

## **Somerset West and Taunton Shadow Council**

At a meeting of Somerset West and Taunton Shadow Council held at Shire Hall, Shuttern, Taunton on 17 December 2018 at 6 p.m.

Present: Councillor J Parbrook (Chair)  
Councillors I Aldridge, P Berry, J Blatchford, C Booth, R Bowrah, N Cavill, M Chilcott, M Dewdney, S Dowding, E Gaines, A Gunner, R Habgood, A Hadley, M Hill, J Hunt, G James, L Lisgo, S Martin-Scott, P Murphy, R Parrish, P Pilkington, R Ryan, F Smith, F Smith-Roberts, A Sully, N Townsend, J Warmington, P Watson, D Wedderkopp, D Westcott, J Williams and G Wren.

Officers: Bruce Lang (Assistant Chief Executive and Monitoring Officer), Christine Fraser (Head of Function – Performance and Governance), Lesley Dolan (Business Services Manager, SHAPE Legal Partnership), Paul Fitzgerald (Strategic Finance Advisor and Section 151 Officer), Andrew Stark (Interim Finance Manager), Chris Hall (Localities Manager), Dean Emery (Principal Revenues and Debt Recovery Officer), Steve Perkins (Senior Debt and Recovery Officer), Mark Antonelli (Principal Benefits Officer), Jenny Collins (Senior Revenues Officer), Marcus Prouse (Specialist – Governance and Democratic) and Andrew Randell (Democracy and Governance Case Manager)

Anne Elder – Chairman of Taunton Deane Borough Council's Standards Advisory Committee

Ian Partington – Chairman of the Joint Independent Remuneration Panel (JIRP)

### **1. Apologies for Absence**

Councillors T Aldridge, B Allen, T Beale, H Davies, T Davies, M Edwards, H Farbahi, A Govier, T Hall, N Hawkins, C Herbert, B Heywood, J Horsley, I Jones, R Lees, S Lees, I Morrell, H Prior-Sankey, S Pugsley, J Reed, V Stock-Williams, R Thomas, N Thwaites, A Trollope-Bellew, C Tucker, K Turner and R Woods.

### **2. Minutes**

The minutes of Shadow Council held on 15 October 2018 and Special Shadow Council held on 19 November 2018, copies having been sent to each Member, were signed by the Chair.

### **3. Declarations of Interest**

Councillor J Hunt declared a personal interest as a Member of Somerset County Council.

Councillors E Gaines, J Hunt, G James, P Murphy, J Parbrook, J Warmington, and D Westcott all declared personal interests as Members of Town or Parish Councils.

All Councillors declared a personal interest in respect of Agenda Item 5 – Interim Report of the Joint Independent Remuneration Panel on Preparation of a Draft Member’s Allowance Scheme for Somerset West and Taunton Council.

Councillors Cavill, Chilcott, Dowding, Gaines, Ryan and Williams declared a prejudicial interest in respect of Agenda Item 6 and left the room for the duration of that Item.

#### **4. Public Participation**

No member of the public had requested to speak.

#### **5. Interim Report of the Joint Independent Remuneration Panel on Preparation of a Draft Members’ Allowances Scheme for Somerset West and Taunton Council**

Considered report previously circulated, concerning a proposed Members Allowances Scheme for the new Somerset West and Taunton Council (SWTC).

The Joint Independent Remuneration Panel’s (JIRP) Chair, Ian Partington, was in attendance at the meeting to give Members a brief perspective of the Panel’s work to date and to provide further clarification in response to any questions raised.

The endorsement of the recommendations in regard to the Basic Allowance (BA) and the approach for moving forward on the Special Responsibility Allowances (SRA) would ensure that the overall timetable could be kept on course. Clause 10(5) of the Somerset West and Taunton (Local Government Changes) Order 2018 required that the Shadow Authority had to formulate proposals for the scheme of members’ allowances to be adopted by the SWTC.

