numbers in the harbour are not significant, therefore the overall benefit to the MTFP is considered to be £3,000.

END

Chris Hall
Assistant Director – Operational Delivery

Appendix G

West Somerset Council Fees and Charges 2018/19

Data Protection Act – Freedom of Information Act

Background

This report seeks to formalise the charges the Council can make in relation to Freedom of Information Requests and Data Protection Act Subject Access Requests.

Legal Authority

The method of calculating charges within this report is in accordance with the Freedom of Information and Data Protection (appropriate limits and fees) Regulations 2004.

Disbursements are set locally and should be reasonable and not designed to generate a surplus.

The £10 for DPA subject access requests is a maximum and is discretionary but is helpful in limiting frivolous requests.

Charges

Estimating the costs of processing FOI requests; (section 4(3) of the FOI regulations)

When estimating the cost of complying with a written request for Information, the Council will take into account the staff time involved in the following activities:

- Determining whether the information is held.
- Locating the information or a document that may contain the information.
- Retrieving and extracting the information, or a document that may contain the Information.

The cost of the above activities will be calculated by applying an hourly rate of £25 per person, (section 4(4) of the FOI regulations.)

When calculating the costs to process requests, the Council cannot take account of the time taken to consider whether information is exempt under the Act or the time involve in redacting any information which is not to be disclosed.

Where the cost to process a request is **below** £450

Where the cost of complying with a written request for information is estimated to be below £450, there will be no charge unless the disbursement costs (printing copying and postage) exceed £10. Where disbursement costs exceed £10, the applicant will

be issued with a fees notice and must pay the costs within a period of three months before the Council can comply with the request.

Disbursements costs applied by the Council are shown later.

Where the cost to process a FOI request exceeds £450

In accordance with the Freedom of Information and Data Protection (appropriate Limits and Fees) Regulations 2004, the Council is not obliged to respond to a written request for information, where it estimates that the cost of complying with the request would be in excess of £450 (which equates to 18 hours of work at £25 per hour).

If the cost exceeds £450 we will charge for all the hours at a rate of £25 per hour or decline the request - alternatively, we will assist the requester in refining the request to within 18 hours to ensure no charge (other than possible disbursements) will be incurred.

Staff costs will be calculated as follows:

- Staff costs (£25 per hour) involved in determining whether the Council holds the information.
- Staff costs (£25 per hour) of locating, retrieving and extracting the information.
- Disbursement and staff costs (£25 per hour) incurred in informing the applicant that the information is held.
- Disbursement and staff costs (£25 per hour) incurred in communicating the information to the applicant.

Campaign requests

If the Council receives two or more related requests within a period of 60 consecutive working days, from a person or different persons who appear to be acting in concert or in pursuance of a campaign, the costs of complying with the individual requests will be aggregated.

Priced publications

These will be charged at cover price plus postage where relevant.

Disbursements

Photocopies: A4 Black & White 20p per sheet, A3 Black & White 30p per sheet, A4 Colour £1.00 per sheet, A3 Colour £1.50 per sheet

Prints from a PC: Black & White 20p per page (additional cost for producing A3), Colour £1.00 per page (additional cost for producing A3), Photo quality paper prints £1.50 per page

Any other sizes or finishes by agreement in advance.

By default we will print/copy in black and white/greyscale on white A4 paper using both sides.

Postage costs : Default postage will be by 2nd class Royal Mail. Prices for alternative postage methods will be at the prevailing rates.

Other Charges

CD Rom/DVD £1.00 per Disc

Data Protection Act 1998

Under the Data Protection Act 1998, the Council will charge an individual the sum of £10 for requesting personal information held by the Council about the individual. These requests for information are referred to as subject access requests. The Council will not process the subject access request until the £10 fee has been received.

Discounts

None, although no charge for disbursements will be made where the aggregate cost is below £10.

Budget Impacts

There will be no impact on the 2018/19 Budget.

Equality Impact Assessment

In order not to disadvantage customers with disabilities the Council will not charge for providing information in an alternative format, if the Disability Discrimination Act (DDA) covers the person requesting it, unless the original document was a priced publication. In this case, the charge for the alternative format will not exceed the cost of the original publication. The Council's current policies in relation to translation of documents into languages other than English will apply.

Appendix H

West Somerset Council – Fees and Charges 2018/19

Parking Charges

This report sets out the changes to the charging process that supports traffic management of tourist industry by seeking to influence driver behaviour with the following outcomes:

- Incentive for commuters to use car parks away from the main tourist sites, freeing up space for tourist and visitors to the area.
- Continue investment in parking assets.
- Provide support to residents and businesses by encouraging the use of the permits that offer a considerable discount over pay by the meter pricing.

It seeks approval for reductions to a number of the permits offered by WSC, but no changes to pay and display or pay by phone.

The table below identifies the current and proposed charging schedule:

	2017/18 £	Proposed 18/19 £
Shopper Permits		
Annual	40.00	40.00
Named Car Park Permits		
Six monthly*	160.00	150.00
Annual*	210.00	195.00
Business Permits		
Six monthly	220.00	210.00
Annual	400.00	385.00
District Permits		
Before 10:00am (12 months)	25.00	25.00
Weekly	25.00	25.00
Six monthly	180.00	170.00
Annual	310.00	300.00
Parson Street		
Annual	150.00	150.00

*Dulverton permits have a different timeline for permit changes based on the Full Council approval on 20th September 2017.

Named permits for Dulverton car parks will be £150 from 1st October 2017 moving to the new district wide cost on 1st May 2018.

These reductions will impact the budget by £2,560 if user numbers stay the same.

There are **no** proposed changes to the pay and display or pay by phone tariffs, the current pricing is shown in the table below.

Summer Tariff	Current Winter Tariff				Current Summer Tariff			
	Up to 1hr	Up to 2hrs	Up to 4hrs	All day	Up to 1hr	Up to 2hrs	Up to 4hrs	All day
MINEHEAD								
Quay West	£1.50	£2.60	£4.20	£5.70	£1.50	£3.00	£4.50	£6.00
Warren Rd Upper	£1.50	£2.60	£4.20	£5.70	£1.50	£3.00	£4.50	£6.00
Clanville		£1.60		£4.20		£2.50		£5.00
Alexandra Road	80p	£1.50	£2.50	£4.70	£1.00	£2.50	£3.00	£5.00
Summerland		£1.00				£1.00		
North Road	£1.40	£2.00	£2.80	£4.70	£1.00	£2.50	£3.00	£5.00
PORLOCK								
Porlock Central	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
Doverhay	80p	£1.50			£1.00	£2.00		
DUNSTER								
Dunster Steep		£1.50	£2.50	£4.70		£2.00	£3.00	£5.00
Park Street	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
WILLITON								
Central	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
WATCHET								
Anchor Street	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
Market Street	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
Swain Street	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
Harbour Road	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
West Pier	80p	£1.50	£2.50	£4.70	£1.00	£2.00	£3.00	£5.00
DULVERTON								
Lion Stables	£0.70	£1.50	£2.00	£4.50	£0.70	£1.50	£2.00	£4.50
Guildhall	£0.70	£1.50	£2.00	£4.50	£0.70	£1.50	£2.00	£4.50
Exmoor House	£0.70	£1.50	£2.00	£4.50	£0.70	£1.50	£2.00	£4.50

END

Chris Hall
Assistant Director – Operational Delivery

Appendix I

West Somerset District Council Charges 2018/19

Planning and Environment

1. Background

Planning and Environment have the facility to provide Customers with advice and information when they are considering a development proposal; welcoming and encouraging discussions before applications are submitted.

There is a two-tier service; the first involves a meeting with the LPA; the second, written response to proposals sent for comment. It is an opportunity to better understand the way in which an application will be judged against the policies in the development plan and other material considerations.

As a result of the time and resources involved in giving pre-application advice, we operate pre-application charges based on the type of proposal. This means that the service does not fall as a general cost to the council tax payer.

1.1 How the Scheme Works

Requests for pre application advice, including a request for a meeting, need to be in writing and be accompanied by the appropriate fee. Meetings will be attended by an appropriate professional officer from the Council. These will be either in the Council offices or, if considered more appropriate, on site. Information about the site and details about the scheme need to be provided. This will normally include:

- a) Application Form available from the websites;
- b) a description and summary of your proposals, and preferably sketch plans;
- c) if possible, photographs of the site;
- d) a site location plan.

2. Legal Authority

Fees for planning applications are set nationally. However, charges for pre-application discussion are discretionary. The majority of authorities now charge for this service, with the income being reinvested in the service. In setting the charges there needs to be a balance set between recouping the full cost of the service provided and encouraging developers to engage with the Council as early as possible.

Taunton Deane charges have traditionally been and will continue to be set at a figure that will not generally discourage developers from contacting the Council, taking into

account the undoubted benefit gained from obtaining greater certainty of the likely outcome. The charges continue to represent a tiny fraction of the cost of carrying out any form of development.

In 2016 it was reported that due to the pre-application planning advice service for both Taunton Deane Borough Council and West Somerset Council being provided by the one team and there can therefore be no reasoned justification for continuing with two sets of charges. However a decision was made that West Somerset wished to retain the higher level of fees set for Level 3a and 3b Major Development Pre Applications, see attached appendix.

3. Charges – as of April 2018 (to remain unchanged)

The schedule of charges incorporates fees which are dependent on the nature and scale of the proposal. The charge is per request.

Please see attached Appendix regarding level of fees for Taunton Deane BC from April 2018 and West Somerset DC from April 18.

For major developments (level 3a and 3b) pre-application fees are negotiable through the applicant and Council entering into a Planning Performance Agreement (PPA).

There is no charge for advice on revised proposals following a refusal of planning permission or the withdrawal of an application (this exemption is restricted to one letter or meeting only).

We have looked at other Pre Application changes but feel the potential impact on take up of services taking into account this year's current income and fees being set for cost recovery only prevent any further rise in fees.

Planning Policy advice that is directly related to the preparation of a Local Development Document (LDD) will be exempt from these charges.

For major developments (level 3a and 3b) pre-application fees are negotiable based upon level of engagement through the applicant and Council entering into a Planning Performance Agreement (PPA).

There is no charge for advice on revised proposals following a refusal of planning permission or the withdrawal of an application (this exemption is restricted to one letter or meeting only).

Planning Policy advice that is directly related to the preparation of a Local Development Document (LDD) will be exempt from these charges

An additional charge has been added this year for general enquiries from Solicitors for additional information and documents which are beyond those which are normally provided via the websites.

4. Discounts

This scheme does not include any discounts.

5. Budget Impacts

These charges have been taken into account in developing budget saving proposals for 2018/19.

6. Equality Impact Assessment

What are you completing this impact assessment for? E.g. policy, service area	PLANNING ADVICE CHARGES 2018/19
Section One – Aims and objectives of the policy /service	
<p>PLANNING AND ENVIRONMENT</p> <p>To provide a proactive planning service from pre-application to delivery and monitoring</p> <ul style="list-style-type: none"> • Responsible for overseeing building development in Taunton Deane • Co-ordinating the way our surroundings develop • Preventing developments which are not appropriate • Investigate breaches of planning regulations 	
Section two – Groups that the policy or service is targeted at	
<p>All Groups have the potential to be affected; however the perspective is that the only significant increases in charges are for major developments whereby the pre application charge is an insignificant part of total development costs.</p>	
Section three – Groups that the policy or service is delivered by	
<p>The Development Management staff and Business support staff will administer and provided the pre applications advice – as per current procedures.</p>	
Section four – Evidence and Data used for assessment	

Approximately 35-40 major planning applications are received per year (2% of all application). Pre-applications advice, which is encouraged with such application, will attract the higher fee. As previously stated the pre application charge is an insignificant part of total development costs.

Section Five - Conclusions drawn about the impact of service/policy/function on different groups highlighting negative impact or unequal outcomes

The impact of this planning advice charges will be equal for all groups.

Section six – Examples of best practise

Officers work across the Council and community with specific groups e.g. Gypsy Forum

7. Recommendation

That fees remain unchanged for 2018/2019



Appendix I continued

PLANNING FEES AND CHARGES WEST SOMERSET DISTRICT COUNCIL 01 APRIL 2018

	FEE
Do I need Planning Permission	£52.80 (£44.00 plus VAT)

PRE APPLICATION ADVICE SCALE OF FEES WEST SOMERSET DC

LEVEL	TYPE	FEE
Level 1 - Householder, Advertisement and Landscape advice. Tree Preservation Orders	Written Response with site visit/meeting	£116.16 (£96.80 + VAT) Further Advice following response £30 plus VAT per hour Planning Management Team Involvement £50 plus VAT per hour
Level 2a - Minor developments (e.g. less than 5 dwellings, 500 sq m industrial):	Written Response with Site Visit/Meeting	£290.40 (£242.00 + VAT) Further Advice following response £40 plus VAT per hour Planning Management Team Involvement £80 plus VAT per hour
Level 2b – Larger scale minor developments (e.g. between 5 and 10 dwellings, 500 and 1000 sq m industrial):	Written Response with Site Visit/Meeting	£435.60 (£363.00 + VAT) Further Advice following response £40 plus VAT per hour Planning Management Team Involvement £80 plus VAT per hour

LEVEL	TYPE	FEE
Level 3a - Major Developments (e.g. more than 10 dwellings, 1,000 sq m industrial):	Written response with site visit/meeting	£1440.00 (£1200.00 + VAT) Further Advice following response £50 plus VAT per hour Planning Management Team Involvement £100 plus VAT per hour
Level 3b – Large Scale Major Developments (e.g. more than 50)	Written response with site visit/meeting	£2400.00 (£2000.00 + VAT) Further Advice following response £50 plus VAT per hour

dwelling, 5,000 sq m industrial):		Planning Management Team Involvement £100 plus VAT per hour
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*Where both Development Management and Planning Policy officers need to attend the meeting there will be an additional cost as shown below:

- Level 2b additional £121.00 + vat @ 20% = £145.20
- Level 3a additional £181.50 + vat @ 20% = £217.80
- Level 3b additional £242.00 + vat @ 20% = £290.40

For major developments (level 3a and 3b) pre-application fees are negotiable through the applicant and Council entering into a Planning Performance Agreement (PPA).

There is no charge for advice on revised proposals following a refusal of planning permission or the withdrawal of an application (this exemption is restricted to one letter or meeting only).

AONB CHARGES

Householders	Written Advice	78.00 (2hrs)
	Meeting with note	88.00 (2hrs + £10 travel)
Level 2a - Minor developments (e.g. less than 5 dwellings, 500 sq. m industrial):	Written Advice	146.50 (3.5hrs + £10 travel)
	Meeting with note	224.50 (5.5hrs + £10 travel)
Level 2b – Larger scale minor developments (e.g. between 5 and 10 dwellings, 500 and 1000 sq. m industrial):	Written Advice	205.00 (5hrs + £10 travel)
	Meeting with note	283.00 (7hrs + £10 travel)
Level 3a - Major Developments (e.g. more than 10 dwellings, 1,000 sq. m industrial):	Written Advice	410.00 (10hrs + £10 travel)
	Meeting with note	566.00 (14hrs + £10 travel)
Level 3b – Large Scale Major Developments (e.g. more than 50 dwellings, 5,000 sq. m industrial):	Written Advice or Meeting with note	This level by negotiation on case by case basis: unlikely to be within the AONB.

LISTED BUILDING ADVICE

Listed Building Pre Application Advice	Meeting with Note.	£290.40 (£242 = VAT) Further Advice Following response £40 plus VAT per Hour Planning Management Team Involvement £80 plus VAT per hour
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ENQUIRIES

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Pre 74 Planning History Search	£40.00 + vat @ 20% = £48.00	Work undertaken beyond first hour, £30 plus VAT per hour
Solicitor Enquiries and Supply of Extra Information and Documents	£40.00 + vat @ 20% = £48.00	Work undertaken beyond first hour, £30 plus VAT per hour

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Impact Assessment form and action table

What service is impacted and why complete this assessment?	Price increases for the sale of non-statutory waste stream collection.																			
Section One – Aims and objectives of the policy /service																				
<p>To increase the costs, reducing the subsidy of additional waste streams as set out in the table.</p> <p>Each year it is necessary to consider an increase in the waste various waste streams as currently this remains a subsidised service.</p> <table border="1"> <thead> <tr> <th></th> <th>Current £ (2017/18)</th> <th>Proposed £ (2018/19)</th> </tr> </thead> <tbody> <tr> <td>Green Waste Bins</td> <td>53.50</td> <td>55.40</td> </tr> <tr> <td>Green Waste Sacks x10</td> <td>26.50</td> <td>27.40</td> </tr> <tr> <td>3 x bulky items</td> <td>41.50</td> <td>43.00</td> </tr> <tr> <td>Subsequent items</td> <td>11.50</td> <td>11.90</td> </tr> <tr> <td>Bin replacements</td> <td>25.00</td> <td>25.90</td> </tr> </tbody> </table> <p>The aim of the proposed increase is maintain the current cost neutral service. An increase in charges of less that the contractual inflation rise of 3.5% would see the council having to subsidise the collection service.</p>				Current £ (2017/18)	Proposed £ (2018/19)	Green Waste Bins	53.50	55.40	Green Waste Sacks x10	26.50	27.40	3 x bulky items	41.50	43.00	Subsequent items	11.50	11.90	Bin replacements	25.00	25.90
	Current £ (2017/18)	Proposed £ (2018/19)																		
Green Waste Bins	53.50	55.40																		
Green Waste Sacks x10	26.50	27.40																		
3 x bulky items	41.50	43.00																		
Subsequent items	11.50	11.90																		
Bin replacements	25.00	25.90																		
Section two – Groups that the policy or service is targeted at																				
<p>This will impact on all of the current users of the scheme and any new customers. Consideration was given to those who use green bags rather than green bins.</p>																				
Section three – Groups that the policy or service is delivered by																				
<p>This service is delivered on behalf of Taunton Deane Borough Council through the Somerset Waste Partnership. Traditionally each partner tries to set is fees consistently but there is an opportunity for TDBC to set their differently to the other partners.</p>																				
Section four – Evidence and Data used for assessment																				
<p>A discussion of the SWP Strategic Management Group jointly agreed the proposals, this is attended by Assistant Director for Operational Delivery on behalf of TDBC & WSC.</p>																				
Section Five - Conclusions drawn about the impact of service/policy/function on different group highlighting negative impact or unequal outcomes.																				
<p>There are not thought to be any unequal outcomes from this proposal and in fact it reduces the subsidy divide for those using bags (lower subsidy) compared with those using bins.</p>																				

There remains no requirement for users to buy this service from SWP and there are no contractual tie-ins enforcing the new increased prices.

Section six – Examples of best practise

Best practice is not identified in this report as there are a number of schemes used by different authorities around the country. It is not considered to be beneficial to charge the customer for the initial green waste bin as this reduces the likely uptake for customers and may see this waste placed into the residual waste stream.

Signed: Person/Manager completed by		Signed: Group Manager/Director	
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Impact Assessment Issues and Actions table						
Service area					Date	
Identified issue drawn from your conclusions	Groups affected	Actions needed – how will your service or policy be amended	Who is responsible	By when	Is a monitoring system required	Expected outcomes from carrying out actions
Knowing our Communities, engagement and satisfaction						
Potential negative impact from price increase	All customer equally	Review numbers of new customers throughout the year to assess any negative impact	Chris Hall	As part of the budget setting process for 19/20	Budget monitoring is in place.	Unknown
Responsive services and customer care						
Place shaping, leadership and partnerships						
A modern and diverse workforce						

Appendix B1 Impact Assessment

Responsible person	Erica Lake	Job Title: Environmental Health Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	Private Water Supplies Fees and Pest Control Fees and Charges	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	<p>Proposal to increase the fees and charges from April 2018 for the pest control service as detailed in the attached reports. Fees and charges for private water supply service to remain the same as 17/18.</p> <p>The proposed increase to fees and charges will ensure sufficient financial resources are in place to deliver the services.</p>	
Which protected groups are targeted by the policy?	All protected groups are affected equally by the changes.	
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....	Historic evidence has been gathered regarding people that access these services including property and land owners and tenants. Information is available on those people who are entitled to the subsidies applied to the pest control fees. This information is available via the business support team and officers within Environmental Health team.	
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.		
I have concluded that there should be:		
The proposed fees and charges increases will apply to all services users and as such no potential discrimination amongst the protected groups has been identified.		

To help support service users on low incomes a subsidised rate will continue to be available for those in receipt of income-related benefit. This subsidised rate will apply to public health nuisance pests such as rats and mice only.

