

## **Executive – 16 January 2013**

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

**Officers:** Shirlene Adam (Strategic Director), Tim Burton (Planning and Development Manager), Phil Bisatt (Policy Officer), Nick Bryant (Policy Lead), Paul Fitzgerald (Financial Services Manager, Southwest One), Dean Emery (Principal Revenues Officer), John Sumner (Asset Planning Manager (Southwest One, Property and FM), Simon Lewis (Strategy and Performance Manager), Tonya Meers (Legal and Democratic Services Manager) and Richard Bryant (Democratic Services Manager and Corporate Support Lead).

Also present: Councillors Coles, Horsley, Tooze and A Wedderkopp.

(The meeting commenced at 6.15 pm.)

### **1. Apology**

Councillor Edwards.

### **2. Minutes**

The minutes of the meeting of the Executive held on 5 December 2012, copies of which had been circulated, were taken as read and were signed.

### **3. Introduction of the Community Infrastructure Levy (CIL) in Taunton Deane – Consultation Responses on Preliminary Draft Charging Schedule and Proposed Amendments**

Reference Minute No 45/2012, the Executive 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.

Details of the representations received were submitted for the information of Members together with the Council's proposed responses.

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.

The comments received had resulted in further being work having to be undertaken before the DCS could be published. In particular, respondents had suggested that

the Council should include with the DCS a policy for payment by instalments. A proposed policy had subsequently been drafted. In addition, a map showing the zones within which different rates of CIL would be charged had been included with the DCS.

The timescale for progressing CIL was now as follows:-

- Full Council: 22 January 2013;
- Publication of Draft Charging Schedule: Friday 1 February 2013;
- Formally approach The Planning Inspectorate with a request for an examination: early-February 2013;
- Period for representations: 1 February – 15 March 2013;
- LDF Steering Group/Portfolio Holder sign-off: w/c 18 March 2013;
- Submission to the Examiner: w/c 25 March 2013;
- Examination: May-June 2013; and
- Adoption: July-August 2013.

As a result of the consultation responses, the following changes were proposed to be incorporated in the Charging Schedule when it was published as the 'Draft' that would eventually be submitted for examination:-

- (a) A reduction in the proposed charge for residential development in Taunton from £80 per square metre to £70. This would enable the Council to demonstrate that it was avoiding setting a charge right up to the margin of economic viability across the majority of sites in the Taunton area.
- (b) Exemption of residential development in Taunton Town Centre from payment of CIL. This would ensure that delivery of brownfield sites in the town centre, were not rendered unviable by the introduction of the levy.
- (c) Exemption of residential development in the Wellington urban extensions from payment of CIL. This would reduce the risk to delivery of key elements such as affordable housing.
- (d) Simplification and re-definition of the proposed charges for retail development, so that a single charge of £140 per square metre would apply outside Taunton and Wellington Town Centres, with no charge being levied on retail development within those centres. This was to avoid the risk of legal challenge to charges based on size of retail unit, distinctions between stores selling comparison and convenience goods, or 'high street' and 'bulky goods' types of retailing.
- (e) Publication of a policy for payment of CIL by instalments.
- (f) Production of a map on an Ordnance Survey base showing the proposed charging zones.

Note that 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.

Further reported that after the introduction of CIL, Section 106 Agreements would continue to be used to deliver certain on-site measures. However, it would not be possible to pool Section 106 contributions from more than five separate developments after April 2014, so it was essential to progress CIL to deliver off-site infrastructure and measures where pooling a large number of developer contributions would otherwise be needed.

During the discussion of this item, it was agreed that the table in the DCS showing the Levy Rates should be amended to show the £0 levy for town centre retail development and that the proposed map to be included in the DCS should clearly define the different levy areas.

**Resolved** that Full Council be recommended that the Draft Charging Schedule, the Instalment Policy and proposed Charging Zones be approved for public consultation.

#### 4. **Council Tax Base 2013/2014**

Considered report previously circulated, concerning 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, and was calculated in accordance with the requirements of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

In addition to the requirements set out in previous regulations, these regulations required the Tax Base to be adjusted to take into account the effect of Council Tax Support discounts awarded under local Council Tax Reduction Schemes and for premiums charged on long-term empty properties.

The Tax Base which had to be set between 1 December and 31 January each year would also be notified to the County Council, the Police Authority, the Fire Authority and to each of the parishes for their own tax setting purposes.

The Council Tax Base was effectively 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.

