

## **Taunton Deane Borough Council**

At a meeting of Taunton Deane Borough Council held in the John Meikle Room, The Deane House, Belvedere Road, Taunton on 24 January 2013 at 5.30 pm. (Meeting re-arranged from 22 January 2013)

**Present**      The Mayor (Councillor Hall)  
Councillors Mrs Adkins, Beaven, Bishop, Bowrah, Brooks, Cavill, Coles, Denington, D Durdan, Farbahi, Mrs Floyd, Gaines, Hayward, Mrs Hill, Horsley, Hunt, R Lees, Meikle, Morrell, Nottrodt, Ms Palmer, D Reed, Mrs Reed, Gill Slattery, T Slattery, Mrs Smith, Mrs Stock-Williams, Stone, Tooze, Mrs Warmington, Watson, Mrs Waymouth, A Wedderkopp, D Wedderkopp, Williams and Wren

### **1. Minutes**

The minutes of the meeting of Taunton Deane Borough Council held on 11 December 2012, copies having been sent to each Member, were signed by the Mayor.

### **2. Apologies**

The Deputy Mayor (Councillor Ms Lisgo) and Councillors Mrs Allgrove, Edwards, A Govier, Mrs Govier, Henley, Mrs Herbert, Miss James, Mrs Lees, Mullins, Prior-Sankey, Ross and P Smith.

### **3. Declaration of Interests**

Councillors Brooks, Prior-Sankey and Mrs Waymouth declared personal interests as Members of Somerset County Council. Councillors Mrs Hill and Mrs Smith declared personal interests as employees of Somerset County Council. Councillor Wren declared personal interests as an employee of Natural England and as Clerk to Milverton Parish Council. Councillor Hayward declared a personal interest as one of the Council's representatives on the Somerset Waste Board. Councillor Nottrodt declared a personal interest as a Director of Southwest One. Councillor Tooze declared a personal interest as an employee of the UK Hydrographic Office. Councillors D Durdan and Stone declared prejudicial interests as Tone Leisure Board representatives. Councillor Gill Slattery declared personal interests as a member of the Board of Governors at Somerset College and a Patron of the Supporters of Taunton Women's Aid. Councillor Farbahi declared a personal interest as a local owner of land in Taunton Deane.

### **4. Contract Procedure Rules**

Considered report previously circulated, concerning the Contract Standing Orders which had not been updated since 2006 and therefore did not reflect the current partnership with Southwest One.

An audit carried out by the South West Audit Partnership had recommended changes to the Standing Orders to reflect these changes and to ensure that they were up to date.

The Monitoring Officer had therefore reviewed the procedure rules and had proposed a number of changes which had subsequently been approved by both the Constitutional Sub-Committee and the Corporate Governance Committee.

On the motion of Councillor D Reed, it was

**Resolved** that the Contract Procedure Rules, as set out in the Appendix A to these Minutes, be approved.

#### 5. **Members' Allowances 2013/2014**

Submitted report previously circulated of the Members' Allowances Panel following its annual review of Members' Allowances. A copy of the report and recommendations had been circulated to all Councillors.

Details of the Members' Allowances Scheme that had been recommended by the independent Panel were submitted. The Panel had once again recommended increases to the Special Responsibility Allowance paid to the two Scrutiny Committee Chairmen and had also recommended that the rate paid to carers of Councillor's dependents be increased from £6.08 per hour to £6.19 per hour.

The Panel would be keeping under review the situation relating to the proposal by the coalition Government to scrap Pensions for Councillors and would re-visit whether an allowance should be paid to the Chairman of the new Standards Committee in 12 months time once the extent of the Chairman's responsibilities became clear.

Moved by Councillor Horsley and seconded by Councillor Denington, that the following be agreed:-

#### Summary of Recommendations

- No increase to the Basic Allowance;
- No increase to Special Responsibility Allowances;
- No increase in the Mayor or Deputy Mayor Allowance;
- To increase the rate paid to carers of Councillor's dependents from £6.08 per hour to £6.19 per hour, to reflect the National Minimum Wage.

The motion was put and was carried.

## 6. Recommendations to Council from the Executive

### (a) Council Tax Base 2013/2014

Consideration had recently been given to the Council Tax Base for the Borough and for each Parish for the 2013/2014 financial year.

The Tax Base had to be calculated for each financial year and was used to determine the Band D Council Tax for the year.

The Council Tax Base was an estimate of the number of Council Tax dwellings in a billing authority's area. The calculation this year also reflected the recently approved changes relating to Class A Exemptions, Class C Exemptions, Long term empty properties premium and removal of Second Homes discount.

In addition, a reduction for the cost of Council Tax Support had been included in the Tax Base as required by the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

This reduction had the effect of reducing Council Tax income for Taunton Deane and the major precepting authorities. The Government had announced in mid-December that this reduction in funding for the "cost" of Council Tax Support should also be attributed to Parish Precepts and Special Expenses.

Within the Provisional Finance Settlement for the Council, the Government had included funding for Council Tax Support that included a proportion related to Parishes and Special Expenses. It was therefore proposed to pass on a proportion of this funding to Parishes and Special Expenses to reflect their reduction in funding as a result of Council Tax Support, even though there was no legal requirement to do so.

A relevant share of funding has been calculated based on the Tax Base reduction attributable to Council Tax Support in each parish multiplied by their 2012/2013 Band D Charge. This had produced the following funding requirement:-

	£	£
Total Funding within Provisional Settlement		638,270
Less:		
Allocation to Parish and Town Councils	42,260	
Allocation to Unparished Area Budget	<u>6,500</u>	
Relevant Share for Parishes and Unparished Area		<u>48,760</u>
Amount retained by TDBC to offset Council Tax reduction		<u>589,510</u>

The Parishes had been notified of the expected funding allocation and were setting their precepts taking into account this additional allocation.

