

COUNCIL MEETING – 24 FEBRUARY 2004

RECOMMENDATIONS TO COUNCIL **COUNCILLOR WILLIAMS – LEADER OF THE EXECUTIVE**

(a) General Fund Revenue Estimates 2004/2005

The Executive have considered its 2004/2005 budget proposals. The report we considered contained details on:-

- (1) the General Fund Revenue Budget proposals for 2004/2005;
- (2) the results of the public consultation exercises;
- (3) draft figures on the expected financial position of the Council for the following two years;
- (4) Prudential Indicators for 2004/2005; and
- (5) an overview of the proposed increases in fees and charges for 2004/2005.

The report has also been considered in detail by the Review Board.

The Council are RECOMMENDED that the budget for General Fund services for 2004/2005 be agreed and that:-

- (a) the transfer for any under spend in 2003/2004 back to General Fund Reserves be agreed;
- (b) the use of £16,523 from General Fund Reserves to support the 2004/2005 budget be agreed;
- (c) the development bids outlined in the report submitted to the Executive be agreed;
- (d) the increases to fees and charges set out in the report to the Executive be agreed;
- (e) the proposed 2004/2005 budget being Authority expenditure of £10,975,203 and Special Expenses of £25,750 to be agreed in accordance with the Local Government Act 1992;
- (f) the predicted General Fund Reserve balance at 31 March 2005 of £1,310.466 be noted; and
- (g) the Prudential Indicators for 2004/2005, as set out in the report to the Executive be agreed.

(b) General Fund Capital Programme 2004/2005 to 2006/2007

The proposed capital programme of the Council amounts to £6,383,046, leaving £1,381,056 of unallocated capital resources available for future schemes.

All capital expenditure has to be financed from borrowing, capital receipts or other revenue funds. After taking into account the current programme which has already been approved and financed, the anticipated available surplus resources for the period 2003/2004 to 2006/2007 are £175,000 of Capital Receipts and £1,813,356 of unallocated Capital Reserve, making a total of £1,988,356.

In previous years, the Council's resources took into consideration the use of Credit Approvals. With effect from 1 April 2004, a new system called the Prudential Code will come into effect which will give Local Authorities the freedom to borrow providing

the borrowing is affordable, prudent and sustainable. It is not anticipated that the Council will take advantage of its new freedom to borrow.

The Capital Receipts of £175,000 represents income that is expected to be generated from the sale of assets. This income could be wholly reinvested in funding capital schemes.

The current approved capital programme totals £5,483,621. This includes any slippage in schemes that have been rolled forward from 2002/2003 and any subsequent Supplementary Estimates that have been approved by Council.

The Review Board have considered the Capital Programme and have made no suggestions for changes.

Since the consideration of the programme to the Review Board, Executive Councillors have revisited the proposed programme and suggest one further addition. The scheme for continued financial support in 2004/2005 for improvements to the Taunton Canal/River Corridor (£10,000) is now included in the draft programme.

The Council are RECOMMENDED that the General Fund Capital Programme as set out in the report to the Executive be agreed.

(c) Council Tax Setting 2004/2005

The Council is required to make an annual determination which set its gross expenditure (including the Housing Revenue Account and balances brought forward) and gross income (also included in the Housing Revenue Account and balances brought forward) with the difference as its budget requirement. (This determination is set out in the resolution).

The estimated expenses chargeable to the non-parished area of Taunton in 2004/2005 amounts to £25,750 and this forms part of the total net expenditure of the Council.

The estimated balance on the Council Tax Collection Fund is a deficit of £78,043. Taunton Deane's share of this amounts to £8,435. This is reflected in the revenue estimates.

The overall debt outstanding on Community Charge is now approximately £140. The overall debt has been reduced during the year by write offs of over £1000 and it is estimated that the Community Charge Collection Fund as at 15 January 2004 has a deficit of £27,217. This element is not shared with the County Council or the Police Authority and is, therefore, a cost for the General Fund. This is reflected in the revenue estimates.