No major change - no adverse equality impact identified	Yes
Adjust the policy	
Continue with the policy	
Stop and remove the policy	

Reasons and documentation to support conclusions: Historic data and knowledge of the service gained through a number of years of administering discounts for those that have hardship issues lend itself to continuing to make discretionary relief available for public health nuisance pests (rats and mice only).

Section four – Implementation – timescale for implementation

April 2018

Section Five – Sign off

Responsible officer: Erica Lake
Date: 10th October 2017

Management Team: Scott Weetch
Date: 10th October 2017

Section six – Publication and monitoring

Published on

Next review date

Date logged on Covalent

Action Planning

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

Service area	Environmental Health		Date	10th October 2017		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	
N/A						

Appendix B2 Equality Impact Assessment

Responsible person	Erica Lake	Job Title: Environmental Health Manager
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	Yes
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	Private Water Supplies Fees and Pest Control Fees and Charges	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	<p>Proposal to increase the fees and charges from April 2018 for the pest control service as detailed in the attached reports. Fees and charges for private water supply service to remain the same as 17/18.</p> <p>The proposed increase to fees and charges will ensure sufficient financial resources are in place to deliver the services.</p>	
Which protected groups are targeted by the policy?	All protected groups are affected equally by the changes.	
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....	Historic evidence has been gathered regarding people that access these services including property and land owners and tenants. Information is available on those people who are entitled to the subsidies applied to the pest control fees. This information is available via the business support team and officers within Environmental Health team.	
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.		
I have concluded that there should be:		
The proposed fees and charges increases will apply to all services users and as such no potential discrimination amongst the protected groups has been identified.		

To help support service users on low incomes a subsidised rate will continue to be available for those in receipt of income-related benefit. This subsidised rate will apply to public health nuisance pests such as rats and mice only.

No major change - no adverse equality impact identified	Yes
Adjust the policy	
Continue with the policy	
Stop and remove the policy	

Reasons and documentation to support conclusions: Historic data and knowledge of the service gained through a number of years of administering discounts for those that have hardship issues lend itself to continuing to make discretionary relief available for public health nuisance pests (rats and mice only).

Section four – Implementation – timescale for implementation

April 2018

Section Five – Sign off

Responsible officer: Erica Lake
Date: 10th October 2017

Management Team: Scott Weetch
Date: 10th October 2017

Section six – Publication and monitoring

Published on

Next review date

Date logged on Covalent

Action Planning

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

Service area	Environmental Health		Date	10th October 2017		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions	
N/A						

EIA Appendix F – Harbours

Impact Assessment form and action table - Harbour Operations

What service is impacted and why complete this assessment?	Price increases for the sale of non-statutory waste stream collection.
Section One – Aims and objectives of the policy /service	
<p>To increase the costs, reducing the subsidy of the harbour operation.</p> <p>Each year it is necessary to consider an increase in chargeable services of the harbour in order to reduce the subsidy from the general fund.</p> <p>This report also introduces new charges for services not previously offered and give businesses operating from the harbour enhanced opportunities to market their offering to customers.</p>	
Section two – Groups that the policy or service is targeted at	
<p>This will impact on all of the current users of the scheme and any new customers who wish to make use of the facilities at Minehead or Watchet. Consideration was given to the Sea Scouts and although a new fee has been introduced this is to support the administration of their use only.</p>	
Section three – Groups that the policy or service is delivered by	
<p>This is an in house service for the harbour at Minehead and the outer harbour at Watchet. The Marina is a private entity and the council have no influence over their charges.</p>	
Section four – Evidence and Data used for assessment	
<p>These charges have been considered in association with the Lead Member, they will also be discussed at Harbour Board and Watchet Harbour Advisory Committee.</p>	
Section Five - Conclusions drawn about the impact of service/policy/function on different group highlighting negative impact or unequal outcomes.	
<p>There are not thought to be any unequal outcomes from this proposal</p> <p>There remains no requirement for users to use this service, but as the Harbour Authority West Somerset Council cannot refuse access to the harbour upon payment of the appropriate dues.</p>	
Section six – Examples of best practise	

Best practice is not identified in this report as there are a number of charging models used by different authorities around the country.

Signed: Person/Manager completed by		Signed: Group Manager/Director	
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Impact Assessment Issues and Actions table						
Service area					Date	
Identified issue drawn from your conclusions	Groups affected	Actions needed – how will your service or policy be amended	Who is responsible	By when	Is a monitoring system required	Expected outcomes from carrying out actions
Knowing our Communities, engagement and satisfaction						
Potential negative impact from price increase	All customer equally	Review numbers of users and waiting list throughout the year to assess any negative impact	Chris Hall	As part of the budget setting process for 19/20	Budget monitoring is in place.	Unknown
Responsive services and customer care						
Place shaping, leadership and partnerships						
A modern and diverse workforce						

Report Number: WSC 142/17

West Somerset Council

Council – 13 December 2017

Hinkley Tourism Strategy Phase 3 Delivery Plan 2018-19

This matter is the responsibility of Cabinet Member Cllr Andrew Hadley, Lead Member for Economic Regeneration & Tourism

Report Author: Corinne Matthews, Economic Regeneration Manager

1 Executive Summary / Purpose of the Report

- 1.1 To report to Council on what has been achieved in the first three years of delivering the Hinkley Tourism Strategy 2015-20 under Phase 1 and 2 Action Plans (see 4.2).
- 1.2 To consult with Council on the details of a refreshed strategy, and proposals for a new Phase 3 Action Plan for 2018 and 2019 (see 4.3 and 4.4, plus Appendices A and B).
- 1.3 To request the drawdown of £258,000 from Hinkley Point C Section 106 allocations available for tourism, to deliver the Phase 3 Action Plan (see section 5).

2 Recommendations

- 2.1 That Council approves the refreshed Hinkley Tourism Strategy 2015-20 and Phase 3 Action Plan for delivery between January 2018 and September 2019.
- 2.2 That Council approves the request for drawing down £258,000 of Hinkley Point C Section 106 allocations available for tourism to deliver the Phase 3 plan.

3 Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
Effectively mitigating HPC impacts: The Action Plan sets out plans for mitigating impacts and maximising opportunities for the tourism industry from the development of HPC. Not delivering on these actions will mean that West Somerset is unprepared for what might happen, and will not be able to work towards developing tourism in the district, nor support businesses to become more resilient.	5	4	20

<p>Damage to industry and partner relationships: The strategy and plan have been developed within a public/private partnership following wider industry consultation. Not delivering the strategy and actions to mitigate impacts runs the risk of alienating partners and tourism activity not being co-ordinated and integrated. Individual organisations could return to focusing on their own goals, which would not help West Somerset in attracting more visitors and spreading the benefits of tourism.</p>	3	4	12
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Risk Scoring Matrix

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

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

4 Background and Full details of the Report

4.1 The Hinkley Tourism Action Partnership

- 4.1.1 Section 106 agreements with EDF Energy for the development of Hinkley Point C (HPC) included the condition that a partnership was formed to develop plans for managing impacts and maximising opportunities for tourism. West Somerset Council formed the

Hinkley Tourism Action Partnership (HTAP) in 2014, and have since then led the development of activity.

- 4.1.2 The partnership also includes representatives from Sedgemoor District Council, Somerset County Council, Exmoor National Park Authority, EDF Energy, Visit Somerset and Visit Exmoor. Activity is supported and largely delivered by officers from the three local authorities, which amounts to two full time equivalent roles.
- 4.1.3 In 2014, HTAP carried out consultation with the tourism industry in order to establish a view on priorities, approach and ideas for achieving success. The six year Hinkley Tourism Strategy 2015-20 was launched and approved by Council in February 2015.
- 4.1.4 The strategy was accompanied by a Phase 1 Action Plan. A Phase 2 Plan was approved by Council in July 2016 to take things through to December 2017, which completes the first three years of the strategy. These first two plans utilised the £320,000 (plus an additional £22,311 of indexation) available under the Site Preparation Section 106 agreement with EDF Energy for HPC.

4.2 Achievements in 2015-17

- 4.2.1 At the time of developing the strategy in 2015, the official government decision to build HPC was expected imminently. However, it did not occur until September 2016. Some marketing activity was put on hold until 2017, but by and large the delay gave HTAP an opportunity to put in place key plans, contracts, processes, and relationships.
- 4.2.2 The table below provides details of what has been achieved under the Phase 1 and Phase 2 plans in 2015-17. In addition to what is shown, £75k of match funding was secured to enhance planned activity.

Priority Detail	Target	Achieved
1. PR campaigns to generate positive perceptions.	50 pieces of media coverage	64 pieces of media coverage achieved regionally and nationally via the 'Secret Somerset and Exmoor' PR campaign to inspire journalists and visitors.
2. Planning and action to improve visitor experience.	15 initiatives to aid visitors	19 achieved , including: travel plans, business FAQ's, TIC service level agreements, Welcome International training, itineraries, guided walks, videos, photography, e-newsletters and new social media channels.
3. Visitor monitoring of motivations and satisfaction.	Over 70% of visitors actively recommend the area to others	72% achieved in net promoter score question from 1,750 surveys conducted over 2 years (score represents the % of visitors that are very happy and that would then tell others about their trip).

4. Development of new tools, products and partnerships.	10 new tools and products	14 achieved , including: Somerset e-book, HPC workers site, new campaign web content, COOL experiences brochures, support for Watchet CCT, Enterprising Minehead, Cheddar & Dunster Tourism Forums, Steam Coast Trail, Brean Down Way and England Coast Path partnership with Natural England.
5. Growing the customer base through Somerset & Exmoor advertising campaigns.	100,000 new visitors to digital platforms	138k achieved. 58,000 visitors generated via Secrets campaign aimed at family and couples markets, and 80,000 via Wild West digital advertising campaign aimed at family and active markets.
6. Building industry capacity of Visit Somerset & Visit Exmoor.	10% combined average growth in members and digital	17% combined average growth. VS and VE each grew membership by 9%. Facebook average growth was 30%, twitter 14%, and website visits 15%.
7. Improve digital and quality skills of businesses.	150 employees supported	210 employees and business supported through digital and management training sessions, and workshops to encourage quality and apply for regional awards.
8. Monitor industry performance and issues.	40% of businesses confident about next 12 months.	42% indicated confidence in surveys conducted quarterly in 2017. 450 surveys completed by 100-150 businesses.

4.3 The Refreshed Hinkley Tourism Strategy 2015-20 (Appendix A)

4.3.1 The decision to refresh the strategy has been taken for a number of reasons. The planned mid-term review of the strategy has coincided with significant increases in activity in and around the HPC site. Construction is now well under way with some 500 lorry movements per day. This has been matched with further EDF roadwork improvements in Bridgwater, and non-related projects being delivered by England and Somerset Highways Teams on the M5 and A39. Challenges have begun to emerge in the local accommodation sector for the 2,000 or so workers there are in the area.

4.3.2 Three years has also proved to be a short time in terms of issues and trends. The decision to leave the EU and rise in use by the public of online travel agents, such as Air bnb, are set to present new challenges. There has been enormous growth in companies using digital advertising channels to target customers, at the expense of traditional methods. This was predicted in the original strategy, which led to the development of the 'Secrets' and 'Wild West' digital campaigns, both of which have been very successful. Yet trends in the digital world are constantly evolving with newer more cost effective advertising channels and inspiring new offers making things ever more competitive. These changes all place added pressure on the area's industry bodies (Visit Somerset and Visit Exmoor), and individual businesses to grow and remain resilient to change.

- 4.3.3 A key change HTAP partners wanted to see **was a shift in emphasis away from awareness raising advertising campaigns to more of a focus on developing new products, match funding, and supporting the industry.** The key argument being that opportunities to raise awareness of the area before the HPC development got underway have been achieved. Now is the time to focus on developing the legacy and creating more industry resilience. This is underlined in the budget proposal for Phase 3, which when compared to Phase 1 and 2, shows a drop of 13% in spending (down from 40%) on PR and advertising campaigns, while funds set aside for new products and match funding will double to 26%, and support for industry growth will increase by 7% to 27%.
- 4.3.4 Therefore, the strategy is now structured around four (not three) strategic aims: **Perception, Welcome, New Products, and Industry Growth.** Underpinning these aims are eight priorities each with a measurable target. Please see Appendix A.

Strategic Aim	Priorities	Targets for the six years strategy from 2015-2020
1. Generating Positive Perceptions	Promoting a positive image	100 pieces of media coverage
	Growing the customer base	200,000 new customers attracted from digital campaigns
2. Delivering an Exceptional Welcome	Enhancing the welcome	Over 70% of visitors actively recommend area to others
	Understanding the customer	Business confidence to remain above 40%
3. Developing new experiences	Destination competitiveness	Interest in new tools and products developed up by 10%
	Maximising the Legacy	£200k of match funding secured
4. Supporting Industry Growth	Industry capacity building	Visit Somerset and Visit Exmoor to grow performance by 15%
	Encouraging quality growth	400 tourism employees supported through training

4.4 **Phase 3 Action Plan 2018-19** (Appendix B)

- 4.4.1 The six year tourism strategy is being delivered through four phased action plans. The phase 1 and 2 plans, which utilised the £342,911 of allocations available under the Section 106 Site Preparations, will come to an end in December 2017. Phase 3 (please see Appendix B) will run from January 2018 until approximately August/September 2019.
- 4.4.2 The Phase 3 Plan is proposing to utilise £258,000.56 of the currently available £433,129.91 Section 106 allocations. The reasons for requesting a larger share of what is currently available in Phase 3 is due to the need to:

- a) Cover two years of marketing campaign activity in Spring / Summer 2018 and 2019 (Phase 4 will require allocation for just one year – 2020); and;

- b) Contribute to two years of funding for the England Coast Path and Dark Skies Tourism Project at £20k per year. There is unlikely to be any funding required in Phase 4; and;
- c) Support the delivery of a brand new website for Visit Somerset in 2018, a significant one-off project.

4.4.3 The following table summarises spend against activity in the Phase 3 Plan. Full details of the plan are provided in Appendix B.

Strategic Aim	Activity	Proposed Budget
1. Generating Positive Perceptions	Procuring specialist PR expertise, including delivering 'Secrets' social media campaign and writing new content for websites in 2018 and 2019.	£20,000
	Delivery of the 'Welcome to the Wild West – Somerset and Exmoor' digital advertising campaign in Spring/Summer 2018 and 2019.	£50,000
2. Delivering an Exceptional Welcome	Creation of a plan to counteract travel and other HPC issues, working with local community groups and information centres, to improve the visitor experience. This will include the development of information tools and training (e.g. literature, videos, guided walks, customer service training).	£30,000.56
	Development of a new shorter visitor survey in 2018 and 2019 to measure travel and accommodation issues, and key visitor experience measures.	£20,000
3. Developing new experiences	Funding to support two existing match funding product development opportunities. £20k of match will bring in £80k from Natural England to promote the England Coast Path. A further £20k of funding will bring in £100k of EU Interreg funding to develop the Exmoor National Park Dark Skies Tourism Project in 2018 and 2019.	£40,000
	HTAP partners want to explore the potential for either creating or joining a new match funding partner project. Funding is sought to support project scoping and/or provide the first year's contribution. Current thinking is looking at a Food & Drink bid to LEADER, and looking at the possibility of joining a Discover England Bid with partners from around the country. Food & drink, quality, skills and local distinctiveness are all key themes being considered.	£20,000

4. Supporting Industry Growth	Support for Visit Somerset in procuring and developing a brand new website to promote Somerset. This will include content development to ensure that the website really makes an impact. Sedgemoor District Council will lead procurement, while a service level agreement will be in place with West Somerset Council.	£30,000
	Support for Visit Exmoor, via a service level agreement with West Somerset Council over 18 months, to grow membership, re-design the website, evolve the Eat Exmoor project and deliver social media activity to promote Exmoor.	£25,000
	Work is required to better understand the capacity of the tourism industry in Somerset. Currently data is hugely out of date, which leads to inaccurate volume and value figures. Now that issues are beginning to arise with Hinkley workers utilising local accommodation, it is imperative to understand the occupancy and value of the industry. Work will be carried out to improve the base data, and then options explored for procuring better data.	£15,000
	Funds are required to continue to invest in improving quality and raising the game of businesses. This includes running training sessions and supporting businesses through the regional Bristol, Bath and Somerset awards scheme (which leads to the South West and National Tourism Awards). This funding will be used to match fund other training initiatives being delivered under the England Coast Path and Dark Skies projects.	£8,000
TOTAL		£258,000.56

5 Links to Corporate Aims / Priorities

- 5.1 The Council's second key theme around Business & Enterprise aims to 'Support and promote West Somerset's vital tourism and agricultural sectors', as well as 'Maximise the local economic benefits from Hinkley Point C'.
- 5.2 The third key theme around Our Place & Infrastructure also aims to 'Mitigate negative impacts on the community from the construction phase of Hinkley Point C'.

6 Finance / Resource Implications

- 6.1 This proposal will have no impact on the Council's General Fund. All of the funding for these project come from the Section 106 Hinkley Point C Tourism Marketing allocation. All of the allocation is for revenue expenditure.
- 6.2 To date £342,911 out of a total £342,911.56 (including £22,911.56 added for indexation) of Site Preparation Section 106 allocations available for tourism marketing and promotion have been allocated by Council to the Phase 1 and Phase 2 Action Plans. Approximately 95% of these allocations will have been spent by the end of December 2017, with the rest earmarked for activity like the Business Survey in 2018.
- 6.3 In 2016 and 2017, West Somerset Council were paid the first two of four instalments of the Development Consent Order Section 106 allocations for Tourism, which amount to £433,129.35. This figure includes £33,129.35 of indexation. The final two payments will be paid in May 2018 and May 2019, and will total about £435,000, including indexation.
- 6.4 The Phase 3 Action Plan proposes the use of £258,000.56. This includes the remaining £0.56 from the Site Preparation Section 106 allocations, and £258,000 from the DCO Section 106 agreement. This will leave approximately £610,000 for future tourism marketing and development activities.
- 6.5 The funding proposal is requested in four budget areas:

Phase 3 Action Plan Budgets	Sub-Totals
PR & Marketing	£70,000.00
Visitor Experience	£50,000.56
Product Development	£60,000.00
Industry Support	£78,000.00
GRAND TOTAL	£258,000.56

7 Legal Implications (if any)

- 7.1 Not applicable

8 Environmental Impact Implications (if any)

- 8.1 Promotional activity set out in the strategy and plans focus on using digital channels to target and provide information to customers. Visitor and business surveys are also carried out using digital and online methods. This is offset against the movements of over 95% of visitors that use their car to visit the area, due to a lack of public transport options available. Work with local community groups to improve visitor experiences, aims to keep visitors in the local area when they arrive. Overall, all strategic tourism planning activity follows the principles of sustainable tourism as a matter of course.

Developments supported, like the Steam Coast Trail and Brean Down Way (new cycling routes) typically have their own principles embedded in sustainable tourism principles, and campaigns, like 'Secret Somerset and Exmoor', actively sought to encourage visitors to explore the area and spread their benefits.

9 Safeguarding and/or Community Safety Implications (if any)

9.1 Not applicable

10 Equality and Diversity Implications (if any)

10.1 Where relevant all steps are taken to ensure equality and diversity. Suppliers bidding for contracts are required to meet West Somerset Council standards. Where situations occur with businesses, the appropriate steps and advice are provided.

11 Social Value Implications (if any)

11.1 The proposal does involve procuring services. Relevant local companies are given opportunities to bid for contracts. No specific mention is made to social value in the strategy, but much of the planned activity brings many benefits to other businesses, residents and community group ambitions. For example, the Secrets PR campaign celebrated 50 secrets/hidden gems of Somerset and Exmoor. Visitors were encouraged to explore the area, and in the process discover local shops, tea-rooms and pubs (e.g. Washford, Doniford, and Exford). The campaign actively sought to help spread the benefits of tourism, a key principle of sustainable tourism.

12 Partnership Implications (if any)

12.1 The Strategy and Plan have been created by the Hinkley Tourism Action Partnership, which includes 7 partners (including West Somerset Council). The plan has been established in the context of the HPC development, and so West Somerset is central to managing any opportunities and challenges. However, visitors do not recognise boundaries, and for many years marketing of the area has been done working in partnership with stakeholders involved in promoting Somerset and Exmoor. The aim being to maximise potential for bringing in visitors to the area. Partners have invested time and energy in the previous plans and will be doing so again in the new one. If the strategy and plan did not go ahead, relationships with partners could be damaged and the impacts of HPC would not be managed in a co-ordinated way.

