MINUTES

Draft minutes subject to approval at the next meeting of the Executive

Executive - 20 September 2006

Present: Councillor Williams (Chairman)

Councillors Bishop, Mrs Bradley, Cavill, Clark, Hall, Leighton and

Mrs Lewin-Harris

Officers: Mrs P James (Chief Executive), Ms S Adam (Strategic Director),

Mr S Kendall (Economic Development and Regeneration Manager)

and Mr G P Dyke (Member Services Manager)

Also Present: Councillors Henley and Wedderkopp.

(The meeting commenced at 6.15 pm.)

74. Apologies

Councillor Garner.

75. Public Question Time

Councillor Wedderkopp, as a member of the public, referred to traffic congestion in Taunton town centre and asked when the Council would consider ring fencing income from car parks to help provide alternative means of transport.

Councillor Williams replied that, although all income went into the General Fund and was used for the general benefit of the whole community, large sums of car parking income were already being used in relation to highways issues. In addition, the excellent take up of the free concessionary travel scheme meant that an overspend was projected which would be entirely funded by Taunton Deane. It was noted that the County Council were the Highway Authority and that this Council were constantly pursuing them to improve the highway service.

Councillor Henley as a member of the public asked the following questions:

(a) Would Councillor Mrs Bradley please clarify why the system of credits made to West Buckland Primary School for recycling had been discontinued.

Councillor Mrs Bradley replied that the Council, in common with all other local authorities in the County, were working towards a joint waste disposal strategy. This meant that all services had to be correlated and on this basis, the system of paying recycling credits to West Buckland Primary School had had to be discontinued. Councillor Williams added

that as a County Councillor, Councillor Henley was in a good position to lobby the Somerset Waste Partnership direct.

(b) Councillor Henley then drew attention to various anti-social issues which had recently been taking place in Vivary Park.

Councillor Clark replied that the Vivary Park Warden was aware of these problems and had had some success in resolving them. The Council were actively working in partnership with the Police to try and resolve these problems. Councillor Mrs Lewin-Harris added that the Police were currently focussing on these problems and as a result made some arrests. Councillor Williams also added that Sgt Murphy, the relevant Beat Manager, had recently contacted him to congratulate the Park Warden on his efforts and to say that he felt that by working together the strategy of managing the park was beginning to show results.

(b) Councillor Henley referred to the DVD which was being included as part of the information sent to Council Tenants in relation to the Housing Stock Transfer process. He said that not all tenants would have access to a DVD and asked what the cost of producing it and sending it was.

Councillor Williams replied that the cost involved was included within the overall programme. During the consultation exercise, it had been identified that 80% of Council house tenants either had or had access to a DVD. In addition to the DVD's, videos were also being created. Councillor Henley would be informed of the cost of producing and issuing the DVD's. A copy of the DVD will be sent to all Councillors after it had been circulated to tenants.

76. <u>Declarations of Interest</u>

Councillors Wedderkopp, as a single household pensioner, declared a personal and prejudicial interest in the item relating to an application for Council Tax discount and left the meeting during consideration of that item.

77. Application for Council Tax Discount

Mr Brian Allen, Chairman of the Taunton and Wellington Pensioners Forum, read a statement which explained why his organisation had applied for a further 25% discount on Council tax for single household pensioners. He felt that older people needed to be recognised and that the Council had the right and responsibility to take action if they could afford it. The Council should not be afraid to be the first Local Authority to give a discount of this nature. In the opinion of the Forum it was right, fair and proper.

Councillors Williams replied that, the Council was certainly not afraid to be the first local Authority to introduce a discount of this nature but drew attention to the un-affordability of the proposal. There would be an unacceptable impact

on others, including pensioners. The Council had to take everyone within the community into account when deciding upon the level of Council Tax.

Mrs Diana Wilson, Secretary of the Pensioners Forum, suggested that the existing benefits system be simplified so that the application process for benefits was less daunting. She felt that a special case for older people had already been recognised in other spheres and suggested that if the Council could not agree to the full discount applied for, that it start by giving such a discount to those over 80 years of age.

Further contributions, in support of the application for a further 25% discount on Council Tax for single household pensioners, were made from Mr P Rowsell-Dobson, Mr Maggs and two other members of the Pensioners Forum.

After hearing the contributions of the representatives of the Pensioners Forum, it was explained that the Local Government Act 2003 had introduced a power for Council tax billing Authorities to reduce the amount of tax payable. This power allowed billing Authorities to either reduce or cancel the Council tax payable, either for specific classes of cases as determined by the billing Authority or for individual cases. This power was introduced to give Council tax billing Authorities the flexibility to create local discounts and exemptions appropriate to their local circumstances. The Authorities were required to fully fund the cost of any such reduction. No provision had been made in the legislation for the other major precepting Authorities (County Councils and Police Authorities) to fund their element of the discount or exemption awarded.