The Council's budget requirement including parish precepts and non-parished special expenses is £11,306,166. This is then reduced by the amount notified in respect of the Borough's Revenue Support Grant of £3,675,969 and the Non-Domestic Rates Distribution from the Pool amounting to £2,824,141.

The net amount having taken the Collection Fund position into account of £4,841,708 is used to calculate the Council Tax at Band D, reflecting the parish precepts, etc by dividing it by the total of the Council Tax Base as approved by the Executive in January 2004.

The Council Tax for the Borough (excluding parish precepts and special expenses for the non-parished area) is £116.63, an increase of £7.12 (6.5%) compared to the 2003/2004 Council Tax. The total Council Tax including the County Council and Police Authority precept is still subject to confirmation.

The Council are therefore RECOMMENDED that, subject to final determination, including the Council Tax for Somerset County Council and the Police Authority, which is still to be advised:

1. That it be noted that at its meeting on 14 January 2004 the Executive calculated the following amounts for the year 2004/2005 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992 (as amended):-

- (a) 38,675.69 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year.

- (b)

Ash Priors	66.24	Neroche	241.01
Ashbrittle	86.72	North Curry	684.85
Bathealton	84.19	Norton Fitzwarren	657.25
Bishops Hull	1,070.16	Nynehead	147.57
Bishops Lydeard / Cothelstone	1,822.78	Oake	317.62
Bradford on Tone	276.96	Otterford	163.25
Burrowbridge	203.81	Pitminster	444.97
Cheddon Fitzpaine	626.00	Ruishon/Thornfalcon	606.84
Chipstable	113.17	Sampford Arundel	128.78
Churchstanton	307.45	Staplegrove	715.61
Combe Florey	110.46	Stawley	116.69
Comeytrowe	2,066.03	Stoke St Gregory	374.36
Corfe	131.93	Stoke St Mary	192.98
Creech St Michael	934.29	Taunton	15,417.20
Durston	57.56	Trull	938.40
Fitzhead	118.96	Wellington	4,509.10
Halse	145.65	Wellington (Without)	292.30
Hatch Beauchamp	244.08	West Bagborough	153.99
Kingston St Mary	432.85	West Buckland	398.46
Langford Budville	213.97	West Hatch	139.68
Lydeard St Lawrence / Tolland	193.38	West Monkton	1,073.39
Milverton	573.00	Wiveliscombe	1,081.75

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

2. That the following amounts now be calculated by the Council for the year 2004/2005 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-

- (a) £50,521,900 being the aggregate of the amount which the Council

estimates for the items set out in Section 32(2)(a) of the Act. (*Gross expenditure including amount required for working balance*).

(b) £39,215,734 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act. (*Gross income including reserves to be used to meet Gross Expenditure*).

(c) £11,306,166 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council in accordance with Section 32(4) of the Act, as its budget requirement for the year.

(d) £6,464,458 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant, additional grant or SSA reduction grant (increased by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (*Council Tax Surplus*) and increased by the amount of any sum which the Council estimates will be transferred from its Collection Fund (Community Charge) directions under Section 98(4) of the Local Government Finance Act 1988 made on 7 February 1994 (*Community Charge Surplus*).

(e) £125.19 $\frac{(c) - (d)}{1(a)} = \frac{11,306,166 - 6,464,458}{38,675.69}$

being the amount calculated at (c) above less the amount at (d) above, all divided by the amount at 1(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year. (*Average Council Tax at Band D For Borough Including Parish Precepts and Special Expenses*).

(f) £330,963 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts and Special Expenses*).

(g) £116.63 $\frac{(e) - (f)}{1(a)} = \frac{125.19 - 330,963}{38,675.69}$

being the amount at (e) above less the result given by dividing the amount at (f) above by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relate. (*Council Tax at Band D for Borough Excluding Parish Precepts and Special Expenses*).