Under the relevant regulations, a Council had to appoint an independent panel to make recommendations on a scheme of members’ allowances for consideration by the Council. As members were aware, Taunton Deane Borough Council and West Somerset Council used a JIRP (which also served Mendip District Council and Somerset County Council). The JIRP had therefore been requested to commence work to formulate proposals for consideration by the Shadow Council. The Council could accept, reject or amend any of the JIRP’s recommendations. In effect the JIRP’s role was to advise the Council rather than tell it what to do.

The JIRP was aware of the timetable which effectively required the preparation of a draft scheme to be prepared in time for consideration by the Shadow Authority before the end of March 2019. The JIRP had therefore

produced an interim report which contained recommendations regarding the BA as well as a proposed approach to preparation of an SRA scheme. Full recommendations would be forthcoming for the SRA scheme when the Shadow Council had completed more work on its proposals for the decision making structure of the SWTC.

**Resolved that:-**

- (1) The recommendations of the Joint Independent Remuneration Panel be endorsed with regard to the Basic Allowance (BA) for Councillors of the Somerset West and Taunton Council as follows:-
  - The BA be set at £4,950 pa for 2019-2020;
  - The BA be inflation-indexed annually by using the Consumer Price Index for a four year period;
  - IT financial support should be regarded as an incidental cost and therefore integral to the BA and not recompensed separately; and
  - The BA be reviewed after one year by the Joint Independent Remuneration Panel.
  
- (2) The approach suggested by the Joint Independent Remuneration Panel in terms of recommending a Special Responsibility Allowance (SRA) Scheme for the new Council be endorsed. This was that :-
  - The recommended SRAs could not yet be determined exactly – this work would be completed later once the relevant posts, chairmanships and roles had been established; and
  - The Joint Independent Remuneration Panel was of the view that the range of values for the main positions attracting a representative SRA could be indicated at this stage. The relevant ranges were contained in Table K within Appendix A of the report. Based on the evidence considered by the Panel, it was confident in its conclusion that the final SRA recommendations would broadly be contained within the specified ranges.
  
- (3) It be noted that the Panel would bring forward a further report in March 2019 to include a complete Scheme of Members' Allowances proposals, to include recommendations for:-
  - A full SRA Scheme in so far as it was possible to develop based on the information made available to the Panel;
  - Travel and Subsistence Allowances;
  - A Carers' Allowance;
  - A list of 'approved duties' for Members' travel and subsistence claims; and
  - The rules and procedures of the new Scheme.

## 6. Council Tax Charges – Empty Properties and Second Homes

Considered report previously circulated, concerning Council Tax charges on empty properties and second homes.

From 1 April 2013, billing authorities in England had taken on additional powers over certain Council Tax discounts. 'Unoccupied and substantially unfurnished' properties could receive a discount of between 0% and 100% off their Council Tax. Vacant properties and those undergoing 'major repair work' or 'structural alterations could receive a discount of between 0% and 100%, for a maximum of 12 months.

Local authorities in England could also set an 'empty homes premium' for long-term empty properties. Currently, properties that had been unoccupied and substantially unfurnished for over two years could be charged up to 150% of the normal liability.

New legislation under the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill was progressing through Parliament which would permit English local authorities the discretion to charge a Council Tax premium of up to 100% on 'long-term empty dwellings' for those properties which remained empty between two and five years, between five and ten years 200% from April 2020 and 300% from 2021 to properties empty for more than ten years. This was expected to come into effect from 1 April 2019.

Somerset West and Taunton Council would require a unified approach as to how it applied local discretion on Council Tax liability as there were differences in the approach currently in place between Taunton Deane Borough Council and West Somerset Council.

The proposals outlined below examined differences in the current position and sought to provide a solution acceptable for the new Somerset West and Taunton Council from 1 April 2019.

