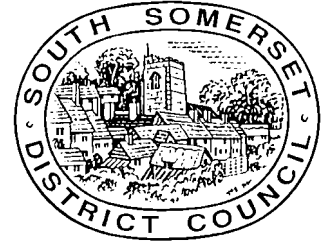


South Somerset District Council

Notice of Meeting



District Executive

Making a difference where it counts

Thursday 4th December 2014

9.30 am

**Council Chamber
Council Offices
Brympton Way
Yeovil
Somerset BA20 2HT**

Disabled Access is available at this meeting venue.



Members listed on the following page are requested to attend the meeting.

The public and press are welcome to attend.

If you would like any further information on the items to be discussed, please ring the Agenda Co-ordinator, **Angela Cox 01935 462148**

This Agenda was issued on Wednesday 26 November 2014.

Ian Clarke, Assistant Director (Legal & Corporate Services)

This information is also available on our website
www.southsomerset.gov.uk



INVESTORS IN PEOPLE

District Executive Membership

Ric Pallister
Tim Carroll
Peter Gubbins
Henry Hobhouse
Shane Pledger
Jo Roundell Greene
Sylvia Seal
Peter Seib
Angie Singleton
Nick Weeks

Information for the Public

The District Executive co-ordinates the policy objectives of the Council and gives the Area Committees strategic direction. It carries out all of the local authority's functions which are not the responsibility of any other part of the Council. It delegates some of its responsibilities to Area Committees, officers and individual portfolio holders within limits set by the Council's Constitution. When major decisions are to be discussed or made, these are published in the Executive Forward Plan in so far as they can be anticipated.

Members of the Public are able to:-

- attend meetings of the Council and its committees such as Area Committees, District Executive, except where, for example, personal or confidential matters are being discussed;
- speak at Area Committees, District Executive and Council meetings;
- see reports and background papers, and any record of decisions made by the Council and Executive;
- find out, from the Executive Forward Plan, what major decisions are to be decided by the District Executive.

Meetings of the District Executive are held monthly at 9.30 a.m. on the first Thursday of the month in the Council Offices, Brympton Way.

The Executive Forward Plan and copies of executive reports and decisions are published on the Council's web site - www.southsomerset.gov.uk.

The Council's Constitution is also on the web site and available for inspection in Council offices.

The Council's corporate priorities which guide the work and decisions of the Executive are set out below.

Further information can be obtained by contacting the agenda co-ordinator named on the front page.

South Somerset District Council – Corporate Aims

Our key aims are: (all equal)

- **Jobs** - We want a strong economy which has low unemployment and thriving businesses
- **Environment** - We want an attractive environment to live in with increased recycling and lower energy use
- **Homes** - We want decent housing for our residents that matches their income
- **Health and Communities** - We want communities that are healthy, self-reliant, and have individuals who are willing to help each other

Ordnance Survey mapping/map data included within this publication is provided by South Somerset District Council under licence from the Ordnance Survey in order to fulfil its public function to undertake its statutory functions on behalf of the district. Persons viewing this mapping should contact Ordnance Survey copyright for advice where they wish to licence Ordnance Survey mapping/map data for their own use. South Somerset District Council - LA100019471 - 2014.

District Executive

Thursday 4 DECEMBER 2014

Agenda

1. Minutes of Previous Meeting

To approve as a correct record the minutes of the District Executive meeting held on 6th November 2014.

2. Apologies for Absence

3. Declarations of Interest

In accordance with the Council's current Code of Conduct (adopted July 2012), which includes all the provisions relating to Disclosable Pecuniary Interests (DPI), personal and prejudicial interests, Members are asked to declare any DPI and also any personal interests (and whether or not such personal interests are also "prejudicial") in relation to any matter on the Agenda for this meeting. A DPI is defined in The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (SI 2012 No. 1464) and Appendix 3 of the Council's Code of Conduct. A personal interest is defined in paragraph 2.8 of the Code and a prejudicial interest is defined in paragraph 2.9.

Members are reminded that they need to declare the fact that they are also a member of a County, Town or Parish Council as a Personal Interest. As a result of the change made to the Code of Conduct by this Council at its meeting on 15th May 2014, where you are also a member of Somerset County Council and/or a Town or Parish Council within South Somerset you must declare a prejudicial interest in any business on the agenda where there is a financial benefit or gain or advantage to Somerset County Council and/or a Town or Parish Council which would be at the cost or to the financial disadvantage of South Somerset District Council. If you have a prejudicial interest you must comply with paragraphs 2.9(b) and 2.9(c) of the Code.

4. Public Question Time

Questions, statements or comments from members of the public are welcome at the beginning of each meeting of the Council. The total period allowed for public participation shall not exceed 15 minutes except with the consent of the Council and each individual speaker shall be restricted to a total of three minutes. Where there are a number of persons wishing to speak about the same matter, they should consider choosing one spokesperson to speak on their behalf where appropriate. If a member of the public wishes to speak they should advise the committee administrator and complete one of the public participation slips setting out their name and the matter they wish to speak about. The public will be invited to speak in the order determined by the Chairman. Answers to questions may be provided at the meeting itself or a written reply will be sent subsequently, as appropriate. Matters raised during the public question session will not be debated by the Council at that meeting.

5. Chairman's Announcements

6. Presentation from the Environment Agency on Flooding trigger points (Page 1)

7. **The Somerset Levels & Moors 20 Year Flood Action Plan - Proposed Somerset Rivers Authority** (Pages 2 - 17)
8. **Quarterly Performance and Complaints Monitoring Report - 2nd Quarter 2014/15** (Pages 18 - 27)
9. **Non Domestic (Business) Rate Pooling** (Pages 28 - 54)
10. **Additional Revenues Team Resources** (Pages 55 - 59)
11. **Community Right to Bid - Assets of Community Value** (Pages 60 - 64)
12. **Monthly Performance Snapshot** (Pages 65 - 66)
13. **District Executive Forward Plan** (Pages 67 - 71)
14. **Date of Next Meeting** (Page 72)
15. **Exclusion of Press and Public** (Page 73)
16. **Delivery of the Car Parking Strategy (Confidential)** (Pages 74 - 78)

Agenda Item 6

Presentation from the Environment Agency on Flooding trigger points

Executive Portfolio Holder: Ric Pallister, Leader, Strategy & Policy
Strategic Director: Vega Sturgess, Operations & Customer Focus
Contact Details: Vega.sturgess@southsomerset.gov.uk or 01935 462200

Sam Dawe, Strategic Coordination Manager from the Environment Agency, will be in attendance to provide Members with a short presentation on flooding trigger points.

Agenda Item 7

The Somerset Levels & Moors 20 Year Flood Action Plan – Proposed Somerset Rivers Authority

Executive Portfolio Holder: Ric Pallister, Leader, Strategy & Policy
Strategic Director: Vega Sturgess, Operations & Customer Focus
Contact Details: Vega.sturgess@southsomerset.gov.uk, 01935 462200

1. Purpose of the Report

The report sets out progress to date towards establishing a Somerset Rivers Authority (SRA) and seeks endorsement of proposals for the SRA for further development. The report sets out the purpose of the proposed SRA, its scope and role, arrangements for its funding and governance, and a proposed way forward.

The recommendations will take forward a key proposal within the approved 20 year Flood Action Plan for the Somerset Levels and Moors.

2. Forward Plan

This report appeared on the forward plan in October 2014.

3. Public Interest

The flooding across a wide area of Somerset in the winter of 2013-14 brought wide spread disruption to South Somerset. Many homes were flooded for long periods and households in Muchelney were cut off for about ten weeks. During this time many roads were closed, which impacted on many more South Somerset residents and businesses meaning that significantly increased distances were driven simply to go about normal day to day business. For example, some businesses in Westover Trading Estate in Langport were closed for up to 15 weeks and trading is still being affected to this day.

Since last winter there has been concentrated work on developing a Flood Action Plan and establishing a way in which flood protection and maintenance can be better co-ordinated across the whole of Somerset. The proposals for the Somerset Rivers Authority are the mechanism by which this joining up of activity and funding will happen.

For ease of understanding this complex report Appendix 1 summarises the proposals in this report in a series of questions and answers.

4. Recommendations

That District Executive agrees:

- (1) That progress to date in the development of the Somerset Rivers Authority proposition is endorsed, together with the way forward as set out in the report, and that a further report follows in due course.
- (2) To endorse the on-going work by the Leader of the Council and the Flood Action Plan Leaders Implementation Group to progress the creation of a shadow Somerset Rivers Authority, as proposed in this report.

5. Background

The Levels & Moors 20 Year Flood Action Plan sets out a number of workstreams to achieve a vision for the area where “the impact of extreme weather events is being reduced.” Amongst the risk reduction actions in the Plan was a proposal to create a Somerset Rivers Authority. The Plan makes it clear that, “a renewed, co-ordinated and joined-up approach to addressing flooding and resilience issues is required, with opportunities to develop new approaches to the management of the drained areas and the wider catchment, and for enhanced local leadership.” “We must establish long-term governance. This will include new approaches for long term funding of management work on the levels.”

SSDC councillors were all sent the link to the Flood Action Plan on 10 April 2014 and there was an informal workshop session on 13 October 2014 to update members on recent progress.

A Leaders Implementation Group (LIG) has been established to take forward the Action Plan. Our representative on this LIG is the Leader of the Council. The Plan includes a proposal to determine the most appropriate model and to set up a Somerset Rivers Authority, which has greater responsibility for co-ordinating maintenance and improving water and flood risk management, including a new catchment wide funding mechanism. A Project Key Partners Group has been established to advise on developing the project, with representation from the Internal Drainage Boards (IDBs), the County and District Councils, the Department for the Environment, Food and Rural Affairs, the Department for Communities & Local Government, Natural England, the Environment Agency (EA) and the Wessex Regional Flood and Coastal Committee (WRFCC). SSDC is represented on this Group by the Leader and the Strategic Director, Operations and Customer Focus.

While the proposals which follow have been endorsed by the partners through the LIG, they remain “work in progress” in responding to the Government request to set up a Somerset Rivers Authority. The purpose of this report is to advise Members of progress to date and to secure endorsement for the way forward. A verbal update will be given by the Leader of the Council on any further developments at LIG since this report was published.

6. Consultations undertaken

The report has been brought forward from the LIG which oversees the Flood Action Plan.

The Flood Action Plan draws on a wide range of evidence and feedback from the community. It also builds other relevant strategies and plans including Water Level Management Plans, and the Somerset Flood Risk Management Strategy.

7. The Somerset Rivers Authority Project

The current proposals have adopted the title “Somerset Rivers Authority” (SRA). With communities and businesses across Somerset wanting a higher level of funding and protection than is available from the Environment Agency’s work programme, it will be the SRA’s task to determine, by bringing together the Flood Risk Management Authorities (FRMA’s) and community and business representatives, what further work should be done. Discussions and negotiations with Government as to how the SRA is to be funded are on-going.

(a) Purpose

It is proposed that, with its strategic overview, the SRA would be the advocate of what is needed for Somerset in reducing flood risk. Through its influence and decisions, the SRA would be accountable for:

- The Flood Action Plan
- A co-ordinated approach to delivery, and
- on a Somerset-wide basis, for the funding it raises, and for how it is spent.

As currently proposed, the SRA would empower the FRMA's (the Environment Agency, the IDBs, the Lead Local Flood Authority (Somerset County Council) and the Somerset District Councils) to take on a broader role, to ensure that Somerset's flood risk management activity benefits from the collective wisdom, experience and knowledge of all its members.

The SRA would not diminish the responsibilities of the individual partners, nor those of riparian owners. The existing FRMA's and their existing associated funding streams, responsibilities and accountabilities would continue. However, opportunities would be taken to join up delivery where agreed. The underlying principle would be one of joint working, which recognises existing organisational accountabilities.

(b) Scope and Role

As proposed, the SRA would commission the delivery of a costed, co-ordinated Business Plan for enhanced maintenance of river channels, important ordinary watercourses and river flood banks across the whole of Somerset. This would include dredging, and maintenance of dredged profiles. The SRA would also oversee an associated Common Works Programme.

It is also envisaged that the SRA could commission capital works and land management programmes which reduce flood risk, and could provide "partnership funding" to allow more schemes to enter the EA's work programme.

The SRA would also in due course take over driving forward the implementation of the Flood Action Plan from the Leaders' Implementation Group. The scope of the SRA would include strategic planning, land management and building local resilience as key activities, and with community engagement around these responsibilities.

The SRA would not include within its scope, activities associated with emergency response and recovery, or with coastal flood risk.

(c) Funding

The proposal is to set up the SRA as a separate precepting body (like the Fire and Rescue Authority), which could raise funds from all households across the whole of Somerset, and from agricultural landowners in Somerset outside the existing IDB areas. Steps would be taken to achieve a more equitable distribution across Somerset of any charges levied for flood risk management and drainage purposes. The potential of funding contributions from business rates is also under consideration.

The IDBs would continue to set budgets for their work programmes as at present, but any special levy would, in future, be placed on the SRA. Existing sources of capital

funding for flood risk management would need to continue to be available to the individual partner organisations.

There will need to be greater clarity on the way flood risk management funding is made available throughout Somerset, to balance addressing local flood risk concerns with more strategic priorities, and, in the longer term, to avoid an excessive focus on the Levels and Moors.

Ministerial discussions on a Government agreed position on how future funding is to be raised are on-going and no definitive position has yet emerged.

(d) Interim funding

The timescales involved with establishing a new precepting body indicate that new funding raised through this mechanism would not be available for the coming financial year of 2015/16. Accordingly, interim funding of £2.7m is being sought from Central Government. Members will recall the statement made by the Prime Minister at the time of the floods in February:

“We cannot let this situation happen again”.

This further funding will enable the continuation of the flood risk management work which has been initiated in 2014/15, with the additional funding that has already been made available. A copy of the letter sent by the leaders of the County and District Councils to the Secretary of State for the Environment, Food and Rural Affairs on this matter is attached (Appendix 2). Given the timescales involved, and the constraints under which councils operate in raising funding through council tax, it would not be possible for this additional funding to be raised in 2015/16 by the District Councils as billing authorities through council tax bills.

(e) Proposed SRA Governance

The current proposal is that the SRA would be a new and separate body. Each of the local partners (see para 5) would be represented on the SRA Board. There would need to be a technical group sitting beneath the Board, which would be drawn from the existing Somerset Flood Risk Advisory Group and Flood Action Plan Programme Board. To be cost effective, an authority would need to act as host for the SRA functions. The costs of the host authority would be covered by the funding raised by the SRA. However, the SRA would utilise the staff resources of its constituent bodies rather than employing its own staff. Scrutiny arrangements would need to be determined.

(f) Relationships with Other Organisations

There is a recognised need to establish clearly understood relationships between the proposed SRA and other organisations involved in flood risk management. However, the existing Somerset Water Management Partnership would be seen as a key stakeholder group providing a forum for wider stakeholder consultation for the SRA. It is proposed that there will be widespread consultation with stakeholders and the wider community in developing the proposal further.

(g) The Way Forward

While much progress has been made, there remains much to do to develop the proposal further and secure its implementation.

- There will be a need for continuing lobbying.
- At this stage, each of the partners for the project are currently seeking to secure endorsement as outlined in this report.
- Agreement will be needed with Central Government on the processes to be used in establishing a new precepting body. The lead-in time for doing so means that the Somerset Rivers Authority, as proposed, could not be fully functional before April 2017, however members will be kept informed via future update reports.
- However, subject to securing the necessary endorsements and funding and wider consultation, a Shadow Somerset Rivers Authority (SSRA) could be operational from April 2015. This would undertake the detailed planning and put in place the necessary arrangements for the new authority.

A further more detailed report will be brought to Members early in 2015 following work by the Leaders Implementation Group on the creation of a SSRA. That report will set out the proposed terms of reference, objectives and membership of the SSRA together with:

- The timetable for the completion of a detailed business case for the proposed creation of the Somerset Rivers Authority from 2016.
- Details of what approvals are required from the Government, partners and local councils to create the Somerset Rivers Authority

8. Options considered and reasons for rejecting them

The interventions believed to be necessary to create a long-term sustainable future for Somerset in the event of severe flood events were reviewed widely in the preparation of the Flood Action Plan. In selecting mechanisms for implementing the Flood Action Plan, the proposal to establish the Somerset Rivers Authority as a precepting body has the advantage of raising additional funding locally in a transparent way, and one which would not be constrained by the restrictions which apply to the existing local authorities.

The underlying principle of any precept would be “locally raised, locally administered, locally spent”.

Alternative proposals to progress a catchment-wide funding mechanism through the extension of the boundaries of the IDBs have been considered. However, with IDB levies on District Councils needing to be funded through the councils’ own budgetary processes, this option would neither be deliverable, due to the constraints on councils, nor transparent.

9. Financial Implications

At this stage there are no direct financial implications as a result of this decision. Progress in the current financial year will be funded from resources allocated through the Flood Action Plan. Any future financial implications arising from the report will be the subject of a subsequent report and decision.