The non-collection rate (or provision for losses on collection) had been estimated at 1.75%. This was an increase compared to 2012/2013 (1.0%) and reflected increased risks under the local Council Tax Support system, other welfare reforms and continuing wider economic pressures on household incomes.

The recommended Tax Base for 2013/2014 was 37,280.60 Band D Equivalents. This was lower than the Base for 2012/2013 (41,216.39) mainly reflecting the introduction of Council Tax Support discounts within the calculations (-4,314.03).

On the motion of Councillor Williams, it was

**Resolved** that:-

- (a) The calculation of the 2013/14 Council Tax Base for the whole and parts of the area be approved;
- (b) In accordance with the Local Authority (Calculation of Tax Base) Regulations 2012, the amount calculated by Taunton Deane Borough Council as its 2013/2014 Tax Base for the whole area for the year shall be **37,280.60** and for the parts of the area listed below shall be:-

<b>Parish Area</b>	<b>Tax Base</b>	<b>Parish Area</b>	<b>Tax Base</b>
Ash Priors	81.46	Neroche	239.15
Ashbrittle	86.74	North Curry	692.23
Bathealton	84.83	Norton Fitzwarren	903.16
Bishops Hull	1,052.00	Nynehead	165.34
Bishops Lydeard/Cothelstone	1,021.90	Oake	317.34
Bradford on Tone	285.01	Otterford	165.11
Burrowbridge	196.21	Pitminster	435.08
Cheddon Fitzpaine	598.80	Ruishton/Thornfalcon	574.63
Chipstable	129.81	Sampford Arundel	121.94
Churchstanton	342.98	Staplegrove	708.57
Combe Florey	116.50	Stawley	132.17
Comeytrowe	1,967.11	Stoke St Gregory	356.14
Corfe	132.02	Stoke St Mary	198.25
Cotford St Luke	752.62	Taunton	14,115.83
Creech St Michael	937.95	Trull	992.02
Durstun	58.64	Wellington	4,290.56
Fitzhead	113.55	Wellington (Without)	293.61
Halse	139.03	West Bagborough	154.78
Hatch Beauchamp	249.16	West Buckland	424.77
Kingston St Mary	424.73	West Hatch	136.11
Langford Budville	225.54	West Monkton	1,077.78
Lydeard St Lawrence/ Tolland	199.03	Wiveliscombe	1,027.90

Parish Area	Tax Base	Parish Area	Tax Base
Milverton	562.51	<b>Grand Total</b>	<b>37,280.60</b>

(c) The policy to pass on the relevant share of funding to Parishes and the Unparished Area on the basis described above as a result of the Tax Base reduction attributable to Council Tax Support be approved; and

(d) The authority to approve the Council Tax Base in future years be delegated to the Executive.

**(b) Business Rates Retention and the National Non-Domestic Rates Return 1 for 2013/2014**

The Executive had also recently considered a report concerning the National Non-Domestic Rates Return 1 (NNDR1) for 2013/2014.

This return included the Estimated Net Rate Yield for 2013/2014, which was to be used for budget setting purposes, and would determine the budget amount for Business Rates income kept by Taunton Deane Borough Council, Somerset County Council and Devon and Somerset Fire and Rescue Authority under the new Business Rates Retention system, which was to be introduced in April 2013.

The NNDR1 was essentially the net Business Rates income forecast for 2013/2014. The forecast took into account the Rateable Value of the number of hereditaments (business premises) as at 30 September 2012. This provided the Gross Calculated Rate Yield which was then reduced/offset by the cost of collection and an allowance for bad debts.

A further relevant adjustment related to Renewable Energy Schemes whereby 100% of Business Rates yield – for schemes that commenced on or after 1 April 2013, or the amount of increase in yield for existing schemes on or after 1 April 2013 – could be retained wholly by the Council. However, for budget purposes in 2013/2014 this was assumed to be nil.

These calculations provided the Net Rate Yield before transitional arrangements and rate retention.

The key information needed for Business Rates retention and budget setting was the Net Rate Yield excluding transitional arrangements. This had been estimated at £38,695,316 for 2013/2014.

Under the Business Rates Retention Draft Regulations the Net Rate Yield would be shared as follows:-

	%	£
Share paid to Central Government	50	19,347,658
Share retained by Taunton Deane Borough Council	40	15,478,126
Share passed to Somerset County Council	9	3,482,578

Share passed to Devon and Somerset Fire Authority	1	386,953
<b>Net Rate Yield</b>		<b>38,695,316</b>

In accordance with the Provisional Finance Settlement for 2013/2014, a large proportion of the share retained by Taunton Deane would be paid to the Government in the form of a Tariff, to fund a system of tariffs and top ups.

The final amount to be retained by the Council would be in accordance with the Council's Start-up Funding Assessment for 2013/2014, as issued with the Finance Settlement.

On the motion of Councillor Williams, it was

**Resolved that:-**

- (a) The NNDR1 Return, attached to these minutes as Appendix B, with a Net Rate Yield of £38,695,316 for 2013/2014 excluding transitional arrangements be approved;
- (b) The authority to approve the NNDR1 and Net Rate Yield in future years be delegated to the Executive; and
- (c) Authority be delegated to the Section 151 Officer to amend the NNDR1 prior to submission on 31 January 2013, if notice of any further changes to the Regulations by the Government were received that required such amendment.