Further reported that, for the first time, a reduction for the cost of Council Tax Support had been included in the Tax Base.

This reduction in the Tax Base 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 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 had 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	6,500	
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).

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

- a) The calculation of the 2013/14 Council Tax Base for the whole and parts of the area.
- b) That 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:-

Parish Area	Tax Base	Parish Area	Tax Base
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

<b>Parish Area</b>	<b>Tax Base</b>	<b>Parish Area</b>	<b>Tax Base</b>
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
Durston	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
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; and
- d) That authority to approve the Council Tax Base be delegated to the Executive in future years.

5. **Business Rates Retention and the National Non-Domestic Rates Return 1 for 2013/2014**

Considered report previously circulated, which sought approval of 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 would be introduced in April 2013.

Although the final Business Rates Retention Regulations had not yet been enacted through Parliament, the Government had provided a return form template to enable billing authorities to prepare the information required.

A provisional NNDR1 had already been returned to the Government and the final form needed to be returned by 31 January 2013 certified by the Chief Finance Officer.

The NNDR1 was essentially the net business rates income forecast for 2013/2014. The forecast started by taking into account the Rateable Value of the number of

hereditaments (business premises) as at 30 September 2012. This provided the Gross Calculated Rate Yield – the total amount of business rates owed by businesses which was then adjusted for Mandatory and Discretionary Reliefs.

The gross yield was then reduced/offset by the cost of collection and an allowance for bad debts.

Noted that a further adjustment that was relevant was 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. For budget purposes in 2013/2014 this was assumed to be nil.

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

Further reported that a key new requirement with the NNDR1 was the need to estimate any changes in the Rateable Value and also to estimate adjustments related to appeals.

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, as confirmed by a Policy Statement issued by Government, 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>

Reported that 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. This would be included in the forthcoming budget setting reports.

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

- a) The attached NNDR1 Return with a Net Rate Yield of £38,695,316 for 2013/2014 excluding transitional arrangements; and
- b) That authority to approve the NNDR1 and Net Rate Yield be delegated to the Executive in future years.

6. **Taunton Deane Borough Council Asset Management Plan 2013/2014 to 2015/2016**

Considered report previously circulated, concerning the Taunton Deane Asset Management Plan (AMP). A copy of the draft Plan had been circulated to the Members of the Executive.

The AMP was the Council's corporate statement about how it would use its property asset resources to contribute to fulfilling its Corporate Priorities. These included operational property, community assets and non-operational property, all of which needed to be planned and managed in an effective way.

The Council currently had 260 property assets in its operational and non-operational portfolios which included car parks, the Priory Depot Nurseries, offices, the Crematorium, Sports Centres and swimming pools. These were valued for balance sheet purposes at £65,500,000.

The AMP had been written to support the Corporate Strategy 2010–2013 and the aspirations of the developing Corporate Business Plan 2013-2016. It was a strategic document designed to assist both Members and Officers when giving consideration to land and property in support of the delivery of the Council's key priorities. It would be used to influence decisions on the size and make-up of the portfolio and to co-ordinate the decisions about its management and maintenance.

Property assets were expensive in terms of the capital tied-up in them (which could be redirected for other purposes) and the revenue spent to maintain them. They therefore needed to be carefully managed over their life to ensure best value in terms of utilisation, maintenance and income generation.

It was the Council's intention to review the AMP regularly (with annual updates) so that the assets could continue to support evolving corporate priorities. This process would be monitored by the Asset Management Group.

In view of a comprehensive Housing AMP now having been drafted together with a 30 year Housing Business Plan, the Housing Revenue Account housing and garages assets had been excluded from this current version of this AMP.

**Resolved** that subject to review following adoption of the Corporate Business Plan and related exploration of asset management opportunities, that Asset Management Plan 2013/2014 to 2015/2016 be formally adopted.

7. **Corporate Business Plan 2013/2014 to 2015/2016**

Considered report previously circulated, concerning the development of a three year Corporate Business Plan to replace the Council's Corporate Strategy. A copy of the draft Business Plan had been circulated to all Members.

The Business Plan had been developed after detailed consultation work with Councillors and all political groups and following an external peer review by the Local Government Association (LGA).

The 'Where do we want to be in the future' section of the Business Plan described the Council's Vision and three corporate aims together with the strategic actions required over the next three years to deliver these aims. The actions were deliberately high level and would be interpreted into more detailed and specific work programmes. Many of the actions had been designed to address the issues identified as a result of the LGA's peer review.