13 Health and Wellbeing Implications (if any)

13.1 In 2016, HTAP developed a Marketing Strategy to help guide direction. In particular, the strategy sets out how the Family and Active markets will be targeted through campaigns. Somerset and Exmoor's biggest joint strength is its natural landscape. The area benefits from a variety of landscapes, most of which is protected. Therefore marketing campaigns have sought to encourage visitors to explore the area by positioning it as a great natural playground. This approach has important benefits for local residents, who can also

discover the area and utilise new attractions like the Steam Coast Trail and Brean Down Way, two projects supported by HTAP.

14 Asset Management Implications (if any)

14.1 Not applicable

15 Consultation Implications (if any)

15.1 In 2014, consultation was carried out with businesses and stakeholders in the tourism industry in order to understand the view on Hinkley Point C, and how it may affect the industry. The information and ideas gleaned from this exercise led to the development of the six-year strategy. In particular the development of the priorities and principles of the marketing strategy that was developed later in 2016.

16 Scrutiny Comments / Recommendation(s) (if any)

16.1 Not applicable.

Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – Yes / No** (delete as appropriate)
- **Cabinet/Executive – Yes / No** (delete as appropriate)
- **Full Council – Yes / No** (delete as appropriate)

Reporting Frequency: Once only Ad-hoc Quarterly
 Twice-yearly Annually

List of Appendices (delete if not applicable)

Appendix A	Hinkley Tourism Strategy 2015-20 (refreshed for 2018-20)
Appendix B	Hinkley Tourism Phase 3 Action Plan for 2018-19

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Refreshed for 2018

Hinkley Tourism Strategy 2015-20



‘Successfully maximising the opportunities and managing the challenges during the development of Hinkley Point C for tourism in Somerset and Exmoor’

Hinkley Tourism Action Partnership



Executive Summary

This document sets out the strategy for tourism activity across Somerset and Exmoor by the **Hinkley Tourism Action Partnership (HTAP)** aimed at maximising opportunities and managing potential challenges that arise from the construction of the **Hinkley Point C (HPC)** nuclear power station.

The overarching vision is that Somerset and Exmoor will have a strong tourism industry that has successfully capitalised on opportunities from the HPC development, leaving a legacy as one of the best managed visitor experiences in the country where businesses are dynamic, resilient and working in partnership to compete at the highest level.

The Hinkley Tourism Strategy 2015-20 was developed following consultation with the tourism industry in 2014. A mid-term review has led to some revisions of the strategy for the final three years, which takes into account the current health of the industry, evolving trends and issues, and the progress of the HPC development.

A number of opportunities are highlighted, including raising the profile of the area, the development of new products and the potential for match funding bids. At the same time the strategy refers to potential challenges around negative perceptions, increased traffic levels, worker accommodation, and factors such as the decision to leave the EU.

Four phased action plans are being used to deliver the strategy over six years. This includes recommended actions to utilise about 60% of the £1.12m allocations available under Section 106 legal agreements for HPC.

Four strategic aims provide the focus of strategic activity. These are underpinned by eight cross cutting priorities and measured by eight key targets.

1. **‘Generating positive perceptions’** – Attracting new customers by targeting key markets with innovative PR and digital marketing campaigns that showcase to visitors the variety and sophistication of things to do in Somerset and Exmoor.
2. **‘Delivering an exceptional welcome’** – Building an in-depth understanding of visitors’ requirements and behaviour in order to develop information tools and service that help businesses, communities and Information Centres deliver excellent visitor experiences.
3. **‘Developing quality experiences’** – Creating and enhancing distinctive visitor experiences through match funding opportunities that contribute to sustainable growth, destination competitiveness, and improved perceptions of the area.
4. **‘Supporting industry growth’** – Fostering business resilience, confidence and higher value growth by focussing on quality and skills; and building the capacity of Visit Somerset and Visit Exmoor to champion the area and benefit businesses.

Introduction

Hinkley Point C (HPC) is being built next to the existing power station over ten years at a cost of some £19.6 billion. It will provide more than 25,000 employment opportunities and eventually power five million homes.

As part of this development two Section 106 planning agreements for Site Preparation and the Development Consent Order are in place. These agreements include schedules for tourism that set out the conditions and allocations made available by EDF Energy to assist in maximising opportunities and mitigating potential challenges for the industry from the development.

The Hinkley Tourism Action Partnership (HTAP) was set up in accordance with the Site Preparation agreement. Its members are: West Somerset Council, Sedgemoor District Council, Somerset County Council, EDF Energy, Exmoor National Park Authority, Visit Somerset and Visit Exmoor.

Together the two planning agreements outline £2.1m of allocations for tourism payable in six instalments. With indexation added £1.2m is available for tourism marketing and development purposes. Separate allocations exist for tourism information centres and officer resource.

Launched in 2015 by HTAP, the Hinkley Tourism Strategy and Action Plans were formulated while site preparation was underway. At the time, a final go ahead from the Government was expected imminently but was in fact delayed until September 2016. Some major roadworks associated with the project did take place before the go ahead, but generally the delay gave the partnership further time to prepare for anticipated impacts and take up opportunities to develop tourism.

This document will set out the context in which the strategy will operate, following a review of the initial strategy which was developed in 2014. The priorities and strategic ambitions have been revised to reflect the evolving situation with the HPC and trends within the industry. A number of key documents have been used in the development of this document, which include:

- Exmoor Strategic Action Plan for Sustainable Tourism 2013-18
- Somerset Destination Management Plan
- Visit England Strategic Framework for Tourism in England 2010-2020
- Somerset Volume and Value Data 2015 (Cambridge Model)
- Greater Exmoor Value of Tourism Report 2016 (Steam Model)
- Hinkley Tourism Action Partnership Somerset Visitor Survey 2015-17
- Exmoor Visitor Survey 2016
- Somerset Growth Plan 2014-20
- Visit England Domestic Leisure Tourism Trends for the next Decade
- www.visitbritain.org/insightsandstatistics
- Ofcom Communications Market Reports 2016 and 2017
- Internet Advertising Bureau 2016 Digital Ad Spend Report
- UK Inbound Brexit Principles
- Tourism Alliance After Brexit Report 2017

The Value of Tourism

Tourism is a key sector in Somerset's economy generating £1.3bn turnover, 2.7m staying visitors, 23m day visitors and employing 9% of the workforce.

Around the immediate area of Hinkley Point in West Somerset and Sedgemoor, tourism activity is particularly significant, accounting for 52% of all staying visits and some £475m of visitor spend. In West Somerset 30% of the workforce is engaged in Tourism, although in places like Minehead and Brean this figure rises to over 50%.

The landscape of Somerset & Exmoor is the area's biggest strength in terms of attracting visitors and in defining what it is they can see and do. It is characterised by its dramatic coastal scenery, areas of protected countryside, seaside resorts, rural charm, historic towns and villages, festival culture, wildlife habitats, and food and drink.

This view is backed up in visitor surveys, whereby visitors cite the 'beautiful unspoilt scenery, tranquillity, heritage and opportunities for outdoor recreation' as being the most important factors when choosing to visit the area.

Many of the best examples are iconic, such as Glastonbury Tor, Cheddar Gorge, Exmoor National Park, Wells Cathedral, Glastonbury Festival, the Somerset Levels and Moors, South West Coast Path, Cheddar Cheese and Cider.

Leisure and visiting friends and family are the two most important types of visits made, with a limited amount of business tourism being restricted to key towns. HTAP visitor surveys demonstrate that Somerset's visitors either tend to be older in the post-family life stage, or are families with younger pre-school age children. A high proportion of visitors are from higher socio-economic grades.

The vast majority of visitors are from the UK from within a three or four hour drive (e.g. West Midlands, South West, London and South

East). Typically UK visitors visit on short breaks and stay 3 to 4 nights on average. Overseas visitors, particularly German, Dutch and French markets, account for between 8% (Somerset) and 12% (Exmoor) of all visits across the area and tend to stay for about 7 nights on average.

Group visits are an important sector for some businesses, although limited research exists to indicate its wider value. Some 1300 coaches pass through Cartgate Services on the A303 on annual basis, and key attractions and places like West Somerset Railway and Burnham-on-Sea spend considerable time and effort in targeting groups specifically.

The make-up of accommodation across the area varies markedly. West Somerset has 27% more bed spaces in small serviced hotels and B&B's and self-catering cottages than in Sedgemoor. While Sedgemoor has 47% more bed spaces, pitches and units in camping, static and touring caravans and holiday centres. Taken together the caravan parks at Berrow and Brean and Butlins in Minehead account for about a third of all visits to Somerset.

In recent years, a reduction in public sector funding has led to a fundamental change in how local authorities support tourism. Funds for activity are typically sourced from external funding bodies and industry advertising contributions, and are delivered through local authority officer time in partnership with industry bodies and community groups.

A good example of this was the COOL Tourism Project in 2012-15, which involved the four local authorities in HTAP working with partners in France and South West England to successfully secure EU Interreg funding. The project aimed to develop new rural visitor experiences, and delivered new marketing tools, training programmes and products. The project served to provide a good template for HTAP in terms of strategic partnership working and maximising funding potential.

This has been carried forward in work undertaken to develop the England Coast Path, the newest National Trail running between Brean Down and Minehead. Local authority partners in HTAP have developed a relationship with, and secured funding from, Natural England in order to carry out PR and marketing and business engagement activities.

Information centres in the area have also been affected by cuts to public funding, with many centres closing in recent years. Some public funding is available via Section 106 agreements with EDF Energy for some centres in the area, but by and large centres are having to re-evaluate their business models and generate more of their own income. Most rely on volunteers and operate limited opening hours.

Supporting the industry are two tourism industry bodies. The Somerset Tourism Association, now trading as Visit Somerset, has some 360 members and takes the lead in marketing and championing the county nationally. Its social media channels have a 7m reach, while its website attracts just under 1m visits per year.

173 The Exmoor Tourist Association, now trading as Visit Exmoor, has been in existence since 1981 and has 130 members. It leads the marketing of the Greater Exmoor area (National park, West Somerset and Quantock Hills) utilising the Exmoor: Dream, Discover, Explore brand, and has a website, which attracts nearly 200k visitors annually, and social media channels.

In terms of the wider strategic picture, ambitions for tourism are cited in a variety of regional economic documents. The Exmoor Sustainable Tourism Strategic Action Plan, sets out a plan for 2013-18 to increase the value of visitors and develop sustainable tourism. Visit Somerset's destination management plan includes ambitions for increasing market share and developing rural tourism.

At a national level Visit England's The Strategic Framework for Tourism in England 2010 – 2020 sets out ambitions to increase global market share, deliver compelling destinations of distinction, champion a thriving industry and improve engagement with visitors. This is supported by Visit England's Domestic Leisure Tourism Trends document, which helps to set the context of the needs of future visitors.

Tourism during HPC construction

Opportunities

The Section 106 tourism allocations constitute a significant increase on previous levels of funding for developing tourism. It paves the way for a wide ranging and co-ordinated strategic approach to tackling industry issues.

This includes utilising allocations for match funding bids, which in itself opens up opportunities to develop new strategic partnerships. Allocations will also enable the six named information centres in Section 106 agreements to improve visitor services, and evolve more sustainable business models.

During the development of HPC 25,000 jobs will be created, with 6,000 people employed during the peak of activity. Many of these

workers will originate from outside of the area and therefore caravan parks, B&B's and hotels will all benefit from increased business.

Local shops and services, which support indirectly related tourism jobs, will also benefit from the worker presence. For the wider industry the opportunity exists to target workers and their families directly with holiday and days out visitor offers.

The influx of workers should help to address some of the traditional seasonality issues that the industry faces. Visit England report that 70% of day visits to the countryside take place in spring and summer. A more even spread of visitors across the year could lead to an

increase in sales, more permanent jobs and improved winter opening hours.

The increase in Section 106 funded officer team will enable greater financial and advisory support to local community and business groups, in both developing local marketing activity and/or the planning of new tourism infrastructure projects.

During this six year strategy a variety of projects will have been supported, including: a new EDF Energy Visitor Centre at the HPC site, the Steam Coast Trail and Brean Down Way, Watchet Boat Museum and Visitor Centre, Bridgwater Docks Interpretation Trail, Exmoor Astro Tourism Project and England Coast Path.

For perhaps the first time, funding will enable HTAP to deliver more targeted marketing activity, which is fundamentally underpinned by visitor research and that better reflects the constantly evolving needs of customers.

For instance, Visit England indicates that families (a key market for the area) are 'changing in size, shape and composition'. Families are often smaller with single parents and fewer siblings, and have a greater range of disability and language needs. Although society is ageing, people are utilising holidays to fulfil health and well-being needs. With greater time and disposable income, grandparents are more involved in childcare and family holidays.

Short breaks by domestic markets - or the 'staycation' - have grown in popularity. This is in part due to fluctuations in the economy, including recession, a restriction in wage growth and more recently the devalued pound, which can be attributed to the impact of Brexit.

The devalued pound is one of the reasons given by Visit Britain to explain increases in

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overseas visits; although they have also carried out significant marketing activity in this area in recent years. None the less an opportunity exists for businesses to adapt their marketing messages to new types of customers.

Evidence suggests that leisure spending is being prioritised over other luxuries, particular by younger generations. The rise in short breaks has seen less emphasis placed on choosing a destination to visit, and more demand for themed or experiential breaks that help fulfil needs in busy lives. It is predicted that the health, active and skills tourism markets are set to grow, which should play into the hands of strong 'landscape' based destinations like Somerset and Exmoor.

Although people are recognised as being 'time poor', they still desire choice. The internet has been crucial in satisfying this trend and making things simple for all ages. In 2017, Ofcom reported that 99% of 16-24 year olds and 53% of over 74's had a home broadband connection, while 76% of adults now have a smartphone. Online shopping accounts for 69% of activity, social networking 57%, and 66% of teenagers use YouTube to watch TV. People have become used to searching for deals, and buying holidays online.

This use of technology has led to an enormous shift by companies in targeting customers. Advertising on digital channels was up 17% in 2016 to £10.3bn. While traditional TV and print advertising growth slows and declines, spend on mobile advertising was up 51% in 2016 to £3.9bn. Paid for search advertising (e.g. google) is now worth £5bn, and 2016 saw huge increases in online display (e.g. banner ads), video pre and post roll and social media advertising. The opportunity exists to promote Somerset and Exmoor via new channels that have not been tried before.

Challenges

During consultation, one of the key concerns expressed by tourism businesses centred around the perception of the area, particularly in regards to the use of the name 'Somerset'

alongside HPC, but also in relation to the sheer scale and potential impact of one of Europe's largest construction sites on the wider Somerset and Exmoor area.

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This concern stems from previous experiences with the Foot & Mouth crisis of 2001, and flooding of parts of the Levels and Moors in 2014. For instance, although just 2% of the land was flooded, the perception was that the County was a 'no go' area. This led to a drop in visitor numbers and bookings; as much as 40% in some cases. There are valuable lessons to be learnt in terms of media coverage, managing perception and building business resilience.

Traffic congestion is another concern. The development of HPC will see on average 500 lorry movements per day, and at peak, an additional 6,000 workers in the area. Plans are being carried out by EDF Energy and Somerset Highways to manage lorry flows and create park and ride systems, but this traffic will add pressure to an already challenged and limited road system.

More than 90% of visitors travel to Somerset and Exmoor by road, as public transport is very limited, and even without the development of HPC, it can take over an hour to travel 25 miles from the M5 to Minehead. Monitoring will be required, particularly at key pinch points and at certain times of the week (e.g. change over days for big operators like Butlins).

Significant roadworks have already been undertaken in the period 2015 to 2017, including the Bridgwater Junction 24 Improvements, Washford Cross and Quantock Road roundabouts. HTAP developed a detailed travel plan working with partners to help visitors and businesses, but further work is required to understand movements as activity on the site increases.

Many Hinkley workers will make use of local accommodation. Away from Bridgwater and Minehead, the area round HPC is rural and includes limited numbers of accommodation businesses. It will be important to monitor occupancy issues and put in place appropriate policies to enforce caravan park licensing arrangements and manage new planning applications; in order to protect the environment and ensure that visitors can still find accommodation at peak times.

It is vitally important that Somerset and Exmoor can continue to compete with other destinations. Particularly in terms of raising quality and developing new visitor offers. For instance the area lacks a good spread of medium sized accommodation, which limits group tours, and although the situation is constantly improving, it is hard for visitors to consistently find good quality places to eat.

The industry has been described by some, such as in the Somerset Growth Plan (2014) as being characterised by '...too little high value activity'. A reference to the often seasonal, part time and low paid employment that is available. With the potential for some people to earn more from better paid roles at HPC, it is important that HTAP can support businesses in addressing quality and skills needs.

Other major challenges exist: such as the rise in popularity of online travel agencies (such as booking.com), which require businesses to pay high commission rates; and the need to support Visit Somerset and Visit Exmoor is growing their income streams in order that they can continue to lead the industry once public funding disappears.

Perhaps the biggest unknown yet is the impact of the decision to leave the EU. Like the rest of the country, local tourism businesses have relied upon Eastern European labour. With the potential for better paid roles at HPC attracting many UK nationals, the tourism industry could be faced with a significant staffing challenge. One potential solution will be that businesses consider how to engage an active and very experienced older generation; making them feel welcome and able to contribute.

Nationally, UK Inbound have asked the government to consider five key areas following Brexit: welcome and perception; workforce issues; aviation challenges; the customs union; and Visa-free travel. The Tourism Alliance 'After Brexit' Report discusses the challenges and opportunities around five key areas: the structure of the industry, skills, deregulation, transport and the welcome.

The Strategic Vision

Overarching Approach

The review of tourism, set against the backdrop of the HPC development, reveals a complex picture. Consultation revealed a number of concerns around areas such as visitor travel, perception, accommodation shortages due to Hinkley workers, and employee migration to better paid jobs at HPC. These concerns are further exacerbated by already existing issues such as a restricted road network, inconsistent levels of quality, a challenging economic picture and a mix of external threats.

On the positive side the tourism industry can now benefit from consistent levels of funding over an 8-10 year period. This has allowed for the development of a truly industry wide and strategic approach to managing issues and promoting what's already on offer, as well as supporting the development of new products; all of which will lead to a more competitive and resilient industry. The resulting strategy needs to sensitively handle challenges from HPC, while being bold in delivering on opportunities. However, and in a similar way to how National Park Authorities operate, if a clash between the two strands of thinking occurs, priority always needs to be given to protecting the industry and the environment it operates within.

The concerns, issues and opportunities raised throughout the consultation process and situational analysis can be distilled into eight key priorities. These can be split between the four strategic aims; although in reality they are eight cross cutting and inter related priority themes. Achieving one usually requires the delivery of at least two or three others.

- **Promoting a positive image:** Protecting and enhancing the reputation of the area by raising awareness of what there is to do.
- **Destination competitiveness:** Supporting the development of new experiential products based on local distinctiveness.
- **Growing the customer base:** Using innovative campaigns to attract new customers from existing and new markets.
- **Maximising the Legacy:** Make the most of Section 106 allocations by working with partners to deliver match funding bids.
- **Enhancing the welcome:** Working closely with information centres and local networks to counteract travel and visitor experience issues.
- **Industry capacity building:** Support Visit Somerset and Visit Exmoor to grow, improve member benefits and champion the industry.
- **Understanding the customer:** Monitoring visitors to better understand behaviour, motivations, and issues in order to improve marketing activity.
- **Encouraging quality growth:** Support businesses in growing quality and skills; to improve the bottom line, increase wages, and reduce seasonality issue

Structure and Delivery

The strategy is structured around a vision and four strategic aims, underpinned by eight priorities and eight key targets. Action plans delivered in four phases will support deliver of these strategic ambitions: Phases 1 and 2 in 2015-17; and Phases 3 and 4 in 2018-20. Delivery will largely be carried out by four officers in two full time equivalent roles, with support by individuals from all key seven partners in HTAP throughout. Reporting against targets and activity will made quarterly in line with meetings of the Hinkley Tourism Action Partnership (HTAP) and the Hinkley Socio-economic Advisory Group (also known as SEAG).

Vision

Somerset and Exmoor will have a strong tourism industry that has successfully capitalised on opportunities from the development of Hinkley Point C, leaving a legacy of one of the best managed visitor experiences in the country and with businesses that are dynamic, resilient and working in partnership to compete at the highest level.

Strategic Aim 1

'Generating positive perceptions'

Attracting more customers by targeting key markets with innovative PR and digital marketing campaigns that showcase to visitors the variety and sophistication of things to do in Somerset and Exmoor.