**(c) Corporate Business Plan 2013/2014 to 2015/2016**

Consideration of this recommendation was deferred to a future meeting of Full Council.

**(d) Introduction of the Community Infrastructure Levy in Taunton Deane**

Full Council had previously agreed to progress the introduction of the Community Infrastructure Levy (CIL) in Taunton Deane and had approved a Preliminary Draft Charging Schedule (PDCS) for consultation.

Consultation on the PDCS, which took place during the summer, had resulted in approximately 20 responses being received, mostly from developers and agents.

The next stage in the process was to publish a Draft Charging Schedule (DCS), taking account of the comments which had been received. There would be a further opportunity for people to make representations prior to the Schedule being submitted for independent Examination. The CIL could then be adopted, providing a mechanism to collect contributions towards the provision of strategic infrastructure.

As a result of the consultation responses, a number of changes had been incorporated into the Charging Schedule prior to its publication as the 'Draft'

that would eventually be submitted for examination.

When this matter was considered by the Executive, the intention of publishing a policy for payment of CIL by installments was noted. However, the wording of this policy was still being refined.

The proposed CIL rates had been derived from viability assessments that allowed for the proportion of affordable housing set out in the adopted Core Strategy (25%). The affordable housing was assumed to be 45% social rent, 15% affordable rent and 40% intermediate. This would provide some reassurance that the introduction of CIL would not put the delivery of affordable housing at risk.

On the motion of Councillor Williams, it was

**Resolved** that:-

- (a) The Draft Charging Schedule – a copy of which is attached to these minutes as Appendix C – and the proposed Charging Zones be approved for public consultation; and
- (b) Any technical changes to the Installment Policy be signed off by the Section 151 Officer, in consultation with the Portfolio Holder and Shadow Portfolio Holder for Planning and Transportation, prior to the consultation commencing.

(The meeting ended at 6.14 p.m.)

## **Appendix A**

# **Contract Procedure Rules**

# **Contract Procedure Rules**

## **Compliance with Contract Procedure Rules**

1. Every Contract made by the Authority or officer acting on its behalf shall comply with these Contract Procedure Rules, all relevant Statutory Provisions, with any relevant EU Directives currently in force in the United Kingdom, the Councils Financial Regulations and the Strategic Objectives of the Authority.
2. Where a corporate contract, negotiated by Southwest One Strategic Procurement Service, exists for the supply of specific goods or services (such as for rail tickets, temporary staffing, stationery etc) the corporate supplier must be used, unless that supplier confirms they are unable to fulfil the particular order in question.
3. A Contract is an agreement between the Council and an individual or organisation for the individual or organisation to provide works, goods or services (including the engagement of consultants) for which the Council will provide consideration. Contracts relating solely to disposal or acquisition of land are exempt from these rules.
4. Officers involved in the awarding of a Contract must ensure that the best value for money is obtained. Before commencing procurement, it is essential that the authorised officer leading the procurement has identified the need and fully assessed the options for meeting those needs. The best use of purchasing power shall be sought by aggregating purchases wherever possible.
5. Exceptions from any of the following provisions of these Contract Procedure Rules may be made under the provisions of Contract Procedure Rule 13 or otherwise by direction of the Council, the Executive or the Executive Member where they are satisfied that the exception is justified in special circumstances. No exception shall apply to Contract Procedure Rule 19. Every exception and the reason therefore shall be recorded in the Tenders Register held by the Corporate Support Unit.

## **Southwest One**

6. The Council has entered into a strategic partnering arrangement under which Southwest One (SW1) has contracted to provide a broad range of goods and services, including a number of procurement services. This includes the transformation of the procurement service to embed strategic Category Management as a methodology across the Council's external spend areas and procurement and management of corporate contracts for generic goods and services.

The Theme Manager, or the authorised officer leading the procurement, should always consult with the Chief Procurement Officer (SW1) to ascertain whether any particular services or goods fall within the description of services or goods to be provided by Southwest One and, if that be the case, the procurement of the said services or goods should normally be dealt with under the contractual arrangements with Southwest One.

In some instances, where Southwest One has already undertaken a procurement process in respect of services or goods of the type required, there may be no need for a further formal procurement process to be carried out. However, if that is not the case, the Theme Manager, or his authorised officer, in collaboration with Southwest One, must ensure that the procurement is carried out in accordance with these Contract Procedure Rules and, where the EU procedure applies, with the Regulations.

Notwithstanding the fact that a procurement may fall to be dealt with under this Contract Procedure Rule and subject to any provision in the Council's contractual arrangements with Southwest One having contrary effect, the Theme Manager, or the authorised officer leading the procurement, must still comply with his obligations to confirm that he/she has the appropriate power, authority and finance for the procurement to proceed.

### **Risk and Project Management**

- 7 For procurement where the estimated spend is greater than Threshold 3 the Procurement Risk Management policy must be applied and decisions recorded. Any high risks that exceed the accepted threshold must be reported to Corporate Management Team (CMT). The Corporate Project Management process must be applied.
8. For procurement where the estimated spend is less than Threshold 3 the Service Manager must ensure that all risks are considered and managed, reporting to CMT any consequential risks that may seriously jeopardise the Council.
9. For procurement where the estimated spend is less than Threshold 3 the Corporate Project Management process should be used at the discretion of the Service Unit Manager particularly where the risk of failure would impact on the ability to deliver a service or create a significant consequential risk.