### **Unoccupied and Unfurnished properties, empty for less than two years**

There were three main reasons why such discounts were awarded:-

- Property was being sold and the owner had moved out;
- Property had been purchased and the new owner had not yet moved in; and
- The property was empty between tenancies.

Taunton Deane had awarded a discount of 100% for three months, followed by full Council Tax becoming payable. West Somerset Council provided the same 100% discount, but for one month only. Before 1 April 2013, the Government had prescribed a six-month exemption.

It was proposed Somerset West and Taunton Council should allow a discount of 100% for three months. This would reduce the exemption previously set by the Government by half thereby providing an incentive for prompt reoccupation, but it still allowed new homeowners or tenants a reasonable time to occupy the property or for landlords to make appropriate repairs and

seek new tenants.

In allowing a three-month discount the Council would provide a consistency in the rules set by Government for business premises, where no charge applied for the first three months a property was empty.

### **Unoccupied and Unfurnished properties, empty for more than two years**

Currently both Taunton Deane and West Somerset Council charged a premium of 50% extra Council Tax on such properties (150% Council Tax payable). From 1 April 2019, the Government was expected to permit local authorities in England the discretion to charge a Council Tax premium of up to 100% on 'long-term empty dwellings'.

It was proposed Somerset West and Taunton Council took advantage of this new flexibility and implemented a premium of 100% (thereby charging Council Tax at 200%) on properties that had been empty and unfurnished for more than two years from April 2019, a premium of 200% from April 2020 for properties kept empty between five and ten years and 300% for more than ten years from 2021.

This would provide additional income to the new Council as well as encouragement to homeowners to bring the property back into use, thereby reducing those properties falling into disrepair and stimulating the housing market.

**Resolved** that it be agreed that:-

- (1) Class C Discount – with effect from 1 April 2019 unoccupied and unfurnished properties would have a 100% discount for a maximum of three months;
- (2) Long Term Empty Properties - In line with new legislation coming into effect from 1 April 2019, to apply the maximum 100% premium to properties remaining empty for more than two years, a premium of 200% from April 2020 for properties kept empty between five and ten years and 300% for more than ten years from 2021;
- (3) Class D Discount – With effect from 1 April 2019, properties which were unfurnished and undergoing structural alterations or were in need of major repairs be given 100% discount for 12 months or until they became occupied, whichever was soonest; and
- (4) Second Homes – Properties which were treated as a person's second home to pay a full charge.

## **7. Income and Arrears Management Policy**

Considered report previously circulated, concerning a new Income and Arrears Management Policy ("The Policy") for the Somerset West and Taunton Council. This was previously called the Corporate Debt Policy within

the existing two Councils.

It was considered good practice for the Council to have such a Policy that allowed everybody to understand the Council's approach to managing income collection. This promoted efficiency and consistency in the collection for all sources of income. This was of fundamental importance because the collection/maximisation of income was a vital component in how the Council was able to provide the resources needed to deliver its services. Taunton Deane and West Somerset Council's existing Corporate Debt Policies were similar. The proposed Policy for the new Council updated these with a refresh and reflected the new structure and customer ethos.

In 2019/2020 the new Council would raise gross annual bills and invoices in excess of £213 million. It would also look to recover previous year's arrears carried over from the existing Councils (potentially more than £10 million). It was noted the raised figure would increase year on year and rise further as the Council looked to increase and diversify income from our commercial activities.

The Policy was considered key in giving transparency to officers, Members and our customers, an overview of our core values and an insight into our operational activities that covered the administration/collection of all of our five income streams. The Policy, therefore reflected a range of measures that ultimately aimed to balance helping our customers, especially the most vulnerable, to pay sums due whilst having an underlying theme to maximise the overall level of income collected. The Council had a duty to maximise income collection to the best of its ability. If it did not, this could result in higher Council Tax or result in front line services having to be cut or reduced.

The Policy was underpinned by an extensive list of overarching principles which were set out in the report.