The Executive had previously considered this matter and approved a procedure and framework for the consideration of any applications under this power.

The Taunton and Wellington Pensioners Forum had formally applied under the Act for the Council to consider ways in which single older people living alone in their own homes could effectively receive a further reduction of 25% in Council Tax thus paying only one half instead of three quarters of Council Tax levied by the Council.

Following the application, the Council had approached both Somerset County Council and Avon and Somerset Police Authority and asked whether they as major preceptors would be willing to support and fund their share of any discount awarded. Both Authorities had already replied to the effect that they were unable to meet this request and therefore the burden of any further reduction in Council Tax for a particular section of the community would fall entirely on Taunton Deane. It was felt that the issue around the affordability of Council Tax by single pensioner households was very much a national issue. The knock on effect of awarding the local discount to make up a perceived inadequacy in the national Council Tax and welfare system was also considered. It was acknowledged that other groups might then be able to make a case locally on a national issue. In addition, the local government

funding regime was currently under review. Attention was drawn to the existing Council Tax benefits system which was in place to help those on low incomes. The Council's Benefits team had been actively encouraging people to take up the benefits that they were entitled to.

It was reported that all single occupier households were already entitled to a 25% discount on Council Tax. This was a national regulation and therefore was not charged directly to Taunton Deane Borough Council. The amount of discount awarded under this regulation was approximately £4.2 million per annum.

Based on best estimates, if the Council were to award a further 25% discount to single household pensioners then the cost to Taunton Deane Borough Council would be an extra £2.24 million per annum. This would clearly have a significant impact on the Authorities budget position increasing its budget requirement by some 17.6%. There would be no government grant to cover this so the entire impact would be felt by the Council's tax payers. The financial impact of granting a discount would be a significant on the remaining Taunton Deane tax payers adding around £57 to the current Band D tax bill (an increase of 45% per annum on Taunton Deane's share of the Council Tax). It would also be significant in the eyes of central government and would be likely to cause the Council to breach the Government's guidelines for a Council Tax increase and trigger the capping regime.

The Executive felt that it had demonstrated that the impact of granting such a discount to be funded entirely by this Council was quite simply unaffordable.

RESOLVED that:

- (a) the application by the Taunton and Wellington Pensioners Forum for a further 25% discount on Council Tax for single household pensioners be not agreed;
- (b) the Council's Council Tax and Housing Benefit take up strategy be further reviewed and the Pensioners Forum be encouraged to write to Sir Michael Lyons outlining its concerns so that this could be taken into account in the review of local government funding;
- (c) details of this issue be drawn to the attention of the Local Government Association, Department of Communities and Local Government, the Prime Minister and the Chancellor of the Exchequer so that all involved were fully aware of the dilemma being faced both by pensioners and local Authorities:
- (d) the appropriate Government department be informed the complicated nature of current benefits forms.

78. Taunton Christmas Ice Rink 2006

Reported that Taunton Town Centre Company had brought a very successful ice rink to Taunton over the Christmas period in 2005.

Following its success, there was popular demand to bring a larger rink back to the town again this year. The Town Centre Company intended to work in partnership with Tone Leisure Limited in the management and responsibility of this scheme if repeated in 2006.

To bring this to Taunton, the costs were considerable and both organisations had worked hard to secure sponsorship. To date, the committed financial support from the private sector was not sufficient for either organisation to feel confident that break even could be achieved and neither organisation could afford to take a significant financial risk.

Notwithstanding this situation, the Taunton Town Centre Management Committee had pledged a further £10,000 of its resources towards the cost of this project.

The Council had been approached by the Company with a request that it make a contribution of £16,000 towards the running costs of the rink. In addition, the Council was also requested to agree a further maximum £10,000 guarantee against loss should there be a shortfall. It was noted that both amounts could be financed from within existing budgets.

The Council's Review Board had considered this matter at its meeting on 7 September 2006 and had recommended that the Executive agree this request. Details of the discussion that had taken place at the Review Board were submitted.

RESOLVED that the request from the Town Centre Management Company that the Council contribute the following amounts within the existing budgets be agreed.

- A fixed contribution of £16,000 as part funding of the running costs of the rink; and
- A maximum contribution of up to £10,000 which will be payable only in the event of the facility making an overall loss.

(The meeting ended at 7.54 pm.)