10. Legal Implications

At this stage there are no direct legal implications as a result of this decision. However, there will be significant legal consequences associated with establishing a separate

precepting body, and these will be addressed in any subsequent reports brought forward for decision.

The creation of a new precepting body will require specific approval from the Government as the LIG partners have no individual or collective legal powers to do so.

11. Corporate Priority Implications

The Flood Action Plan links closely with the vision set out within our Council Plan. In particular the objectives which seek to create a thriving local economy, maintaining employment and business vitality, supporting positive environmental outcomes, protecting and promoting health and wellbeing support communities to help themselves and become more resilient. It would also bring crucial benefits by creating better links by joining up with partners, to ensure that services are more effectively delivered to Somerset's residents.

12. Carbon Emissions and Climate Change Implications

None directly arising from this report.

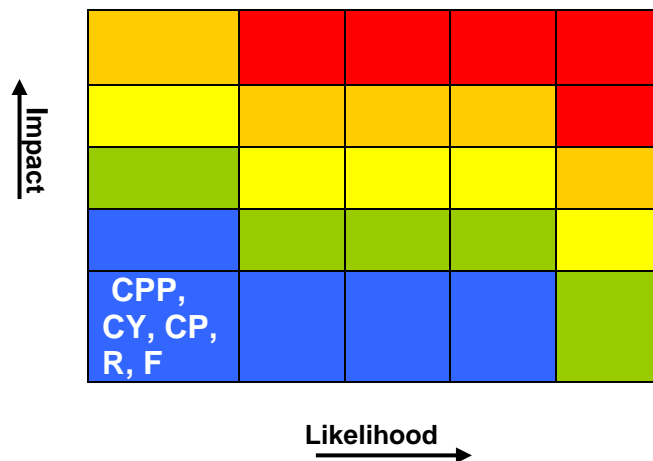
13. Equality and Diversity Implications

None directly arising from this report but for interest the SCC equality impact assessment is attached at the end of Appendix 1.

14. Risk Implications

If new collaborative arrangements for the funding, co-ordination and delivery of flood risk management in Somerset are not developed and agreed, there is a significant risk that the intensity and duration of flooding events will continue to adversely affect local communities and businesses, and the District Council in the delivery of its services. The council's budgetary planning would be likely to be adversely affected, along with its reputation.

Key risks also apply to the support from Government, retaining the current County-wide consensus on the principles and the timescales associated with making the changes required. Unless momentum is able to be maintained in the delivery of this project, there are risks that the new funding arrangements proposed will not be in place for financial year 2016/17.



Key:**Categories:**

R = Reputation

CpP = Council Plan Priorities

CP = Community Priorities

CY = Capacity

F = Financial

Colours:

Red = High impact & high probability

Orange = Major impact and major probability

Yellow = Moderate impact and moderate probability

Green = Minor impact and minor probability

Blue = Insignificant impact & insignificant probability

15. Background Papers

The Somerset Levels & Moors Flood Action Plan – Executive Summary, March 2014.

The Somerset Levels & Moors Flood Action Plan - A 20 year plan for a sustainable future – Full Plan March 2014.

Appendix 1

Questions and Answers - The Somerset Rivers Authority (Released on 31.10.2014)

SSDC and all other councils in Somerset are being asked to agree a proposal for a Somerset Rivers Authority that has been put forward by a special working group as part of the Flood Action Plan.

This includes being asked to endorse progress so far, and recommends creation of a Shadow Authority - subject to Government agreement to provide £2.7m interim funding, as well as supporting legislation to allow it to become a precepting authority (like the Fire and Rescue Service – see details under Funding).

The proposal follows intensive work that considered various options, and has been endorsed by the partners involved in the Flood Action Plan's Leaders Implementation Group. It is still a 'work in progress' before final proposals are formally consulted on, and can be firmed up and implemented.

The following Questions and Answers explain the proposal:

What is the Somerset Rivers Authority (SRA)?

Flood risk management funding from Central Government to the Environment Agency provides a certain level of flood protection, but with local communities wanting a higher level of funding and protection, the SRA would determine what further work needs to be done and raise funds from local communities and other sources to deliver that work. In addition it would:

- Provide a strategic overview and be *the* advocate of what is needed for Somerset in reducing flood risk.
- Be accountable for the current Flood Action Plan, for a co-ordinated and joined up approach to the delivery of flood risk management across the whole of Somerset; for the funding it raises, and for how it is spent.
- Empower the Flood Risk Management Authorities (the Environment Agency, the Internal Drainage Boards, the Lead Local Flood Authority - Somerset County Council - and the Somerset District Councils) to take on a broader role, ensuring Somerset's flood risk management activity benefits from the collective wisdom, experience and knowledge of all its members.

It would not diminish the roles, funding and responsibilities of the individual partners (nor those of landowners), but would enable joint working opportunities.

Why do we need it (and what is currently in place)?

The main provider of flood risk management activities is the Environment Agency, whose funds and investment decisions are based on national assessment and cost benefit analysis. After the flood event of 2013/14 the Somerset Levels & Moors Flood Action Plan was developed to achieve a long term vision for the area in which the frequency, duration, depth, extent and impact of flooding had been reduced.

The creation of a SRA is among the risk reduction actions in the Plan, to deliver greater local control and responsibility for maintaining and improving water and flood risk management on the Levels and Moors.

In addition to the Environment Agency's responsibilities and duties, drainage on the Levels and Moors is managed by the Internal Drainage Boards and county and district councils also have flood risk management responsibilities both on the Levels and Moors and in the wider county.

What will it do?

As part of its scope and role the Somerset Rivers Authority would:

- Commission a costed, co-ordinated Business Plan for enhanced maintenance of river channels, important ordinary watercourses and river flood banks across the whole of Somerset. This would include dredging, and maintenance of dredged profiles. It would also oversee an associated Common Works Programme.
- Commission capital works and land management programmes which reduce flood risk, and could provide "partnership funding" to allow more schemes to enter the Environment Agency's work programme.
- Take over implementation of the Flood Action Plan.

Its scope would include strategic planning, land management and building local resilience as key activities, with community engagement around these responsibilities. It would not include emergency response and recovery, or coastal flood risk activities.

Who has drawn up the proposal for the SRA?

With the endorsement of the partners involved in the Flood Action Plan's Leaders Implementation Group, a (SRA) Project Key Partners Group has been established to advise on developing the project. It includes representatives from the Internal Drainage Boards (IDBs), the County and District Councils, the Department for the Environment, Food and Rural Affairs, the Department for Communities and Local Government, Natural England, the Environment Agency (EA) and the Wessex Regional Flood and Coastal Committee (WRFCC).

Governance - Who will be responsible for it?

The current proposal is that the SRA would be a new and separate body, with each of the local partners (mentioned above) represented on its Board. It would need to be a precepting body (see section below) and this would require supporting government legislation, which has been requested.

There would need to be a technical group beneath the Board, drawn from the existing Somerset Flood Risk Advisory Group and Flood Action Plan Programme Board.

To be cost effective, a member authority would need to act as host for the SRA, with costs covered by SRA funds, and the SRA would use the staff resources of its members rather than employ its own staff. Scrutiny arrangements would need to be determined.

Funding - Who will pay for it?

Funding is already levied from agricultural landowners on the Levels and Moors, as well as indirectly from all Somerset households. The SRA proposal is for a separate precepting

body (like the Fire and Rescue Authority), which would raise additional funds from all households across the whole of Somerset and from agricultural landowners in Somerset outside the existing Internal Drainage Board areas. The funding for the SRA would be clearly identified in council tax bills.

Funding contributions from business rates are also being considered.

The proposal states that there will need to be greater clarity on the way flood risk management funding is made available throughout Somerset, to balance addressing local flood risk concerns with more strategic priorities, and in the longer term, to avoid an excessive focus on the Levels and Moors. Although the flood event of 2013/14 directly affected homes and businesses on the Levels and Moors, flood risks exist throughout the county and affect all aspects from business to tourism to travel.

Until the SRA is operational, interim funding of £2.7m for the coming financial year of 2015/16 is being sought from the Secretary of State for the Environment, Food and Rural Affairs, to continue work begun under the Flood Action Plan.

The Internal Drainage Boards would continue to set budgets for their work programmes as at present, but the special levy would in future be dealt with by the SRA. Existing sources of capital funding for flood risk management (in the main, central government funding through the Environment Agency) would need to continue to be available to individual partner organisations.

What levy would householders and agricultural landowners be expected to pay?

The annual funding required is still being calculated. However, the £2.7m funding sought for 2015/16 would be the equivalent of a 1% increase on council tax bills (i.e. the total bill, including County, District, Parish and Police and Fire and Rescue charges).

How will the required funding be spread across householders and landowners throughout Somerset?

There are a number of different options for this and we are still reviewing these.

When will the SRA start and what are the next steps?

While much progress has been made, there remains much to do to develop the proposal for the SRA further, and secure its implementation. At this stage, each of the partners for the project will seek endorsement for progress so far and 'in principle' support for the creation of a Shadow Authority.

Agreement will be needed with central government on the processes to be used in establishing a new precepting body, and for interim funding. Subject to this, as well as securing the necessary endorsements and wider consultation that would need to take place, a Shadow Rivers Authority could be operational from April 2015.

This would then undertake the detailed planning, and put in place the necessary arrangements for the new SRA to be operational from April 2016.

Has the government agreed to interim funding / legislation to become a precepting authority?

Earlier this year, the previous Secretary of State, Owen Paterson, was supportive of finding the £2.7m funding. As a result this month, John Osman, Chairman of the Flood Action Plan Leaders Implementation Group and Leader of Somerset County Council, together with all Somerset's Local Authorities' Leaders, wrote to Elizabeth Truss, Secretary of State for the Environment, Food and Rural Affairs requesting interim funding and the necessary legislation.

The Secretary of State's response was received on October 28. It said:

"I understand that the source and mechanism for the sustainable long term funding of the Authority will take some time to finalise and that you have not yet been able to identify funding for next year. I have asked my officials to work with you and the Environment Agency to discuss the outcomes we want to achieve and the projects that would be required. The SRA must be in place, in some form, in order to receive any future funding and take forward this work. In the short term I encourage you to press on with appointing a chairman and board."

In view of the above, what will the next steps be?

The Flood Action Plan Leaders Implementation Group is due to meet on 6 November and will be discussing the next steps at that meeting.

Impact Assessment Form and Action Table 2014 - 2016 (Expand the boxes as appropriate, please see guidance www.somerset.gov.uk/impactassessment to assist with completion)			
"I shall try to explain what "due regard" means and how the courts interpret it. The courts have made it clear that having due regard is more than having a cursory glance at a document before arriving at a preconceived conclusion. Due regard requires public authorities, in formulating a policy, to give equality considerations the weight which is proportionate in the circumstances , given the potential impact of the policy on equality. It is not a question of box-ticking; it requires the equality impact to be considered rigorously and with an open mind. "			
Baroness Thornton, March 2010			
Why are you completing the Impact Assessment?			
Proposed New Policy or Service	<u>Change to Policy or Service</u>	MTFP or Paper	Service Review or SCC Change Programme
What are you completing the Impact Assessment on (which policy, service, MTFP reference, cluster etc)?		Proposal to establish a Somerset Rivers Authority	
Section 1 – Description of what is being impact assessed			
The Recommendation: That the Cabinet endorses progress to date in the development of the Somerset Rivers Authority proposition, and the way forward as set out in the report, with a further report to follow in due course.			

Section 2A – People or communities that are targeted or could be affected (for Equalities - taking particular note of the Protected Characteristic listed in action table)
Whole of Somerset
Section 2B – People who are delivering the policy or service
Staff of Existing Flood Risk Management Authorities
Section 3 – Evidence and data used for the assessment (Attach documents where appropriate)
Flood Action Plan
Section 4 – Conclusions drawn about the impact of the proposed change or new service/policy (Please use prompt sheet in the guidance for help with what to consider):
Community Safety – the aim is to improve community safety
Equality Issues that will need considering as the proposal is developed further are likely to include: <ul style="list-style-type: none"> • The standing of the proposed SRA, and any agreements which underpin it, in relation to the Equality Act 2010; • Adding clarity to the ways in which the SRA will be representative of the community; • Further consideration of the ways in which the SRA will reflect the various characteristics and interests of the communities in Somerset, in terms of equality and diversity; • Developing mechanisms to ensure that information from and regarding the SRA will be openly accessible.
Health and Safety – none identified at this time
Health and Wellbeing – the aim is to improve community well-being
Privacy – none identified at this time
Sustainability – the aim is to provide a long term sustainable funding solution to flood risk management
Risk
Please consider and record the potential risks to the Council following completion of the Impact Assessment. Use the RAG matrix to consider the possible areas of risk, for example, financial, reputation, social. Score the accumulative risk and record here.

Likelihood	2	Impact	2	Risk Score	4
Section 5 – After consideration please state your final recommendations based on the findings from the impact assessment. Also include any examples of good practice and positive steps taken.					
No issues identified at this time.					
Section 6 - How will the assessment, consultation and outcomes be published and communicated? E.g. reflected in final strategy, published. What steps are in place to review the Impact Assessment					
The impact assessment will be reviewed as the project progresses.					
Completed by:			Martin Buckle		
Date			31.10.14		
Signed off by:			Sarah Diacono		
Date			31.10.14		
Compliance sign off Date					
To be reviewed by: (officer name)			Paula Hewitt		
Review date:			31.10.14		
Version	0-6		Date	31.10.14	

John Osman
Leader of Somerset County Council
Somerset County Council
County Hall
Taunton
Somerset
TA1 4DY

WWW.SOMERSET.GOV.UK



Tel: 01823 356663
jdosman@somerset.gov.uk

14 October 2014

The Right Hon Elizabeth Truss
Department for Environment, Food and Rural Affairs
Nobel House
Smith Square
London
SW1P 3JR

Sent on behalf of all Somerset Local Authorities

Dear Elizabeth

Future funding of the Somerset Rivers Authority

We write further to :

1. Our meeting on Friday 10 October 2014
2. A meeting I convened of the District Council Leaders on 13 October 2014

In our meeting on 10 October 2014, you advised us that the £2.7 million of interim funding that we had requested from DEFRA to initially fund the Somerset Rivers Authority would not be available.

Having spoken with the District Council Leaders, we are of the strong view that if the full £2.7 million one year, gap funding cannot be found by DEFRA (or any other Government department), then there can be no Somerset Rivers Authority.

This interim funding of £2.7 million is essentially to continue the vital flood prevention work through 2015/16, whilst the mechanism for permanent long term funding is agreed.

In relation to permanent funding, it is essential that primary legislation is passed to allow the creation of a Somerset Rivers Authority as a separate precepting authority and based on the understanding of your predecessor, this is the approach we have all been working towards over the past 9 months.

Owing to constraints on raising Council tax, funding of the Somerset Rivers Authority cannot be achieved by raising Council taxes without exceeding the referendum thresholds.

If we were to proceed with a referendum, then we believe it would have to be held in May 2015.

A separate, accountable and transparent Somerset Rivers Authority is the only way in which future flooding in Somerset can be tackled and alleviated. If the Somerset Rivers Authority does not have any powers or budget, then it cannot succeed.

You will recall in the middle of the Somerset flooding crisis, the Prime Minister kindly visited and stated that money would be no object, we cannot allow the flooding to happen again, and that no interdepartmental disputes in Whitehall would be allowed to interfere. Unless we receive interim funding and thereafter an ability to create a separate precepting authority, then all of the good work which we have achieved over the last nine months will count for very little.

The County and District Councils have been constructive and are exploring all options for future funding and we have not sought to lay all future funding requirements at Central Government's door.

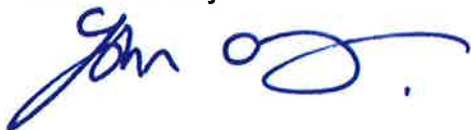
We would ask you to support us in honouring the Prime Minister's commitment by agreeing the interim funding requested and initiating primary legislation to create the Somerset Rivers Authority as a separate precepting authority.

For information we enclose a breakdown of the 2015/16 interim funding requirements which incidentally has gone up to £3 million, but we are prepared to accept £2.7 million.

You will note this letter has been signed by Local Authorities' Leaders in Somerset as this shows the collective strength of feeling.

We look forward to receiving a more positive response.

Yours sincerely



Cllr John Osman
Leader of Somerset County Council



Cllr Harvey Siggs
Leader of Mendip District Council



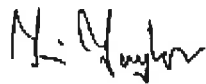
Cllr D McGinty
Leader of Sedgemoor District Council



Cllr Rick Pallister
Leader of South Somerset District Council



Cllr John Williams
Leader of Taunton Deane District Council



Cllr Tim Taylor
Leader of West Somerset District Council

CC David Cameron
Eric Pickles
District Council Leaders

Agenda Item 8

Quarterly Performance and Complaints Monitoring Report – 2nd Quarter 2014/15

Executive Portfolio Holder: Ric Pallister, Strategy and Policy
Strategic Director: Rina Singh, Place and Performance
Lead Officer: Andrew Gillespie/Charlotte Jones, Performance Managers
Contact Details: Andrew.gillespie@southsomerset.gov.uk or 01935 462364
charlotte.jones@southsomerset.gov.uk or 01935 462565

Purpose of the Report

To present the corporate performance monitoring report covering the second quarter of the financial year from 1st July – 30th September 2014 (Q2).