### **Specifications**

10. Enquiries and Invitations to Tender shall be based on a written specification. The specification shall adequately describe the required procurement in sufficient detail to enable effective procurement in accordance with these rules.

### **Supplier Pre-Qualification**

- 11 The Council shall only enter into a contract with a supplier if it is satisfied as to the supplier's eligibility, financial standing and technical capacity to undertake the contract. For contracts over Threshold 3 the Section 151 Officer will

formally vet those companies that have been selected to receive an invitation to tender.

### **Requirement for Quotation/Tender and Public Advertisement**

12. Before entering into a Contract a written quotation/tender for the contract price must be secured. Consideration shall be given to other costs associated with the procurement (Lifetime costings including for example maintenance costs and power consumption). Where these could be significant such as in the final disposal of a product appropriate arrangements shall be put into place to consider these costs against alternative options.
  - a) **Contracts below Threshold 1**  
At least one written quotation must be obtained, preferably more where there are opportunities for competitive savings.
  - b) **Contracts between Threshold 1 and Threshold 2**  
Written quotations must be sought from not less than three individuals or organisations that could undertake the contract.
  - c) **Contracts between Threshold 2 and Threshold 3**
    - (i) A Public Notice must be made in the relevant section of the Council's website, setting out particulars of the contract and inviting persons interested to apply, within a period not less than 10 days, for permission to tender.
    - (ii) After the expiration of the period specified in the Public Notice invitations to tender shall be sent to not less than four individuals or organisations that could undertake the contract (or, if fewer than four apply, to those that are suitable). If less than four invitations to tender are sent then the reasons need to be noted in the tender register.
    - (iii) Tenders are to be submitted and opened in accordance with Contract Procedure Rule 18.
  - d) **Contracts above Threshold 3**
    - (i) The procurement shall comply with the requirements of the EU Procurement Directives.
    - (ii) A Public Notice must be made in the relevant section of the Council's website.

- (iii) After the expiration of the period specified in the Public Notice invitations to tender shall be sent to not less than four individuals or organisations selected in accordance with the applicable EU Procurement Directives (or, if fewer than four apply, to those that are suitable and the reasons noted in the register as set out in cii above.
  - (iv) Tenders are to be submitted and opened in accordance with Contract Procedure Rule 19.
- 13 Contract Procedure Rules 12a, 12b and 12c shall not apply to the following but, wherever possible, alternative quotations shall be obtained:
  - a) Purchases by auction or at public fairs or markets
  - b) Contracts involving special technical, scientific or artistic knowledge
  - c) Contracts in respect of which there would be no genuine competition (following consultation with the Theme Manager )
  - d) Contracts comprising spare or replacement parts of existing machinery or plant or repairs to such machinery or plant
  - e) The Contract to be entered into is to be dealt with in a prescribed manner under agency arrangements entered into by the Council with another authority
  - f) Urgent situations as agreed with the client Director and Executive Councillor where the authority is put at significant risk or significant costs could be incurred by not taking urgent remedial action.
  - g) Emergency situations (as defined in the Council's Business Continuity Strategy or Emergency Planning procedures)
- 14. Paragraphs 12a, 12b and 12c (up to Threshold 3) of these Contract Procedure Rules shall not apply to the entering into of contracts by the Deane DLO for the supply of goods or the engagement of sub-contractors where such transactions are necessary to enable the carrying out of contracts obtained by the Deane DLO after competitive tendering, provided that full details of all orders and contracts are maintained in such manner as required from time to time by the Section 151 Officer

## **15. Framework Agreements**

A Framework Agreement is an agreement or other arrangement made with one or more suppliers for the provision of goods or materials, services or works under agreed terms and conditions during a specified period under which the Council may enter into specific contracts known as “call-offs”.

The term Framework Agreement must not exceed four years and, while an agreement may be entered into with one provider, where an agreement is concluded with several organisations, there must be at least three in number.

The Theme Manager must consult with the Chief Procurement Officer to ascertain what Framework Agreements are in place from time to time. Where such an Agreement which deals with the subject matter of the proposed contract is in existence, subject to the need to ensure value for money and to comply with EU Treaty principles and to obtaining the advice of the Chief Procurement Officer and, if necessary, the Monitoring Officer, the procurement will be dealt with under the Framework Agreement.

16. Every written contract shall specify
  - a) the work, materials, matters or things to be furnished, had or done;
  - b) the price to be paid, with a statement of discounts or other deductions (if any); and
  - c) the time or times within which the contract is to be performed.
17. Every contract which exceeds Threshold 3 and is either for the execution of work or the supply of goods or materials shall provide for payment of liquidated damages by the contractor in case the terms of the contract are not performed.

### **Submission of Tenders**

18. Submission Procedures for contracts between Threshold 2 and Threshold 3
  - a) Where an invitation to tender is made, each invitation shall state that no tender will be considered unless it is enclosed in a plain sealed envelope. The envelope shall bear the word '**Tender**' - in large emboldened lettering followed by the subject to which it relates and the Tender reference number (if applicable) but no other name or mark indicating the identity of the sender.
  - b) The tenders shall be kept in the custody of the appropriate Director's nominated officer until the time and date specified for their opening.
  - c) Tenders shall be opened in the presence of (at least) two Council Officers. Tenders shall be date-stamped and signed on all pages containing price information.
19. Submission Procedures for contracts above Threshold 3

