

Taunton Deane Borough Council

Full Council - 23 February 2016

Liberal Democratic Group – Budget Amendments

**Proposed by Councillor Simon Coles
Seconded by Councillor Federica Smith**

BACKGROUND

TDBC is but a microcosm of the whole of the country. We are one of 365 districts in England with just approximately 140,000 people out of a population of well over 60 million for the UK. Our budget comprises under 9.8% of the Council Tax bill that will land on household's doorsteps towards the end of March but don't let that mean we can be glib or underestimate the significance of what we are doing for tax payers and residents of Taunton Deane.

GENERAL

We believe that in our approach towards the budget setting for 2016/17 we should hold true to the economic, social and environmental trends that we have discerned over the past 12 months and that we should endeavour to use the budget to address what we believe are the injustices, inequalities and unfair actions that we perceive in Taunton Deane, and are either widening or getting worse. We also want more transparency in the way in which decisions on spending are taken.

Three facts -

- The discrepancy between household incomes is getting wider nationally, regionally and locally. The Indicators of Multiple Deprivation 2015 show that Taunton now has 3 areas that are in the worst 5% of the whole country compared with 5 years ago.
- The impact of global warming is growing and the problems of climate change are greater than ever. Central Government is however becoming even more dependent on fossil fuel and nuclear solutions and far less encouraging towards solutions of renewable energy and sustainable projects which will help to combat climate change.
- Economic Growth is slow. Our average household income is only 86% of the national average and Taunton Deane faces a doubtful future to establish its identity as a sub region capital notwithstanding the Devolution ideas to address this programme before us.

The proposals we are putting forward may only be small measures and probably only affect a few families but we are charged to attempt to put into practice where possible services which do show that we care for our community, its people and the environment in which we live. That element of care has been the bench-mark for the amendments that you see before you today in the amendments paper.

AMENDMENT 1

Final Settlement Additional Funding. Do not transfer to Reserves.

AMENDMENT 2

Voluntary and Community Centre Grants. We believe the value for money argument outweighs the potential savings. The 10% net cut proposed to the Community Centre grants only adds to the discontent felt by residents in the most socially deprived areas of the district and their lack of involvement in their own affairs. To quote our own Revenue and Benefits Manager from the EQA of the Taunton's Citizen Advice Grant "***The consequences of these agencies (the Community Centres and the CAB) not being able to assist customers who are struggling to pay their rent or Council Tax could result in a decline in our ability to collect money owed and increased homelessness with knock on funding implications. In effect withdrawing funding could be a false economy.***"

AMENDMENT 3

Restoring Hanging Baskets Display. The cut proposed to 120 baskets in Taunton and 44 in Wellington is the slippery slope towards a further decline in the attractiveness of the town centre. The sad fact is that since the demise of the Town Centre Company, there has been no corporate strategy for supporting the retailers and prioritising action therein. We are aware that we seek more contributions from the private sector towards these public goods. However Taunton and Wellington deserve better and during the summer months our visitors and regular shoppers expect to see civic pride displayed and not reduce the proud tradition we have built up over the years with the numerous "Britain in Bloom" awards we have won. We love Taunton – and Wellington!

AMENDMENT 4

Restore Local Business Networks. The reduction proposed of taking £5,800 from the annual fund of £35,800 for supporting local businesses to invest and grow through New Business and Rural Grants is sending the wrong message to the private sector at the wrong time. All the indications are that more and more

people are likely to become self-employed in an increasingly competitive world and to cut small grants shows TDBC to be out of touch with economic trends.

AMENDMENT 5

Supporting Inward Investment and Fulfilment. Although we are no longer a part of any Into Somerset or similar County wide scheme we think the removal of the small amount of funding is indicative that we are “not open for business”. The restoration of this funding keeps alive the culture of TDBC to be alert, active and responsive to new opportunities from wherever.

AMENDMENT 6

Maintaining the Brewhouse Theatre Annual Grant. TDBC helped to resuscitate the Performing Arts in Taunton at Coal Orchard in the centre of the town with its rescue from the demise of the former company. It has been and is still a real struggle for the non-for profit organisation to attain a foothold and convince the public that it will succeed. Simply reducing the grant for the next 3 years by £7,600 per annum is not a vote of confidence in either culture as an economic driver or as a vote in the future of Coal Orchard in the Town Centre.

AMENDMENT 7

Marketing the area through culture. Reducing the Arts Development Grants by 10% is yet another penny pinching, nit picking and “spoiling the fun” kind of action. It is a minor sum for TDBC as a whole but again is a further denial of the role of the Arts as an economic driver and symbolises the meanness of TDBC corporately. Just compare the time we devote to this compared to the extraordinary change in the costings for relocating of the DLO moving from a win-win position of £200,000 capital gain to a capital spend of £1,300,000!