Forward Plan

This report appeared on the District Executive Forward Plan with an expected date of December 2014.

Public Interest

The Council is accountable to the local community for its performance. We publish performance data to enable us to demonstrate achievements against targets.

Recommendations

The District Executive is asked to note and comment on the corporate performance monitoring report.

Background

The 20 performance indicators used in this report were selected and approved by members on 3rd May 2012.

Performance

A summary of performance from 1st July – 30th September 2014 (Q2) is shown below with full details provided at Appendix A:

Where appropriate, this information is colour coded, using red, amber or green to indicate performance against target.

Performance Summary:		Quarterly Breakdown:							
		Q1		Q2		Q3		Q4	
		1	8%	1	8%	0	0%	0	0%
		3	25%	2	17%	0	0%	0	0%
		8	67%	9	75%	0	0%	0	0%
Commentary:									
12 performance indicators can be compared against targets for Q2. 8 indicators monitor trends and are not target driven. Percentages are rounded to the nearest whole number.									
>10% Below Target	1								
Within 10% of Target	2								
On or Above Target	9								

Performance Exceptions:



Indicators with performance below target are classed as exceptions. In these cases Appendix A includes a comment from the Service Manager about any improvement action being taken.

The exception for quarter 2 is as follows:

Measure	Focus	Q1 Status
PI003 – % of planning appeal decisions allowed against the authority's decision to refuse	2	R

Additional Information:

PI 015 - % of households on the Choice Based Letting waiting list (all categories)

Members are asked to note that the Q2 report showing an increase in the *relative* percentage of households in the Gold and Silver bands is based on an *absolute* decline of 343 in the total number of households on the waiting list between Q1 and Q2.

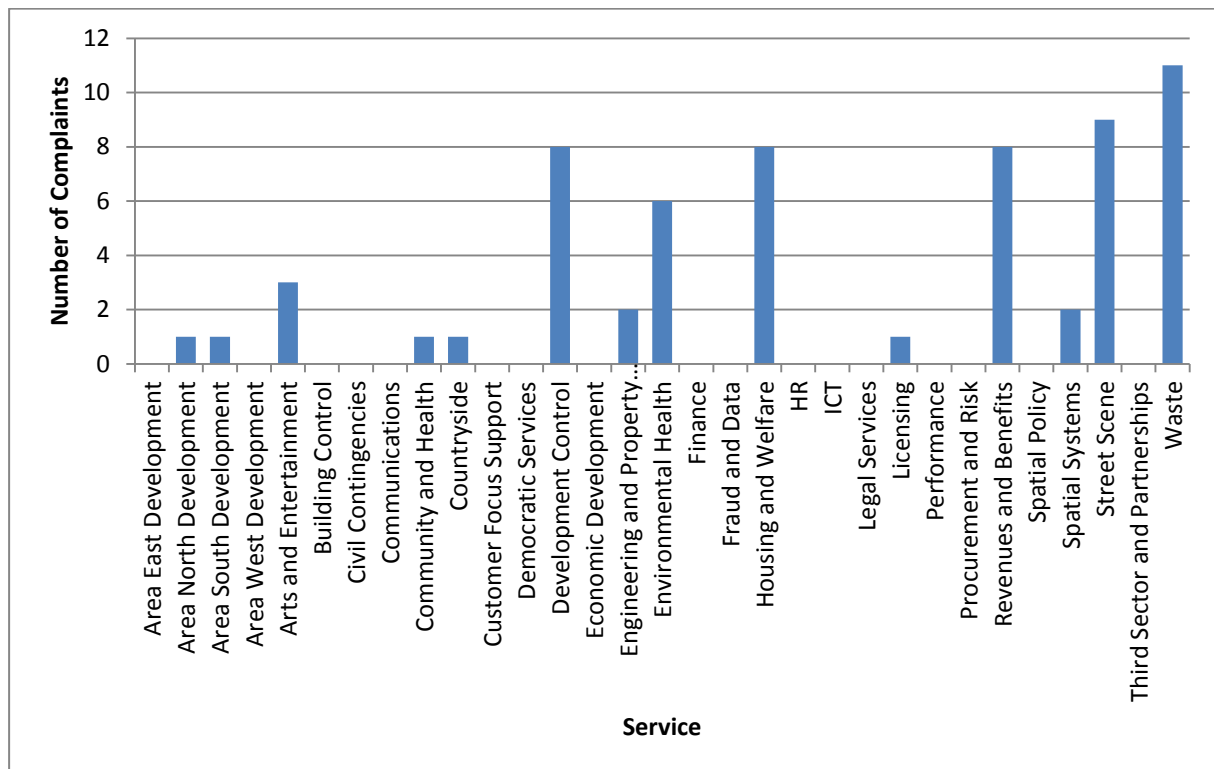
The comparative totals are as follows;

Category	Total Q1	% Q1	Total Q2	%Q2	Change Q1 to Q2	% Change Q1 to Q2
Bronze	1599	57.4%	1354	55.4%	-245	-15.3%
Silver	830	29.8%	766	31.3%	-64	-7.7%
Gold	359	12.9%	325	13.3%	-34	-9.5%
Emergency	1	0.04%	1	0.04%	0	0.0%
Total	2788	100.0%	2445	100.0%	-343	-12.3%

Complaints

During the period 1st April – 30th September 2014, SSDC received 62 complaints. This was 6 more than 1st April – 30th September 2013.

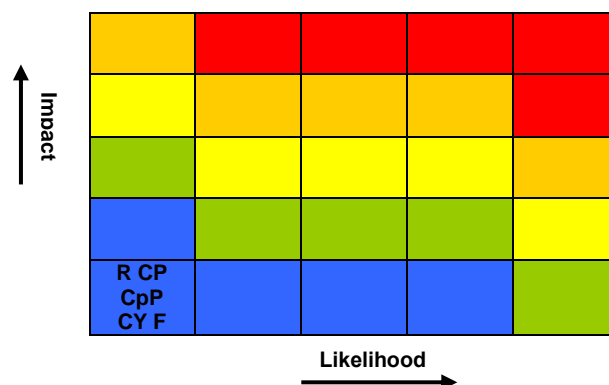
The chart and table below provide a summary of complaints received. Appendix B shows a detailed breakdown by service.



Financial Implications

There are no direct financial implications related to this report other than any compensation that has been paid out. However, financial implications may need to be considered for possible actions necessary to address performance in areas which require improvement.

Risk Matrix



Key

Categories	Colours <i>(for further detail please refer to Risk management strategy)</i>
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

The Corporate Performance Management contributes towards the delivery of the SSDC Council Plan through effective monitoring and smart target setting that help to deliver a continuous improvement.

Carbon Emissions and Climate Change Implications

None

Equality and Diversity Implications

None

Privacy Impact Assessment

No issues.

Background Papers

Refreshed Council Plan 2012-15

(<http://www.southsomerset.gov.uk/about-us/our-vision/council-plan-2012---2015/>)

SSDC Complaints Procedure

([http://www.southsomerset.gov.uk/contact-us/making-a-complaint-\(1\)/](http://www.southsomerset.gov.uk/contact-us/making-a-complaint-(1)/))

DX report- refresh of corporate Indicators – DX May 2012

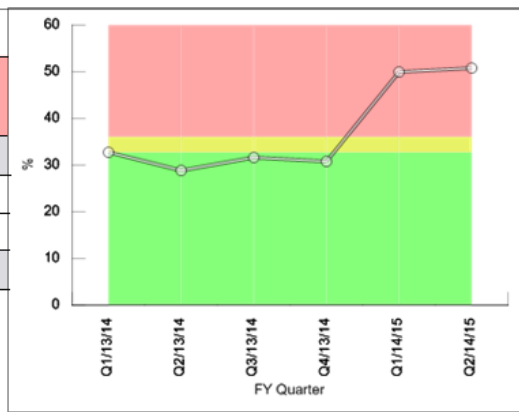
Annual Performance Report 2013/14 – DX July 2014

Appendix A - Quarterly Performance Monitoring Report

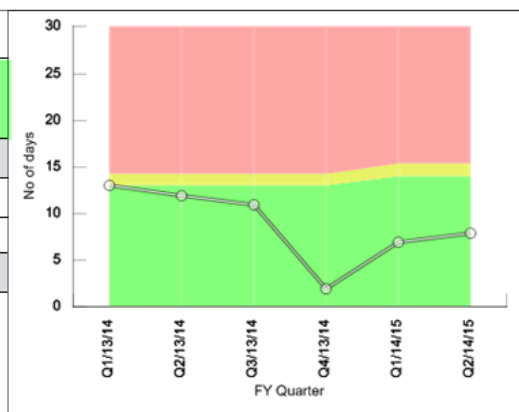
Key:	Red (More than 10% below target)	Amber (Within 10% of target)	Green (On or above target)
------	-------------------------------------	---------------------------------	-------------------------------

Performance Measures with Targets:

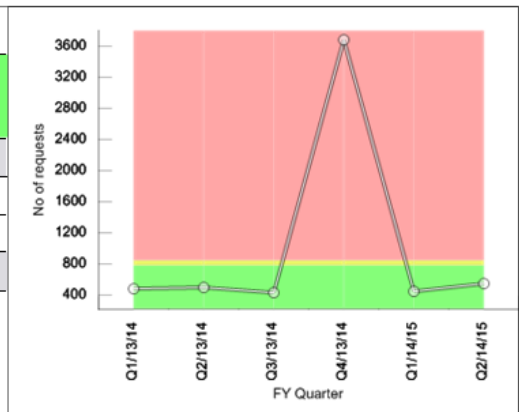
Indicator:	PI 003 - % of planning appeal decisions allowed against the authority's decision to refuse							
Quarter Target:	33.0%				Perf to Date:			
Annual Target:	33.0%							
2013/14:				2014/15:				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
33.0% G	29.0% G	31.8% G	31.0% G	50.0% R	51.0% R			
Latest Comments including any necessary action:								
No clear improvement in Q2 which is disappointing. Member and officer workshops are being used to learn from both delegated and committee level decisions lost at appeal. Appeal decisions received from September 2014 indicate an improvement we are confident will continue.								



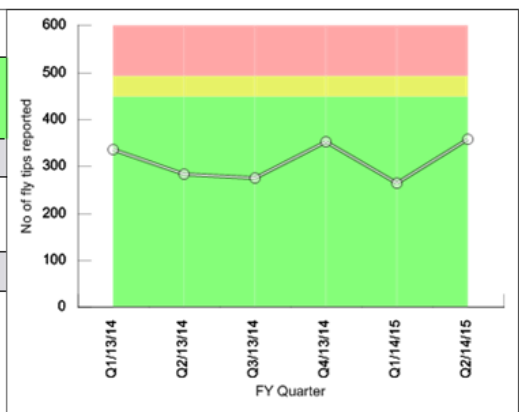
Indicator:	PI 004 - Number of days taken to process Housing Benefit/ Council Tax Benefit new claims and change events							
Quarter Target:	14.00				Perf to Date:			
Annual Target:	14.00							
2013/14:				2014/15:				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
13.00 G	12.00 G	11.00 G	2.00 G	7.00 G	8.00 G			
Latest Comments including any necessary action:								



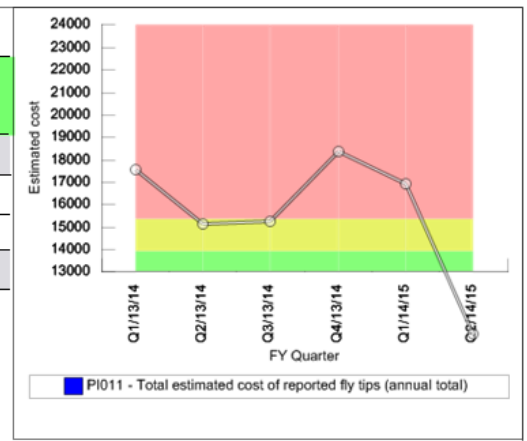
Indicator:	PI 008 - Requests for action from the Streetscene team							
Quarter Target:	775				Perf to Date:			
Annual Target:	3100							
2013/14:				2014/15:				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
473 G	488 G	429 G	3,684 R	445 G	549 G			
Latest Comments including any necessary action:								



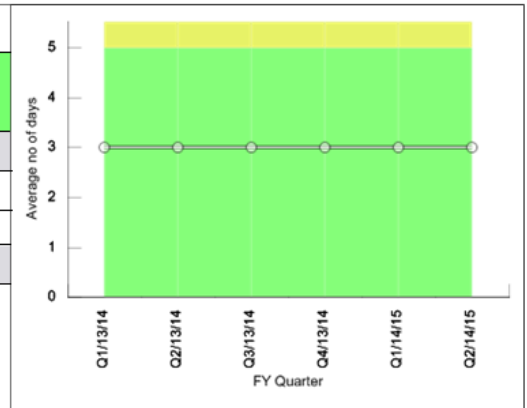
Indicator:	PI 010 - Total number of fly tips reported							
Quarter Target:					Perf to Date:			
Annual Target:	1800							
2013/14:				2014/15:				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
338 G	284 G	277 G	354 G	266 G	358 G			
Latest Comments including any necessary action:								



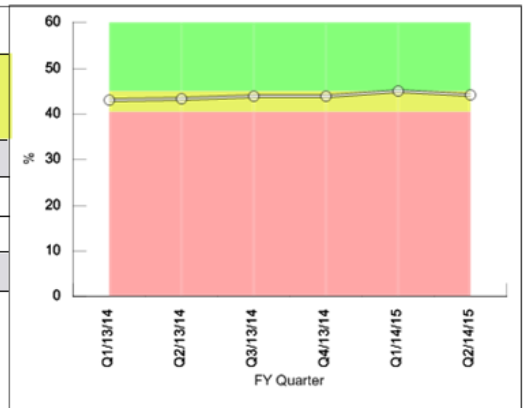
Indicator:	PI 011 - Total estimated cost of clearing reported fly tips						
Quarter Target:	13,965			Perf to Date:			
Annual Target:	55,860						
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
17,589 ●	15,151 ●	15,298 ●	18,369 ●	16,942 ●	10,225 ●		
Latest Comments including any necessary action:							
Variation in the estimated average costs between Quarter 1 and Quarter 2 is being investigated.							



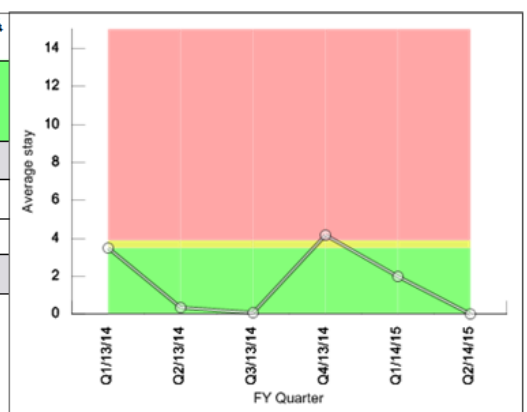
Indicator:	PI 012 - Average number of days to respond to a reported fly tip						
Quarter Target:				Perf to Date:			
Annual Target:							
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.0 ●	3.0 ●	3.0 ●	3.0 ●	3.0 ●	3.0 ●		
Latest Comments including any necessary action:							



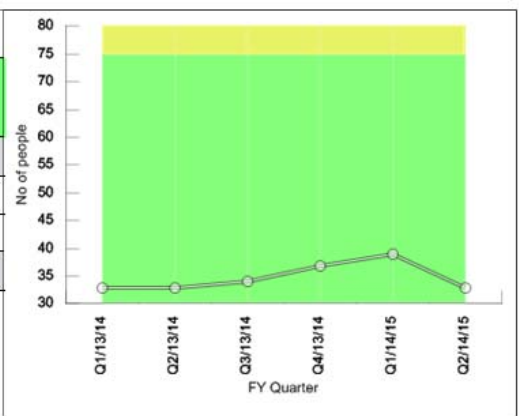
Indicator:	PI 013 - % of household waste sent for reuse, recycling and composting						
Quarter Target:	45.0%			Perf to Date:			
Annual Target:	45.0%						
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
43.1% ●	43.4% ●	43.9% ●	44.1% ●	45.2% ●	44.4% ●		
Latest Comments including any necessary action:							



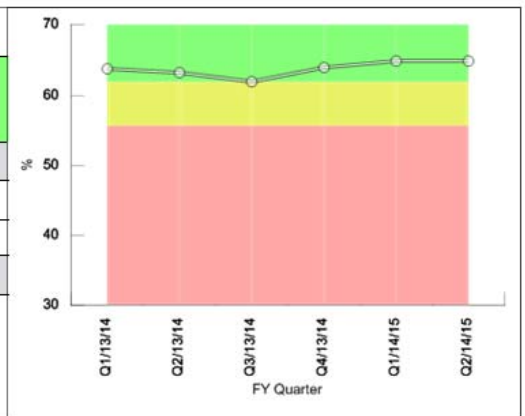
Indicator:	PI 019 - Average length of stay in Temporary Accommodation (Bed & Breakfast)						
Quarter Target:	3.5			Perf to Date:			
Annual Target:	4.5						
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.5 ●	0.4 ●	0.1 ●	4.2 ●	2.0 ●	0.0 ●		
Latest Comments including any necessary action:							
The Housing and Welfare Team continue with their success in minimising, or as in this quarter's case avoiding, the use of bed and breakfast accommodation. Members should note that it would be very difficult indeed to do away with bed and breakfast accommodation altogether but, in line with current legislation and good practice, we'll only use it in an absolute emergency.							