- a) Where an invitation to tender is made, each invitation shall state that no tender will be considered unless it is enclosed in a plain sealed envelope clearly addressed to the Legal and Democratic Services Manager. The envelope shall bear the word '**Tender**' - in large emboldened lettering followed by the subject to which it relates and the Tender reference number (if applicable) but no other name or mark indicating the identity of the sender.
  - b) The tenders shall be kept in the custody of Democratic Services Manager until the time and date specified for their opening.
  - c) Tenders shall be opened in the presence of (at least) two Council Officers and a Councillor. Tenders shall be date-stamped and signed on all pages containing price information.
  - d) All tenders which were received by the time and date specified shall be recorded in the Tenders Register maintained by the Legal and Democratic Services Manager.
- 20 Tenders received after the time and date specified in the invitation to tender shall be considered only in exceptional circumstances. A tender received late can only be considered with the approval of the Monitoring Officer or in her absence the Section 151 Officer.
- 21 Invitations to Tender may be issued by electronic means provided that evidence that the transmission was successfully completed is obtained and recorded.
- 22 Quotations and tenders may be submitted electronically provided that they are kept in a separate secure folder under the control of the authorised officer which is not opened until the deadline is passed for the receipt of tenders.

### **Acceptance of Quotations and Tenders**

- 23 The tender that is most economically advantageous to the Council shall be accepted. Each tender shall be evaluated for price and quality to ascertain the most economically advantageous tender.
24. For procurements over Threshold 3 the questions and scoring system used to evaluate quality shall be written before tenders are received. The basis of this exercise shall be explained in any invitation to tender documentation
25. The Impact on Corporate Priorities will be considered in every procurement process and, where appropriate, incorporated into these Corporate Procedure Rules, any evaluation model used ultimately into the terms and conditions of contract.



- 30 Where a sub-contractor or supplier is to be nominated to a main contractor, the procurement of the services of the sub-contractor or supplier shall be subject to these Contract Procedure Rules.

### **Bribery**

31. In every contract a clause shall be inserted to secure that the Council shall be entitled to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if the contractor shall have offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of the contract or any other contract with the Council, or for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Council, or if the like acts shall have been done by any person employed by him or acting on his behalf (whether with or without the knowledge of the contractor), or if, in relation to any contract with the Council, the contractor or any person employed by him or acting on his behalf shall have committed any offence under the Prevention of Corruption Acts, 1889 to 1916, or shall have given any fee or reward the receipt of which is an offence under sub-section (2) of Section 117 of the Local Government Act, 1972.

### **Contracts Record**

32. A record of all contracts in excess of Threshold 2 in value placed by the Council shall be kept on the Council's Intranet site. This register shall specify for each contract the name of the contractor, the works to be executed or the goods or services to be supplied, the contract value and the contract period. This is the responsibility of the officer authorising the contract to ensure that a timely entry is completed.

### **Contract Management**

33. Project management shall be practiced at all times in undertaking procurement. All Threshold 2 and 3 contracts will be monitored on a quarterly basis by members of the Corporate Management Team or any such group set up by them for this purpose.
34. Any third party who is required to supervise a Contract on behalf of the Council shall comply with the requirements of these Contract Procedure Rules.

### **Contract Extensions of Time**

- 35 In exceptional circumstances where it is in the interests of the Council and good value for money contracts may be extended in accordance with Financial Regulations.

36. For contracts where the value is over Threshold 3 or extension will take the contract value over Threshold 3 such an extension shall be with the prior agreement of the relevant Director and the Council's Section 151 Officer. A report on this decision shall be posted in the weekly bulletin. If the extension significantly alters the original contract value or purpose the extension can only be made with the additional agreement of the Executive portfolio councillor, who shall post their decision for possible call in accordingly.

### **Contract Variations to Scope**

37. Any necessary instructions to vary a contract shall be made in writing by the Theme Manager or persons responsible for supervising the contract. Where a variation occurs during the currency of the contract that is material and cannot be met from within the original contract sum an immediate report shall be made to the Council's Section 151 Officer who shall decide what further action is necessary. Where a supplementary estimate is required this shall be made in accordance with the councils Financial Regulations.

### **Bonds, Guarantees and Insurances**

38. For procurement projects where the spend is greater than Threshold 3 consideration must be given as part of the pre-qualification assessment and evaluation process as to whether a performance bond and/or parent company guarantee (if applicable) shall be required from the successful tenderer.
39. Consideration must be given as to the appropriate type (employee liability, public liability, professional indemnity, etc.) and level of insurance requirements for each contract.

### **Completion Statement**

40. As soon as possible after completion of a Threshold 3 works contract the Theme Manager or person responsible for supervising the contract shall ensure the details are included in their service scorecard for future monitoring.

### **Freedom of Information Act 2000 and Confidentiality**

41. There is a presumption that contractual information should be made available for disclosure if requested. However, officers should be aware of the potentially anti-competitive implications of disclosing detailed contractual information in the period around a procurement process taking place. Guidance and advice is available from the Council's Monitoring Officer.

During the period between the opening of proposals and/or tenders and the award of contract, all details of the proposals submitted must remain secret and be treated as confidential. It is the responsibility of those involved in the process to ensure complete confidentiality during this period.

### **Breaching of Contract Procedure Rules**

- 42 Any non-compliance to or breach of these rules should be reported immediately to the Monitoring Officer and the Section 151 Officer. Failure to report any known non-compliance or breach may result in disciplinary action being taken against the employee who failed to report the non-compliance or breach.

The Section 151 Officer will undertake an investigation where deemed necessary and they will refer the investigation findings to the Human Resources Manager in order that the appropriate disciplinary action can be taken where a serious or repeated breach of these rules is identified.

### **Retention of Records**

- 43 On completion of the Tender process, all related documentation will be filed and retained for a period appropriate to the contract in the contract file. For further details of retention periods please see the Council's Document Retention Policy on the Intranet.