Strategic Aim 2

'Delivering an exceptional welcome'

Building an in-depth understanding of visitors' requirements and behaviour in order to develop information tools and service that help businesses, communities and information centres deliver excellent visitor experiences.

Priorities

Promoting a positive image
 Growing the customer base
 Enhancing the welcome
 Understanding the customer
 Destination competitiveness
 Maximising the Legacy
 Industry capacity Building
 Encouraging quality growth

Strategic Aim 3

'Developing new experiences'

'Creating and enhancing distinctive visitor experiences through match funding opportunities that contribute to sustainable growth, destination competitiveness, improved perceptions of the area'.

Strategic Aim 4

'Supporting industry growth'

'Fostering business resilience, confidence and higher value growth by focussing on quality and skills; and building the capacity of Visit Somerset and Visit Exmoor to champion the area and benefit businesses'.

Success measured against 8 Targets (see page 15)

Strategic Aim 1

'Generating positive perceptions'**Promoting a positive image**

During the construction of HPC, the perception of the area as a place to visit is likely to be influenced by press coverage. The media has a tendency to focus on the negative so it must be expected that there will be stories about congestion, upheaval and disruption to normal life, issues of managing nuclear waste, and links made to other nuclear energy stories around the world. Even if this is not the case, the constant reference to 'construction of a nuclear power station in Somerset' will have connotations for some that the area is a place to avoid. As witnessed when only 2% of the Levels and Moors were flooded, businesses across the County suffered from a decline in bookings, so the strategy must consider the impact on the whole destination, not just around the HPC site.

The approach to counteracting negative stories will seek to build on the success achieved in 2015-17, which saw the procurement of specialist PR expertise to develop bold, innovative and above all inspiring PR campaigns. Utilising the '**Secrets Campaign**' the principal aim will be to target journalists in both print, but increasingly on digital media and through social media. The slant will be on celebrating what is new, unique and quirky about the visitor experience. Driving things via social media will help to generate new reach and engagement with visitors, the media, local businesses and residents, who in turn will act

as champions for the area. The key communications tools used will be traditional PR activities like press trips and weekly updates, together with new social media platforms, competitions, itineraries and new creative web content. PR work will be underpinned by the HTAP Communications Strategy that sets out key messages and protocols for handling media scenarios.

HTAP will continue to bring benefits to the whole area through its approach to PR. This includes promoting the areas two key destination brands: Somerset and Exmoor. The two destinations do represent different things to different visitors, but by and large the 'landscape' based strengths of both provide an opportunity to showcase a more diverse, varied and fascinating visitor experience. Although visitors do not typically appreciate boundaries, this joint working may help to subtly re-educate visitors that wrongly perceive Exmoor to be in Devon. At times it will be important to use the strength of one area. For instance the stars of any family seaside offer should make use of Somerset's strong established reputation, while the reputation of the Exmoor brand will be crucial in attracting walkers. Promoting two brands does present practical problems such as the development of content on two different sets of digital platforms, but with the reduction in public funding for tourism, more and more destinations are seeking to work in partnership to achieve their goals.

Growing the customer base

As set out in the HTAP Marketing Strategy, the ambition is to grow the customer base by increasing visits from existing key markets, and new markets with the potential to blossom. This requires a much more targeted approach to marketing than has been possible in the past, due to limited finances. It is an approach that moves away from the traditional 'attract and disperse' approach to destination

marketing, whereby major icons are used to initially attract customers before selling other strengths. This approach can still work in certain group and overseas markets, but even there, tour guides and individuals are looking for new inspiration. Increasing competition and busy lives have led people in search of multiple annual holiday experiences to serve a particular need at a certain time, as opposed to say a need to visit a specific destination.

In many ways people have created more reasons to have holidays, whether it is in pursuit of a hobby, celebrating family occasions, attending to personal well-being, achieving ambitions or simply to show off to friends. For Somerset and Exmoor it provides an exciting opportunity to help visitors ‘get under the skin’ of what can be done locally. The HTAP marketing strategy assessed a number of potential markets, from which five target markets emerged. The traditionally strong ‘**Seaside Family Fun**’ market, is complemented with ‘**Discovery Families**’, who are seeking more interesting and educational based time together. Another traditionally strong market are the over 55 empty nester couples market, often called ‘**Grey Escapes**’. The ambition is to try to extend the approach taken with this market to reach out to younger professional couples with or without children – people that want to relax and recharge from busy lives while grandparents look after the kids - ‘**R&R Professionals**’. The area’s dramatic and varied landscape is a perfect fit for ‘**Active**

Couples and Friends’, whether it’s for trail walking, road cycling, kayaking, climbing or group activities.

The approach will be to build on the success of the ‘**Welcome to the Wild West - Somerset and Exmoor Campaign**’, devised in 2017 by a specialist creative advertising agency procured by HTAP’. The campaign will continue to target the family and active markets, majoring on the area’s key landscape strength as a great environment for play and exploration. In line with trends the campaign will seek to target customers through a co-ordinated use of digital advertising channels, such as video pre and post roll adverts, paid search, facebook carousel and canvas adverts and online banner displays. In order to convert customers, new inspiring content will be developed to underpin the campaign, which will require working closely with Visit Somerset, Visit Exmoor and businesses to ensure that the customer journey is complete.

Strategic Aim 2

‘Delivering an exceptional welcome’

Enhancing the welcome

The issues and concerns surrounding the impact of HPC on travel into and around the area have provided the starting point for the concept of the ‘welcome experience’. In this scenario it can be defined as what visitors encounter when they reach, and travel about, the destination. This includes interactions with information centre staff, businesses and literature available to read. To date the main travel challenges faced have been in relation to roadwork improvements made to accommodate forthcoming HPC traffic. Going forward the challenges will change to include 500 HGV lorry movements to and from the site each day, and thousands of additional travel journeys by Hinkley workers across the area. The impacts on visitors, particular at certain times of the week (e.g. on a Friday and Monday when thousands of visitors travel to and from Butlins along the A39), will increase.

EDF Energy and Somerset Highways have been planning for these outcomes for some time, and have implemented a number of measures. This includes the crucial development of a ‘Travel Somerset’ website and twitter account to keep people up to date on the road situation. Over the past three years HTAP has worked closely with these two organisations, taking up the role of communicating with the industry and exploring ways to improve the visitor experience. This has included the development of new circular routes, itineraries, guided walks, as well as regular industry e-newsletters, presentations at key meetings and frequently asked travel question sheets for businesses. This approach is set to continue, but with things taken to a new level.

HTAP will work with Somerset Highways in targeting the large tourism operators in the

area, to better understand their needs. It will also aim to work closely with local community groups, businesses and the information centres, to develop locally distinctive visitor experiences that serve the wider purposes of making things easier for customers. This will include customer service training, new videos, maps, guided walks, itineraries, interpretation and joint promotional literature. At the same time, support will continue with information centres to develop new income streams and improve their viability; to prepare for the day when there won't be any more Section 106 funding. Related to this, considerable work is required internally at West Somerset and Sedgemoor to define policies in relation to Hinkley worker accommodation: both caravan

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park licenses and planning applications for extensions and new sites. Whilst it is important for businesses to benefit from the new custom that Hinkley workers bring, it is imperative that traditional holiday makers are able to continue finding accommodation during peak periods, and that the environment is protected in the long term. Aligned to this will be the continuation of business surveys that began in 2017 and will continue into 2018. The aim with this research has been to understand business views on occupancy, turnover, future bookings, issues and training needs. In particular the surveys seeks to assess the state of the industry and business confidence for the next twelve months.

Understanding the customer

Being able to understand the customer is vital in developing a welcoming experience and in delivering effective marketing campaigns. As part of the tourism schedules under Section 106 agreements, local authorities and EDF Energy agreed on the delivery of surveys to monitor potential impacts on the visitor experience. An accredited research company was procured to devise and develop the research methodology and implement questionnaires on the ground using professional researchers. The survey was developed in line with the 2009/10 Somerset Visitor Survey in order to measure changes over a longer period of time, but was then complemented with new experiential and Hinkley related questions. Nearly 1800 surveys were carried out with visitors in four waves over two years in 25 locations across Somerset. Each survey included about 30 questions and took about 30 minutes to complete.

The process has provided invaluable information on visitor profiles, motivations, decision making and satisfaction with the experience; all of which is now being used to support the timing and type of marketing campaigns being delivered under strategic aim 1. Some of the highlights from the research show that Somerset receives a high proportion of repeat visitors who have a propensity to

recommend the area to others; although this is set against the fact that only 1 in 7 visitors are visiting for the first time. People regard the beautiful scenery, tranquillity and wildlife and outdoor activities as key motivators and some of the best experiences in Somerset. On the flip side the area could do better with wifi/mobile phone coverage, places to eat and drink and general welcome. 36% of people booked accommodation online, 64% made the decision to stay 1-3 months out, 62% of visitors were post family while 30% had children under 16 with them.

Going forward the intention is to carry out more surveys, but this time focus on key satisfaction and experience questions, particularly in relation to travel movements and Hinkley impacts. A much shorter survey will be carried out with more visitors in key locations and at peak times of the year. In addition to this, work will be undertaken to assess the experience visitors have in using the Visit Somerset and Visit Exmoor websites: understanding what people think and feel about the content, and how they navigate to information around the site. This will prove vital in helping to understand online behaviour and in re-developing the websites in the coming months. Furthermore, information centres will be tasked with collating the qualitative views and opinions of visitors.

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'Developing new experiences'

Destination Competitiveness

It could be suggested that domestic UK markets, which account for about 90% of visitors to Somerset and Exmoor, have been maturing for some time. Visitors have become less motivated by the idea of a destination and more interested in consuming 'experiential' short breaks to suit a specific need and time. This list of themed breaks is long, and includes wildlife, spa, history, events, cycling, food, glamping, photography, music and fashion. All round customers are seeking new depth and sophistication to their experiences, and as the competition improves, expectations of quality rise. Perhaps subconsciously, many visitors are seeking unique experiences, as a way of displaying how varied and interesting their lives are to friends and family. People lead busy lives and want simplicity in terms of being able to find information, and so developing well-packaged breaks is a challenge.

The key for destinations in developing new product experiences is: (a) to utilise local distinctiveness in order to shape the design of new products, which will serve the need for unique experiences; and; (b) focus efforts on developing a few products (with supporting information) very well, which in turn will address the busy life problem. Current trends around a need for active, healthy lifestyles and learning new skills play to the area's main strength - its natural landscape – and which is regarded by visitors as the single most motivating factor for visiting the area.

However, while Somerset & Exmoor have significant protected natural landscapes, they don't have sufficient supporting infrastructure to really make some of the potential product areas work yet. Cycling is a good example, where both Devon and Cornwall have a number of well-developed trails. In the past couple of years with the development of the Brean Down Way and the start of the Steam Coast Trail this is starting to change this picture.

Not all product development requires the need to evolve new expensive infrastructure however. In some cases it is about an integrated approach working with businesses to better package up and sell existing experiences. Overall, the importance of keeping on top of customer needs and developing new experiences cannot be understated. Well planned developments are key drivers in attracting new types of customers throughout the year, and in helping businesses to expand. Therefore, HTAP is determined to influence change in this area, and it will take the approach of aligning its approach to target markets with the development of relevant products and experiences. This will include a focus on new products under the key themes of wildlife, coastal heritage, walking, cycling and activities, as well as local food and drink. The approach will include engagement with local businesses and networks to refine the experience, in order that the best possible legacy can be developed.

Maximising the Legacy

In recent times local authorities in Somerset have focused efforts on developing new strategic partnerships and securing match funding bids to deliver tourism regeneration. Among the successful bids made, was the £2.2m EU Interreg funded project: COOL Tourism, which involved six partners in Eastern England and Northern France and aimed to address key common issues of seasonality in

rural tourism. £100k of funding from the local authority partners involved in HTAP was matched with £135k of EU funding. Sometimes opportunities arise to get involved with, or provide support to other key projects. This has been the case with the HPC Community Impact Mitigation bids to re-develop the Watchet Boat Museum, Brean Down Way and Steam Coast Trail, as well as a contribution from HTAP towards the £1m Minehead regeneration

programme, which is just starting to be delivered.

HTAP will take an even more proactive approach in the next three years to securing match funding bids. Other opportunities exist around funding programmes such as LEADER EU Interreg, Discover England and Coastal Communities. It is understood for example that Burnham-On-Sea will shortly be making a bid to the Coastal Communities Fund. All opportunities will be considered in terms of the approach to developing new experiences and the identified target markets previously mentioned. To this end the strategic plan will begin with allocating finances and resources to both the England Coast Path project and Exmoor National Park Authority led EU funded Astro Tourism project. HTAP partners began working with Natural England in 2016/17 to engage with businesses and raise awareness of the new national trail footpath. A £52k match funded project with £39k coming from Natural England is set to be replicated in 2017/18 and 2018/19. HTAP will also support the £2m million pound project working with partners across Europe to develop Dark Skies Tourism. This will include opportunities to support many

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Somerset and Exmoor businesses. A £20k contribution will go towards £40k of local match, which will secure an additional £110k of EU funding for the area.

Two other major opportunities exist. Food and drink is an integral part of the Somerset landscape and tourism offer. Ambitions exist to support the sector in raising quality and the awareness of what is available. Both Visit Somerset and Visit Exmoor have developed successful food projects in the past twelve months and funding pots like LEADER and Discover England have a particular focus on this theme. Efforts will be made to develop a project that benefits businesses in the County. As part of the HPC construction, EDF Energy are planning to build a new 'state of the art' visitor centre, which will provide new jobs and attract thousands of visitors annually. The Centre will focus on all types of energy creation from nuclear to green fuels, as well as promoting the local area. It will provide a unique all year round visitor attraction unlike any other in England, and will open up opportunities to attract new types of visitors including educational related groups and more from overseas.

Strategic Aim 4

'Supporting industry growth'

Industry capacity building

With local authority funding reductions and an ambition that the industry take a bigger lead in delivering its own future, recent years have seen renewed help for the two main industry bodies: Visit Somerset and Visit Exmoor. Both operate as commercial entities with a core purpose of improving benefits for their tourism business members. This is achieved by promoting the area in order to increase visits and bookings, provide a voice at the national table on key issues, and support businesses in growing their offers. Each industry body faces slightly different challenges. Visit Somerset has greater membership numbers and a turnover that allows it to deliver many activities with a small staff resource. It has however required

local authority officer support to deliver marketing activity and additional finances to develop new tools like the Somerset e-book. Due to its rural location Visit Exmoor, which promotes tourism across the National Park and West Somerset, has a smaller membership base. It does rely on public sector support, both financially and in assisting the staff it employs to deliver activity, but this reliance is decreasing as income grows.

For Visit Somerset and Visit Exmoor, the quality of their digital tools is fundamental to a successful existence, in terms of driving bookings for members and selling Somerset. It is in this digital arena that both bodies have achieved huge success, and in particular

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bought private sector skills in marketing and commercialism to bear. The growth in reach and engagement of social media sites, and rapidly growing visitor numbers to the websites highlight this. However, to remain competitive, it is crucial that investment in their digital platforms continues. In the next three years HTAP will invest in supporting Visit Somerset to re-develop its website. The site has been sitting on an expensive platform designed in 2006, and has not been redesigned in over three years. Customer needs change far quicker than this, so a new fit-for-purpose modern website is essential. For Visit Exmoor there is a need for some finances to refresh the design of the current website, but by and large support is going to be aimed at activity to grow membership.

It is important to recognise that competition comes from a variety of different sources nowadays. A number of destination management organisations around the country have benefited from significant public sector support over the years, and have a far greater number of businesses to work with. This has given many destinations an advantage. More and more though competition is coming from new areas, some of which have only become significant in the last three years. This includes the growth of use by customers in booking with online travel agents like air bnb, as well as booking.com, who charge businesses high commission rates. The success of websites such as Secret Escapes, Sawdays, Hoseasons and Sun Holidays show how innovative and varied the competition can be.

Encouraging quality growth

The strategic focus must be one of achieving growth by focusing on quality. Typically the tourism sector is characterised by what is termed as 'low value activity'. This refers to the often seasonal, low paid and part-time nature of work that is found in the industry.

Compared to other destinations, there are also relatively few large operators and many small and micro businesses that operate within tight margins. When it is considered that the HPC development will generate new better paid jobs and all year round work, the industry does face a challenge. Economic uncertainty, including decisions around Brexit, could lead to challenges in terms of the availability of Eastern European labour, but also in terms of maximising opportunities that present themselves. For instance the devaluation of the pound could lead to an increase in overseas visitors. Considering the focus of marketing activity has been on targeting the 98% of domestic visitors in the past, the industry will need to adapt fast.

HTAP will focus efforts on supporting businesses to make the most of new attractions and experiences such as the England Coast Path, Dark Skies and food and drink tourism. This will include utilising tools

such as the COOL Tourism Toolkit: a directory of advice and help for businesses in improving a range of operational areas, such as marketing, PR, using local distinctiveness and business planning. It will also support businesses in delivering service excellence through training and in sponsoring involvement in key regional award schemes. In particular the Bristol, Bath and Somerset Awards, which feed into regional and national schemes overseen by Visit England. In 2016 some 35 awards were given to Somerset business, while in 2017 this figure rose to 51. This approach will help to raise the profile of the area, encourage other businesses, and ultimately help to tackle some of the traditional employment issues.

Underpinning this is a need to better understand the make-up of the industry. For many years Somerset has paid for tourism volume and value data to help in understanding the scale of the industry and spot any trends. However, the data by which this research is based on has not been updated in years, and, there are now other potentially better methodologies in existence. HTAP will therefore explore the options available, and seek to get a better grip on the size and scale of the industry. This work will complement the business surveys mentioned in priority 4.

Strategy Targets 2015 to 2020

100 pieces of media coverage

200,000 new customers attracted from digital campaigns

Over **70%** of visitors actively recommend area to others

Business confidence to remain above **40%**

Interest in new tools and products developed up by **10%**

£200k of match funding secured

Visit Somerset and Visit Exmoor to grow performance by average of **15%**

400 tourism employees supported through training

2015-2017 Achievements in Numbers

 **19** INITIATIVES TO AID VISITORS

64 PIECES OF MEDIA COVERAGE



14 NEW PRODUCTS



125K+

ONLINE VISITS TO SUPPORTED SITES

 **17%** GROWTH IN ONLINE PRESENCE FOR DMOs

£74K+

OF MATCH FUNDING FOR NEW PRODUCTS



 **72%** NET PROMOTER SCORE

44% OF BUSINESSES EXPRESSING CONFIDENCE



210 INDUSTRY INDIVIDUALS SUPPORTED

Hinkley Tourism Strategy 2015-20 - Top Level Action Plan for Phase 3 ¹⁸⁵

Produced by the Hinkley Tourism Action Partnership

Jan 2018 to Sep 2019

Phase 4 planned for Sep 19 to Dec 20 (Phases 1 & 2 2015-17)

See commentary overleaf

Ambitions		
Aims	Priorities	Phase 3 Budget
1. Positive Perceptions	1. Promoting a positive image	£ 70,000
	2. Growing the customer base	
2. An Exceptional Welcome	3. Enhancing the welcome	£ 50,000
	4. Understanding customers	
3. New Experiences	5. Destination competitiveness	£ 60,000
	6. Maximising the legacy	
4. Industry Growth	7. Industry capacity Building	£ 78,000
	8. Encouraging quality growth	

Actions						
No.	Detail	Lead	Support	Quarter Start	Quarter Finish	
1	Review the success of the current 2017-18 PR contract and 'Secrets' campaign before procuring new services for 2019.	SD	WS, VS, VE, SOM,	4	5	
2	Continue to utilise the 'Wild West' digital campaign to raise awareness and attract target markets in line with strategy.	WS	VS, VE, SD, SOM	2&3	5&6	
3	Evolve plans for raising awareness of the area as a holiday destination among Hinkley workers and their families.	VS	ALL	2	7	
4	Devise and deliver a plan for the curation of original content to support campaigns and new website developments.	WS	VS, VE, SD, SOM	1	5	
5	Develop and consult on a plan to enhance the local visitor experience, working with businesses, TIC's, and developing new tools.	WS	SD	2	6	
6	Monitor travel, accommodation and job migration impacts and work with partners to develop policies and deliver plans.	WS, SD, SOM	ALL	1	4	
7	Procure a supplier to deliver a new shorter visitor survey that focuses on travel and accommodation issues and visitor satisfaction.	SOM	ALL	1	7	
8	Continue with the contract to deliver the Hinkley Tourism Business Survey in 2018; and analyse findings in 2019.	SOM	WS, SD, VS	4	5	
9	Deliver a programme of work to promote the England Coast Path, in line with funding secured from Natural England in 2018 and 2019.	WS	SD, SO	1 to 2	4 to 6	
10	Contribute to the development of the National Park Authority's joint EU Interreg bid to develop Astro / Dark Skies Tourism.	ENP	VE	1	7	
11	Continue to provide advice, guidance and letters of support to groups bringing forward significant tourism projects.	WS, SD	ALL	1	7	
12	Explore potential for major match funding bids with local and national partners: particularly in food & drink, skills and visitor experience.	WS, SO	ALL	2	7	
13	Work with partners to procure suppliers to re-develop the Visit Somerset (VS) website and plan/create new content.	VS	WS, SD, SO	1	5	
14	Support Visit Exmoor (VE) in growing membership benefits, income streams and marketing of the Greater Exmoor area.	VE	WS, ENP	1	6	
15	Investigate the options and put in place a new improved mechanism to improve understanding of industry capacity and economic value.	SOM	WS, VS	1	3	
16	Devise a programme of training that focuses on 'raising quality' and ties in with continued sponsorship of regional Tourism Awards.	WS, SD	VS, VE, SOM	1 to 2	4 to 5	

Achievements (from 2015 to 2020)		
Targets	To date	Success in Phase 3 (2018-19)
100 pieces of media coverage	64	
200,000 new customers attracted from campaigns	125k	
Over 70% of visitors to recommend area to others	72%	
Business confidence to remain above 40%	42%	
Interest in new tools and products up by 10%	NEW	
£200k of match funding secured	£75k	
VS & VE to grow performance by 15%	17%	
400 tourism employees supported via training	210	

Updated: (each quarter)

Sorting the Spreadsheet

The middle set of Actions can be sorted by highlighting cells E5 to J22, and then selecting the relevant column.

