

Executive - 19 November 2003

Present: Councillor Williams (Chairman)
Councillors Bishop, Mrs Bradley, Mrs Bryant, Edwards, Hall and Mrs Lewin-Harris

Officers: Mrs P James (Chief Executive), Ms S Adam (Head of Finance), Mr R Sealy (Revenues Manager) and Mr G P Dyke (Members Services Manager)

Also Present: Councillors Henley, Hindley, Lisgo, Stuart-Thorn and Trollope

(The meeting commenced at 6.00 pm).

51. Apologies

Councillors Cavill and Garner.

52. Minutes

The minutes of the meeting of the Executive held on 22 October and 4 November 2003 were taken as read and were signed.

53. Public Question Time

Councillor Henley, as a member of the public, expressed his concern at a letter from Councillor Edwards which had recently appeared in The Taunton Times regarding a licensing application from the Liberal Democrat Party for a fundraising function in High Street, Taunton. Councillor Henley made it clear that he did not query the decision in relation to this application but asked that Councillors did not make unnecessary politically based comments of this nature in the local press.

Councillor Williams replied that he would check with the Monitoring Officer whether there had been any contravention of the Councillors Code of Conduct.

Mr Alan Debenham asked the following questions:-

With regard to the proposed improvements to the Station Road/Priory Bridge Road junction, he was concerned that the removal of the central pedestrian refuge would create danger for pedestrians.

Had any notification been received of this Council's Local Government financial settlement.

He hoped that local charities would still be able to carry out fundraising activities in High Street, Taunton.

Councillor Williams replied that the proposed option for the improvements to the Station Road/Priory Bridge Road junction were still being considered by Somerset County Council. Whichever scheme was pursued it would have been thoroughly vetted by a safety audit system and would not be permitted to proceed unless it was safe for pedestrians.

Shirlene Adam, Head of Finance, replied that the Local Government finance figures had been released earlier in the day and were still being interpreted. It was hoped that information would be available by the end of the week.

Councillor Edwards confirmed that use of the High Street by charities would continue to be allowed, subject to the usual terms and conditions.

54. Council Tax on Second Homes

Reported that the Local Government Act 2003 had introduced new freedoms to Local Authorities with regard to the amount of discount offered on Council Tax on second homes and long-term empty properties.

The Government had previously issued a consultation paper which had looked into the possibility of introducing flexibility in the treatment of Council Tax discounts on second homes in order to allow Local Authorities the option of reducing or removing the current discount of 50%.

The Local Government Act 2003 had concluded that any additional income raised by reducing the discount offered on second homes should be shared by the billing authority (TDBC) and the two main precepting authorities (Somerset County Council and Avon and Somerset Police Authority) in proportion to the amount levied via the Council Tax Bills.

Somerset County Council has suggested that all Somerset Authorities should earmark the additional revenue raised by this change of policy for investment in schemes within the billing authorities area. This could be done by giving first priority to any plans put forward by the Local Strategic Partnership and/or the Local Crime and Disorder Partnership. It would be possible for any of the three major precepting authorities involved to suggest and promote individual schemes but this would be done via the local strategic partnership.

It was reported that the County Council had now formally approved this proposal but that confirmation was awaited from the Avon and Somerset Police Authority.

Long-term empty homes for Council Tax purposes included properties which had been empty and unoccupied for six months or more or, where they required major repairs, 12 months or more. The legislation gave Local Authorities the freedom to decide whether discounts should be applied to these properties. Currently, long-term empty homes received a 50% discount once the period of exemption expired. The Act allowed authorities to reduce or remove that discount.

Reducing or removing the discount for long-term empty homes would not, however, generate any additional income as the additional amount charged would be offset by a

reduction in Revenue Support Grant. It was proposed, therefore, that no reduction be made in the level of discount currently applied to long-term empty properties.

RESOLVED that:-

- (1) 90% of the full Council Tax on second homes be applied instead of the present 50%; and
- (2) the additional income raised be delegated to the Taunton Deane Local Strategic Partnership for decisions on how it would be spent.

55. Council Tax and Non-Domestic Rate Instalment Dates

Reported that Taunton Deane currently operated a payment schedule for local taxation (Council Tax and Non-Domestic Rates) that was different to that of neighbouring authorities. There was now an opportunity to reschedule this which, as well as bringing it in line with other local authorities, would have cash flow benefits for the Council.

The Revenues Best Value Review had identified the need to review the Council's instalment dates for Council Tax and Non-Domestic rates. Taunton Deane had traditionally required cash instalments to be paid on the 20th of the month, commencing in April each year. Direct debit payments were largely paid on the first of each month, commencing in May. In the Council Tax system, the 20th of the month was also offered as a payment date for direct debit although only a minority paid on this date. Details were submitted of the number and approximate annual value of the different rates of payment and instalment dates.

When compared with the other Somerset Authorities and Authorities nationally, Taunton Deane had one the latest set of payment dates. This resulted in a potential loss of income and affected collection rates. Details of the instalment dates within the Somerset Authorities were submitted.