AMENDMENT 8

Increase in Unparished Area Fund Levy. The unparished area of Taunton comprising some 38% of the households of Taunton Deane receives less than 7% of the precepts levied by the 62% of the households covered by the parished areas. It gets a derisory £43,300 compared with the rest of Taunton Deane’s £640,000. This is nearly 16 times less! Wellington alone receives 4 times as much as Taunton! See Appendix C of Council Tax Setting Report.

Notwithstanding the democratic workings of the parishes, this inequality seriously inhibits the town of Taunton from developing its communities and the services available which the parishes take for granted. The proposal therefore is trying to redress this imbalance in a marginal manner by allowing an increase of 31% to

widen the base which in due course will give the Unparished Area Committee an additional £13,850.

This increase is another small measure to combat the growing inequality in income and economic injustice that is hurting Taunton Deane and redresses some of the balance within our diverse and proud community. It shows that TDBC recognises the latest Indicators of Multiple Deprivation circulated in November are deteriorating from 2015 in 3 of the Lower Super Output Areas within Taunton to being in the worst 5% nationally when before they were in the worst 10%.

AMENDMENT 9

Feasibility Study for reopening a rail station at Wellington. Whilst recognising the strategic importance of encouraging more public transport, we do not believe TDBC should be supporting what is clearly a responsibility of Central Government or Somerset County Council.

Funding

The financial summary of our Budget Amendments is follows:-

	£'000	£'000 GAP
Adj 1 – Additional Final Settlement Funding – Not transferred to Reserves		(37)
Adj 2 – Restore Voluntary and Community Centre Grants	40	3
Adj 3 – Restore Hanging Baskets Display	10	13
Adj 4 – Restore Local Business Networks	6	19
Adj 5 – Restore Supporting Inward Investment and Fulfilment	2	21
Adj 6 – Restore Maintaining the Brewhouse Theatre Annual Grant	4	25
Adj 7 – Restore Marketing the area through culture	2	27
Adj 8 – Increase in Unparished Area Precept (tax billed)	(13)	14
Adj 8 – Increase in Unparished Area Spending	13	27
Adj 8 – Decrease in Tax Billed TDBC	13	40
Adj 9 – Remove Feasibility Study for reopening a rail station at Wellington	(40)	0

Conclusion

We present for your consideration budget amendments.

The statutory statement from the Council's s151 Officer on the robustness of these amendments is set out in Appendix 1.

The amendments require some new recommendations and these are set out in Appendix 2.

Cllr Simon Coles
Leader of the Liberal Democrat Group
Feb 2016

APPENDIX 1

ALTERNATIVE BUDGET PROPOSAL – STATEMENT BY S151 OFFICER

1. Introduction

- 1.1 This appendix comments on the amendments set out in the Liberal Democrat paper.

2. ROBUSTNESS OF BUDGET ESTIMATES

- 2.1 The proposed amendments reinstate some of the saving plans, reject one area of new investment, and adjust the level of tax levied on both the residents of the Unparished Area in Taunton, and on the wider taxbase of the District.
- 2.2 The overall net impact on the Council's spending is minimal should these be for one year only. However if ongoing, the changes will add £64k to the budget gap in 17/18. The reduction in the base tax level of TDBC will also have an ongoing impact in future years of £13k, which, whilst not ideal considering the challenges ahead, is not material in the overall funding plans of the Council.

3. General Comments

- 3.1 All other general comments on the robustness of the budget remain as set out in the Executive's budget proposal.

4. Adequacy of Reserves

- 4.1 The amendments do not impact materially on the level of reserves.

5. Conclusion

- 5.1 The amendments do not materially change the financial standing of the Council. My view is the budget amendments are robust and have no material impact on the levels of reserves.

Shirlene Adam
Strategic Director
Feb 2016

APPENDIX 2

RECOMMENDATIONS – GENERAL FUND BUDGET SETTING

Full Council is requested to consider these budget amendments and, if supported, to approve the detailed recommendations on the General Fund Budget as set out in the Executive's proposal with the following amendments:-

a/	Note the s151 Officer Statement of Robustness in Appendix A of the Executive's proposal and the further information in Appendix 1 of the Liberal Democrat amendment.
b/	Approve the General Fund Net Revenue Budget 2016/17 of £14,395,992, and including a Basic Council Tax Requirement budget of £5,569,450 and Special Expenses of £56,750, and net reserve transfers totalling £3,296,493.
c/	Approve a Council Tax increase of 3.38% increasing the Band D basic rate tax rate by £4.66 to £142.54 per year.
d/	No change
e/	No change
f/	No change
g/	No change

RECOMMENDATIONS - COUNCIL TAX SETTING

The Liberal Democrat budget amendments will mean some changes are necessary to the "determination" position which forms part of the Tax Setting Recommendations. Full Council is therefore requested to approve the detailed recommendations which will be circulated at Full Council.