**Resolved** that the new Income and Arrears Management Policy be approved.

## 8. **Anti-Fraud and Corruption Policy and Strategy**

Considered report previously circulated, concerning the proposed Anti-Fraud and Corruption Policy and Strategy.

Responsibility for benefit fraud had passed to the Department for Work and Pensions through the formation of the Single Fraud Investigation Service, in June 2015. The Anti-Fraud and Corruption Policy and Strategy had been refreshed to recognise Powys Corporate Fraud Team's activities, as well as updating procedural changes.

In addition, the policy now provided guidance on the options available to deal with those committing Council Tax or Council Tax Support fraud or those who made negligently incorrect statements, or failed to notify of a change that affected their entitlement to a Council Tax discount, exemption or reduction.

The Council's revised Anti-Fraud and Corruption Policy and Strategy,

underpinned by supporting policies and procedural guidance, would be key in assisting in the on-going improvement of fraud prevention controls and in detecting and investigating fraud committed against the Council.

The Anti-Fraud and Corruption Policy and Strategy provided a consistent framework for officers and Members to enable effective deterrence, detection and investigation of fraud and corruption and consequently would assist the Council in the achievement of financial sustainability.

Any income collected from penalties raised would be retained solely by the billing authority (Somerset West and Taunton Council), with any additional income raised by reducing a Council Tax discount being shared between the precepting authorities. It was considered difficult to predict the level of revenue that might be raised through the imposition of penalties or the collection rate that would be achieved. The primary objective of using these measures was to either ensure the Council billed the correct person for the correct amount or to aid recovery where the bill payer was in paid employment.

Noted that the cost of prosecutions under the Fraud Act would be borne by Somerset West and Taunton Council and, as such, prosecutions should only be taken where it was financially viable to do so.

Councillors were concerned at the inclusion of the Strategic Forum in the Democratic Path of the report and the lack of consultation with the Shadow Scrutiny Committee. This was noted by Officers who would ensure this would not happen again in future.

**Resolved** that the revised Anti-Fraud and Corruption Policy and Strategy be adopted.

9. **Council Tax Support Scheme for Somerset West and Taunton Council for 2019/2020**

Considered report previously circulated, concerning the proposed Council Tax Support (CTS) scheme for the new Somerset West and Taunton Council together with comparison to the schemes currently adopted by both Taunton Deane (TDBC) and West Somerset Councils (WSC) and the context for reviewing the scheme for Working Age applicants from 2019/2020.

Reported that on 25 June 2018, the Shadow Scrutiny Committee had agreed a number of options to take to public consultation for the CTS scheme for 2019/2020.

The Council had undertaken a consultation on the agreed options. The outcome of the consultation and the Shadow Executive Councillors' proposals for the Scheme had been shared with the Shadow Scrutiny Committee on 23 October 2018. Shadow Executive Councillors had considered the consultation and the feedback from Shadow Scrutiny, and had now submitted the proposed 2019/2020 Scheme to the Full Shadow Council for its consideration and approval.

Responsibility for Council Tax Support (CTS) had passed to Local Authorities on 1 April 2013. The Government had also passed funding for CTS to Local Government, but had reduced the amount of funding compared to the costs of the previous Council Tax Benefit (CTB) Scheme where responsibility for CTB had been held by central Government and funded through the Department for Work and Pensions (DWP).

Billing Authorities had been tasked with designing a CTS scheme for people of working age, whilst rules for people of pension age were set in regulations prescribed by the Government. This meant people of pension age continued to receive assistance at no less amount than had been available under the CTB scheme.

From 1 April 2014, funding for localised CTS had been incorporated in the annual Settlement Funding Assessment (SFA), (comprising Revenue Support Grant and Business Rates Baseline) and was not separately identified. However, the approach taken by many authorities had been to assume the funding for CTS has been reduced at the same rate as the SFA. For TDBC, the SFA had reduced by 55% in cash terms since 2013/2014, while for WSC, the SFA had reduced by 51%. Therefore, in applying this methodology, the funding available for localised CTS for the combined authorities had reduced by £4,804,583 to £4,136,946.