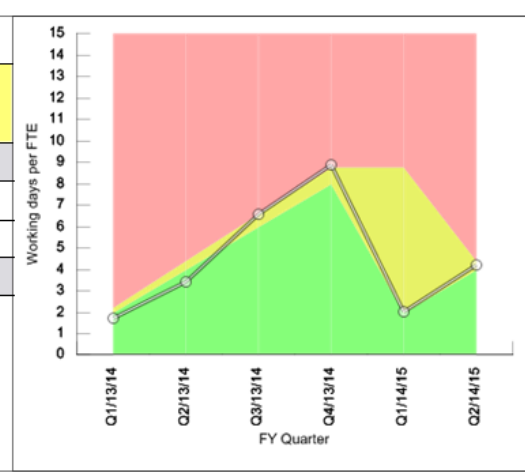
Indicator:	PI 020 - Total number of people in Temporary Accommodation (all types)								
Quarter Target:	75				Perf to Date:	39			
Annual Target:	75								
2013/14:				2014/15:					
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
33 G	33 G	34 G	37 G	39 G	33 G				
Latest Comments including any necessary action:									
The Housing and Welfare Team continues to drive down the number of households in temporary accommodation. This is in part thanks to early intervention in cases, the avoidance of bed and breakfast accommodation whenever possible, and the active promotion of options in the private rented sector.									



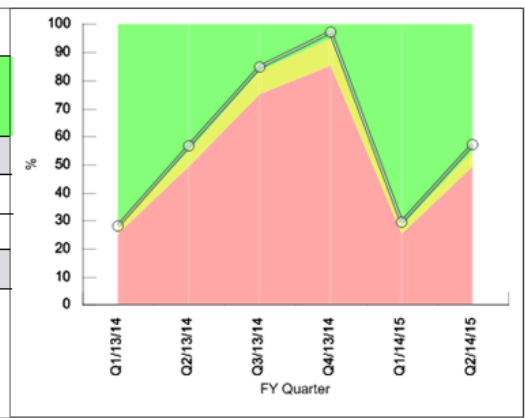
Indicator:	PI 031 - % of calls to contact centre resolved in the contact centre								
Quarter Target:	62.0%				Perf to Date:	63.3			
Annual Target:	62.0%								
2013/14:				2014/15:					
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
63.0% G	63.3% G	61.9% A	64.0% G	65.0% G	65.0% G				
Latest Comments including any necessary action:									
Above target for quarter.									



Indicator:	PI 032 - Working days lost due to sickness absence per Full Time Employee (FTE)								
Quarter Target:	4.00				Perf to Date:				
Annual Target:	8.00								
2013/14:				2014/15:					
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
1.73 G	3.44 G	6.61 R	8.87 R	2.03 A	4.23 A				
Latest Comments including any necessary action:									
Long term sickness absence accounts for 55% of total.									

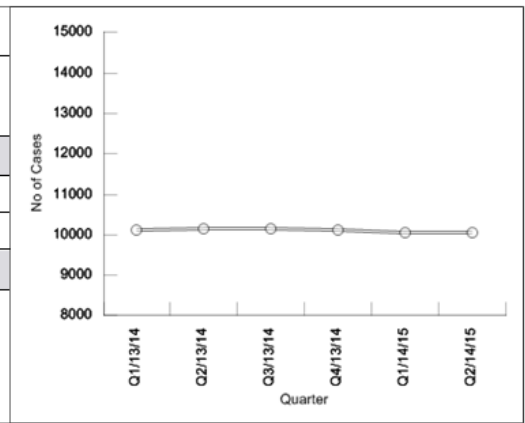


Indicator:	PI 035 - Percentage of Council Tax Collected								
Quarter Target:	55.0%				Perf to Date:	57.39%			
Annual Target:	97%								
2013/14:				2014/15:					
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
28.3% A	56.8% G	84.9% G	97.4% G	29.6% G	57.4% G				
Latest Comments including any necessary action:									

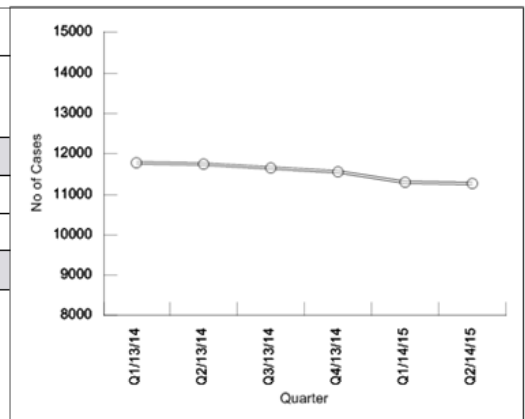


Performance Measures of Trend (no targets set as SSDC do not directly influence):

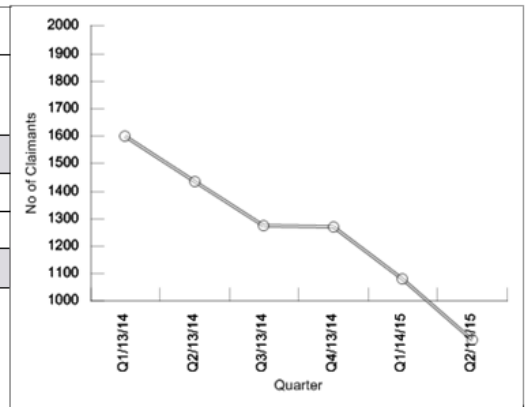
Indicator: PI 001a - Number of Housing Benefit cases received							
Quarter Target:	N/A						
Annual Target:	N/A						
Perf to Date: 10,071							
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
10,120	10,158	10,170	10,122	10,075	10,069		
Latest Comments including any necessary action:							



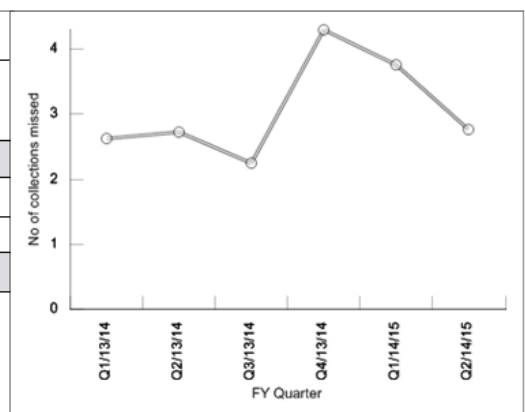
Indicator: PI 001b - Number of Council Tax cases received							
Quarter Target:	N/A						
Annual Target:	N/A						
Perf to Date: 11,422							
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
11,802	11,761	11,670	11,568	11,320	11,291		
Latest Comments including any necessary action:							



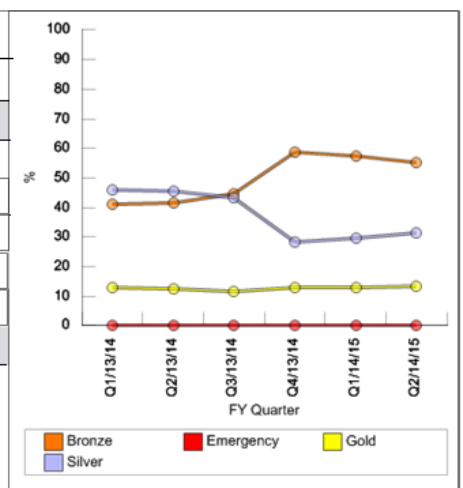
Indicator: PI 002 - Total number of JSA claimants in South Somerset							
Quarter Target:	N/A						
Annual Target:	N/A						
Perf to Date: 855							
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1,601	1,438	1,275	1,272	1,082	855		
Latest Comments including any necessary action:							
July - 913 August - 857 September - 794							



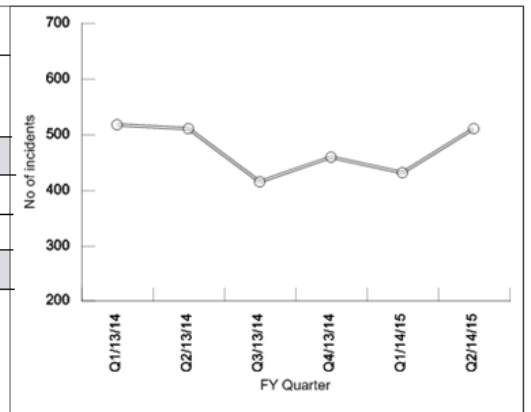
Indicator: PI 009 - Number of bin collections missed per 1000 households (all types - dry recycling and kitchen waste, refuse and garden)							
Quarter Target:	N/A						
Annual Target:	N/A						
Perf to Date:							
2013/14:				2014/15:			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2.63	2.72	2.25	4.28	3.75	2.77		
Latest Comments including any necessary action:							



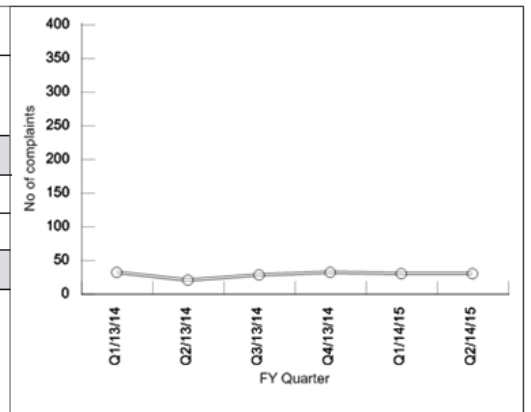
Indicator:	PI 015 - % of households on the Choice Based Letting waiting list (all categories)							
Quarter Target:	N/A				Annual Target:	N/A		
	2013/14:				2014/15:			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Bronze	41.0%	41.8%	44.8%	58.8%	57.3%	55.4%		
Silver	46.1%	45.4%	43.6%	28.4%	29.8%	31.3%		
Gold	12.8%	12.6%	11.6%	12.8%	12.9%	13.3%		
Emergency	0.1%	0.2%	0.1%	0.1%	0.0%	0.0%		
Latest Comments including any necessary action:								
Bronze	1,354							
Emergency	1							
Gold	325							
Silver	766							



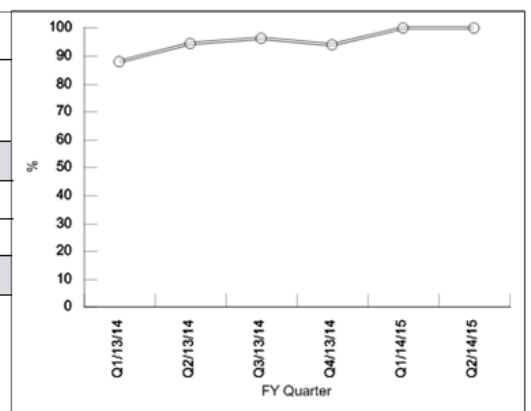
Indicator:	PI029 - Number of incidents of antisocial behaviour reported to SSDC (excluding flytipping and dead animals)							
Quarter Target:	N/A				Perf to Date:	944		
Annual Target:	N/A							
	2013/14:				2014/15:			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	519	511	416	461	433	511		
Latest Comments including any necessary action:								
The total for this quarter is the same as last year. 174 (34%) of ASB reports are dog related, 80 (16%) are about noise and 74 (15%) are about litter. Together these three areas account for nearly 65% of the total reports received.								



Indicator:	PI 033 - Total number of complaints received							
Quarter Target:	N/A				Perf to Date:	62		
Annual Target:	N/A							
	2013/14:				2014/15:			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	34	22	29	34	31	31		
Latest Comments including any necessary action:								



Indicator:	PI 034 - % of complaints resolved at stage 1 of complaints procedure							
Quarter Target:	N/A				Perf to Date:			
Annual Target:	N/A							
	2013/14:				2014/15:			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	88.2%	94.6%	96.5%	94.1%	100.0%	100.0%		
Latest Comments including any necessary action:								



Appendix B
Complaints Monitoring 1st April 2014 - 30th September 2014

Key:
No Complaints

Service	Previous years totals					2014/15 complaints total	Access Method							Type							Stage			Compensation Issued? Y/N	Compensation Amount (£)	Action by SSDC						
	2009/10	2010/11	2011/12	2012/13	2013/14		Email	In Person	Letter	Online	Other	Phone	Via CS	Equality	Failure to deliver	Issue with content/ publication	Issue with Policy/ Decision	Not SSDC Responsibility	Other Type	Poor Communication	Staff Handling	Stage One (Service Manager)	Stage Two (Assistant Director)			Stage Three (Ombudsman)	NO ACTION REQUIRED	Changes in working practice/ procedure	Improved Communication	Improved Monitoring of Service Delivery	Improved Partnership Working	Problem Rectified
Area East Development	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0
Area North Development	2	2	1	0	0	1	1	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	No	0	0	1	0	0	0	0	0
Area South Development	8	1	3	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	No	0	0	0	0	0	0	1	0	
Area West Development	0	2	2	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Arts and Entertainment	21	31	15	19	13	3	1	0	1	0	0	1	0	0	0	1	0	0	0	2	3	0	No	0	0	2	0	0	0	0	1	
Building Control	1	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Civil Contingencies	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Communications	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Community and Health	6	4	4	1	3	1	1	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	No	0	1	0	0	0	0	0	0	
Countryside	13	9	10	1	1	1	0	0	1	0	0	0	0	0	1	0	0	0	0	1	0	0	No	0	1	0	0	0	0	0	0	
Customer Focus Support	0	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Democratic Services	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Development Control	88	50	41	21	14	8	6	0	2	0	0	0	0	2	0	1	1	4	8	8	0	No	0	7	1	0	0	0	0	0	0	
Economic Development	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Engineering and Property	2	7	7	2	1	2	1	1	0	0	0	0	0	0	0	0	1	0	1	2	0	No	0	2	0	0	0	0	0	0	0	
Environmental Health	17	14	15	10	17	6	1	0	1	0	0	4	0	0	1	2	0	0	1	2	6	0	No	0	2	1	1	0	0	2	0	
Finance	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Fraud and Data	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Housing and Welfare	8	5	7	13	8	8	1	0	5	0	0	2	0	0	0	1	1	5	0	1	8	0	Yes	66	2	1	0	0	0	4	1	
HR	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
ICT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Legal Services	0	0	8	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Licensing	4	4	1	0	1	1	0	0	0	0	1	0	0	0	1	0	0	0	0	1	0	No	0	0	0	0	0	0	1	0	0	
Performance	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Procurement and Risk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Revenues and Benefits	27	12	20	20	17	8	5	0	3	0	0	0	0	8	0	0	0	0	0	8	0	No	0	6	0	0	0	0	0	0	2	
Spatial Policy	0	0	1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Spatial Systems	0	0	9	0	0	2	0	0	2	0	0	0	0	2	0	0	0	0	2	0	0	No	0	1	0	0	0	0	1	0	0	
Street Scene	86	52	60	59	23	9	6	0	2	0	0	1	0	4	0	2	1	1	1	0	9	0	No	0	4	0	0	0	0	5	0	
Partnerships	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	No	0	0	0	0	0	0	0	0	
Waste	117	45	20	19	20	11	3	0	4	1	0	2	1	0	2	1	0	0	0	11	0	No	0	2	0	0	0	0	0	9	0	
Totals =	406	242	237	179	119	62	27	1	19	3	0	10	2	0	20	5	11	3	10	3	10	62	0	66	28	3	4	0	0	23	4	
							62					62					62			Yes	66	62										

Note: A single complaint:

- May be reported using more than one access method.
- May cover more than one type.
- May not always require action or may require more than one action to be taken.

Agenda Item 9

Non-Domestic (Business) Rate Pooling

Executive Portfolio Holder: Tim Carroll, Finance and Spatial Planning
Strategic Director: Mark Williams, Chief Executive
Assistant Director: Donna Parham, Finance and Corporate Services
Service Manager: Amanda Card, Financial Services Manager
Lead Officer: Donna Parham, Finance and Corporate Services
Contact Details: Donna.parham@southsomerset.gov.uk or 01935 462225

Purpose of Report

To seek endorsement of the urgent decision made to enter into a business rates pooling arrangement with other Somerset authorities under the Business Rates Retention scheme.

Forward Plan

This report appeared on the District Executive Forward Plan with an anticipated Committee date of December 2014.