Quarter start actions highlighted in a darker colour indicate priority areas of work.

Funding		
Section 106 Allocations	Phase 3 total request - 2018/19	£ 258,000
	Remaining for Phase 4 - 2019/20	£ 175,129
	TOTAL (currently available)	£ 433,129
	Approximate DCO funding still to be paid to WSC for use beyond 2020	£ 440,000
	Total Site Prep Section 106 funding spent in Strategy Phases 1 & 2	£ 342,311

Overview
<p>This plan has been developed by the Hinkley Tourism Action Partnership (HTAP) in order to achieve the ambitions of the Hinkley Tourism Strategy 2015-20. It is a top level plan for the Phase 3 period between Jan 2018 and Jul 2019. Achievements are updated every quarter in line with HTAP meetings.</p> <p>The plan outlines key pieces of work only; separate officer task plans are used to breakdown actions into detail. Many of the actions in the plan represent mini projects in their own right (e.g. procurement processes or development of specific plans). All allocations for Phase 3 have come from the DCO Section 106 agreement between EDF Energy and local authorities. Phase 1 and 2 was funded under the Site Prep Section 106 agreements.</p> <p>The Hinkley Tourism Action Partnership (HTAP) includes seven partners: West Somerset Council, Sedgemoor District Council, Somerset County Council, EDF Energy, Visit Somerset, Visit Exmoor and Exmoor National Park Authority.</p>

Lead Key	
WS	West Somerset Council
SD	Sedgemoor District Council
SOM	Somerset County Council
VS	Visit Somerset
VE	Visit Exmoor
ENP	Exmoor National Park Authority
ALL	All partners in HTAP

Quarter Key
Q1 = Jan-Mar 2018
Q2 = Apr-Jun 2018
Q3 = Jul-Sep 2018
Q4 = Oct-Dec 2018
Q5 = Jan-Mar 2019
Q6 = Apr-Jun 2019
Q7 = Jul-Sep 2019

WSC 144/17

West Somerset Council

Full Council – 13 November 2017

Earmarked Reserves Review

Report of the Financial Services Manager

This matter is the responsibility of Councillor M Chilcott, Lead Member for Resources and Central Services

1 Executive Summary

- 1.1 This report provides information on our Earmarked Reserves Review for 2017/18.
- 1.2 During the Review, £79,086 of earmarked reserves were deemed to be no longer required to be held and it is recommended that these are transferred to the General Fund Reserve.

2. Recommendations

- 2.1 Full Council is recommended to approve the proposals in this report.

3. Earmarked Reserves Review 2017/18

- 3.1 As at 31st March 2017, the total General Fund Earmarked Revenue Reserves was £2.883m. This is equivalent to 93.8% of the Council's Net Revenue Budget of £3.075m (2016/17).
- 3.2 A fundamental review has been undertaken of all General Fund Revenue Earmarked Reserves, with a view to all balances being returned to the General Fund unless:
 - A clear commitment/obligation exists to spend the money within a defined time period
- 3.3 To identify which General Fund Earmarked Reserves balances could be returned to the General Fund Reserve, each Reserve holder was contacted and asked to provide evidence of how the Reserve balance was planned to be used.
- 3.4 These discussions identified that, of the balance held currently (£2.883m), all but £79k of the General Fund Earmarked Reserves is committed or has conditions upon it.
- 3.5 The £2.804m committed balance includes the following large balances and a full list of balances is included in Appendix A to this report:
 - £756k – Transformation and creating a new council;

- £576k – Affordable Housing funding from DCLG;
- £305k– BR Smoothing Reserve; to address volatility in Business Rates income and appeals.
- £247k – Service Carryforwards.
- £214k – Asset Management and Compliance;
- £195k – Planning Policy Reserve to support costs associated with the Local Plan;

3.6 It has been agreed with Reserve holders that £79k will be returned to General Reserves immediately following Council's approval. This figure includes the following reserves:

- £38k – Revs and Bens originally for software upgrade etc. Surplus to requirements.
- £12k – Dulverton Mill Leat, not committed at this time.
- £7k – Watchet Harbour dredging, not committed at this time.
- £6k – Morrison's footpath now adopted by County.
- £6k – Minehead Harbour Dredging, not required at this time.
- £5k – Community Right to Challenge, no longer committed.
- £5k – Assets of Community value. Only half of this reserve required.

4. Finance Comments

4.1 Earmarked reserves should only be held where there is a clear purpose and commitment to use the funds within a planned timeframe. The Council is facing potentially significant transformation costs, and it is therefore prudent to release surplus earmarked balances to general balances, and provide greater funding flexibility in the short term. A full review is completed annually and hence the balances available to be returned to General Reserves are again quite low.

5. Legal Comments

5.1 The legal implications have been considered and there are not expected to be any specific implications relating to this report.

6. Links to Corporate Aims

6.1 Achieving financial sustainability: Looking at new ways of balancing the budget to address our financial challenges.

7. Environmental and Community Safety Implications

7.1 The environmental and community safety implications have been considered and there are not expected to be any specific implications relating to this report.

8. Equalities Impact

8.1 Equalities impact have been considered in respect of this report and no specific impacts have been identified.

9. Risk Management

9.1 Risk management implications have been considered and there are not expected to be any specific implications relating to this report.

10. Partnership Implications

10.1 The partnership implications have been considered and there are not expected to be any specific implications relating to this report.

11. Scrutiny Comments

11.1 Scrutiny noted the report and made the following comments:

- The proposals would mean that the level of General Reserves would stand at £369k above the minimum recommended level.
- Scrutiny were concerned that Watchet Harbour dredging funds were being moved from the Earmarked Reserve but the Assistant Director for the service assured Members that there are adequate funds in the revenue base budget without needing to draw on reserves.

Contact: Jo Nacey
Financial Services Manager
Taunton Deane Borough Council and West Somerset Council
Tel: 01823 219490
Email: j.nacey@tauntondeane.gov.uk

SUMMARY OF PROPOSED EARMARKED RESERVES AS AT 31 MARCH 2017

Budget Holder	Earmarked Reserve Heading	Balance at 1 April 2016	Transfers In 2016/17	Transfers Out 2016/17	Balance at 31 March 2017	Committed Expenditure	Available to be Returned	Purpose of Reserve
		£	£	£	£	£	£	
Kim Batchelor	Transformation and Creating a New Council	0	762,000	-5,287	756,713	756,713	0	Funding required primarily to implement the approved Transformation Business Case and also to create a new council replacing West Somerset and Taunton Deane councils.
Kim Batchelor	JMASS Reserve	302,324	270,406	-533,260	39,470	39,470	0	Funding to support transformation costs under JMASS.
Jo Humble	Strategic Housing Market Area Assessment	1,000	574,760		575,760	575,760	0	DCLG funding for community land fund to support bringing forward affordable housing within West Somerset. The bulk of the funds anticipated to be spent in 2017/18 and 2018/19 as projects progress.
Jo Nacey	Business Rates Retention Smoothing Account	3,388,863	139,882	-3,223,601	305,144	305,144	0	This is a volatile area and we are committed to mitigating the risk of Business Rates retention by setting aside an appropriate level of funds in this reserve
Tim Child	Asset Management and Compliance	148,436	85,780	-20,700	213,516	213,516	0	Asset maintenance compliance works to be completed.
Nick Bryant	Planning Policy Reserve	20,925	223,222	-48,940	195,207	195,207	0	Monies set aside and to be drawn down to cover additional costs arising and relating to the West Somerset Local Plan preparation through to examination and beyond to adoption.
Paul Fitzgerald	Sustainability Fund	67,698		-26,998	40,700	40,700	0	Earmarked for initiatives such as "invest to save" plans that have a positive impact upon the underlying financial sustainability of the Council's budget.
Jo Nacey	Budget Carry Forwards For Specific Services	41,690	247,189	-41,690	247,189	247,189	0	Budgets carried forward to reflect timing of planned spend across financial years and support ongoing service delivery requirements.
Paul Fitzgerald	Contingency to underwrite delivery of 2017/18 savings	0	48,000		48,000	48,000	0	Funding to underwrite the 2017/18 savings and mitigate any adverse impact on the General Reserve balance
Scott Weetch	Community Safety	15,260	10,000	-11,727	13,533	13,533	0	External funding specifically earmarked for community safety initiatives.
Elisa Day	District Election	0	8,550	0	8,550	8,550	0	Funds to meet the costs of Elections

Budget Holder	Earmarked Reserve Heading	Balance at 1 April 2016	Transfers In 2016/17	Transfers Out 2016/17	Balance at 31 March 2017	Committed Expenditure	Available to be Returned	Purpose of Reserve
		£	£	£	£	£	£	
Elisa Day	Other Election Reserve	19,436		-5,900	13,536	13,536	0	Funds to meet the additional costs of Individual Electoral Registration.
Heather Tiso	Revenues and Benefits Reserve	89,565	12,749	-29,565	72,749	35,024	37,725	Monies set aside to provide service resilience and to fund planned software upgrade needed for CTS Scheme developments.
Jo Nacey	Finance Reserve	24,000	20,840		44,840	44,840	0	These monies fund additional staff to deal with BAU during transformation.
Chris Hall	SWP Vehicles	0	33,617		33,617	33,617	0	To help fund our contribution to the new operating model.
Brendan Cleere	WS Employment Hub	0	21,293		21,293	21,293	0	Transferred to Community Outreach Fund
Shirlene Adam	Agile Working	0	20,000		20,000	20,000	0	Investment in technology to implement transformation changes and better enabling of agile working
Shirlene Adam	Members' Technology	0	20,000		20,000	20,000	0	Funding to invest in updating members technology that complements the implementation of transformation of ways of working
Nick Bryant	Planning Reserve	20,000			20,000	20,000	0	Monies set aside to fund specialist technical advice for major planning applications. E.g. Landscape visual impact assessments, retail studies etc.
Angela Summers	Cuckoo Meadow Reserve	10,010	16,820	-10,010	16,820	16,820	0	Lottery monies earmarked to be used in future years. Used for play equipment
Ian Timms	Steam Coast Trail Reserve	23,218	8,505		31,723	31,723	0	WSC is working in continued partnership with Friends of the Steam Coast Trail and Sustrans. These monies will support the delivery of Phase 2 of the Steam Coast Trail - the creation of a traffic free route between Old Cleeve and Washford by the end of 2018. A key part of the Steam Coast Trail vision for safe cycling between Minehead and Williton.
Heather Stewart	Housing Options	46,660		-3,040	43,620	43,620	0	Balance of Homeless Prevention funding plus remainder of Mortgage Rescue Grant.
Fiona Wills	Training Reserve	14,560		-4,560	10,000	10,000	0	Monies set aside to meet future training needs across the organisation.
Chris Hall	Morrison's Footpath	6,000			6,000	0	6,000	Earmarked to part-fund the footpath upgrade but path now adopted by County Council.
Simon Lewis	Community Right to Challenge	5,000			5,000	0	5,000	No longer committed

Budget Holder	Earmarked Reserve Heading	Balance at 1 April 2016	Transfers In 2016/17	Transfers Out 2016/17	Balance at 31 March 2017	Committed Expenditure	Available to be Returned	Purpose of Reserve
		£	£	£	£	£	£	
Angela Summers	Assets of Community Value	10,000			10,000	5,000	5,000	Government Grant set aside to support the administration of applications under regulations. Reduction appropriate.
Richard Wiseman	Minehead Harbour Maintenance Reserve	5,500			5,500	0	5,500	Monies set aside to fund works in future years.
Heather Tiso	Online DHP Reserve	5,375			5,375	5,375	0	Online Software Requirement for Revenues and Benefits.
Richard Wiseman	Dulverton Mill Leat	0	12,195		12,195	0	12,195	Not required.
Scott Weetch	Licensing Staff Reserve	8,091	4,700		12,791	12,791	0	Monies set aside to fund extra resource within West Somerset Council.
Tracey-Ann Biss	Car Parking Reserve	10,000			10,000	10,000	0	Monies set aside in respect of maintenance and signage.
Chris Hall	Watchet Harbour Maintenance Reserve	7,000			7,000	0	7,000	Used to fund additional dredging. Not yet committed but is needed.
Scott Weetch	Environmental Health Reserve	4,081			4,081	4,081	0	Destitute Burial Reserve.
Ian Timms	Business Development Reserve	14,287		-8,610	5,677	5,677	0	Funding for initiatives to support small businesses.
Mark Hill	Inspire	3,391			3,391	3,391	0	Earmarked for costs under the Inspire Directive. Supports the relevant databases.
Scott Weetch	CCTV	1,565			1,565	1,565	0	Monies set aside to fund the repair of CCTV cameras.
Chris Hall	Water Bathing Signs	1,266			1,266	1,266	0	Environmental grant specifically earmarked.
Angela Hill	Customer Service Equipment Reserve	666			666	0	666	Specialised Chair Required (Health and Safety). This was funded from other resources.
Ian Timms	Minehead Events	396			396	396	0	Mary Portas grant – specifically earmarked. To be transferred to the fund for the Minehead Strategic Economic Plan.
Nikki Maclean	Minehead Town Centre Signage	115			115	115	0	Contribution from Minehead Chamber of Trade and Morrison s106 to fund the signs.
	Totals	4,316,378	2,540,508	-3,973,888	2,882,998	2,803,912	79,086	

WSC 145/17

West Somerset Council

Full Council – 13 December 2017

Business Rates Pool and 100% Business Rates Retention Pilot

This matter is the responsibility of Cabinet Councillor Trollope-Bellew, Leader of the Council

Report Author: Paul Fitzgerald, Assistant Director Strategic Finance and S151 Officer

1 Executive Summary / Purpose of the Report

1.1 Following a recent meeting with Group Leaders, we submitted a bid to DCLG to become a pilot for 100% Business Rates Retention in 2018/19 with our county-wide district and County neighbours. The purpose of this report is to provide Councillors with the rationale and detail behind the bid. It is important to be clear that 100% BRR does not mean all of the business rates collected will be kept in the area, but the councils would keep 100% of the business rate growth above our funding baseline.

2 Recommendations

2.1 That Full Council :

- a) Endorse the urgent decision made by the Leader of the Council and S151 Officer that the Council participates in the pooling arrangement together with other Somerset authorities (Somerset County Council, Mendip District Council, Sedgemoor District Council, South Somerset District Council, West Somerset Council) under the 50% Business Rates Retention scheme for 2018/19.
- b) Endorse the urgent decision to apply to Government for the Somerset Business Rates Pool comprising the county and five districts to become a pilot area for 100% Business Rates Retention in 2018/19 financial year.
- c) Approve delegated authority to the S151 Officer, in consultation with the Leader, to decide whether to remain in the Pool and, if approved by Government, the 100% BRR Pilot scheme when the Government's Provisional Settlement details are announced in December 2017.

3 Risk Assessment

Risk Matrix

Description	Likelihood	Impact	Overall
The Council fails in its bid to become a Pilot authority with its district and County neighbours	Possible 3	Minor 2	Medium 6
<i>The Council's MTFP assumptions are set without the assumption that the Council will be successful in the joint bid</i>	Low 1	Minor 2	Low 4

Risk Scoring Matrix

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

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

4 Background

The Pooling System

- 4.1 The current 50% Business Rates Retention system was introduced in 2013/14 financial year as part of a wider suite of changes implemented following the Local Government Finance Review. This system has therefore formed a key part of the annual budget setting and reporting for several years.
- 4.2 **A New BRR Pool for 2018/19 and 100% BRR Pilot Scheme**
- 4.3 On 1 September DCLG issued an invitation to local authorities to pilot 100% business rates retention in 2018/19 – for one year only – and to pioneer new pooling and tier-split models. The prospectus and supporting information is available on the Government's website:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/654936/Pilots_1819_Prospectus.pdf

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/643595/Supplementary_information_pooling.pdf

- 4.4 The first set of pilots for 100% BRR were launched in 2017/18. The Government has indicated it would like to see other authorities form pools and apply for pilot status. In assessing applications the Government has set out criteria. This includes aspects that would suggest (but of course not guarantee) the potential for a successful Somerset bid, such as:
- proposed pooling arrangements operate across a functional economic area i.e. the county council(s) and all relevant district councils
 - the Government is particularly interested in piloting in two-tier areas
 - Government intends to focus on rural areas
 - there is a variation in the types of business rates base represented
- 4.5 The pilot areas will retain 100% of business rates growth above the baseline. Under the 50% system, half of this growth is paid over to Government. This provides an opportunity therefore to keep more funding locally, and the Government has indicated it is looking for authorities to show how the additional retained resources would be of benefit locally:
- the proposals would promote the financial sustainability of the authorities involved
 - there is evidence of how pooled income from growth will be used across the pilot area
- 4.6 Following the publication of the prospectus the S151 Officers within the six local authorities in Somerset sought to assess the potential gains from establishing a wider Pool and applying to be a pilot for 100% BRR. We engaged LG Futures, as specialist advisors, to undertake an initial assessment and having considered the analysis, advantages and disadvantages, the S151 Officers believe the case for a countywide pool and becoming a pilot is overwhelming. We therefore considered it was worth investing in further analysis and preparing an application to become a pilot for 100% BRR in 2018/19. We engaged LG Futures on a 'no win no fee' arrangement whereby we will only pay them if our application to become a pilot area is successful.
- 4.7 Ongoing discussions have taken place between S151 Officers and internally at officer and member level within individual local authorities. The S151 Officers do not believe there are any wider impacts either on local businesses or partners requiring consultation.

- 4.9 It is expected DCLG will announce successful applications for new pools and pilot areas through the provisional Local Government Finance Settlement in December 2017. This will set the starting point for the new business rates pool and will confirm the tariffs, top up and levy rates for each council, together with their spending baselines and should confirm the benefits arising through this pooling arrangement.
- 5.0 Councils have the opportunity, during the 30-day financial settlement consultation period, to decide to withdraw from a pooling arrangement if they decide that it does not offer the benefits they had thought. Through the application to become a 100% BRR pilot we have had to indicate what, if any, pooling arrangement we prefer and at this stage we have indicated that we wish to establish a new Somerset-wide pool even if the pilot bid is unsuccessful.
- 5.1 If following the provisional Local Government Finance Settlement the benefits and risks are no longer favourable the pool application could be withdrawn with no pool in place for 2018/19. In this scenario it is anticipated authorities would have the opportunity to apply to form a new pool in the following or later years if they wish. It is not known whether pilots for 100% BRR will be extended beyond 2018/19, or whether new applications to be a pilot will be invited in later years.