The new Vision and three Corporate Aims, were as follows:-

Vision: Taunton Deane is known nationally as a quality place that is growing and developing sustainably, with a vibrant economic, social and cultural environment.

Aim 1: Quality sustainable growth and development;

Aim 2: A vibrant economic environment; and

Aim 3: A vibrant social, cultural and leisure environment.

The Corporate Business Plan also included a 'Transformed Council' section which detailed three further objectives required to make the Council fit for purpose, address funding pressures and set a long term balanced, sustainable budget. These objectives therefore underpinned the Council's ability to achieve the Corporate Aims.

Reported that the three objectives under this section were:-

- Achieving financial sustainability;
- Transforming services; and
- Transforming the way we worked.

There were particular areas of work in this section that were seen as early priorities to progress in the next financial year as a matter of urgency. These projects would be further scoped and costed and would be brought back for Member Consideration in the Spring with a request for funding. These four projects were as follows:-

**Asset Management** – Commissioning a specific piece of work to review how Taunton Deane could use assets more commercially including disposal of poor performing assets and identification of invest to save opportunities.

**Accommodation and Customer Access** – Commissioning a project to make recommendations on meeting the Council's future accommodation needs, including the future of The Deane House. This work would need to consider customer access and increasing financial pressures.

**Streamlined, modern services** – Commissioning work to introduce business process re-engineering reviews to a programme of Council services. These reviews should lead to services becoming more customer focussed, streamlined and efficient and should deliver financial savings. The commission should include training to officers in the organisation to allow it to build the skills to roll this out widely across other services.



**Marketing and Promotion** – Commissioning some work to help develop and deliver a clear marketing strategy for Taunton Deane that defined Taunton’s niche and unique selling point.

Further reported that there was another action within the Business Plan that needed to be progressed as a matter of urgency and was identified as the most critical recommendation from the LGA Peer Review.

This related to **Service Prioritisation and savings targets** which needed to be approved in early 2013/2014. It was intended to invite the LGA to facilitate a workshop with Members in early 2013 to agree a profile of services with associated budgets that collectively were affordable for the Council in its medium-term financial plan.

This would need to meet the aspirations of Councillors in terms of their service priorities but by necessity would involve a considerable cut in spending in service areas to be affordable over the business plan period. Once a costed service profile had been agreed, this would be reviewed annually and adjusted to take account of the success of other initiatives, such as those listed above.

Noted that a ‘second phase report’ for the Corporate Business Plan would be brought back through the Committee system which would set out a detailed delivery plan for the Business Plan, fully scoped and costed projects with a request for funding and a costed profile of services that described where future savings would be required.

A detailed project plan was being developed to achieve this, but the draft timetable was as follows:-

Month	Action	Who
Jan/Feb 2013	Develop detailed action plan for delivery of Business Plan. Share with Leads and officers and build into Service Plans	Strategy Team and CMT, Leads and Officers
Jan/Feb 2013	Scope out and obtain quotes for the four major projects	Directors
Feb/Mar 2013	Councillor workshops facilitated by LGA to agree a costed profile of services for 2014/2015 to 2016/2017.	CMT, LGA and Councillors
Mar/Apr 2013	Report to Scrutiny detailed Business Plan delivery plan; request for funding for the four projects and costed profile of services	Corporate Scrutiny
Apr/May 2013	Approval of delivery plan, funding for the four projects and costed profile of services.	Executive and Full Council

At its meeting on 29 November 2012, the Corporate Scrutiny Committee recommended the Executive to endorse the vision, aims and objectives of the Business Plan, but recognised that further development of the Business Plan would be needed, especially around the detail of the proposed projects, the service profile and closing the future budget gap and more detail on how the Business Plan would be delivered.

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

- (a) Endorse the Vision, Corporate Aims and eleven objectives of the draft Business Plan;
- (b) Approve in principle the commitment to prioritise and fund the four projects set out above, on the understanding that further detail would be brought back to Scrutiny and the Executive with full scoping and costs;
- (c) Agree that work should proceed in developing a detailed delivery plan to map out how this Business Plan would be delivered. This would be shared with Scrutiny and the Executive; and
- (d) Also agree that work should proceed to organise the proposed Local Government Associations facilitated Councillor workshops to develop a costed service profile that would describe how a medium-term balanced budget would be achieved. The final version would need to be approved by Full Council.

## 8. **Executive Forward Plan**

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

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

(The meeting ended at 7.39 pm.)