(h)

Ash Priors	120.40	Neroche	131.15
Ashbrittle	122.40	North Curry	133.42
Bathealton	123.76	Norton Fitzwarren	136.65
Bishops Hull	129.30	Nynehead	130.18
Bishops Lydeard / Cothelstone	129.80	Oake	126.70
Bradford on Tone	131.07	Otterford	116.63
Burrowbridge	138.37	Pitminster	125.39
Cheddon Fitzpaine	124.62	Ruishton/Thornfalcon	132.86
Chipstable	132.54	Sampford Arundel	151.11
Churchstanton	139.02	Staplegrove	127.39
Combe Florey	127.04	Stawley	125.20
Comeytrowe	123.89	Stoke St Gregory	132.66
Corfe	126.10	Stoke St Mary	125.96
Creech St Michael	131.52	Taunton	118.30
Durston	117.32	Trull	124.09
Fitzhead	130.92	Wellington	133.13
Halse	128.65	Wellington (Without)	128.60
Hatch Beauchamp	128.10	West Bagborough	129.62
Kingston St Mary	130.49	West Buckland	135.45
Langford Budville	124.34	West Hatch	130.50
Lydeard St Lawrence / Tolland	124.65	West Monkton	126.88
Milverton	127.10	Wiveliscombe	131.42

being the amounts given by adding to the amount at (g) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate. (*Council Taxes at Band D for Borough, Parish and Special Expenses*).

(i) See attached.

Note: Since the meeting of the Executive, notification of the level of the Police Authority precept has been received. Somerset County Council will meet on 18 February and an indication of its likely level of Council Tax has also been received. Attached as Appendix A and B are tables which indicate the revised figures.

(d) Annual Investments Strategy

Recent legislation requires each Local Authority to produce an annual Investments Strategy.

In summary, the strategy requires that:-

- all Council investments must be made with prime consideration being given to security of capital and liquidity of those investments;
- security was enhanced by use of credit ratings;

- investments were limited on amounts and time to ensure that the Council could honour cash commitments and benefit from positive interest rate movements;
- advantage of favourable moves in the interest rates should be taken by conducting forward deals supported by advice from specialist advisers;
- external fund management was deemed not appropriate at this time; and
- the Executive would be updated on any proposed changes/amendments to the strategy at future meetings and be presented with an end of year assessment included in the annual Treasury Management Outturn Report.

An Annual Investment Strategy stated which investments the Council may use for the prudent management of its treasury balances during the financial year under the heads of specified investments and non-specified investments.

The Council are therefore RECOMMENDED that the Investments Strategy, as submitted to the Executive be agreed.

(e) Third Quarter Budget Monitoring

The forecast outturn figures for General Fund Revenue predicts a net under spend of 0.21% or £32,217 against the current approved budget.

The Executive have considered this under spend and allocated areas where it will be used.

The Council are therefore RECOMMENDED that the variations to the budget be agreed and the finance available be allocated as follows:-

£5,000	Golf Course flooding
£2,000	Golf Course Tree Pruning
£10,000	Car Park Signs
£4,000	Hunts Court – pump priming
£5,000	Chewing Gum Clearing Initiatives
£6,217	Pay on Foot – feasibility study
Total	£32,217

Councillor J R Williams

COUNCIL MEETING – 24 FEBRUARY 2004.

REPORT OF COUNCILLOR WILLIAMS – LEADER OF THE COUNCIL

My report to Full Council has become the opportunity to ensure that all Members are appraised of the current position in respect of the ongoing initiatives and policies of this Council. Since our December meeting I am pleased to report we have successfully concluded on three major issues which are;

- Completion of Wellsprings Leisure Centre
- Alterations to Priory Bridge/Station Road junction
- Setting of a sound and balanced prudent budget with under a 14P per week Band D Council Tax increase which is before you for consideration tonight.

