

Somerset West and Taunton Shadow Council

At a meeting of Somerset West and Taunton Shadow Council held at Shire Hall, Shuttern, Taunton on 21 February 2019 at 6 p.m.

Present: Councillor J Parbrook (Chair)
Councillor C Herbert (Vice-Chair)
Councillors M Adkins, P Berry, J Blatchford, C Booth, N Cavill, M Chilcott, S Coles, M Dewdney, S Dowding, D Durdan, M Edwards, E Gaines, A Govier, A Gunner, R Habgood, A Hadley, T Hall, N Hawkins, B Heywood, M Hill, J Horsley, J Hunt, A Kingston-James, S Lees, L Lisgo, D Mansell, S Martin-Scott, K Mills, P Murphy, R Parrish, P Pilkington, J Reed, R Ryan, F Smith, F Smith-Roberts, V Stock-Williams, P Stone, A Sully, N Thwaites, N Townsend, A Trollope-Bellew, C Tucker, J Warmington, P Watson, D Wedderkopp, D Westcott, J Williams and G Wren.

Officers: James Hassett (Chief Executive), James Barrah (Head of Function – Commercial, Investment and Change), Robert Hillier (Head of Function – Communications and Engagement), Bruce Lang (Assistant Chief Executive and Monitoring Officer), Lesley Dolan (Business Services Manager, SHAPE Legal Partnership), Paul Fitzgerald (Strategic Finance Advisor and Section 151 Officer), Andrew Stark (Interim Finance Manager), Kerry Prisco (Finance and Procurement Project Manager), Dean Emery (Principal Revenues and Debt Recovery Officer), Marcus Prouse (Specialist – Governance and Democratic), Andrew Randell (Democracy and Governance Case Manager) and Richard Bryant (Temporary Democratic Services Specialist)

1. Apologies for Absence

Councillors J Adkins, T Aldridge, B Allen, R Bowrah, Coombes, H Davies, K Durdan, H Farbahi, R Henley, G James, I Jones, R Lees, I Morrell, H Prior-Sankey, S Pugsley, K Turner and T Venner.

2. Minutes

Approval of the minutes of the Shadow Council meeting held on 17 December 2018 was deferred to allow a number of amendments to be made to them.

3. Declarations of Interest

Councillors M Chilcott, S Coles, A Govier and J Hunt declared personal interests as Members of Somerset County Council.

Councillors N Cavill, E Gaines, A Govier, A Hadley, J Hunt, G James, A Kingston-James, P Murphy, J Parbrook, P Pilkington, J Reed, D Mansell, V Stock-Williams, P Stone, N Townsend, A Trollope-Bellew, J Warmington, P Watson and D Westcott all declared personal interests as Members of Town or Parish Councils.

As the owner of a business, Councillor A Hadley declared a prejudicial interest in Agenda Item No.12. He undertook to leave the meeting during the discussion of this item.

Members were reminded by the Chair that they all had Pecuniary Interests as far as the setting of the Council Tax rate was concerned but that a specific exemption existed to enable the item to be considered and voted upon.

4. **Public Participation**

- (i) Dr Ian Gauntlett asked Councillors to support the motion to Council at agenda Item No.5 as Somerset was uniquely vulnerable to climate change.

The new Council had to play its part in supporting the County as a whole to reduce our carbon footprint to zero within the next 12 years.

The importance of this subject was brought into sharp focus by the country-wide 'strike' by school children. In his view the children 'get it' that there is no time to delay; to obfuscate or procrastinate. After all, it is their future.

Councillors did have the power to make a difference. However, they needed to act urgently otherwise the consequences were likely to be disastrous.

People had been singularly failed by national Governments and responsibility to act had devolved to the local level.

Somerset County Council and other Councils had now declared 'Climate Emergencies'. Taking action did not need to be hideously expensive as there were lots of ways Councils could encourage residents to reduce their effects on the climate.

Dr Gauntlett asked whether Councillors could afford not to declare a Climate Emergency?

- (ii) Mark Raby stated that when his young daughter asked what climate change meant, he had had to soften his response to the following:-

- Humans were close to having made irreversible impact on our climate;
- This would lead to uncontrollable changes to global weather, sea levels and temperature; and
- That this would lead to death, famine, extinction and suffering for humans, animals and plants.

So in 2030 when my daughter was in 'her teens' would you be able to tell her what, as a Councillor, you had done to address the situation?

What steps can you take in your public office to ensure we are zero carbon by 2030 and if you do not know the answer now, when will you?

Mr Raby said that the following were some personal ideas:-

- Reduced Community Infrastructure Levy for 'passiv haus' houses;
- A requirement for schemes to have 50% zero energy housing from 2020 similar to affordable housing;
- Reduced Council Tax for offices/houses linked to a green energy provider;
- Tax breaks for low energy retrofit (working with such companies as zeb cat, Regen or energiesprung);
- The introduction of a company energy audit scheme and gold standard - as a badging system;
- Electric only parking in town;
- An electric car scheme for on street parking; and
- A requirement that new offices must have cycle parking and showers.

What was the Council planning on doing?

- (iii) Bill Butcher stated that he was Chairman of the Western Somerset Forum 21 whose volunteers supported projects to mitigate climate change such as energy saving measures or the use of low carbon fuels.

He hoped that the new Council would not think itself too busy to become involved with measures to stop climate change.

The timing had to be now. The motion clearly set out why action was needed for the sake of ourselves, our children and grand-children.

The Council could take action which would be good for Somerset's population, businesses and reputation as a 'green County'.

He was not asking the Council to act alone. It should join with others to work in partnership and seek to draw down funds from central Government to meet the cost of introducing measures to reduce the likely effects of climate change.

This would make the County a healthy, resilient and attractive place to work, visit and live.

- (iv) Alan Wedderkopp said that he supported the motion wholeheartedly. He hoped that recent events had, at last, seen off the 'climate deniers'. The climate was changing and we all had to act.

The new Council had to lead from the front with an intake of new Councillors who had fresh ideas.

He added that new thinking was needed especially in relation to highways, housing and the environment. The 1930's Garden Towns could not simply be allowed to continue to sprawl outwards. Almost one hundred years later the new Garden Towns needed to be planned in an entirely different way to ensure their environmental impact was minimised.

- (v) John Hunt stated that as Councillors, we should be leading from the front to ensure that everyone changed their current behaviours.

Greater use of public transport and cycle routes was necessary, although he acknowledged that bus services needed to be more extensive and reliable and that cycling had to be made safer.

He added that he had avoided flying over the past four years simply because of the impact this mode of travel had on the climate. He hoped all Councillors would support the motion.

In response to the above contributions, Councillor J Williams stated that the message was very clear as to the need to take action. The motion was an excellent way to move the matter forward and he hoped it would enjoy cross party support.

(vi) Alan Debenham asked the following questions:-

(a) Regarding the combined result of the merger of the two Councils and the implementation of the Transformation proposals actioned from recommendations from Ignite Consultancy Service:-

- What was the overall establishment reduction in the total number of full time posts?
- How many employees had already lost jobs, or were in the process of losing their jobs and how many of these were, or would be, via compulsory redundancy?
- To what extent was it known, or anticipated, that these reductions in posts and personnel would result in loss of services local residents?
- To what extent had staff and trade unions been consulted over these severe cuts and what had their reaction been in terms of staff resistance and despondency?

(b) As to the deployment of Ignite Consultancy as the vehicle for producing this major Transformation, what had been the total expenditure to date on this contract and what further expenditure was currently planned or anticipated? Also what had been the overall detrimental effect on delivery of needed services? When questioned about this last October, the Leader of the Shadow Council had confirmed that there was definitely no service reduction. However, this did not appear to be the case?

(c) With regard to the so-called pedestrianisation of Taunton Town Centre, the current position remained confusing and, yet again delayed, still not including North Street and Corporation Street. What was the latest position?

Councillor Williams thanked Mr Debenham for his questions. He did not recognise previously saying that there would be no service reductions. He had consistently stated that the Councils were going through a 'root and branch' reorganisation and that services would be upset, on a short term basis.

In terms of the Transformation, since 2013 the One Team had maintained services for the community, including many non-statutory services, saving

£1,800,000 per year. With the Transformation going through its final stages this had added further yearly savings of £3,500,000 whilst still protecting services. He added that the new Council had forecast a generally balanced budget for the next five years, although this situation could always change especially with Government involvement.

Councillor Williams undertook to provide Mr Debenham with a full written response before asking Councillor R Parrish to respond to Mr Debenham's third question.

Councillor Parrish acknowledged that there had been a delay to the proposed pedestrianisation of St James Street, Hammet Street and East Street in Taunton due to the receipt of a number of objections. Further conversations had been held with the main stakeholders and it was likely that the works to St James Street would commence during May/June with the other two street following a short time thereafter.

(vii) Tony Bullen referred to the draft General Fund Budget proposals and, in particular, to the Special Expenses/Unparished Area Budget.

The Shadow Executive had recommended that the cost of some services solely provided in Taunton should not be charged out as special expenses.

The services he was referring to were those which could be provided by a Parish/Town Council such as allotments, cemeteries, playing fields, dog bins, leisure services and tourism. Local residents knew how much was spent in their parishes with the cost usually charged to the taxpayers as a precept.

However, how much was spent in the Unparished Area of Taunton for providing a similar range of services? In his view, many of the Council Taxpayers in the new Council area would be subject to 'Double Taxation'. Mr Bullen considered this to be grossly unfair.

The Taunton Unparished services could be at least £1 million per annum. However, the Section 151 Officer was unable to confirm this, presumably because Taunton Deane Councillors had always considered it reasonable to charge the costs as general expenses.

Accordingly, special expenses ought to be levied so that a level playing field existed between all taxpayers. If this was applied, the cost to a Band D Council Tax Charge in Taunton would rise to almost £100. Wellington Town Council's precept also appeared to be lower than it ought to be. Should special expenses also be levied in this instance?

If such action was taken, Council Tax for a Band D property, could be reduced from £157.88 to £130.88 - a reduction of £27 over the recommended Council Tax rate of £159.63.

He therefore suggested to Councillors that they should not approve the

recommendations in respect of agenda item Nos. 7 and 11 but resolve to increase special expenses in both Taunton and Wellington with the consequential recalculation of the Council Tax Setting for 2019/2020.

In response, Councillor Williams stated that Council Tax setting was an extremely complicated business. He did not intend to enter into the detail as he was aware that Mr Bullen had been in contact with the officers seeking answers to his questions. As far as the Unparished Area was concerned, the Council was currently able to set a rate but this was controlled by the capping limit of the main Council. The special expenses precept was ring-fenced and was spent only in relation to issues in the Unparished Area.

He added that there were moves to form Charter Trustees for the Unparished Area who would be able in future years to raise its own precept like a Parish/Town Council independent of the capping limit. He encouraged Mr Bullen to continue his dialogue with the officers.

5. Motion to Council – Declaring a Climate Emergency

Moved by Councillor D Mansell, seconded by Councillor F Smith-Roberts.

“The Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C, published in October 2018, had provided a stark warning to the World. Increasing carbon emissions from human activities had already caused about 1°C of global warming above pre-industrial levels. If current trends continued the United Nations target (agreed in Paris in 2015) to endeavour to limit the average increase to 1.5°C might be reached by 2030. Current national commitments throughout the world were expected to still result in global warming of 3°C by 2100, with further warming continuing afterwards.

Increases in carbon levels and temperatures were already having serious environmental, economic and social impacts, including increases in extreme weather, sea levels, flooding, drought, heat waves, forest fires, ill-health and the spread of diseases, greater loss of species and habitats, changing ecosystems, ocean acidification, higher ocean temperatures and lower oxygen levels and reduced yields from agriculture and fisheries. The IPCC report showed these impacts would be worse with global warming of 2°C compared to 1.5°C.