### **Review of Contract Procedure Rules**

- 44 These rules will be reviewed and updated as required by changes to procurement legislation and regulation or to meet the operational requirements of the Council. The Council's Section 151 Officer, in consultation with the Monitoring Officer will be responsible for undertaking the review and reporting to the Council for approval.

## **Appendix 1 – Thresholds**

The thresholds below represent the total value of the contract, not just the annual value. For example, a 5 year supply contract with a value of £25,000 per year would have a value of £125,000 for the purposes of these rules.

	<b>Works Contracts</b>	<b>Supplies &amp; Services contracts</b>
Threshold 1 -	£15,000	£ 5,000
Threshold 2 -	£50,000	£50,000
Threshold 3 -	The current EU procurement thresholds for 'Other public sector contracting authorities'	

For current EU thresholds visit <http://www.ojec.com/Thresholds.aspx>

## **Appendix 2 – Systems and Procedures**

### **Order Controls**

- 1.1 Ordering and requisitioning procedures shall conform to those instructions on the Council's procurement intranet page .
- 1.2 All works, goods and services, with the exception of rent, public utility supplies, small petty cash purchases and works and services covered by contract, shall be ordered on an official order through the Council's purchase order system in advance of the provision of those goods and services. An estimate of the cost, or where applicable, the quoted price shall be inserted, together with the relevant expenditure codes.
- 1.3 The Section 151 Officer shall approve officers authorised to place orders or make requisitions on behalf of the Council. This will be done through delegations and role allocations within the purchase order system.
- 1.4 Before authorising an order, the officer shall satisfy himself that the expenditure:
  - a) is covered in approved estimates;
  - b) is necessary providing Best Value; and
  - c) that Contract Procedure Rules in respect of contracts and tenders have been complied with.
- 1.5 The design, amendment, requisition, custody and issue of all forms are contained in the SAP system.
- 1.6 The Control of all orders/requisitions raised or otherwise held is the responsibility of each Manager. All order and requisition stationery shall be securely held by the responsible officer with copies and any cancelled forms accounted for.
- 1.7 Telephone orders are permitted, however they must be immediately followed up by an order marked "Confirmation".
- 1.8 Any orders requiring amendment should be cancelled and a revised order issued.

### **General Contract Controls**

- 2.1 All contracts for the provision of services, the supply of goods and the execution of works, entered into on the Council's behalf shall be made in accordance with the Council's Contract Procedure Rules.
- 2.2 Officers and/or consultants shall where appropriate maintain adequate records to support all contract payments and valuations made, including all variations, omissions and additions to the contract sum.

- 2.3 Any contracts for works with a final value in excess of Threshold 2 (as defined in Contract Procedure Rules) together with supporting records, shall be subject to Audit and Review before any final payment is made.

### **Pre-Contract Controls**

- 2.4 Each Theme Manager or officer leading the procurement shall prepare as appropriate a suitable project plan to financially control and monitor the subsequent performance of each contract.
- 2.5 Each Theme Manager, or officer leading the procurement, shall ensure that they have received the relevant financial references and these have been checked by Finance for contracts above threshold 3.
- 2.6 Letters of appointment shall specify the terms and conditions of consultants to the Council and the formula for paying fees. Their requirements to conform with the Council's Financial Regulations and Contract Procedure Rules shall be contained therein together with a right of Audit access to their records to validate payments and claims made on or behalf of the Council.

### **Current Contract Controls**

- 2.7 Payments to contractors on account shall be made only on a certificate issued by the officer specified in the contract, or by his deputy or other such officer nominated by him in writing for the purpose.
- 2.8 Subject to the provisions of the contract in each case, every extra or variation shall, unless otherwise evidenced to his satisfaction, be authorised in writing by the officer specified in the contract, or by his deputy or other officer nominated by him in writing for the purpose.
- 2.9 Any such extra or variation, the estimated additional cost of which exceeds £5,000 shall be reported to the Director as soon as possible. The relevant approval for the financing solution should be considered at the same time.

### **Post Contract Controls**

- 2.10 Wherever possible within the terms of the contract the final payment certificate on completion of any works contract shall not be issued until the appropriate officer has produced to Audit and Review, a detailed statement of account and all relevant documents if required.
- 2.11 The Internal Audit Service shall, to the extent that he considers necessary, examine final accounts and he shall be entitled to make such enquiries and receive information and explanations as he may require in order to satisfy themselves as to the accuracy of the accounts.

- 2.12 Claims from works contractors in respect of matters not clearly within the terms of a contract shall be dealt with by the responsible Service Unit Manager who shall consult as appropriate with the budget holding director and Audit and Review Manager before taking any action which might result in claims on the Council.
- 2.13 Where completion of a contract is delayed, it shall be the duty of the Service Unit Manager to inform Audit and Review and to take action in respect of any claim for liquidated damages in accordance with the contract.
- 2.14 In April of each year, the final cost of all projects completed in the preceding 12 months shall be reported to the Executive. Where the final cost of any individual project exceeds the estimated cost after tenders have been accepted by 2% or £25,000, whichever is the lesser, then a report will be presented to the Executive giving the reasons for the difference.
- 2.15 At the conclusion of a contract, an opportunity should be taken to evaluate the performance.



Department for  
Communities and  
Local Government

**NATIONAL NON-DOMESTIC RATES RETURN 1  
NNDR1 2013-14**

Please e-mail to : [nndr.statistics@communities.gsi.gov.uk](mailto:nndr.statistics@communities.gsi.gov.uk)

Please enter your details after checking that you have selected the correct authority name.