The other initiatives are ongoing such as the Vision for Taunton process, relocation of the livestock market, redevelopment of the Crescent car park/High Street area, progressing our response to the Local Plan Inspectors report. We also need to use the next few months to reassess the Leisure Trust proposals as at our special meeting in December we gave ourselves six months for this to take place. The Housing Stock Options evaluation is also progressing and implementation of the Licensing Act will soon be required but we still do not have all the necessary guidance from Central Government in order to set this up.

We must not forget that the day before this meeting the formal part of our Comprehensive Performance Review process commenced with the Chief Executive and myself taking the assessors on a tour of the district. This is to give some insight into the many initiatives we have in place to help and encourage the community to develop and help themselves. This process is very much ongoing and many Members and Officers will be involved in talking to and providing information to allow the assessors to form a judgement as to our capabilities. The whole process will extend from now until July when the final judgement will be announced as to which grade we have achieved. It is very important to this administration that we score well and at least achieve a good rating as it does impact considerably on the way we run and administer this Council in the future.

Initiatives in Wellington although not highly visible are still very much ongoing. Plans for redevelopment of Cornhill I understand have been delayed because of a change of architects for the property concerned. Included in our budget is a substantial sum for replacement of the North Street toilets which is a much needed and long overdue improvement for Wellington. It has to be said the present toilets are a disgrace to Taunton Deane. It is obvious they have suffered from years of underinvestment hence it is likely the solution will be to replace rather than upgrade. Efforts are still continuing to ensure the important listed Tonedale buildings and its machinery are preserved as a heritage site and it now

appears it has taken on international significance as English Heritage have established that the process used by Fox's mill for cloth making is quite unique.

In my last report I mentioned the need to find an alternative use for the Old Municipal Buildings. I can report that initial discussions have been held regarding a possible alternative use. Early days but if successful it would be an eminently suitable use for such a lovely old building and fit perfectly with our aspirations to create a cultural/public centre around Castle Green.

I set out as follows more detail of some of the above.

Wellsprings Leisure Centre

I was delighted to receive the keys at the formal handover of the centre on 22 December 2003 which helped draw a line under a very difficult contract. The waiting has been worth it with superb facilities set in an excellent building. Full credit must go to the centre staff who worked tirelessly to ensure the facilities were installed and ready to go for the opening of the centre to the public on the 3 and 4 January 2004 and fully operational as from the 5 January. The opening of the centre has been well received with it being well used by the public and Ladymead School for the benefit of their pupils.

The difficult task now remains of attempting to recover the increased cost of the project due to the failure of the original contractor to complete the works, from that contractor. Be assured that this administration is committed to taking all reasonable steps to achieve this aim.

Station/Priory Bridge Road Junction

I regard the improvements carried out as a great achievement for this administration. It has demonstrated our ability to work in partnership and close cooperation with the highways authority, find the necessary funding to facilitate the works and most of all bring these vital alterations to a satisfactory conclusion for the benefit of residents, business and visitors in Taunton Deane. Although it has only been operational for a few weeks the impact it has made in reducing congestion, from whichever side the junction is approached, is tremendous.

Budget Setting

The budget setting process is now concluded and the subject of a separate report to you tonight. I believe it is pertinent to say that we were advised it was difficult with the budget gap experienced, but no different to previous years with similar gaps. This is where the similarity ends. We have managed to develop a sustainable balanced budget with absolutely minimal use of reserves, unlike last year. Substantial amounts are included to protect and maintain the assets of this Council and for meeting the requirements of legislation for which no previous

sensible provision had been made, this despite the certain knowledge that legislation required us to implement works. We have also listened to our taxpayers and maintained a low increase in Council Tax at under 14P per week Band D equivalent. All this with only a net increase in Government funding over last year of 1.44%, in monetary terms this amounted to £101,000 increase but for salary increases, increased pension contributions and inflation on services we started with a £700,000 deficit. In addition the medium term financial predictions clearly indicate that we are spending beyond our means and that further budgetary correction will be required to ensure we can maintain a sustainable budget for the future. We have made a good start with this budget but I flag up that the process of evaluating costs and income must continue if we are to maintain a satisfactory budget over the coming years.