6 Financial Implications

- 6.1 It is important to highlight that the financial implications are based on indicative estimates of future business rates income, which can be affected by a variety of variable factors. The actual financial gains of pooling will not be confirmed until the end of the financial year in question. However the modelling suggests the potential financial benefits are considerable, albeit not without risk.
- 6.2 The principle put forward by the authorities within the pool is that each council should be no worse off than if it were to remain outside the pool. This means that the pool shares the risk of maintaining the safety net position for each individual council as a 'first call' on pooling gains. Each council is exposed to risk of volatility in its business rates income, most notably in respect of appeals. Each Council has made financial provisions in respect of any remaining outstanding appeals on the 2010 Valuation List in 2016/17, and will assess the appropriate level of provision required for outstanding appeals prior to the pool coming into existence.
- 6.3 The funding baseline, tariffs and top ups for individual authorities and the pool will be confirmed as part of the Provisional Settlement in December, and business rates budgets will be set in January 2017 using up to date information to support the estimates used. This will confirm the expected benefits of pooling and of being a pilot for 100% BRR. The prospectus indicated that the Safety Net for a 50% pool will remain at 92.5% of Baseline, and that under a 100% Pilot the Safety Net would rise to 97% of Baseline – reducing the risk of losses.

- 6.4 The Government have recently confirmed that any new 100% BRR pilots for 2018/19 will benefit from a 'no detriment' clause within the funding agreement (as with the five pilots agreed in 2017/18), which will remove the risk of volatility in respect of 100% BRR gains in 2018/19. The fine detail of the 'no detriment' clause will be clarified in practice if the application is successful.
- 6.5 The analysis undertaken to assess the potential financial benefits, and potential benefit sharing arrangements, has indicated that a Somerset Pool would benefit by an estimated £4.4m (compared to acting as individual authorities) and a further £10.3m if the bid to be a pilot area for 100% BRR is successful. This is summarised in the table below, with WSC potentially gaining by approximately £1.3m if projected income estimates prove to be accurate.

	Projected Potential Gain in 50% BRR Pool £m	Projected Additional Gain under 100% BRR Pilot £m	Total Projected Gain if 100% BRR Pilot £m
Mendip	0.8	0.9	1.7
Sedgemoor	1.0	1.1	2.2
South Somerset	0.5	0.5	1.0
Taunton Deane	0.2	0.5	0.7
West Somerset	0.6	0.7	1.3
Somerset County	1.2	6.6	7.8
TOTALS	4.4	10.3	14.7

- 6.6 The proposed priority areas for allocating the additional resources are set out in the submission. It is anticipated that the Councils will have some flexibility on specific use, and will demonstrate the benefits to DCLG as part of the learning under the pilot scheme.

7 Legal Implications

- 7.1 None for the purposes of this report.

8 Environmental Impact Implications

- 8.1 None for the purposes of this report.

9 Safeguarding and/or Community Safety Implications

- 9.1 None for the purposes of this report.

10 Equality and Diversity Implications

- 10.1 None for the purposes of this report.

11 Social Value Implications

11.1 None for the purposes of this report.

12 Partnership Implications

12.1 The creation of a Pool across the county will require joint governance and collaborative working.

13 Health and Wellbeing Implications

13.1 None for the purposes of this report.

14 Asset Management Implications

14.1 None for the purposes of this report.

15 Consultation Implications

15.1 None for the purposes of this report.

16 Corporate PAG Comments

16.1 The Group was unanimously in favour of the bid and this was instructed to be passed onto the Leader of the Council who would be signing off on the bid.

Democratic Path:

- Corporate PAG - Yes
- Executive – Yes
- Full Council – Yes

Reporting Frequency: Adhoc

Contact Officers

Name	Paul Fitzgerald	Name	Jo Nacey
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Email	p.fitzgerald@tauntondeane.gov.uk	Email	j.nacey@tauntondeane.gov.uk

Somerset Business Rates Pilot Business Case

October 2017

Contents

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Supporting Information:

- Appendix A – Proposed Pilot Area
- Appendix B – Signatures from the Somerset authorities
- Appendix C – Use of the additional resources
- Appendix D – Rurality
- Appendix E – Economic Activity
- Appendix F – Business Rates Base Profile

As separate documents:

- Annex A – Governance Arrangements for a Somerset Pool
- Annex B – Governance Arrangements for a Somerset Pilot

Introduction

The Somerset county area is pleased to present its business case for 100% business rates retention pilot status for 2018/19. Our business case follows the structure set out in DCLG's invitation of 1 September 2017.

1. Membership Details/Housekeeping

- (i) **Membership.** Our proposal is for a Somerset pilot consisting of Somerset County Council, Mendip DC, Sedgemoor DC, South Somerset DC, Taunton Deane BC and West Somerset Council, as shown in **Appendix A**. It is therefore representative of all authorities in the Somerset two tier county area, allowing the pilot to take advantage of existing working relationships between the authorities and act in the best economic and wider interests of the area as a whole.
- (ii) **Support.** **Appendix B** sets out the supporting signatures from each of the applicant authorities.
- (iii) **Alternative pooling arrangements.** If the application for a Somerset pilot was unsuccessful, a pool consisting of the same membership is requested to be put in place for 2018/19. This pool would use the pooling governance arrangements as set out in **Annex A**.
- (iv) **No detriment.** It is Somerset's understanding that all of the new pilots for 2018/19 will now receive this protection.
- (v) **Lead authority.** Mendip District Council would act as the lead authority.
- (vi) **Preceptors.** The Devon and Somerset Fire and Rescue Service would remain at a 1% local share and operate outside of the pilot.

2. Governance Arrangements

- (vii) **Governance agreement.** The key points from the proposed pilot governance arrangements (see **Annex B** for the full document) are set out below.
 - Districts will increase their share to 50% and the county will increase its share to 49%. This would allow existing budget commitments to be met, whilst providing additional resources for additional local priorities.
 - Providing that there are sufficient resources, no authority shall receive less than if it was operating under the current 50% scheme.
 - In the highly unlikely event that the pilot makes an overall net loss, or the pilot has outstanding liabilities, this will be pro rata'd across all authorities, taking into account resource levels, had the pilot not been in operation.
- (viii) **Longer term pool operation.** Within the current spending review period there are limitations as to what can be achieved in terms of pooling gains and losses, given authorities have budget plans in place. However, beyond this period, a single county business rates baseline, meaning risks and rewards would be shared across the county area would be possible. This type of approach would

reduce the volatility to individual authorities of business rates collected (e.g. due to appeals) and also events such as future resets (and the subjective way in which NNDR Baselines will need to be determined). Whilst all authorities would hope for a favourable revised baseline following a reset, in reality it is just as likely that they could receive a baseline that would not provide sufficient resources to reach their Baseline Need figure (under a full reset). Therefore, a single NNDR Baseline across the larger area would smooth potential winners and losers and provide a more stable funding system.

The creation of a Somerset Pilot would help begin the process towards this longer term view, by establishing the necessary working practices, such as consistent approaches to forecasting and appeals.

Whilst the guidance states that pilots would be for 2018/19 only, if permitted, Somerset would seek to continue the arrangements in 2019/20. This would allow the forecast benefits to continue for a further year, providing greater scope for improvement and investment locally and allowing further progress in a joined-up approach to the collection and use of business rates income.

- (ix) **Sharing additional growth.** Pilot status would be used to promote financial stability and sustainability, through: (i) providing resources for a local productivity and infrastructure fund, (ii) providing additional resources to invest in service areas to improve budget sustainability and reduce future years' budget pressures and (iii) increasing the resources available for investment in economic regeneration schemes.

Further details of how the additional resources are to be used is provided in **Appendix C**, these include:

- Using the Local productivity and Infrastructure Fund to finance strategic investment that supports economic growth and increased prosperity in Somerset;
- A range of projects to support further economic growth and prosperity across the districts areas;
- Supporting transformational activity to improve services to customers, modernise ways of working and providing cost efficiencies to support financial stability and sustainability

3. Additional Supporting Evidence

- (x) **Benefits to the area, wider national benefits and financial case.** As with all the existing pilot areas and those that will apply for 2018/19, local forecasts suggest that Somerset will benefit financially from becoming a pilot area. Latest business rates income projections suggest a Somerset Pilot in 2018/19 will provide at least an additional £10m for the area.

As set out above, it is expected that a Somerset pilot will bring a number of local benefits. A summary of the local benefits and wider benefits to DCLG and the Treasury are listed below:

Increased economic prosperity in the area/nationally

- Reduced worklessness (and benefit payments)
- Increasing tax revenue (personal and corporation)
- Increased business rates revenues

Learning points for the business rates retention scheme

- Trial of a 50% district and 49% county split of business rates revenues
- Identifying the potential to manage appeals' risk at a county-wide level, including determining appeals' provision and apportioning losses evenly
- The establishment of a technical working group to improve the administration of business rates locally
- Regular contact/meetings with DCLG by the working group to discuss identified local best practice, including learning points and how the pool is dealing with emerging issues relating to both the pilot and any national issues e.g. policy changes/appeal trends

Additional resources for Somerset

- Higher levels of investment in economic regeneration, leading to future gains under the business rates retention scheme
- Greater financial stability and confidence, through shared working practices and increased local knowledge.

(xi) **Two-tier areas.** Somerset supports government in recognising the need for pools to act and be structured differently to how they largely operate at the moment. It also proposes to amend the local split to reduce gearing (i.e. the ratio of baseline need to NNDR baseline), in order to reduce windfall gains and the potential to hit the safety net.

However, a key aim of a Somerset pool would be to consider how to begin to share risks and rewards across all authorities, thereby making the level of business rates income between individual billing authorities and their preceptor of lesser importance.

Somerset therefore proposes a 50% district and 49% county split for the two-tier area. This approach therefore reflect the fact that the current system creates too highly geared district councils and does not provide sufficient growth to county councils, whilst recognising that in the short term, existing budget commitments need to be met.

(xii) **Somerset characteristics and business rates base.** The proposed pool is highly rural. West Somerset and Mendip are classified as 'mainly rural', South Somerset and Sedgemoor as 'largely rural', and Taunton Deane as 'urban with significant rural'. Further details are provided in **Appendix D**.

Appendix E sets out the economic profile of the area. It shows that Somerset is characterised by relatively sparse clusters of business activity. The areas of most dense employment correspond to the largest population settlements, notably the towns of Taunton, Yeovil and Bridgwater.

The proposed pool is a largely self-contained labour market, with 85% of employed

residents within the county also working within the county.

Some of the districts are reliant on other pool members as a key source of employment: for example, 18% of Sedgemoor's employed residents, and 16% of West Somerset's employed residents, commute to work in other authorities in the proposed pool. The main commuter destination for both these districts is Taunton Deane. In turn, 11% of employed residents in Taunton Deane commute to other pool authorities, the main destinations being Sedgemoor and South Somerset. Mendip's economic activity is also heavily interdependent with Bristol, Bath and Wiltshire, in addition to the rest of Somerset. This indicates the labour market extends beyond the administrative boundaries of these individual districts, and that there are interdependencies that would incentivise a joined-up approach to economic development. These incentives for coordinated development could be greatly reinforced by pooling.

Appendix F provides evidence of particular business rates taxbase characteristics for Somerset which includes:

Power station

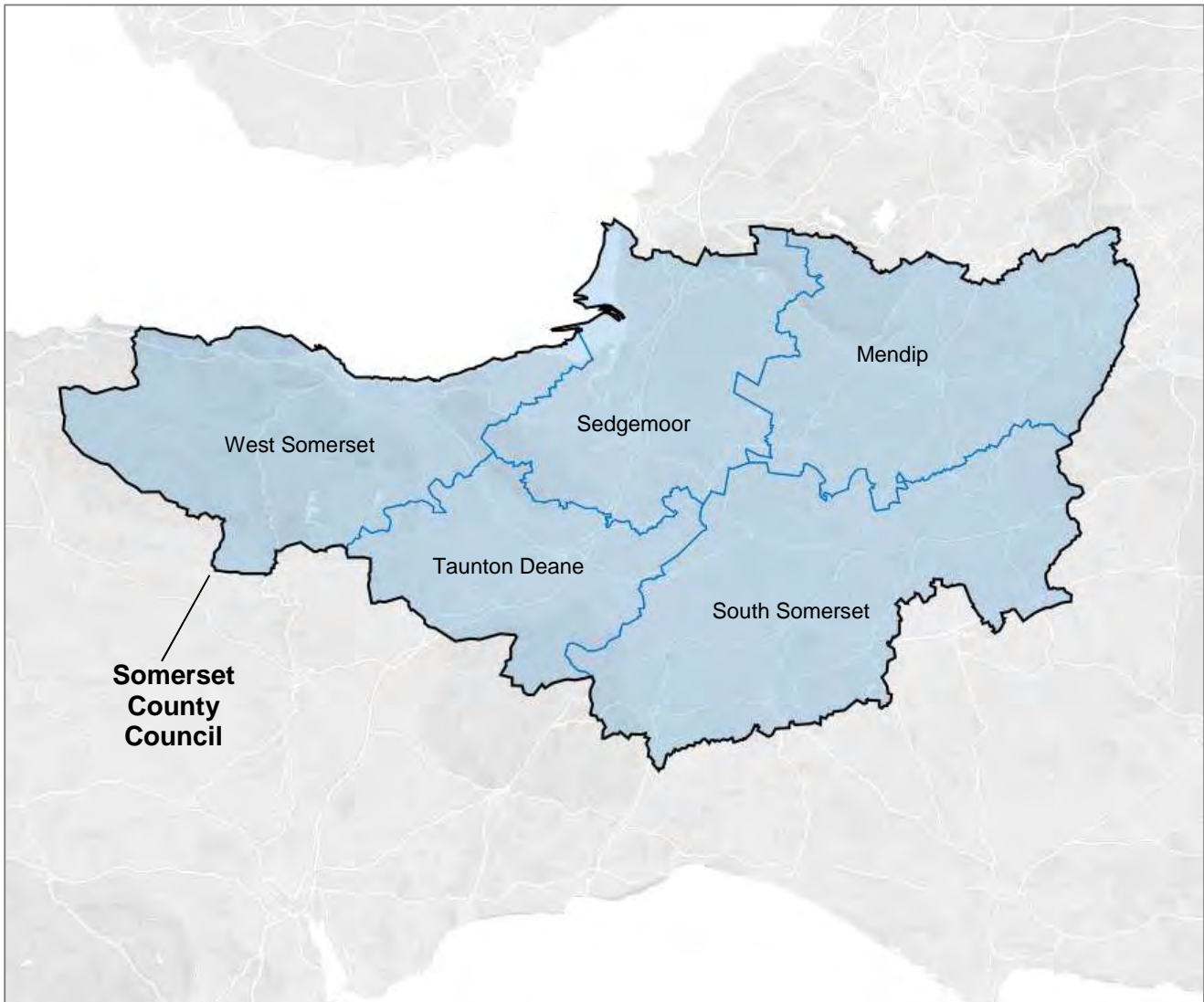
Somerset is home to three generations of nuclear power stations located in the district of West Somerset: Hinkley Point A (HPA), Hinkley Point B (HPB), and Hinkley Point (HPC). The decommissioning of HPA commenced in 2000. HPB is currently the only operating power station at Hinkley Point. Commissioned in 1976, it has a net electrical output of 0.87GW and is currently operating below maximum capacity. The station was due to be decommissioned in 2016, but its life has been extended until 2023. HPC will be the first new nuclear power station in the UK for a generation, capable of generating 7% of the UK's total energy requirement.

Enterprise Zone

Sedgemoor is hosting a government supported Enterprise Zone based on Huntspill Energy Park. Expansion, infrastructure and development is required to deliver this site.

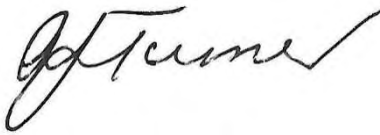
Appendix A – Local Authority Pilot Membership

Figure 1 – Map of proposed pilot area

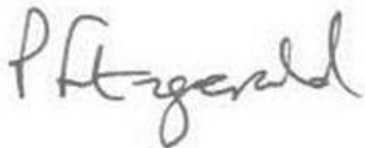


Appendix B – Signatures

The relevant signatures from all of the Somerset authorities in support of this business case and a 2018/19 Somerset Business Rates Pilot are provided below.



Alison Turner
Group Manager – Finance and s151 Officer
Sedgemoor District Council



Paul Fitzgerald
Assistant Director – Strategic Finance and S151
Officer of Taunton Deane Borough Council and West
Somerset Council and S151 Officer of South
Somerset District Council

Taunton Deane
BOROUGH COUNCIL



Paul Deal
Corporate Financial Advisor (S151 Officer)
Mendip District Council



Kevin Nacey
Director of Finance and S151 Officer
Somerset County Council



Appendix C – Use of the additional resources

Local Productivity and Infrastructure Fund

Of the additional 50% additional resources received under pilot status, it is proposed that a proportion of the resources will be used for a local productivity and infrastructure fund to finance strategic investment that supports economic growth and increased prosperity in Somerset.

A programme of investment via the fund would be commissioned with the overall aim of raising productivity in the Somerset economy in line with the objectives of the Heart of the South West Productivity Strategy and the Somerset Growth Plan.

This programme of investment will be aligned with the three thematic objectives from the Productivity Strategy:

- Leadership and knowledge (i.e. supporting business growth and innovation; improving management practices and performance across the economy);
- Connectivity and infrastructure (i.e. developing a more resilient and better connected infrastructure); and
- Working and learning (i.e. developing skills and employability across the workforce).

The six authorities will be able to identify individual schemes for the programme, with encouragement given to the promotion of schemes jointly by authorities in partnership. The Somerset Growth Board will act as a joint advisory body, recommending investment priorities arising from this in line with these three overall objectives from the Productivity Strategy.

The Somerset Growth Board's membership comprises representation from each of the six Somerset local authorities (cabinet member for ED typically), plus Exmoor National Park Authority, a FE sector representative and business representation (Somerset Chamber and FSB to represent small business and Leonardo and Yeo Valley to provide large business voices).

Alignment with Heart of the South West Joint Committee

Groupings of both the Somerset and the Devon local authorities are developing proposals for the second wave of business retention pilots and are considering alignment with our shared Productivity Strategy. In the limited time available for submissions there is realistically not the scope to establish a plan area approach to the allocation of part of retained sums to delivery of the Productivity Strategy. However once the proposed Joint Committee is established there may be scope to negotiate a common top slicing arrangement thus extending the local productivity and infrastructure fund across the Heart of the South West area.

We are really keen to work with colleagues in Devon in future years. There was insufficient time to co-ordinate a single bid but we want to convey to you our desire to work within the LEP boundaries as we see the need for increased collaboration in order to gain the maximum advantage. This is something into which Somerset is committed to invest resources and funding.

Alignment with National Funds

The local productivity and infrastructure fund provides a mechanism for Somerset partners to leverage funds from the proposed UK Shared Prosperity Fund (Government's successor to EU Funds) and national programmes linked to the developing UK Industrial Strategy.

Local Authority Schemes

In addition to the local fund, the Somerset authorities have also identified how they will use their own share of the gains from pilot status.