Please check the figures shown in the cells with a blue border and enter your own figures if you disagree with those suggested.

**A provisional version of the form should be returned to the Department for Communities and Local Government by  
Monday 7 January 2013**

The final version of this form, including a signed copy, must also be sent to the Department for Communities and Local Government by  
**Thursday 31 January 2013**

Select your local authority's name from this list:

Tameside
Tamworth
Tandridge
Taunton Deane
Teignbridge
Telford and the Wrekin

Check that this is your authority :

Taunton Deane
---------------

Check that this is your E Code :

E3333
-------

Local authority contact name :

--

Telephone number of local authority contact :

--

Fax number for local authority contact :

--

E-mail address of local authority contact :

--

Ver 1.3

1. Number of hereditaments on the rating list on 30 September 2012

**3,757**

2. Aggregate rateable value on the rating list on 30 September 2012

£  
**101,419,865**

**GROSS CALCULATED RATE YIELD**

3. Enter line 2 x small business non-domestic rating multiplier (0.462)

£  
**46,855,977.63**

**MANDATORY RELIEFS**

**Small business rate relief**

£

4. Additional yield generated to finance the small business rate relief scheme

**709,531.95**

5. Cost of small business rate relief for properties within billing authority area

**2,529,606.78**

6. Net cost of the small business rate relief (Line 5 minus Line 4)

**1,820,074.83**

7. Cost of relief to charities

**3,200,213.40**

8. Cost of relief to Community Amateur Sports Clubs

**46,399.84**

9. Cost of relief for rural general stores, post offices, public houses, petrol filling stations and food shops

**30,757.62**

10. Cost of relief for partly occupied premises

**0.00**

11. Cost of relief for empty premises

**890,938.36**

**12. Total mandatory reliefs (Sum of lines 6 to 11)**

**5,988,384.05**

**DISCRETIONARY RELIEFS**

13. Cost of relief to charities

**35,187.25**

14. Cost of relief to non-profit making bodies

**30,760.95**

15. Cost of relief to Community Amateur Sports Clubs

**0.00**

16. Cost of relief for rural general stores, post offices, public houses, petrol filling stations and food shops

**7,224.74**

17. Cost of relief to other rural businesses

**9,451.36**

18. Other Section 47 reliefs (Localism Act discounts)

**0.00**

**19. Total discretionary reliefs (Sum of lines 13 to 18)**

**82,624.30**

**20. Gross Rate Yield after reliefs (Line 3 minus lines 12 & 19)**

**40,784,969.28**

21. Estimate of 'losses in collection'

**239,442.12**

22. Allowance for Cost of Collection

**163,257.23**

23. Special Authority Deductions - City of London Offset

**0.00**

NATIONAL NON-DOMESTIC RATES RETURN 1 2013-14		Taunton Deane
Ver 1.3		
<b>Section 2</b>		
<b>Enterprise Zones</b>		
24. Estimated level of discount to be awarded in 2013-14		£ <b>0.00</b>
25. Estimated value of non-domestic rates in the Enterprise Zone area in 2013-14	<b>0.00</b>	
26. Enterprise Zone baseline	<b>0.00</b>	
27. Total estimated value of business rates to be retained in 2013-14 (Line 25 minus line 26)		<b>0.00</b>
<b>New Development Deals</b>		
28. Estimated value of non-domestic rates in the New Development Deals area in 2013-14	<b>0.00</b>	
29. New Development Deals baseline	<b>0.00</b>	
30. Total estimated value of business rates to be retained in 2013-14 (Line 28 minus line 29)		<b>0.00</b>
<b>Renewable Energy Schemes</b>		
31. Total estimated value of business rates to be retained in 2013-14		<b>0.00</b>
<b>32. Net Rate Yield excluding transitional arrangements and rate retention (Line 20 minus the sum of lines 21 to 23, 27, 30 &amp; 31)</b>		<b>40,382,269.93</b>
<b>Rate retention adjustments</b>		
33. Estimate of the change in rateable value between 1 October 2012 and 30 September 2013		<b>461,416.47</b>
34. Estimate of the change in receipts as a result in the change in rateable value (line 33 times the multiplier)		<b>213,174.41</b>
<b>This equates to a percentage change of</b>	<b>0.45</b>	
35. Local authority's estimate of adjustment due to appeals		<b>1,900,128.68</b>
<b>36. Net Rate Yield excluding transitional arrangements but after rate retention adjustments (Line 32 plus lines 34 and minus line 35)</b>		<b>38,695,316.00</b>
<b>Section 3</b>		
<b>Transitional arrangements</b>		
37. Addition revenue received because reduction in rates have been deferred	<b>187,786.78</b>	
38. Revenue foregone because increase in rates have been deferred	<b>116,139.50</b>	
<b>39. Net cost of transitional arrangements (Line 38 minus line 37)</b>		<b>-71,647.28</b>
<b>40. Net Rate Yield after transitional arrangements and rate retention (Line 36 minus line 39)</b>		<b>38,766,963.00</b>

<b>NNDR Summary for : Taunton Deane</b>	
These figures show the percentage shares of the NNDR you estimate your authority will collect in 2013-14. They are based on line 36. See the <i>Tier Split</i> tab for full information	
	£
Amount of NNDR to be paid to central government	<b>19,347,658.00</b>
Amount to be retained by Taunton Deane under the rates retention scheme	<b>15,478,126.00</b>
Amount to be passed to Somerset	<b>3,482,578.00</b>
Amount to be passed to Devon and Somerset Fire Authority	<b>386,953.00</b>

**Certificate of Chief Financial Officer**

I certify that the entries in lines 3, 12, 19, 20, 36, 39 and 40 of this form are the best I can make on the information available to me and that the figures given in lines 1 and 2 used in the calculating the amount shown in lines 36 and 40 are, to the best of my knowledge and belief those shown in the rating list for my authority as at 30 September 2012, subject to any order made before 15 January 2013 under the Local Government Act 1972 implementing boundary changes. I also certify that the authority has made proper arrangements for securing efficiency and effectiveness in relation to the collection of non-domestic rates. I also certify to the best of my knowledge and belief that any amount included as legal costs in line 22 and discretionary relief in line 24 meet the conditions set out in the Non-Domestic Rating (Rates Retention) Regulations 2013.

Chief Financial Officer : .....

Date : .....

**Taunton Deane Borough Council**

**Community Infrastructure Levy**

**Draft Charging Schedule**

**January 2013**

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

## **Introduction**

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

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

The introduction of CIL is seen as necessary in part because, from April 2014, the ability to pool planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), will be restricted. It will therefore become difficult to deliver larger scale items of infrastructure such as schools, swimming pools and transport schemes, where pooling of numerous individual planning contributions is often necessary. Section 106 agreements will continue to be used to deliver some infrastructure (as will Section 278 for highways), but this will largely be restricted to site-specific mitigation and for providing affordable housing.

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

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

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

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

## **The Proposed Levy**

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

The CIL rates proposed are set out in the Draft Charging Schedule. An assessment of the viability of development in different parts of the Borough has been carried out by the Council's consultants to determine what level of CIL could be charged without affecting the viability of most development. The Regulations recognise that the CIL charge may make some development unviable and that CIL should not be set at such a low rate as to ensure that every development remains viable.

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

Once CIL is adopted, the charging rates proposed will be indexed to account for inflation using a nationally recognised index. The charges will be regularly reviewed to take account of changes in viability, and any proposed changes to the Charging Schedule will be submitted for further examination.

### **CIL Relief**

The CIL Regulations provide for full relief from the CIL charge for any part of a development which is affordable housing (and includes social and affordable rent and shared ownership). Charity landowners will also benefit from relief provided that the development is to be used for charitable purposes. If a development is initially granted CIL relief and then circumstances change, there is a claw-back period of 7 years within which the development will become liable for CIL. Relief can also be given in exceptional circumstances, subject to the Council publishing a policy to this effect. Such exceptional circumstances will only apply where there is a Section 106 planning obligation in place that has costs greater than the chargeable amount and where the addition of CIL would make the development unviable; additionally the amount of relief granted must not be sufficient to qualify as notifiable state aid under EU law.<sup>1</sup> The fact that an application may be unviable is unlikely, in itself, to constitute an exceptional circumstance in terms of the CIL Regulations. However, the Council will give further consideration to what might constitute exceptional circumstances prior to the introduction of CIL and if appropriate will publish a policy covering these.

### **Payment of CIL**

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

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

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

Provision for Section 106 agreements will remain, but from April 2014, under Regulation 123, the ability to pool contributions from developers via S106 to deliver larger items of infrastructure will be substantially curtailed. The Council's intention is that CIL will be used to deliver larger strategic items with S106 retained only for direct mitigation of site-specific impacts.

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

## **CIL for local communities**

It is likely that the Council will be required to pass a proportion of CIL receipts to parish councils for use on infrastructure identified as important by the local community. The Government indicated early in 2013 that this proportion would be set at 25% of the receipts within a community having a neighbourhood plan in place, and a maximum of £100 per household elsewhere.

## **Next Steps**

The CIL Regulations require the Council to carry out two stages of consultation on the proposed CIL Charging Schedule. The Preliminary Draft was the subject of consultation between 29<sup>th</sup> June and 27<sup>th</sup> July, 2012.

Taking account of comments received on the Preliminary Draft, the Council is now publishing a Draft Charging Schedule for examination in the summer of 2013. This will be available for people to make representations between 1<sup>st</sup> February and 15<sup>th</sup> March. The Draft Charging Schedule, together with the representations received, will then be submitted to the Examiner prior to an examination being held.

## **Your Views**

We would like to receive any comments you may have on the CIL Draft Charging Schedule.

Comments should be put in writing and sent to:

Policy (Planning and Development)  
Taunton Deane Borough Council  
The Deane House  
Belvedere Road  
Taunton  
Somerset  
TA1 1HE

e-mail: [talkingtomorrows@tauntondeane.gov.uk](mailto:talkingtomorrows@tauntondeane.gov.uk)

## Links

Report to Executive 16<sup>th</sup> January 2013: [www.tauntondeane.gov.uk/corestrategy/cil](http://www.tauntondeane.gov.uk/corestrategy/cil)

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

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

Taunton Deane Borough Council Infrastructure Delivery Plan:

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

# Taunton Deane Community Infrastructure Levy Draft Charging Schedule

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

## Levy Rates

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

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

Development Uses	Levy (per sq m)
Residential Development in Taunton, including urban extensions	£70
Residential Development in Taunton town centre	£0
Residential Development in Wellington, including urban extensions	£0
Residential Development outside Taunton and Wellington	£125
Retail Development in Taunton and Wellington town centres	£0
Retail development outside Taunton and Wellington town centres	£140
All other development	£0

## How the CIL charge will be calculated

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

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

<https://www.gov.uk/government/organisations/department-for-communities-and-local-government>.