Public Interest

This report asks SSDC members to consider whether to join with other Somerset authorities to keep some of the money raised from business rates locally by creating a pool. Creating a pool would mean that less money will be returned to central Government if the estimated gains are correct. The pool also has additional risks if the authorities in the pool do not perform as well as expected.

Recommendations

That District Executive recommend to Full Council to;

- a) endorse the urgent decision to pool that the Council participate in the pooling arrangement with other Somerset authorities (Bath and North East Somerset, North Somerset, Somerset County Council, Taunton Deane District Council, Mendip District Council, and Sedgemoor District Council, under the Business Rate Retention Scheme, for 2015/16; and,
- b) approve delegated authority is given to the Assistant Director – Finance and Corporate Services in consultation with the Finance and Spatial Planning Portfolio Holder, to decide whether to remain in the pool once the government's settlement figures are announced in December 2014.

Background

The 2013/14 local government finance settlement saw the launch of the business rates retention scheme as a central part of local government funding.

Under the business rates retention element of local government funding, the level of business rates collected by authorities in 2013/14 will determine the actual funding received. Under the previous Formula Grant system, funding was provided via a fixed grant.

Under the proposed system, a Start-up Funding Assessment is determined for each local authority. This is determined in the same way as Formula Grant was determined previously i.e. using the four block model to determine a level of need and then taking into account changes in responsibility (e.g. with specific grants moving in and out of general grant).

The Start-up Funding Assessment is then split between Revenue Support Grant (RSG) and Business Rates Retention (expressed as Baseline Need). The level of RSG is guaranteed throughout the year, whilst the Baseline Need element is not.

To fund the Baseline Need element, local authorities each has an expected level of business rates that is to be collected (NDR Baseline). For authorities with a Baseline Need that is higher than their NDR Baseline, a Top Up grant is required (this is also guaranteed). Whereas, for authorities with a baseline need that is lower than their NDR Baseline, a fixed Tariff is paid to central government.

Those authorities that collect a higher level of NDR income, compared to their NDR Baseline, will be rewarded through the scheme, as they will be able to retain an element of the associated increased NDR revenues. However, some of that gain has to be paid to the government in the form of a Levy.

Authorities that collect a lower level of NDR income will see a decline in their business rates revenue and a relative reduction in their overall resources.

The new scheme has a damping mechanism in place to limit individual gains/losses. The system uses a Safety Net (to limit losses) which will be funded through the Levy (on disproportionate gains). The Safety Net and Levy are explained below.

The Levy/Safety Net

The government has chosen to apply a proportional levy within the system. Under the proportional levy, each local authority is assigned an individual levy rate.

There are three key variables in determining the amount to be paid through the levy by an individual local authority. These are: the ratio of the proportional levy, the ratio of NDR Baseline to Baseline Funding Level and the level of NDR income.

The ratio of the proportional levy has been set at 1:1, meaning that a 1% increase in NDR income above the NDR baseline will translate into up to a 1% increase in Baseline Need. The actual rate of the levy for individual authorities will therefore be set at a level that limits the growth in cash resources to a set percentage of their respective Baseline Need. There is an upper limit on the Levy of 50 pence in the pound. Top-Up authorities (where the NDR Baseline is lower than the Baseline Funding Level), do not have to pay a levy.

Only local authorities that have growth in their NDR income are required to pay the levy. It is important to note that growth in NDR income is based on DCLG's determination of authorities' NDR baselines i.e. a levy will only be due if NDR income is higher than the amount that CLG has determined it should be.

It is also important to note that no levy is due on income increases due to annual changes to the multiplier or as a result of revaluation (scheduled for 2017).

The Safety Net within the business rates retention system will ensure no authority's income will fall by more than a set percentage of their original baseline funding level (and this level will be increased by RPI every year). The Safety Net percentage has been set at -7.5%.

How Business Rates Income is Split

The business rates income collected by billing authorities is split between central government (central share), the billing authority and its major preceptors. The government has set the central share at 50%.

Each billing authority's business rates will be further split between the billing authority and any relevant major precepting authorities (excluding Police Authorities) in its area, in order to produce, for every authority, an individual authority NDR Baseline. The split will be undertaken on the basis of the proposed major precepting authority shares, in two-tier areas (shire counties with fire) the split of 80% district and 20% county is applied, in the West of England unitary area the split of 98% district and 2% Fire Authority is applied.

All the Somerset District Councils are 'tariff' authorities, but the County Council is a 'top-up' authority. This means that the Somerset Districts will need to pay a tariff to the Government which will be used to subsidise the 'top up' authorities such as the County Council. B&NES is a Tariff authority, whereas North Somerset is a Top-up authority.

Business Rates Pooling

Under the business rates retention scheme, local authorities are able to voluntarily form a business rates retention pool. Within a pool all Tariffs and all Top-Ups are combined, and a single levy rate is applied. Similarly, safety net eligibility is also calculated at aggregate pool level.

Tariff authorities are not required to pay a levy to the government if they are in a pool and combined tariffs are less than the aggregate top ups.

There is the potential for pooled authorities to receive a lower aggregate amount (than if they had acted individually), if authorities that would previously have been eligible for the Safety Net (if treated as individual authorities) were no longer eligible, due to being part of a pool.

Local autonomy to distribute resources amongst pool members applies; for example, authorities could decide that each member will receive at least the same amount as they would have if a pool had not been in place, and additional resources could be distributed through local discretion or weighted (potentially according to the level of benefit received).

The main points therefore in relation to pooling are that:

- Pooling is entirely voluntary.
- A pool can be comprised of two or more authorities.
- Local authorities cannot be members of more than one pool.
- Local authorities will themselves determine a pool's geographic coverage, including wider than within a county-region, although government has the ability to refuse pooling proposals where they perceive that there is no clear rationale for the proposed pool.

Government also has the right to consider whether the operation of pools could impact upon the level of funding available nationally for the safety net and (in exceptional circumstances) consider such affordability, when making decisions on pools.

- One pool member will need to act as the lead authority, in terms of payment/administrative arrangements.

- Pools can be any size, although authorities can only be a member of one pool.
- Pools will need to determine their own governance arrangements and must publish their pooling arrangements and financial information on how the pool will operate.

For 2015/16, pooling groups needed to notify DCLG by 31st October 2014 of their intention to pool, including the composition of the pool and its governance arrangements. As the timescales were so tight an urgent decision had to be made as to whether to pool or not.

Benefits of Pooling

The potential benefit from pooling has been estimated for a Somerset Pool containing Bath and North East Somerset, North Somerset Council, Somerset County Council, South Somerset District Council, Taunton Deane Borough Council, Mendip District Council, and Sedgemoor District Council. It should be noted that these estimates are based on the 2014/15 NNDR1 returns for each council. They therefore do not include any forecast of further business growth in this period. As no pool member is currently anticipating any significant reductions in their Rating Lists it may therefore somewhat underestimate the financial benefits of pooling.

The £2.063m additional resources that would be received, due to pooling, are shown in the table below. This sum represents the amount of Levy that is avoided being paid over to Central Government because the single pool becomes a Top-up pool. It is important to note that:

- The amount shown in the table below is *in addition* to the amount that each authority would have received outside of a pooling arrangement.
- If the County Council is not part of the pool, little gain from pooling would be possible (as the County is a significant “top up” authority).
- How the additional amount is split between the members of the respective pool is determined by the pool, through its governance arrangements.

Table 1; Forecast Change in Resources, Due to Pooling

Pooling using NNDR1: 2014/15								
£m								
Pool Membership	Basic System Numbers			NNDR1 2014/15			Allocation Methodology	
	Rates Target	Funding Target	Levy Rate	Retention (1)	Gain over Target	Levy	Pool Dividend	%
B&NES	30.750	21.097	31.4%	32.166	1.416	0.445	0.351	17.0%
North Somerset	27.993	28.306	0.0%	28.724	0.731	0.000	0.190	9.2%
Somerset County	14.123	60.830	0.0%	15.359	1.235	0.000	0.377	18.3%
Mendip	12.361	2.588	50.0%	14.000	1.639	0.820	0.408	19.8%
Sedgemoor	13.521	3.164	50.0%	14.897	1.376	0.688	0.349	16.9%
South Somerset	16.954	3.266	50.0%	18.139	1.185	0.593	0.304	14.7%
Taunton Deane	15.883	2.412	50.0%	16.166	0.283	0.141	0.083	4.0%
West Somerset								
Total Stand-alone	131.586	121.664		139.452	7.866	2.686	2.063	100.0%
Pool	131.586	121.664	7.5%	139.452	7.866	0.593		
Management Charge						-0.030		
Pooling gain						2.063		

(1) Includes SBRR compensation and other S31 grants

The Safety Net

In order to assess the potential impact of income volatility, the following analysis examines the loss in business rates required for an individual authority to reach the safety net level. It would be beyond this point that the gains of pooling would begin to be offset by a “cost”.

The table below shows the required percentage drop in NDR income in 2014/15 for each authority to reach the -7.5% Safety Net level. This assessment is shown against each authority's NDR Baseline and the Forecast NDR income.

Decline in Business Rates for Individual Authorities to reach for Safety Net

Pool Membership	NNDR1 14/15 £m	Loss %	Loss £m	(Tariff)/ Top-up £m	New position £m	Safety Net if stand alone £m	Diff. to be made up £m	= Equivalent fall in RV £m
B&NES	32.166	-9.3%	-2.998	-9.653	19.515	19.515	0.000	-12.694
North Somerset	28.724	-9.9%	-2.854	0.313	26.183	26.183	0.000	-12.086
Somerset County	15.359	-37.7%	-5.798	46.707	56.268	56.268	0.000	-133.648
Mendip	14.000	-13.1%	-1.833	-9.773	2.394	2.394	0.000	-9.509
Sedgemoor	14.897	-10.8%	-1.613	-10.357	2.927	2.927	0.000	-8.367
South Somerset	18.139	-7.9%	-1.430	-13.688	3.021	3.021	0.000	-7.419
Taunton Deane	16.166	-2.9%	-0.463	-13.472	2.231	2.231	0.000	-2.404
West Somerset								
Total Stand-alone	139.452	-12.2%	-16.991	-9.922	112.539	112.539	0.000	
Pool	139.452	-12.2%	-16.991	-9.922	112.539	112.539	0.000	-71.940

The table shows that as all of the authorities are forecasting higher NDR income than their respective NDR Baselines, the required reduction in NDR income to reach the safety net is higher than if the NDR Baseline was the assumed NDR income amount. Somerset County would require the largest fall in forecast NDR income to reach the safety net (at 37.7%), whilst South Somerset would require a 7.9% drop in forecast income to reach the safety net. The equivalent fall in each authority's Rating List's Rateable Value that such a percentage reduction represents is also shown.

As can be seen, very significant appeals or deletions would have to be experienced for any individual authority to get to this position, i.e. £7.4m for South Somerset. The biggest appeals risk to South Somerset is RNAS Yeovilton with an outstanding appeal on the 2005 list. However, SSDC has made an allowance of £2.4 million within its NDR for outstanding appeals.

It should be remembered that reaching the safety net level does not trigger an additional payment to an authority. It would only be reductions beyond the safety net level that are protected, i.e. at the -7.5% level; an authority would be guaranteed an income level equivalent to -7.5% of its Baseline Need.

The cost of supporting each authority, if it were to have a fall in income equivalent to, say, 8.5% of baseline need, i.e. 1% below the safety net level, has been calculated. This would be a cost met by the pool, which would reduce any pooling gains made or potentially cause the pool to make a loss.

Decline in Business Rates for Individual Authorities to reach 1% below Safety Net

Pool Membership	NNDR1 14/15 £m	Loss %	Loss £m	(Tariff)/ Top-up £m	New position £m	Safety Net if stand alone £m	Diff. to be made up £m	= Equivalent fall in RV £m
B&NES	32.166	-9.9%	-3.194	-9.653	19.320	19.515	-0.195	-13.522
North Somerset	28.724	-10.8%	-3.116	0.313	25.921	26.183	-0.262	-13.194
Somerset County	15.359	-41.4%	-6.360	46.707	55.705	56.268	-0.563	-146.617
Mendip	14.000	-13.3%	-1.857	-9.773	2.370	2.394	-0.024	-9.633
Sedgemoor	14.897	-11.0%	-1.642	-10.357	2.898	2.927	-0.029	-8.519
South Somerset	18.139	-8.1%	-1.461	-13.688	2.991	3.021	-0.030	-7.575
Taunton Deane	16.166	-3.0%	-0.486	-13.472	2.209	2.231	-0.022	-2.519
West Somerset								
Total Stand-alone	139.452	-13.0%	-18.116	-9.922	111.414	112.539	-1.125	
Pool	139.452	-13.0%	-18.116	-9.922	111.414	112.539	-1.125	-76.704

The cost of supporting an authority that falls 1% below the safety net ranges from £0.030m for South Somerset to £0.563m (Somerset CC) per annum. The potential risks associated with an individual authority requiring support from the pool if their business rates falls below the safety net is relatively small and could be funded by the additional resources continuing to be generated by the other members. The potential risk of the pool having fewer resources than if the individual authorities had not pooled is even less likely. This would require either 1) one authority falling significantly below its individual safety net or 2) simultaneous reductions in income across several authorities, with at least one dropping below its individual safety net level.

Governance Arrangements

The governance arrangements have been agreed and are attached at Appendix 2.

The overall principles for the allocation of resources are as follows:

- The running costs of the pool will be paid to the lead authority at a fixed management charge of £30k per annum.
- Each individual authority, where resources allow, will receive the same level of funding they would have received without the Pool (excluding running costs).

The remaining balance of the Pool consists of the levy payments that would have been paid to Government.

Any pool dividend will be distributed on the following basis:

- 18.3% to Somerset County Council
- 9.2% to North Somerset Council
- 62.1% to the remaining Councils in proportion to the levy saved
- 10.4% to the remaining Councils in proportion to their funding targets

The pool will not retain a reserve. Instead participants will maintain their own provision against future pool shortfalls.

Pool Shortfall

If a Member's business rate income drops by more than the Government determined safety net trigger, then, under the "No Worse Off" principle, that member will be entitled to receive the equivalent of a Safety Net Payment from the Pool. Safety Net Payments will be made as a first call on the Pool, before the Pool Dividend is calculated and allocated.

If there is a shortfall on the pool – i.e. there is insufficient funding to allow each authority to receive what it would have received outside the pool - it shall be met as follows:

Stage 1:

- 18.3% from Somerset County Council
- 9.2% from North Somerset Council
- 62.1% from any of the remaining Councils that failed to achieve its rates collection target. This shall be in proportion to the cash amounts that it is or they are below the target [needs to be clear whether this is total rates or only that council's 40% or 49%]
- 10.4% from the remaining Councils in proportion to their funding targets

No Council shall receive less than its safety net level outside the pool from this step

Stage 2:

- If any councils do fall below their Safety Net level outside the Pool at stage 1 then a further deduction will be made, to fund the amount(s) that those councils have fallen below, from all councils with income in excess of their Safety Net amount outside of the Pool, pro rata to the amounts that they are above the Safety Net.

Stage 3:

- If any councils do fall below their Safety Net level outside the Pool at stage 2 then a further deduction shall be made, to fund the amount(s) that those councils have fallen below, from all Pool Members, pro rata to each authority's funding target. This is the only step at which an authority may receive less than its Safety Net level outside the Pool.

If a shortfall seems likely to continue, consideration will be given to the future of the pool, including dissolution.

Financial Implications

The estimates for 2014/15 indicate that if the pool had existed the authorities in the pool would share £2.063 million of which SSDC would retain an additional £304,000.

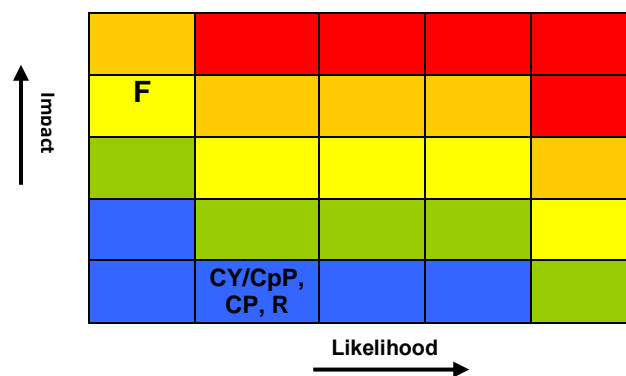
We cannot currently estimate the pool gain or loss for 2015/16 as the Government settlement figures have not been announced nor has each authority completed their NDR1.

SSDC can decide to withdraw from the pool once the settlement figures have been announced. As there will not be sufficient time to return to District Executive or full Council it is recommended that the final decision is delegated to the Assistant Director – Finance and Corporate Services in consultation with the Portfolio Holder for Finance and Spatial Planning once the Government figures are announced. If a decision is made by any of the pool members not to continue at this point then the pool will collapse.