Authority	Scheme
Mendip	<p>Mendip District Council has undergone a strategic programme of transformation and renewal over past years, and is now seeking to drive further economic growth and prosperity across its key market towns including Frome, Glastonbury, Shepton Mallet, Street and the City of Wells. Planned growth across the district is equivalent to 9,400 jobs and 9,635 homes over the period 2006-2029.</p> <p>The local economy has significant self-employment and numbers of micro businesses, as well as key strengths in agri-food/tech and tourism, yet, it also home to the £1.7bn global company, Clarks International, Clarks Village (4.3m visitors in 2016) Mulberry, the iconic Glastonbury Festival and a growing cluster of creative, IT and high-tech companies.</p> <p>Increased economic funding would be targeted towards:</p> <ul style="list-style-type: none"> • Unlocking and investing in key employment, mixed use and/or regeneration sites to accelerate growth and future investment (e.g. Bath & West Food Enterprise Zone, Frome Saxonvale, and Shepton Mallet) • Supporting innovation, incubation and 'grow-on' workspace initiatives to drive leadership, growth and business investment • Investing further in digital and mobile infrastructure; developing digital and cyber skills, and supporting businesses exploring investment in automation and robotics to increase productivity.
Sedgemoor	<p>Sedgemoor District Council will continue to encourage growth, which links clearly into the Corporate Strategy as well as the external strategies such as the Somerset Growth Plan and the LEP Productivity Plan. The 100% Business Rates Retention pilot offers opportunities to plan for the delivery of long term economic growth centred on our economic development strategy which seeks to drive up the value and productivity of our economic sectors and diversify into new sectors. In terms of delivering a medium term sustainable budget Sedgemoor is developing a Commercial Investment Strategy which will focus on generating additional income from new initiatives.</p>

Authority	Scheme
Sedgemoor (cont.)	<p>The new nuclear power station project (Hinkley C) has already created opportunities driven through our planning performance agreement and section 106 mitigation packages to transform the educational infrastructure in our locality and to focus on upskilling of individuals and businesses to participate in the supply chain. This aims to build potential for future business and avoid a construction boom and bust. We see opportunities into the future to support the wider regional economy in the Great West as well as in the Heart of the SW LEP area and see Sedgemoor being an important player in the delivery of the Productivity Plan / Industrial Strategy.</p> <p>We are part of the Hinkley Housing Zone along with Taunton Deane and West Somerset Councils but this has capacity pressures. Approved plans exceeding national OAN are in place with high delivery rates. However housing delivery will hit a barrier due to road and schools capacity. Sound infrastructure delivery plans are in place but current funding models often don't enable infrastructure delivery before housing occupation. Low land values cause viability & cash-flow issues. HIF & match funding will accelerate delivery of 17600 homes by forward funding essential highways, transport, schools & flood infrastructure which will otherwise become a break on development enabling recycled funds for further delivery. Delivery mechanisms include direct delivery and a range of tenures e.g. custom-build, self-build and homes for rent.</p> <p>The Business Rates Retention Pilot will generate additional resources for delivering priorities which include;</p> <ul style="list-style-type: none"> • The Parrett Barrier - funding contribution to match CIL receipts and EA FDG to deliver scheme in next 7 years - priority • Public realm and town centre regeneration initiatives such as the Celebration Mile, Bridgwater • Enhanced local accessibility e.g. rail station accessibility and walking and cycling 'gap' schemes to complete networks and routes to reduce base traffic off the network- Bridgwater • Dunball Roundabout improvements • Junction 24 improvements on the M5 to enable new a commercial area at Huntworth • Economic development incentives to accelerate growth and secure inward investment • M5 corridor improvements • Transport schemes, including schemes to East and West of Bridgwater to deliver planned growth on the A38 corridor / J 22 linked to the expansion and development of housing growth. Also our duty to cooperate with N Somerset and the expansion of Bristol airport, and transport investment in Cheddar to support housing

Authority	Scheme
	<p style="text-align: center;">growth and minerals extraction. Review complete Summer 2018</p> <hr/> <p>South Somerset</p> <p>The Council is implementing a significant transformation programme which is improving our services to customers, modernising how we work and providing cost efficiencies to support financial sustainability. We plan to use some of the pooling gain towards the funding of this programme.</p> <p>Yeovil is the principal growth point for South Somerset, serving around 165,000 people and providing a wide range of jobs and services . The council wish to encourage growth and diversification in the economy based upon the current strength in aerospace and advanced manufacturing. The adopted Local Plan and Economic Strategy promise District-wide growth of 11,249 jobs and 15,950 homes over the period 2006 -2028; around 5,513 of those jobs and 7,441 of those homes are to be provided in Yeovil. Projects that we are looking to support are:</p> <ul style="list-style-type: none"> • Yeovil - Access improvements to the town centre to open up a number of brownfield regeneration sites for employment, mixed use and housing development. • Yeovil - Creation of a public service and business hub and associated mixed uses. • A 303 Corridor Wincanton and Ilminster - employment land - acquisition and development.
<p>Taunton Deane & West Somerset</p>	<p>Taunton Deane Borough Council and West Somerset Council have ambitious plans for growth, productivity and prosperity. West Somerset is hosting the construction of the first new nuclear power station in a generation, at Hinkley Point, and has set a priority to maximise the economic legacy from the project, while managing the impacts of the construction on our communities. Taunton has recently been designated as a Garden Town, the first in the South West, in recognition of the Council's commitment to delivering transformational levels of housing and economic growth. The Hinkley Housing Zone covers both authority areas, as well as the neighbouring Sedgemoor district.</p> <p>Whilst both authorities are already investing significant available funding, including New Homes Bonus and use of borrowing powers, there remains a significant funding gap to achieve our growth ambitions and address community concerns.</p> <p>Becoming pilot areas for business rates retention would enable both authorities to accelerate delivery of a range of schemes, creating homes, jobs and prosperity. Examples of schemes that we envisage as benefitting from such funding include:</p>

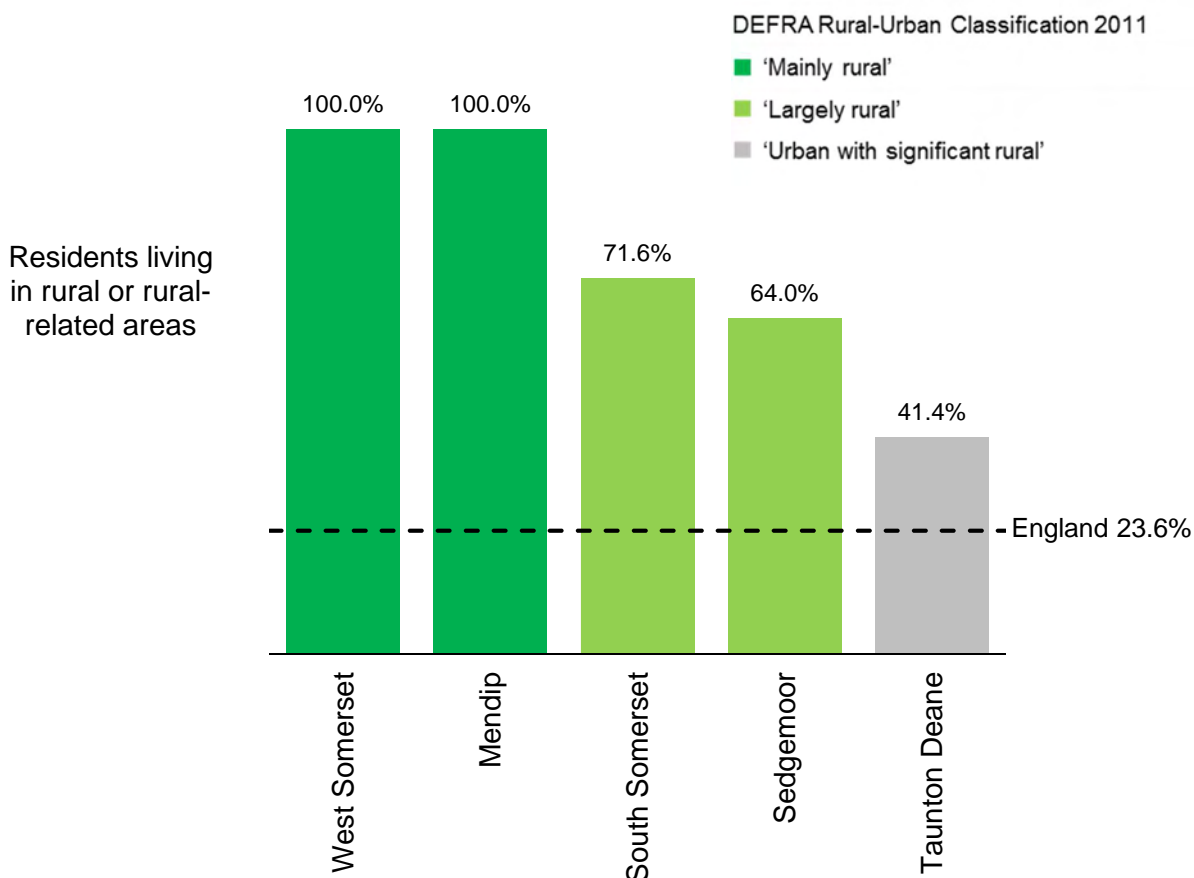
Authority	Scheme
Taunton Deane & West Somerset (cont.)	<ul style="list-style-type: none"> • Essential transport and flood relief infrastructure to unlock key housing and employment sites. • New business incubation and innovation space and support for start-up businesses to locate, collaborate and grow. • Sustainable transport initiatives, supporting growth and introducing smart solutions to problems of congestion, air pollution and related health problems. • Transforming and regenerating our town centres. • Skills development initiatives to boost productivity, address social mobility issues and meet the needs of local businesses.
Somerset County Council	<p>Somerset County Council faces two very specific budget pressures at present in Adult Social Care and in Children's Social Care. Government funding permissions with regard to the ASC precept and the allocation of the improved Better Care Fund have addressed ASC pressures significantly. However, the improved Better Care Fund reduces in the years ahead and some of our pilot gain would be set aside to mitigate this for 2018/19. A proportion would also be allocated to Children's Social Care placement budgets as we continue on our journey towards a Good Ofsted rating. There is an ever increasing need to secure additional foster carers and the pilot gain will again help to keep our service costs closer to the placement budget.</p>

Appendix D – Rurality

The proposed pool is highly rural. West Somerset and Mendip are classified as ‘mainly rural’, South Somerset and Sedgemoor as ‘largely rural’, and Taunton Deane as ‘urban with significant rural’. These classifications, produced by Defra, are based on the population living in rural areas plus the rural-related population. The latter includes residents living in hub towns that can be centres of service provision for surrounding rural area (but excludes larger market towns).

The percentage of residents living in rural or rural-related areas is illustrated below. For West Somerset and Mendip, 100% of residents are classified as living in these areas, while for the most ‘urban’ authority, Taunton Deane, the percentage is 41%, which is still significantly higher than the England average.

Figure 2 – Somerset authorities’ Rural–Urban classification



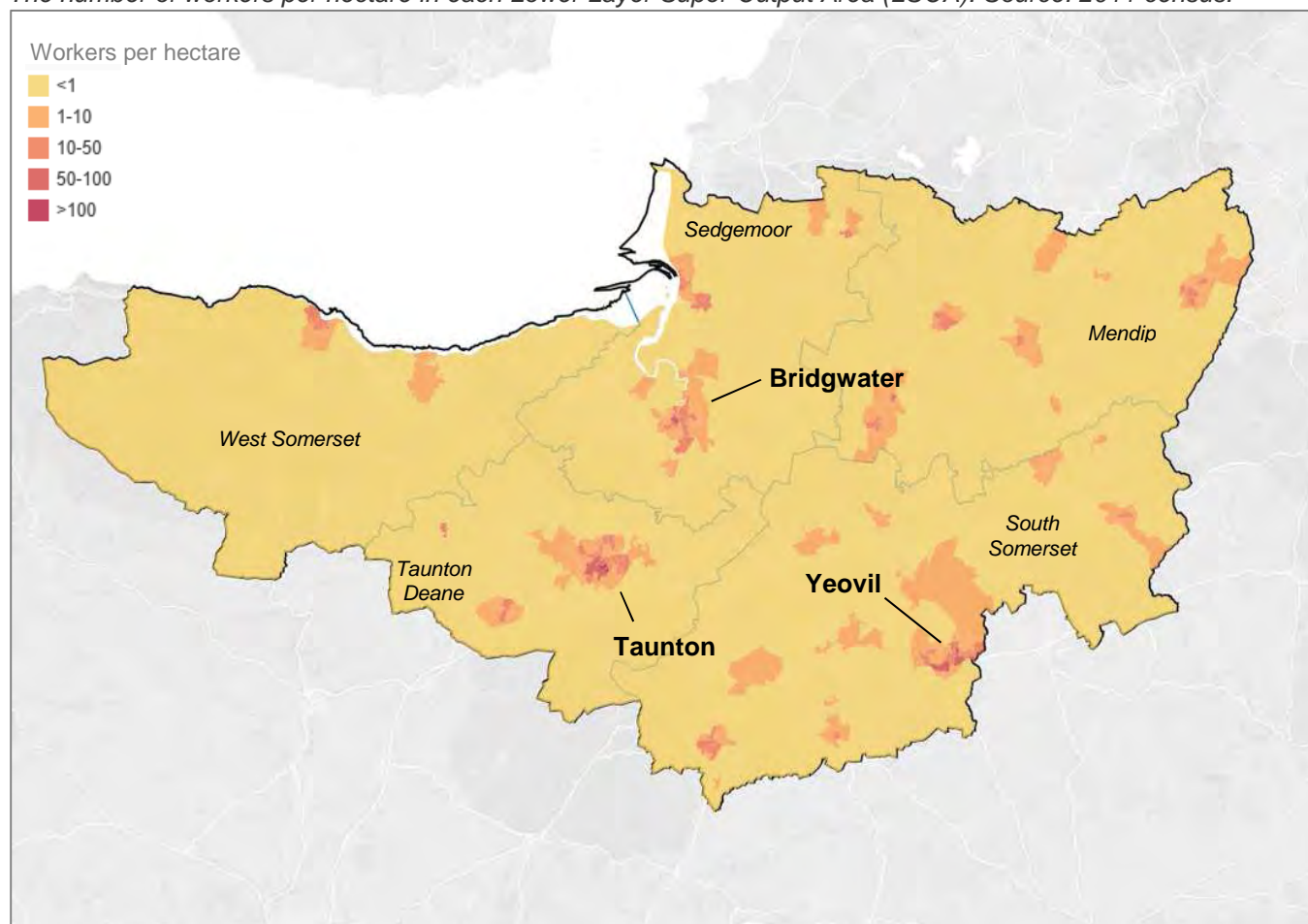
Appendix E – Economic Activity

This appendix provides a brief overview of the economic geography of the proposed pool. Data on businesses' rateable value is not published below the local authority level, so workplace population (from the 2011 census) has been used as a proxy for business activity at a more detailed geographic scale. This is illustrated below.

Based on this proxy measure, Somerset is characterised by relatively sparse clusters of business activity. The areas of most dense employment correspond to the largest population settlements, notably the towns of Taunton, Yeovil and Bridgwater. These three towns are the only built-up areas in the county that have more than 40,000 residents, as of the 2011 census (the remainder have 26,000 or residents or less). Given the size of these built-up areas, pooling could enable investment in economic development projects, at a minimally efficient scale, that was not otherwise available at the district level.

Figure 3 - Map of workplace density

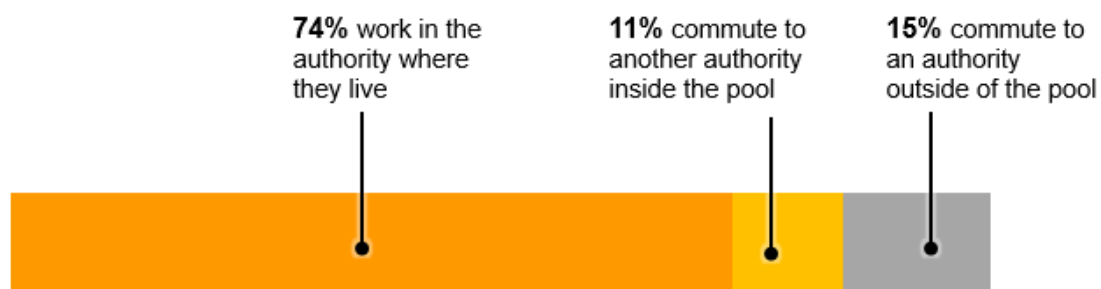
The number of workers per hectare in each Lower Layer Super Output Area (LSOA). Source: 2011 census.



The proposed pool is a largely self-contained labour market, with 85% of employed residents within the county also working within the county – in other words, only 15% of employed residents commuted outside the administrative boundaries of the pool (this analysis only includes residents with a fixed location of work). This is illustrated in the chart below.

Figure 4 – Commuter patterns in the proposed Somerset pool

Excludes residents with 'no fixed location' of work. Source: 2011 census.



Some of the districts are reliant on other pool members as a key source of employment: for example, 18% of Sedgemoor's employed residents, and 16% of West Somerset's employed residents, commute to work in other authorities in the proposed pool. The main commuter destination for both these districts is Taunton Deane. In turn, 11% of employed residents in Taunton Deane commute to other pool authorities, the main destinations being Sedgemoor and South Somerset. Mendip's economic activity is also heavily interdependent with Bristol, Bath and Wiltshire, in addition to the rest of Somerset. This indicates the labour market extends beyond the administrative boundaries of these individual districts, and that there are interdependencies that would incentivise a joined-up approach to economic development. These incentives for coordinated development could be greatly reinforced by pooling.

Appendix F – Business Rates Base Profile

- Somerset is home to three generations of nuclear power stations located in the district of West Somerset: Hinkley Point A (HPA), Hinkley Point B (HPB), and Hinkley Point (HPC). The decommissioning of HPA commenced in 2000. HPB is currently the only operating power station at Hinkley Point. Commissioned in 1976, it has a net electrical output of 0.87GW and is currently operating below maximum capacity. The station was due to be decommissioned in 2016, but its life has been extended until 2023. HPC will be the first new nuclear power station in the UK for a generation, capable of generating 7% of the UK's total energy requirement.
- Sedgemoor is hosting a government supported Enterprise Zone based on Huntspill Energy Park. Expansion, infrastructure and development is required to deliver this site.

Annex A

Somerset Councils Business Rates Pool Governance Agreement

1. Pool Membership

- Somerset County Council
- Sedgemoor District Council
- Mendip District Council
- South Somerset DC
- Taunton Deane BC
- West Somerset Council

2. Introduction

This pooling proposal has been agreed by all pool members and signed by their Section 151 Officers.

The proposal sets out various key principles and addresses the key governance areas to ensure that a robust framework is in place for the effective management of the pool. Governance arrangements will stay in place until the pool is fully dissolved.

Each time a new member joins or an existing member leaves the Pool the governance arrangements will need to be reviewed, renewed and agreed with the Department for Communities and Local Government (DCLG) and its successors.

3. Status of this Agreement

The Pool Members agree that this shall be a binding contractual relationship and mutual commitments between them created by this Agreement shall from the date hereof be construed accordingly.

4. Key principles of the pool

- The aim will be to ensure that no participant receives less funding than if they had not pooled.
- Any dividend remaining or any shortfall will be calculated in accordance with the detailed clauses below.
- Outside of this agreement, individual authorities will retain their decision making powers and co-operate in good faith for the duration of this agreement to endeavour to procure the successful implementation of the Pool objectives.
- The Lead Authority is not left with any unforeseen costs or liabilities. Any such costs or liabilities will fall to individual authorities as set out in this agreement.

5. Definition of Pooled Funds

Pooled funds will include monies involved in the Local Government Business Rates Retention Scheme (BRRS). Subject to the requirements of the 2012

Local Government Finance Act and its related regulations, which must take precedence, authorities involved will pool all the business rates collected by each authority **except** the rates yield or growth from any local Enterprise Zone, New Development Deal Area or from renewable energy schemes or similar exemptions, as set out in current or future legislation, where an individual authority is allowed to benefit directly without deductions for levies or others' shares.

6. Governance Structure

The key element in the governance structure will be the s.151 officers of the authorities that are in the pool. They will form a Governance Board and will be responsible for guiding and managing the operational day-to-day running of the pool. The officers will seek to find unanimous agreement on all issues involving the pool.

The Governance Board will meet quarterly, including an annual review meeting of the Pool arrangements and its performance to determine whether the Pool should be dissolved. For example, one or more members may wish to withdraw and the remaining members may wish to resubmit an amended pooling proposal.

If unanimity cannot be reached after a number of options have been considered, the circumstances and difficulties arising will be reported to and guidance sought from the Chief Executives of the councils that are in the Pool for a formal, binding decision to be agreed.

7. Duration of the pooling agreement

Membership of the Pool is voluntary and members will be able to leave the Pool in accordance with this agreement and the DCLG timescales that will be published from time to time (see clause 13).

8. Lead Authority

The Lead Authority for accounting purposes will be Mendip District Council

Responsibilities for the Lead Authority and individual Pool members are outlined in **Appendix 1**.

9. Management Charge

Pool set-up and administration costs incurred by the Lead Authority have been agreed at £15,000 per annum in the first year and thereafter will be uplifted in line with any Local Government pay award.

10. Pool Dividend

The Pool Dividend is defined as the amount remaining in the Pool after:

- The Management Charge has been deducted
- Any Tariff payment to Government

- Any Top Up payment from Government
- Any Levy payment to Government
- Any Safety Net payment from Government
- Payment to each participant of the amount they would have received should the Pool not have existed, including Tariff, Top Up, Safety Net and Levy payments and relevant s.31 grants
- Any interest payments or penalties to or from the Pool

The Pool will be based upon a “No Worse Off” or shared proceeds of net levy saved position. No Worse Off is determined to be that a member will be no worse off by being a member of the Pool than they would have been if they had not been a member of the Pool. Each member will retain the income they would have received under the BRRS if they were not a member of the Pool, as determined by Local Government Finance Settlement.

50% of rates collected are payable to Central Government (Central Share) and the remaining balance of the business rates will then be paid into the Pool on a net cash-flow basis. The Pool will effectively be responsible for the distribution of Tariffs/Top Ups.