Vision for Taunton Process

The initial consultations when the Urban Design Framework plans were presented have been concluded and I am pleased to report that of the responses received the majority fully supported the aims and aspirations of the vision. We are now awaiting the next consultation process that provide information about the necessary infrastructure improvements associated with this major regeneration proposal and the feasibility studies. The plans as prepared are tremendously exciting and promise regeneration of life in Taunton with huge benefits for the economy and the region. We must not forget the cultural benefits as planned with new theatre, cinema, improved cricket ground and the proposals for a cultural/public area around Castle Green. Make no mistake, I do not underestimate the difficulties that lie ahead of us in implementing a scheme of this magnitude but we do have tremendous partners in SWRDA, SCC and local business and Economic Development groups that are fully supportive and willing us to succeed in what has to be the long term successful regeneration of major areas in Taunton.

I would flag up one potential problem and this is the proposal for the inner relief road crossing the river at Tangier, I am of the opinion that if this were to proceed it would deliver a major blow to the overall deliverability of the regeneration of the riverside corridor. It will not only seriously affect the development of Tangier and the cultural centre as proposed but will also have a major impact on Bridge Street which at present is the intended exit and access point for traffic using the new bridge. The major congestion problems we have until recently experienced in Station/Priory Bridge Road will pale into insignificance against the problems that will be caused if this inner relief road is constructed along its presently intended route. Please also do not be deceived by the prospect of the panacea of a pedestrianised precinct through North Street. Our respected Town Planners, Terence O'Rourke, advise this would be detrimental to the economic wellbeing of North Street and it would only be part time pedestrianisation at best. The highway authority advice is that because of traffic capacity problems in the town

North Street must remain as a vehicular through route in both directions during the peak hours of the day.

We do need relief roads but not so close to the town centre that it is in danger of destroying the very viability of the regeneration programme.

Town Centre Retail Redevelopment

Recently I have seen the preliminary layouts of the major town centre redevelopment in the Crescent car park and High Street area. These are exciting plans showing major retail redevelopment of the area with new multi-storey car parking, new bus station and some residential development. At the time of writing this report these plans were “hot off the press” but they show an imaginative and exciting proposed development which I look forward to presenting publicly as I sure it will be well received by the majority. Again as part of the process the infrastructure problems and feasibility studies must be carried out before we go too far in the consultation process.

Relocation of Livestock Market

Achieving this is absolutely key to the whole visioning process as it releases for development a large important section of development land for regeneration. In my report to Full Council in December I was anticipating an early submission of a planning application for the chosen site for relocation at Chelston, Wellington. Regrettably this has not occurred but it is in course of preparation now and I do believe submission is imminent. I am still of the opinion that as a Council we must take all reasonable steps to facilitate the relocation of this very important business to the preferred site of the Auctioneers, located at Chelston, and to assist us this must be achieved at the earliest time possible to free up our site in Taunton for redevelopment.

SWARMMS A358 Dualling

We have now progressed to the publication of the feasibility study as commissioned by the Minister to advise on the relative benefits of the upgrading of the A358 and the A303. In all major respects the A358 showed by far the greatest benefit from further investment which must assist our case for the A358 considerably. Again the cooperation between this Council, SCC and the business sector is an exemplar of partnership working. I represent with Officers this Council on a tactical lobbying group termed “The Missing Link” and the campaign was successfully launched recently with excellent media attendance to give the fullest coverage to our campaign. We must remain focussed on the fact that only one major scheme, if any, will be given approval by the Minister and this must be the upgrading of the A358 as providing the greatest benefits for the region and Taunton with its North/South links as well as East to West. The A358 is the gateway to the West Country for a lot of businesses in the Midlands and North.

Junction 25 of the M5 represents the closest access and egress point to the national motorway network for large areas of countryside, making it a truly regional link.

Councillor John Williams
Leader of the Council