The financial risk to SSDC is if because of appeals/non-collection/demolition that the pool falls below the individual authority's safety net. South Somerset's safety net is around £250k below its baseline figure however the pool's safety net is around £9 million below its baseline figure. This means that losses up to this level would have to be borne by the pool. However the risk of this happening is extremely small as the 2014/15 figures show that the pool would have to lose £17 million of the expected income to reach this point. The pool has been set up to protect its members from individual losses beyond their own safety net as far as it possibly can.

Risk Matrix

This matrix only identifies the risk associated with taking the decision as set out in the report as the recommendation(s). Should there be any proposal to amend the recommendation(s) by either members or officers at the meeting then the impact on the matrix and the risks it identifies must be considered prior to the vote on the recommendation(s) taking place.



Key

Categories	Colours <i>(for further detail please refer to Risk management strategy)</i>
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Next Steps

The Governance of the pool cannot now be changed by any of the partners because they have now been submitted to DCLG.

Authorities retain then ability to withdraw from a designated pool before the pool comes into effect if after seeing the draft Local Government Finance Report they no longer believe that pooling provides the opportunities they had previously thought. If any authority decides to withdraw it will result in the pool collapsing for all the other authorities and they would revert to their individual positions.

Council Plan Implications

Council Plan 2012 – 2015: Focus One - Jobs “We want a strong economy which has low unemployment and thriving businesses”

Carbon Emissions and Climate Change Implications

None

Equality and Diversity Implications

None

Privacy Impact Assessment

None

Background Papers

None

Proposal to establish a Business Rates Pool based on Somerset Councils for April 2015/16.

1. Membership

- Bath & North East Somerset Council
- Mendip District Council
- North Somerset Council
- Sedgemoor District Council
- Somerset County Council
- South Somerset District Council
- Taunton Deane Borough Council

None of the councils listed are either part of an existing pool or proposed pool.

Membership of the pool will be reviewed on an annual basis. Other councils with a relevant geographic presence will be considered for inclusion within the pool (specifically West Somerset District Council) subject to there being no significant adverse impact on the financial viability of the pool.

2. Benefits of the pool

- 2.1 The make-up of the proposed pool includes Somerset County Council, Bath & North East Somerset (B&NES) and North Somerset Unitary councils, Mendip, Sedgemoor and South Somerset District councils, and Taunton Deane Borough Council, forming a continuous geographic area centring on the ceremonial shire county of Somerset, with a combined population of over 900,000.
- 2.2 The Pool will build on the economic and community links between Bath, the Somer Valley and Mendip market towns of Midsomer Norton, Radstock, Frome, Shepton Mallet, Street, Wells and Glastonbury in the east, and the principal towns of the Somerset Levels in the west; including Bridgwater, Burnham on Sea, Weston Super Mare, Nailsea, Clevedon and Portishead. The administrative centre of the county is located in Taunton, with the M5 motorway passing Wellington and running to the south of the county and Yeovil and small market towns including Wincanton, Chard and Ilminster.
- 2.3 The region is forecast to experience above average growth over the next several years. Pooling Business Rates would help to mitigate local demographic and service pressures arising from additional growth and, by fully rewarding those communities delivering such economic growth, will provide additional stimulus to new development. This will act as a further incentive for all the pooling authorities to proactively work together to drive economic growth within Somerset.
- 2.4 The Pool would complement B&NES and North Somerset councils' participation in the West of England City Deal agreement and support and incentivise the major development at Hinkley Point, the expansion of Bristol Airport as well as investment in large-scale distribution centres within the

region, development at key junctions on the M5 corridor and the Firepool central commercial district in Taunton. A wider Pool for Business Rates Retention would allow the full benefits of economic growth arising from the strategic transport and infrastructure investment expected from the City Deal and these other major developments to flow back to the local bodies, and therefore the communities, hosting that development.

- 2.5 The Pool would provide improved opportunities for co-ordination across the region, further re-investment in transport links in the area and would build on the joint-working that is already taking place, for example, between B&NES and North Somerset, including immediate opportunities to share expertise across the Pool membership. For example, the Pool would collaborate on best practice approaches to maximise business rates collection through the identification of high risk properties that could be missing from the Rating List.
- 2.6 In addition to providing the intended benefits of sharing the benefit from economic development across a wider area and benefitting the individual members, the Pool would also spread the risk of any volatility in Business Rates income.
- 2.7 The rationale for the Pool is to encourage economic growth; therefore Pool members are committed to use the additional resource to promote further economic growth. Subject to budgetary constraints, each Pool Member will allocate a significant proportion of their allocated Pool Dividend for activities that support:
- The creation of an environment where it is easy for businesses to start, locate and thrive;
 - Acceleration of the growth of the economy in Somerset through targeted support in the key strategic sectors;

In making these allocations Pool Members are emphasising their commitment to increasing their underlying business rates base.

3. Lead Authority

- 3.1 The Lead Authority will be Bath & North East Somerset Council.

This Pooling Proposal and the Governance Agreement set out below are agreed on behalf of each member of the Pool as follows:

Bath & North East Somerset Council

Jo Farrar

Signature:

Jo Farrar
Chief Executive

Date: 24/10/14

T. Richens

Signature:

Tim Richens
Divisional Director – Business Support
(S151 Officer)

Date: 24/10/14


Mendip District Council



Signature:

Stuart Brown
Chief Executive

Date: 27/10/14

Signature: 

Paul Deal
Corporate Financial Advisor
(S151 Officer)

Date: 27/10/14

North Somerset Council

Signature:

A handwritten signature in black ink, appearing to read 'M Jackson', written in a cursive style.

Mike Jackson
Chief Executive

Date: 28 October 2014

Signature:

A handwritten signature in black ink, appearing to read 'Peter Sloman', written in a cursive style.

Peter Sloman
Head of Financial Management
(S151 Officer)

Date: 28 October 2014

Sedgemoor District Council

Signature:



**Kerry Rickards
Chief Executive**

Date: 27/10/14


Signature:



**Alison Turner
Group Manager Finance
(S151 Officer)**

Date: 27.10.14.

Somerset County Council

Signature: 

Patrick Flaherty
Chief Executive

Date: 27/10/2014

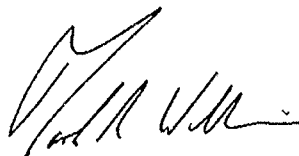
Signature: 

Kevin Nacey
Director of Finance & Performance
(S151 Officer)

Date: 27/10/2014

South Somerset District Council

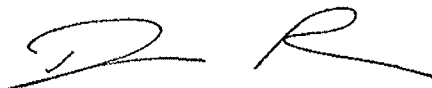
Signature:



Mark Williams
Chief Executive

Date: 28/10/14

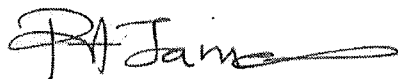
Signature:



Donna Parham
Assistant Director – Finance & Corporate Services
(S151 Officer)

Date: 28/10/14

Taunton Deane Borough Council



Signature:

Penny James
Chief Executive

Date: 30/10/2014



Signature:

Shirlene Adam
Director – Operations & Deputy CEO
(S151 Officer)

Date: 30/10/2014

Somerset Councils Business Rates Pool Governance Agreement

1. Pool Membership

- Bath & North East Somerset Council
- Mendip District Council
- North Somerset Council
- Sedgemoor District Council
- Somerset County Council
- South Somerset District Council
- Taunton Deane Borough Council

2. Introduction

This pooling proposal has been agreed by all pool members and signed by their Chief Executives and Section 151 Officers.

The proposal sets out various key principles and addresses the key governance areas to ensure that a robust framework is in place for the effective management of the Pool. Governance arrangements will stay in place until the Pool is fully dissolved.

Each time a new member joins or an existing member leaves the Pool the governance arrangements will need to be reviewed, renewed and agreed with the Department for Communities and Local Government (DCLG) and its successors.

3. Status of this Agreement

The Pool Members agree that this shall be a binding contractual relationship and mutual commitments between them created by this Agreement shall from the date hereof be construed accordingly.

4. Key principles of the pool

- The aim will be to ensure that no participant receives less funding than if they had not pooled.
- Any dividend remaining or any shortfall will be calculated in accordance with the detailed clauses below.
- Outside of this agreement, individual authorities will retain their decision making powers and co-operate in good faith for the duration of this agreement to endeavour to procure the successful implementation of the Pool objectives.
- The Lead Authority is not left with any unforeseen costs or liabilities. Any such costs or liabilities will fall to individual authorities as set out in this agreement.

5. Definition of Pooled Funds

Pooled funds will include monies involved in the Local Government Business Rates Retention Scheme (BRRS). Subject to the requirements of the 2012 Local Government Finance Act and its related regulations, which must take precedence, authorities involved will pool all the business rates collected by each authority **except** the rates yield or growth from any local Enterprise Zone, New Development Deal Area or from renewable energy schemes or similar exemptions, as set out in current or future legislation, where an individual authority is allowed to benefit directly without deductions for levies or others' shares.

6. Governance Structure

The key element in the governance structure will be the s.151 officers of the authorities that are in the pool. They will form a Governance Board and will be responsible for guiding and managing the operational day-to-day running of the pool. The officers will seek to find unanimous agreement on all issues involving the pool.

The Governance Board will meet at least twice a year, initially quarterly, including an annual review meeting of the Pool arrangements and its performance to determine whether the Pool should be dissolved. For example, one or more members may wish to withdraw and the remaining members may wish to resubmit an amended pooling proposal.

If unanimity cannot be reached after a number of options have been considered, the circumstances and difficulties arising will be reported to and guidance sought from the Chief Executives of the councils that are in the Pool for a formal, binding decision to be agreed.

7. Duration of the pooling agreement

Membership of the Pool is voluntary and members will be able to leave the Pool in accordance with this agreement and the DCLG timescales that will be published from time to time (see clause 13).

8. Lead Authority

The Lead Authority for accounting purposes will be Bath & North East Somerset Council.

Responsibilities for the Lead Authority and individual Pool members are outlined in **Appendix 1**.

9. Management Charge

Pool set-up and administration costs incurred by the Lead Authority have been agreed at £30,000 per annum in the first year and thereafter will be uplifted in line with any Local Government pay award.

10. Pool Dividend

The Pool Dividend is defined as the amount remaining in the Pool after:

- The Management Charge has been deducted
- Any Tariff payment to Government
- Any Top Up payment from Government
- Any Levy payment to Government
- Any Safety Net payment from Government
- Payment to each participant of the amount they would have received should the Pool not have existed, including Tariff, Top Up, Safety Net and Levy payments and relevant s.31 grants
- Any interest payments or penalties to or from the Pool

The Pool will be based upon a “No Worse Off” or shared proceeds of net levy saved position. No Worse Off is determined to be that a member will be no worse off by being a member of the Pool than they would have been if they had not been a member of the Pool. Each member will retain the income they would have received under the BRRS if they were not a member of the Pool, as determined by Local Government Finance Settlement.

50% of rates collected are payable to Central Government (Central Share) and the remaining balance of the business rates will then be paid into the Pool on a net cash-flow basis. The Pool will effectively be responsible for the distribution of Tariffs/Top Ups.

11. Allocating any Pool Dividend

The remaining balance of the Pool consists of the Levy payments that would have been paid to Government less the deduction of the Management Charge and any payments made under the No Worse Off principle.

Any Pool Dividend will be distributed on the following basis:

- 18.3% to Somerset County Council
- 9.2% to North Somerset Council
- 62.1% to the remaining Councils in proportion to their Levy saved
- 10.4% to the remaining Councils in proportion to their funding targets

The Pool will not retain a contingency reserve. Instead participants will maintain their own provision against future Pool Shortfalls.

12. Pool Shortfall

If a Pool Member's business rate income drops by more than the Government determined Safety Net trigger, then, under the No Worse Off principle, that member will be entitled to receive the equivalent of a Safety Net payment from the Pool calculated according to the methodology set out in clause 10. The Management Charge and Safety Net payments will be made as a first call on the Pool, before the Pool Dividend is allocated.

However, if there is a shortfall on the pool – i.e. there is insufficient funding to allow each authority to receive what it would have received outside the Pool - it shall be met as follows:

Stage 1:

- 18.3% from Somerset County Council
- 9.2% from North Somerset Council
- 62.1% from any of the remaining councils that failed to achieve their rates collection target. This shall be in proportion to the cash amount that it is, or they are, below the target (based on their 40% or 49% local share).
- 10.4% from the remaining councils in proportion to their funding targets

No council shall receive less than its Safety Net level outside the Pool from this step.

Stage 2:

- If any councils do fall below their Safety Net level outside the Pool at stage 1 then a further deduction will be made, to fund the amount(s) that those councils have fallen below, from all councils with income in excess of their Safety Net amount outside of the Pool, pro rata to the amounts that they are above the Safety Net.

Stage 3:

- If any councils fall below their Safety Net level outside the Pool at stage 2 then a further deduction shall be made, to fund the amount(s) that those councils have fallen below, from all Pool Members, pro rata to each authority's funding target. This is the only step at which an authority may receive less than its Safety Net level outside the Pool.

If a Pool Shortfall seems likely to continue, consideration will be given to the future of the Pool, including dissolution.

13. Dissolution

The pooling arrangement will remain in place until any single authority or authorities say that they wish to leave the Pool. Pool members should consider the impact on the remaining members when making this decision.

Pool membership will be reviewed on an annual basis to determine whether a significant change in business rates is expected and consequently whether the Pool is still financially viable.

Authorities will be required to notify Pool members of their decision to leave the Pool in accordance with the notice period outlined below.

DCLG will be notified of any decision to dissolve the Pool in accordance with their published process and timetable.

Any subsequent decision to re-form a Pool, for example, if one member wishes to leave and the other authorities wish to continue in a new pool, will be made in a timely manner to ensure that a formal pooling proposal is submitted to the DCLG in line with their process and timetable.

14. Notice Period to Dissolve the Pool

Authorities will be required to advise the Pool of their intention to leave and consequently dissolve the Pool giving a **minimum of one month's notice** in advance of the DCLG deadline. This will allow remaining Pool members to consider whether they wish to submit a new pooling application.

Once the Pool has been finally designated by DCLG, the period of membership will be for a minimum of the forthcoming financial year. Should a member withdraw from the Pool during the settlement consultation period, the Pool will be dissolved in accordance with DCLG rules.

15. Distribution of Pool Assets / Liabilities on Dissolution

Pool members will be jointly and severally liable for the assets and liabilities of the Pool. However this should not override any of the detail included in this agreement.

16. Requests to join the Pool

If a new authority wishes to join the Pool it will be required to provide **three months' notice** prior to the DCLG deadline. This will allow time for existing Pool members to carry out due diligence and consider the relative merits of enlarged membership. Where a new member is admitted, the existing Pool is effectively dissolved and a new Pool formed.

17. Payment schedules and cash-flow

Payment schedules will need to be agreed and payments made on time so that the Pool can meet the payments required by Central Government and to share business rates collected. Payments into the Pool will include various payments and these will all need payment schedules as announced by DCLG or as agreed locally.

Payments to the Lead Authority will be made by direct credit on the day preceding the payment date to Central Government (the 'scheduled day'). All funds will be retained in the Lead Authority's own bank overnight.

The Pool shall charge interest at a rate of four percentage points above the prevailing Bank of England Base Rate on all payments from participants that are received after the scheduled day.

Safety Net payments are to be made in-year to provide some immediate protection to the authority involved. The Pool will attempt to replicate the timing and amount of any Safety Net payment that would have been due to its members if there was no Pool.

Levies are not finalised until after the year has ended. Thus any Pool Dividend or Shortfall cannot be finalised until after the year has ended. Forecasts of various elements, such as the likely Levy payments and Pool Dividend, will be needed so that authorities can make their decisions about whether to remain in the Pool.

Costs (or benefits) which may arise from the cash-flow into and out of the pooling fund will be offset against (or added to) the Pool Dividend.

Information, in the form of a monthly spreadsheet from the source business rates systems of the billing authority members of the Pool, will be provided to the Lead Authority who will provide at least quarterly monitoring reports to all Pool members of the resulting position.

18. Accounting adjustments (Bad Debts and Appeals provision)

The Forecast and Actual Retained Amounts are the net amounts receivable by the authority from ratepayers after taking account of transitional adjustments, empty property, mandatory and discretionary reliefs and adjustments for provisions for bad and doubtful debts and for losses on appeals.

The provision for losses on appeal will be calculated by individual authorities using Valuation Office data and statistical information on a consistent basis to be agreed by designated officers from all billing authorities.

The provision for bad and doubtful debts will be calculated by each billing authority in accordance with proper practices and will be subject to external audit. If the auditor does not certify the provision on the grounds that the authority has not acted diligently, any such amounts will be funded in full by the respective authority and an adjustment will be made to the Pool Dividend or Shortfall calculations to reflect this.

19. Treasury

The treasury function shall be provided by the Lead Authority. The Treasury Management Strategy of the Lead Authority (which will be at a minimum in accordance with the CIPFA Code of Practice) shall be followed in the operation of the Pool and the management of surplus balances. The funds shall be held in separately named account(s) from the remainder of the Lead Authority's business. All interest receivable is credited to the Pool at the actual rate achieved by the Treasury Management Team of the Lead Authority on an annual basis.