An analysis of this Council's instalment dates indicated that by bringing them forward to the 1 April, would produce substantial additional income through cash flow advantages for the Authority. This additional income would result from the investment income obtained by having received and invested the bulk of the payments three to four weeks earlier each month. Additionally, in the long-term, bringing the instalment date forward would improve the Council's ability to recover debt more quickly and enhance collection rates.

Consideration was given to the following three alternative options. Option 1 - phased introduction of new instalment date; Option 2 - limited move to new date retaining direct debit flexibility; Option 3 - moving all payments to 1 April.

It was recognised that the key to the successful introduction of any change to instalment dates was in giving effective publicity to the change. The cost of any such publicity was estimated to be approximately £10,000 which would be met from with an existing budget.

RESOLVED that Option 2, for a limited move to new date retaining direct debit flexibility be agreed, implemented with effect from 1 April 2004, and kept under review.

This option entailed moving the cash instalment date (20 April) and 1 May direct debit instalment date to 1 April from next year. The 20 April direct debit instalment date would remain and be supplemented with the addition of a 10 April direct debit instalment date.

56. Council Tax Base 2004/05

Noted that the Council Tax base was the Band D equivalent of the properties included in the Valuation Officer's banding list as at 16 October 2003, as adjusted for voids, appeals, new properties and the provision for non-collection.

The Band D equivalent was arrived at by taking the laid down proportion of each Band as compared to Band D and aggregating the total. The approved base had to be notified to the County Council, the Police Authority and to each of the parishes.

Adjustments had also been included for new dwellings and for initial void exemptions for empty properties. The Council Tax base also had to reflect the provision for losses on collection. In the current year, a collection rate of 99% was agreed and this rate was considered reasonable for 2004/05. The Council Tax base for 2003/04 was 38,122.79 and the recommended base 2004/05 of 38,410.50 represented an increase of 287.71 or 0.75%.

It was noted that a reduction in the Council Tax discount currently awarded to second homes might increase the Council Tax base. These calculations assumed no increase in the tax base as a result of any policy change on treatment of second homes and long-term empty properties. Members were therefore made aware that any legislative changes to the treatment of second homes in the tax base calculations could result in revised figures being submitted to Full Council for approval.

RESOLVED that the Council be recommended that:-

- a) the report of the Financial Services Manager for the calculation of the Council Tax base for the whole and parts of the area for 2004/05 be approved.
- b) pursuant to the Financial Services Manager's report, and in accordance with the Local Authority (Calculation of Tax Base) Regulations 1992, the amount calculated by Taunton Deane Borough Council as its Tax Base for the whole area for the year 2004/05 shall be 38,410.50 and for the parts of the area listed below shall, for 2004/05 be:-

Ash Priors	64.53
Ashbrittle	86.10
Bathealton	82.69
Bishops Hull	1,065.98
Bishops Lydeard/Cothelstone	1,810.11
Bradford on Tone	276.21

Burrowbridge	200.55
Cheddon Fitzpaine	624.55
Chipstable	110.09
Churchstanton	303.62
Combe Florey	108.31
Comeytrowe	2,058.60
Corfe	131.44
Creech St Michael	928.88
Durstun	57.21
Fitzhead	117.95
Halse	142.53
Hatch Beauchamp	240.69
Kingston St Mary	428.18
Langford Budville	210.93
Lydeard St Lawrence/Tolland	191.45
Milverton	566.97
Neroche	239.82
North Curry	681.90
Norton Fitzwarren	652.72
Nynehead	146.60
Oake	315.95
Otterford	159.73
Pitminster	437.89
Ruishton/Thornfalcon	604.16
Sampfurd Arundel	126.01
Staplegrove	714.55
Stawley	114.10
Stoke St Gregory	372.11
Stoke St Mary	192.23
Taunton	15,317.36
Trull	934.62
Wellington	4,478.96
Wellington (Without)	290.80
West Bagborough	152.81
West Buckland	396.61
West Hatch	139.37
West Monkton	1,068.29
Wiveliscombe	1,066.35
Total	38,410.50

57. Treasury Management Update 2003/04

Submitted report previously circulated which gave an update on the current position for treasury management activities in 2003/04, together with details of the forecast for interest rates and borrowing and investment transactions during the year.

RESOLVED that the treasury management position to date for 2003/04 and the issues highlighted for the six months into 2004/05 be noted.

58. Business Improvement Districts

Reported that the Local Government Act 2003 had introduced the opportunity to create Business Improvement Districts which were partnerships between local authorities and local businesses whose aim was to deliver schemes that would operate for the benefit of the community. Although further consultation papers were expected, local authorities had been encouraged in the mean time to work with the local businesses to develop BIDs.

Details were submitted of the partnership arrangement through which local authorities and the local business community were encouraged to take forward schemes that would benefit the local community subject to the agreement of business rate payers.

The Taunton Town Centre Partnership was keen to develop a BID. A project team chaired by Richard Lee (the Manager of Boots) had been created to progress this issue. The project team were currently engaging with key partners to ensure that the BID concept was fully supported.

RESOLVED that:-

- (1) the concept of Business Improvement Districts be supported and the project team be also supported in its efforts to gain stakeholder backing;
- (2) the Community Leadership Panel monitor the progress of the BID over the coming months.

(The meeting ended at 6.47 pm).