With increasing temperatures, the impacts would escalate, with some passing tipping points and becoming irreversible. Natural feedback systems, such as loss of albedo (surface reflectivity) due to melting sea-ice, would result in further global warming and greater climate changes. An international team of climate scientists had warned of a Hothouse Earth scenario with naturally stored carbon being released from permafrost, forests and seas, which would lead to sea levels rising by 10-60 metres and parts of the Earth becoming uninhabitable.

Mark Carney, the Governor of the Bank of England, was among many who had warned that the global financial system could be at risk from both physical

climate impacts and a 'carbon bubble' where efforts to decarbonise left carbon intensive assets stranded. This applied to most fossil fuels reserves, which needed to be left in the ground and not burned, as well as fossil fuel power plants.

Options and choices existed to reduce carbon emissions from human activities, including our energy generation and use, transport, business and industry, waste generation, food consumption and land use; but these options were not being adopted and introduced quickly enough.

To avoid the worst impacts of global warming and climate change, carbon emissions needed to be reduced as rapidly and quickly as possible. Individuals could not be expected to make the reductions necessary on their own. Society needed to change its infrastructure, incentives, regulations and taxation to make low carbon living easier and a common social norm.

Climate action could deliver wider economic and social benefits in terms of improved health and well-being, new jobs, savings and market opportunities.

There was a need to build on strategies and plans previously adopted by Taunton Deane Borough Council and West Somerset Council and to take these further.

The Council was therefore **recommended**:-

- (1) To declare a climate emergency;
- (2) With partners across the district and region, to start working towards making Somerset West and Taunton carbon neutral by 2030, taking into account emissions from both production and consumption;
- (3) To call on the Government to provide guidance and the powers and resources to make carbon neutrality possible by writing to local Members of Parliament, the Secretaries of State for Business Energy and Industrial Strategy, Transport, Environment, Food and Rural Affairs and Housing, Communities and Local Government;
- (4) To develop a Carbon Neutrality and Climate Resilience Plan, starting from July 2019, with a cross party working group and the necessary officer support to assist with investigative work, drafting the plan and the delivery of early projects;
- (5) To report to Full Council before the end of 2019 with costed proposals for projects for the Council to effectively start addressing the climate emergency, which could include:-
 - Enabling more cycling, walking and use of shared and public transport;
 - Providing electric car charging points in car parks and other suitable locations, including for use by Council tenants and Council vehicles;
 - Adopting high energy efficiency standards and providing for the effective use of recycling services in new buildings through the planning system;

- Demonstrating and developing a programme for retrofitting high standards of energy saving and insulation in existing Council buildings, including housing, and assets; initially focusing on where the greatest benefits could be gained;
 - Promoting waste reduction, reuse and recycling on the go, and supporting community projects;
 - Sourcing electricity used by the Council from renewable energy suppliers and providing support for smart energy infrastructure, including demand management and storage;
 - Supporting green businesses and social enterprises;
 - Reviewing planning policies and investment opportunities for local renewable energy and infrastructure and environmental markets, as well as divestment from fossil fuels;
 - Adaptation for flooding, coastal erosion and other impacts of climate Change; and
 - The appointment of a specialist officer to develop and champion the delivery of the Carbon Neutrality and Climate Resilience Plan.
- (6) To provide an annual review and update of the plan thereafter; and
- (7) To allocate a provisional budget of £25,000 to allow this work, including early projects agreed by the working group, to be undertaken either through resources already available or through commissioning. This sum to include £15,000 as a supplementary budget allocation from the General Fund in 2019/2020, to be taken from general reserves and returned if able to be undertaken from already available resources, and £10,000 to be prioritised from the proposed Housing Revenue Account Maintenance Budget in 2019/2020.

The Motion was put and was carried unanimously.

(During the discussion of the motion, Councillor N Thwaites declared a personal interest as he was involved in a project to install charging points for vehicles in West Somerset.)

6. Housing Revenue Account Budget Estimates 2019/2020

Considered report previously circulated, concerning the proposed Housing Revenue Account (HRA) Revenue Budget and Capital Programme for the 2019/2020 Financial Year.

2019/2020 HRA Budget

In 2012 Taunton Deane had moved away from a national subsidy system to become 'self-financing'. As part of the self-financing agreement, a one-off payment of £85,120,000 was made to the Government, in return for being able to retain all income locally to manage and maintain the housing stock. The total debt in the HRA at the start of self-financing was £99,700,000.

In order to manage the freedoms gained by the HRA through self-financing, a new 30 year Business Plan (2012-2042) was introduced. This set out the

Council's overall aims and objectives for Housing Services, as well as laying out plans to manage the increased risks and opportunities.

The Business Plan had been reviewed and updated annually since 2012, but due to a number of changes in national policies and local aspiration a full review of the Business Plan had been undertaken in 2016. The draft estimates for 2018/2019 therefore reflected the amendments approved in the Business Plan.

There was an anticipation that further regulatory changes were likely following the recent publication of the 'Social Housing Green Paper' and the independent review of Building Regulations and Fire Safety. In addition to this, the Council had its own internal developing housing aspirations to consider. This suggested that another full review of the Business Plan should be undertaken to maintain the affordability and viability of these schemes and the financial impact of any regulatory changes within the overall Business Case.

As part of the self-financing agreement, an individual housing revenue debt cap of £115,000,000 had been implemented by the Government for Taunton Deane. Noted though that in October 2018 this debt cap had been removed.

The expectation of the Government was that the removal of the debt cap, along with other proposals such as allowing Councils more flexibility on Right to Buy (RTB) receipts and the introduction of a new rent policy from 2010, would enable authorities to plan for the development of new homes with more certainty.

Summary of Movements in HRA Estimates

The following table provided a summary of the main proposed changes to the budget estimates from 2018/2019 to 2019/2020 for the HRA Revenue Budget.

HRA Budget Setting 2019/2020 Changes

	£k
Original Budget 2018/2019 – balanced budget	0.0
<u>Income</u>	168.8
<u>Expenditure</u>	
Inflation (excluding salaries)	73.0
Housing Partnership	(21.6)
Pension Deficit	15.4
Provision for Bad Debt	(441.5)
Grounds Maintenance	298.5
Transformation savings	(929.0)
Other Savings	(9.3)

<u>Other Expenditure</u>	
Provision for Depreciation	(258.9)
Revenue Contribution to Capital Outlay	250.4
Interest Payable	(123.4)
Interest Receivable	62.0
Movement in earmarked reserves	914.7
Increase/Decrease in Provision for Repayment of Debt	0
Increase/Decrease in Social Housing Development Fund	0
Proposed Original Budget for 2019/2020 i.e. net transfer to reserves	0.9

Dwelling Rental Income for 2019/2020

The Welfare Reform and Work Act 2016 had set out a 1% reduction in social housing rents from 1 April 2016 for four years up to and including 2019/2020.

The proposed Housing Rent for 2019/2020 reflected national policy that required a reduction of (at least) 1%. For Somerset West and Taunton tenants this would see a reduction to the average weekly rent, from £81.69 per week to £80.87 per week.

These changes had caused the dwelling rents annual income forecast to decrease by £129,100 over the current Business Plan to £24,013,000 from £24,142,000 for the HRA from approximately 5,700 properties.

On 4 October 2017 the Department for Communities and Local Government announced that “increases to social housing rents would be limited to the Consumer Price Index (CPI) plus 1% for 5 years from 2020.” This assumption had been included in the medium term forecast within the HRA financial plan.

Rent lost through void periods continued to be lower than the 2% allowed in the original Business Plan. Therefore it was proposed to reduce the expected void rate to 1% for a two year period and to also consider voids as a result of regeneration needs

Other Income for 2019/2020

About 9.3% of HRA income, amounting to £2,400,000 in total, came from non-dwelling rent (mainly garages, but also shops and land), charges for services and facilities, and contributions to HRA costs from leaseholders and others. The proposed changes to specific budget lines reflected changes agreed by Shadow Full Council in the Fees and Charges report in December 2018.

Expenditure 2019/2020

The main areas of spending planned for the 2019/2020 financial year included:-

- General Inflation;
- Housing Partnership;
- Pension Deficit;
- Provision for Bad Debts;
- Grounds Maintenance Service Charges;
- Transformation Savings;
- Provision for Depreciation and Revenue Contribution to Capital Outlay (RCCO);
- Interest Payable
- Interest receivable;
- Transfers from Earmarked Reserves;
- Repayment of Borrowing; and
- Social Housing Development Fund.

Full details of the planned spending were set out in the report.

Housing Revenue Account Capital Programme for 2019/2020

The proposed HRA Capital Programme for 2019/2020 totalled £9,590,000. This was provided to deliver the prioritised capital investment requirements included in the current Business Plan for the next budget year as follows:-

Draft HRA Capital Programme 2019/2020

Project	Total Cost £000
Major Works	6,197
Improvements	321
Exceptional Extensive Works	502
Disabled Facilities Grants and Aids and Adaptations	376
Building Services Vehicles	121
Social Housing Development Fund	2,069
Total Proposed HRA Capital Programme 2019/20	9,586

It was proposed that the HRA Capital Programme should be funded from the Major Repairs Reserve (from depreciation), RCCO from the Social Housing Development Fund, and capital receipts (Right to Buy) as follows:-

Funding Estimates

	2019/2020 £k
General Fund	
Major Repairs Reserve	7,517
Social Housing Development Fund (RCCO)	1,170
Capital Receipts	899
TOTAL Funding	9,586

This line in the capital programme covered a number of areas of spend. The Council was required to maintain decent homes standards ensuring items were replaced as and when needed.

The detail used to make up the Major Works budget was shown in the table below and this was what the budget line was expected to be spent upon. This was subject to change depending on factors such as contractor availability.

Major Works

Project	Total Cost £000
Bathrooms	1,400
Heating Systems	1,625
Fire Safety Work	1,172
Fascias and Soffits	1,200
Insulation	800
Total	6,197

Details of the proposed budgets for Improvements, Exceptional/Extensive Works, Disabled Facilities Grants and Aids and Adaptations, Building Services Vehicles and the Social Housing Development Fund were submitted.

The current 5-Year HRA Capital Programme was shown below, which included forecast capital expenditure requirements for the period 2019/2020 to 2023/2024, as identified in the Business Plan:-

Draft HRA 5-Year Capital Programme

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	5-Year Total £m
Capital Programme	9.586	9.699	7.632	7.770	7.910	42.597

HRA General Reserves

As set out in the HRA Business Plan the recommended minimum un-earmarked reserve balance for the HRA was £1,800,000 (approximately £300 per property). The reserve balance as at 1 April 2018 was £2,778,000. There had not been any approved changes during the year from un-earmarked reserves.

If the draft budget was approved, the balance would increase to £2,779,000 which was £979,000 over the minimum reserve balance. This reserve would be held at the minimum recommended balance of £1,800,000 when considering any further demands on this reserve.

Further reported that although some previous risks had now been removed (for example Higher Value Asset Sales), the HRA still faced a number of medium to long-term risks and uncertainties, both internal and external to the Council. These included:-

Universal Credit – It was not known what impact the full roll out of Universal Credit would have on the HRA although steps had already been taken to try and prevent loss of income where possible. These were set out in the report.

Social Housing Green Paper: The Government had published its Social Housing Green Paper in response to the tragedy at Grenfell Tower. Whilst the initial consultation had now closed, the outcome was awaited together with any regulatory changes that this might bring.

Independent Review of Building Regulations and Fire Safety: The final report set out over 50 recommendations for the Government as to how to deliver a more robust regulatory system to ensure that residential buildings were safe to live in. The final regulatory changes were awaited to enable the full budgetary impact this might have on the HRA to be understood.

Transformation: Savings from Transformation had been included within the Business Plan. If these savings were not achieved the financial position of the Business Plan would be affected.