This report presented Members with options for Somerset West and Taunton Council's CTS scheme for 2019/2020. To comply with the law, the scheme had been subject to a consultation process.

In 2018/2019 both TDBC and WSC had decided to change their schemes for working age people to remove Applicable Amounts in calculating CTS and instead award entitlement based on Income Bands. It had recognised the additional needs of multi-person households and families and the table below showed the income limits for each band in 2018/2019:-

| CTS Band |   | Single people | Couple no Children | Couple with one child | Lone Parent with one child | Couple with two or more children | Lone Parent with two or more children |
|----------|---|---------------|--------------------|-----------------------|----------------------------|----------------------------------|---------------------------------------|
| 85%      | 1 | £75           | £115               | £165                  | £125                       | £215                             | £175                                  |
| 75%      | 2 | £125          | £165               | £215                  | £175                       | £265                             | £225                                  |
| 60%      | 3 | £175          | £215               | £265                  | £225                       | £315                             | £275                                  |
| 45%      | 4 | £225          | £265               | £315                  | £275                       | £365                             | £325                                  |
| 30%      | 5 | £275          | £315               | £365                  | £325                       | £415                             | £375                                  |
| 15%      | 6 | £325          | £365               | £415                  | £375                       | £465                             | £425                                  |

In addition to these changes, TDBC and WSC had also decided to:-



- a) Apply a flat rate deduction of £5 a week for each non-dependant;
- b) Disregard carers' allowance from the income used to work out CTS; and
- c) Provide extra assistance for young people who had left local authority care by increasing maximum support to 100% of the Council Tax liability for single applicants up to the age of 25 where their weekly income fell within Band 1.

### **Council Tax Support Scheme 2019/2020**

The Local Government Finance Act 2012 stated that before making a scheme the Council had to consult with any major precepting authorities, publish a draft scheme and then consult with other such persons who were likely to have an interest in the operation of such a scheme. The Council was required to set a realistic timeframe for consultation to ensure it could seek feedback from all appropriate individuals and groups in the community.

Consultation with precepting authorities (Somerset County Council, Avon and Somerset Police and Devon and Somerset Fire and Rescue Authority had taken place on 26 June 2018. Public consultation started on 16 July 2018 and ended on 10 September 2018. At the closing date, 355 responses had been received, details of which were set out in the report. A summary of the options on which the Council had consulted, as well as the responses received was set out below:-

### **Banded Income Scheme similar to what was currently in place for TDBC and WSC:**

#### **Consultation Response: 193 responders were in favour**

This would mean the Council would work out CTS for working age CTS recipients in a similar way as 2018/2019.

Customers with a weekly income in excess of the limits shown for Income Band 6 would not receive any support.

Working age customers with capital of over £6,000 would not be entitled to assistance.

Where a non-dependant deduction applied, the Council would apply a flat rate deduction of £5 for each non-dependant from their CTS entitlement.

Single care leavers within a weekly income falling within Income Band 1 would continue to receive CTS at 100%.

Income from earnings would be after the deduction of tax, national insurance and 50% of any contribution to a pension scheme. To incentivise employment or self-employment, the Council would ignore (disregard) some income. For most customers who were working, we would disregard:-

- £10 a week for single people;
- £20 a week for couples;

- £30 a week for those with qualifying disabilities; and
- £37.50 a week for lone parents.

A Minimum Income for self-employed applicants would be applied.

In common with Universal Credit rules, no blanket protection would be provided for households receiving disability benefits, but income from Disability Living Allowance and Personal Independence Payments would not count as household income. Similarly, we would continue to ignore (disregard) child benefit and maintenance received for children. We would also ignore carers' allowance from income we used to calculate CTS.

The maximum backdating of CTS would be one month and the allowable period of temporary absence outside Great Britain would be four weeks.