11. Allocating any Pool Dividend

The remaining balance of the Pool consists of the Levy payments that would have been paid to Government less the deduction of the Management Charge and any payments made under the No Worse Off principle.

Any Pool Dividend will be distributed on the following basis:

- 20% to Somerset County Council;
- 56% to the remaining Councils in proportion to their Levy saved;
- 24% to the remaining Councils in proportion to their funding targets.

The Pool will not retain a contingency reserve. Instead participants will maintain their own provision against future Pool Shortfalls.

12. Pool Shortfall

If a Pool Member’s business rate income drops by more than the Government determined Safety Net trigger, then, under the No Worse Off principle, that member will be entitled to receive the equivalent of a Safety Net payment from the Pool calculated according to the methodology set out in clause 10. The Management Charge and Safety Net payments will be made as a first call on the Pool, before the Pool Dividend is allocated.

However, if there is a shortfall on the pool – i.e. there is insufficient funding to allow each authority to receive what it would have received outside the Pool - it shall be met as follows:

Stage 1:

- 20% from Somerset County Council;

- 49% from any of the remaining councils that failed to achieve their rates collection target. This shall be in proportion to the cash amount that it is, or they are, below the target (based on their 40% local share);
- 21% from the remaining councils in proportion to their funding targets.

No council shall receive less than its Safety Net level outside the Pool from this step.

Stage 2

- If any councils do fall below their Safety Net level outside the Pool in stage 1 then a further deduction will be made, to fund the amount(s) that those councils have fallen below, from all councils with income in excess of their Safety Net amount outside of the Pool, pro rata to the amounts that they are above the Safety Net.

Stage 3

- If any councils fall below their Safety Net level outside the Pool at stage 2 then a further deduction shall be made, to fund the amount(s) that those councils have fallen below, from all Pool Members, pro rata to each authority's funding target. This is the only step at which an authority may receive less than its Safety Net level outside the Pool.

If a Pool Shortfall seems likely to continue, consideration will be given to the future of the Pool, including dissolution.

13. Dissolution

The pooling arrangement will remain in place until any single authority or authorities say that they wish to leave the Pool. Pool members should consider the impact on the remaining members when making this decision.

Pool membership will be reviewed on an annual basis to determine whether a significant change in business rates is expected and consequently whether the Pool is still financially viable.

Authorities will be required to notify Pool members of their decision to leave the Pool in accordance with the notice period outlined below.

DCLG will be notified of any decision to dissolve the Pool in accordance with their published process and timetable.

Any subsequent decision to re-form a Pool, for example, if one member wishes to leave and the other authorities wish to continue in a new pool, will be made in a timely manner to ensure that a formal pooling proposal is submitted to the DCLG in line with their process and timetable.

14. Notice Period to Dissolve the Pool

Authorities will be required to advise the Pool of their intention to leave and consequently dissolve the Pool giving a **minimum of one month's notice** in advance of the DCLG deadline. This will allow remaining Pool members to consider whether they wish to submit a new pooling application.

Once the Pool has been finally designated by DCLG, the period of membership will be for a minimum of the forthcoming financial year. Should a member withdraw from the Pool during the settlement consultation period, the Pool will be dissolved in accordance with DCLG rules.

15. Distribution of Pool Assets / Liabilities on Dissolution

Pool members will be jointly and severally liable for the assets and liabilities of the Pool. However this should not override any of the detail included in this agreement.

16. Requests to join the Pool

If a new authority wishes to join the Pool it will be required to provide **three months' notice** prior to the DCLG deadline. This will allow time for existing Pool members to carry out due diligence and consider the relative merits of enlarged membership. Where a new member is admitted, the existing Pool is effectively dissolved and a new Pool formed.

17. Payment schedules and cash-flow

Payment schedules will need to be agreed and payments made on time so that the Pool can meet the payments required by Central Government and to share business rates collected. Payments into the Pool will include various payments and these will all need payment schedules as announced by DCLG or as agreed locally.

Payments to the Lead Authority will be made by direct credit on the same day as the payment date to Central Government (the 'scheduled day').

The Pool shall charge interest at a rate of four percentage points above the prevailing Bank of England Base Rate on all payments from participants that are received after the scheduled day.

Safety Net payments are to be made in-year to provide some immediate protection to the authority involved. The Pool will attempt to replicate the timing and amount of any Safety Net payment that would have been due to its members if there was no Pool.

Levies are not finalised until after the year has ended. Thus any Pool Dividend or Shortfall cannot be finalised until after the year has ended. Forecasts of various elements, such as the likely Levy payments and Pool Dividend, will be needed so that authorities can make their decisions about whether to remain in the Pool.

Costs (or benefits) which may arise from the cash-flow into and out of the pooling fund will be offset against (or added to) the Pool Dividend.

Information, in the form of a monthly spreadsheet from the source business rates systems of the billing authority members of the Pool, will be provided to the Lead Authority who will provide at least quarterly monitoring reports to all Pool members of the resulting position.

18. Accounting adjustments (Bad Debts and Appeals provision)

The Forecast and Actual Retained Amounts are the net amounts receivable by the authority from ratepayers after taking account of transitional adjustments, empty property, mandatory and discretionary reliefs and adjustments for provisions for bad and doubtful debts and for losses on appeals.

The provision for losses on appeal will be calculated by individual authorities using Valuation Office data and statistical information on a consistent basis to be agreed by designated officers from all billing authorities.

The provision for bad and doubtful debts will be calculated by each billing authority in accordance with proper practices and will be subject to external audit. If the auditor does not certify the provision on the grounds that the authority has not acted diligently, any such amounts will be funded in full by the respective authority and an adjustment will be made to the Pool Dividend or Shortfall calculations to reflect this.

19. Treasury

The treasury function shall be provided by the Lead Authority. The Treasury Management Strategy of the Lead Authority (which will be at a minimum in accordance with the CIPFA Code of Practice) shall be followed in the operation of the Pool and the management of surplus balances. The funds shall be held in separately named account(s) from the remainder of the Lead Authority's business. All interest receivable is credited to the Pool at the actual rate achieved by the Treasury Management Team of the Lead Authority on an annual basis.

The Lead Authority will not be solely liable for any loss arising from invested sums provided it has operated within its Treasury Management policies. Any such loss will be borne by the Pool Dividend first, then in line with the Board's agreed policy for Pool Shortfall across the individual authorities.

APPENDIX 1

Roles and Responsibilities

The **Lead Authority** will be responsible for the following:

- All finances in relation to the Pool including payments to and from Central Government, the other members of the Pool and Preceptors.
- Calculating the funding position if all councils had not been part of the pooling arrangement and any Pool Dividend or Shortfall.
- Agreeing the various schedules of payment with other Pool members.
- All communications with Central Government, its agencies or other relevant third parties and completing all formal Pool returns to Central Government and DCLG on behalf of the Board including year-end reconciliations.
- All information and external reporting requirements for the Pool, details of which will be shared with all members of the Pool.
- The collation and submission of information required for planning and monitoring purposes by the governance structure, the DCLG or any other party.
- All audit requirements in relation to the Pool.
- Year-end positions for the Statements of Accounts for each member authority.
- The administration of the dissolution of the Pool.

To assist the Lead Authority in fulfilling its responsibilities **Pool members** (including the Lead Authority as appropriate) will be responsible for:

- The collection of relevant business rates to transfer to the Pool run by the Lead Authority.
- The implementation of their own Collection Funds.
- The submission of NNDR forms to DCLG.
- Providing accurate and timely information on the end of year financial performance of the business rates Collection Fund to enable the Lead Authority to calculate the end of year accounting entries needed.
- The provision of such information as the Board agree is reasonable and necessary to monitor and forecast the Pool's resources within the timescales agreed.
- Informing the Lead Authority, as soon as is practicable, of any intelligence that may impact on the resources of the Pool either in the current year or in future years.

APPENDIX 2

Glossary of Terms

“**Agreement**” means this Agreement comprising the terms and conditions together with its Appendices.

“**The Board**” means the Business Rates Pool Board whose functions are more particularly set out in section 6.

“**BRRS**” means the Business Rates Retention Scheme introduced by the Department for Communities and Local Government in April 2013.

“**Lead Authority**” means the authority taking on the responsibilities in Appendix 1.

“**Levy**” means a payment due to central government related to BRRS income above Baseline Funding levels, calculated using a nationally set formula.

“**Management Charge**” means the charge payable from the Pool to the Lead Authority in respect of the costs incurred by the Lead Authority in the performance of its obligations as Lead Authority, as more particularly described at section 8 and Appendix 1.

“**Pool**” means the Business Rates Pool containing the business rates collected from the Pool Members. A voluntary arrangement amongst a group of local authorities to pool the business rates generated locally in accordance with the BRRS pooling prospectus published by DCLG in July 2014.

“**Pool Dividend**” means the amount of Levy retained locally. This is calculated as the sum of levies to be paid by individual Pool members if the Pool did not exist, less any Safety Net funding that would have been due to individual Pool members if the Pool did not exist, less the administrative costs of the Pool.

“**Pool Shortfall**” means the Pool BRRS income is less than the sum of what Pool Members’ BRRS income would have been in the absence of a Pool because the payment of compensation under the no worse off principle exceeds the Levy gains made by other Pool Members.

“**Pool Members**” means Mendip District Council, Sedgemoor District Council, South Somerset District Council, Taunton Deane Borough Council, West Somerset Council and Somerset County Council.

“**Safety Net**” means a payment received by an authority from Central Government under the BRRS if BRRS income falls by more than a specified percentage below the Baseline Funding Level. It is calculated using a national formula.

Annex B

Somerset Councils Business Rates Pool Governance Agreement, acting as a Business Rates Pilot

1. Pool Membership

- Somerset County Council
- Sedgemoor District Council
- Mendip District Council
- South Somerset DC
- Taunton Deane BC
- West Somerset Council

2. Introduction

This pooling proposal has been agreed by all pool members and signed by their Section 151 Officers.

The proposal sets out various key principles and addresses the key governance areas to ensure that a robust framework is in place for the effective management of the pool. Governance arrangements will stay in place until the pool is fully dissolved.

Each time a new member joins or an existing member leaves the Pool the governance arrangements will need to be reviewed, renewed and agreed with the Department for Communities and Local Government (DCLG) and its successors.

3. Status of this Agreement

The Pool Members agree that this shall be a binding contractual relationship and mutual commitments between them created by this Agreement shall from the date hereof be construed accordingly.

4. Key principles of the pool

- The aim will be to ensure that no participant receives less funding than if they had not pooled.
- Any dividend remaining or any shortfall will be calculated in accordance with the detailed clauses below.
- Outside of this agreement, individual authorities will retain their decision making powers and co-operate in good faith for the duration of this agreement to endeavour to procure the successful implementation of the Pool objectives.
- The Lead Authority is not left with any unforeseen costs or liabilities. Any such costs or liabilities will fall to individual authorities as set out in this agreement.

5. Definition of Pooled Funds

Pooled funds will include monies involved in the Local Government Business Rates Retention Scheme (BRRS). Subject to the requirements of the 2012 Local Government Finance Act and its related regulations, which must take precedence, authorities involved will pool all the business rates collected by each authority **except** the rates yield or growth from any local Enterprise Zone, New Development Deal Area or from renewable energy schemes or similar exemptions, as set out in current or future legislation, where an individual authority is allowed to benefit directly without deductions for levies or others' shares.

6. Governance Structure

The key element in the governance structure will be the s.151 officers of the authorities that are in the pool. They will form a Governance Board and will be responsible for guiding and managing the operational day-to-day running of the pool. The officers will seek to find unanimous agreement on all issues involving the pool.

The Governance Board will meet quarterly, including an annual review meeting of the Pool arrangements and its performance to determine whether the Pool should be dissolved. For example, one or more members may wish to withdraw and the remaining members may wish to resubmit an amended pooling proposal.

If unanimity cannot be reached after a number of options have been considered, the circumstances and difficulties arising will be reported to and guidance sought from the Chief Executives of the councils that are in the Pool for a formal, binding decision to be agreed.

7. Duration of the pooling agreement

Membership of the Pool is voluntary and members will be able to leave the Pool in accordance with this agreement and the DCLG timescales that will be published from time to time (see clause 13).

8. Lead Authority

The Lead Authority for accounting purposes will be Mendip District Council.

Responsibilities for the Lead Authority and individual Pool members are outlined in **Appendix 1**.

9. Management Charge

Pool set-up and administration costs incurred by the Lead Authority have been agreed at £15,000 per annum in the first year and thereafter will be uplifted in line with any Local Government pay award.

10. Pool Dividend

The Pool Dividend is defined as the amount remaining in the Pool after:

- The Management Charge has been deducted
- Any Tariff payment to Government
- Any Top Up payment from Government
- Any Levy payment to Government
- Any Safety Net payment from Government
- Payment to each participant of the amount they would have received should the Pool not have existed, including Tariff, Top Up, Safety Net and Levy payments and relevant s.31 grants
- Any interest payments or penalties to or from the Pool

11. Allocating Resources

Providing there pool has a pool dividend, growth should be apportioned as follows:

Districts retaining 50% of variance to Baseline

The County Council retaining 49% of each of the districts variance to Baseline

However, providing the pool dividend is sufficient, gains from acting as a pool (under 100% BRR) will be scaled back in order to ensure that: no member will be no worse off by being a member of the Pool than they would have been if they had not been a member of the Pool.

12. Dissolution

The pooling arrangement will remain in place until any single authority or authorities say that they wish to leave the Pool. Pool members should consider the impact on the remaining members when making this decision.

Pool membership will be reviewed on an annual basis to determine whether a significant change in business rates is expected and consequently whether the Pool is still financially viable.

Authorities will be required to notify Pool members of their decision to leave the Pool in accordance with the notice period outlined below.

DCLG will be notified of any decision to dissolve the Pool in accordance with their published process and timetable.

Any subsequent decision to re-form a Pool, for example, if one member wishes to leave and the other authorities wish to continue in a new pool, will be made in a timely manner to ensure that a formal pooling proposal is submitted to the DCLG in line with their process and timetable.

13. Notice Period to Dissolve the Pool

Authorities will be required to advise the Pool of their intention to leave and consequently dissolve the Pool giving **a minimum of one month's notice** in advance of the DCLG deadline. This will allow remaining Pool members to consider whether they wish to submit a new pooling application.

Once the Pool has been finally designated by DCLG, the period of membership will be for a minimum of the forthcoming financial year. Should a member withdraw from the Pool during the settlement consultation period, the Pool will be dissolved in accordance with DCLG rules.

14. Distribution of Pool Assets / Liabilities on Dissolution

Pool members will be jointly and severally liable for the assets and liabilities of the Pool. However this should not override any of the detail included in this agreement.

15. Requests to join the Pool

If a new authority wishes to join the Pool it will be required to provide **three months' notice** prior to the DCLG deadline. This will allow time for existing Pool members to carry out due diligence and consider the relative merits of enlarged membership. Where a new member is admitted, the existing Pool is effectively dissolved and a new Pool formed.

16. Payment schedules and cash-flow

Payment schedules will need to be agreed and payments made on time so that the Pool can meet the payments required by Central Government and to share business rates collected. Payments into the Pool will include various payments and these will all need payment schedules as announced by DCLG or as agreed locally.

Payments to the Lead Authority will be made by direct credit on the same day as the payment date to Central Government (the 'scheduled day').

The Pool shall charge interest at a rate of four percentage points above the prevailing Bank of England Base Rate on all payments from participants that are received after the scheduled day.

Safety Net payments are to be made in-year to provide some immediate protection to the authority involved. The Pool will attempt to replicate the timing and amount of any Safety Net payment that would have been due to its members if there was no Pool.

Levies are not finalised until after the year has ended. Thus any Pool Dividend or Shortfall cannot be finalised until after the year has ended. Forecasts of various elements, such as the likely Levy payments and Pool Dividend, will be needed so that authorities can make their decisions about whether to remain in the Pool.

Costs (or benefits) which may arise from the cash-flow into and out of the pooling fund will be offset against (or added to) the Pool Dividend.

Information, in the form of a monthly spreadsheet from the source business rates systems of the billing authority members of the Pool, will be provided to

the Lead Authority who will provide at least quarterly monitoring reports to all Pool members of the resulting position.

17. Accounting adjustments (Bad Debts and Appeals provision)

The Forecast and Actual Retained Amounts are the net amounts receivable by the authority from ratepayers after taking account of transitional adjustments, empty property, mandatory and discretionary reliefs and adjustments for provisions for bad and doubtful debts and for losses on appeals.

The provision for losses on appeal will be calculated by individual authorities using Valuation Office data and statistical information on a consistent basis to be agreed by designated officers from all billing authorities.

The provision for bad and doubtful debts will be calculated by each billing authority in accordance with proper practices and will be subject to external audit. If the auditor does not certify the provision on the grounds that the authority has not acted diligently, any such amounts will be funded in full by the respective authority and an adjustment will be made to the Pool Dividend or Shortfall calculations to reflect this.

18. Treasury

The treasury function shall be provided by the Lead Authority. The Treasury Management Strategy of the Lead Authority (which will be at a minimum in accordance with the CIPFA Code of Practice) shall be followed in the operation of the Pool and the management of surplus balances. The funds shall be held in separately named account(s) from the remainder of the Lead Authority's business. All interest receivable is credited to the Pool at the actual rate achieved by the Treasury Management Team of the Lead Authority on an annual basis.

The Lead Authority will not be solely liable for any loss arising from invested sums provided it has operated within its Treasury Management policies. Any such loss will be borne by the Pool Dividend first, then in line with the Board's agreed policy for Pool Shortfall across the individual authorities.

APPENDIX 1

Roles and Responsibilities

The **Lead Authority** will be responsible for the following:

- All finances in relation to the Pool including payments to and from Central Government, the other members of the Pool and Preceptors.
- Calculating the funding position if all councils had not been part of the pooling arrangement and any Pool Dividend or Shortfall.
- Agreeing the various schedules of payment with other Pool members.
- All communications with Central Government, its agencies or other relevant third parties and completing all formal Pool returns to Central Government and DCLG on behalf of the Board including year-end reconciliations.
- All information and external reporting requirements for the Pool, details of which will be shared with all members of the Pool.
- The collation and submission of information required for planning and monitoring purposes by the governance structure, the DCLG or any other party.
- All audit requirements in relation to the Pool.
- Year-end positions for the Statements of Accounts for each member authority.
- The administration of the dissolution of the Pool.

To assist the Lead Authority in fulfilling its responsibilities **Pool members** (including the Lead Authority as appropriate) will be responsible for:

- The collection of relevant business rates to transfer to the Pool run by the Lead Authority.
- The implementation of their own Collection Funds.
- The submission of NNDR forms to DCLG.
- Providing accurate and timely information on the end of year financial performance of the business rates Collection Fund to enable the Lead Authority to calculate the end of year accounting entries needed.
- The provision of such information as the Board agree is reasonable and necessary to monitor and forecast the Pool's resources within the timescales agreed.
- Informing the Lead Authority, as soon as is practicable, of any intelligence that may impact on the resources of the Pool either in the current year or in future years.

APPENDIX 2

Glossary of Terms

“**Agreement**” means this Agreement comprising the terms and conditions together with its Appendices.

“**The Board**” means the Business Rates Pool Board whose functions are more particularly set out in section 6.

“**BRRS**” means the Business Rates Retention Scheme introduced by the Department for Communities and Local Government in April 2013.

“**Lead Authority**” means the authority taking on the responsibilities in Appendix 1.

“**Levy**” means a payment due to central government related to BRRS income above Baseline Funding levels, calculated using a nationally set formula.

“**Management Charge**” means the charge payable from the Pool to the Lead Authority in respect of the costs incurred by the Lead Authority in the performance of its obligations as Lead Authority, as more particularly described at section 8 and Appendix 1.

“**Pool**” means the Business Rates Pool containing the business rates collected from the Pool Members. A voluntary arrangement amongst a group of local authorities to pool the business rates generated locally in accordance with the BRRS pooling prospectus published by DCLG in July 2014.

“**Pool Dividend**” means the amount of Levy retained locally. This is calculated as the sum of levies to be paid by individual Pool members if the Pool did not exist, less any Safety Net funding that would have been due to individual Pool members if the Pool did not exist, less the administrative costs of the Pool.

“**Pool Members**” means Mendip District Council, Sedgemoor District Council, South Somerset District Council, Taunton Deane Borough Council, West Somerset Council and Somerset County Council.

“**Safety Net**” means a payment received by an authority from Central Government under the BRRS if BRRS income falls by more than a specified percentage below the Baseline Funding Level. It is calculated using a national formula.