Asbestos: Significant progress had been made in implementing processes and procedures to ensure the Council met its duties under the Control of Asbestos Regulations 2012. Detailed analysis would identify the Council's short, medium and long-term financial liabilities for asbestos. The outcome would be compared with the budgetary provision so as to schedule an affordable Asbestos Management Plan.

HRA Borrowing

In 2012 Taunton Deane took out additional borrowing of £85,200,000 as part of the self-financing settlement with the Government. This brought the total borrowing in the HRA up to £99,600,000 at the start of self-financing, including £5,500,000 internal borrowing from the General Fund.

The current borrowing requirement for 2018/2019 totalled £104,800,000 with an additional £12,800,000 of internal borrowing within the HRA (for approved capital schemes such as Creechbarrow Road, Taunton). This internal borrowing was currently funded from reserves held by the HRA, but external borrowing might be required in the future. A loan repayment of £3,500,000 would be made during 2019/2020.

An annual provision of £1,800,000 for repayment of debt was included in the Business Plan, and ongoing repayments of borrowing would be made.

In October 2018 the Government had officially removed the debt cap that had been set at the inception of self-financing. This meant that the HRA now came under the same prudential borrowing rules as the General Fund and was therefore able to borrow providing that it was affordable and viable as part of the overall Business Case and ensuring that this could be repaid over the 60 years.

Right to Buy (RTB) Receipts

In 2012 the maximum discounts offered to tenants who exercised their Right to Buy had increased significantly to £77,000. Taunton Deane had signed up to retain the additional receipts, and agreed that these receipts would be used

to fund new affordable housing. The additional RTB receipts could only account for 30% of spend on new housing, with the remaining 70% coming from other funds such as revenue funding or borrowing. The RTB receipts could not be used in the same scheme as other Government funding such as Homes and Communities Agency funding.

The full spend on new housing had to be spent within three years of the capital receipt, or the RTB receipt had to be returned to the Government with interest at 4% over base rate from the date of the receipt.

The latest forecast showed that spend would be enough to meet the match funding requirements to quarter 2 of 2019/2020.

Noted that new housing did not need to be provided by the Council. The 30% RTB funding could also be used by Housing Associations in the area, provided they met the same match funding requirements.

Further options for the 70% match funding of RTB receipts in excess of planned development expenditure included:-

- Increasing spend through borrowing;
- Increasing spend from revenue – which would lead to reduced service provision as revenue was allocated within the Business Plan;
- The use of other Council funding; or
- Return funding to Government.

The requirement for the funding to be spent within three years did mean that there was flexibility to allocate funding after the capital receipts were retained. However as development schemes usually had large lead in times receipts therefore needed to be allocated as soon as possible to reduce the risk of having to repay the capital receipt to the Government with interest payments.

The HRA Budget and Capital Programme had been considered by the Shadow Scrutiny Committee on 5 February 2019. The views expressed by Members at this meeting were reported.

In accordance with Standing Order 16(2)(i), the Chair called for a formal roll call of votes to be taken and recorded in the Minutes.

The recommendations, which are detailed below, were put and were carried with forty seven Councillors in favour and one abstaining:-

Resolved that that the Housing Revenue Account Budget and Capital Programme for 2019/2020 be agreed and that:-

- (a) The proposed rent decrease of 1%, with proposed average rents of £80.67 per week in 2019/2020 be approved;
- (b) The Housing Revenue Account Budget for 2019/2020 be approved; and
- (c) The new capital schemes of the Housing Revenue Account Capital

Programme of £9,586,000 for 2019/2020 be also approved.

Yes	Yes	Abstain
Councillor M Adkins	Councillor D Mansell	Councillor I Aldridge
Councillor P Berry	Councillor S Martin-Scott	
Councillor J Blatchford	Councillor K Mills	
Councillor C Booth	Councillor P Murphy	
Councillor N Cavill	Councillor J Parbrook	
Councillor M Chilcott	Councillor R Parrish	
Councillor S Coles	Councillor P Pilkington	
Councillor M Dewdney	Councillor J Reed	
Councillor S Dowding	Councillor R Ryan	
Councillor D Durdan	Councillor F Smith	
Councillor M Edwards	Councillor F Smith-Roberts	
Councillor E Gaines	Councillor V Stock-Williams	
Councillor A Gunner	Councillor P Stone	
Councillor R Habgood	Councillor A Sully	
Councillor A Hadley	Councillor N Thwaites	
Councillor T Hall	Councillor N Townsend	
Councillor N Hawkins	Councillor A Trollope-Bellew	
Councillor C Herbert	Councillor C Tucker	
Councillor M Hill	Councillor J Warmington	
Councillor J Hunt	Councillor P Watson	
Councillor A Kingston - James	Councillor D Wedderkopp	
Councillor S Lees	Councillor D Westcott	
Councillor L Lisgo	Councillor J Williams	
Councillor S Lees		

7. **General Fund Revenue Budget and Capital Estimates 2019/2020**

Considered report previously circulated, which set out the General Fund Revenue budget proposals and the Shadow Council's Capital Programme for 2019/2020.

General Fund Revenue Budget

This was the first budget for the newly formed Somerset West and Taunton Council (SWT). The General Fund Revenue Account was the Council's main fund and showed the income and expenditure relating to the provision of services which residents, visitors and businesses all had access to including

planning, environmental services, car parks, certain housing functions, community services and corporate services.

The Council directly charged individual consumers for some of its services through fees and charges. The expenditure that remained was mainly funded through a combination of local taxation and through grant funding from Central Government.

Each year the Council had to set an annual budget which detailed the resources needed to meet operational requirements. The annual budget had to be prepared within the context of priorities identified by Members which were embedded in the Council's current Corporate Plan.

The budget reflected transformation savings and showed a broadly balanced position for the medium term. However there was significant uncertainty from 2020/2021 onwards with the implementation of the Fair Funding Review and resetting of Business Rates baselines.

The Shadow Scrutiny Committee had considered the draft budget proposals at its meeting on 5 February 2019. The views expressed by Members at this meeting were reported. It was noted that the introduction of fees and charges in the Minehead Parks had been withdrawn following the receipt of the Scrutiny Committee's comments and because there had been a lack of consultation with regard to these charging proposals.

Reported that the Final Finance Settlement was received on 29 January 2019. This reconfirmed the funding indicated by the provisional settlement with the announcement of additional funding towards Brexit preparations – each District Council to receive £35,000 over two years.

Alongside the Local Government Finance Settlement, the Government had confirmed that it was looking to implement the Fair Funding Review in April 2020 and had published a further consultation on its progress.

General Grant Funding

The grant funding from Government was in line with the confirmed multi-year settlement (2016/2017 to 2019/2020), with the expected reduction in 2019/2020 of Revenue Support Grant but with the unexpected maintenance of Rural Services Delivery Grant at the 2018/2019 settlement level. There was confirmation that Negative Revenue Support Grant would be offset in 2019/2020. This was worth £128,000 for SWT and it had been assumed that this would happen. Overall there had been a 64% reduction in General Revenue Grant funding, as follows:-

General Government Grant

	TDBC/WSC 2018/19 £	SWT 2019/20 £	Change £	
Revenue Support Grant	449,841	6,340	-443,641	-99%
Rural Services Delivery Grant	241,506	241,506	-	-

Total General Revenue Grant Funding	691,487	247,846	-443,641	-64%
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Business Rates Retention and 75% Business Rates Pilot Bid

Local authorities received a significant proportion of their funding through the Business Rates Retention (BRR) system. SWT would operate within the Somerset Business Rates Pool in 2019/2020. In addition, the Pool had applied successfully to be a Pilot area for 75% BRR.

From initial estimates the one-off gain through the Pilot would be £6,000,000 – 7,000,000 in addition to a similar amount through pooling, of which SWT’s share of the gain would be between £1,200,000 and £1,400,000. At this stage it had been prudently assumed that an amount of £1,200,000 arising from the potential gain would be set aside within a special Economic Growth and Prosperity Fund.

Noted that the overall BRR position had improved not only through the Pilot scheme, but also through closer alignment in key assumptions between the Pool authorities regarding appeals and refunds. It was evident that the new “Check, Challenge, Appeal” arrangements introduced by the Valuation Office in 2017 had significantly reduced appeal volumes and the consequential need to make financial provision for such appeals.

New Homes Bonus

The New Homes Bonus (NHB) Grant system had been in place since 2011/2012. It was funding allocated by the Government which incentivised and rewarded housing growth. The NHB grant was non-ring-fenced which meant the Council was free to decide how to use it. The Council had only used part of its NHB allocation each year towards the revenue budget for services. The remaining grant had been allocated to the Growth Earmarked Reserve.

The confirmed NHB Grant for 2019/2020 was £3,809,209, which was £151,768 or 4% less than the comparable amount for 2018/2019.

The Government had not revised the changes to the NHB methodology that had been announced in 2017/2018. The growth baseline remained at 0.4%, which saw a “top-slice” for growth which did not attract any NHB grant. In addition to the top-slice, the Government had reaffirmed that the legacy amounts included in the annual grant allocation would be reduced to four years from 2018/2019.

The impact of this growth baseline was significant. Housing growth (net of new housing, demolitions and increase/decrease in empty homes) of 268.6 Band D equivalents had not been rewarded in 2019/2020. This had resulted in a loss of funding of approximately £359,161 due to the top-slice for 0.4% growth.

Council Tax

Further reported that the new Council was required to address the issue of the different amounts of Council Tax that had been previously set by the former Councils of Taunton Deane (TDBC) and West Somerset (WSC). The new Council was required to set a 'harmonised' Council Tax rate such that all residents within the new Council area paid the same amount of district level Council Tax relative to the banding of their property.

The current basic Band D Council Tax amounts were £152.88 for TDBC and £155.56 for WSC respectively. For initial financial planning purposes it was assumed that the initial 'harmonised' rate for 2019/2020 would be £157.88. Thereafter, the Medium Term Financial Plan (MTFP) reflected a financial planning assumption that Council Tax charges would increase by 2.99% each year from 2020/2021.

The Shadow Executive had therefore recommended the option to increase Band D Council Tax to £157.88 which equated to a £5 annual increase on the current TDBC rate of £152.88 and an increase of £2.32 on the current WSC Band D, and this was reflected in the proposed budget for 2019/2020. The Band D tax rate including £1.75 for the Somerset Rivers Authority would be £159.63 per year or £3.05 per week.

The approved Tax Base for 2019/2020 was 56,622.8 Band D Equivalentents, an increase of 1,048.6 (1.9%) compared to the 2018/2019 tax base of TDBC and WSC. The budget estimates for Council Tax income for SWT was therefore $56,622.8 \times £157.88 = £8,939,605$. This represented a total increase of £405,662 compared to the previous year.

Special Expenses/Unparished Area Budget

The Shadow Executive was minded to keep the Special Expenses (Unparished Area of Taunton) precept at £3.02 on a Band D property. Due to an increase in tax base this would raise an additional £866 per year in tax income.

The proposed budget for 2019/2020 was therefore £46,399, entirely funded through Special Expenses levied within the Unparished Area.

Somerset Rivers Authority

The Somerset Rivers Authority (SRA) remained unable to raise its own precept and it was therefore proposed to follow the same arrangements as before for TDBC and WSC. For 2019/2020 it was proposed that the Band D amount would be £1.75 and this would raise £99,090 in funding for the SRA.