#### **Disregard the Housing Element within Universal Credit:**

**Consultation Response: 222 responders were in favour**

This would mean for those applicants receiving Universal Credit (UC), if their UC award included a Housing Element (intended to assist in paying for rent) the Council would disregard it from the income we used to determine the Income Band for CTS purposes.

#### **Disregard £50 a week for third and subsequent children from the income used to calculate CTS:**

**Consultation Response: 142 responders were in favour**

For those working age CTS recipients with **more** than 2 children, the Council would disregard £50 a week from the income we used to work out the Income Band for CTS purposes for the third and subsequent children. For example, we would disregard £50 a week if the customer had three children, £100 a week if the customer had four children, £150 for five children, etc.

#### **Disregard £50 a week from the income used to calculate CTS for households where there would have formerly been entitlement to the disability premium:**

**Consultation Response: 138 responders were in favour**

While the Council already disregarded income for some disability benefits, we would disregard a further £50 a week from the income we used to work out the Income Band for CTS purposes for those customers who would have formerly had entitlement to the disability premium.

#### **Reduce maximum CTS offered to working age recipients from 85% to 80% and adjust the other percentages applied to Income Bands:**

**Consultation Response: 90 responders were in favour**

If the Council reduced the maximum we awarded to 80%, this would decrease

the savings we needed to find in response to cuts in Government funding. Such a reduction would mean CTS awards were based on the amounts shown in the table below:-

| CTS Band |   | Single people | Couple no Children | Couple with one child | Lone Parent with one child | Couple with two or more children | Lone Parent with two or more children |
|----------|---|---------------|--------------------|-----------------------|----------------------------|----------------------------------|---------------------------------------|
| 80%      | 1 | £75           | £115               | £165                  | £125                       | £215                             | £175                                  |
| 70%      | 2 | £125          | £165               | £215                  | £175                       | £265                             | £225                                  |
| 55%      | 3 | £175          | £215               | £265                  | £225                       | £315                             | £275                                  |
| 40%      | 4 | £225          | £265               | £315                  | £275                       | £365                             | £325                                  |
| 25%      | 5 | £275          | £315               | £365                  | £325                       | £415                             | £375                                  |
| 10%      | 6 | £325          | £365               | £415                  | £375                       | £465                             | £425                                  |

Table 7.7.1.1

**Limit the maximum CTS award to the Council Tax payable to either a Band C or Band D property:**

**Consultation Response:**  
**84 responders were in favour of Band C**  
**64 responders were in favour of Band D**

Executive Councillors had requested the recommendation restricted entitlement to Band D liability levels.

Restricting entitlement to Band D instead of Band C liability levels affected 350 households and would increase expenditure by £53,444.

### **Key considerations**

Any of the options to reduce the level of support offered through CTS would have an adverse impact on certain applicants or groups of applicants. If the Council needed to cut the support offered through the CTS scheme, we needed to consider a careful selection of options for our particular demographic unless additional funding could be raised through other Council initiatives or by cuts in services generally. The reality was that any revised scheme that had less funding, needed to establish which applicants were more able to pay an increased level of Council Tax with the reduction in their CTS.

The estimated financial impact of each of the options and the numbers of customers affected had been considered. Although the Council was not legally required to include transitional protection for claimants moving from one CTS scheme to a replacement scheme, the legislation did state that Members must consider if transitional arrangements might be needed and if protection should apply to all groups or just certain groups. Such protection could limit our ability to realise savings.

Should there be any shift in proportions between working age and pension age or an economic downturn that resulted in more people relying on some

form of state financial support, there would be greater pressure on the remaining Council Taxpayers to meet a potentially higher outlay.

During the discussion of this item, moved by Councillor Murphy, seconded by Councillor Lisgo that the recommendations be amended as follows:-

“That the maximum CTS be limited to 85% of a Band D property (with the exception of single care leavers in income Band 1 up to the age of 25 years who would continue to receive CTS at 100% of their Council Tax liability to a maximum of the amount payable for a Band D property”.

