

AGENDA

GENERAL PURPOSES GROUP MEETING



Date: Wednesday 27 January 2010

Time: 6.30 pm

Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors Mrs Blackmore, Field, Mrs Hinder
(Chairman), Horne, Hotson, Mortimer,
Paine, Sams and Mrs Wilson

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Notification of Visiting Members
4. Disclosures by Members and Officers
5. Disclosures of Lobbying

Continued Over/:

Issued on 20 January 2010

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**David Petford, Chief Executive, Maidstone Borough Council,
Maidstone House, King Street, Maidstone, Kent ME15 6JQ**

6. To consider whether any items should be taken in private because of the possible disclosure of exempt information
7. Minutes of the Meeting held on 18 November 2009 1 - 3
8. Report of the Head of Finance - Council Tax - Tax Base 2010/11 4 - 11

MAIDSTONE BOROUGH COUNCIL

GENERAL PURPOSES GROUP

MINUTES OF THE MEETING HELD ON WEDNESDAY 18 NOVEMBER 2009

Present: Councillor Mrs Hinder (Chairman), and
Councillors Field, Gooch, Horne, Hotson, Marshall,
Mortimer, Paine and Mrs Wilson

26. APOLOGIES FOR ABSENCE

There were no apologies for absence.

27. NOTIFICATION OF SUBSTITUTE MEMBERS

The following substitutions were noted:-

Councillor Marshall for Councillor Mrs Blackmore
Councillor Mrs Gooch for Councillor Sams

28. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

29. DISCLOSURES BY MEMBERS AND OFFICERS

Councillor Mrs Hinder declared a personal and prejudicial interest in Item 10, Appointments to Outside Bodies, as her husband is one of the nominees for two of the Outside Bodies (Maidstone Sea Cadets and Youth and Community Charity).

30. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

31. EXEMPT ITEMS

RESOLVED: That the items on the Agenda be taken in public as proposed.

32. MINUTES OF THE MEETING HELD ON 1 SEPTEMBER 2009

RESOLVED: That the Minutes of the Meeting held on 1 September 2009 be approved as a correct record and signed.

33. NAMES IN COUNCIL CHAMBER

The Group considered the report of the Democratic Services Manager regarding a process for the addition of names to the top section of the walls in the Council Chamber.

Members felt that it would be helpful and interesting to know who had previously agreed to the names that are currently on the wall and when they were put up.

Members suggested that the criteria could be expanded to include "has made a significant cultural contribution to the Maidstone Borough" and that the person should have been dead for at least 50 years. It was also suggested that recommendations should fulfil two or more of the criteria and not just one.

Further suggestions made were that any names that are considered, consultation should take place with the local community where the person came from or lived and whether we could link this with some future Heritage Open Days.

RESOLVED:

1. That the Democratic Services Manager research the history of the building with regard to the context in which the names had been put on the wall and when and report back to the Group with the above information, together with a revised criteria.
2. That, once the criteria has been agreed, the Democratic Services Manager undertakes a full research of the 3 specific names mentioned in the report and investigate how to stimulate the interest of the public to recommend names and report back to the Group.

34. ANNUAL REPORT FOR MEMBERS

The Group considered the report of the Democratic Services Manager regarding the possible introduction of an Annual Report for Members.

The Group agreed with the principle of an Annual Report however they felt that the form was not entirely appropriate.

RESOLVED:

1. That the Group agrees, in principle, for an Annual Report to be completed by all Members.
2. That Group Leaders be asked to review the proposed form with their members and that their comments/suggested changes be sent to the Democratic Services Manager by end of January 2010.
3. That any suggested revisions by Group Leaders be reported back to this Group in March 2010.

35. APPOINTMENTS TO OUTSIDE BODIES

The Group considered the report of the Democratic Services Manager regarding appointments to Outside Bodies.

The Group were informed that a late nomination had been received and it was agreed to consider the nomination on this first occasion, but that in future late nominations would not be considered.

The Chairman left the meeting for the appointments to Maidstone Sea Cadets and Youth and Community Charity and the Vice Chairman took the Chair.

The Chairman resumed as the Chair once the decisions on the above had been made.

Councillor Mrs Wilson left the meeting after the first two appointments had been made as she was attending another meeting.