Draft Budget Summary 2019/2020

The following table provided a summary of the Budget position for 2019/2020:-

	TDBC/WSC Budget 2018/19 £	SWT Budget 2019/20 £
Total Spending on Services	14,842,723	14,752,279
Somerset Rivers Authority Contribution	96,981	99,090
Revenue Contribution to Capital	440,500	375,000
Capital Debt Repayment Provision (MRP)	543,110	455,010
Interest Costs	175,420	168,530
Interest Income	-642,000	-642,000
Parish Precepts	1,828,378	1,828,378
Special Expenses	45,534	46,983
Transfers to Earmarked Reserves	2,957,089	5,923,840
Transfer to Economic Growth and Prosperity Fund	0	1,200,000
AUTHORITY EXPENDITURE	20,287,735	24,207,110
Retained Business Rates (including pool and pilot 2019/20)	-5,556,147	-6,528,746
Somerset BRR Pilot		-1,200,000
Share of Levy Surplus		-59,037
Revenue Support Grant	-449,981	-6,340
Rural Services Delivery Grant	-241,506	-241,506
New Homes Bonus	-3,960,977	-3,809,209
Surplus(-)/Deficit on Collection Fund – Council Tax	-115,977	-116,311
Surplus(-)/Deficit on Collection Fund – Business Rates	541,689	-1,331,905
Demand on Collection Fund – Parishes and SER	-1,873,912	-1,875,361
Total Council Tax Raised by Council	8,630,924	9,038,695
Divided by Council Tax Base	55,574.2	56,622.8
Council Tax Band D – SWT Services	153.56	157.88
Council Tax Band D – Somerset Rivers Authority	1.74	1.75
Council Tax Band D – SWT including SRA	155.30	159.63
Cost per week per Band D equivalent	2.98	3.05

The table below showed the movement in spending and funding between 2018/2019 and 2019/2020:-

	£k	£k
Net Expenditure Base Budget 2018/19		20,288
Inflation costs	503	
Annual pension deficit payment increase	41	
Somerset Waste Partnership	77	
Contribution to Citizens Advice Bureau	45	
Leisure Contract	399	
Other Service Changes	42	
Transformation savings	-1,638	
Service Resilience	266	
Transition Costs	338	
New Council – Savings per business case	-360	
Increase fees and charges	-64	
Deane House project and maintenance costs	137	
Increased IT Costs	126	

Financing Costs (net interest income and repayment of borrowing)	-160	
Subtotal costs		-248
Contribution to Economic Growth and Prosperity Fund	1,200	
Business Rates Smoothing Reserve	3,463	
Reduction in NHB contribution to reserves	-84	
Remove previous year transfers to reserves	-210	
Use of Leisure Reserve	-62	
Other Reserve Adjustments	-140	
Subtotal Reserve movement		4,167
Net Expenditure Base Budget 2019/20		24,207

	£k	£k
Total Funding 2018/19		-20,288
Reduction in RSG	444	
Increased Retained Business Rates	-973	
Somerset Rates Pool	-1,200	
Share of Levy Surplus	-59	
Reduction in NHB	152	
Increased funding from Council Tax	-409	
Collection Fund Surplus	-1,874	
Subtotal - change in funding		-3,919
Total Funding 2019/20		-24,207

Medium Term Financial Plan Summary

The current MTFP forecast was summarised below, reflecting the proposed budget for 2019/2020 and the updates described in the report.

MTFP Summary 2019/2019 to 2023/2024

	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Services Costs	14,842,723	14,752,279	14,229,828	14,449,146	15,154,436	15,740,866
Net Financing Costs	517,030	356,540	485,900	470,260	633,370	416,480
SRA Contribution	96,981	99,090	100,675	102,286	103,923	105,586
Special Expenses	45,534	46,399	47,049	47,708	48,375	49,053
Earmarked Reserves-Growth	3,172,576	3,089,209	3,223,112	2,840,198	2,758,964	2,634,196
Earmarked Reserves-Other	-215,487	2,834,631	232,194	250,194	194	194
Economic Growth and Prosperity	0	1,200,000	0	0	0	0
Net Expenditure	18,459,357	22,378,478	18,318,758	18,159,792	18,699,262	18,946,375
Retained	-5,556,147	-6,528,746	-4,797,881	-4,871,689	-4,945,497	-5,019,305

Business Rates						
Business Rates prior year surplus/deficit	541,689	-1,331,905	0	0	0	0
Somerset BRR Pilot		-1,200,000				
Share of National Levy Account Surplus		-59,037				
Revenue Support Grant	-449,981	-6,340	0	0	0	0
Rural Services Delivery Grant	-241,506	-241,506	-241,506	-241,506	-241,506	-241,506
New Homes Bonus	-3,960,977	-3,809,209	-3,823,112	-3,390,198	-3,258,964	-3,134,196
Council Tax	-8,533,943	-8,939,605	-9,354,180	-9,787,916	10,241,447	10,716,043
Council Tax–SRA	-96,981	-99,090	-100,675	-102,286	-103,923	-105,586
Council Tax–Special Expenses	-45,534	-46,399	-47,049	-47,708	-48,375	-49,053
Council Tax prior year surplus/deficit	-115,977	-116,311	0	0	0	0
Net Funding	18,459,357	22,378,478	18,364,403	18,441,303	18,839,712	19,265,689
Budget Gap	0	0	-45,645	-281,511	-140,450	-319,314
Gap – Change on Previous Year	0	0	-160,645	-235,866	141,061	-178,864

Transformation of Services

The MTFP position above already included the projected savings arising through the implementation of the Transformation Business Case and formation of the new Council, as summarised below. Without these savings the forecast budget gap would be a deficit of £2,057,000 per year by 2023/2024. The savings from transformation included in the MTFP above were:-

Transformation Savings

	2018/19	2019/20	2020/21	2021/22	2022/23
	£k	£k	£k	£k	£k
Transformation Savings	197	1,835	1,853	1,871	1,871
New Council Savings		360	420	505	505
Total Annual Savings	197	2,195	2,273	2,376	2,376

Noted that 2019/2020 was a critical period with the new Council launch and significant change in staffing levels, business processes and ways of delivering services to our customers. This carried a degree of financial risk.

Contract Procurement Savings

It was anticipated that there would be significant revenue savings arising from a contract procurement exercise. Although there would be some additional costs during the first year of the new contract (2019/2020), savings thereafter were significant. The impact of this procurement had been included in the MTFP projections, subject to imminent contract completion.

General Reserves

The current reserves position was shown below. The forecast Outturn for the 2018/2019 budget was currently being reviewed for TDBC and WSC but recent projections predicted a combined underspend of £163,000. In addition it had been approved that £24,000 of the predicted underspend and £509,000 from General Reserves should be used to fund the Transformation Programme during 2018/2019. The table below therefore gave a provisional forecast of the reserves position at the start of the next financial year.

General Reserves Balance

	£k
Balance Brought Forward 1 April 2018	3,198
2018/19 Projected Outturn Underspend	163
Use of underspend for Transformation	-24
Use of General Reserve for Transformation	-509
Projected Balance 31 March 2019	2,828
Recommended Minimum Balance	2,400
Projected Balance above recommended minimum	428

A review of the level of General Reserves had recently been undertaken for the new Council. Following this review it was recommended that the minimum balance of General Reserves should be set at £2,400,000. Given the future funding risks it was strongly advised to maintain reserves above this minimum level.

2019/2020 General Fund Capital Programme

The current Capital Strategy included the following basis for prioritising schemes:-

- 1) Business Continuity (corporate/organisational/health and safety);
- 2) Statutory Service Investment;
- 3) Growth / Transformation;
- 4) Invest to Save; and
- 5) Other.

The recommended General Fund Capital Programme for 2019/2020 totalled

£17,774,000 which included part of the overall allocations for NHB Growth Schemes and Community Infrastructure Levy. A full explanation of the proposed capital schemes were set out in the report.

The current General Fund Capital Programme in 2018/2019 included approved projects totalling £60,502,000 full details of which were submitted for the information of Councillors.

Reported that funding for capital investment by the Council could come from a variety of sources including:-

- Capital Receipts;
- Grant Funding;
- Capital Contributions (for example from another Local Authority or Section 106 Agreement funding);
- Revenue budgets/reserves (often referred as RCCO – Revenue Contributions to Capital Outlay); and
- Borrowing.

All of the schemes in the Capital Programme could be fully funded through a combination of revenue contributions, capital grants, Section 106 Agreement contributions, the NHB growth reserve and capital receipts.

Capital Programme for Growth and Regeneration 2019/2020

Reported that TDBC had previously approved the allocation £16,600,000 of NHB funding over the five year period 2016/2017 to 2020/2021, to support its priorities relating to growth and regeneration. A number of spend categories had been approved, as follows:-

- Taunton Strategic Flood Alleviation;
- Major Transport Schemes;
- Town Centre Regeneration;
- Employment site enabling and promoting enterprise and innovation;
- Marketing, promotion and inward investment;
- Supporting urban extension delivery; and
- Preparation of Local Development Orders.

Reported that the profile of spending over the five year period was indicative and needed to be refreshed annually, to ensure that spending plans remained aligned with an evolving picture of external funding secured, opportunities for new funding and new growth priorities.

The Growth and Regeneration Capital Budget approved to date totalled £6,370,000. If approved, a further £2,027,000 would bring the total budget to £8,397,000.

Having now carried out the above mentioned annual review, a refreshed annual profile of spending on growth was proposed. Although the spending categories and the overall allocation of £16,600,000 remained the same, a

number of changes to the original profile were proposed in some categories, as follows:-

- **Major Transport Schemes** – The overall allocation had increased slightly to £4,100,000 due to the re-profiling of costs with the delivery of the Variable Messaging and Pay on Foot systems in progress. The contribution to the Junction 25 improvement scheme had been re-profiled to 2020/2021 in line with the anticipated delivery of this project;
- **Taunton Town Centre Regeneration** – Overall the allocation had decreased slightly to £2,800,000 due to re-profiling of costs, while retaining the aim of enabling the delivery of major Town Centre schemes, such as Firepool and Coal Orchard.
- **Employment sites, enterprise and innovation** – An increase to the overall allocation to £3,700,000 due to a reallocation from Marketing Promotion to provide for the Innovation Centres; and
- **Taunton Strategic Flood Alleviation** - The allocation towards the Flood Alleviation project had been increased by a reallocation from New Garden Communities in line with the Council's commitment to flood relief.

Noted that subject to a Business Case, the Council could also consider the use of prudential borrowing to provide additional resources.

Community Infrastructure Levy

Reported that TDBC had introduced a Community Infrastructure Levy (CIL) on 1 April 2014. The CIL was a tariff charged on residential development (excluding Taunton Town Centre and Wellington) and retail development outside Taunton and Wellington Town Centres. The principle behind CIL was that most development had some impact on infrastructure and the developer should contribute to the cost of providing or improving it.

Noted that a separate report regarding CIL and future allocations for 2019/2020 to 2022/2023 had previously been considered by the TDBC Scrutiny Committee and the Shadow Executive. The projected balance of CIL receipts as at 31 March 2019 was anticipated to be £4,000,000.

The report had detailed proposed CIL allocations of £15,500,000 for the period 2019/2020-2022/2023 for infrastructure categories associated with the delivery of projects for the Taunton Garden Town and were in addition to the £16,600,000 NHB already committed to delivering the Council's growth agenda. The report to Shadow Executive had included a recommendation that the proposed investment of CIL allocations be included within the recommended Capital Programme for 2019/2020.

The Council's Section 151 Officer had a duty to comment, as part of the budget setting process on the robustness of the budget and the adequacy of reserves. In his response, Paul Fitzgerald had stated that he believed the

Council's reserves to be adequate and the budget estimates used in preparing the 2018/2019 budget to be robust.

In accordance with Standing Order 16(2)(i), the Chair called for a formal roll call of votes to be taken and recorded in the Minutes.

The recommendations, which are detailed below, were put and were carried with thirty seven Councillors in favour, two Councillors voting against and six abstaining:-

Resolved that the General Fund Revenue Budget and Capital Programme for 2019/2020 be agreed and that:-

- (a) The forecast Medium Term Financial Plan and Reserves position and the Section 151 Officer's Robustness Statement both be noted;
- (b) The General Fund Net Revenue Budget 2019/2020 be approved with the following allocations being set aside from the Contingency Reserve:-
 - (i) £20,000 as a maximum contribution towards community defibrillators;
 - (ii) £20,000 as a maximum contribution towards community electrical charging points;
 - (iii) £50,000 towards pump prime business start-up grants;
 - (iv) £20,000 for extra town centre cover to assist with Rough Sleepers; and
 - (v) £15,000 towards the development of a Carbon Neutrality and Climate Resilience Plan (Minute No. 5 refers);
- (c) The setting of a basic Band D Council Tax of £159.63 be approved, comprising £157.88 for services and £1.75 on behalf of the Somerset Rivers Authority;
- (d) The Special Expenses Precept of £3.02 for a basic Band D Council Tax in respect of the Unparished Area of Taunton be approved;
- (e) The minimum General Reserves level be set at £2,400,000;
- (f) The additions to the General Fund Capital Programme Budget of £17,774,000 for 2019/2020, including the overall allocation of £13,864,000 in respect of the New Homes Bonus Growth Programme and the £15,500,000 allocation for Community Infrastructure Projects as amended with £1,000,000 moved from public transport to education provision be also approved.

Yes	No	Abstain
Councillor M Adkins	Councillor S Coles	Councillor C Booth

Councillor I Aldridge	Councillor F Smith	Councillor M Hill
Councillor P Berry		Councillor S Lees
Councillor J Blatchford		Councillor L Lisgo
Councillor N Cavill		Councillor P Murphy
Councillor M Chilcott		Councillor D Wedderkopp
Councillor M Dewdney		
Councillor S Dowding		
Councillor D Durdan		
Councillor M Edwards		
Councillor E Gaines		
Councillor Mrs Gunner		
Councillor Habgood		
Councillor A Hadley		
Councillor N Hawkins		
Councillor Mrs Herbert		
Councillor B Heywood		
Councillor J Hunt		
Councillor A Kingston-James		
Councillor D Mansell		
Councillor S Martin-Scott		
Councillor K Mills		
Councillor J Parbrook		
Councillor P Pilkington		
Councillor J Reed		
Councillor R Ryan		
Councillor F Smith-Roberts		
Councillor V Stock-Williams		
Councillor A Sully		
Copuncillor N Thwaites		
Councillor N Townsend		
Councillor A Trollope-Bellew		
Councillor C Tucker		
Councillor J Warmington		
Councillor P Watson		
Councillor D Westcott		
Councillor J Williams		

(During the discussion of the above item, Councillor P Pilkington declared a personal interest as he was involved in a project to install charging points for vehicles in West Somerset. Councillor P Murphy also declared a personal interest as the Chair of the Watchet Coastal Communities Team.)

8. Capital Strategy 2019/2020

Considered report previously circulated, which set out the proposed Capital Strategy of the new Council for 2019/2020.

Capital expenditure was where the Council spent money on assets, such as property or vehicles, which would be used for more than one year. In 2019/2020, the Council was planning capital expenditure of £20,309,000 as.

The main General Fund capital projects also included £16,600,000 for growth projects.

Reported that the Housing Revenue Account (HRA) was a ring-fenced account which ensured that Council housing did not subsidise, or was itself subsidised, by other local services. HRA capital expenditure was, therefore, recorded separately.

All capital expenditure had to be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Financing Initiative).

Debt was only a temporary source of finance, since loans and leases had to be repaid and this was, therefore, replaced over time by other financing, usually from revenue which was known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) could also be used to replace debt finance.

The Council's MRP Policy was submitted for the information of Members.

The Council's cumulative amount of debt finance was measured by the Capital Financing Requirement (CFR). This increased with new debt-financed capital expenditure and reduced with MRP repayments and capital receipts used to replace debt.

The Strategy comprised the following elements:-

Asset Management

To ensure that capital assets continued to be of long-term use, both Taunton Deane and West Somerset Councils currently had an Asset Management Strategy in place which drove forward new ways of managing the asset portfolio by proactive asset management.

Asset Disposals

When a capital asset was no longer needed it could be sold so that the proceeds, known as capital receipts, could be spent on new assets or used to repay debt. The Council was currently also permitted to spend capital receipts on Transformation Projects until 2021/2022. Repayments of capital grants, loans and investments also generated capital receipts. The Council planned to receive £6,420,000 of capital receipts in the coming financial year.

Treasury Management

Treasury management was concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs while managing the risks involved. Surplus cash was invested until required, whilst any shortage of cash was met by borrowing.

Due to decisions taken in the past, the Council currently had £85,500,000 of borrowing and treasury investments of £56,300,000.

Borrowing Strategy

The Council's main objectives when borrowing were to achieve a low but certain cost of finance whilst retaining flexibility should plans change in the future. These objectives were often conflicting and the Council, therefore, sought to strike a balance between cheap short-term loans and long term fixed rate loans where the future cost is known but higher.

Statutory guidance was that debt should remain below the CFR, except in the short-term. The Council expected to comply with this requirement in the medium term.

Affordable Borrowing Limit

The Council was legally obliged to set an affordable borrowing limit each year and to keep it under review. In line with statutory guidance, a lower "operational boundary" was also set as a warning level should debt approach this limit.

Investment Strategy

Treasury investments arose from receiving cash before it was paid out again. Investments made for service reasons or for pure financial gain were not generally considered to be part of treasury management.

The Council's policy on treasury investments was to prioritise security and liquidity over yield, therefore to focus on minimising risk rather than maximising returns.

Investments for Service Purposes

The Council made investments to assist local public services, including making loans to local small businesses to promote economic growth. In light of the public service objective, the Council was willing to take more risk than with treasury investments, however, it still planned for such investments to generate a profit after all costs.

Commercial Activities

With Government financial support for local public services declining the Council intended to diversify into investments in commercial property mainly for financial gain.

With financial return being the main objective, the Council would be prepared to accept higher risk on commercial investments than with treasury investments. As the Council developed its commercial agenda a new strategy would be put before Members for approval. Noted that property and most other commercial investments were also capital expenditure and purchases would, therefore, be approved as part of the capital programme in future.

Liabilities

In addition to debt of £85,500,000, the Council was committed to making future payments to cover its pension deficit valued at £111,020,000. It had also set aside £2,403,000 to cover provisions. The Council was also at risk of having to pay for contingent liabilities.

Revenue Budget Implications

Although capital expenditure was not charged directly to the revenue budget, interest payable on loans and MRP was charged to revenue, offset by any investment income receivable.

Knowledge and Skills

The Council employed professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.

However, where Council staff did not have the knowledge and skills required, use was made of external advisers and consultants who were specialists in their field. The Council currently employed Arlingclose Limited as treasury management advisers and various property consultants as required.

Reported that the Policy had been considered by the Shadow Scrutiny Committee at its meeting on 5 February 2019 and its comments were submitted.

Resolved that:-

- (1) The 2019/2020 Capital Strategy be approved; and
- (2) The Council's Minimum Revenue Provision policy, as included within the report, be also approved.

9. Treasury Management Strategy Statement 2019/2020

Considered report previously circulated, concerning the Council's Treasury Management Strategy Statement for 2019/2020.

Treasury management was the management of the Council's cash flows, borrowing and investments and the associated risks. The Council had invested substantial sums of money and was, therefore, exposed to financial risks including the loss of invested funds and the revenue effect of changing

interest rates. The successful identification, monitoring and control of financial risk were, therefore, central to the Council's prudent financial management.

Treasury risk management was conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which required the Council to approve a Treasury Management Strategy before the start of each financial year.

On 31 December 2018, Taunton Deane Borough Council held £85,500,000 of borrowing and £37,228,000 of investments. West Somerset Council held £19,105,000 of investments.

The underlying need to borrow for capital purposes was measured by the Capital Financing Requirement (CFR), while usable reserves and working capital were the underlying resources available for investments. The Council's current strategy was to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

CIPFA's prudential Code for Capital Finance in Local Authorities recommended that the Council's total debt should be lower than its highest forecast CFR over the next three years. The Council expected to comply with this recommendation during 2019/2020.

The report went on to explain the Council's Borrowing Strategy and detailed the sources of borrowing available to it which included the Public Works Loan Board, any institution approved for investment, any other bank or building society authorised to operate in the United Kingdom and public and private pension funds.

As far as the Investment Strategy was concerned, the Council held significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past twelve months the Council's investment balance had ranged between £51,000,000 and £83,000,000 and similar levels were expected to be maintained in the forthcoming year.

The CIPFA Code required the Council to invest its funds prudently and to have regard to the security and liquidity of its investments before seeking the highest rate of return or yield.

Further reported that the Council could invest its surplus funds with any of the counterparty types which were detailed in the report subject to the cash limits (per counterparty) and the time limits shown.

Explanations were provided in relation to the following topics:-

- (a) Credit rating;
- (b) Banks unsecured;
- (c) Banks secured;
- (d) Government;
- (e) Corporates;

- (f) Registered providers;
- (g) Pooled funds;
- (h) Real estate investment trusts;
- (i) Operational bank accounts;
- (j) Risk assessment and credit ratings.

Noted that Taunton Deane and West Somerset Council's revenue reserves available to cover investment losses were forecast to be £64,000,000 on 31 March 2019. In order that no more than 14% of available reserves would be put at risk in the case of a single default, the maximum that would be lent to any one organisation (other than the UK Government) would be £9,000,000.

The Council measured and managed its exposures to treasury management risks using the indicators of Security, Liquidity, Interest rate exposures, Maturity structure of borrowing and Principal sums invested for periods longer than a year.

Further reported that the Strategy had been prepared taking into account professional advice and information from the Council's Treasury Management advisor Arlingclose.

The Strategy had been considered by the Shadow Scrutiny Committee at its meeting on 5 February 2019. The views expressed by Members at this meeting were verbally reported.

Resolved that the Treasury Management Strategy Statement for 2019/2020 be approved.

10. Investment Strategy 2019/2020

Considered report previously circulated, concerning the Council's Investment Strategy for 2019/2020. This was a new requirement which met statutory guidance issued by the Government in January 2018.

The Council invested its money for three broad purposes:-

- (i) Because it had surplus cash as a result of its day-to-day activities, for example when income was received in advance of expenditure (known as treasury management investments);
- (ii) To support local public services by lending to other organisations (service investments); and
- (iii) To earn investment income (known as commercial investments where this was the main purpose).

This Strategy focussed on the second and third of these categories.

Treasury Management Investments - The Council typically received its income in cash before it paid for its expenditure in cash. It also held reserves for future expenditure and collected local taxes on behalf of other local authorities and the Government. These activities often led to a cash surplus which was invested in accordance with guidance from the Chartered Institute

of Public Finance and Accountancy (CIPFA). The balance of treasury management investments was expected to fluctuate between £50,000,000 and £90,000,000 during the 2019/2020 financial year.

Service Investments: Loans - The Council lent money to local businesses, local charities and employees to support local public services and stimulate local economic growth.

The main risk when making service loans was that the borrower might be unable to repay the principal lent and/or the interest due. In order to minimise this risk and ensure that total exposure to service loans remained proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower had been set, details of which were reported.

Commercial Investments: Property - The Council did not currently hold any commercial property investments, although this was an area that the Council was currently exploring. If, and when, such investments were deemed appropriate, a policy would be developed which covered security, risk and liquidity as well as explaining the contribution these investments would make to Council objectives.

Further reported that although not strictly counted as investments, since no money has exchanged hands yet, financial guarantees carried similar risks to the Council. Taunton Deane had guaranteed the following items which were included in the 2017/2018 Statement of Accounts:-

- Greenwich Leisure Limited Pension Liability - £4,900,000; and
- South West Audit Partnership Limited Pension Liability - £268,000.

Officers involved in the investment making decision process were governed by internal procedures and processes and external statutory guidance.

Commercial deals were a relatively new area for the Council, however, the commercialism agenda was very much at the centre of the organisational structure of Somerset West and Taunton Council. The new Commercial Investment and Change function would lead on this area once appropriately qualified staff had been recruited and trained.

Corporate governance arrangements had been put in place to ensure accountability, responsibility and authority for decision making on investment activities.

The Council had set the following quantitative indicators to allow Councillors and the public to assess the Councils total risk exposure as a result of its investment decisions:-

Total Investment Exposure

	31.03.18 Actual £m	31.03.19 Forecast £m	31.03.20 Forecast £m
Treasury Management Investments	56.333	56.333	56.333

Service Investments: Loans	2.946	2.674	2.271
Commercial Investments: Property	0	0	2.000
Total Investments	59.279	59.007	60.604
Commitments to Lend	0	0	14.500
Guarantees Issued on Pension Liabilities	5.168	5.168	5.168
Total Exposure	64.447	64.175	80.272

The Strategy had been considered by the Shadow Scrutiny Committee at its meeting on 5 February 2019. The views expressed by Members at this meeting were verbally reported for the information.

Resolved that the Investment Strategy for 2019/2020 be approved.

11. **Council Tax Setting 2019/2020**

Considered report previously circulated, which made recommendations on the level of Council Tax for 2019/2020.

The Localism Act 2011 had made significant changes to the Local Government Finance Act 1992, and now required the billing authority to calculate a Council Tax requirement for the year.

Submitted details of the Town and Parish Council Precepts that had been received for 2019/2020 which totalled £2,118,681.

The increase in the average Band D Council Tax for Town and Parish Councils was 13.73% which resulted in an average Band D Council Tax figure of £37.42 (£32.90 for 2018/2019).

Reported that the Precept for the Police and Crime Commissioner (PCC) had approved its tax requirement on 6 February 2019. The precept would be £12,333,008 which would result in a Band D Council Tax of £217.81, an increase of 12.38%. The Precept would be adjusted by a Collection Fund surplus of £121,290.

The County Council had approved its Council Tax requirement on 20 February 2019 and had set its precept at £70,196,974.55, adjusted by a Collection Fund surplus of £746,092. This was calculated as an increase on base of 3.23% for the general precept and 15.65% for Adult Social Care and had resulted in a total Band D Council Tax of £1,239.73. This figure included a precept of £12.84 in respect of the Somerset Rivers Authority which was unchanged from the 2018/2019 precept.

Noted that the Devon and Somerset Fire and Rescue Authority had approved its Council Tax requirement on 19 February 2019. The precept would be £4,899,003, an increase of 2.99%, which resulted in a Band D Council Tax of £86.52. The Precept would be adjusted by a Collection Fund surplus of £52,576.

As far as Somerset West and Taunton Council was concerned, Members were being asked to approve a total Council Tax requirement of £9,038,695 for 2019/2020. This equated to a Band D equivalent of £159.63; a total increase of £5.00 (3.27%) for 2019/2020 for a Taunton Deane Borough Council resident and an increase of £2.31 (1.49%) in respect of a West Somerset Council resident. This included £1.75 in respect of the Somerset Rivers Authority.

The estimated balance on the Council Tax Collection Fund was forecast on 15 January each year. Any surplus or deficit was shared between the County Council, the Police and Crime Commissioner, the Fire Authority and the Council, in shares relative to the precept levels.

The estimated balance on the Council Tax Collection Fund was a surplus of £1,036,269. Somerset West and Taunton Council's share of this amounted to £116,311, and this had been reflected in the General Fund Revenue Estimates.

In accordance with Standing Order 16(2)(i), the Mayor called for a formal roll call of votes to be taken and recorded in the Minutes.

The recommendations which are detailed below, were put and were carried with thirty-three Councillors in favour, three Councillors voting against and three abstaining:-

Resolved that:-

- (1) The formal Council Tax Resolution set out in Appendix A to these Minutes be approved; and
- (2) The total Band D Council Tax would be:-

	2018/19	2018/19	2019/20	Increase	Increase
	TDBC	WSC	SWT	TDBC	WSC
	£	£	£	%	%
Borough / District Council	152.88	155.56	157.88	3.27	1.49
Borough / District Council - SRA	1.74	1.76	1.75	0.57	(0.57)
Somerset County Council	1,103.15	1,103.15	1,138.80	3.23	3.23
Somerset County Council – Social Care	76.17	76.17	88.09	15.65	15.65
Somerset County Council – SRA	12.84	12.84	12.84	0.00	0.00
Police and Crime ton Commissioner	193.81	193.81	217.81	12.38	12.38
Devon and Somerset Fire Authority	84.01	84.01	86.52	2.99	2.99
Sub-Total	1,624.60	1,627.30	1,703.69	4.87%	4.69%
Town and Parish Council (average)	19.74	71.65	37.42		

Total	1,644.34	1,698.95	1,741.11		
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Yes	No	Abstain
Councillor I Aldridge	Councillor S Coles	Councillor C Booth
Councillor P Berry	Councillor M Hill	Councillor L Lisgo
Councillor J Blatchford	Councillor F Smith	Councillor P Murphy
Councillor N Cavill		
Councillor M Chilcott		
Councillor M Dewdney		
Councillor M Edwards		
Councillor E Gaines		
Councillor A Gunner		
Councillor R Habgood		
Councillor A Hadley		
Councillor C Herbert		
Councillor B Heywood		
Councillor J Hunt		
Councillor S Lees		
Councillor D Mansell		
Councillor S Martin-Scott		
Councillor K Mills		
Councillor J Parbrook		
Councillor P Pilkington		
Councillor J Reed		
Councillor R Ryan		
Councillor F Smith-Roberts		
Councillor V Stock-Williams		
Councillor A Sully		
Councillor N Thwaites		
Councillor N Townsend		
Councillor A Trollope-Bellew		
Councillor C Tucker		
Councillor J Warmington		
Councillor P Watson		
Councillor D Westcott		
Councillor J Williams		

12. **Business Rates Discretionary Relief Policy**

Considered report previously circulated, relating to the Business Rates Discretionary Relief Policy.

The Discretionary Rates Relief Policy, a copy of which had been circulated to all Members, contained some minor changes and a new relief brought in by the Government in the Autumn Statement 2018 called 'Retail Discount'.

A range of Mandatory and Discretionary Rate Reliefs reduced (in some cases to nil) the amount of Non-Domestic Rates (commonly known as Business Rates) a business or organisation had to pay. The qualifying rules and levels of relief for Mandatory Reliefs had been set by the Government and were the same throughout the country. The rules and levels of award for Discretionary Rate reliefs were set by each Council and, as such, might vary from Council to Council.

As part of the policy refresh process a number of 'drop in' sessions had been held where Business Rates and the Reliefs were discussed.

Reported that the Policy had been considered by the Shadow Scrutiny Committee at its meeting on 5 February 2019 and its comments were submitted.

Resolved that the following be approved:-

- (a) Charity 'Top Up' relief be capped at 10%;
- (b) Local Newspaper Relief be continued into 2019/2020 (fully funded);
- (c) Retail Discount from 2019/2020 be introduced for two years (fully funded);
- (d) Local Discretionary Relief for Young/New Businesses/Innovation Centres be introduced;
- (e) Libraries, depending on the legal set-up to receive either 100% Discretionary Relief, or if 80% Mandatory Relief was paid, then a 20% 'top up' relief would be awarded; and
- (f) The Ratable Value Restriction of £200,000 would apply.

(During the discussion of the above item, Councillors L Lisgo, D Mansell and P Murphy all declared personal interests as they were all involved in Community Library Projects. Councillor R Habgood declared a personal interest as he was a trustee of a local charity. project to install charging points for vehicles in West Somerset.)

13. **North Taunton Woolaway Project**

Considered report previously circulated, concerning the North Taunton Woolaway Project.

Taunton Deane Borough Council (TDBC) owned a variety of non-traditional construction housing property types across the area. A 2013 Structural Engineering report had highlighted that the Woolaway units were showing signs of deterioration.

In response to the report findings, the Council had undertaken a regeneration scheme in Rockwell Green, Wellington. This scheme involved land assembly

through the acquisition of a public house and a redundant toilet block in addition to the demolition of 10 Woolaway homes. The scheme was nearing completion and would deliver 26 new affordable homes.

Noted that a further assessment undertaken during the demolition of these Woolaway units had confirmed that the units were in a worse condition than identified in the 2013 report. These findings had therefore accelerated activity in seeking solutions to address the quality of Woolaway housing elsewhere in the Council's stock.

There were approximately 240 Woolaway properties across Taunton Deane with the main concentration being in Pyrland and Rowbarton Ward.

In February 2017, a successful bid for funding from the Ministry of Housing, Communities and Local Government (MHCLG) designed to accelerate Estate Regeneration planning was made leading to the establishment of a Master Planning Team to progress the North Taunton Woolaway Project.

The aims of the project were to engage with the community living in the Woolaway properties in the North Taunton area and to work with the community to bring forward a phased regeneration scheme.

A community hub in a vacant property within the heart of the affected area was therefore established and officers worked with residents through individual appointments in their homes to obtain views and comments from those affected by the project. This was in addition to hosting four public consultations during the past year.

Reported that a Residents Design Group was established to help the Master Planning Team capture the local knowledge and develop a scheme which addressed the wider issues affecting the estate and residents. The Group had provided invaluable community representation for the Master Planning Team to work with.

The Pyrland and Rowbarton Ward Councillors, the Tenant Services Management Board and the Tenants Forum had all received briefings and updates during the resident consultation phase. The project principles were presented to Members through a Members Briefing in June 2018 and at Strategic Forum in September 2018.

Scheme Proposal

The existing site comprised 212 Woolaway homes of which Taunton Deane retained ownership of 167.

Following an extensive 12 month resident consultation and a range of detailed site investigations, an outline planning application and a Phase A detailed planning application were submitted in December 2018.

The scheme Masterplan currently showed five phases, A to E. To continue momentum for this development, the report contained a specific request for funding for Phase A.

The outline planning application indicated a broad scheme to provide 226 new build homes and the refurbishment of 27 existing homes through a phased approach. As a result of the indicative scheme there would be a net increase of 86 new homes with 149 additional bed spaces.

Noted that there were 23 homes in private ownership within the scheme area which were excluded from the planned works. However the Council would be supportive if those private owners wished to undertake their own refurbishment.

Subject to planning approval, a tender process would then begin to select the range of professionals, including a build contractor to progress the scheme development with an anticipation to start physical works during the 2020/2021 financial year.

Owing to the complexities and size of the scheme the build period was likely to be in the region of 10 years. The intention is to undertake the project in phases, to support the decant requirements of existing residents and enable each phase to be assessed against changes in housing need, affordability and mitigate future unknown changes which might affect the scheme proposal and financing.

The indicative mix of homes for the whole scheme was detailed in the report.

Further reported that through the consultation a strong request for a community facility had been identified and incorporated into the scheme design, within Phase A. A detailed business case for the operation and revenue funding for a community centre would therefore be developed working with the community through the scheme implementation project plan.

The homes would be built to Nationally Described Space Standards and Housing Quality Indicator layout standards.

Three design options had been developed which considered different levels of refurbishment and new build.

The scheme had been evaluated by the Design Review Panel prior to submission of the planning application. The Panel had considered the design process and community consultation process undertaken to date as extremely rigorous and it was considered to be outstanding.

The Council continued to work closely with affected residents on a one to one basis. The intention was for the current residents whose homes were subject to demolition to be given the opportunity to return to a new property at a social rent level.

The range of property sizes would help to address existing overcrowding and under occupation which had been identified through the community. In line with the key project principles, residents would be supported to downsize through the design of the proposed scheme but retain the right to return to the equivalent size property within the new scheme.

Residents within the refurbished area would return to their newly refurbished homes unless there were extenuating circumstances.

Reported that the project had been considered by the Shadow Scrutiny Committee at its meeting on 4 February 2019. Although the project had been supported by Members, a range of questions had been raised. Responses to the points raised were set out in the report.

Resolved that:-

- (a) The North Taunton Woolaway Project and the progression of the scheme be approved. It be also agreed that decisions to progress matters for the scheme be delegated to the Head of Commercial, Investment and Change, in consultation with the relevant Portfolio Holder;
- (b) The proposed funding of the scheme utilising a combination of capital receipts, Social Housing Development Fund revenue contribution and capital borrowing be approved. It be also agreed that decisions relating to the final funding arrangements be delegated to the Section 151 Officer in line with the Council's Capital and Treasury Strategies, prioritising affordability for the Housing Revenue Account;
- (c) A supplementary budget of £7,200,000 within the Housing Revenue Account Capital Programme for Phase A of the North Taunton Woolaway Project be approved;
- (d) Approval be granted to serve Initial and Final Demolition Notices, and for the demolition of properties to enable site clearance to facilitate new development for the whole scheme; and
- (e) The principle of utilising Compulsory Purchase Powers using Section 17 of the Housing Act 1985 be approved, should vacant possession not progress to acquire properties under the regeneration initiative detailed in the report, with such decision making being delegated to the Executive.

(The meeting ended at 10.15 p.m.)

APPENDIX A

The Council is recommended to resolve as follows:

1. It be noted that the Council calculated the Council Tax Base 2019/20
 - (a) for the whole Council area as **56,622.78** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the Act)] (**the tax base for the whole district**); and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix C (**the tax base for each parish or town council area**).

2. Calculate that the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) is £9,038,695.

3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:

(a)	£108,004,637	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act; (expenditure, including all precepts issued to it by parish and town councils).
(b)	£96,847,261	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act (income, including government grants, benefits subsidy and adjustments for surpluses on the Collection Fund).
(c)	£11,157,376	being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act; as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act); (expenditure less income).
(d)	£197.05	being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year; (this is an overall average amount of Council Tax, per Band D property including Parish precepts).
(e)	£2,118,681	being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix C).
(f)	£159.63	being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (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 Parish precept relates (the District Council element of the tax for Band D dwellings).

4. To note that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2019/20 for each part of its area and for each of the categories of dwellings. The table excludes parish and town precepts and special expenses.

VALUATION BANDS

SOMERSET WEST AND TAUNTON COUNCIL

A	B	C	D	E	F	G	H
£106.42	£124.16	£141.89	£159.63	£195.10	£230.58	£266.05	£319.26

SOMERSET COUNTY COUNCIL

A	B	C	D	E	F	G	H
£826.48	£964.23	£1,101.98	£1,239.73	£1,515.23	£1,790.72	£2,066.22	£2,479.46

POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

A	B	C	D	E	F	G	H
£145.21	£169.41	£193.61	£217.81	£266.21	£314.61	£363.02	£435.62

DEVON AND SOMERSET FIRE AND RESCUE SERVICES

A	B	C	D	E	F	G	H
£57.68	£67.29	£76.91	£86.52	£105.75	£124.97	£144.20	£173.04

AGGREGATE OF COUNCIL TAX REQUIREMENTS

A	B	C	D	E	F	G	H
£1,135.79	£1,325.09	£1,514.39	£1,703.69	£2,082.29	£2,460.88	£2,839.49	£3,407.38

APPENDIX B

Valuation Bands								
Council Tax Schedule 2019/20	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Somerset West and Taunton Council	105.25	122.80	140.33	157.88	192.96	228.05	263.13	315.76
Somerset West and Taunton Council (Somerset Rivers Authority)	1.17	1.36	1.56	1.75	2.14	2.53	2.92	3.50
Somerset County Council	759.19	885.73	1,012.27	1,138.80	1,391.87	1,644.93	1,898.00	2,277.60
Somerset County Council (Social Care)	58.73	68.51	78.30	88.09	107.67	127.24	146.82	176.18
Somerset County Council (Somerset Rivers Authority)	8.56	9.99	11.41	12.84	15.69	18.55	21.40	25.68
Police and Crime Commissioner	145.21	169.41	193.61	217.81	266.21	314.61	363.02	435.62
Devon and Somerset Fire and Rescue Authority	57.68	67.29	76.91	86.52	105.75	124.97	144.20	173.04
Totals excluding Parish/Town Precepts	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Average Parish / Town	24.94	29.10	33.26	37.42	45.73	54.05	62.36	74.83
Total Including Average Parish/Town Precept	1,160.73	1,354.19	1,547.65	1,741.11	2,128.02	2,514.93	2,901.85	3,482.21
Parish:								
Ash Priors	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Ashbrittle	1,150.23	1,341.94	1,533.64	1,725.35	2,108.76	2,492.17	2,875.59	3,450.70
Bathealton	1,140.38	1,330.45	1,520.51	1,710.58	2,090.71	2,470.83	2,850.97	3,421.16
Bicknoller	1,147.13	1,338.32	1,529.51	1,720.70	2,103.08	2,485.45	2,867.84	3,441.40
Bishops Hull	1,148.30	1,339.68	1,531.07	1,722.45	2,105.22	2,487.98	2,870.76	3,444.90
Bishops Lydeard/Cotthelstone	1,167.12	1,361.65	1,556.17	1,750.69	2,139.73	2,528.77	2,917.82	3,501.38
Bradford on Tone	1,157.24	1,350.11	1,542.99	1,735.86	2,121.61	2,507.35	2,893.11	3,471.72
Brompton Ralph	1,163.82	1,357.80	1,551.77	1,745.74	2,133.68	2,521.62	2,909.57	3,491.48
Brompton Regis	1,153.11	1,345.30	1,537.48	1,729.67	2,114.04	2,498.41	2,882.79	3,459.34
Brushford	1,193.94	1,392.94	1,591.93	1,790.92	2,188.90	2,586.88	2,984.87	3,581.84
Burrowbridge	1,155.22	1,347.75	1,540.29	1,732.83	2,117.91	2,502.97	2,888.06	3,465.66
Carhampton	1,175.06	1,370.90	1,566.75	1,762.59	2,154.28	2,545.96	2,937.66	3,525.18
Cheddon Fitzpaine	1,157.42	1,350.32	1,543.23	1,736.13	2,121.94	2,507.74	2,893.56	3,472.26
Chipstable	1,153.58	1,345.84	1,538.11	1,730.37	2,114.90	2,499.42	2,883.96	3,460.74
Churchstanton	1,153.18	1,345.37	1,537.57	1,729.77	2,114.17	2,498.55	2,882.96	3,459.54
Clatworthy	1,167.81	1,362.45	1,557.08	1,751.72	2,140.99	2,530.26	2,919.54	3,503.44
Combe Florey	1,157.85	1,350.83	1,543.80	1,736.78	2,122.73	2,508.68	2,894.64	3,473.56
Comeytrove	1,143.68	1,334.30	1,524.91	1,715.53	2,096.76	2,477.98	2,859.22	3,431.06
Corfe	1,159.68	1,352.96	1,546.24	1,739.52	2,126.08	2,512.63	2,899.21	3,479.04
Cotford St Luke	1,157.72	1,350.67	1,543.63	1,736.58	2,122.49	2,508.39	2,894.31	3,473.16
Crech St Michael	1,166.57	1,361.00	1,555.43	1,749.86	2,138.72	2,527.57	2,916.44	3,499.72
Crowcombe	1,164.01	1,358.01	1,552.02	1,746.02	2,134.03	2,522.02	2,910.04	3,492.04
Cutcombe	1,185.92	1,383.57	1,581.23	1,778.88	2,174.19	2,569.49	2,964.81	3,557.76
Dulverton	1,217.02	1,419.85	1,622.69	1,825.53	2,231.21	2,636.87	3,042.56	3,651.06
Dunster	1,173.16	1,368.69	1,564.22	1,759.75	2,150.81	2,541.86	2,932.92	3,519.50
Durston	1,142.68	1,333.13	1,523.58	1,714.03	2,094.93	2,475.82	2,856.72	3,428.06
East Quantoxhead	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Elworthy	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Exford	1,175.60	1,371.54	1,567.47	1,763.41	2,155.28	2,547.14	2,939.02	3,526.82
Exmoor	1,158.99	1,352.16	1,545.32	1,738.49	2,124.82	2,511.15	2,897.49	3,476.98
Exton	1,163.56	1,357.49	1,551.42	1,745.35	2,133.21	2,521.06	2,908.92	3,490.70
Fitzhead	1,156.51	1,349.26	1,542.02	1,734.77	2,120.28	2,505.77	2,891.29	3,469.54
Halse	1,150.88	1,342.70	1,534.51	1,726.33	2,109.96	2,493.58	2,877.22	3,452.66
Hatch Beauchamp	1,152.63	1,344.74	1,536.84	1,728.95	2,113.16	2,497.37	2,881.59	3,457.90
Holford	1,168.57	1,363.33	1,558.10	1,752.86	2,142.39	2,531.90	2,921.44	3,505.72
Huish Champflower	1,155.06	1,347.58	1,540.09	1,732.60	2,117.62	2,502.64	2,887.67	3,465.20
Kilve	1,154.60	1,347.04	1,539.47	1,731.91	2,116.78	2,501.64	2,886.52	3,463.82
Kingston St Mary	1,154.26	1,346.63	1,539.01	1,731.39	2,116.15	2,500.89	2,885.66	3,462.78
Langford Budville	1,157.12	1,349.97	1,542.83	1,735.68	2,121.39	2,507.09	2,892.81	3,471.36
Luccombe	1,163.86	1,357.84	1,551.82	1,745.80	2,133.76	2,521.71	2,909.67	3,491.60
Luxborough	1,150.71	1,342.50	1,534.28	1,726.07	2,109.64	2,493.21	2,876.79	3,452.14
Lydeard St Lawrence/Tolland	1,148.64	1,340.09	1,531.53	1,722.97	2,105.85	2,488.73	2,871.62	3,445.94
Milverton	1,165.64	1,359.91	1,554.19	1,748.46	2,137.01	2,525.55	2,914.11	3,496.92
Minehead	1,213.29	1,415.51	1,617.72	1,819.94	2,224.37	2,628.80	3,033.24	3,639.88
Monksilver	1,145.99	1,336.99	1,527.99	1,718.99	2,100.99	2,482.98	2,864.99	3,437.98
Neroche	1,152.46	1,344.54	1,536.62	1,728.70	2,112.86	2,497.01	2,881.17	3,457.40
Nettlecombe	1,152.04	1,344.04	1,536.05	1,728.06	2,112.08	2,496.08	2,880.11	3,456.12
North Curry	1,152.56	1,344.65	1,536.75	1,728.84	2,113.03	2,497.21	2,881.41	3,457.68
Norton Fitzwarren	1,153.57	1,345.83	1,538.10	1,730.36	2,114.89	2,499.40	2,883.94	3,460.72
Nynehead	1,148.94	1,340.44	1,531.93	1,723.42	2,106.40	2,489.38	2,872.37	3,446.84
Oake	1,147.93	1,339.25	1,530.58	1,721.90	2,104.55	2,487.18	2,869.84	3,443.80
Oare	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Old Clevee	1,165.54	1,359.80	1,554.06	1,748.32	2,136.84	2,525.35	2,913.87	3,496.64
Oterford	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Pitminster	1,148.27	1,339.65	1,531.03	1,722.41	2,105.17	2,487.92	2,870.69	3,444.82
Porlock	1,198.41	1,398.15	1,597.88	1,797.62	2,197.09	2,596.56	2,996.04	3,595.24
Ruishton/Thornfalcon	1,160.90	1,354.39	1,547.87	1,741.36	2,128.33	2,515.29	2,902.27	3,482.72
Sampford Arundel	1,168.72	1,363.51	1,558.30	1,753.09	2,142.67	2,532.24	2,921.82	3,506.18
Sampford Brett	1,148.95	1,340.44	1,531.94	1,723.43	2,106.42	2,489.39	2,872.39	3,446.86
Selworthy & Minehead Without	1,172.13	1,367.49	1,562.84	1,758.20	2,148.91	2,539.62	2,930.34	3,516.40
Skilgate	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Staplegrave	1,142.26	1,332.64	1,523.02	1,713.40	2,094.16	2,474.91	2,855.67	3,426.80
Stawley	1,148.82	1,340.30	1,531.77	1,723.24	2,106.18	2,489.12	2,872.07	3,446.48
Stogumber	1,176.48	1,372.57	1,568.65	1,764.73	2,156.89	2,549.05	2,941.22	3,529.46
Stogursey	1,168.46	1,363.21	1,557.95	1,752.70	2,142.19	2,531.67	2,921.17	3,505.40
Stoke St Gregory	1,161.56	1,355.16	1,548.75	1,742.35	2,129.54	2,516.72	2,903.92	3,484.70
Stoke St Mary	1,146.34	1,337.39	1,528.45	1,719.51	2,101.63	2,483.73	2,865.86	3,439.02
Stringston	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Taunton	1,137.80	1,327.44	1,517.07	1,706.71	2,085.98	2,465.24	2,844.52	3,413.42
Timberscombe	1,167.70	1,362.31	1,556.93	1,751.55	2,140.79	2,530.01	2,919.26	3,503.10
Treborough	1,135.79	1,325.09	1,514.39	1,703.69	2,082.29	2,460.88	2,839.49	3,407.38
Trull	1,154.42	1,346.82	1,539.23	1,731.63	2,116.44	2,501.24	2,886.06	3,463.26
Upton	1,152.24	1,344.28	1,536.32	1,728.36	2,112.44	2,496.51	2,880.61	3,456.72
Watchet	1,232.31	1,437.70	1,643.08	1,848.47	2,259.24	2,670.01	3,080.79	3,696.94
Wellington	1,169.92	1,364.90	1,559.89	1,754.88	2,144.86	2,534.82	2,924.81	3,509.76
Wellington Without	1,150.02	1,341.70	1,533.37	1,725.04	2,108.38	2,491.72	2,875.07	3,450.08
West Bagborough	1,149.28	1,340.82	1,532.37	1,723.92	2,107.02	2,490.10	2,873.21	3,447.84
West Buckland	1,150.80	1,342.61	1,534.41	1,726.21	2,109.81	2,493.41	2,877.02	3,452.42
West Hatch	1,148.85	1,340.33	1,531.80	1,723.28	2,106.23	2,489.18	2,872.14	3,446.56
West Monkton	1,155.71	1,348.33	1,540.95	1,733.57	2,118.81	2,504.04	2,889.29	3,467.14
West Quantoxhead	1,146.62	1,337.73	1,528.83	1,719.94	2,102.15	2,484.34	2,866.57	3,439.88
Williton	1,201.20	1,401.40	1,601.60	1,801.80	2,202.20	2,602.59	3,003.01	3,603.60
Winsford	1,151.91	1,343.90	1,535.88	1,727.87	2,111.84	2,495.81	2,879.79	3,455.74
Withycombe	1,177.88	1,374.19	1,570.51	1,766.82	2,159.45	2,552.07	2,944.71	3,533.64
Withypool & Hawkridge	1,154.60	1,347.04	1,539.47	1,731.91	2,116.78	2,501.64	2,886.52	3,463.82
Wiveliscombe	1,164.01	1,358.01	1,552.02	1,746.02	2,134.03	2,522.02	2,910.04	3,492.04
Wootton Courtenay	1,153.46	1,345.70	1,537.95	1,730.19	2,114.68	2,499.16	2,883.66	3,460.38

APPENDIX C

TOWN AND PARISH COUNCIL PRECEPTS

Parish/Town Council	2018/19			2019/20			Council Tax Increase
	Tax Base	Precept Levied	Council Tax Band D	Tax Base	Precept Levied	Council Tax Band D	
	£	£	£	£	£	£	
Ash Priors	81.39	-	-	81.12	-	-	0.00%
Ashbrittle	92.84	2,080	22.40	96.02	2,080	21.66	-3.31%
Bathealton	87.51	500	5.71	87.10	600	6.89	20.56%
Bicknoller	215.90	3,675	17.02	216.11	3,675	17.01	-0.10%
Bishops Hull	1,167.36	21,900	18.76	1,222.88	22,941	18.76	0.00%
Bishops Lydeard/Cothelstone	1,148.11	49,000	42.68	1,181.84	55,546	47.00	10.12%
Bradford on Tone	306.67	7,000	22.83	310.83	10,000	32.17	40.95%
Brompton Ralph	98.81	4,250	43.01	101.07	4,250	42.05	-2.24%
Brompton Regis	221.34	5,750	25.98	221.34	5,750	25.98	0.00%
Brushford	239.71	14,000	58.40	240.75	21,000	87.23	49.35%
Burrowbridge	200.53	6,000	29.92	205.93	6,000	29.14	-2.62%
Carhampton	371.78	20,125	54.13	369.88	21,785	58.90	8.80%
Cheddon Fitzpaine	648.13	19,401	29.93	766.10	24,851	32.44	8.37%
Chipstable	131.32	3,235	24.63	131.19	3,500	26.68	8.30%
Churchstarton	366.53	9,489	25.89	363.84	9,489	26.08	0.74%
Clatworthy	40.69	1,250	30.72	41.64	2,000	48.03	56.35%
Combe Florey	122.41	4,000	32.68	120.88	4,000	33.09	1.27%
Comeytrowe	2,017.29	23,896	11.85	2,039.16	24,144	11.84	-0.05%
Corfe	134.92	3,000	22.24	131.16	4,700	35.83	61.16%
Cotford St Luke	789.35	23,600	29.90	810.51	26,660	32.89	10.02%
Crech St Michael	1,104.06	49,738	45.05	1,143.83	52,807	46.17	2.48%
Crowcombe	238.92	9,750	40.81	236.25	10,000	42.33	3.72%
Cutcombe	184.56	13,944	75.55	185.45	13,944	75.19	-0.48%
Dulverton	638.28	73,330	114.89	631.96	77,000	121.84	6.05%
Dunster	488.52	27,000	55.27	499.46	28,000	56.06	1.43%
Durston	57.17	1,300	22.74	58.00	600	10.34	-54.51%
East Quantoxhead	43.33	-	-	43.18	-	-	0.00%
Elworthy	33.93	-	-	33.19	-	-	0.00%
Exford	196.88	11,100	56.38	194.24	11,600	59.72	5.92%
Exmoor	69.57	2,035	29.25	71.83	2,500	34.80	18.98%
Exton	96.51	3,264	33.82	97.54	4,064	41.66	23.20%
Fitzhead	117.15	4,706	40.17	120.65	3,750	31.08	-22.63%
Halse	139.50	2,600	18.64	139.11	3,150	22.64	21.49%
Hatch Beauchamp	263.63	6,500	24.66	257.30	6,500	25.26	2.46%
Holford	131.23	6,500	49.53	132.19	6,500	49.17	-0.73%
Huish Champflower	119.25	3,500	29.35	121.08	3,500	28.91	-1.51%
Kilve	187.56	5,500	29.32	194.88	5,500	28.22	-3.76%
Kingston St Mary	442.68	10,274	23.21	443.37	12,280	27.70	19.34%
Langford Budville	236.78	6,000	25.34	234.42	7,500	31.99	26.26%
Luccombe	73.49	3,000	40.82	71.25	3,000	42.11	3.14%
Luxborough	97.17	1,977	20.35	97.41	2,180	22.38	10.00%
Lydeard St Lawrence/Tolland	212.72	4,103	19.29	219.66	4,236	19.28	-0.01%
Milverton	579.97	25,000	43.11	580.77	26,000	44.77	3.86%
Minehead	4,295.65	358,208	83.39	4,364.29	507,350	116.25	39.41%
Monksilver	62.40	950	15.22	62.10	950	15.30	0.48%
Neroche	247.79	4,580	18.48	246.95	6,175	25.01	35.28%
Nettlecombe	92.18	2,300	24.95	94.37	2,300	24.37	-2.32%
North Curry	741.42	18,000	24.28	755.36	19,000	25.15	3.61%
Norton Fitzwarren	1,193.69	31,850	26.68	1,218.74	32,500	26.67	-0.06%
Nynehead	173.38	3,400	19.61	172.33	3,400	19.73	0.61%
Oake	321.69	5,600	17.41	329.56	6,000	18.21	4.58%
Oare	38.77	-	-	37.87	-	-	0.00%
Old Cleeve	692.43	21,000	30.33	696.38	31,078	44.63	47.15%
Otterford	190.57	-	-	187.93	-	-	0.00%
Pitminster	489.03	8,500	17.38	484.78	9,075	18.72	7.70%
Porlock	703.88	66,000	93.77	702.64	66,000	93.93	0.18%
Ruishton/Thornfalcon	592.28	21,852	36.89	588.00	22,150	37.67	2.10%
Sampford Arundel	130.43	6,000	46.00	131.59	6,500	49.40	7.38%
Sampford Brett	140.21	2,200	15.69	141.82	2,800	19.74	25.83%
Selworthy & Minehead Without	238.87	12,240	51.24	238.51	13,000	54.51	6.37%
Skilgate	49.53	-	-	51.49	-	-	0.00%
Staplegrave	809.47	9,400	11.61	832.91	8,084	9.71	-16.42%
Stawley	138.08	2,400	17.38	144.24	2,820	19.55	12.48%
Stogumber	325.08	19,000	58.45	327.66	20,000	61.04	4.43%
Stogursey	493.52	23,500	47.62	515.23	25,250	49.01	2.92%
Stoke St Gregory	369.85	15,181	41.05	363.72	14,062	38.66	-5.81%
Stoke St Mary	210.79	3,236	15.35	208.99	3,307	15.82	3.07%
Stringston	45.34	-	-	44.90	-	-	0.00%
Taunton	15,077.37	45,534	3.02	15,363.99	46,399	3.02	0.00%
Timberscombe	162.33	7,710	47.50	161.08	7,710	47.86	0.78%
Treborough	28.73	-	-	28.73	-	-	0.00%
Trull	1,060.12	29,000	27.36	1,073.67	30,000	27.94	2.14%
Upton	83.50	2,046	24.50	82.82	2,043	24.67	0.67%
Watchet	1,201.30	173,684	144.58	1,224.32	177,257	144.78	0.14%
Wellington	5,132.95	213,633	41.62	5,242.40	268,358	51.19	22.99%
Wellington Without	306.12	6,450	21.07	311.45	6,650	21.35	1.34%
West Bagborough	171.75	3,500	20.38	173.03	3,500	20.23	-0.74%
West Buckland	438.05	7,815	17.84	427.06	9,619	22.52	26.25%
West Hatch	133.96	2,563	19.13	134.77	2,640	19.59	2.39%
West Monkton	1,973.12	56,707	28.74	2,077.50	62,069	29.88	3.96%
West Quantoxhead	165.53	2,473	14.94	166.18	2,700	16.25	8.74%
Williton	899.87	91,000	101.13	937.69	92,000	98.11	-2.98%
Winsford	165.90	3,200	19.29	165.43	4,000	24.18	25.36%
Withycombe	123.11	7,545	61.29	124.38	7,852	63.13	3.01%
Withypool & Hawkridge	122.53	2,850	23.26	124.04	3,500	28.22	21.31%
Wiveliscombe	1,136.37	40,500	35.64	1,145.73	48,500	42.33	18.77%
Wootton Courtenay	169.83	3,500	20.61	169.80	4,500	26.50	28.59%
Totals	55,574.23	1,828,378	32.90	56,622.78	2,118,681	37.42	13.73%