The amendment was put to the vote and was lost.

A copy of the full, proposed Council Tax Support Scheme together with a copy of an Equality Impact Assessment was circulated to all Members of the Shadow Council to increase understanding of the issues prior to a decision being taken.

Councillors were concerned at the inclusion of the Strategic Forum in the report. This was noted by Officers who would ensure this would not happen again in future.

**Resolved** that:-

- (1) The Council, having had regard to the consultation response and the Equality Impact Assessment, agreed to set a Council Tax Support (CTS) scheme to be implemented from 1 April 2019 to:-
  - a) Award entitlement to working age recipients based on the 2018-2019 income banded schemes in place for Taunton Deane Borough Council and West Somerset Council;
  - b) Limit the maximum CTS to 80% of a Band D property (with the exception of single care leavers in income Band 1 up to the age of 25 years who would continue to receive CTS at 100% of their Council Tax liability to a maximum of the amount payable for a Band D property);
  - c) Disregard the Housing Element included in a Universal Credit (UC) award from the income we use to work out CTS, thereby providing parity with the treatment of Housing Benefit as it is intended to help with rent costs;
  - d) Apply a weekly disregard of £50 from the income used to work out CTS for each child where there were more than two children in the household;
  - e) Provide extra assistance for customers who would have formerly met the qualifying conditions for the disability premium by applying a weekly disregard of £50 from the income used to work out CTS.
- (2) The Council noted that on 23 October 2018, the Shadow Scrutiny Committee had recommended that recommendation 2.1 (b) should be

amended to *“Limit the maximum CTS to 85% of a Band D property (with the exception of single care leavers in income band 1 up to the age of 25 years who would continue to receive CTS at 100% of their Council Tax liability to a maximum of the amount payable for a Band D property”*.

However, the Shadow Executive Councillors, having considered this proposal from Shadow Scrutiny, were minded to maintain the original recommendation as set out in 2.1b above.

## 10. **2019/2020 Fees and Charges**

Considered report previously circulated, concerning the proposed fees and charges that were proposed to be applied to services for the first time for the new Council for 2019/2020. Scrutiny and Executive comments were tabled in an update paper prior to the meeting commencing.

In determination of these fees and charges the following principles had been applied:-

- i) Harmonisation of fees when it had been practical to do so;
- ii) Recovery of costs;
- iii) Setting of fees in line with statutory guidance.

In the setting of these fees and charges, a pragmatic approach had been taken for the first year of the new Council. A detailed review would be undertaken once the new operating model was embedded and fully in place.

Like its predecessor Councils, Somerset West and Taunton Council would charge the public for some services that they used. Some of these charges were set by Central Government.

The services that Somerset West and Taunton Council proposed to charge for were in connection with:-

- Bereavement Services;
- Waste Services;
- Land Charges;
- Housing;
- Licensing;
- Planning;
- Environmental Health;
- Promotional Rotunda Units;
- Deane Helpline;
- Freedom of Information Enquiries;
- Court Fees (Council Tax and Business Rates);
- Open Spaces;
- Harbours; and
- Car Parks.

Fees and charges generated in the region of £12,000,000 per annum and provided significant funding support to the provision of those services that

were charged for. Charges were set broadly within the framework of the Medium Term Financial Strategy and in accordance with legislative requirements.

Appended to the report were appendices that contained the detailed proposed charges for each service. These incorporated the same service areas currently charged by Taunton Deane and West Somerset Councils. The appendices included the legislation that allowed Somerset West and Taunton Council to charge for the services in question, confirmed if the charges could only be what it cost to provide the service or could be another charge, or if the charge was set by Central Government. This gave Councillors reassurance that the charges being proposed would be legally set.

### **Proposed Increases for 2019/20**

Those services proposing an increase to charges for 2019/2020 included:-

Cemeteries and Crematorium;  
Waste;  
Housing Services;  
Land Charges;  
Pest Control;  
Deane Helpline;  
Harbours; and  
Licensing.

Due to a rebasing of the associated costs, Court Fees were proposed to be reduced for 2019/2020.

In order to set appropriate fees, services would need to analyse trends and understand how fee levels influenced their customers. An understanding of risks associated with the fee levels was paramount in setting appropriate levels which would generate a value which could be confidently relied upon for budget setting purposes. Any unforeseen loss of income would impact on the Council's resources and might lead to overspends and affect service delivery.

The overall budgetary impact of the various proposals was summarised. Only those services that had changed their fees had been included in the report. This showed that the changes to fees and charges should contribute an additional £64,000 to the General Fund and £41,000 to the Housing Revenue Account (HRA), compared to initial single Medium Term Financial Plan estimates for the new Council.

The Shadow Scrutiny Committee had considered this report on 26 November 2018 and recommended to support the proposed fees and charges for 2019/2020, but also provided comments on the proposals for consideration by Shadow Executive Members.

Shadow Executive had considered the matter on 6 December 2018 and had recommended that Shadow Council approved the proposed fees and charges for 2019/2020 subject to the further clarifications and amendments discussed.

The Scrutiny comments were also discussed.

During the discussion of this item, moved by Councillor Dewdney, seconded by Councillor Martin-Scott that:-

“Appendix F – Planning Fees – Reduce the Listed Building Pre-Application Advice – all levels from £290.40 to £105.60” and

“Appendix M – Parking – Remove the £6 Coach Park fee for Tangier Car Park.”

The amendment was put and was carried.

**Resolved** that the new Council’s proposed Fees and Charges for 2019/2020, as amended, be approved.

11. **Discretionary Reduction in Council Tax Liability Policy and Discretionary Housing Payment Policy**

Considered report previously circulated, concerning the awarding of Discretionary Housing Payments (DHPs) and Discretionary Reductions in Council Tax liability. The report sought support for combining both Taunton Deane’s and West Somerset’s Policies for the New Council from 1 April 2019.

Powers granted under Section 13A of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), allowed the billing authority to reduce the Council Tax payable either for specific classes of cases, as determined by the billing authority, or for individual cases. The billing authority had the power to either reduce or cancel the Council Tax payable. The intent behind this legislation was to allow billing authorities to create local discounts or exemptions to cater for local circumstances, for example flooding.

The Councils had had policies for Discretionary Reductions in Council Tax liability for some time. However, a decision by the Valuation Tribunal for England arising from an appeal against East Riding of Yorkshire Council’s decision to refuse a discretionary reduction meant it was prudent to review and revise our policies accordingly. Discretionary Housing Payments offered claimants of Housing Benefit (HB) and Universal Credit (UC) in receipt of the housing element, further financial assistance where the Council considered that help with housing costs was needed.

The Department for Work and Pensions (DWP) provided the Council with a specified Discretionary Housing Payments (DHP) allocation that varied each year as it was partly based on our previous DHP spending. The Councils currently had to return any unspent funding to the DWP.

During the financial year, the Councils could only award DHP up to a cash limit of two and a half times this annual grant. Any spending made above the allocation and up to the legal limit had to be funded from Council budgets.

DHPs were not payments of benefit, and the Councils therefore had discretion in how this funding was managed.

During the discussion of this item, moved by Councillor Ryan, seconded by Councillor R Lees:-

“That the Discretionary Reduction in Council Tax Liability Policy and Discretionary Housing Payment Policy should be withdrawn and taken to the next available Shadow Scrutiny Committee for discussion before returning to the next Shadow Full Council in due course”.

The amendment was withdrawn by the proposer before a vote after further clarification was provided.

**Resolved** that the revised policy for Discretionary Reduction in Council Tax Liability and Discretionary Housing Payments to be applied from 1 April 2019 be approved.

(The meeting ended at 9.00 p.m.)