The Lead Authority will not be solely liable for any loss arising from invested sums provided it has operated within its Treasury Management policies. Any such loss will be borne by the Pool Dividend first, then in line with the Board's agreed policy for Pool Shortfall across the individual authorities.

APPENDIX 1

Roles and Responsibilities

The **Lead Authority** will be responsible for the following:

- All finances in relation to the Pool including payments to and from Central Government, the other members of the Pool and Preceptors.
- Calculating the funding position if all councils had not been part of the pooling arrangement and any Pool Dividend or Shortfall.
- Agreeing the various schedules of payment with other Pool members.
- All communications with Central Government, its agencies or other relevant third parties and completing all formal Pool returns to Central Government and DCLG on behalf of the Board including year-end reconciliations.
- All information and external reporting requirements for the Pool, details of which will be shared with all members of the Pool.
- The collation and submission of information required for planning and monitoring purposes by the governance structure, the DCLG or any other party.
- All audit requirements in relation to the Pool.
- Year-end positions for the Statements of Accounts for each member authority.
- The administration of the dissolution of the Pool.

To assist the Lead Authority in fulfilling its responsibilities **Pool members** (including the Lead Authority as appropriate) will be responsible for:

- The collection of relevant business rates to transfer to the Pool run by the Lead Authority.
- The implementation of their own Collection Funds.
- The submission of NNDR forms to DCLG.
- Providing accurate and timely information on the end of year financial performance of the business rates Collection Fund to enable the Lead Authority to calculate the end of year accounting entries needed.
- The provision of such information as the Board agree is reasonable and necessary to monitor and forecast the Pool's resources within the timescales agreed.
- Informing the Lead Authority, as soon as is practicable, of any intelligence that may impact on the resources of the Pool either in the current year or in future years.

APPENDIX 2

Glossary of Terms

“**Agreement**” means this Agreement comprising the terms and conditions together with its Appendices.

“**The Board**” means the Business Rates Pool Board whose functions are more particularly set out in section 6.

“**BRRS**” means the Business Rates Retention Scheme introduced by the Department for Communities and Local Government in April 2013.

“**Lead Authority**” means the authority taking on the responsibilities in Appendix 1.

“**Levy**” means a payment due to central government related to BRRS income above Baseline Funding levels, calculated using a nationally set formula.

“**Management Charge**” means the charge payable from the Pool to the Lead Authority in respect of the costs incurred by the Lead Authority in the performance of its obligations as Lead Authority, as more particularly described at section 8 and Appendix 1.

“**Pool**” means the Business Rates Pool containing the business rates collected from the Pool Members. A voluntary arrangement amongst a group of local authorities to pool the business rates generated locally in accordance with the BRRS pooling prospectus published by DCLG in July 2014.

“**Pool Dividend**” means the amount of Levy retained locally. This is calculated as the sum of levies to be paid by individual Pool members if the Pool did not exist, less any Safety Net funding that would have been due to individual Pool members if the Pool did not exist, less the administrative costs of the Pool.

“**Pool Shortfall**” means the Pool BRRS income is less than the sum of what Pool Members’ BRRS income would have been in the absence of a Pool because the payment of compensation under the no worse off principle exceeds the Levy gains made by other Pool Members.

“**Pool Members**” means Bath & North East Somerset Council, Mendip District Council, North Somerset Council, Sedgemoor District Council, Somerset County Council, South Somerset District Council and Taunton Deane Borough Council.

“**Safety Net**” means a payment received by an authority from Central Government under the BRRS if BRRS income falls by more than a specified percentage below the Baseline Funding Level. It is calculated using a national formula.

Agenda Item 10

Additional Revenues Team Resources

Executive Portfolio Holder: Tim Carroll, Finance and Spatial Planning
Strategic Director: Mark Williams, Chief Executive
Assistant Director: Donna Parham, Finance and Corporate Services
Service Manager: Ian Potter, Revenues and Benefits Manager
Lead Officer: Ian Potter, Revenues and Benefits Manager
Contact Details: lan.potter@southsomerset.gov.uk or 01935 462690

Purpose of the report

1. The purpose of this report is to set out the case for additional resources for the Revenues Team which forms part of the Revenues and Benefits Service.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of December 2014.

Public Interest

3. This report outlines the need for more staff within the Revenues and Benefits service.

Recommendations

That District Executive approves

- a) The addition of four additional Grade 3 Revenues Officers to the establishment;
- b) That the cost in 2014/15 of £24,050 is funded from Unallocated Balances in 2014/15 and the full year cost of £96,220 is added to the MTFP for 2015/16.

Background

4. There have a number of significant changes to Council Tax and Business Rates since that review was carried out which have led to a substantial increase in the level of work demand. They are listed below:-
5. Council Tax
 - Introduction of Empty Homes Premium (April 2013)
 - Local discounts replace national exemptions for properties which are uninhabitable and newly unfurnished & unoccupied (April 2013)
 - Removal of discount for second homes and long term empty homes (April 2013)
 - Council Tax Reduction replaced Council Tax Benefit (April 2013)
 - Addition of alternative instalment scheme – 12 instalments (April 2013)
 - Changes to bailiff fee structure (April 2014)
 - The number of Council Tax properties has increased from 71,085 in April 2008 to 74,443 in April 2014 an increase of 5%

6. Business Rates

- Implementation of Rates Retention Scheme (April 2013)
- Introduction of Retail Relief (April 2014)
- Introduction of Reoccupation Relief (April 2014)
- Addition of alternative instalment scheme – 12 instalments (April 2014)

7. Other factors

- The Government's Welfare Reform Programme
 - Housing Benefit Cap
 - Removal of the bedroom subsidy (commonly known as the bedroom tax)
 - Changes to disability benefits
- The continuing impact of the recession – people have built up debt over this time
- Wages rises outstripped by inflation over the last five years affecting people's ability to pay

8. The Council Tax changes have resulted in a substantial increase in the amount of Council Tax to be collected. The most significant of these was the replacement of Council Tax Benefit with a local Council Tax Reduction (CTR) scheme in April 2013 for working age customers. Approximately 4,000 CTR recipients started paying Council Tax for the first time, paying a minimum of 15% of the annual charge. A further 2,500 people started paying an increased annual charge. The total increase in collectable Council Tax from CTR implementation alone is approximately £1m a year.

9. Overall the amount of Council Tax to collect has increased from £76.1 million in 2008 to £85.2 million in 2014, an increase of 12%.

10. A comparison between 2012/13 and 2013/14 of the number of recovery notices (reminders/second reminders/final notices/summons), the number of Liability Orders granted by the courts, and the number of cases being passed to the bailiff has increased by 36.3% as shown below:-

Council Tax Recovery

	2013/14	2012/13	% Increase From 12/13 to 13/14	CTRS Volume of 2013/14 Recovery Work	CTRS % of 13/14 Work
1st Reminders	18,719	13,294	40.8	5,928	31.7
2nd Reminders	3,675	3,281	12.0	1,145	31.2
Final Notices	1,611	596	170.3	439	27.3
Summonses	7,871	6,472	21.6	2,456	31.2
Liability Orders	4,678	3,255	43.7	1,405	30.0
Bailiff Assignments	3,851	2,757	39.7	-	-

Total Volumes	40,405	29,655	36.3	11,373	28.1

11. Prior to April this year cases that were referred to the bailiff incurred certain additional fees. The fee structure was:

Stage	Fee
1 st visit	£24.50
2nd visit	£18.00
Distress	
1 st £100 of debt	£24.50
£100 to £500 of debt	4% of sum owed
£500 to £2000 of debt	2.5% of sum owed
£2,000 to £10,000	1% of sum owed
Attendance with a vehicle	Reasonable costs and fees
Removal of goods	Reasonable costs and fees
Auctioneers fees	Commission + costs + out of pocket expenditure

12. From April this year bailiffs are called Enforcement Agents and the fee structure has been changed to make it more transparent and to provide debtors with some certainty about the level of fees they will be charged.

Fees due at each stage	Fixed fee	Percentage fees (payable depending on size of debt) up to £1,500 more than £1,500	
Compliance Stage (incurred when case is received by the enforcement company)	£75.00 per liability order	0%	0%
Enforcement Stage (incurred at the Enforcement Agents' first visit if you do not make an arrangement or if you default on your arrangement)	£235.00	0%	7.5%
Sale or Disposal Stage (incurred if the Enforcement Agent attends with a view to removing goods)	£110.00	0%	7.5%

13. This has required us to increase the debt threshold at which we refer cases on to the Enforcement Agents for collection. This means that the cases with smaller debts that would previously have been sent to the Enforcement Agents for collection will now need to be collected by the Revenues Team. In addition we have cases where the debtor is deemed to be vulnerable and it is not appropriate to send them to the Enforcement Agents.
14. With all of these changes we have recognised that there is a need for more prevention or early intervention work and to reach residents before they get into substantial arrears. This will require direct contact with the debtor (normally by phone) to agree a course of action / payment arrangement. While more time consuming, it is significantly more successful in securing payment than simply issuing more letters, which has already failed and is why they have reached this point in the Recovery process.

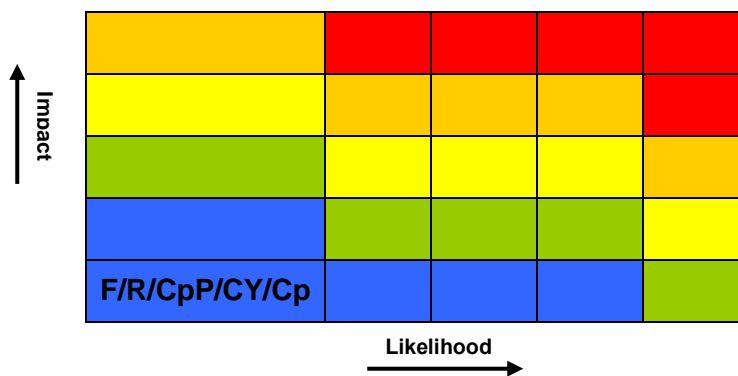
15. The team has had a backlog of work for a number of months which means that customers have waited a number of weeks to have their account updated. This can mean that customers have fewer instalments in which to pay their Council Tax or Business Rates, which in turn can impact their ability to pay the amount due on time.
16. The team typically issues 2,000–4,500 reminder notices and a further 800–1,300 summons each month. Unless the customer calls simply to make a payment it is necessary, due to the complexity of range of issues customers have, for them to be transferred to the Revenues Team. There is currently insufficient resource in the Revenues Team for Customer Advisors to be able to transfer incoming calls through.
17. There is a detrimental impact on the Contact Centre with Customer Advisors having to explain that they are unable to put the caller through. This then ties up that phone line leading to higher levels of call abandonments, and complaints from other customers that they are unable to get their call answered. Again this negatively impacts customer satisfaction. It also causes difficulties for those advisors with 'on hold' calls waiting to put the calls through.
18. SSDC's Council Tax collection rate is in the 4th quartile compared to all other Districts. The lack of resources has led to backlogs of work and an inability to regularly and consistently monitor outstanding debt cases is adversely impacting on the ability to effectively maximise collection of Council Tax and Business Rates. Both are important revenue streams for the council and the collection performance is a cause for concern.
19. The consequence of a reduced in-year collection rate is that a higher level of arrears is carried forward to the next year. The older debt becomes the more difficult and resource intensive it is to collect. Collection performance has also been highlighted as an issue by our external auditors.
20. When we undertook the original demand/capacity calculation in 2008 we demand information into a "Lean calculator". Using this same methodology with the current level of demand being fed into that calculator it reveals that an additional 4 FTE's are required.
21. A caseload per FTE benchmarking with Taunton Deane and East Devon Councils has shown that our officers have a substantially higher level of workload per FTE. Scaling SSDC's FTE's to match the ratio of those councils supports the "Lean calculator" outcome of the need for an increase of 4 FTE's.
22. The current level of demand is not temporary and cannot be solved by a short term increase in resources. To address the issues of work backlogs, lower collection rates, customer service, team pressure and staff retention we need to put additional permanent resources into the Revenues Team.
23. Starting the recruitment process straight away, we anticipate would enable us to get those new starters in place and trained in time to see some improvement to the

collection rates for 2015/16 and further improvements for 2016/17, and deliver a reduction in the former year arrears debt outstanding.

Financial Implications

24. The cost of an additional 4 Revenues Officers at a Scale 3 would cost £96,220 at the top of the grade. The officers are not expected to travel and they can be accommodated in Revenues and Benefits without any additional set up costs.
25. If Members agree the recommendations the cost in 2014/15 of £24,050 would be found from Unallocated Balances. Unallocated Balances would remain within the risk assessed requirements made. An escapable commitment of £96,220 will be added to the Medium Term Financial Plan for 2015/16.

Risk Matrix



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

Providing well managed cost effective services valued by our customers.

Carbon Emissions and Climate Change Implications

None

Equality and Diversity Implications

None.

Privacy Impact Assessment

None

Background Papers

None

Agenda Item 11

Community Right to Bid – Assets of Community Value

Executive Portfolio Holder: Ric Pallister, Strategy and Policy
Strategic Director: Rina Singh, Place and Performance
Assistant Director: Helen Rutter / Kim Close, Communities
Service Manager: Helen Rutter, Communities
Lead Officers: Helen Rutter, Communities
Contact Details: helen.rutter@southsomerset.gov.uk or (01963) 435012

1. Purpose of the Report

1.1 The purpose of this report is to inform members of the current status of the register of Assets of Community Value, brought about by nominations received from community groups in South Somerset using the Community Right to Bid. It also flags up any issues arising from the provision.

2. Forward Plan

2.1 This report appeared on the Executive Forward Plan for December 2014.

3. Public Interest

3.1 The Government is trying to provide communities with more opportunities to take control over the ownership and management of local assets. The Community Right to Bid came into effect on 21st September 2012 as part of the Localism Act 2011. It provides opportunities for voluntary and community organisations, as well as Parish Councils, to identify land and buildings which they believe to be important and which benefit their community. If they qualify, these can be placed on a Register of Assets of Community Value. If the asset comes up for sale, then in certain circumstances, an eligible community group can apply to be given time to make a bid to buy it on the open market.

4. Recommendation

4.1 That the District Executive note the report.

5. Background

5.1 In November 2012, District Executive agreed a process for considering nominations from communities to place assets onto the SSDC Register of Assets of Community Value. This was based on clear criteria set out in the Localism Act. When nominations are received, SSDC has 8 weeks to consider them and respond to the applicant.

5.2 The assessment of nominations is delegated to the relevant Area Development Manager in conjunction with the Ward Member(s) and Area Chair. The result of the assessment & decision is presented to the relevant Area Committee for information. A quarterly report is presented to District Executive, also for information. Decisions about any SSDC-owned properties will be brought to District Executive for decision.

5.3 Since the regulations came into force, SSDC has considered 14 completed nominations for the Register. All have been approved and placed onto the Register of Assets of Community Value. **Table 1** attached lists all nominations and their current status. No nominations are recorded on the Register of Unsuccessful Nominations.

6. Nominated Assets

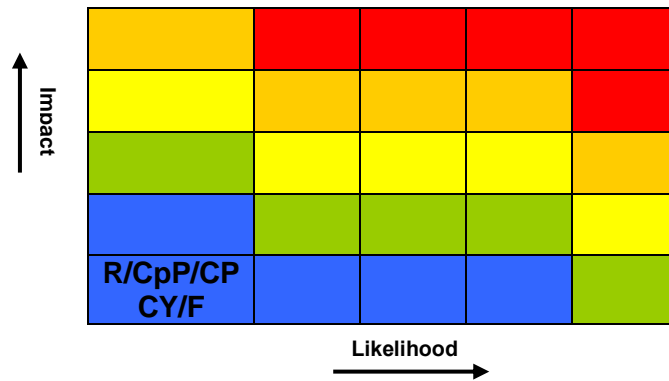
- 6.1 The relevant Parish Council, the owner, the tenant and the Land Registry have all been notified of the successful nominations (as well as the nominating groups) and the assets have been placed on the SSDC Register of Assets of Community Value. Owners can appeal against the decision within 8 weeks. Appeals are considered by the Council's Monitoring Officer. One appeal has been heard and dismissed. We wait to see if this will be challenged.
- 6.2 Once an asset has been listed, nothing further will happen until the owner decides to dispose of the asset. This can be either through a freehold sale or the grant of a lease for at least 25 years. At this point they must notify SSDC of their intention to sell. The community is then given 6 weeks to express an interest in the asset and submit a written intention to bid for the property(s). The table indicates where this has occurred.
- 6.3 If any written intentions are received, the Council passes on the request to the owner, at which point the full moratorium period of 6 months (from the date that SSDC is notified of the intention to sell) comes into force. If no written intention(s) to bid are received, the owner is free to sell the asset.
- 6.4 The guidance is clear that there is no role for the local authority in the negotiations between owner and 'bidder'. SSDC Area Development Teams (ADTs) provide support to community groups in considering if the Register will help them to achieve their goals, putting together their business plan, fundraising, etc. In several instances groups have approached the ADTs to consider a nomination, but after discussion have decided to take up their issues and progress the matter in a different way.
- 6.5 All accepted nominations will normally remain on the Register for 5 years and then be removed. A successful appeal against registration will trigger removal. Should there be a successful disposal by the current owner, the asset remains on the register and the restrictions transfer to the new owner thus if the new owner decides to initiate a relevant disposal further down the line then the first stage moratorium is triggered again.
- 6.6 As new situations are faced, the process map is improved and guidance to groups/owners is clarified. All details are available on the SSDC website.