RESOLVED:

1. That Councillor Hinder be appointed as the Council representative for Maidstone Sea Cadets for a period of 4 years from 19 November 2009.
2. That Councillor Hinder be appointed as the Council representative for the Youth and Community Charity for a period of 4 years from 7 September 2009.
3. That Councillor English be appointed as the Council representative for PATROLAJC for a period of 4 years from 7 September 2009.
4. That Councillor Sellar be appointed as the Council representative for Maidstone MIND for a period of 4 years from 19 October 2009.
5. That all staff be invited to apply for the vacancy on Relate West and Mid Kent.
6. That the Kent Downs AONB Joint Advisory Committee be classed as an Outside Body in its own right.
7. That Councillor Mrs Parvin continues as the Council representative for Kent Downs AONB Joint Advisory Committee until a formal appointment is made early in the new Municipal Year.
8. That nominations for the Kent Downs AONB Joint Advisory Committee be considered at the earliest opportunity in the next municipal year.
9. That the Job Specification Form and Terms of Reference of the Kent Downs AONB Joint Advisory Committee be circulated to the Members of this Group and a representative of the Kent Downs AONB Joint Advisory Committee be invited to give a presentation at a future meeting of this Group.
10. That members be notified that in future any nominations received after the deadline will not be considered.

36. CALENDAR OF MEETINGS 2010/11

The Group considered the report of the Democratic Services Manager regarding the proposed calendar of meetings for the municipal year 2010/11.

RESOLVED: That Council be recommended to approve the calendar of meetings for the municipal year 2010/11 as attached to the report of the Democratic Services Manager.

37. DURATION OF MEETING

6.30 p.m. to 7.50 p.m.

Agenda Item 8

MAIDSTONE BOROUGH COUNCIL

GENERAL PURPOSES GROUP

27 JANUARY 2010

REPORT OF HEAD OF FINANCE

**Report prepared by Paul Riley,
Head of Finance**

1. COUNCIL TAX – TAX BASE 2010/11

1.1 Issue for Decision

1.1.1 This report advises Members of the information currently available on the Tax Base for 2010/11 for Council Tax purposes. It also identifies potential changes to that Tax Base, particularly the allowance for non-collection, and recommends the Tax Base for 2010/11.

1.2 Recommendation of Head of Finance

1.2.1 That the Committee agree that:-

- a) pursuant to this report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by this Authority as its Council Tax Base for the year 2010/11 shall be 59,765.2;
- b) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, as amended, the amount calculated by this Authority as the Council Tax Base for each Parish area as identified in **APPENDIX B** for the year 2010/11, be approved.

1.3 Reasons for Recommendation

1.3.1 The calculation of the Tax Base for Council Tax setting purposes must be agreed by full Council or a politically balanced Committee and could not be delegated to Officers or the Executive. In accordance with the statutory timetable, this decision had to be made by 31 January 2010. The constitution now requires this decision to be made by this Committee.

1.3.2 The basis of the calculation of the Tax Base is the valuation information received from the Valuation Officer and the latest information on exemptions and discounts available. This basic information has been collated, for the whole of the Borough area, and for individual Parish areas. Information for the whole area has been

supplied to the Government and will be used as the basis for distribution of Revenue Support Grant by the Government.

- 1.3.3 From the basic information available, it is necessary to assess the Tax Base for 2010/11, taking into account factors such as the potential for change in the property base of the tax, i.e. additional properties being valued, changes in valuations following appeals, changes in the exemptions and discounts awarded. Additionally, an assessment must be made of the allowance for non-collection. Each of these factors is separately addressed in this report.
- 1.3.4 It is necessary that a realistic assessment is made of the potential changes to the Tax Base for 2010/11 as the effects on the cash flow of an under or over recovery of Council Tax income, will fall to this Authority. If the Tax Base is overestimate, there will inevitably be a deficit on the Collection Fund which will need to be recovered through the Council Tax in the following financial year. However, during the course of the year the borrowing necessary to cover the under recovery of the tax would need to be paid for by this Authority. It is, therefore, very important that a realistic assessment is made of the collection rate likely to be achieved in 2010/11, taking into account all the factors detailed in Sections 1.4 – 1.6.

1.4 Changes in Property Base

- 1.4.1 The base position for the assessment of the Tax Base for 2010/11 is the information as supplied to the Government in October 2009. The return is based on the Council Tax Valuation List as at 14 September 2009. This shows a Tax Base of 59,824.4 before consideration of potential changes in the property base in the period up to March 2011. This involves an assessment of the number of properties that may move onto or out of the valuation list over the period. Additionally, an assessment needs to be made of the potential impact of appeals against the current valuation for each property.
- 1.4.2 **Changes in Number of Properties** – The potential for properties moving onto the Valuation List essentially comprise two situations. Firstly, properties which have currently not been valued for the purposes of Council Tax and secondly, new properties which are likely to be built and occupied during the period in question. Based on information currently available, an increase in the Tax Base of 314.5 i.e. 0.53% may be anticipated. This will cover approx 350 new properties coming on to the list up to March 2010 after making an allowance for potential exemptions and discounts.
- 1.4.3 **Changes in Valuation Bands** – It is likely that there will be a minimal number of outstanding appeals lodged with the Valuation Officers. Based on previous experience of the likely incidence of reductions in valuation bands as a result of appeals, there may be a

marginal and insignificant reduction in the overall Tax Base.

1.5 Changes in Exemptions and Discounts

1.5.1 Since the introduction of Council Tax there has been a gradual increase in the number of exemptions and discounts along with irregular fluctuations. Additionally, a proportion of new properties coming onto the Valuation List will be entitled to exemptions or discounts. It would be prudent to allow a 0.17% reduction (i.e. an effective increase of approx 103.3 exemptions and discounts) in the Tax Base to cover potential changes in 2010/11.

1.6 Allowance for Non-Collection

1.6.1 For the purposes of the Council Tax Base for the current financial year, an allowance for non collection of 0.45% was agreed. Based on latest collection information and the potential adverse impact of the current economic downturn, it is recommended that the non-collection rate be maintained at a rate of 0.45% for 2010/11.

1.7. Local Discretion on Discounts

1.7.1 Previously Members considered a report dealing with the option of reducing discounts on Second Homes and long term empty properties. It is presumed that there will be no change to this policy as a change would require the Tax Base to be amended to reflect the change in the Band D Dwellings for Council Tax setting purposes.

1.8 Overall Assessment

1.8.1 Attached at **APPENDIX A** is a summary of the Tax Base based on the information supplied to the Government on October 2008 in accordance with statutory requirements. The following table includes an assessment of changes in the property base, changes in exemptions and discounts and the provision for non-collection, as detailed in sections 1.4 to 1.6 above.

Tax Base as per Appendix A	59,824.4
PLUS Provision for changes in Property Base	314.5
LESS Provision for changes in exemptions/discounts	103.3
LESS Provision for Non collection (0.45%)	<u>270.4</u>
	<u>59,765.2</u>

Based on these assessments, the estimated Tax Base for 2010/11 is, therefore, 59,765.2, an increase of 1.2% on the Tax Base in the current financial year of 59,057.6.

1.9 Tax Base - Parish Areas

1.9.1 Based on the above assumptions, the Tax Base for each of the Parish areas has similarly been calculated and a summary is attached at **APPENDIX B**. This calculation is necessary to allow Parish Councils to assess the impact on their local area of the local precept to be raised. Information must be provided to Parish Councils within ten working days of a request by a Parish Council. However, Parishes have already been informed of their provisional Tax Base, as detailed in the Appendix, to allow Parishes to consider their Precept levels and the impact on local Council Tax payers.

1.9.2 The figures included in **APPENDIX B** include the same assumptions on non-collection and changes in the Tax Base as detailed in this report. If Members change any of the recommendations in this report, this will have a consequential effect on the Tax Base for the Parish areas and Parishes will be circulated with amended figures at the earliest opportunity.

1.10 Alternative Action and why not Recommended

1.10.1 The setting of the Tax Base is statutory and therefore there is no alternative to Members considering this Report. However, it is possible for a more optimistic view to be taken on the potential changes to the Tax Base. This is not recommended as an increase in the Tax Base would affect the cash flow of this Authority and, if not achieved, would result in an increase in costs through reduced investment income.

1.11 Impact on Corporate Objectives

1.11.1 The Tax Base is an integral part of the Council Tax collection process which is a basic financial function of this Authority. It is essential for the efficient funding of all Local Authorities in the area. The income received from Council Tax, within the overall context of the budget process, provides resources for the provision of all this Authority's services.

1.12 Risk Management

1.12.1 The major risk relates to any potentially optimistic assessment of the Tax Base, as this would lead to cash flow problems, during the year, which would reduce investment income.

1.12.2 However, increased balances on the Collection Fund, when fed into the overall budget process, can produce yearly variations which need to be managed as part of the Budget Strategy.

1.13 Other Implications

1.13.1

1.	Financial	X
2.	Staffing	-
3.	Legal	-
4.	Equality Impact Needs Assessment	-
5.	Environmental/Sustainable Development	-
6.	Community Safety	-
7.	Human Rights Act	-
8.	Procurement	-
9.	Asset Management	-

1.13.2 The setting of the Tax Base is an essential part of the budget process and is required by Legislation. Any increase in the Tax Base effectively means that the cost of services provided by this Authority and others in the area is being funded by more Council Tax payers and would effectively reduce the Council Tax burden on each tax payer. This relationship however must be realistic in that any underachievement on the collection of Council Tax will mean a result in cash flow problems for this Authority and a loss of investment income.

1.14 Background Documents

1.14.2 None.

NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED

Is this a Key Decision? Yes No

If yes, when did it appear in the Forward Plan? _____

Is this an Urgent Key Decision? Yes No

Reason for Urgency



CTB(October 2009)

Calculation of Council Tax Base for Formula Grant Purposes

Please e-mail to : ctb.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct local authority name

Check that this is your authority :	Maidstone
Local authority contact name :	Tony Jeyes
Local authority telephone number :	1622602092
Local authority fax number :	01622602974
Local authority e-mail address :	tonyjejes@maidstone.gov.uk

CTB(October 2009) form for : Maidstone

Completed forms should be received by CLG by Friday 16 October 2009

Dwellings shown on the Valuation List for the authority on Monday 14 September 2009	Band A entitled to disabled relief reduction COLUMN 1	Band A COLUMN 2	Band B COLUMN 3	Band C COLUMN 4	Band D COLUMN 5	Band E COLUMN 6	Band F COLUMN 7	Band G COLUMN 8	Band H COLUMN 9	TOTAL COLUMN 10
1. Total number of dwellings on the Valuation List		4,172	8,133	17,336	16,701	8,759	5,025	3,624	322	64,072
2. Number of dwellings on valuation list exempt on 5 October 2009 (Class A to W exemptions)		328	274	588	286	100	47	44	0	1,667
Explanation has been added										
3. Number of demolished dwellings and dwellings outside area of authority on 5 October 2009 (please see notes)		23	1	0	1	0	0	0	0	25
Explanation has been added										
4. Number of chargeable dwellings on 5 October 2009 (treating demolished dwellings etc as exempt) (lines 1-2-3)		3,821	7,858	16,748	16,414	8,659	4,978	3,580	322	62,380
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 5 October 2009		3	12	48	73	59	32	30	13	270
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	3	12	48	73	59	32	30	13		270
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	3	3,830	7,894	16,773	16,400	8,632	4,976	3,563	309	62,380
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 5 October 2009	2	2,328	3,843	5,623	4,282	1,625	686	384	32	18,805
9. Number of dwellings in line 7 entitled to a 25% discount on 5 October 2009 due to all but one resident being disregarded for council tax purposes	1	23	77	165	131	78	52	20	1	548
10. Number of dwellings in line 7 entitled to a 50% discount on 5 October 2009 due to all residents being disregarded for council tax purposes	0	0	4	12	18	7	13	19	13	86
11. Number of dwellings in line 7 classed as second homes and so treated for Formula Grant purposes as being entitled to a 50% discount on 5 October 2009 (even if a lower discount has been granted in practice).		12	20	47	34	23	17	18	5	176
Explanation has been added										
12. Number of dwellings in line 7 classed as long-term empty and receiving a 50% discount on 5 October 2009		0	0	0	0	0	0	0	0	0
13. Total number of dwellings in line 7 entitled to a 50% discount for Formula Grant purposes on 5 October 2009 (lines 10+11+12)	0	12	24	59	52	30	30	37	18	262
14. Number of dwellings in line 7 classed as long-term empty and receiving zero% discount on 5 October 2009		94	93	107	102	43	51	30	5	525
Explanation has been added										
15. Number of dwellings in line 7 classed as long-term empty and receiving between zero% and 50% discount on 5 October 2009. Please enter % discount here (please see notes):		0	0	0	0	0	0	0	0	0
16. Number of dwellings in line 7 where there is liability to pay 100% council tax (lines 7-8-9-13-15)	0	1,467	3,950	10,926	11,935	6,899	4,208	3,122	258	42,765
17. Total equivalent number of dwellings after discounts, exemptions and disabled relief (to 2 decimal places) [(line 8 x 0.75) + (line 9 x 0.75) + (line 13 x 0.5) + line 15 x ((100 - % discount)/100) + line 16]	2.25	3,236.25	6,902.00	15,296.50	15,270.75	8,191.25	4,776.50	3,443.50	291.75	57,411
18. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
19. Number of band D equivalents (to 1 decimal place) (line 17 x line 18)	1.3	2,157.5	5,368.2	13,596.9	15,270.8	10,011.5	6,899.4	5,739.2	583.5	59,628.3
20. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2009-10 (to 1 decimal place)										196.1
21. Tax base for Formula Grant purposes (to 1 decimal place) (line 19 col 10 + line 20)										59,824.4

Certificate of Chief Financial Officer

I certify that the information provided on this form is based on the dwellings shown in the Valuation List for my authority on 14 September 2009 and that it accurately reflects information available to me about exemptions, demolished dwellings etc, disabled relief and discounts applicable on 5 October 2009.

Chief Financial Officer :

Date :10.....

Ver 1.0

Local authority contact name : Tony Jeyes
 Local authority telephone number : 1622602092
 Local authority fax number : 01622602974
 Local authority e-mail address : tonyjejes@maidstone.gov.uk

<u>PARISH</u>	TAX BASE 2009/2010	ORIGINAL TAX BASE 2010/2011	ADDITIONAL BAND D PROPERTIES	ADJUSTED FOR EXEMPTIONS & DISCOUNTS	ADJUSTED TAX BASE 2010/2011	TAX BASE 2010/2011	VARIANCE
Maidstone Borough							
Barming	755.0	759.2	1.7	-1.3	759.6	756.2	1.2
Bearsted	3,616.1	3,659.3	7.1	-6.2	3,660.2	3,643.7	27.6
Boughton Malherbe	225.9	228.0		-0.4	227.6	226.6	0.7
Boughton Monchelsea	1,174.9	1,214.9	35.4	-2.1	1,248.2	1,242.6	67.7
Boxley	3,894.2	3,914.6	1.0	-6.7	3,908.9	3,891.3	-2.9
Bredhurst	179.7	182.2		-0.3	181.9	181.1	1.4
Broomfield & Kingswood	711.2	713.8	1.0	-1.2	713.6	710.4	-0.8
Chart Sutton	412.8	422.0		-0.7	421.3	419.4	6.6
Collier Street	356.4	361.3		-0.6	360.7	359.1	2.7
Coxheath	1,522.3	1,562.1	34.9	-2.7	1,594.3	1,587.1	64.8
Detling	379.4	382.0	3.9	-0.7	385.2	383.5	4.1
Downswood	866.3	875.6		-1.5	874.1	870.2	3.9
Farleigh East	686.8	694.7		-1.2	693.5	690.3	3.5
Farleigh West	214.5	224.1		-0.4	223.7	222.7	8.2
East Sutton	138.8	143.6	1.4	-0.2	144.8	144.1	5.3
Harrietsham	889.8	897.9	1.0	-1.5	897.4	893.4	3.6
Headcorn	1,460.6	1,483.9	10.7	-2.5	1,492.1	1,485.4	24.8
Hollingbourne	454.3	458.8		-0.8	458.0	455.9	1.6
Hunton	317.2	325.0		-0.6	324.4	322.9	5.7
Langley	518.8	518.4		-0.9	517.5	515.2	-3.6
Leeds	359.0	360.4		-0.6	359.8	358.2	-0.8
Lenham	1,419.4	1,443.5		-2.5	1,441.0	1,434.5	15.1
Linton	259.0	260.9		-0.4	260.5	259.3	0.3
Loose	1,067.2	1,058.2	3.7	-1.8	1,060.1	1,055.3	-11.9
Marden	1,617.5	1,627.4	9.6	-2.8	1,634.2	1,626.8	9.3
Nettlestead	353.8	350.6		-0.6	350.0	348.4	-5.4
Otham	224.6	226.6	1.4	-0.4	227.6	226.6	2.0
Staplehurst	2,337.4	2,373.1	1.2	-4.0	2,370.3	2,359.7	22.3
Stockbury	329.5	335.7		-0.6	335.1	333.6	4.1
Sutton Valence	646.3	657.1	2.3	-1.1	658.3	655.3	9.0
Teston	314.7	326.1	0.9	-0.6	326.4	324.9	10.2
Thurnham	538.5	537.9	2.3	-0.9	539.3	536.9	-1.6
Tovil	1,174.9	1,189.1	55.0	-2.1	1,242.0	1,236.4	61.5
Ulcombe	394.8	402.1		-0.7	401.4	399.6	4.8
Yalding	1,023.9	1,028.5		-1.7	1,026.8	1,022.2	-1.7
	30,731.9	31,198.5	174.5	-53.3	31,319.7	31,178.8	343.3