7. Financial Implications

- 7.1 There are none at this point in time. Government provided SSDC with an (un-ring-fenced) sum of £7,902 in 2013/14 as a contribution towards the costs associated with the new duties under the Community Right to Bid. For 2014/15 onwards any costs must be absorbed into the Revenue Support Grant.
- 7.2 Property owners who believe they have incurred costs as a result of complying with these procedures can apply for compensation from the Council. SSDC is in the process of designing this compensation scheme. Government recognises this as a potential risk to local authorities and will provide a safety net whereby any verified claims of over £20,000 will be met by Government.

8. Risk Matrix

- 8.1 This matrix only identifies the risk associated with taking the decision as set out in the report as the recommendation(s). Should there be any proposal to amend the recommendation(s) by either members or officers at the meeting then the impact on the matrix and the risks it identifies must be considered prior to the vote on the recommendation(s) taking place.



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

9. Council Plan Implications

9.1 Evaluate the overall requirements of the Government’s Localism legislation and work with communities to develop plans for their community.

10. Carbon Emissions and Climate Change Implications

10.1 None in relation to this report.

11. Equality and Diversity Implications

11.1 None in relation to this report.

12. Background Papers

Localism Act 2011;
 District Executive Minutes and Agenda November 2012;
 Assets of Community Value (England) Regulations 2012
 Statutory Instruments 2012 n. 2421;
 District Executive Agenda and Minutes August 2013; December 2013;
 Nomination Forms received.

Table 1 : Details of Nominations received by SSDC up to and including 20 November 2014

Register of Assets of Community Value

Reference	Nominator (name of group)	Name, address and postcode of Property	Date entered on register	Current use of property/land	Proposed use of property/land	Date agreed by DX	Date SSDC received notification of intention to sell	Date of end of initial moratorium period (auto-fill ie.6 weeks after date of notification to sell is received)	Number of Expressions of Interest received	Date of end of full moratorium period (auto-fill ie.6 months after date of notification to sell is received)	Number of written intentions to bid received	Date for Review	Reason for review	Date to be removed from register (auto-fill ie. 5 years after listing)
ACV1	Kingsdon Parish Council	Kingsdon Primary School School Lane Kingsdon Somerton TA11 7JX	05/04/2013	Unoccupied	Community café & multi-functional community facility	04/04/2013	15/01/2014	25/02/2014	1	14/07/2014				05/04/2018
ACV2	Kingsdon Parish Council	Fomer Kingsdon Primary School playing field Mow Barton Road Kingsdon Somerton TA11 7JX	05/04/2013	Closed but used by residents for informal sports	Village consultation underway	04/04/2013								05/04/2018
ACV3	Barrington Parish Council	Barrington Oak Public House Main Street Barrington Ilminster TA19 9JB	10/05/2013	Licensed public house	Licensed public house	09/05/2013	27/01/2014	Current disposal of property is exempt as it is being sold as a going concern						10/05/2018
ACV4	Langport Town Council	Cocklemoor Off Parrett Close Bow Street Langport TA10 9PR	05/07/2013	Recreational space	Recreational space	04/07/2013	01/11/2013	12/12/2013	1	30/04/2014	1			05/07/2018
ACV5	Compton Dundon Parish Council	Former School Playing Field School Lane Compton Dundon Somerton Somerset TA11 6TE	01/08/2013	Not used	Community Allotments	01/08/2013								01/08/2018
ACV6	Dinnington Parish Council	The Dinnington Docks Dinnington Hinton St George Somerset TA17 8SX	21/08/2013	Public House	Not known - would like it to remain as village pub	21/08/2013								21/08/2018
ACV7	Montacute Parish Council	Montacute Working Mens Club & Associated Land The Hall Bishopston Montacute Somerset TA15 6UU	04/11/2013	Working Mens Club	Village Hall	04/11/2013	04/11/2013	Moratorium period ceased on 03/05/2014 with no community interest. Asset is now protected from further nomination for the next 18-months						04/11/2018

ACV8	Combe St Nicholas Parish Council	Combe Wood Recreation Field Combe Wood Lane Combe St Nichols Somerset BA20 3NJ	05/04/2014	Community Recreation Area	Community Recreational Area	05/04/2014								05/04/2019
ACV9	Queen Camel Community Land Trust	Mildmay Arms High Street Queen Camel Yeovil Somerset BA22 7NJ	28/05/2014	Public House	Public House	28/05/2014								28/05/2019
ACV10	Castle Cary Town Council	Castle Cary Constitutional Club Station Road Castle Cary Somerset BA7 7BY	13/06/2014	Constitutional Club	Private Club/ Function House	13/06/2014	13/06/2014	Current disposal of property is exempt (under exemption clauses P & Q of Part 5 Chapter 3 of the Localism Act 2011). The appeal against the listing had been dismissed by SSDC but awaiting advice as to whether this elevates to First tier tribunal			05/08/2014	Requested by Receiver	13/06/2019	
ACV11	Ash Parish Council	The Bell Public House 3 Main Street Ash Somerset TA12 6NS	11/07/2014	Public House	Public House with other community facilities	11/07/2014								11/07/2019
ACV12	Drayton Parish Council	Drayton Arms Church Street Drayton Langport TA10 0JY	25/07/2014	Public House	Public House in community ownership	25/07/214	25/07/2014	04/09/2014		24/01/2015				25/07/2019
ACV13	Iminster Town Council	Land known as the Hammerhead Access to Brittens Field & Wharf Lane Recreation Grounds Canal Way Iminster Somerset TA19 0EB	16/07/2014	Access to recreation area	Access to recreation area	16/07/2014								16/07/2019
ACV14	Save our Kings Head org	The Kings Head Church Street Merriott Somerset TA16 5PR	06/08/2014	Public House	Public House in community ownership	06/08/2014	19/08/2014	Moratorium period ceased on 29/09/2014 with no community interest. Asset is now protected from further nomination for the next 18-months						06/08/2019

Monthly Performance

Snapshot



This monthly snapshot shows our recent performance:

- The combined average time for dealing with new claims and change of circumstances in Benefits fell to just 6 days in October from 8 days the previous month. This follows a reduction in the time to process new claims.
- Since May 2014, SSDC has had no households in Bed and Breakfast accommodation at the end of the month. Households in temporary accommodation have also more than halved since March 2011. The SSDC Housing Team has had a peer review recently carried out by the National Practitioner Support Service (NPSS) along with colleagues from BAINES and North Somerset Council. The service scored 68% which is above the national average. This means the Housing Team can now progress to apply to the NPSS for the Gold Standard.
- Friday 7 November proved to be a record breaking day for the Octagon Theatre when tickets for comedian Alan Carr sold out in just 8 minutes. 85% of tickets were bought online for the event. Also, with less than three weeks to go until the opening night of this year's festive pantomime, 17,000 people have already snapped up tickets.
- Record weekly sales at Yeovil Recreation Centre during the last October half term saw income more than triple from £1,242 in the same week in 2013 to £4,722 this year.

Latest headlines:

- 800 children completed the Yeovil Country Park Halloween trail and helped the Countryside team celebrate the opening of the Centre in half term week. The first opening weeks of the Centre have been very successful and the café has proven a popular addition to the country park. 500 people also attended the second Ham Hill bonfire on November 5 and SSDC Countryside Ranger Jon Marshman featured on the ITV local news during the event.
- SSDC's Welfare Benefits Team picked up 58 new cases in October. 5 were referred on to other agencies, 13 cases were advice only and 32 resulted in casework. The remaining 18 clients fell into three categories: not contactable; clients decided help was not needed after all; disengaged with us despite advice given.

Monthly Performance Snapshot



Latest headlines (cont'd):

- South Somerset News was delivered to all households in South Somerset week commencing 17th November, which included two special car parking offers. Firstly, the 'Golden Ticket' where pay-and-display customers in SSDC-operated car parks have the opportunity to win a three month free season ticket. Secondly, a ticket for car park users to cut out and display every Tuesday between 6th January and 30th June 2015, enabling free parking after 3pm in SSDC managed car parks.
- 50,000 native naturalising bulbs including lily of the valley, snow drop, blue bells and Star of Bethlehem have been given away by the SSDC Streetscene Team in the 'Parish Bulb Giveaway' scheme during November; many of our 120 parish and town councils have benefited from this initiative to enhance our local communities.

Agenda Item 13

District Executive Forward Plan

Executive Portfolio Holder: Ric Pallister, Leader, Strategy and Policy
Assistant Director: Ian Clarke, Legal and Corporate Services
Lead Officer: Ian Clarke, Legal and Corporate Services
Contact Details: ian.clarke@southsomerset.gov.uk or (01935) 462184

1. Purpose of the Report

1.1 This report informs Members of the current Executive Forward Plan, provides information on Portfolio Holder decisions and on consultation documents received by the Council that have been logged on the consultation database.

2. Public Interest

2.1 The District Executive Forward Plan lists the reports due to be discussed and decisions due to be made by the Committee within the next few months. The Consultation Database is a list of topics which the Council's view is currently being consulted upon by various outside organisations.

3. Recommendations

3.1 The District Executive is asked to:-

- I. approve the updated Executive Forward Plan for publication as attached at Appendix A;
- II. note the contents of the Consultation Database as shown at Appendix B.

4. Executive Forward Plan

4.1 The latest Forward Plan is attached at Appendix A. The timings given for reports to come forward are indicative only, and occasionally may be re scheduled and new items added as new circumstances arise.

5. Consultation Database

5.1 The Council has agreed a protocol for processing consultation documents received by the Council. This requires consultation documents received to be logged and the current consultation documents are attached at Appendix B.

6. Background Papers

6.1 None.

Appendix A - SSDC Executive Forward Plan

Date of Decision	Decision	Portfolio	Service Director	Contact	Committees	Approval of Council Required	Date of Council	Consultation
January 2015	Formal decision on the Somerset Rivers Authority	Strategy and Policy	Strategic Director (Operations and Customer Focus)	Vega Sturgess, Strategic Director (Operations and Customer Focus)	Scrutiny, District Executive, Council	Yes	January 2015	
January 2015	Securing Future Facilities for Chard (Confidential)	Leisure and Culture	Assistant Director (Health and Well-Being)	Andrew Gillespie, Area Development Manager (West)	Scrutiny, District Executive	No		
January 2015	Upgrading of ICT Helpdesk System	Property and Climate Change	Assistant Director (Finance & Corporate Services)	Roger Brown, ICT Manager	Scrutiny, District Executive	No		
January 2015	Proposed capital schemes for 2015/16	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Donna Parham, Assistant Director (Finance & Corporate Services)	Scrutiny, District Executive, Council	Yes	February 2015	Yes
January 2015	Update on Medium Term Financial Plan and Capital Programme	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Donna Parham, Assistant Director (Finance & Corporate Services)	Scrutiny and District Executive	No		Yes
January 2015	Scrutiny Review of Somerset Civil Contingency Partnership'	Finance and Spatial Planning	Assistant Director (Legal & Corporate Services)	Emily McGuinness, Scrutiny Manager	Scrutiny and District Executive	No		
January 2015	Commercial Property Disposals – Winsham Allotments and Band Hut	Finance and Spatial Planning	Assistant Director (Legal & Corporate Services)	Ian Clarke, Assistant Director (Legal and Corporate Services)	Scrutiny and District Executive	No		Yes
January 2015	Updated Local Development Scheme	Finance and Spatial Planning	Assistant Director (Economy)	Martin Woods, Assistant Director (Economy)	Scrutiny and District Executive	Yes	February 2015	

Date of Decision	Decision	Portfolio	Service Director	Contact	Committees	Approval of Council Required	Date of Council	Consultation
January 2015	Council Tax Reduction Scheme for 2015/16	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Ian Potter, Revenues and Benefits Manager	Scrutiny, District Executive, Council	Yes	January 2015	
January 2015	Council Tax Section 13 1C discount policy	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Ian Potter, Revenues and Benefits Manager	Scrutiny, District Executive, Council	Yes	January 2015	
January 2015	Yeovil Crematorium Update	Yeovil Vision	Assistant Director (Communities)	Kim Close, Assistant Director (Communities)	Scrutiny and District Executive	No		
February 2015	Budget for 2015/16 and Capital Programme	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Donna Parham, Assistant Director (Finance & Corporate Services)	Scrutiny, District Executive, Council	Yes	February 2015	Yes
February 2015	Capital & Revenue Budget monitoring reports for Quarter 3	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Donna Parham, Assistant Director (Finance & Corporate Services)	Scrutiny and District Executive	No		
February 2015	Heart of the South West Local Enterprise Partnership	Strategy and Policy	Assistant Director (Economy)	Martin Woods, Assistant Director (Economy)	Scrutiny and District Executive	No		
February 2015	Anti - Social Behaviour - New Tools and Powers	Strategy and Policy	Assistant Director (Communities)	Kim Close Assistant Director (Communities)	Scrutiny and District Executive	No		
February 2015	Family Focus Programme Update	Strategy and Policy	Strategic Director (Operations and Customer Focus)	Steve Joel, Assistant Director (Health and Well-Being)	Scrutiny and District Executive	No		
February 2015	Member Induction Programme 2015	Regulatory and Democratic Services	Assistant Director (Legal & Corporate Services)	Angela Cox, Democratic Services Manager	Scrutiny and District Executive	No		

Date of Decision	Decision	Portfolio	Service Director	Contact	Committees	Approval of Council Required	Date of Council	Consultation
March 2015	Districtwide Grants – approval of funding for SSVCA and SSCAB	Strategy and Policy	Strategic Director (Place and Performance)	Helen Rutter, Assistant Director (Communities)	Scrutiny and District Executive	No		
March 2015	Community Right to Bid Update	Strategy and Policy	Strategic Director (Place and Performance)	Helen Rutter, Assistant Director (Communities)	Scrutiny and District Executive	No		
March 2015	Quarterly Performance Update	Strategy and Policy	Strategic Director (Place and Performance)	Andrew Gillespie/ Charlotte Jones, Performance Managers	Scrutiny and District Executive	No		
April 2015	South Somerset Together LSP Annual Review	Strategy and Policy	Strategic Director (Place and Performance)	Helen Rutter, Assistant Director (Communities)	Scrutiny and District Executive	No		
June 2015	Quarterly Performance Update	Strategy and Policy	Strategic Director (Place and Performance)	Andrew Gillespie/ Charlotte Jones, Performance Managers	Scrutiny and District Executive	No		
June 2015	Capital & Revenue Budget monitoring reports for Quarter 3	Finance and Spatial Planning	Assistant Director (Finance & Corporate Services)	Donna Parham, Assistant Director (Finance & Corporate Services)	Scrutiny and District Executive	No		

APPENDIX B - Current Consultations – December 2014

Purpose of Document	Portfolio	Director	Response to be agreed by	Contact	Deadline for response
<p>Business rates retention and shale oil and gas: technical consultation</p> <p>Proposed arrangements for the 100% local retention of business rates on shale gas and oil sites.</p>	Finance and Spatial Planning	Assistant Director (Finance and Corporate Services)	Portfolio Holder in consultation with officers	Keith Wheaton Green	5 th December 2014
<p>Somerset Library Service: Consultation on proposed changes</p> <p>The proposals for consultation cover the year from April 2015 to March 2016 and would result in savings of almost £500,000. There are no proposals for any library buildings to close. The proposals have been developed in order to:</p> <ul style="list-style-type: none"> • Ensure that Somerset Library Services are able to respond to changes in customer expectations and demography • Reflect the public's strong preference that we do everything we can to keep local library buildings open • Ensure Somerset has modern Library Services that are comprehensive, efficient and affordable 	----	---	Members may wish to bring this consultation to the attention of their local residents	Mickey Green Email: mcgreen@somerset.gov.uk	11 th January 2015

Agenda Item 14

Date of Next Meeting

Members are asked to note that the next scheduled meeting of the District Executive will take place on **Thursday, 8th January 2015** in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.

Agenda Item 15

Exclusion of Press and Public

The Committee is asked to agree that the following item (agenda item 16) be considered in Closed Session by virtue of the Local Government Act 1972, Schedule 12A under paragraph 3:

“Information relating to the financial or business affairs of any particular person (including the authority holding that information).”

It is considered that the public interest in maintaining the exemption from the Access to Information Rules outweighs the public interest in disclosing the information.

Agenda Item 16

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted