
District Executive

Thursday 6th February 2020

9.30 am

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

(disabled access and a hearing loop are 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 contact the Democratic Services Specialist on 01935 462148 or democracy@southsomerset.gov.uk

This Agenda was issued on Wednesday 29 January 2020.

Alex Parmley, *Chief Executive Officer*



This information is also available on our website
www.southsomerset.gov.uk and via the [mod.gov](https://play.google.com/store/apps/details?id=mod.gov) app

District Executive Membership

Jason Baker
Mike Best
John Clark
Adam Dance
Sarah Dyke
Peter Gubbins
Henry Hobhouse
Val Keitch
Tony Lock
Peter Seib

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.

Questions, statements or comments from members of the public are welcome at the beginning of each meeting of the Council. 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. Each individual speaker shall be restricted to a total of three minutes. 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 Committee at that meeting.

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

District Executive

Thursday 6 February 2020

Agenda

1. Minutes of Previous Meetings

To approve as a correct record the minutes of the District Executive meetings held on 7th November 2019 and 9th January 2020.

2. Apologies for Absence

3. Declarations of Interest

In accordance with the Council's current Code of Conduct (as amended 26 February 2015), 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.

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. 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.

4. Public Question Time

5. Chairman's Announcements

Items for Discussion

6. **SSDC Council Plan 2020-2024** (Pages 5 - 26)
7. **2020/21 Draft Revenue and Capital Budgets and Medium Term Financial Plan** (Pages 27 - 121)
8. **Capital, Investment and Treasury Strategies 2020/21 to 2022/23** (Pages 122 - 182)
9. **2019/20 Revenue Budget Monitoring Report for the Period Ending 31st December 2019** (Pages 183 - 205)
10. **2019/20 Capital Budget Monitoring Report for the Period Ending 31st December 2019** (Pages 206 - 217)
11. **Corporate Performance Report 2019-20: 3rd Quarter** (Pages 218 - 229)
12. **Time Extensions to Public Space Protection Orders for dog fouling, dogs on leads and dog exclusion area** (Pages 230 - 242)

13. Future of Local Government in Somerset (Pages 243 - 258)

14. District Executive Forward Plan (Pages 259 - 261)

15. Date of Next Meeting (Page 262)

Agenda Item 6

SSDC Council Plan 2020-2024

Executive Portfolio Holder: Val Keitch, *Leader of Council*
Strategic Director: Netta Meadows, *Director Strategy and Support Services*
Netta.Meadows@southsomerset.gov.uk
Lead Officer: Jan Gamon, *Lead Specialist Strategic Planning*
Contact Details: Jan.gamon@southsomerset.gov.uk 01935 462095
Anna-Maria Lenz - *Specialist Strategic Planning*

Purpose of the Report

1. To invite Members to recommend the adoption of the South Somerset District Council (SSDC) Council Plan 2020 – 2024, Annual action plan 2020-2021 and a revised set of Key Performance Indicators.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 6th February 2020.

Public Interest

3. The Council Plan is a strategic document, which sets out the Council's vision, values and aims. It is a key document and tool used to communicate and share the administrations' ambitions and objectives for the Council. The Council Plan is designed to support us to create a focussed and streamlined operation as well as hold us accountable to the commitments we make and milestones we set.

Recommendations

4. That District Executive recommend to Full Council to:
 - a) Endorse the new Council Plan 2020-2024 and vision, values and aims it includes
 - b) Agree the annual action plan and key performance indicators for 2020-2021
 - c) Note the detailed milestones and desired outcomes for each Priority Project

Background

5. Since the District Council election in May 2019, the newly formed Leadership Team spent some time reconsidering their priorities for the term. They translated their vision and aspirations into a new Council Plan and Annual action plan.
6. The new Council Plan for the period 2020-2024, shows the Council's ongoing commitment to make changes in the way that it operates and delivers services over the coming years whilst continuing to deliver services and priority projects that meet the needs of our residents, visitors and businesses. It highlights the administration's desire to be ambitious for South Somerset and deliver outstanding services for our communities and residents.

The Council Plan 2020-2024

7. The Council Plan (Appendix A) draws together the administration's vision for South Somerset and sets out its values, and aims for the District.
8. The vision for South Somerset: **a naturally beautiful and sustainable environment, which also allows business to flourish and good homes to be delivered. A place where our**

communities are safe, vibrant and healthy and have access to exceptional cultural and leisure activities

The Annual Action Plan 2020-2021

9. The purpose of the Annual action plan (Appendix A) is to help us deliver the Council Plan 2020-24 and the vision, values and aims it includes. This is achieved by translating the vision and aims into key areas of focus and priority projects, which are categorised into five themes (protecting core services, economy, environment, places where we live, and healthy, self-reliant communities).
10. The Annual action plan draws together our areas of focus, priority projects and Area Chapters for the year ahead and is supported by a revised set of key performance indicators.

Areas of Focus

11. The areas of focus within each of the five themes help us streamline our resources and efforts to deliver for our residents, communities and businesses. The areas of focus are aligned to key strategies including our Commercial, Economic Development, Environment and Housing and 'Improving Lives' (Somerset's Health and Wellbeing) Strategy.
12. Communities of practice have been established for each of the five council Plan themes which, bring together accountable and responsible staff from across the organisation (including external stakeholders and partners as and where appropriate) in order to achieve a coordinated and collaborative way to assure delivery of identified outcomes for our communities.

Priority Projects

13. The proposed eight priority projects for 2020-2021 are as follows:
 - Fully realise the benefits of Transformation and further embed the Commercial Strategy
 - Progress implementation of the Chard regeneration project
 - Continue the refresh of Yeovil Town Centre
 - Progress project to aid the regeneration of Wincanton Town Centre
 - Develop proposals to accelerate the delivery of key housing sites and associated infrastructure
 - Assess options for improving community transport links
 - Develop proposals to support struggling families and help address child poverty and low rates of social mobility in the district
 - Accelerate action to adapt to and mitigate the effects of climate change and extreme weather
14. For each of the priority projects, key milestones and desired outcomes are identified for 2020-2021 (Appendix A). Progress and performance of the projects will be monitored through the appropriate Project Boards.

Area Chapters

15. Area Chapters have been developed using area focused priorities identified through Member workshops, along with information from the Area+ delivery Team.
16. The Area Chapters have been agreed by each Area Committee. Delivery plans will be developed to determine the outcomes, milestones, key activities and resources needed from

across the organisation to support delivery. The overall approach to delivery will be based on the principle that we will enable others to deliver, partner where it makes sense and deliver where we are able to and others cannot.

17. There is a SLT sponsor for each Area who will be an advocate for implementation of the Area Chapter and ensure that activities remain aligned with the strategic objectives of the District Council.

Key Performance Indicators

18. It is important to have relevant and appropriate Key Performance Indicators (KPIs) which provide assurance on progress and delivery, allow customers to hold us to account and help inform ongoing learning and evaluation.
19. The current KPI's, agreed by Full Council in 2019, have been reviewed and updated to provide high level measures of corporate performance aligned to the new Council Plan. The proposed set of indicators are shown in **Appendix A**.

Financial Implications

20. Where the costs of implementing our Council-wide areas of focus and priority projects are known, an allocation of revenue budget has been made, or capital funding included in the capital programme for 2020/21 onwards where appropriate.
21. For projects or areas of focus are at an investigative or scoping stage funding will be subject to future capital bid processes or require external funding support.

Council Plan Implications

22. This report details the Council's vision, values and aims.

Carbon Emissions and Climate Change Implications

23. None directly from this report. However, the Council Plan 2020-2024 emphasises our commitment to protecting the environment. We will ensure that Carbon Emissions and Climate Change Implications are considered as part of each report presented to Committee.

Equality and Diversity Implications

24. An Equality Impact Relevance Check Form has been completed and is attached to this report (Appendix B). In producing the plan itself there are no direct impacts. However, it is likely that individual equality impact assessments will need to be carried out for the individual areas of focus and priority projects.

Privacy Impact Assessment

25. None directly from this report.

Background Papers

26. None

Equality Impact Relevance Check Form



The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required.

| | |
|---|---|
| What is the proposal? | |
| Name of the proposal | Revised Council Plan 2020-2024 |
| Type of proposal (new or changed Strategy, policy, project, service or budget): | New Council Plan |
| Brief description of the proposal: | Revised Vision, values, aims. Reviewed priority projects, areas of focus. |
| Name of lead officer: | Jan Gamon/Anna-Maria Lenz |

You should consider whether the proposal has the potential to negatively impact on citizens or staff in the following ways:

- Access to or participation in a service,
- Levels of representation in our workforce, or
- Reducing quality of life (i.e. health, education, standard of living)

A negative impact is any change that could be considered detrimental. If a negative impact is imposed on any citizens or staff with protected characteristics, the Council has a legal duty to undertake a full Equality Impact Assessment.

| | |
|--|-----------|
| Could your proposal negatively impact citizens with protected characteristics? (This includes service users and the wider community) | NO |
| Could your proposal negatively impact staff with protected characteristics? (i.e. reduction in posts, changes to working hours or locations, changes in pay) | NO |

| | |
|--|---------------------------|
| Is a full Equality Impact Assessment required? | NO |
| If Yes, Please provide a brief description of where there may be negative impacts, and for whom. Then complete a full Equality Impact assessment Form | |
| | |
| If No, Please set out your justification for why not. | |
| In producing the plan itself there are no direct impacts. However, it is likely that individual equality impact assessments will need to be carried out for the individual areas of focus and priority projects. | |
| Service Director / Manager sign-off and date | J. Gamon 27/01/2020 |
| Equalities Officer sign-off and date | Dave Crisfield 27/01/2020 |

Council Plan 2020 - 24



Our Vision for South Somerset

A naturally beautiful and sustainable environment, which also allows business to flourish and good homes to be delivered. A place where our communities are safe, vibrant and healthy and have access to exceptional cultural and leisure activities.



2020 - 24



Our Values



Customers first - Designing plans and services around our customers



Community at heart - Enabling residents to support our communities and the environment we live in



Open and transparent - Actively communicating, engaging and listening to feedback



Innovative - Embracing innovation and technology to improve customer service and facilitate access to council services for all who need it



Getting things done - Empowering dedicated and flexible employees and elected members focussed on delivery



Working collaboratively - Working with partners to enhance outcomes for our communities

Our Aims

South Somerset District Council One Team, Ambitious for South Somerset.

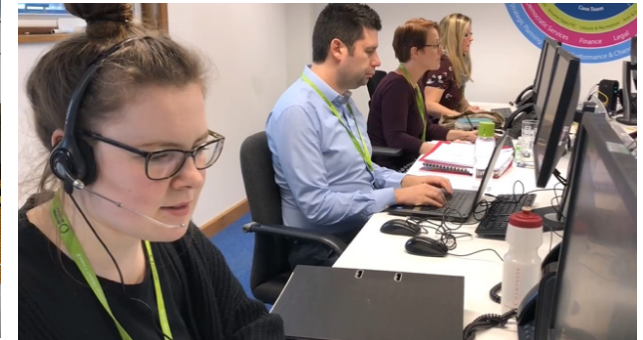
Great to work for

- *Agile and empowered staff
- *Inspiring people



Leading the way

- *Modern and resilient
- *Adaptable to change
- *Technology enabled



Excellent to work with

- *Business-like organisation
- *Efficient and effective



Delivering for our communities

- *Resilient services
- *Customer focused
- *Data driven
- *Proactive



Annual Action Plan 2020/21

Council Plan themes and Areas of focus for 2020/21



Protecting Core Services

To ensure a modern, efficient and effective council that delivers for its communities, we will:

- Deliver a high quality, effective and timely service to our customers and communities
- Take a more commercial approach to become self-sufficient financially
- Become an employer of choice, attracting talent into the organisation
- Use customer and staff feedback to ensure that we continue to improve
- Investigate emerging technologies and their potential for improving our performance
- Harness intelligence to ensure priorities are informed by evidence
- Predict the peaks and troughs in demand for our services, to direct resources appropriately management information



Economy

To make South Somerset a great place to do business, with clean inclusive growth and thriving urban and rural businesses, we will:

- Regenerate our town centres and high streets, unlocking key sites
- Encourage start-ups, support existing businesses, and attract inward investment
- Foster technology innovation and the skills required by our key industries
- Help communities access high speed broadband and improved mobile technologies
- Support improvements to road and rail
- Encourage green technologies and approaches to decarbonise our economy
- Ensure availability of appropriate employment land
- Pilot approaches to improve rural productivity, including flexible affordable transport
- Enhance visitor experience and income from tourism

*Social value delivers improved economic, social and environmental wellbeing from public sector contracts



Environment

To keep South Somerset clean, green and attractive and respond to the climate emergency we will work in partnership to:

- Implement the Environment Strategy action plan
- Adopt and commence delivery of an Open Spaces strategy. Maintaining and improving the provision and quality of open spaces and parks for people and wildlife
- Promote recycling and minimise waste
- Keep streets and neighbourhoods clean and attractive
- Continue to support long term flood resilience
- Promote a high-quality built environment in line with Local Plan policies
- Support communities to develop and implement local, parish & neighbourhood plans



Places where we live

To enable housing and communities to meet the existing and future needs of residents and employers, we will work to:

- Enable sufficient housing in appropriate places to meet community needs
- Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities
- Give excellent support to people at risk of homelessness
- Support communities to develop and implement Community Land Trusts
- Match life long independent living with appropriate property solutions
- Ensure development which is sustainable, where people want to live and communities can thrive



Healthy, Self-reliant Communities

To enable healthy communities which are cohesive, sustainable and enjoy a high quality of life, we will:

- Embed social value* into all processes and activities to ensure we maximise the support we give to our communities
- Work with partners to keep, and help our residents feel safe in their homes and communities
- Work with partners to reduce the impact of social isolation and create a feeling of community
- Work with partners to support people in improving their own physical and mental health and wellbeing
- Enable quality cultural, leisure and sport activities
- Support residents facing hardship
- Help tackle the causes of economic exclusion, poverty and low social mobility
- Support older people to live and age well by increasing independence, reducing loneliness, and improving financial security

Priority Projects for 2020-21

To meet our core aim of:



Protecting
Core Services

1. Fully realise the benefits of Transformation and further embed the Commercial Strategy



Economy

2. Progress implementation of the Chard regeneration project
3. Continue the refresh of Yeovil Town Centre
4. Progress project to aid the regeneration of Wincanton Town Centre



Places where we live

5. Develop proposals to accelerate the delivery of key housing sites and associated infrastructure



Healthy, Self-reliant
Communities

6. Assess options for improving community transport links
7. Develop proposals to support struggling families and help address child poverty and low rates of social mobility in the district



Environment

8. Accelerate action to adapt to and mitigate the effects of climate change and extreme weather

Priority Project 1: Fully realise the benefits of Transformation and further embed the Commercial Strategy



Desired 2020/21 project outcomes:

- To deliver a net minimum of £2.2m per annum of revenue by April 2021 (with stretch target of £3m) through the Council's investment in commercial activity and/or existing asset management
- Secure £1,350k net additional annual revenue from a second tranche of £75m capital investment by end March 2022
- Successful transformation programme closure
- Transfer of capabilities and ongoing digital change activity to "Business as Usual", through the delivery of a new Digital Strategy starting in 2020

2020/21 Key Milestones*



- SSDC Trading Company live and trading
- Fees and charge review started across Council
- Roll out of new service business plans to maximise commercial efficiencies of services
- Formal closure of Transformation Programme
- Transition of Hub to Digital services, as part of the Digital Strategy implementation
- Transformation benefits realisation and closure report
- New catalogue of tradable services published to both private and public sector organisation
- Implement commercialisation training for Staff
- New websites and marketing plans for Commercial services including Yeovil Innovation Centre, Countryside and Leisure, Crematorium
- New digital online booking system implemented for leisure and countryside services
- Bench marker for fees and charges available for 2021/22

*Milestones will be refined over the course of the year

Overall/Annual:

- Respond to opportunities to extend and develop investment portfolio and tradable service
- Following programme closure, benefits realisation will be ongoing for 2-4 years

Priority Project 2:

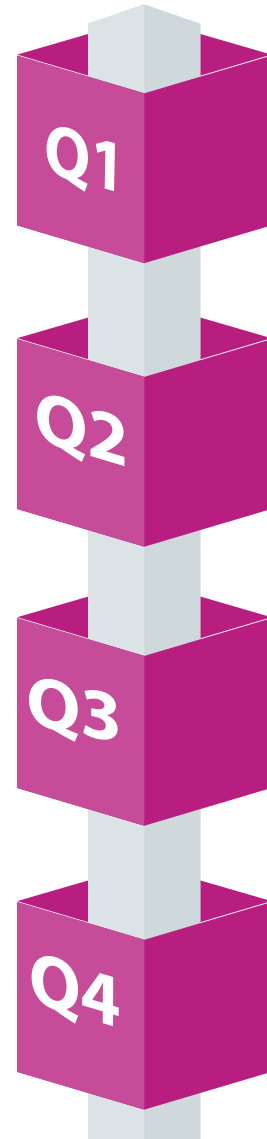
Progress implementation of the Chard regeneration project



Desired 2020/21 project outcomes:

- Start construction works on the Chard leisure centre. This will be a circa 18 month building project, currently scheduled for completion in August 2021.
- Progress the residential development elements of the Chard Regeneration Scheme
- Improve the public realm of Chard High Street

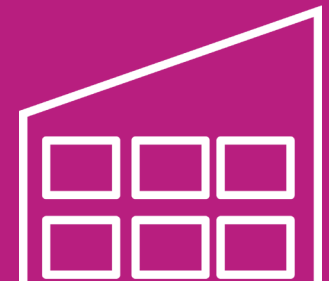
2020/21 Key Milestones



- Construction work on the proposed leisure centre to start in spring 2020
- Detailed cost plan to support the residential conversions developed
- Planning application to cover the residential conversions of Boden and Holyrood Mills submitted
- Maintain progress on the leisure centre building project to ensure completion is on track for August 2021

Priority Project 3:

Continue the refresh of Yeovil Town Centre



Desired 2020/21 project outcomes:

Public Realm

- An adopted Public Realm design guide (P1)
- An adopted detailed design incl. full technical detail which will provide the foundation for delivering the individual project areas (P2 –P6)
- Start on the implementation of the public realm improvement

Transport

- An adopted Yeovil Town Centre Access Strategy providing the basis for future transport infrastructure investments (T1)
- An adopted Local Walking and Cycling Infrastructure Plan (LWCIP) providing the basis for future investment in cycling and walking infrastructure (T10)
- Car parking action plan (T9)
- Permanent Traffic Regulation Order to facilitate Public Realm schemes

Funding

- Successful bid to the Government 'Future High Streets Fund' and receipt of finance

Development

- Facilitate an outline planning permission for redevelopment of Glovers Walk
- Develop a strategy for the disposal of surplus Council assets

2020/21 Key Milestones



- Create Public Realm Framework to engage contractors
- Create parking action plan for adoption

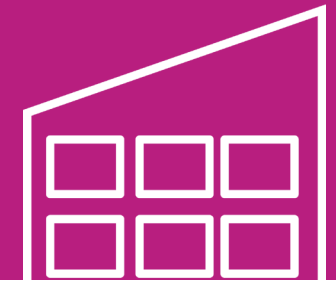
- Commence construction of public realm works
- Create funding package for workspace scheme
- Complete formal adoption of Access/LCWIP strategy
- Implement bus routes approach agreed in access strategy

- Design the town centre walking & cycling interventions identified in LCWIP/Access strategy

- Implement agreed actions of parking strategy (install charging points if a specific needed)
- Commence construction of walking network
- Commence construction of cycling network
- Complete 2 sections of public realm project
- Commence delivery of workspace

Priority Project 4:

Progress project to aid the regeneration of Wincanton Town Centre



4

Desired 2020/21 project outcomes:

- Develop a register of vacant/under used town centre properties and liaise with site owners
- Focus on the old health centre and supporting the museum's expansion plan/options for library enhancement/relocation
- Undertake the lead in work for commissioning design proposals for public realm and street lighting scheme
- Develop an events programme
- Review the potential to attract an anchor to the town not solely to retailing.

2020/21 Key Milestones*



- Commission work in relation to Priority Project 1 that seeks to identify and stimulate end usage for underused commercial assets in the town.
- Investigation complete on stimulating events programme for town

- Appointment of designers for the detailed public realm design work

- Completion of public realm design work

- Complete review of options for attracting an anchor draw for the town centre

* Milestones will be subject to approval by the Programme Board as part of the project planning process

Priority Project 5:

Develop proposals to accelerate the delivery of key housing sites and associated infrastructure



5

Desired 2020/21 project outcomes:

- To secure sufficient housing to meet our established housing need which is set out in the Local Plan
- To achieve a mix of housing types for all tenures, including Affordable Housing
- To secure appropriate and necessary associated infrastructure
- To work with developers to ensure stalled sites are brought forward

2020/21 Key Milestones*



- Consider the findings of the report “Accelerating housing delivery in South Somerset”
- Develop an action plan based on the set of recommendations

- Begin to implement the prioritised actions from the report

*Milestones will be refined April 2020 following the receipt of the options report

Priority Project 6:

Assess options for improving community transport links



Desired 2020/21 project outcomes:

- Report on options to address community transport gaps with high level costs including recommendations on how to:
- Improve transport access to essential services such as health-care, education, employment and recreation
- Improved transport access to opportunities for social interaction
- Improved ease of travel across the district.
- Improved links to rail travel

2020/21 Key Milestones*



- Complete the consultation with existing Community Transport providers
- Complete consultation with elected Members
- Report highlighting identified issues and needs
- Costed options for addressing key gaps and issues researched and assembled
- Report presented to members
- Commence delivery of agreed option(s)

*Milestones will be refined April 2020 following the receipt of the options report

Priority Project 7:

Develop proposals to support struggling families and help address child poverty and low rates of social mobility in the district



Desired 2020/21 project outcomes:

- Reduce the number of children living in poverty
- Improve the chances that a person born into disadvantage will do well at school and get a well-paid job
- Improve the quality of life for struggling families
- To reduce the number of families reaching the point of struggling

2020/21 Key Milestones



- Set up an expert working group
- Agree governance arrangements
- Scope and agree project objectives and expected outcomes
- Identify and review best practice and similar outcomes delivered elsewhere
- Scope options to support struggling families and help deal with child poverty and low rates of social mobility
- Quantify resources, people and financial, needed to deliver options identified
- Share outcomes of assessed options
- Produce action plan
- Implement quick wins activities
- Commence delivery of agreed options

Priority Project 8:

To accelerate action to adapt to and mitigate the effects of climate change and extreme weather



8

Desired 2020/21 project outcomes:

- To achieve a significant reduction in our carbon emissions across our own estate and operations to reduce reliance on fossil fuels
- Enable change through others to achieve a significant reduction in emissions across the geography of South Somerset to support resilient communities
- To be at the forefront of the transition to Electric Vehicles and supporting the development of charging points
- To increase the percentage of tree canopy cover across our estate and the wider district to help mitigate and adapt for extreme weather

2020/21 Key Milestones



- Complete detailed energy audit to identify best cost options for energy reduction and renewable energy generation across SSDC estate and operations
- Update carbon calculator to track SSDC carbon footprint
- Engage with environment champions to create environment forums to promote project outcomes
- Report on key tree planting achievements; review of Great Parish Tree Giveaway
- Tender to go out for network of EV charge points across the district
- Complete business case for preferred options for energy reduction, renewable energy generation and & green energy switch
- Project group to initiate green travel plan for SSDC
- Source grant funding for SSDC and wider district tree planting initiatives
- Review corporate business continuity plans to ensure resilience against increased extreme weather events
- Capital bids if required to fund changes on energy reduction, renewable energy generation & green energy switch
- Tree planting programmes started for winter season
- Delivery programme to roll out changes on energy reduction and renewable energy generation
- Consider outputs from green travel project
- Review of tree canopy cover percentage for district
- Work to begin on EV charge network

Overall/Annual:

- Complete audit to support the decarbonisation of homes and buildings across the district
- Develop opportunities for clean business growth across the district
- Investigate opportunities for enhancing the natural beauty of South Somerset for Green Tourism



Area Chapter - Area North

The area chapter presents the priority work in Area North for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area North:



Economy
Page 21

- Complete signage improvements and refurbishment at Cartgate Tourist Information Centre, creating a hub for tourists and encouraging visitors to stop in Somerset
- Continue to support individual businesses including local food and drink producers
- Support local events and initiatives aimed at encouraging the footfall in local high streets
- Engage Town Councils to develop programme of investment through the Market Town Investment Group



Environment

- Pending the outcome of a development phase application to the National Lottery Heritage Fund (March 2020) progress a delivery phase application for March 2021 focusing on a sustainable future for the heritage monument and visitor attraction at Ham Hill
- Support community led initiatives that contribute towards combatting climate change
- Re-launch the refurbished River Parrett Trail in Spring 2020.



Places where we live

- Promote and support new Community Land Trusts where appropriate
- Complete Housing Needs Surveys when requested



Healthy, Self-reliant Communities

- Support a range of improvements to community facilities
- Tackle social isolation by maintaining the network of volunteer led health walks through promotion, training and support
- Deliver a programme of Play days in towns/villages in Area North
- Tackle social isolation by improving community transport links
- Deliver weekly volunteering opportunities at Ham Hill Country Park



Area Chapter - Area East

The area chapter presents the priority work in Area East for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area East:



Economy
Page 22

- Engage the large attractions and support the LICs to develop an overall destination offer for South Somerset and market through the TICs and Visit Somerset
- Work towards providing employment land and business units of appropriate sizes readily available for uptake by business and residents
- Continue to support key businesses including work with the Chamber of Commerce and other partners
- Engage Town Councils to develop programme of investment through the Market Town Investment Group



Environment

- Support volunteers at Moldrams Ground
- Campaign to address increase in fly-tipping in the area.
- Support community led initiatives that combat climate change



Places where we live

- Promote Neighbourhood Planning as a tool to deliver appropriate local housing
- Promote Local Housing Needs Surveys as a way of delivering appropriate housing in rural parishes. Provide practical help when requested



Healthy, Self-reliant Communities

- Support a range of improvements to community facilities
- Continue to support the South Somerset community accessible transport scheme
- Tackle social isolation by maintaining the network of volunteer led health walks through promotion, training and support
- Deliver a programme of Play days in towns/villages in Area East.



Area Chapter - Area South

The area chapter presents the priority work in Area South for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area South:



Economy

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- Continue to support key businesses including work with the Chamber of Commerce and other partners
- Support others to deliver Town Centre Events
- Re-locate Yeovil Tourist Information Centre creating a new visitor hub for Yeovil and South Somerset
- Develop opportunities for joint working between the family history research centre and the Community Heritage Access Centre to increase research and promote through Visit Somerset



Environment

- Support the Friends Group and community partners e.g. Yeovil Rivers Community Trust to deliver schemes to enhance the biodiversity at Yeovil Country Park
- To deliver the extension to the Ninesprings building to maximise community potential from schools, groups, café visitors and include new heritage and visitor displays
- Deliver sessions that celebrate the heritage and natural history of Yeovil and Ham Hill whilst also increasing and diversifying volunteering opportunities
- To develop Milford Valley into an ecological site
- Support community led initiatives that contribute towards combatting climate change



Places where we live

- Promote and support new Community Land Trusts and community led housing initiatives.
- Support rural parishes in Area South with Housing Needs Surveys when requested.



Healthy, Self-reliant Communities

- Work towards replacement of current wheeled play facilities in Yeovil
- Support the delivery of community facilities at Wyndham Park (subject to detailed land negotiation)
- Deliver a diverse public events programme at Yeovil Country Park
- Support Yeovil Town Council's organisation and delivery of VE day celebrations at Yeovil Recreation Centre
- Finalise funding package for pavilion improvements at Yeovil Recreation Centre, construct a new community space and café to open in Summer 2020
- Work with partners to develop and deliver wellbeing projects at Yeovil Country Park
- Target support with partners to tackle health inequality
- Deliver the National Play Day
- Organise events at Yeovil Recreation Centre including celebrations of Euro 2020 and the Olympics 2020
- Develop engagement programmes at Yeovil Recreation and encouraging participation in hard to reach groups



Area Chapter - Area West

The area chapter presents the priority work in Area West for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area West:



Economy

Page 24

- Attract tourists and increase spend in and visits to the area and wider district. Engage with attractions and providers to offer a cohesive destination packages to visitors through the TICs and LICs
- Continue to support individual businesses and associations/ Chambers of Trade/Town Teams
- Supporting rural diversification
- Engage Town Councils to develop programme of investment through the Market Town Investment Group
- Complete gateway highway improvement scheme - Chard Fore Street

Environment

- Support community led initiatives that contribute towards combatting climate change
- Preserve the biodiversity and develop Chard Reservoir as a green tourism destination; investigate opportunities to improve the visitor infrastructure and information
- Continue to support the Blackdown Hills AONB
- Increase pressure to deliver Stop Line Way

Places where we live

- Promote and support any emerging Community Land Trusts
- Complete Housing Needs Surveys when requested

Healthy, Self-reliant Communities

- To support the Football Association to deliver a centre for football development in the Area
- To improve pitch provision in Area West and particularly in Chard
- Support a range of improvements to community buildings
- Develop a programme of public events at Chard Reservoir and deliver in partnership with the volunteer group
- Develop options to improve community transport including links to Crewkerne Station
- Support social inclusion by maintaining the network of volunteer led health walks through promotion, training and support
- Deliver a programme of Play days in towns/villages in Area West
- Provide support to local community safety groups within Area West

Monitoring the delivery of the Council Plan - Key Performance Indicators (KPIs*):



Protecting Core Services

- 1) Number & % of on-line accounts (household and business) active at 6 months.
- 2) Service requests through on-line channel as a % of all service requests.
- 3) Measures for speed of decisions - Planning (weeks)
Council tax collection (%)
Benefits applications and changes (days).
- 4) Commercial & financial targets (property & income yields).



Economy

- 5) % spend with (local) SMEs.
- 6) Delivery of the Economic Development Strategy



Environment

- 7) Waste & recycling (household residual waste).
 - 8) Delivery of the Environment Strategy
- Our performance will be monitored through delivery plans.



Places where we live

- 9) Help for and prevention of homelessness – Government measure – (numbers of people supported).
 - 10) Affordable housing completions (number of units and % of all completions).
 - 11) Delivery of the Homelessness Strategy
- Our performance will be monitored through delivery plans and the ongoing monitoring of the Local Plan.



Healthy, Self-reliant Communities

The areas of focus under the Health and Communities theme will be achieved through strong partnership working and commissioned projects and programmes. Our performance will be monitored through delivery plans and ongoing feedback (from customers, partners and communities).

*These are supported by an Annual Residents Survey, locality (neighbourhood) level surveys and monitoring of complaints and feedback.

Monitoring performance - corporate & public reporting



Priority Projects - reports against targets and milestones

Highlight reports to relevant projects / programme boards

Half-year report to DX / Scrutiny



Key performance indicators

Quarterly reports to DX / Scrutiny



Area Chapters

Quarterly reports to relevant Members



Areas of Focus

Monitoring and evaluation by relevant Portfolio Holders and boards for key strategies and business plans



End of year report to Full Council

Agenda Item 7

2020/21 Draft Revenue and Capital Budgets and Medium Term Financial Plan

Executive Portfolio Holder: Councillor Peter Seib, Finance
Director: Netta Meadows, Strategy & Commissioning
Lead Officer: Nicola Hix, Interim S151 Officer
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Purpose of the Report

1. The purpose of this report is to set out the Draft Budget and proposed council tax for 2020/21 to enable Executive to recommend proposals to Full Council for approval. This report is based on the Medium Term Financial Plan (Revenue Budgets for 2020/21 to 2024/25) and also includes proposed additions to the Capital Programme.

Forward Plan

2. This report appeared on the District Executive Forward Plan for February 2020.

Public Interest

3. This report sets out the proposed budget for South Somerset District Council for 2020/21 and the estimated budgets for the following four years. It also asks members to approve capital schemes for funding in 2020/21.

Recommendations

4. That Executive:
 - (a) recommend that Full Council approves the Net Revenue Budget for 2020/21 of **£15,207,150**, as set out in the Revenue Account Summary (paragraph 41) and in detail in Appendix A for the District Executive and four Area Committees, subject to any final amendments;
 - (b) recommend to Full Council a 2020/21 Council tax annual increase of 2.99%, increasing the annual Band D rate by £5.00 to £172.11. Full Council to note this new annual rate comprises £170.26 for SSDC services, raising £10,448,932, and £1.85 on behalf of the Somerset Rivers Authority, raising £112,315;
 - (c) recommends to Full Council the prioritisation of Business Rates pooling gain to Regeneration as detailed in paragraph 39;
 - (d) recommends that Full Council approves the new capital programme as shown in Appendix D, with includes an additional funding request of £1.887m as detailed in paragraph 63;

Background

5. The General Fund Revenue Account is the Council's main fund and shows the income and expenditure relating to the provision of services which residents, visitors, and businesses all have access to including planning, environmental services, car parks, certain housing functions, community services and corporate services.

6. The Council directly charges individual consumers for some of its services through fees and charges, with the expenditure that remains mainly funded through a combination of sources including: local taxation, a proportion of business rates, and also grants from Central Government such as Revenue Sport Grant, New Homes Bonus and other non-ring-fenced and specific grants/subsidy.
7. Each year the Council sets an annual budget which details the resources needed to meet its operational requirements. The annual budget is prepared within the context of priorities identified by Members as part of the Council's current corporate plan.
8. The District Executive and Scrutiny Committee have received update reports on the draft 2020/21 budget, Financial Strategy and Medium Term Financial Plan. The drafts are subject to final amendments whilst awaiting clarity around Government grants and funding.

Financial Strategy

9. The Executive approved the current Financial Strategy in September 2019. The principal aim of the strategy is to enable the Council to set a balanced budget each year without the need to cut services, and the key themes agreed in September remain the same. The financial strategy sets out to provide Members with options to respond to the ongoing and increasing financial challenges within the local government sector.
10. Members agreed a revised Financial Strategy which built onto the success of the previous strategy, but looked ahead for the next three years, and sets new financial targets at the same time. The direction in the Financial Strategy agreed in 2017 remained relevant and sets out to provide Members with options to respond to the ongoing financial challenges. The new strategy extended this to increase income needed to pay for services and deliver ongoing financial resilience.
11. The Financial Strategy and Medium Term Financial Plan report approved by Executive in September 2019, summarised the key themes to the strategy as:
 - a) Ensuring clear service priorities that clearly align with corporate strategy and plans
 - b) Maximising operational efficiency and value for money through optimising benefits of the future operating model and exploring how new technologies can further improve efficiency
 - c) Adopting robust financial control and reporting arrangements
 - d) Developing approaches to manage and reduce demand on services in partnership with Somerset councils and other service delivery organisations
 - e) Investing further in property, energy and new services to generate additional income that can be reinvested to maintain and improve services to our community
 - f) Increasing the income yield from financial investments as part of a prudent treasury management approach
 - g) Taking a more commercial approach and increasing income yield by 5% per year
 - h) Reduce reliance on government grants such as New Homes Bonus for the funding of ongoing services
 - i) Supporting and enabling economic and housing growth and regeneration to protect and enhance funding through local taxation and grant funding
 - j) Focus on long term financial resilience through robust financial planning and maintaining appropriate reserves to manage risk and meet future commitments

12. The Council, as part of their 2019/20 budget setting report previously forecast a projected budget shortfall of £5.2m by 2022/23. By following the key themes in the Financial Strategy progress has been made in finding this shortfall, and the current draft MTFP forecast for 2022/23 has now reduced and estimated to be £333k. By adding another year, to make it a 5 year forecast, the current estimated budget shortfall is £1.046m by 2023/24.
13. The Financial Strategy agreed in September 2019 also set out the approach to resourcing including government grants, council tax and reserves.
14. Through the preparation of the 2020/21 estimates the Executive is able to propose a balanced budget for 2020/21 whilst maintaining services and making significant contributions to key priorities such as its major regeneration programmes. The updated MTFP shows a projected budget gap in subsequent years of the plan. The figures include all estimates for pay awards, pension costs, council tax, business rates, Government grant, and inflation.

Efficiency Strategy

15. Members previously approved an Efficiency Strategy in 2016 which successfully funded part of the revenue costs of transformation. Full Council may approve a new Efficiency Strategy at any time, and it is worth noting that through the Finance Settlement for 2019/20 the Government re-confirmed that this flexibility has been extended by a further three years to included receipts between 2016/17 and 2021/22.
16. Although at this stage there are no firm proposals to propose an Efficiency Strategy to fund suggested costs linked to the Digital Strategy, this may be something that it taken forward during the year.

The Government Settlement

17. The Provisional Settlement for 2020/21 was received on 20th December 2019 but has not yet been finalised. The Final Settlement is due to be issued by the Government by the end of January.

Sources of Funding for Budget 2020/21 to 2024/25

Revenue Support Grant

18. SSDC's Efficiency Statement was approved by the DCLG in 2016. The result of this was a negative RSG payment in 2020/21 of £327.3K, so effectively SSDC would be paying MCHLG instead of the other way around. For the third year in a row, government has removed the negative RSG from the 2020/21 planned settlements, as confirmed in the Provisional Settlement.

Rural Services Delivery Grant

19. The Provisional Settlement confirmed an allocation of £166,284 for 2020/21 which is the same allocation as received in 2019/20.

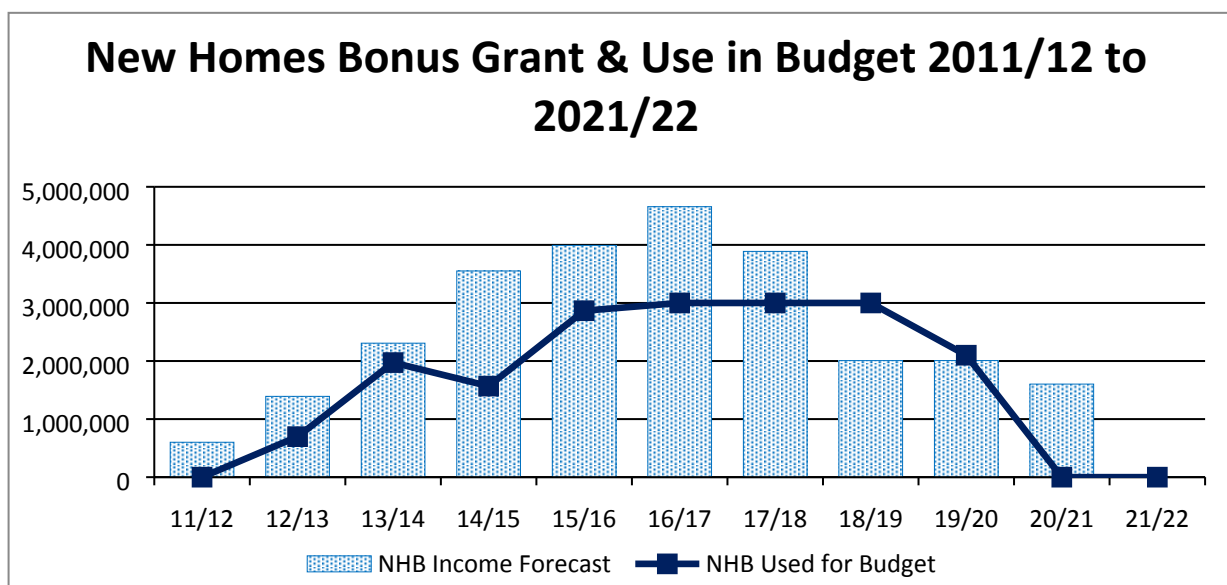
New Homes Bonus

20. The New Homes Bonus (NHB) is a non-ringfenced grant that incentivises and rewards housing growth. The grant is calculated by measuring annual housing growth numbers, with each year's growth previously attracting grant for a 4-year rolling period. Since 2017/18 the Government has applied a growth baseline which acts as a top-slice, with no NHB awarded on the first 0.4% of growth.

21. As part of the Spending Round in September 2019 the Government confirmed that NHB would be available in 2020/21, however this was an area of funding being considered by Ministers. With this in mind the Financial Strategy which originally allowed for this funding to reduce was strengthened to assume no NHB income from 2021/22 onwards.
22. In the Provisional Settlement the NHB grant has been confirmed as £261,779 for 2020/21 award, and £1,341,061 as legacy payment, making a total expected income for 2020/21 of £1,602,840. The Council's budget approach for 2020/21 is to fully set aside this receipt in a MTFP Support Fund earmarked reserve to mitigate the impact of grant fluctuations.
23. Within the Provisional Settlement, the Government confirmed they will consult on the future of the housing incentive in the Spring. The Written Ministerial Statement says this will include moving to a new, more targeted approach which is aligned with other measures around planning performance.

Table & graph 1 – Summarises allocations of NHB and MTFP forecast from 2016/17 up to 2021/22.

| Year | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------|----------------|----------------|----------------|----------------|----------------|----------|
| 2011/12 | 601.1 | | | | | |
| 2012/13 | 790.3 | | | | | |
| 2013/14 | 915.9 | 915.9 | | | | |
| 2014/15 | 1,243.7 | 1,243.7 | | | | |
| 2015/16 | 440.1 | 440.1 | 440.1 | | | |
| 2016/17 | 667.1 | 667.1 | 667.1 | 667.1 | | |
| 2017/18 | | 621.1 | 621.1 | 621.1 | 621.1 | |
| 2018/19 | | | 278.9 | 278.9 | 278.9 | |
| 2019/20 | | | | 441.1 | 441.1 | |
| 2020/21 | | | | | 261.8 | |
| 2021/22 | | | | | | |
| | 4,658.2 | 3,887.9 | 2,007.2 | 2,008.2 | 1,602.8 | 0 |



Council Tax Rate

24. The Secretary of State has confirmed within the Provisional Settlement that Shire Districts are able to increase Council Tax by the greater of 2% or £5 (on a Band D) in 2020/21 without the need for a referendum. Coincidentally a £5 increase equates to a 2.99% increase in 2020/21.
25. The 2019/20 annual basic tax rate towards the cost of South Somerset District Council services, for the average Band D property, was £165.26, and the Council also included £1.85 in respect of the Somerset Rivers Authority (SRA), making the total Band D charge of £167.11.
26. The District Executive is minded to recommend to Full Council the option to increase Council tax by 2.99% (£5 limit on a Band D property), and this is reflected in the draft budget figures for 2020/21. For the average Band D property this will set the annual tax rate at £172.11 or £3.31p per week.
27. The Somerset Rivers Authority (SRA) is still currently unable to raise its own precept, and this is likely to remain the case next year at least. In 2016/17 the government amended Somerset Council Tax levels to a notional amount to allow each of the Somerset authorities to raise 1.25% (£1.85 per band D for SSDC) interim funding for them.
28. This agreement will continue in 2020/21 with no uplift other than tax base growth and therefore the precept per Band D property will continue to be £1.85. This will raise £112,315 of funding from this Council in 2020/21, which is passed on to the SRA to contribute to the 20-Year Flood Action Plan.

Council Tax Income

29. The tax base for 2020/21 is 60,710.78 Band D Equivalents, an increase of 444.71 (0.7%) compared to 2019/20. The draft budget estimate for Council Tax income for SSDC is therefore $60,710.78 \times £170.26 = £10,336,617$. This represents an increase of £377,046 compared to the previous year. The estimate is calculated as follows:

| | £ |
|--|------------|
| Council Tax Income Budget 2019/20 | 9,959,571 |
| Increased due to change in Tax Base (Band D equivalents) | 73,492 |
| Increased due to proposed 2.99% increase in Tax Base | 303,554 |
| Estimated Council Tax Income 2020/21 | 10,336,617 |

30. As billing authority, SSDC has to calculate a basic level of tax based on its own spending plans, to which is added the precepts from Somerset County Council, Devon and Somerset Fire Authority, Avon and Somerset Police Authority and any town/parish council.
31. The actual total of Council Tax for South Somerset residents will be calculated once all precepting authorities have notified SSDC of their proposals. The recommended total Council Tax will be submitted to Full Council on 19th February 2020 for consideration.

Estimates for Future Years Band D Council Tax

32. The current estimate within the Medium Term Financial Plan is that Council Tax levels will remain in line with expected Government increases of 1.99% for 2021/22 onwards. For financial planning purposes, finance officers expect the Government to assume local authorities will maximise their council tax opportunities when assessing future finance settlements.

Business Rates Retention (Non-Domestic Rates)

33. Local authorities receive a significant proportion of their funding through the Business Rates Retention (BRR) system. The Council must set its business rates budget estimate by 31 January each year, and the Council has delegated responsibility for this to the S151 Officer because of the considerable time constraints in place. The Draft Budget includes the BRR estimate approved by the S151 Officer in January prior to competing this report.
34. SSDC will continue to operate within the Somerset Business Rates Pool in 2020/21, but will cease being in a Pilot area for 75% BRR. The Provisional Settlement confirmed there was no business rates Pilots for 2020/21 only the continuation of business rates pilots for areas with ratified devolution deals which started in 2017/18. This means for SSDC we are going back to the standard share:

| BRR Standard Shares | 2020/21 50% system |
|---------------------|-----------------------|
| Districts | 40% |
| County | 9% |
| Fire Authority | 1% |
| Government | 50% |

35. Now we are at the third year of the 2017 rating list and have more data to support the “Check, Challenge, Appeal” arrangements introduced by the Valuation Office in 2017, we are able to make a better assessment of the appeal provision that we should hold. With this in mind, we are able to reduce our provision for appeals, which in turns means a greater proportion of business rates collected can be distributed to the councils. This is considered an acceptable risk, particularly in view of the level of funds set aside in the Business Rates Volatility Reserve and General Reserves.
36. Due to the timing of this report, the Budget has been updated reflect the approved 2020/21 business rates budget estimate (NNDR1), which must be done before 31st January. However, all the authorities within the Somerset Pool must complete their NNDR1 before an estimated pooling gain can be calculated.
37. The table below shows total business rates income projected for 2020/21 is just over £5.498m, as summarised. The TBC figure for estimated pooling gain will be completed before the final budget is presented to Full Council.

| | 2020/21 £'000 |
|--|------------------|
| 40% Standard share of net business rates income | -18,284 |
| 100% Renewable energy schemes business rates income | -505 |
| S31 grant compensation for Government-funded reliefs | -2,455 |
| Tariff payment | 13,864 |
| Levy cost | 1,882 |
| Safety net income | 0 |
| Net Retained Business Rates Funding | 5,498 |
| Estimated Pooling Gain | TBC |
| Total BRR Funding Estimate | TBC |

38. The Executive proposes to set aside a large proportion of the pool and pilot gain in 2020/21 towards priority town centre regenerations schemes at this stage. At this stage it is anticipated to be around £1m. This will be confirmed once this figure has been received from the administering body of the Somerset Pool.

Regeneration Programmes Funding

39. The Council has approved gross and net budgets for the priority regeneration programmes in Yeovil, Chard and Wincanton. The net budget requirement for these programmes is £7.5m however this is not currently fully funded. As part of this year's proposed budget the Executive is minded to address this funding gap through a combination of a transfer from surplus revenue budget and business rates pooling / pilot gains.

| Regeneration Funding Plan | £000 |
|---|--------------|
| Existing approvals: | |
| Consolidation of previous Yeovil capital budgets – funded from existing capital receipts | 424 |
| Area South Capital Fund contribution – funded from existing capital receipts | 151 |
| Agreed allocation from commercial investment (Marlborough) | 500 |
| Agreed allocation from 2018/19 business rates pooling gain | 500 |
| Agreed allocation from 2019/20 business rates pooling and pilot gain | 1,425 |
| Surplus revenue budget from 2019/20 | 500 |
| Useable Capital Receipts | 2,500 |
| Sub-total | 6,000 |
| Proposed first call on future unallocated business rates pooling gains (will need contingency plan if insufficient income received) | 1,500 |
| Total Funding for Net Budget Requirement | 7,500 |

The Medium Term Financial Plan

40. The Medium Term Financial Plan (MTFP) summarises our estimates of costs and funding, and the impact of the Council's plans for the medium to long-term. The MTFP for South Somerset summarised in this report covers a five-year period. The Plan links the resources required to deliver the Council Plan and the Council's strategies.
41. The table below summarises the Draft Budget for 2020/21 and MTFP projections for subsequent years:

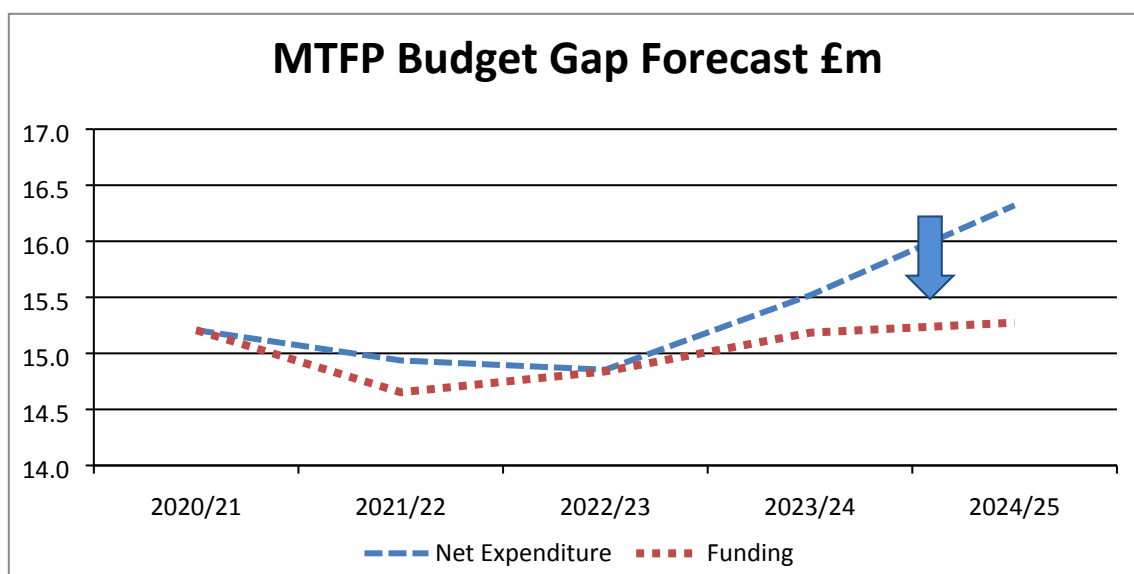
Table 2 – Draft Budget

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Base Budget B/F | 16,197.8 | 15,207.1 | 14,936.6 | 14,853.9 | 15,517.7 |
| Incremental Changes: | | | | | |
| Employment Cost Inflation | 210.0 | 467.1 | 454.2 | 374.0 | 422.7 |
| Inflation allowance on contracts | 168.7 | 173.7 | 178.7 | 179.7 | 179.7 |
| Unavoidable budget pressures | 348.7 | 200.0 | 200.0 | 200.0 | 200.0 |
| Planned savings | -355.5 | 9.7 | -90.1 | -147.8 | -58.6 |
| Investment Income & Revenue effects of Capital Programme | -1,690.8 | -763.8 | -825.6 | 57.8 | 59.1 |
| Other | 328.1 | -357.2 | 0.0 | 0.0 | 0.0 |
| Total Budget Requirement | 15,207.1 | 14,936.6 | 14,853.9 | 15,517.7 | 16,320.6 |

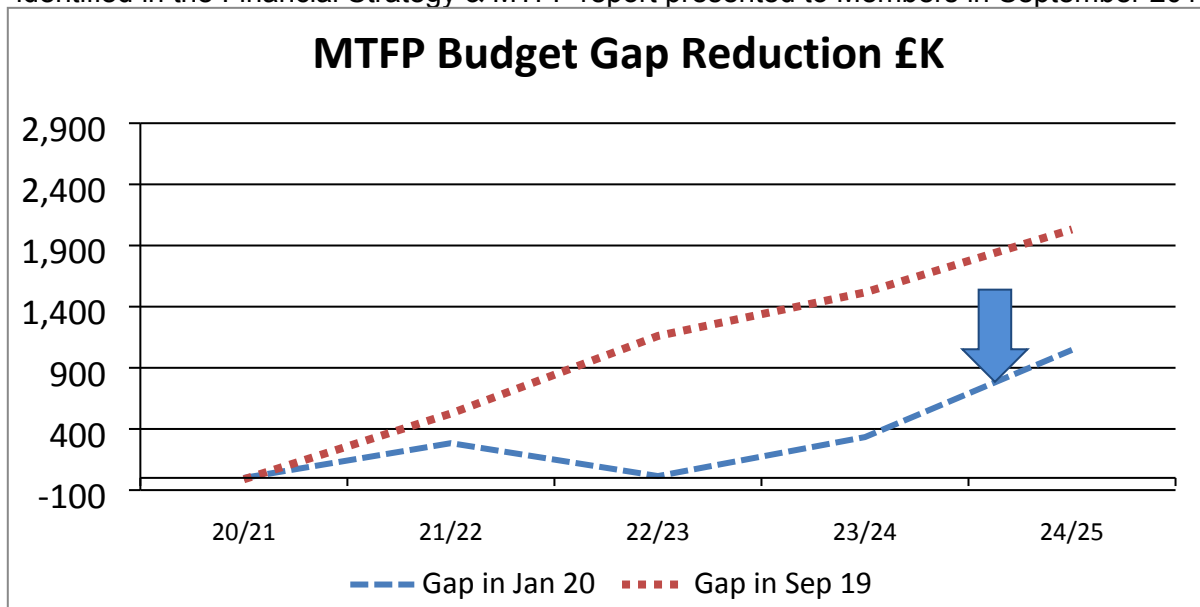
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|------------------|------------------|------------------|------------------|------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Total Budget Requirement (per Table above) | 15,207.1 | 14,936.6 | 14,853.9 | 15,517.7 | 16,320.6 |
| Funded By: | | | | | |
| Revenue Support Grant | 0.0 | 327.3 | 327.3 | 327.3 | 327.3 |
| Rural Services Delivery Grant | -166.3 | -166.3 | -166.3 | -166.3 | -166.3 |
| New Homes Bonus Grant | -1,602.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| Business Rates Retention | -5,498.1 | -3,733.5 | -3,807.0 | -3,880.5 | -3,954.0 |
| Collection Fund Surplus - Business Rates | -1,712.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Council Tax - SSDC | -10,448.9 | -10,844.6 | -11,209.0 | -11,531.6 | -11,899.3 |
| Less: Council Tax Paid to SRA | 112.3 | 114.3 | 115.8 | 116.8 | 118.2 |
| Collection Fund Deficit - Council Tax | 35.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sub-total: Funding | -19,280.8 | -14,302.8 | -14,739.2 | -15,134.3 | -15,574.1 |
| Other Reserve Transfers | | | | | |
| MTFP Support Fund Reserve | 1,602.8 | -650.0 | -400.0 | -350.0 | 0.0 |
| BRR Volatility Reserve | 1,658.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other Earmarked Reserves | 578.0 | 300.0 | 300.0 | 300.0 | 300.0 |
| General Reserves | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sub-total: Reserves | 3,839.0 | -350.0 | -100.0 | -50.0 | 300.0 |
| Total Funding | -15,441.9 | -14,652.8 | -14,839.2 | -15,184.3 | -15,274.1 |
| Budget Gap / (-)Surplus | 0.0 | 283.8 | 14.7 | 333.4 | 1,046.5 |
| Budget Gap Increase on Prior Year | | 283.8 | -269.1 | 318.7 | 713.1 |

(Negative figures = income / cost reductions, positive figures = cost increases / income reductions)

42. A summary of the budget gap is shown in the graph below:



43. The forecast of income in 2021/22 onwards currently includes the new targets of income to be achieved from the updated Commercial Strategy agreed by Full Council in September 2019. These forecast figures show the positive effect the Commercial Strategy could have on reducing the budget gap in future years, but is a forecast and will continue to be updated throughout 2020/21 in line with actual investment purchases made.
44. The graph below shows the reduction in the funding gap projected in the current MTFP to that identified in the Financial Strategy & MTFP report presented to Members in September 2019.



Assumptions Made

45. Expenditure, income and funding estimates are based on a range of assumptions including:

| | 2020/21 | 2021/22 | 2022/23 | Notes |
|-----------------------|-----------------------------|-----------------------------|-----------------------------|--|
| Inflation | contractual obligations | contractual obligations | contractual obligations | Assumes average inflation 2% |
| Pay | 2% | 2% | 2% | Assumes average annual pay award 2%; increments impact neutral. |
| Council Tax | 2.99% per Band D | 1.99% per Band D | 1.99% per Band D | Assumes £5 per Band D in 20/21 (2.99%), then annual rises of less than 2% |
| Business Rates | 50% BRR system | 50% BRR system | 50% BRR system | 50% BRR system pending anticipated reform of the business rates funding system from April 2021. |
| Pensions | 17.6% plus £1.361m lump sum | 17.6% plus £1.411m lump sum | 17.6% plus £1.462m lump sum | Assume employers contributions increases as per actuarial valuation. |
| Investment Income | Base 0.75% | Base 0.75% | Base 0.75% | Assume no change to interest rates; increase in treasury investment yield through more strategic investments held for long term. |
| Revenue Support Grant | £0 | -£327K | £-327K | Provisional settlement confirmed negative RSG will be offset in 20/21. |

| | 2020/21 | 2021/22 | 2022/23 | Notes |
|-----------------|--------------|------------|------------|---|
| New Homes Bonus | -£1.6m grant | -£0m grant | -£0m grant | Based on provisional figures for 20/21 and no future year NHB or legacy payments going forward. |

(Negative figures = income increases / cost reductions, positive figures = increased costs / income reductions)

Revenue Budget 2020/21

46. Appendix A provides the detailed budgets for the four Area Committees and the District Executive. Once approved by Full Council, these represent the financial plans that the Executive will manage under their delegated authority and monitor in accordance with the Financial Procedure Rules.

Savings

47. Savings plans are outlined in Appendix B. It is proposed that significant variations between planned and achieved savings are reported as part of the budget monitoring process.
48. A review of fees and charges has been undertaken to ensure that they are keeping pace with inflation and generate additional revenue to meet income generation targets. Additional income totalling £75k has been included in the 2020/21 draft budget.

Unavoidable Budget Pressures

49. Unavoidable budget pressures are detailed in Appendix C. The pressures identified for 2020/21 total £348.8, which is more than the initial provision of £205k allowed within the early draft of the MTFP. The main difference being the proposal to reduce the income budget for services that have showed an underachievement of the target income for the current year as well as in previous years.

Spending Priorities and Other Allocations

50. The 2020/21 budget also includes the following allocations of funding:

| | £'000 |
|---|--------------|
| CASS and SPARK Funding | 23.4 |
| Additional increase to the Districtwide grants budget (one year only) | 6.6 |
| Digital Strategy provisional permanent funding | 187.1 |
| Digital Strategy implementation funding (one year only) | 235.0 |
| Total | 452.1 |

51. As the table above shows, the 2020/21 budget includes a proposed budget allocation of £422,120 towards the implementation of the Digital Strategy. £235,000 is funding for one year only with the remaining £187,120 as permanent funding towards the overall IT budget.

Earmarked Reserves

52. Earmarked Reserves are funds that have been approved for specific costs and contingencies but not yet spent. Examples can include things such as government grants received in one year that will go towards projects or service costs in subsequent financial year(s). A periodic review of reserves is good practice.
53. The total earmarked reserves balance as at December 2019 was £41.3m. This included £22.8m of capital receipts together with an array of revenue reserves totalling £18.5m as detailed below.

| Capital Reserves | Balance as at 31/12/2019 £'000 | Anticipated Movement £000 | Expected Balance as at 31/3/2020 £'000 |
|----------------------------|---|--------------------------------------|---|
| Usable Capital Receipts | -22,304 | 8,196 | -14,108 |
| Internal Borrowing Reserve | -554 | 0 | -554 |
| Total | -22,858 | 0 | -14,662 |

| Revenue Reserves | Balance as at 31/12/2019 £'000 | Anticipated Movement £000 | Expected Balance as at 31/3/2020 £'000 |
|---|---|--------------------------------------|---|
| Internal Borrowing Repayments | -209 | 0 | -209 |
| Capital Reserve | -1,331 | 0 | -1,331 |
| Cremator Replacement Capital Reserve | -549 | 0 | -549 |
| Election Reserve | -178 | 0 | -178 |
| Sports Facilities Reserve | -41 | 0 | -41 |
| Yeovil Athletic Track Repairs Fund | -160 | -18 | -178 |
| Planning Delivery Reserve | -16 | 0 | -16 |
| Bristol to Weymouth Rail Reserve | -28 | 28 | 0 |
| Yeovil Refresh Reserve | -112 | 0 | -112 |
| IT Replacement Reserve | -10 | 0 | -10 |
| Insurance Fund | -50 | 0 | -50 |
| Transformation Reserve | -166 | 30 | -136 |
| Treasury Management Reserve | -600 | 0 | -600 |
| Revenue Grants Reserve | -466 | 0 | -466 |
| Medium Term Financial Plan Support Fund | -2,277 | 0 | -2,277 |
| Council Tax/Housing Benefits Reserve | -766 | 50 | -716 |
| Closed Churchyards Reserve | -16 | 0 | -16 |
| Health Inequalities | -31 | 0 | -31 |
| Deposit Guarantee Claims Reserve | -5 | 0 | -5 |
| Park Homes Replacement Reserve | -226 | 0 | -226 |
| Planning Obligations Admin Reserve | -30 | 0 | -30 |
| Artificial Grass Pitch Reserve | -124 | 0 | -124 |
| Business Support Scheme (Flooding) | -121 | 0 | -121 |
| Regeneration Fund | -1,382 | -1,925 | -3,307 |
| NNDR Volatility Reserve | -1,455 | -2,271 | -3,726 |
| Ticket Levy Reserve | -163 | -10 | -173 |
| Waste Reserve | -294 | 0 | -294 |
| Community Housing Fund | -211 | 0 | -211 |
| Community Safety Reserve | -70 | 0 | -70 |
| Housing & Homelessness Reserve | -385 | 0 | -385 |
| Commercial Investment Risk Reserve | -6,243 | -57 | -6,300 |
| Spatial Policy Reserve | -362 | 0 | -362 |
| YIC Maintenance Reserve | -40 | 0 | -40 |
| Climate Change Fund | -350 | 10 | -340 |
| Total Usable Reserves | -18,469 | -4,163 | -22,632 |

(Negative Figures = income, Positive figures = costs)

General Fund Balances

54. General Fund Balances represent accumulated revenue surpluses. Within the total, however, are amounts that have been earmarked by the District Executive for specific purposes. The table below shows the current position on the General Fund Balance compared to that previously reported:

| | £'000 |
|--|---------------|
| Balance at 1 April 2019 | -4,593 |
| Area & Economic Development Balances | 121 |
| 2019/20 Carry Forwards | 170 |
| Financial Strategy agreed reserve transfers (September 19 District Executive) | 811 |
| Support for 2019/20 budget | -253 |
| Commitments (including A303) | 157 |
| Current Estimated underspend in 2019/20 | -286 |
| Unallocated General Fund Balance at 31st December 2019 | -3,873 |

Business Rates Surplus/Deficit and Volatility Reserve

55. Experience shows that BRR Funding can be volatile from one year to the next, and it is prudent to hold adequate funds in the Volatility Reserve to mitigate this risk and avoid a large unplanned reduction in funding for services. In addition, there are accounting timing differences for different parts of the BRR system, which we 'smooth out' through this reserve.
56. The current balance on the Volatility Reserve is c£1.455m. The Financial Strategy included some movements to top this up by another £559K before the end of the financial year, in line with our financial strategy, which currently seeks to maintain this balance at a minimum of £2.5m each year.
57. The 2020/21 Draft Budget includes an estimated Collection Fund surplus of £1.712m from 2019/20. It is proposed to set this aside in full to the Volatility Reserve in 2020/21 to mitigate future income fluctuations and smooth out 2019/20 accounting timing differences which will be reported at the end of 2019/20 financial year.

Community Initiatives Reserve

58. The 2020/21 Draft Budget includes a once year only allocation of budget to a new Community Initiatives Reserve of £524,451. This allowance of funding will allow Members to decide on a rationale for its allocation to priorities projects during the year.

Capital Strategy

59. The Capital Strategy outlines how SSDC will utilise its capital resources to deliver the Council Plan and key strategies. SSDC held £22.2m in capital receipts at the end of the 2018/19 financial year. However, the authority has a considerable requirement for capital resources through its Commercial Investment Strategy.
60. Each capital bid received requesting funding in 2020/21 was reviewed to assess the source of funding that may be appropriate, such as:

- The service paying for the asset - through internal loans, building up a replacement fund from revenue budgets, or similar;
- Use of the New Homes Bonus – can we reduce reliance for the revenue budget, and direct funding towards infrastructure and regeneration investment;
- Use capital reserves - for schemes that are true community benefit / social value schemes where there is no prospect of self-funding;
- Investment properties – application of the commercial strategy as already agreed.

61. The Executive has delegated authority to approve the use of up to 5% of capital receipts in any one year (approx. £900k). Approvals beyond this sum must be agreed through full Council.
62. SSDC will utilise its own internal cash wherever possible to maximise its treasury management efficiency and minimise costs in the short to medium term. However, the Treasury Management Strategy currently allows borrowing of up to £124m, reflecting plans for commercial investments. A request for this to be increased to £165m has been requested as part of the Capital Investment and Treasury Management Strategy report.

Capital Programme 2020/21 to 2023/24

63. Members are requested to approve capital bids totalling £2,031,840. Of this total sum, £1,886,840 is a new allocation of funding, with £70,000 being moved from the reserve section of the capital programme, and the remaining £75,000 being reallocated from existing projects within the programme.
64. Full details of the revised Capital Programme are shown in Appendix D; new schemes are shown in bold and italics type, with previously approved schemes in ordinary type. A summary of recommended schemes is included at Appendix E. Attached at Appendix F are the Capital Investment Appraisal forms for all new schemes.

Funding the Capital Programme for 2020/21 - 2021/22

The table below shows how the 2020/21 Capital Programme will be financed: -

| | 2020/21 £'000 | 2021/22 £'000 |
|--|------------------|------------------|
| Gross Capital Programme Spend | 11,638 | 3,234 |
| Gross Reserve Scheme Spend | 40,828 | 45,000 |
| Total Capital Programme to be Financed | 53,019 | 49,434 |
| Financed by:- | | |
| Capital Grants, Contributions & Loan Repayments as detailed on Programme | 2,295 | 2,174 |
| Grants & Other Contributions in Reserves | 821 | 0 |
| Useable Capital Receipts / Borrowing | 49,903 | 47,260 |
| Total Financing | 53,019 | 49,434 |

Robustness of the Budget and Adequacy of Reserves

65. The Local Government Act 2003 Section 25 includes a specific duty on the Chief Finance Officer (Section 151 Officer) to make a report to the authority when it is considering its annual budget and

council tax levels. The report must deal with the robustness of the estimates and the adequacy of the reserves included within the budget. (For the purpose of the Act 'reserves' includes 'general fund balances'.) The Act requires the Council to have regard to the report in making its decisions at the Council's budget and council tax setting meeting in respect of 2019/20.

66. Budget estimates for 2020/21 are assessments of spending and income made at a point in time, based on service needs and known expenditure patterns. The statement about the robustness of estimates cannot give a guaranteed assurance about the budget, but gives members reasonable assurances that the budget has been based on the best available information and assumptions. It reflects commitments necessary to maintain service levels, and with demand-led budgets this inevitably entails a degree of judgement.
67. In order to meet the requirement of assessing the robustness of estimates the Section 151 Officer will consider and rely upon the key processes that have been put in place:
- peer review by finance staff involved in preparing the standstill base-budget, i.e. the existing budget plus contractual inflation;
 - the use of in-year budget monitoring to re-align budgets in line with projected changes during 2019/2020;
 - a medium term planning process that highlights priority services;
 - a review of the corporate risk register;
 - a service review by the Cabinet, Senior Leadership Team and Budget Managers of detailed budget and proposed savings and their achievability; and
 - Finance staff providing advice throughout the process on robustness, including vacancy factors, increments, current demand, and income levels.
68. There has been a significant degree of scrutiny of the proposed budgets and savings by:
- The finance team – with several staff holding professional accountancy qualifications
 - Senior Leadership Team and Leadership group
 - Portfolio Holders
 - Scrutiny Committee
69. These examinations of the budgets have led to refinements and provide considerable assurance about the robustness of the estimates.
70. There remain some key risks within the budget and medium term forecasts that will be managed by officers and/or portfolio holders as summarised below:
- a) Service Income: The financial strategy includes targets for increased service income. Proposed budgets for 2020/21 have been increased to reflect updated fees and charges – in line with the financial strategy target assumptions – and estimates of demand for services. Whilst the assumptions result in prudent income forecasts there is a risk of income volatility. The General Reserves balance provides some contingency in case of in year reductions in income. [Director – Commercial Services and Income Generation]
- b) Commercial Investment: The budget and medium term financial plan has been updated to reflect property acquisitions completed up to mid-January 2020. Future acquisitions when completed, in line with the agreed Commercial Strategy, will provide additional net income which will be added to budget estimates incrementally upon completion. As with any

investment there is a risk of volatility, and the reserves strategy seeks to ensure adequate funds are held to mitigate this risk. [Director – Commercial Services and Income Generation]

- c) Treasury Investments: In line with the treasury strategy we have increased the proportion of cash reserves held in strategic investments that we intend to hold for the long term and increase the total investment income received each year. The balance of these investments now stands at £23.25m. As with any investment there is a risk of volatility. There is also a prospective change in accounting regulations in 2019/20 that will expose the General Fund to revaluation risk in the medium term for investments held, after a period of statutory override to 2021/22. It is proposed to set aside a proportion of increased yield into a Treasury Investment Volatility contingency reserve each year to provide resilience for such impacts. [S151 Officer]
- d) Borrowing: The capital programme for services and commercial investment exceeded capital reserves during 2019/20, and thus required borrowing to support the priorities and ambitions of the council's plans. Currently the capital borrowing requirement is being supported through short term loans from other Local Authorities. As capital expenditure increases the council will need to raise increased funds through loans, and budget estimates incorporate the costs of borrowing based on projected PWLB interest rates. Financing will be managed in line with our treasury and capital strategies which follow the Prudential Code and good practice. [S151 Officer]
- e) Inflation: Cost estimates within the MTFP include assumptions for increases in pay, utilities, contracts and general prices for goods and service. The three largest elements are: (i) salaries, projected to increase by 2% per year (although a request of up to 10% has been made), (ii) pension deficit contributions as set by the actuary with fixed annual contributions, (iii) the waste services contract. Volatility in inflation costs could impact on service costs, and will require careful monitoring to inform future budget setting and in-year monitoring. The MTFP assumes an average 2% inflation increase year on year which is considered a reasonable long term estimates, slightly below short term economic forecasts but in line the Government's long term target. Inflation at 3% rather than 2% would add around £85k to budgeted costs, and a 1% change in staff pay estimates would cost around £131k. [S151 Officer / Budget Holders]
- f) Housing Benefit Subsidy: is administered on behalf of Central Government by SSDC and a grant reimburses expenditure incurred. Approximately £33m in benefit is paid out and the grant normally accounts for 100% of this, however adjustments reducing the grant are made for local authority errors. A contingency for unfunded errors is included within earmarked reserves. [S151 Officer]
- g) Finance Settlement Funding: The current MTFP reflects this as updated for the Provisional Settlement. However, there is significant uncertainty regarding the funding position for 2021/22 onwards, with the funding system due to be updated following the Spending Review, Fair Funding Review and Business Rates Retention reform – all due to be implemented from April 2021. [S151 Officer]
- h) Business Rates Retention (BRR): BRR Funding is based on the estimates complete in January each year. Estimates reflect anticipated growth, mandatory and discretionary discounts/reliefs and collection rates. Financial provisions are made for potential losses for appeals and other reductions, however experience shows that business rates funding can be volatile despite prudent estimates. There are also timing differences between financial years inherent in the required accounting arrangements. The Council seeks to mitigate the budget risk of reductions in funding by holding funds in a Business Rates Volatility Reserve. [S151 Officer]
- i) Business Rates Pooling: The County and four Districts in Somerset form the Somerset Business Rates Pool which commenced in 2018/19 and will continue in 2020/21. Pooling

seeks to reduce the levy paid to Government on growth in business rates income above the funding baseline. The pool will distribute gains from levy savings in the form of a 'dividend' at the end of each financial year. Being in a pool increases risk with a lower safety net. In mitigation the Pool plans to cover individual authority safety net costs from pooling gains before any dividend is issued however there is no guarantee the gains will be sufficient to cover large scale losses. The risk is considered to be low in this respect, but will be carefully monitored. The proposed budget for 2020/21 includes a reasonable estimate of the pooling gain, with the funding to be set aside in the Regeneration Fund. The nature of the Regeneration Programmes is such that schemes will take some time to plan and deliver, reducing the risk of needing the funding before it is received. [S151 Officer]

- j) Brexit: A downturn in the economy for example through Brexit would impact on our key income streams including business rates. A 5% reduction in development control, car parking, and building control alone would result in a loss in excess of £190k per annum. [S151 Officer]

- 71. The Council holds resources in both revenue and capital reserves.
- 72. General reserves remain comfortably above the required minimum balance, and the proposed budget for 2020/21 does not rely on general reserves to cover service costs. The Reserves balance is projected to remain above the recommended minimum, provided the financial strategy income targets are met on a timely basis.
- 73. Existing earmarked reserves have not been reviewed in detail this year. However, the draft budget includes proposed transfers to treasury and commercial risk management reserves to build financial resilience in these areas. There is also a transfer to a new Community Initiatives Reserve for priorities put forward during 2020/21.

S151 Officer Conclusion:

- 74. Overall, the process for the formulation of budgets, together with the level of challenge and sensitivity analysis undertaken provides a reasonable assurance of the robustness of the budget as presented. The Council has made good progress in meeting the savings targets within the Financial Strategy, largely as a result of the Commercial Strategy. The Council is able to set a balanced budget for 2020/21 included prudently boosting reserves for specific financial risks. The budget is a sound response to continuing challenging financial circumstances, which maintains services, maximises efficiencies and responds to anticipated future financial challenges.
- 75. Despite the excellent progress towards meeting the savings requirement, the medium term outlook remains a concern with a Budget Gap rising from £0.284m in 2020/21 to an estimated £1.047m by 2024/25. The Financial Strategy seeks to more than offset this residual Gap deliver through income generation and the base budget review, and it is essential that the Senior Leadership Team and Councillors continue to drive forward this approach in order to secure long-term financial sustainability and avoid the need for other measures such as service cuts. It has been well publicised that CIPFA and the Government are closely monitoring the growth in commercial investment activity by local authorities, and have released further guidance on this matter this month which will need to be considered carefully going forward. At this stage it is guidance rather than legislation, but should new controls be introduced that altogether prohibit commercial investment activity this would have a significant adverse effect on the financial strategy.
- 76. The level of reserves and balances have been reviewed in light of the risks outlined in this report and are currently predicted to remain at the required level.
- 77. 2020 is an important year in respect of local authority funding, and the impact of the Spending Review, Fair Funding Review and Business Rates funding reform will be carefully assessed. Of

course, Brexit also brings significant uncertainty at the time of writing this report. It will be necessary to review the Financial Strategy in light of the outcomes of these important changes.

Corporate Priority Implications

78. The budget is aligned to the current Council Plan. There needs to be a clearer focus on priorities as the Council moves forward and radical reduction in dependency on central Government funding as it moves forward.

Carbon Emissions & Climate Change Implications

79. The budget is aligned to the Carbon Reduction Strategy and new capital projects to deliver the strategy will be included in the Capital programme once approved.

Appendices

Appendix A – Draft Detailed Budgets for 2020/21

Appendix B – Savings for 2020/21

Appendix C - Budget Pressures for 2020/21

Appendix D – Revised Capital Programme for 20/21 onwards

Appendix E – Recommended Schemes

Appendix F – Capital Investment Appraisal Forms

Background Papers:

District Executive Outturn Report July 2019

District Executive Financial Strategy and Initial MTFP September 2019

District Executive Financial Strategy Update November 2019

District Executive 2019/20 Draft Budget and Medium Term Financial Plan Update January 2019

2020-21 Budget Detail

APPENDIX A

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|---|-------------|-----------------------|---------------|-------------------|--------------|-----------|------------------------|-----------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | | £ | £ | £ | £ | £ | £ |
| STRATEGIC MANAGEMENT | | | | | | | | | | | | | |
| Chief Executive : Alex Parmley | | | | | | | | | | | | | |
| MANAGEMENT BOARD | Expenditure | 708,850 | 14,670 | 0 | 0 | 0 | (190,360) | 0 | 0 | 0 | 0 | 0 | 533,160 |
| | Income | (17,500) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (17,500) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 691,350 | 14,670 | 0 | 0 | 0 | (190,360) | 0 | 0 | 0 | 0 | 0 | 515,660 |
| TRANSFORMATION | Expenditure | (50,000) | 0 | 0 | 0 | 0 | 50,000 | (150,000) | 0 | 0 | 0 | 0 | (150,000) |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | (50,000) | 0 | 0 | 0 | 0 | 50,000 | (150,000) | 0 | 0 | 0 | 0 | (150,000) |
| TOTAL STRATEGIC MANAGEMENT | Expenditure | 658,850 | 14,670 | 0 | 0 | 0 | (140,360) | (150,000) | 0 | 0 | 0 | 0 | 383,160 |
| | Income | (17,500) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (17,500) |
| | TOTAL | 641,350 | 14,670 | 0 | 0 | 0 | (140,360) | (150,000) | 0 | 0 | 0 | 0 | 365,660 |
| TOTAL CHIEF EXECUTIVE | Expenditure | 658,850 | 14,670 | 0 | 0 | 0 | (140,360) | (150,000) | 0 | 0 | 0 | 0 | 383,160 |
| | Income | (17,500) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (17,500) |
| | TOTAL | 641,350 | 14,670 | 0 | 0 | 0 | (140,360) | (150,000) | 0 | 0 | 0 | 0 | 365,660 |
| STRATEGY & COMMISSIONING | | | | | | | | | | | | | |
| Director: Netta Meadows | | | | | | | | | | | | | |
| STRATEGIC PLANNING | | | | | | | | | | | | | |
| Service Manager : Jan Gamon | | | | | | | | | | | | | |
| PROCUREMENT, CONTRACT & RISK MANAGEMENT | Expenditure | 58,350 | 2,880 | 100 | 0 | 0 | (5,090) | 0 | 0 | 0 | 0 | 0 | 56,240 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 58,350 | 2,880 | 100 | 0 | 0 | (5,090) | 0 | 0 | 0 | 0 | 0 | 56,240 |
| PLACE PLANNING | Expenditure | 374,010 | 98,730 | 0 | 0 | 0 | (68,250) | 0 | 0 | 0 | 0 | 0 | 404,490 |
| | Income | (2,560) | (95,620) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (98,180) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 371,450 | 3,110 | 0 | 0 | 0 | (68,250) | 0 | 0 | 0 | 0 | 0 | 306,310 |
| SPORT FACILITIES | Expenditure | 483,320 | 0 | 800 | 0 | 0 | (2,630) | 0 | 0 | 0 | 0 | 0 | 481,490 |
| | Income | (240,510) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (240,510) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 242,810 | 0 | 800 | 0 | 0 | (2,630) | 0 | 0 | 0 | 0 | 0 | 240,980 |
| CIVIL CONTINGENCIES & HEALTH & SAFETY | Expenditure | 90,660 | 0 | 0 | 0 | 0 | (2,930) | (24,750) | 0 | 0 | 0 | 0 | 62,980 |
| | Income | (6,110) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (6,110) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 84,550 | 0 | 0 | 0 | 0 | (2,930) | (24,750) | 0 | 0 | 0 | 0 | 56,870 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|--------------------|-----------------------|-----------------|-------------------|------------------|-----------|------------------------|-----------------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | | £ | £ | £ | £ | £ | £ |
| DEMOCRATIC SERVICES | Expenditure | 619,750 | 2,480 | 0 | (30,000) | 0 | 75,070 | 0 | 0 | 0 | 0 | 0 | 667,300 |
| | Income | (1,400) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1,400) |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 618,350 | 2,480 | 0 | (30,000) | 0 | 75,070 | 0 | 0 | 0 | 0 | 0 | 665,900 |
| ELECTIONS | Expenditure | 167,830 | 1,370 | 0 | 0 | 0 | 42,230 | 0 | 0 | 0 | 0 | 0 | 211,430 |
| | Income | (8,020) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (8,020) |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 159,810 | 1,370 | 0 | 0 | 0 | 42,230 | 0 | 0 | 0 | 0 | 0 | 203,410 |
| PLANNING POLICY | Expenditure | 2,310 | 0 | 0 | 0 | 0 | (1,540) | 0 | 0 | 0 | 0 | 0 | 770 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 2,310 | 0 | 0 | 0 | 0 | (1,540) | 0 | 0 | 0 | 0 | 0 | 770 |
| VOLUNTARY, COMMUNITY & SOCIAL ENTERPRISE | Expenditure | 286,500 | 1,370 | 0 | 0 | 0 | (1,610) | 0 | 0 | 0 | 0 | (2,000) | 284,260 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 286,500 | 1,370 | 0 | 0 | 0 | (1,610) | 0 | 0 | 0 | 0 | (2,000) | 284,260 |
| TOTAL STRATEGIC PLANNING | Expenditure | 2,082,730 | 106,830 | 900 | (30,000) | 0 | 35,250 | (24,750) | 0 | 0 | 0 | (2,000) | 2,168,960 |
| | Income | (258,600) | (95,620) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (354,220) |
| | TOTAL | 1,824,130 | 11,210 | 900 | (30,000) | 0 | 35,250 | (24,750) | 0 | 0 | 0 | (2,000) | 1,814,740 |
| PERFORMANCE, PEOPLE & CHANGE | | | | | | | | | | | | | |
| Service Manager : Charlotte Jones | | | | | | | | | | | | | |
| PERFORMANCE, PEOPLE & CHANGE | Expenditure | 166,240 | 18,450 | 0 | 165,000 | 0 | 148,760 | 0 | 0 | 0 | 0 | 0 | 498,450 |
| | Income | 0 | 0 | 0 | (132,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (132,000) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 166,240 | 18,450 | 0 | 33,000 | 0 | 148,760 | 0 | 0 | 0 | 0 | 0 | 366,450 |
| TOTAL PERFORMANCE, PEOPLE & CHANGE | Expenditure | 166,240 | 18,450 | 0 | 165,000 | 0 | 148,760 | 0 | 0 | 0 | 0 | 0 | 498,450 |
| | Income | 0 | 0 | 0 | (132,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (132,000) |
| | TOTAL | 166,240 | 18,450 | 0 | 33,000 | 0 | 148,760 | 0 | 0 | 0 | 0 | 0 | 366,450 |
| COMMUNICATIONS, MARKETING & MEDIA | | | | | | | | | | | | | |
| Service Manager : Richard Birch | | | | | | | | | | | | | |
| COMMUNICATIONS | Expenditure | 91,010 | 4,290 | 0 | 0 | 0 | (1,010) | 0 | 0 | 0 | 0 | 0 | 94,290 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 91,010 | 4,290 | 0 | 0 | 0 | (1,010) | 0 | 0 | 0 | 0 | 0 | 94,290 |
| TOTAL COMMUNICATIONS, MARKETING & MEDIA | Expenditure | 91,010 | 4,290 | 0 | 0 | 0 | (1,010) | 0 | 0 | 0 | 0 | 0 | 94,290 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 91,010 | 4,290 | 0 | 0 | 0 | (1,010) | 0 | 0 | 0 | 0 | 0 | 94,290 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|-------------|-----------------------|---------------|-------------------|--------------|-----------|------------------------|----------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| STRATEGY & COMMISSIONING - LEAD SPECIALISTS | | | | | | | | | | | | | |
| Service Manager : Netta Meadows | | | | | | | | | | | | | |
| STRATEGY & COMMISSIONING - LEAD SPECIALISTS | Expenditure | 200,740 | 12,450 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 214,190 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 200,740 | 12,450 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 214,190 |
| TOTAL STRATEGY & COMMISSIONING - LEAD SPECIALIST | Expenditure | 200,740 | 12,450 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 214,190 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 200,740 | 12,450 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 214,190 |
| STRATEGY & COMMISSIONING - CASE OFFICERS | | | | | | | | | | | | | |
| Service Manager : Jan Gamon | | | | | | | | | | | | | |
| STRATEGY & COMMISSIONING - CASE OFFICERS | Expenditure | 222,260 | 13,750 | 0 | 0 | 0 | 136,600 | 0 | 0 | 0 | 0 | 0 | 372,610 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 222,260 | 13,750 | 0 | 0 | 0 | 136,600 | 0 | 0 | 0 | 0 | 0 | 372,610 |
| TOTAL STRATEGY & COMMISSIONING - CASE OFFICERS | Expenditure | 222,260 | 13,750 | 0 | 0 | 0 | 136,600 | 0 | 0 | 0 | 0 | 0 | 372,610 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 222,260 | 13,750 | 0 | 0 | 0 | 136,600 | 0 | 0 | 0 | 0 | 0 | 372,610 |
| TOTAL STRATEGY & COMMISSIONING | Expenditure | 2,762,980 | 155,770 | 900 | 135,000 | 0 | 320,600 | (24,750) | 0 | 0 | 0 | (2,000) | 3,348,500 |
| | Income | (258,600) | (95,620) | 0 | (132,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (486,220) |
| | TOTAL | 2,504,380 | 60,150 | 900 | 3,000 | 0 | 320,600 | (24,750) | 0 | 0 | 0 | (2,000) | 2,862,280 |
| SUPPORT SERVICES | | | | | | | | | | | | | |
| Director: Netta Meadows | | | | | | | | | | | | | |
| SUPPORT SERVICES - CASE | | | | | | | | | | | | | |
| Service Manager : Sara Kelly | | | | | | | | | | | | | |
| SUPPORT SERVICES - CASE OFFICERS | Expenditure | 968,250 | 55,100 | 0 | 0 | 0 | (106,210) | 0 | 0 | 0 | 0 | 0 | 917,140 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 968,250 | 55,100 | 0 | 0 | 0 | (106,210) | 0 | 0 | 0 | 0 | 0 | 917,140 |
| SUPPORT SERVICES - CASE WORK | Expenditure | 361,290 | 0 | 0 | 0 | 0 | (450) | 0 | 0 | 0 | 0 | 0 | 360,840 |
| | Income | (95,470) | 0 | 0 | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (55,470) |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 265,820 | 0 | 0 | 40,000 | 0 | (450) | 0 | 0 | 0 | 0 | 0 | 305,370 |
| TOTAL SUPPORT SERVICES - CASE | Expenditure | 1,329,540 | 55,100 | 0 | 0 | 0 | (106,660) | 0 | 0 | 0 | 0 | 0 | 1,277,980 |
| | Income | (95,470) | 0 | 0 | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (55,470) |
| | TOTAL | 1,234,070 | 55,100 | 0 | 40,000 | 0 | (106,660) | 0 | 0 | 0 | 0 | 0 | 1,222,510 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|--------------------|-----------------------|------------------|-------------------|-----------------|-----------|------------------------|-----------------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | | £ | £ | £ | £ | £ | £ |
| SUPPORT SERVICES - LEAD SPECIALISTS | | | | | | | | | | | | | |
| Service Manager : Netta Meadows | | | | | | | | | | | | | |
| SUPPORT SERVICES - LEAD SPECIALISTS | Expenditure | 371,780 | 41,590 | 0 | 0 | 0 | 45,820 | 0 | 0 | 0 | 0 | 0 | 459,190 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 371,780 | 41,590 | 0 | 0 | 0 | 45,820 | 0 | 0 | 0 | 0 | 0 | 459,190 |
| TOTAL SUPPORT SERVICES - LEAD SPECIALISTS | Expenditure | 371,780 | 41,590 | 0 | 0 | 0 | 45,820 | 0 | 0 | 0 | 0 | 0 | 459,190 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 371,780 | 41,590 | 0 | 0 | 0 | 45,820 | 0 | 0 | 0 | 0 | 0 | 459,190 |
| SUPPORT SERVICES - SPECIALISTS | | | | | | | | | | | | | |
| Service Manager : Lisa Davis | | | | | | | | | | | | | |
| SUPPORT SERVICES SPECIALISTS | Expenditure | 894,920 | 78,720 | 0 | 0 | 0 | (117,160) | 0 | 0 | 0 | 0 | 187,120 | 1,043,600 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 894,920 | 78,720 | 0 | 0 | 0 | (117,160) | 0 | 0 | 0 | 0 | 187,120 | 1,043,600 |
| TOTAL SUPPORT SERVICES - SPECIALISTS | Expenditure | 894,920 | 78,720 | 0 | 0 | 0 | (117,160) | 0 | 0 | 0 | 0 | 187,120 | 1,043,600 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 894,920 | 78,720 | 0 | 0 | 0 | (117,160) | 0 | 0 | 0 | 0 | 187,120 | 1,043,600 |
| SUPPORT SERVICES - FUNCTIONS | | | | | | | | | | | | | |
| Service Manager : Lisa Davis | | | | | | | | | | | | | |
| FINANCE CORPORATE COSTS | Expenditure | 2,730,000 | (304,730) | 2,130 | 7,500 | 0 | 56,810 | 0 | 20,000 | 0 | 109,890 | 0 | 2,621,600 |
| | Income | (1,878,650) | 0 | 0 | 0 | 0 | 0 | 0 | 20,000 | 0 | (318,590) | 0 | (2,177,240) |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 851,350 | (304,730) | 2,130 | 7,500 | 0 | 56,810 | 0 | 40,000 | 0 | (208,700) | 0 | 444,360 |
| SUPPORT SERVICE FUNCTIONS | Expenditure | 703,560 | 0 | 0 | 2,500 | 0 | 65,070 | 0 | 0 | 0 | 0 | 235,000 | 1,006,130 |
| | Income | (121,850) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (121,850) |
| Portfolio Holder : Cllr Peter Seib | TOTAL | 581,710 | 0 | 0 | 2,500 | 0 | 65,070 | 0 | 0 | 0 | 0 | 235,000 | 884,280 |
| TOTAL SUPPORT SERVICE - FUNCTIONS | Expenditure | 3,433,560 | (304,730) | 2,130 | 10,000 | 0 | 121,880 | 0 | 20,000 | 0 | 109,890 | 235,000 | 3,627,730 |
| | Income | (2,000,500) | 0 | 0 | 0 | 0 | 0 | 0 | 20,000 | 0 | (318,590) | 0 | (2,299,090) |
| | TOTAL | 1,433,060 | (304,730) | 2,130 | 10,000 | 0 | 121,880 | 0 | 40,000 | 0 | (208,700) | 235,000 | 1,328,640 |
| TOTAL SUPPORT SERVICES | Expenditure | 6,029,800 | (129,320) | 2,130 | 10,000 | 0 | (56,120) | 0 | 20,000 | 0 | 109,890 | 422,120 | 6,408,500 |
| | Income | (2,095,970) | 0 | 0 | 40,000 | 0 | 0 | 0 | 20,000 | 0 | (318,590) | 0 | (2,354,560) |
| | TOTAL | 3,933,830 | (129,320) | 2,130 | 50,000 | 0 | (56,120) | 0 | 40,000 | 0 | (208,700) | 422,120 | 4,053,940 |
| TOTAL DIRECTOR OF STRATEGY & SUPPORT SERVICES | Expenditure | 8,792,780 | 26,450 | 3,030 | 145,000 | 0 | 264,480 | (24,750) | 20,000 | 0 | 109,890 | 420,120 | 9,757,000 |
| | Income | (2,354,570) | (95,620) | 0 | (92,000) | 0 | 0 | 0 | 20,000 | 0 | (318,590) | 0 | (2,840,780) |
| | TOTAL | 6,438,210 | (69,170) | 3,030 | 53,000 | 0 | 264,480 | (24,750) | 40,000 | 0 | (208,700) | 420,120 | 6,916,220 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|--------------------|-----------------------|----------------|-------------------|---------------|-----------|------------------------|-----------------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| COMMERCIAL SERVICES & INCOME GENERATION | | | | | | | | | | | | | |
| Director: Clare Pestell | | | | | | | | | | | | | |
| ENVIRONMENTAL SERVICES | | | | | | | | | | | | | |
| Service Manager: Chris Cooper | | | | | | | | | | | | | |
| STREETSCENE | Expenditure | 3,067,030 | 87,810 | 1,400 | 0 | 0 | 134,600 | 0 | 0 | 0 | 0 | 0 | 3,290,840 |
| | Income | (1,358,200) | (6,450) | 0 | 0 | 0 | (144,020) | (20,000) | 0 | 0 | 0 | 0 | (1,528,670) |
| Portfolio Holder : Cllr Sarah Dyke | TOTAL | 1,708,830 | 81,360 | 1,400 | 0 | 0 | (9,420) | (20,000) | 0 | 0 | 0 | 0 | 1,762,170 |
| WASTE & RECYCLING | Expenditure | 6,396,660 | (14,400) | 191,340 | 71,500 | 0 | (6,540) | 0 | 0 | 0 | 0 | 0 | 6,638,560 |
| | Income | (1,785,280) | 0 | (31,840) | 0 | 0 | 6,540 | (40,000) | 0 | 0 | 0 | 0 | (1,850,580) |
| Portfolio Holder : Cllr Sarah Dyke | TOTAL | 4,611,380 | (14,400) | 159,500 | 71,500 | 0 | 0 | (40,000) | 0 | 0 | 0 | 0 | 4,787,980 |
| TOTAL ENVIRONMENTAL SERVICES | Expenditure | 9,463,690 | 73,410 | 192,740 | 71,500 | 0 | 128,060 | 0 | 0 | 0 | 0 | 0 | 9,929,400 |
| | Income | (3,143,480) | (6,450) | (31,840) | 0 | 0 | (137,480) | (60,000) | 0 | 0 | 0 | 0 | (3,379,250) |
| | TOTAL | 6,320,210 | 66,960 | 160,900 | 71,500 | 0 | (9,420) | (60,000) | 0 | 0 | 0 | 0 | 6,550,150 |
| ARTS & ENTERTAINMENT | | | | | | | | | | | | | |
| Service Manager : Adam Burgan | | | | | | | | | | | | | |
| OCTAGON | Expenditure | 2,110,430 | 20,180 | 1,800 | 0 | 0 | 10,710 | 0 | 0 | 0 | 0 | 0 | 2,143,120 |
| | Income | (1,822,600) | 0 | 0 | 0 | 0 | 0 | (5,000) | 0 | 0 | 0 | 0 | (1,827,600) |
| Portfolio Holder : Cllr John Clarke | TOTAL | 287,830 | 20,180 | 1,800 | 0 | 0 | 10,710 | (5,000) | 0 | 0 | 0 | 0 | 315,520 |
| WESTLANDS | Expenditure | 1,373,470 | 16,560 | 0 | 0 | 0 | (38,690) | 0 | 0 | 0 | 0 | 0 | 1,351,340 |
| | Income | (1,216,010) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1,216,010) |
| Portfolio Holder : Cllr John Clarke | TOTAL | 157,460 | 16,560 | 0 | 0 | 0 | (38,690) | 0 | 0 | 0 | 0 | 0 | 135,330 |
| TOTAL ARTS & ENTERTAINMENT | Expenditure | 3,483,900 | 36,740 | 1,800 | 0 | 0 | (27,980) | 0 | 0 | 0 | 0 | 0 | 3,494,460 |
| | Income | (3,038,610) | 0 | 0 | 0 | 0 | 0 | (5,000) | 0 | 0 | 0 | 0 | (3,043,610) |
| | TOTAL | 445,290 | 36,740 | 1,800 | 0 | 0 | (27,980) | (5,000) | 0 | 0 | 0 | 0 | 450,850 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|---|--------------------|-----------------------|-----------------|-------------------|--------------|-----------|------------------------|----------------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| LEISURE, RECREATION & TOURISM | | | | | | | | | | | | | |
| Service Manager : Katy Menday | | | | | | | | | | | | | |
| COUNTRYSIDE | Expenditure | 608,070 | 12,960 | 600 | 0 | 0 | 16,460 | 0 | 0 | 0 | 0 | 0 | 638,090 |
| | Income | (301,610) | 0 | 0 | 0 | 0 | 0 | (4,000) | 0 | 0 | 0 | 0 | (305,610) |
| Portfolio Holder : Cllr Mike Best | TOTAL | 306,460 | 12,960 | 600 | 0 | 0 | 16,460 | (4,000) | 0 | 0 | 0 | 0 | 332,480 |
| YEOVIL RECREATION CENTRE | Expenditure | 306,780 | 2,570 | 200 | 0 | 0 | (500) | 0 | 0 | 0 | 0 | 0 | 309,050 |
| | Income | (125,580) | (1,510) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (127,090) |
| Portfolio Holder : Cllr Mike Best | TOTAL | 181,200 | 1,060 | 200 | 0 | 0 | (500) | 0 | 0 | 0 | 0 | 0 | 181,960 |
| TOURISM AND HERITAGE | Expenditure | 270,890 | 5,270 | 0 | 0 | 0 | (13,740) | 0 | 0 | 0 | 0 | 0 | 262,420 |
| | Income | (96,670) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (96,670) |
| Portfolio Holder : Cllr Mike Best | TOTAL | 174,220 | 5,270 | 0 | 0 | 0 | (13,740) | 0 | 0 | 0 | 0 | 0 | 165,750 |
| TOTAL LEISURE, RECREATION & TOURISM | Expenditure | 1,185,740 | 20,800 | 800 | 0 | 0 | 2,220 | 0 | 0 | 0 | 0 | 0 | 1,209,560 |
| | Income | (523,860) | (1,510) | 0 | 0 | 0 | 0 | (4,000) | 0 | 0 | 0 | 0 | (529,370) |
| | TOTAL | 661,880 | 19,290 | 800 | 0 | 0 | 2,220 | (4,000) | 0 | 0 | 0 | 0 | 680,190 |
| INCOME & OPPORTUNITIES DEVELOPMENT | | | | | | | | | | | | | |
| Service Manager : James Divall | | | | | | | | | | | | | |
| INCOME & OPPORTUNITIES DEVELOPMENT | Expenditure | 430,300 | (33,200) | 0 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | 398,600 |
| | Income | (548,790) | 19,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (529,490) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (118,490) | (13,900) | 0 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | (130,890) |
| TOTAL INCOME & OPPORTUNITIES DEVELOPMENT | Expenditure | 430,300 | (33,200) | 0 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | 398,600 |
| | Income | (548,790) | 19,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (529,490) |
| | TOTAL | (118,490) | (13,900) | 0 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | (130,890) |
| PROPERTY, LAND AND DEVELOPMENT | | | | | | | | | | | | | |
| Service Manager : Robert Orrett | | | | | | | | | | | | | |
| BIRCHFIELD | Expenditure | 64,290 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64,290 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 64,290 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64,290 |
| PROPERTY, LAND & DEVELOPMENT - CASE OFFICERS | Expenditure | 276,150 | 6,660 | 0 | 0 | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 284,810 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 276,150 | 6,660 | 0 | 0 | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 284,810 |
| LAND DRAINAGE | Expenditure | 72,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72,000 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 72,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72,000 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|--------------------|-----------------------|-----------------|-------------------|----------------|-----------|------------------------|------------------|----------------------------|-------------|--------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | | £ | £ | £ | £ | £ | £ |
| OPERATIONAL PROPERTIES | Expenditure | 1,099,790 | 330 | 2,200 | 15,250 | 0 | 18,950 | 0 | 0 | 0 | 0 | 0 | 1,136,520 |
| | Income | (532,700) | 0 | 0 | 90,880 | 0 | (13,930) | (105,700) | 0 | 0 | 0 | 0 | (561,450) |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 567,090 | 330 | 2,200 | 106,130 | 0 | 5,020 | (105,700) | 0 | 0 | 0 | 0 | 575,070 |
| COMMERCIAL PROPERTY | Expenditure | 97,210 | 0 | 0 | (12,400) | 0 | 23,200 | 0 | 0 | 0 | 0 | 0 | 108,010 |
| | Income | (183,690) | 0 | 0 | 24,590 | 0 | (75,900) | 0 | 0 | 0 | 0 | 0 | (235,000) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (86,480) | 0 | 0 | 12,190 | 0 | (52,700) | 0 | 0 | 0 | 0 | 0 | (126,990) |
| PROPERTY, LAND & DEVELOPMENT - SPECIALISTS | Expenditure | 133,640 | 5,050 | 0 | 0 | 0 | 3,300 | 0 | 0 | 0 | 0 | 0 | 141,990 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 133,640 | 5,050 | 0 | 0 | 0 | 3,300 | 0 | 0 | 0 | 0 | 0 | 141,990 |
| COMMERCIAL INVESTMENTS | Expenditure | 949,500 | 11,040 | 0 | 0 | 0 | 9,450 | 0 | 2,350,840 | 0 | (9,000) | 0 | 3,311,830 |
| | Income | (1,377,140) | (11,040) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (3,863,960) | 0 | (5,252,140) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (427,640) | 0 | 0 | 0 | 0 | 9,450 | 0 | 2,350,840 | 0 | (3,872,960) | 0 | (1,940,310) |
| CAR PARKING | Expenditure | 781,360 | (4,210) | 0 | 0 | 0 | (9,360) | 0 | 0 | 0 | 0 | 0 | 767,790 |
| | Income | (2,055,670) | 0 | 0 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1,955,670) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (1,274,310) | (4,210) | 0 | 100,000 | 0 | (9,360) | 0 | 0 | 0 | 0 | 0 | (1,187,880) |
| ENGINEERING & PROPERTY SERVICES | Expenditure | 42,370 | 0 | 0 | 0 | 0 | (25,200) | 0 | 0 | 0 | 0 | 0 | 17,170 |
| | Income | (11,910) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (11,910) |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 30,460 | 0 | 0 | 0 | 0 | (25,200) | 0 | 0 | 0 | 0 | 0 | 5,260 |
| TOTAL PROPERTY, LAND & DEVELOPMENT | Expenditure | 3,516,310 | 18,870 | 2,200 | 2,850 | 0 | 22,340 | 0 | 2,350,840 | 0 | (9,000) | 0 | 5,904,410 |
| | Income | (4,161,110) | (11,040) | 0 | 215,470 | 0 | (89,830) | (105,700) | 0 | 0 | (3,863,960) | 0 | (8,016,170) |
| | TOTAL | (644,800) | 7,830 | 2,200 | 218,320 | 0 | (67,490) | (105,700) | 2,350,840 | 0 | (3,872,960) | 0 | (2,111,760) |
| TOTAL DIRECTOR OF COMMERCIAL SERVICES & INCOME GENERATION | Expenditure | 18,079,940 | 116,620 | 197,540 | 74,350 | 0 | 126,140 | 0 | 2,350,840 | 0 | (9,000) | 0 | 20,936,430 |
| | Income | (11,415,850) | 300 | (31,840) | 215,470 | 0 | (227,310) | (174,700) | 0 | 0 | (3,863,960) | 0 | (15,497,890) |
| | TOTAL | 6,664,090 | 116,920 | 165,700 | 289,820 | 0 | (101,170) | (174,700) | 2,350,840 | 0 | (3,872,960) | 0 | 5,438,540 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|--------------------|-----------------------|---------------|-------------------|---------------|-----------|------------------------|----------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| SERVICE DELIVERY Director: Martin Woods | | | | | | | | | | | | | |
| CUSTOMER CONNECT Service Manager : Sharon Jones | | | | | | | | | | | | | |
| CUSTOMER CONNECT | Expenditure | 649,850 | 11,470 | 0 | 14,000 | 0 | (7,210) | 0 | 0 | 0 | 0 | 0 | 668,110 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Tony Lock | TOTAL | 649,850 | 11,470 | 0 | 14,000 | 0 | (7,210) | 0 | 0 | 0 | 0 | 0 | 668,110 |
| TOTAL CUSTOMER CONNECT | Expenditure | 649,850 | 11,470 | 0 | 14,000 | 0 | (7,210) | 0 | 0 | 0 | 0 | 0 | 668,110 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 649,850 | 11,470 | 0 | 14,000 | 0 | (7,210) | 0 | 0 | 0 | 0 | 0 | 668,110 |
| CASE TEAM Service Manager : Kirsty Larkins | | | | | | | | | | | | | |
| CASE TEAM | Expenditure | 1,490,790 | 51,390 | 0 | 0 | 0 | 99,450 | 0 | 0 | 0 | 0 | 0 | 1,641,630 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 1,490,790 | 51,390 | 0 | 0 | 0 | 99,450 | 0 | 0 | 0 | 0 | 0 | 1,641,630 |
| TOTAL CASE TEAM | Expenditure | 1,490,790 | 51,390 | 0 | 0 | 0 | 99,450 | 0 | 0 | 0 | 0 | 0 | 1,641,630 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 1,490,790 | 51,390 | 0 | 0 | 0 | 99,450 | 0 | 0 | 0 | 0 | 0 | 1,641,630 |
| SERVICE DELIVERY - LEAD SPECIALISTS Service Manager : Martin Woods | | | | | | | | | | | | | |
| SERVICE DELIVERY - LEAD SPECIALISTS | Expenditure | 248,150 | 8,460 | 0 | 0 | 0 | 2,250 | 0 | 0 | 0 | 0 | 0 | 258,860 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 248,150 | 8,460 | 0 | 0 | 0 | 2,250 | 0 | 0 | 0 | 0 | 0 | 258,860 |
| TOTAL SERVICE DELIVERY - LEAD SPECIALISTS | Expenditure | 248,150 | 8,460 | 0 | 0 | 0 | 2,250 | 0 | 0 | 0 | 0 | 0 | 258,860 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 248,150 | 8,460 | 0 | 0 | 0 | 2,250 | 0 | 0 | 0 | 0 | 0 | 258,860 |
| SERVICE DELIVERY - MANAGERS Service Manager : Martin Woods | | | | | | | | | | | | | |
| SERVICE DELIVERY - MANAGERS | Expenditure | 240,280 | 11,690 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 252,970 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 240,280 | 11,690 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 252,970 |
| TOTAL SERVICE DELIVERY - MANAGERS | Expenditure | 240,280 | 11,690 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 252,970 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 240,280 | 11,690 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 252,970 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|---|--------------------|-----------------------|-----------------|-------------------|-----------------|-----------|------------------------|----------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| LOCALITY | | | | | | | | | | | | | |
| Service Manager : Tim Cook | | | | | | | | | | | | | |
| AREA EAST | Expenditure | 37,970 | 0 | 0 | 0 | 0 | (5,280) | 0 | 0 | 0 | 0 | 0 | 32,690 |
| | Income | (4,510) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (4,510) |
| Area Chairman : Cllr Henry Hobhouse | TOTAL | 33,460 | 0 | 0 | 0 | 0 | (5,280) | 0 | 0 | 0 | 0 | 0 | 28,180 |
| AREA NORTH | Expenditure | 31,180 | 0 | 0 | 0 | 0 | (15,220) | 0 | 0 | 0 | 0 | 0 | 15,960 |
| | Income | (5,080) | 0 | 0 | 0 | 0 | 5,080 | 0 | 0 | 0 | 0 | 0 | 0 |
| Area Chairman : Cllr Adam Dance | TOTAL | 26,100 | 0 | 0 | 0 | 0 | (10,140) | 0 | 0 | 0 | 0 | 0 | 15,960 |
| AREA SOUTH | Expenditure | 78,700 | 0 | 0 | 0 | 0 | (8,210) | 0 | 0 | 0 | 0 | 0 | 70,490 |
| | Income | (11,700) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (11,700) |
| Area Chairman : Cllr Peter Gubbins | TOTAL | 67,000 | 0 | 0 | 0 | 0 | (8,210) | 0 | 0 | 0 | 0 | 0 | 58,790 |
| AREA WEST | Expenditure | 55,840 | 0 | 0 | (21,950) | 0 | (28,430) | 0 | 0 | 0 | 0 | 0 | 5,460 |
| | Income | (17,440) | 0 | 0 | 13,930 | 0 | 13,930 | 0 | 0 | 0 | 0 | 0 | 10,420 |
| Area Chairman : Cllr Jason Baker | TOTAL | 38,400 | 0 | 0 | (8,020) | 0 | (14,500) | 0 | 0 | 0 | 0 | 0 | 15,880 |
| LOCALITY TEAM | Expenditure | 515,180 | 29,340 | 0 | 0 | 0 | 29,210 | 0 | 0 | 0 | 0 | 0 | 573,730 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 515,180 | 29,340 | 0 | 0 | 0 | 29,210 | 0 | 0 | 0 | 0 | 0 | 573,730 |
| PLAY, HEALTH & WELLBEING | Expenditure | 147,230 | 0 | 0 | 0 | 0 | (9,260) | 0 | 0 | 0 | 0 | 0 | 137,970 |
| | Income | (65,330) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (65,330) |
| Portfolio Holder : Mike Best | TOTAL | 81,900 | 0 | 0 | 0 | 0 | (9,260) | 0 | 0 | 0 | 0 | 0 | 72,640 |
| TOTAL LOCALITY | Expenditure | 866,100 | 29,340 | 0 | (21,950) | 0 | (37,190) | 0 | 0 | 0 | 0 | 0 | 836,300 |
| | Income | (104,060) | 0 | 0 | 13,930 | 0 | 19,010 | 0 | 0 | 0 | 0 | 0 | (71,120) |
| | TOTAL | 762,040 | 29,340 | 0 | (8,020) | 0 | (18,180) | 0 | 0 | 0 | 0 | 0 | 765,180 |
| REGENERATION | | | | | | | | | | | | | |
| Service Manager : Natalie Fortt / Mike Holmes | | | | | | | | | | | | | |
| REGENERATION | Expenditure | 61,600 | 19,640 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 81,240 |
| | Income | 0 | (19,640) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (19,640) |
| Portfolio Holder : Cllr John Clarke | TOTAL | 61,600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 61,600 |
| TOTAL REGENERATION | Expenditure | 61,600 | 19,640 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 81,240 |
| | Income | 0 | (19,640) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (19,640) |
| | TOTAL | 61,600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 61,600 |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|---|-------------|-----------------------|---------------|-------------------|--------------|-----------|------------------------|---------|----------------------------|-------------|-------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| SERVICE DELIVERY FUNCTIONS | | | | | | | | | | | | | |
| Service Manager : Nigel Marston | | | | | | | | | | | | | |
| ENFORCEMENT & COMPLIANCE | Expenditure | 45,120 | 3,090 | 0 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | 49,710 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | 45,120 | 3,090 | 0 | 0 | 0 | 1,500 | 0 | 0 | 0 | 0 | 0 | 49,710 |
| REVENUES & BENEFITS | Expenditure | 484,230 | 7,090 | 0 | 0 | 0 | (21,560) | 0 | 0 | 0 | 0 | 0 | 469,760 |
| | Income | (478,470) | 0 | 0 | 0 | 0 | 12,420 | 0 | 0 | 0 | 0 | 0 | (466,050) |
| Portfolio Holder : Cllr Mike Best | TOTAL | 5,760 | 7,090 | 0 | 0 | 0 | (9,140) | 0 | 0 | 0 | 0 | 0 | 3,710 |
| HOUSING BENEFIT SUBSIDY | Expenditure | 33,756,970 | 0 | 0 | 0 | 0 | (5,009,420) | 0 | 0 | 0 | 0 | 0 | 28,747,550 |
| | Income | (34,327,930) | 0 | 0 | 0 | 0 | 5,009,420 | 0 | 0 | 0 | 0 | 0 | (29,318,510) |
| Portfolio Holder : Cllr Mike Best | TOTAL | (570,960) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (570,960) |
| HOUSING STANDARDS | Expenditure | 112,140 | 2,730 | 0 | 0 | 0 | (15,480) | 0 | 0 | 0 | 0 | 0 | 99,390 |
| | Income | (67,450) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (67,450) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 44,690 | 2,730 | 0 | 0 | 0 | (15,480) | 0 | 0 | 0 | 0 | 0 | 31,940 |
| ENVIRONMENTAL HEALTH & COMMUNITY PROTECTION | Expenditure | 449,120 | 10 | 0 | 0 | 0 | (47,440) | 0 | 0 | 0 | 0 | 0 | 401,690 |
| | Income | (71,660) | 0 | 0 | 0 | 0 | 10,840 | 0 | 0 | 0 | 0 | 0 | (60,820) |
| Portfolio Holder : Cllr Mike Best | TOTAL | 377,460 | 10 | 0 | 0 | 0 | (36,600) | 0 | 0 | 0 | 0 | 0 | 340,870 |
| HOUSING | Expenditure | 803,780 | 11,910 | 0 | 0 | 0 | (1,650) | 0 | 0 | 0 | 0 | 0 | 814,040 |
| | Income | (252,420) | 0 | 0 | 0 | 0 | 75,900 | 0 | 0 | 0 | 0 | 0 | (176,520) |
| Portfolio Holder : Cllr Val Keitch | TOTAL | 551,360 | 11,910 | 0 | 0 | 0 | 74,250 | 0 | 0 | 0 | 0 | 0 | 637,520 |
| LICENSING | Expenditure | 113,630 | 4,850 | 0 | 0 | 0 | (5,070) | 0 | 0 | 0 | 0 | 0 | 113,410 |
| | Income | (319,930) | 0 | 0 | 0 | 0 | 0 | (6,000) | 0 | 0 | 0 | 0 | (325,930) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (206,300) | 4,850 | 0 | 0 | 0 | (5,070) | (6,000) | 0 | 0 | 0 | 0 | (212,520) |
| CARELINE | Expenditure | 123,980 | 0 | 0 | 0 | 0 | (13,060) | 0 | 0 | 0 | 0 | 0 | 110,920 |
| | Income | (423,850) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (423,850) |
| Portfolio Holder : Cllr Mike Best | TOTAL | (299,870) | 0 | 0 | 0 | 0 | (13,060) | 0 | 0 | 0 | 0 | 0 | (312,930) |
| ENFORCEMENT | Expenditure | 31,440 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31,440 |
| | Income | (3,000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (3,000) |
| Portfolio Holder : Cllr Sarah Dyke | TOTAL | 28,440 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 28,440 |
| LAND CHARGES | Expenditure | 50,660 | 0 | 0 | 0 | 0 | (27,310) | 0 | 0 | 0 | 0 | 0 | 23,350 |
| | Income | (438,170) | 0 | 0 | 0 | 0 | 26,800 | 0 | 0 | 0 | 0 | 0 | (411,370) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (387,510) | 0 | 0 | 0 | 0 | (510) | 0 | 0 | 0 | 0 | 0 | (388,020) |
| RIGHTS OF WAY | Expenditure | 3,890 | 0 | 0 | 0 | 0 | (1,080) | 0 | 0 | 0 | 0 | 0 | 2,810 |
| | Income | (16,500) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (16,500) |
| Portfolio Holder : Cllr Sarah Dyke | TOTAL | (12,610) | 0 | 0 | 0 | 0 | (1,080) | 0 | 0 | 0 | 0 | 0 | (13,690) |

| Service with Elements | | 19/20 Original Budget | Pay Inflation | General Inflation | Inescapables | Virements | Virements 05 Structure | Savings | Revenue Effects of Capital | Growth Bids | Investment Income | Approved One Off/Other | 20/21 Original Budget |
|--|--------------------|-----------------------|------------------|-------------------|----------------|-----------|------------------------|------------------|----------------------------|-------------|--------------------|------------------------|-----------------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| BUILDING CONTROL | Expenditure | 446,380 | 12,220 | 0 | 0 | 0 | (70) | 0 | 0 | 0 | 0 | 0 | 458,530 |
| | Income | (561,240) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (561,240) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (114,860) | 12,220 | 0 | 0 | 0 | (70) | 0 | 0 | 0 | 0 | 0 | (102,710) |
| DEVELOPMENT MANAGEMENT | Expenditure | 672,660 | (11,640) | 0 | 0 | 0 | (31,810) | 0 | 0 | 0 | 0 | 0 | 629,210 |
| | Income | (1,406,950) | 0 | 0 | 0 | 0 | (54,000) | 0 | 0 | 0 | 0 | 0 | (1,460,950) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (734,290) | (11,640) | 0 | 0 | 0 | (85,810) | 0 | 0 | 0 | 0 | 0 | (831,740) |
| ECONOMIC DEVELOPMENT | Expenditure | 283,980 | 4,940 | 0 | 0 | 0 | (4,190) | 0 | 0 | 0 | 0 | (92,000) | 192,730 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr John Clarke | TOTAL | 283,980 | 4,940 | 0 | 0 | 0 | (4,190) | 0 | 0 | 0 | 0 | (92,000) | 192,730 |
| STREET NAMING AND NUMBERING | Expenditure | 10,010 | 0 | 0 | 0 | 0 | (2,800) | 0 | 0 | 0 | 0 | 0 | 7,210 |
| | Income | (24,180) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (24,180) |
| Portfolio Holder : Cllr John Clarke | TOTAL | (14,170) | 0 | 0 | 0 | 0 | (2,800) | 0 | 0 | 0 | 0 | 0 | (16,970) |
| COMMUNITY SAFETY | Expenditure | 5,200 | 0 | 0 | 0 | 0 | (2,200) | 0 | 0 | 0 | 0 | 0 | 3,000 |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Portfolio Holder : Cllr Mike Best | TOTAL | 5,200 | 0 | 0 | 0 | 0 | (2,200) | 0 | 0 | 0 | 0 | 0 | 3,000 |
| TOTAL SERVICE DELIVERY FUNCTIONS | Expenditure | 37,393,190 | 35,200 | 0 | 0 | 0 | (5,181,640) | 0 | 0 | 0 | 0 | (92,000) | 32,154,750 |
| | Income | (38,391,750) | 0 | 0 | 0 | 0 | 5,081,380 | (6,000) | 0 | 0 | 0 | 0 | (33,316,370) |
| | TOTAL | (998,560) | 35,200 | 0 | 0 | 0 | (100,260) | (6,000) | 0 | 0 | 0 | (92,000) | (1,161,620) |
| TOTAL DIRECTOR OF SERVICE DELIVERY | Expenditure | 40,949,960 | 167,190 | 0 | (7,950) | 0 | (5,123,340) | 0 | 0 | 0 | 0 | (92,000) | 35,893,860 |
| | Income | (38,495,810) | (19,640) | 0 | 13,930 | 0 | 5,100,390 | (6,000) | 0 | 0 | 0 | 0 | (33,407,130) |
| | TOTAL | 2,454,150 | 147,550 | 0 | 5,980 | 0 | (22,950) | (6,000) | 0 | 0 | 0 | (92,000) | 2,486,730 |
| TOTAL SSDC | Expenditure | 68,481,530 | 324,930 | 200,570 | 211,400 | 0 | (4,873,080) | (174,750) | 2,370,840 | 0 | 100,890 | 328,120 | 66,970,450 |
| | Income | (52,283,730) | (114,960) | (31,840) | 137,400 | 0 | 4,873,080 | (180,700) | 20,000 | 0 | (4,182,550) | 0 | (51,763,300) |
| | TOTAL | 16,197,800 | 209,970 | 168,730 | 348,800 | 0 | 0 | (355,450) | 2,390,840 | 0 | (4,081,660) | 328,120 | 15,207,150 |

Savings

Appendix B

| | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
|--|------------------|------------------|------------------|------------------|------------------|
| Transformation | | | | | |
| Transformation Non Pay Savings | -150.0 | | | | |
| | | | | | |
| Income | | | | | |
| Sales, Fees and Charges - Future years target | | -75 | -75 | | |
| Sales, Fees and Charges - Compost Waste Bins | -40.0 | | | | |
| Sales, Fees and Charges - Streetscene | -20.0 | | | | |
| Sales, Fees and Charges - Licensing | -6.0 | | | | |
| Sales, Fees and Charges - Arts (Octagon) | -5.0 | | | | |
| Sales, Fees and Charges - Countryside | -4.0 | | | | |
| Increase in Rental Services & Service Charges for Brympton Way | -105.7 | 105.7 | | | |
| Countryside - Ninespring and Yeovil Rec | | -21.0 | -15.0 | -12.7 | -13.6 |
| Standby Allowance Removed | -24.7 | | | | |
| Parking Income | | | | -135 | -45 |
| | | | | | |
| | -355.4 | 9.7 | -90.0 | -147.7 | -58.6 |

Budget Pressures

| | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | Details |
|--|------------------|------------------|------------------|------------------|------------------|---|
| Allowance for other new inescapables | 205.0 | 200.0 | 200.0 | 200.0 | 200.0 | |
| Already Approved | | | | | | |
| Waste additional properties | 21.3 | 21.3 | 21.3 | 21.3 | 21.3 | |
| Waste Budget Inflation Increase | 50.1 | | | | | General inflation increase on SWP budget |
| Members training and Development (post-election) | (30.0) | | | | | One year funding in 2019/20 |
| New Unavoidables | | | | | | |
| Somerset Wide Graduate Scheme | 33.0 | | | | | SSDC's share of funding for this scheme. |
| Touch Down Spaces in Market Towns | 14.0 | | | | | Crewkerne, Langport, Somerton, Ilminster, Martock, Bruton and Wincanton |
| Reduction in Rental of Churchfields Offices | 29.6 | | | | | Police vacating premises. |
| Reduction in Housing Properties for Rent Income Budget | 4.9 | | | | | Income budget no longer achievable |
| Underachievement of Income Budget - Property | 75.9 | | | | | Reduction in income target - compensated by income on savings appendix. |
| Parking income base budget realignment | 100.0 | | | | | Reduction in income target |
| External Printing base budget realignment | 40.0 | | | | | Income budget no longer achievable |
| External Audit Fees | 7.5 | | | | | Fee increase notified to Audit Committee Jan 20. |
| CIPFA Subscription | 2.5 | | | | | Access to essential publications for new regulations |
| | | | | | | |
| Total Commitments | 348.8 | 21.3 | 21.3 | 21.3 | 21.3 | |
| | | | | | | |
| Total Unavoidable Commitments Remaining | -143.8 | 178.7 | 178.7 | 178.7 | 178.7 | |

Revised Capital Programme 2019/20 - 2023/24

Appendix D

| Scheme | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | Project Officer | Project Sponsor |
|--|------------|------------|-----------|-----------|-----------|-----------------|------------------|
| | Est Spend | Est Spend | Est Spend | Est Spend | Est Spend | | |
| | £000s | £000s | £000s | £000s | £000s | | |
| STRATEGIC MANAGEMENT | | | | | | | |
| Chief Executive - Alex Parmley | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | |
| Transformation | 225 | | | | | T Beattie | A Parmley |
| Subtotal for Strategic Management | 225 | 0 | 0 | 0 | 0 | | |
| COMMERCIAL SERVICES & INCOME GENERATION | | | | | | | |
| Director - Clare Pestell | | | | | | | |
| ARTS AND ENTERTAINMENT | | | | | | | |
| Service Manager - Adam Burgen | | | | | | | |
| Portfolio Holder - Cllr John Clarke | | | | | | | |
| Octagon Dimmers/LED Lighting | 30 | | | | | A Burgen | C Pestell |
| Octagon Electricity Upgrade & Air Cooling | 86 | | | | | A Burgen | C Pestell |
| Westland Entertainment Venue | -431 | | | | | A Burgen | C Pestell |
| Westlands Building Improvement Works | | 800 | | | | A Burgen | C Pestell |
| Upgrade Joanna France Building | | 27 | | | | K Menday | C Pestell |
| ENVIRONMENTAL SERVICES | | | | | | | |
| STREETSCENE | | | | | | | |
| Service Manager - Chris Cooper | | | | | | | |
| Portfolio Holder - Cllr Sarah Dyke | | | | | | | |
| Purchase of Road Sweeper | 145 | | | | | C Cooper | C Pestell |
| Purchase of Road Sweeper | 141 | | | | | C Cooper | C Pestell |
| Double-cab Tipper | 14 | | | | | C Cooper | C Pestell |
| Iseki Tractor with cab | 30 | | | | | C Cooper | C Pestell |
| Wessex 4.3m Hedge Cutter | 13 | | | | | C Cooper | C Pestell |
| Wessex 410 Roller Mower | 18 | | | | | C Cooper | C Pestell |
| Ford Transit w/elec Tail-Lift | 16 | | | | | C Cooper | C Pestell |
| Ford Transit 350 FE65 BSZ | 15 | | | | | C Cooper | C Pestell |
| Isuzu Boxed Tipper 1 | 46 | | | | | C Cooper | C Pestell |
| Isuzu Boxed Tipper 2 | 46 | | | | | C Cooper | C Pestell |
| Ford Transit Van | 14 | | | | | C Cooper | C Pestell |
| FORST ST6P Trailed Wood Chipper | 15 | | | | | C Cooper | C Pestell |
| LEISURE, RECREATION & TOURISM | | | | | | | |
| COUNTRYSIDE | | | | | | | |
| Service Manager - Katy Menday | | | | | | | |

| | | | | | | | |
|--|---------------|--------------|--------------|----------|----------|------------------|------------------|
| Portfolio Holder - Cllr Mike Best | | | | | | | |
| Riverside Park Planting Scheme | 2 | 2 | 1 | 1 | 0 | R Whaites | K Menday |
| Land at Schuldham Ham Hill | 5 | | | | | K Menday | C Pestell |
| Ninesprings Café Extension | 3 | 100 | | | | K Menday | C Pestell |
| Works to Chard Reservoir and Dam Outlets | | 18 | | | | K Menday | C Pestell |
| YEOVIL REC | | | | | | | |
| Service Manager - Katy Menday | | | | | | | |
| Portfolio Holder - Cllr Mike Best | | | | | | | |
| Yeovil Rec - J O'Donnell Pavilion upgrade | 5 | 95 | | | | K Menday | C Pestell |
| Installation of Photovoltaic Panels on Ninesprings Cafe and John O'Donnell Pavilion | | 30 | 20 | | | K Menday | C Pestell |
| PROPERTY, LAND & DEVELOPMENT | | | | | | | |
| COMMERCIAL SERVICES & INCOME GENERATION | | | | | | | |
| Service Manager - Robert Orrett | | | | | | | |
| Portfolio Holder - Cllr John Clarke | | | | | | | |
| Investment in Property | 46,138 | | | | | R Orrett | C Pestell |
| ENGINEERING AND PROPERTY SERVICES | | | | | | | |
| Service Manager - Robert Orrett | | | | | | | |
| Portfolio Holder - Cllr Tony Lock | | | | | | | |
| Yeovil Innovation Centre - 1st Floor Fit-Out | 315 | 5 | | | | R Orrett | C Pestell |
| YIC Car Park Extension | | 94 | | | | J Divall | C Pestell |
| Car Park Enhancements | 28 | | | | | R Orrett | C Pestell |
| New Car Parks | | 240 | | | | R Orrett / I Cas | C Pestell |
| Car Park Improvement Works | | 310 | | | | R Orrett | C Pestell |
| Enhancement to SSDC Bldgs | | 259 | | | | R Orrett | C Pestell |
| Capital Works to Council Portfolio | | 80 | | | | R Orrett | C Pestell |
| Brympton Way Building Improvement Works | | 105 | | | | R Orrett | C Pestell |
| Land Drainage Maintenance | | 25 | | | | R Orrett | C Pestell |
| District Wide CCTV Contribution to new system | | 25 | | | | R Orrett | C Pestell |
| Birchfield Leachate Pumping Station | | 45 | | | | R Orrett | C Pestell |
| Transfer of Castle Cary Market House | 25 | | | | | R Orrett | C Pestell |
| Lufton 2000, Yeovil - All Phases | | | | | | R Orrett | C Pestell |
| Yeovil Crematorium 5 year plan | 18 | | | | | P Biggenden | C Pestell |
| Confidential Schemes | 541 | 2,058 | 1,005 | | | P Biggenden | C Pestell |
| Petters Way Refurbishment | 86 | 32 | | | | P Biggenden | C Pestell |
| Manor Farm, Forton | 12 | | | | | M Hicks | C Pestell |
| Total for Commercial Services & Income Generation | 47,376 | 4,350 | 1,026 | 1 | 0 | | |
| SERVICE DELIVERY | | | | | | | |
| Director - Martin Woods | | | | | | | |
| SERVICE DELIVERY FUNCTIONS | | | | | | | |
| ENVIRONMENTAL HEALTH | | | | | | | |
| Service Manager - Nigel Marston | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | |

| | | | | | | |
|---|-------|------------|-------|--|-----------------|----------------|
| Disabled Facilities Grants | 830 | 444 | | | V Dawson | M Woods |
| Empty Property Grants | 9 | 76 | | | V Dawson | M Woods |
| Home Repairs Assistance | 42 | 30 | | | V Dawson | M Woods |
| HMO Grants | 60 | | | | V Dawson | M Woods |
| Private sector housing grants | | 120 | | | V Dawson | M Woods |
| ECONOMIC DEVELOPMENT | | | | | | |
| Service Manager: Nigel Marston | | | | | | |
| Portfolio Holder - Cllr John Clarke | | | | | | |
| Yeovil Innovation Centre Phase II | 51 | 16 | | | P Biggenden | C Pestell |
| Chard Regeneration | 724 | 2,276 | | | P Paddon / R M | M Woods |
| Yeovil Refresh | 804 | 1,000 | 696 | | P Paddon / I Ti | M Woods |
| Wincanton Regeneration | | 1,000 | 1,000 | | P Paddon / P V | M Woods |
| Market Towns Vision | 5 | | | | P Paddon / P V | M Woods |
| HOUSING | | | | | | |
| Service Manager: Nigel Marston | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | |
| Affordable Housing - Furnham Road Phase II/Jarmin Way, Chard (I | 100 | | | | J Calvert | N Meadows |
| Affordable Housing - North Street, Crewkerne | 1,040 | | | | J Calvert | N Meadows |
| Affordable Housing - West End Close, South Petherton (Stonewat | 778 | | | | J Calvert | N Meadows |
| Affordable Housing - 4 Properties Chard Working Mens Club (Stor | 216 | | | | J Calvert | N Meadows |
| Affordable Housing - 5 Bought not Built (BCHA) | 18 | | | | J Calvert | N Meadows |
| Affordable Housing - Refurbishment of SSDC owned property | 55 | | | | J Calvert | N Meadows |
| Affordable Housing - The Link Day Centre | 5 | | | | J Calvert | N Meadows |
| Affordable Housing - Yeovil (117 Sherborne Rd) | 98 | | | | J Calvert | N Meadows |
| Affordable Housing - 23 Southway Drive, Yeovil | 78 | | | | J Calvert | N Meadows |
| LOCALITIES | | | | | | |
| AREA NORTH | | | | | | |
| Service Manager - Tim Cook | | | | | | |
| Area Chairman - Cllr Adam Dance | | | | | | |
| Support of Economic Vitality in Area North (Signage for marketing | 7 | | | | T Cook | M Woods |
| Long Load Village Hall Mgt Committee | 5 | | | | T Cook | M Woods |
| Access review of Stoke Sports & Recreation Trust 5-year plan | 12 | | | | T Cook | M Woods |
| Long Sutton Village Hall | 4 | | | | T Cook | M Woods |
| Seavington Parish Council | 12 | | | | T Cook | M Woods |
| Parochial Church Council of All Saints Church | 35 | | | | T Cook | M Woods |
| Top-up to Area Capital - Area North | | 25 | | | T Cook | M Woods |
| AREA SOUTH | | | | | | |
| Service Manager - Tim Cook | | | | | | |
| Area Chairman - Cllr Peter Gubbins | | | | | | |
| Yeovil to Ilchester Multi User Pathway-Feasibility | 2 | | | | T Cook | M Woods |
| Radio Ninesprings - contribution to set up costs | 5 | | | | T Cook | M Woods |

| | | | | | | | |
|---|-----|-----------|----|----|--|---------------|----------------|
| Top-up to Area Capital - Area South | | 25 | | | | T Cook | M Woods |
| AREA EAST | | | | | | | |
| Service Manager - Tim Cook | | | | | | | |
| Area Chairman - Cllr Henry Hobhouse | | | | | | | |
| Wincanton-Pedestrian/Cycle Link Common Lane | 5 | | | | | T Cook | M Woods |
| Retail Support Initiative Schemes | 1 | | | | | T Cook | M Woods |
| Award to A Bishop Electricals, Castle Cary | 2 | | | | | T Cook | M Woods |
| Parish Infrastructure Fund | 4 | | | | | T Cook | M Woods |
| Upgrade of Milborne Port Village Hall Car Park | 3 | | | | | T Cook | M Woods |
| Purchase of Allotment Area in Ilchester | 4 | | | | | T Cook | M Woods |
| Caryford Community Hall extension & refurbishment | 13 | | | | | T Cook | M Woods |
| Skate Park, Cale park | 13 | | | | | T Cook | M Woods |
| Top-up to Area Capital - Area East | | 25 | | | | T Cook | M Woods |
| AREA WEST | | | | | | | |
| Service Manager - Tim Cook | | | | | | | |
| Area Chairman - Cllr Jason Baker | | | | | | | |
| Speedwell Hall, Crewkerne | 12 | | | | | T Cook | M Woods |
| Chaffcombe Village Hall | 5 | | | | | T Cook | M Woods |
| Chard Town Centre Gateway and Seating Area. | | 23 | | | | T Cook | M Woods |
| Merriott Village Hall | 12 | | | | | T Cook | M Woods |
| Top-up to Area Capital - Area West | | 25 | | | | T Cook | M Woods |
| LOCALITY (PHW) | | | | | | | |
| Service Manager - Tim Cook | | | | | | | |
| Portfolio Holder - Cllr Mike Best | | | | | | | |
| Grants for Parishes with Play Area - Ilton | 18 | 29 | | | | S Barnes | M Woods |
| Grants for Parishes with Play Area - Curry Rivel | | 2 | | | | S Barnes | M Woods |
| Grant for Youth Facilities | | 5 | | | | S Barnes | M Woods |
| Wyndham Park Play Area Equipment | | | 51 | | | S Barnes | M Woods |
| Jarman Way, Chard - Play Area Equipment | | 28 | | | | S Barnes | M Woods |
| Snowden Park Play Area Equipment, Chard | 25 | 3 | | | | S Barnes | M Woods |
| Harbin Fields, Yeovil - Play Area Equipment | | | 17 | | | S Barnes | M Woods |
| Canal Way, Ilminster Play Area Equipment | 59 | | | | | S Barnes | M Woods |
| Montacute - Play Area Equipment | | 6 | | | | S Barnes | M Woods |
| Ilminster Recreation Ground | | 44 | | | | S Barnes | M Woods |
| Henstridge Recreation Ground | 3 | | | | | S Barnes | M Woods |
| Old Kelways Play Area, Langport | | | | 13 | | S Barnes | M Woods |
| Flagship Play Area | 109 | 29 | | | | S Barnes | M Woods |
| Grant for Merriott Rec Ground | 14 | | | | | S Barnes | M Woods |
| Grant to Milborne Port Rec | | 100 | | | | S Barnes | M Woods |
| Langport Memorial Ground New Changing Facilities | | | 4 | | | S Barnes | M Woods |
| Redstart Park, Chard | 9 | | | | | S Barnes | M Woods |
| Huish Episcopi Swimming Pool | 71 | | | | | L Pincombe | M Woods |
| Forton Playing Pitches, Chard | | 85 | | | | L Pincombe | C Pestell |

| | | | | | | | |
|--|--------------|--------------|--------------|------------|----------|---------------|-----------|
| Holyrood Sports Hall | 17 | | | | | L Pincombe | M Woods |
| Ilminster Cricket Club | 52 | | | | | D Haines | M Woods |
| Caryford Community Hall | | 21 | | | | D Haines | C Pestell |
| Ridgeway Hall, Langport | 3 | | | | | D Haines | C Pestell |
| Grant for Stoke Sub Hamdon Recreational Ground | 36 | | | | | D Haines | M Woods |
| Sparkford Cricket Club | 3 | 3 | | | | D Haines | M Woods |
| South Petherton Cricket Club | 29 | 5 | | | | D Haines | M Woods |
| Renewal of Skate Park Provision in Area South | | 30 | 210 | 100 | | R Parr | T Cook |
| COMMUNITIES | | | | | | | |
| Service Manager - Tim Cook | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | |
| Reckleford Gyrotory (Eastern Gateway) Yeovil | 2 | | | | | T Cook | M Woods |
| Enhancements to Waterside Rd, Wincanton | 31 | | | | | T Cook | M Woods |
| Subtotal for Service Delivery | 5,549 | 5,475 | 1,978 | 113 | 0 | | |
| STRATEGY & COMMISSIONING | | | | | | | |
| Director - Netta Meadows | | | | | | | |
| STRATEGIC PLANNING | | | | | | | |
| Service Manager - Jan Gamon | | | | | | | |
| GOLDENSTONES | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | |
| Goldenstones 10 Yr Plan Changing Rm's Refurbishment | 36 | | | | | L Pincombe | N Meadows |
| Goldenstones Sports Centre - 10 Yr Maintenance Plan | | 310 | 105 | 25 | | L Pincombe | N Meadows |
| SPORT FACILITIES | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | |
| Wincanton Community Sports Centre 10 year plan | | 42 | | | | L Pincombe | J Gamon |
| Wincanton Sports Centre - 10 Year Maintenance Plan | | 306 | 125 | 45 | | L Pincombe | J Gamon |
| WESTLANDS SPORT FACILITIES | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | |
| Westlands Sports & Pavilion | 21 | | | | | T Cook | M Woods |
| PLANNING/SPATIAL POLICY | | | | | | | |
| Service manager: Jo Wilkins | | | | | | | |
| Portfolio Holder - Cllr Mike Best | | | | | | | |
| Lyde Road Pedestrian & Cycle Way, Yeovil | | 250 | | | | L Pincombe | J Gamon |
| Subtotal for Strategy & Commissioning | 57 | 908 | 230 | 70 | 0 | | |
| SUPPORT SERVICES | | | | | | | |
| Director - Netta Meadows | | | | | | | |
| SUPPORT SERVICES FUNCTIONS | | | | | | | |
| FINANCIAL SERVICES | | | | | | | |
| Lead Specialist - Nicola Hix | | | | | | | |
| Portfolio Holder - Cllr Peter Seib | | | | | | | |

| | | | | | | | |
|---|---------------|---------------|--------------|------------|----------|---------|-----------|
| Loan to Somerset Waste Partnership for Vehicles (2) | 4,125 | 875 | | | | N Hix | N Meadows |
| ICT SERVICES | | | | | | | |
| Lead Specialist - VACANT | | | | | | | |
| Portfolio Holder - Cllr Peter Seib | | | | | | | |
| E5 Upgrade | | 30 | | | | D Chubb | N Meadows |
| Mobile Devices for Council Members | 33 | | | | | D Chubb | N Meadows |
| Firewalls & Security | 25 | | | | | D Chubb | N Meadows |
| Subtotal for Support Services | 4,183 | 905 | 0 | 0 | 0 | | |
| Total Gross Capital Programme | 57,390 | 11,638 | 3,234 | 184 | 0 | | |

| RESERVE SCHEMES APPROVED IN PRINCIPLE | | | |
|---|----------|---------------|---------------|
| Wyndham Park Community Facilities | | 400 | |
| Market Towns Vision | | 345 | |
| Investment in Land, Property & Renewables | | 34,672 | 45,000 |
| Gas Control System - Birchfield | | 440 | |
| Affordable Housing - Unallocated | | 1,172 | |
| Affordable Housing - Rural Contingency Fund | | 500 | |
| Affordable Housing - Bought not built Allocation | | 201 | |
| Affordable Housing - Mortgage Rescue Contingency Fund | | 277 | |
| Investment in Market Housing | | 731 | 1,200 |
| Disabled Facilities Grant | | 821 | |
| ICT Replacement | | 187 | |
| Transformation | | 146 | |
| Contingency for Plant Failure | | 174 | |
| Home Farm, Somerton | | 298 | |
| Lufton 2000, Yeovil - All Phases | | 240 | |
| Gypsy & Traveller Acquisition Fund | | 133 | |
| Infrastructure & Park Homes Contingency | | 91 | |
| Total Reserve Schemes Approved in Principle | 0 | 40,828 | 46,200 |

| AREA RESERVE SCHEMES AWAITING ALLOCATION | | | |
|---|----------|------------|----------|
| North | | 119 | |
| South | | 262 | |
| East | | 57 | |
| West | | 115 | |
| Total | 0 | 553 | 0 |

| | | | |
|--|---------------|---------------|---------------|
| Capital Programme | 57,390 | 11,638 | 3,234 |
| Contingent Liabilities and Reserve Schemes | 0 | 41,381 | 46,200 |
| Total Programme to be Financed | 57,390 | 53,019 | 49,434 |

Summary of Recommended Schemes (with Interest)

APPENDIX E

| Bid No. | Scheme Name | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | Total £'000 |
|---------------------------------------|---|------------------|------------------|------------------|------------------|------------------|-----------------|
| SSDC Council Portfolio Schemes | | | | | | | |
| 2020-04 | Installation of Photovoltaic Panels on Ninesprings Cafe and John O'Donnell Pavilion | 30.00 | 20.00 | | | | 50.00 |
| 2020-05 | YIC Car Park Extension | 93.50 | | | | | 93.50 |
| 2020-06 | Brympton Way Building Improvement Works | 105.00 | | | | | 105.00 |
| 2020-07 | Land Drainage Maintenance Improvements | 25.00 | | | | | 25.00 |
| 2020-08 | District Wide CCTV Contribution to new system | 25.00 | | | | | 25.00 |
| 2020-09 | Birchfield Leachate Pumping Station | 45.00 | | | | | 45.00 |
| 2020-10 | Car Park Improvement Works | 310.00 | | | | | 310.00 |
| 2020-11 | Westlands Building Improvement Works | 800.00 | | | | | 800.00 |
| | | 1,433.50 | 20.00 | 0.00 | 0.00 | 0.00 | 1,453.50 |
| Other Schemes | | | | | | | |
| 2020-01 | Private Sector Housing Grants | 120.00 | | | | | 120.00 |
| 2020-02 | Renewal of Skate Park provision in Area South | 30.00 | 210.00 | 100.00 | | | 340.00 |
| 2020-03 | Works to Chard Reservoir Dam and Outlets | 18.34 | | | | | 18.34 |
| | | 168.34 | 210.00 | 100.00 | 0.00 | 0.00 | 478.34 |
| Non Scoring | | | | | | | |
| | Top up to Area Capital | 100.00 | | | | | 100.00 |
| Total of All New Capital Bids | | 1,701.84 | 230.00 | 100.00 | 0.00 | 0.00 | 2,031.84 |

| Lost interest at 2.0% 2020/21 £'000 | Lost interest at 2.0% 2021/22 £'000 | Lost interest at 2.0% 2022/23 £'000 | Lost interest at 2.0% 2023/24 £'000 | Lost interest at 2.0% 2024/25 £'000 | Total loss of interest at 2.0% £'000 |
|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| 0.60 | 0.40 | | | | 1.00 |
| 1.87 | | | | | 1.87 |
| 2.10 | | | | | 2.10 |
| 0.50 | | | | | 0.50 |
| 0.50 | | | | | 0.50 |
| 0.90 | | | | | 0.90 |
| 6.20 | | | | | 6.20 |
| 16.00 | 0.00 | 0.00 | 0.00 | 0.00 | 16.00 |
| 28.67 | 0.40 | 0.00 | 0.00 | 0.00 | 29.07 |
| 2.40 | | | | | 2.40 |
| 0.60 | 4.20 | 2.00 | | | 6.80 |
| 0.37 | | | | | 0.37 |
| 3.37 | 4.20 | 2.00 | 0.00 | 0.00 | 9.57 |
| 2.00 | | | | | 2.00 |
| 34.04 | 4.60 | 2.00 | 0.00 | 0.00 | 40.64 |

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South Somerset District Council

Request for Capital

Capital Request No: 2020-01

Capital Name: Private Sector Housing Grants

Date Created 26.11.2019
Document Version: 1.0
Author: Vicki Dawson

1 Purpose of Request

To seek funding of £120,000 to continue to provide Private Sector Housing Grants in 2020/21 across the district.

The provision of Private Sector Housing Grants has comprised part of the Council's capital programme for many years and this bid is made in order to continue to fund this vital work. If funding is agreed, £60,000 will go to expenditure on Home Repair Grants and £60,000 towards expenditure on Houses in Multiple Occupation (HMO) Grants. This is the same as the funding provided for 2019/20 for these two grant types. Last year we also requested £60,000 for expenditure on Empty Property Grants but due to capacity to carry out this work this year we are not requesting any more funding for this grant expenditure for 2020/21. Grants are provided under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

2 Objectives

The aims in providing grant assistance are to help ensure decent housing standards across South Somerset, and to improve poor housing conditions in order to improve the health of local residents. This aligns directly with one of the priorities of the Draft Somerset Strategic Housing Framework 2018 – 2022 which is to achieve:

- A healthy living environment with secure and decent homes that fosters independent living within strong communities

This work also strongly supports the Council Plan 2016–21 Area of Focus on Homes. In particular, the following activities identified under this area which are:

- Work with the private rented sector to improve the standard and availability of rented accommodation
- Tackle fuel poverty
- Enable people to live independently for as long as they are able

3 Constraints and Decisions

These grants have been provided for many years, and the infrastructure, resources and expertise to deliver them is in place. 2019-20 has continued to see significant demand in particular for HMO grants. Capacity in the team has meant empty property work has not been progressed as planned and so these grants have not been utilised but we expect this situation to be resolved in the coming year.

4 Interfaces

A change in legislation in Oct 2018 required increased numbers of HMO landlords to apply for a licence. Once a licence is granted, landlords must comply with the conditions of a licence. Officers are continuing to work with landlords to ensure properties are up to the requisite standard, and the ability to provide some grant aid has assisted this process. Further funding will ensure this support can continue and the standards of HMO's across the district will improve as a result.

When empty property grants are awarded the Council secures nomination rights for the property in order to house tenants from our waiting list in the refurbished homes. This supports work under the Homelessness Reduction Act which came into force earlier this year

5 Measures of Success

Success will be measured by the number of properties improved as result of grant funding, and the amount spent of the funding awarded. It is difficult to state the number of expected improved properties as the level of grant varies depending on works required, however based on maximum grant allowance if the grant allocation is all spent then 39 properties would be improved. In reality this figure will be higher as most grants awarded are not for the maximum amount. In 2018-19 the following numbers were improved as a result of grant aid: 18 HMOS, 27 repair, 8 empty property totalling 53

6 Anticipated Benefits

Providing funding for Private Sector Housing Grants has been successful in helping deliver the Councils housing priorities and supporting the regulatory work of the private sector housing team over many years.

- **Home Repair Grants - £60,000**

Home Repair Grants provide for essential wind and weatherproofing and home insulation which prevents properties falling into further disrepair and residents becoming ill as a result. The grants are means tested ensuring they are targeted at those in most financial need.

- **Houses in Multiple Occupation Grants (HMOs) - £60,000**

HMOs provide an essential and affordable form of housing, often to young and immigrant communities. It has traditionally been a tenure of housing that suffers poorer standards. HMO grants ensure basic safety and amenity standards are met. Any grant will only cover a proportion of the cost of any works required and thus act as an incentive to encourage landlords to bring properties in the sector up to a decent standard. It can be argued that as landlords are businessmen, they should pay all the costs of upgrading their HMOs themselves. However, in South Somerset we have always found that by providing small HMO grants landlords are encouraged to come forward and bring their properties up to standard. Offering these grants does not undermine the regulation of these properties and enforcement action will continue be taken wherever necessary.

7 Options Discounted

There is no other option to source funding for these grants. They are not mandatory, but have been provided for many years to deliver the priorities of the council and support the work of the Somerset Strategic Housing Partnership. Without grants many properties would remain below a decent homes standard. Regulation of the private rented sector would still continue, however, improvement of empty properties and owner occupied properties of vulnerable people would not be supported.

8 Key Information Summary

| | | |
|------------|----------------------------------|------------|
| 8.1 | Expected Duration Of Work | |
| | Start Date: | April 2020 |
| | Other Key Milestones with Dates: | |
| | Expected Completion Date: | March 2021 |
| | | |

| | | | | |
|----------------------------|--|--|-------------------------------|----------------------------------|
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Lead Specialist EH Specialist EH Case officer service delivery | Split between all the officers 2.0 FTE | Y Y Y | N/A N/A N/A |
| | Are there any impacts on property? | N/A | | |
| | Are there any impacts on IT systems? | N/A | | |
| | Are there any environmental impacts? | Many of the grant works will serve to improve energy efficiency and hence reduce energy usage. Where possible environmentally aware contractors will be used. | | |
| | Have you appropriately considered all Equality issues? | Poor quality accommodation particularly in relation to shared HMO properties can significantly impact on those from protected characteristic groups Improving substandard housing will improve conditions for all, but especially for the most vulnerable | | |
| 8.3 Risk Assessment | | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | The only real risk associated with this area of expenditure is that the building contractors fail to finish the work on time and the funding allocated is not spent as planned. This has been a problem in the past. | All schemes are closely monitored to try and ensure that this does not happen. | | |

9 Financial Investment

| | | | | | | |
|--|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 9.1 | Total Costs and Funding | | | | | |
| | | Funding Body | | | | £'000 |
| | SSDC Capital: - | District Executive | | | | 120 |
| | Other Sources: - - Grants | | | | | |
| | Total Capital Cost | | | | | 120 |
| 9.2 Breakdown of main areas of cost | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Home Repair Grants | 60 | | | | |
| | HMO Grant | 60 | | | | |
| | Totals | 120 | | | | |

| 9.3 | | External funds to be received | | | | | |
|-----|---|--|------------------|------------------|------------------|------------------|------------------|
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/A | | 0 | | | | |
| | Totals | | 0 | | | | |
| | | | | | | | |
| 9.4 | | Revenue Implications of Capital scheme | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2024/25 £'000 | |
| | Loss of interest @ 2.0% | FT922 | 2.4 | | | | |
| | (Savings in expenditure) | | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | | |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 2.4 | | | | |
| | Cumulative | | 2.4 | | | | |
| | | | | | | | |
| 9.5 | | Whole Life Costing | | | | | |
| | Estimated useful life of asset (years) | | | | | N/A | |
| | Total Revenue Costs Year 1 to 5 | | | | | N/A | |
| | Annual Revenue Cost after year 5 | | | | | N/A | |
| | Total cost over whole life of asset | | | | | N/A | |
| | | | | | | | |
| 9.6 | | VAT Implications | | | | | |
| | Based on the current information provided to us, the VAT is recoverable on this project as the future activity is non business. | | | | | | |
| | | | | | | | |



South Somerset District Council

Request for Capital

Capital Request No: 2020-02

Capital Name: Renewal of Skate Park provision in Area South

Date Created 18/11/2019
Document Version: 1.0
Author: Rob Parr

1 Purpose of Request

This scheme aims to secure funding to deliver a development plan, working in partnership with other organisations to renew skate park provision in Area South.

There are three skate parks managed by SSDC in Area South of which two are managed on behalf of Yeovil Town Council. The oldest skate park is almost 20 years old and all are in excess of 15 years old and are very close to the end of their serviceable life.

This capital bid aims to ensure skate/wheeled play facilities are retained in the current locations and potentially new facilities provided or identified as guided by stakeholder engagement.

2 Objectives

1. Secure External Funding.
2. Renew of up to three skate/wheeled play parks.
3. Identify potential new location for a destination skate park for the district and if desirable direct investment into this project and deliver the project as guided by stakeholder demand.
4. Contribute towards Council Plan Theme & Area of Focus – Healthy Self Reliant Communities: Enabling quality cultural, leisure and sport activities.
5. Deliver on Area South Chapter to: To support work towards the provision of new youth facilities including a concrete skate park or pump track in Yeovil.

3 Constraints and Decisions

This is a potentially large-scale project, covering multiple communities and stakeholders and will need the support of different service areas of SSDC, such as communications, strategy, environmental services who may have competing priorities.

4 Interfaces

None.

5 Measures of Success

Satisfaction survey of users once facilities delivered.

6 Anticipated Benefits

Concrete skate parks have a high initial cost but due to their simple but durable construction, the serviceable life of the parks should be more than double that of the steel ones they replace. In addition to this, it is anticipated there is significantly less ongoing maintenance of concrete over steel, as they do not require ongoing painting or welding.

The principle benefit will be from the increased quality of concrete skate parks, which should increase the use of the parks and make the customers experience safer and more enjoyable.

7 Options Discounted

Replacing steel with steel is an option but is quickly discounted due to the inherent failings of this material for the intended purpose.

The existing ramps could be removed all together, but this is contrary to Area Chapter, would cause customer dissatisfaction and could result in wheeled play in unsuitable locations such as Town Centre or Car Parks.

8 Key Information Summary

| | | | | |
|------------|---|--|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | January 2020 | | |
| | Other Key Milestones with Dates: | Issues & Options Assessment – End of March 2020 Issues & Options Consultation End May 2020 Procurement of Design/Build Partner – End July 2020 Detailed Site Designs Produced – End Sept 2020 Detailed Site Design Stakeholder Consultation – End Dec 2020 Construction – End June 2022 | | |
| | Expected Completion Date: | July 2022 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Locality Officer | 2,000 | Yes | Yes |
| | Case Officer | 100 | | |
| | Communications Officer | 20 | | |
| | Strategy Officer | 30 | | |
| | Planning Officer | 2 | | |
| | Environmental Services Officer | 20 | | |
| | Procurement Officer | 10 | | |
| | Land & Property Officer | 10 | | |
| | Are there any impacts on property? | Yes this project will change property by renewing existing sites and potentially adding a new skate park. | | |
| | Are there any impacts on IT systems? | No. | | |

| | |
|---|---|
| Are there any environmental impacts? | Concrete is not an environmentally friendly material due to the amount of energy it takes to create. However, the long life of these skate parks and reduction in the need for customers to travel to others locations will help to offset this. Landscaping around the skate parks can also be used to help offset the carbon footprint. |
| Have you appropriately considered all Equality issues? | This will be carried out as part of the project consultation/development. |

| | | |
|------------|---|---|
| 8.3 | Risk Assessment | |
| | Risk | Steps taken to mitigate Risk |
| | Not supporting this refurbishment and development plan is likely to result in existing youth facilities being removed and not being replaced. | Continue to financially support youth facility provision in South Somerset. |
| | Project budgets are overspent. | Continue to advocate fixed price contracts to ensure projects are completed without significant overspends. |
| | Budgets become insufficient to fulfil requirements. | During stakeholder consultation, the project budgets will be made know as part of the process of managing customer expectations. |
| | Quality of facilities is sub-standard. | A design brief must be created for each project and this will include the requirement for the skate parks to meet the standard EN14974. |
| | Local resistance to change. | Proposals will be developed through stakeholder consultation and this will aim to address any local concerns and ensure people have the opportunity to constructively input into the final plans. |

9 Financial Investment

| | | | |
|------------|--------------------------------|------------------------------------|---------------|
| 9.1 | Total Costs and Funding | | |
| | | Funding Body | £' 000 |
| | SSDC Capital: - | District Executive Area Committees | £340 |
| | Other Sources: - - Grants | | £50 |
| | Total Capital Cost | | 390 |

| 9.2 Breakdown of main areas of cost | | | | | | | |
|--|--|-----------------|------------------|------------------|------------------|------------------|------------------|
| | | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Professional Fees Construction | | 30 | 210 | 100 | | |
| | Totals | | 30 | 210 | 100 | | |
| 9.3 External funds to be received | | | | | | | |
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Yeovil Town Council / Brympton Parish Council / Sports England / Viridor | N | | 25 | 25 | | |
| | Totals | | | 25 | 25 | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | FT922 | 0.6 | 4.2 | 2 | | |
| | (Savings in expenditure) | | | | | | |
| | Revenue Costs by Individual Budget: (List) | GL510 | | | 2 | 2 | 2 |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 0.6 | 4.2 | 4 | 2 | 2 |
| | Cumulative | | 0.6 | 4.8 | 8.8 | 10.8 | 12.8 |
| 9.5 Whole Life Costing | | | | | | | |
| | Estimated useful life of asset (years) | | 40 years | | | | |
| | Total Revenue Costs Year 1 to 5 | | 12.8 | | | | |
| | Annual Revenue Cost after year 5 | | 2 | | | | |
| | Total cost over whole life of asset | | 82.8 | | | | |
| 9.6 VAT Implications | | | | | | | |
| | Based on the current information provided to us there are no VAT implications | | | | | | |



South Somerset District Council Request for Capital

Capital Request No: 2020-03

Capital Name: Works to Chard Reservoir Dam and Outlets

Date Created 24/10/2019
Document Version: 1.0
Author: Rachael Whaites

1 Purpose of Request

A request for £18,340 to fund capital repairs and improvement works to the dam, outlets and reservoir mechanisms at Chard Reservoir.

Following a ten-year Inspection Report of Chard Reservoir in February 2018 (as required under Section 10 of the Reservoirs Act 1975) a number of mandatory works to the physical structure of the dam were identified. Following discussions between the site ranger and the supervising engineer it is apparent that further investigations & resulting work are required to the sluice mechanism and wider dam wall to ensure the dam is maintained in a good working order for the future.

2 Objectives

To complete mandatory improvement works to comply with the Reservoirs Act 1975. The works will ensure that the dam is maintained to a satisfactory level to ensure the integrity of the dam for the future to prevent damage to the highway (Chaffcombe Lane) and flooding of downstream properties and land. Integrity of the dam will also ensure that the Chard Reservoir Local Nature Reserve will remain as such for the benefit of the community for leisure & recreation purposes and as a vital habitat for wildlife.

3 Constraints and Decisions

The work required to the dam at Chard Reservoir is a legal requirement from SSDC as Reservoir owners under section 12(2) and 12(2A) of the Reservoirs Act 1975.

All works will be carried out by specialist contractors under the close supervision of the supervising engineer (Stillwater Associates), who has carried out the annual inspections at the reservoir for several years. Officer time will be spent securing quotes to comply with financial regulations and liaising with contractors to check suitability & experience for the job. During works Ranger time will be spent risk assessing and handling health and safety.

4 Interfaces

Advising Property Services of works before and upon completion.

5 Measures of Success

A report from the supervising engineer will deem the work completed to a satisfactory standard and recorded as complete.

6 Anticipated Benefits

This is a mandatory legal requirement and will ensure SSDC have fulfilled all of the legal obligations as undertakers of the Reservoir.

7 Options Discounted

Not completing the work.

8 Key Information Summary

| | | |
|------------|----------------------------------|----------------|
| 8.1 | Expected Duration Of Work | |
| | Start Date: | September 2020 |
| | Other Key Milestones with Dates: | |
| | Expected Completion Date: | March 2021 |

| | | | | |
|--|---|--|-------------------------------|----------------------------------|
| Work to sluice to be completed during low water level when the water in the reservoir is lowered in September to increase winter storm capacity. | | | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Countryside Manager | 8 | Y | Y |
| | Countryside Ranger (Chard Reservoir) | 16 | Y | Y |
| | Are there any impacts on property? | Chard Reservoir is land (and structures) owned by SSSDC. Property Services will be made aware of the works and are able to comment on plans before commencement. | | |
| | Are there any impacts on IT systems? | N/A | | |
| | Are there any environmental impacts? | <p>Use of concrete and steel; carbon emissions from creation of products.</p> <p>Possible contamination of the water course with products being used. Contractors will be made aware of contamination risks and we would expect to see these mitigated against in the contractor's risk assessment.</p> <p>A small amount of air pollution in drilling and removal of existing concrete lid. Minimal drilling will be undertaken to reduce these impacts. Contractor's will be expected to complete an EIA.</p> <p>Disposal of old concrete lid.</p> | | |
| | Have you appropriately considered all Equality issues? | N/A | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | Rising costs due to poor state of repair of hatch on sluice mechanism. Cannot currently be defined until further investigation works have been carried out as part of this bid. | Work closely with site ranger, inspecting engineer and contractor to install something that is fit for purpose and within budget. | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | | | | | | |
|---|--|------------------|------------------|--------------------|------------------|------------------|------------------|
| | | | | Funding Body | | £' 000 | |
| SSDC Capital: - | | | | District Executive | | 18.34 | |
| Total Capital Cost | | | | | | 18.34 | |
| 9.2 Breakdown of main areas of cost | | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | |
| Telescopic investigation of sluice mechanism | | 3 | | | | | |
| Sluice cover replacement works | | 3.5 | | | | | |
| Diving inspection of sluice upstream | | 2.5 | | | | | |
| Inspection of sluice downstream | | 1.5 | | | | | |
| Work to make good summer overflow culvert | | 3.575 | | | | | |
| Remove redundant metal sluice | | 0.265 | | | | | |
| Path access materials | | 1 | | | | | |
| Supervising engineer to oversee works and sign off satisfactory completion of works | | 3 | | | | | |
| Totals | | 18.34 | | | | | |
| 9.3 External funds to be received | | | | | | | |
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| N/A | | | | | | | |
| Totals | | | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| Loss of interest @ 2.0% | | FT922 | 0.37 | | | | |
| (Savings in expenditure) | | | | | | | |
| Revenue Costs by Individual Budget: (List) | | | | | | | |
| Revenue Income | | | | | | | |
| Total Revenue Expenditure / (Net saving) | | | 0.37 | | | | |
| Cumulative | | | 0.37 | | | | |

| | | |
|------------|---|----|
| 9.5 | Whole Life Costing | |
| | Estimated useful life of asset (years) | 25 |
| | Total Revenue Costs Year 1 to 5 | |
| | Annual Revenue Cost after year 5 | |
| | Total cost over whole life of asset | |
| 9.6 | VAT Implications | |
| | Based on the current information provided to us there are no VAT implications | |
| | | |



South Somerset District Council

Request for Capital

Capital Request No: 2020-04

Capital Name: Installation of Photo Voltaic Panels on
Ninesprings and John O Donnell Pavilion
buildings

Date Created 24/10/2019
Document Version: 1.1
Author: Katy Menday

1 Purpose of Request

Request for capital funding to enable the installation of photovoltaic (PV) panels on the roof of the Ninesprings Café in Yeovil and also the John O'Donnell (JoD) Pavilion Building at Yeovil Recreation Centre. To support the completion of an energy efficiency audit (internally completed) at Yeovil Recreation Centre to fund either battery storage or LED floodlight bulbs depending on the recommendations of the audit.

2 Objectives

To improve efficiency and reduce the carbon footprint of both facilities and buildings by use of green, solar energy and associated technologies.

To make financial savings. It makes commercial sense to install PV at both locations as they are heavy users of electricity. Ninesprings is a café and the refrigeration, freezers and bar equipment all use power seven days a week. At the JoD Pavilion the scale of the building combined with the changing rooms and showers make for high energy use figures. It is however the two sets of floodlights for the athletics arena and Artificial Grass Pitch (AGP) that are the most significant users of energy on the site. It is proposed that part of this project includes production of an energy efficiency assessment for Yeovil Recreation Centre to inform the delivery of either a small battery storage plant on site to store the daytime energy generation for use in the evenings by the floodlights or replacement of the high energy floodlight bulbs with LED bulbs (which on average realises a 70% reduction in energy use).

To have buildings acting as demonstrator models in the use of green energy – both locations are at heavily used public open spaces and can have generation metres on display in the accessible café spaces.

To deliver against the Environment theme of both the Council Plan and the Environment Strategy under reducing our reliance on fossil fuels by switching to renewable sources of energy.

3 Constraints and Decisions

The pavilion and floodlights at the John O'Donnell pavilion are high users of electricity and so a PV array makes sense. Both roofs are suitable for the installation of PV and both locations have building projects anticipated for 2020; a café extension to Ninesprings and internal building works at the JoD pavilion, so it makes sense to carry out installation at the same time to reduce disruption to public services from the sites.

A Power Purchase Agreement (PPA) was considered but for the following reasons ruled out:

- A PPA will only be for energy generated by the PV panels, so there may not be significant savings on electricity costs. Energy used over and above the PV output (at our high use sites) would continue to be drawn from the grid at the existing standard rate.

- If SSDC own the panels, there is the upfront purchase and installation cost, but the electricity is free. If there is export back to the grid, then SSDC would gain the financial benefit of that. If we entered a PPA we would still pay for energy at the PPA price, and then you still pay at the standard energy price for whatever is used over and above what the panels are generating. All export back to the grid would benefit the PPA and not SSDC.

If PV were supported and installed, we propose also running an energy efficiency audit to inform whether a small battery storage facility (at the JoD pavilion building) or replacing the lightbulbs in the floodlights with LED bulbs is most appropriate. The usage profile for Yeovil Recreation Centre shows lower energy use through the daytime (when solar energy is generated) and increased use in the evenings when the floodlights are in use. Having some kind of battery storage in addition to the PV would potentially further offset the grid energy consumption and reduce carbon emissions. LED bulbs on average reduce energy use by 70%. A review of energy use, with a view to installing battery storage or LED bulbs, would further improve efficiency at the site.

4 Interfaces

Installation of solar PV would be preferable at both sites in line with the existing building enhancement programmes; summer 2020 for JoD pavilion and winter 2020/21 for Ninesprings.

This project would be one of a number of carbon reduction and offsetting projects coming forward from across the authority on a case by case basis as part of the Environment Strategy delivery plan.

5 Measures of Success

Solar panels (owned by SSDC) are installed on both roofs by September 2020 (JoD) and March 2021 (Ninesprings).

Grid electricity usage and therefore expenditure decreases at both locations.

Carbon footprint for both locations and SSDC as a whole is decreased.

An energy efficiency audit is completed for Yeovil Recreation Centre considering on-site battery storage vs LED light bulbs on the floodlights is completed. The preferred option is implemented at Yeovil Recreation Centre. Further cost and carbon savings are realised.

6 Anticipated Benefits

Use of grid electricity and emission of carbon dioxide from that electricity usage will be reduced.

Financial savings will be made.

The last full year of usage is shown below for both locations:

| Location | Annual electricity costs 2018/2019 |
|---|---------------------------------------|
| Ninesprings | £5,115 |
| JoD Pavilion (includes floodlights for Arena and AGP) | £14,320 |

| Location | kWh 2018/2019 |
|--------------|---|
| Ninesprings | 43,615 |
| JoD Pavilion | 44,601 Pavilion building 659 Announcer's hut 10,596 Floodlights 2,119 Grounds store 57,975 TOTAL |

Anticipated benefits:

| Location | System size (kW) | Estimated annual output (kWh) | Installation Cost | Average annual savings on bills | Payback (years) |
|---|------------------|-------------------------------|-------------------|---------------------------------|----------------------|
| Ninesprings; east & west aspects | 8 | 6,400 | £10K | £1,069 | 9.5 years |
| JoD Pavilion South, east & west aspects | 22 | 19,000 | £30K | £3,133 | Average of 8.5 years |

| Location | Estimated annual carbon saving (tonnes) | Saving as % of SSDCs overall carbon footprint (1634 tonnes) |
|--------------|---|---|
| Ninesprings | 1.81 | 0.11 |
| JoD Pavilion | 5.38 | 0.32 |

7 Options Discounted

A Power Purchase Agreement – the carbon & financial benefits for SSDC would not be realised.

Not making any changes- the level of use at the locations requires us to make changes to ensure the Councils 2030 carbon neutral target is achieved.

8 Key Information Summary

| | | | | |
|------------|---|---|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | May 2020 | | |
| | Other Key Milestones with Dates: | JoD installation complete – September 2020 | | |
| | Expected Completion Date: | Ninesprings installation by March 2021 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Leisure and Recreation Manager | 10 | Yes | Yes |
| | Specialist- Architecture and Projects. | 25 | Yes | Yes |
| | Are there any impacts on property? | Specialist Architecture and Project's has been consulted throughout development of the bid and will link PV tender timescales to build tenders if capital bid successful. | | |
| | Are there any impacts on IT systems? | No | | |
| | Are there any environmental impacts? | Yes – positive impact on carbon footprint for the site and SSDC overall. | | |
| | Have you appropriately considered all Equality issues? | N/A | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | Supply and installation company must be of good reputation. | Background checks on company before appointment. Cleared by Procurement Specialist.. | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | | | | | | |
|--|---|---|------------------|------------------|------------------|------------------|------------------|
| | | Funding Body | | | | £' 000 | |
| | SSDC Capital: - | District Executive | | | | 34 | |
| | | Existing PV Capital agreed for Yeovil Innovation Centre, to be transferred to JoD project | | | | 16 | |
| | Total Capital Cost | | | | | 50 | |
| 9.2 Breakdown of main areas of cost | | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | |
| | Solar PV John O'Donnell Pavilion, Yeovil Recreation Centre. Battery storage or LED bulbs Solar PV Ninesprings Centre | 30 | 10 10 | | | | |
| | Totals | 30 | 20 | | | | |
| 9.3 External funds to be received | | | | | | | |
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/A | | | | | | |
| | Totals | | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | FT922 | 0.6 | 0.4 | | | |
| | (Savings in expenditure) | | | (4.2) | (4.2) | (4.2) | (4.2) |
| | Revenue Costs by Individual Budget: (List) | | | | | | |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 0.6 | (3.8) | (4.2) | (4.2) | (4.2) |
| | Cumulative | | 0.6 | (3.2) | (7.4) | (11.6) | (15.8) |
| 9.5 Whole Life Costing | | | | | | | |
| | Estimated useful life of asset (years) | 30 years | | | | | |
| | Total Revenue Costs Year 1 to 5 | 0 | | | | | |
| | Annual Revenue Cost after year 5 | Estimated one off £7.5K cost between year 20 – 30 to replace inverters at both locations. | | | | | |
| | Total cost over whole life of asset | £57.5K | | | | | |

| | |
|------------|---|
| | |
| 9.6 | VAT Implications |
| | Based on the current information provided to us there are no VAT implications |
| | |



South Somerset District Council Request for Capital



Capital Request No: 2020-05

Capital Name: YIC Car Park Extension

Date Created 11/11/2019
Document Version: 1.0
Author: James Divall

1 Purpose of Request

The Yeovil Innovation Centre (YIC) has been designed to act as the centre for growth orientated and sustainable knowledge based businesses within South Somerset. The project will enhance the SME business base of Yeovil and the surrounding area, in particular for innovation and incubation businesses, reducing the dependence on the declining employment potential of large businesses operating in the locality, whilst consolidating the role of Yeovil as the number two centre for aerospace in the region, as well as diversifying the local economy.

The Centre acts as a source of aspiration and inspiration for the local business community and is a self-sustaining hub for business to business networking and collaboration, as well as enterprise and innovation support. Yeovil Innovation Centre 2 will be an extension to the existing YIC building. This will effectively be a new wing of the building, approximately 955sq.m of floor space that will divide into variously sized flexible starter units. The building will be a two storey extension on an approximate 478.5 sq. footprint and will add around 70% of extra start up space at YIC.

The Vision and purpose of the Innovation Centre is to provide a flexible business location in a supported environment (*front of house services, affordable business space with the potential for additional services such as IT and Business support*) for entrepreneurial and innovative companies to be supported and helping them to grow.

Whilst there is some longer term anchor tenancy accommodation, to provide revenue support towards the running of the Centre, the primary objective is to support other types of business. Engineering, research & development, design, media & communication businesses are examples of businesses that meet the expectations of the Centre. In addition, fledgling businesses that are either starting up or are in the early stages of their existence are also encouraged. The first examples are considered innovative, the second incubative – both are welcome at the YIC.

Over 2019 the YIC has seen real growth in both room tenancy and one off meeting / event usage. This has had the knock on effect of increased footfall and the demand for car parking for the centre.

The project involves the build of a 42 space permanent car park facility (see appendix 1) along with a new lockable cycle store and a painted access route for pedestrian to access the centre safely from the main entrance.

The car park will be built over the current overspill hard-core area highlighted in the photos in appendix 2. This hard-core space was created as a service yard for the build of YIC2. It is now used heavily due to the need for additional car parking but is deaerating quickly due to the high traffic use.

The new developed car park will enable the centre to have the much needed extended car parking spaces required to meet both current and future demand as well as encourage the use of green travel through walking to work and cycling. We will also aim to work with the District-wide Electrical Vehicle Charger programme to make sure that new charger points are established and added to the YIC car park provision.

2 Objectives

The key objectives of this project are:

- To provide a 'fit for purpose', modern, safe and accessible parking facility for both the tenants and visitors of the Yeovil Innovation Centre (42 spaces – see attached map in appendix 1)
- To provide safe and modern facilities to enable 'green travel' to work encouraging physical activity (new pedestrian footpath and car parks integration with new lockable bike parks and the future initiative of EV charging units).
- To reduce risk of current use of hard-core overflow car park in terms of damage to vehicles and to personal injury.
- To improve the other all image of the Yeovil Innovation Centre as a modern, environmentally friendly, exciting place to work and visit.

The project aims to meet the following objectives within the 2016 – 21 corporate plan:

High quality cost effective services:

- Seek business opportunities for the Council
- Work with partners to achieve economies, resilience and influence

Economy

- Work with businesses and use our assets to grow our economy
- Lobby for and support infrastructure improvements to enable growth

Environment

- Keep streets and neighbourhoods clean and attractive.

Health and communities

- Work with partners to tackle health issues such as diabetes and hypertension (*through the promotion of walk to work and cycling*)

Additional the project will improve facilities, increase capacity and aid to the overall appeal of the Innovation Centre. This will aid for management team to meeting the Partnership Board Business Plan objectives listed in appendix 2.

3 Constraints and Decisions

Officer time: South Somerset District Council has limited officers in our property services team who can project manage and deliver this project. His time is well used and needs to be programmed in. Depending on timescales of grant acceptance, time for the officer can be booked and programmed in to make sure that this project is completed as soon as possible.

Financial (operating budget): increased business rates: The 42 spaces will create additional business rate chargers for the operating budget. This is well done to the management and recharges to tenants will be included in future fees and charges. Additionally, managers are investigating options of renting certain spaces to tenants for additional income generation (offsetting the business rates increase).

4 Interfaces

Not applicable.

5 Measures of Success

- The construction of the new car park and green travel facilities / infrastructure. This includes – the 42 space car park, cycle storage and new pedestrian access route.
- Increased usage of the centre (tenants and visitors) from 2019 data

6 Anticipated Benefits

The project will bring a number of anticipated benefits to both the District Council owned facility and the tenants / visitor who use it. These include:

Improved quality and safety of our facilities:

- New accessible, safe passage for pedestrians to walk from the road side access to the main front doors (improving health and safety in the car park)
- Improve safety and efficiency of overflow car park space from an existing hard-core space to a new modern, fit for purpose car park facility with 42 spaces.
- Improve image and attractiveness of grounds out the front of the Innovation Centre (improving first impressions)
- Supporting the wider facility development plan for the Centre which includes linking the new car park with 'green travel' facilities including new bike lockable parking units, pedestrian walk way and electrical vehicle charging points.

Increased capacity:

- Establish 42 new parking bays and 8 new lockable bike storage units.
- Additional car park will support new events programme increasing the number of people using the centre during the day (currently would struggling to accommodate visitors and tenants)

Impact on carbon management programme:

- Will include solar PV panels to generate renewable electricity (grant already received)
- Will include new 'green travel' to work facilities to encourage cycling and walking to work.
- Installation of EV chargers to encourage uptake and usage of electrical vehicles. We will also investigate the option of an electrical bike park.

Meeting the desired needs of our customers:

- Tenants have made comments about the need for additional car parking especially with the increased usage with GP strategies moving into the top floor of the YIC2.

Anticipated knock on benefits of improving the facilities for the YIC:

- Greater access to Economic Development support for small businesses through new events programmes and drop in presentations/ networking events and entrepreneur programme.
- Greater satisfaction and feedback from centre tenants and visitors (retaining current and obtaining returning business)
- Attracting new users to the centre

7 Options Discounted

Option 1 – Do Nothing

This option would not solve the problems with the state of the current hard-core area, its appearance and usage from the tenants/ visitors as an overspill car park. It could also result

in SSDC having to support funding in the future to make the space safe when it deteriorates further. The current spaces looks untidy and could deter future tenants joining the facility.

Option 2 – Refurbish / Make good current over spill hard-core car park

The existing facilities are in such poor repair that extensive refurbishment is required to bring the parking facility up to standard. An investment as such is only worthwhile if the facilities that are being providing serve the needs of the tenants and centre visitors and are worth the expenditure. At present the facilities fails in terms of: facility standards, safety, capacity and sustainability. Through refurbishment and extension, some of these issues can be tackled, however the end result would be not fit for purpose, provide longevity and sustainability causing potential on-going repair costs to the facility and potential damage to the client's/ visitor vehicles.

Option 3 – Build a new car park facility

This is the preferred option: The new car park would be an extension to the current car park, while making safe and future proofing the overspill area enabling additional parking for the growing usage at the Innovation Centre. Not only would the project grow the provision by 41 spaces but also encourage additional ways of travelling to and from the centre. The introduction of modern, secure bike storage, EV plug in points and a new pedestrian crossing will help to do this.

This option would improve the facilities at the YIC and allow sustainability principles to be incorporated into the whole facility and operations.

8 Key Information Summary

| | | | | |
|------------|---|--|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | May 2020 | | |
| | Other Key Milestones with Dates: | N/a | | |
| | Expected Completion Date: | July 2020 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Specialist - Architecture and Projects | 30hrs | Yes | Yes Via email |
| | Are there any impacts on property? | The project delivery and management can be resourced from the Property Services Team (Specialist – Architecture & projects) and confirmed in an email | | |
| | Are there any impacts on IT systems? | N/A | | |

| | | |
|--|--|--|
| | <p>Competency to deliver project & no increased usage for the build.</p> | <p>Limiting risk to the long term investment in the facility & any concerns of the future of the organisation running it will include analysis of the following documentations.</p> <ul style="list-style-type: none"> - Governance & Partnership Board Business Plan - Operational planning (Commercial Services & Income Generation) - Future development plans (SSDC) <p>The YIC has an established governance and evidence of strong operating experience, a sound business and operational plan as well as development plans for capacity building and growth of usage are all prior to releasing funds. Local consultation with tenants and increased capacity at the YIC has shown a demand for improved facilities.</p> <p>Reputational risk to SSDC is also a factor, if the project does not succeed.</p> |
|--|--|--|

9 Financial Investment

| | | | | | | | |
|------------|---|---------------------|------------------|------------------|------------------|------------------|------------------|
| 9.1 | Total Costs and Funding | | | | | | |
| | | Funding Body | | | £' 000 | | |
| | SSDC Capital: - | District Executive | | | 93.5 | | |
| | Total Capital Cost | | | | 93.5 | | |
| 9.2 | Breakdown of main areas of cost | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | |
| | Construction of YIC car park extension | 90 | | | | | |
| | New footpath/line markings at entrance (safe pedestrian access) | 3.5 | | | | | |
| | Totals | 93.5 | | | | | |
| 9.3 | External funds to be received | | | | | | |
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/a | | | | | | |
| | Totals | | | | | | |

| 9.4 Revenue Implications of Capital scheme | | | | | | | |
|--|--|-------------|------------------|------------------|------------------|------------------|------------------|
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | FT922 | 1.87 | | | | |
| | (Savings in expenditure) | | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | | |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 1.87 | | | | |
| | Cumulative | | 1.87 | | | | |
| 9.5 Whole Life Costing | | | | | | | |
| | Estimated useful life of asset (years) | | | 50 | | | |
| | Total Revenue Costs Year 1 to 5 | | | £500 | | | |
| | Annual Revenue Cost after year 5 | | | £500 | | | |
| | Total cost over whole life of asset | | | £23,000 | | | |
| 9.6 VAT Implications | | | | | | | |
| | <p>What are the VAT implications of the scheme? Based on the current information provided to us, the VAT is recoverable on this project. As any future income for the letting of car park spaces would be standard rated.</p> <p>Is this a VAT exempt activity? No</p> | | | | | | |

Appendix 1: YIC Parking Scheme Plan

- Attached additional document

Appendix 2: Business Plan Objectives

The overarching objectives of the project are to:

- Increase the number of business start-ups in South Somerset.
- Improve the survival and growth rates of knowledge based business in the county, through access to high-quality business support.
- To create a regenerative effect locally, increase high value employment opportunities and help diversify the local economy.
- To develop a wider network of entrepreneurs in the area and promote collaboration and business development.
- To facilitate the provision of essential business skills and industry awareness among entrepreneur clients.

The key outcomes of the project will be to:

- Attract new and additional knowledge based businesses.
- Enhance the survival and growth prospects of these businesses through the provision of high quality business support and mentoring.
- Create a wide network of businesses, promoting business collaboration amongst knowledge based businesses.
- Widen employment opportunities in Yeovil and for further afield.
- Increase research and development and collaboration with the knowledge base for the target sectors.
- Strengthen the role of Yeovil in the South West's focus on aerospace and advanced engineering.
- Become self-supporting financially and thereby minimise the future demands on public sector funding.
- It will also have a regenerative effect on surrounding area through physical refurbishment of a prominent building.
- It will provide affordable business accommodation for knowledge based businesses, thus meeting an identified need.

Appendix A – YIC Parking Scheme Plan

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South Somerset District Council Request for Capital

Capital Request No: 2020-06

Capital Name: Brympton Way Building Improvement Works

Date Created 20/11/2019
Document Version: 1.0
Author: Robert Orrett

1. Purpose of Request

(a) Boiler Replacement

Heating for Brympton Way is provided via two gas fired boilers, located in a plant room at second floor level. The boilers are original to the building (over 30 years old). One of the two boilers has developed a serious leak and has been switched off and isolated. This leaves us in a vulnerable position. If there were to be a problem with the other boiler, the building would be unheated and not usable during the heating season.

Options range from attempting to remove cracked boiler sections and individually replace, through direct replacement of the whole boiler to re-design and modernisation of the total heating installation. The costs for replacing sections are around two thirds of a direct boiler replacement. Re-design and modernisation of the total heating installation involves very major expenditure and extended lead times. The favoured option therefore is to proceed with direct replacement of the whole defective boiler.

There is a 'Contingency for Plant Failure' reserve of £199k in the Capital Reserve schemes approved in principle. Therefore, the request is to utilise £25k from this reserve to replace the boiler.

(b) Fire Alarm

The main alarm system for Brympton Way is a dated installation which is no longer supported by the manufacturer. The working life of the system has been extended by use of second-hand spares but this will not allow much further operational use. Cost of parts is increased by needing to source them in this way. Replacement will also update the system to current standards for electronic addressable panels. This is an essential part of managing the building safely.

There is £59k from a previous capital bid still in the approved capital programme, which requires a £21k top-up to achieve the forecast £80k cost.

2. Objectives

The project objectives link to the Council Plan 2016-21 as follows:

Protecting Core Services:

Provide high quality cost effective services and transform customer services through technology.

Commercial management – required to meet our commitment to tenants at the property.

3. Constraints and Decisions

- (a) Failure of the second boiler would leave the building unheated and not capable of occupation during the heating season. This would fundamentally disrupt SSDC business and place SSDC in breach of its obligations as landlord.
- (b) The fire panel is critical to management of the building and the safety of all occupiers and users.

a. None

4. Interfaces

N/A

5. Measures of Success

No lost days of building use. Costs of property management.

6. Anticipated Benefits

- (a) Continued uninterrupted occupation of Brympton Way. Reduced vulnerability to failure of second boiler
- (b) Continued uninterrupted occupation of Brympton Way. Demonstrable safety of building occupiers and visitors.

7. Options Discounted

No action; total upgrade of heating system.

8. Key Information Summary

| | | | | |
|------------|---|--|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | April 2020 | | |
| | Other Key Milestones with Dates: | | | |
| | Expected Completion Date: | March 2021 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Specialist – Asset Management Case Officer | 30 20 | Y Y | Y Y |
| | Are there any impacts on property? | No operational disruption expected due to weekend working. | | |
| | Are there any impacts on IT systems? | No. | | |
| | Are there any environmental impacts? | Marginal improvement in energy efficiency. | | |
| | Have you appropriately considered all Equality issues? | Yes and there are none. | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | There are no outside partners other than contractors and the usual procurement risks would apply. | Ensure a specialist and established supplier is procured with experienced officers carrying out design and feasibility checks. | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | | | | | | |
|--|---|--------------------|------------------|------------------|------------------|------------------|------------------|
| | | Funding Body | | £' 000 | | | |
| | SSDC Capital: - | District Executive | | 21 | | | |
| | Other Sources: - | District Executive | | 25 | | | |
| | 'Contingency for Plant Failure' Capital Reserve | District Executive | | 59 | | | |
| | Previous capital bid for Fire & Intruder Alarm Upgrades | District Executive | | 59 | | | |
| | Total Capital Cost | | | 105 | | | |
| 9.2 Breakdown of main areas of cost | | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | |
| | Boiler replacement | 25 | | | | | |
| | Fire Alarm | 80 | | | | | |
| | Totals | 105 | | | | | |
| 9.3 External funds to be received | | | | | | | |
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | <i>Not Applicable</i> | | | | | | |
| | Totals | | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | FT922 | 2.1 | | | | |
| | (Savings in expenditure) | | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | | |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 2.1 | | | | |
| | Cumulative | | 2.1 | | | | |

| | | |
|-------------------------|---|----------|
| 9.5 | Whole Life Costing | |
| | Estimated useful life of asset (years) | 20 years |
| | Total Revenue Costs Year 1 to 5 | No extra |
| | Annual Revenue Cost after year 5 | No extra |
| | Total cost over whole life of asset | |
| 9.6 | | |
| VAT Implications | | |
| | Based on the current information provided to us there are no VAT implications | |
| | | |



South Somerset District Council

Request for Capital

Capital Request No: 2020-07

Capital Name: Land Drainage Maintenance Improvements

Date Created 20/11/2019
Document Version: 1.0
Author: Ian Case

1 Purpose of Request

To carry out improvements to the land drainage infrastructure that we maintain. This is to improve the safety of the maintenance crews where often the access is down steep banks or restricted.

2. Objectives

The project objectives link to the Council Plan as follows:

High Quality Cost Effective Services:

Actively manage assets and resources to ensure the best financial or community return.

Environment:

Continue to address the impact of flooding

Health, Self-reliant Communities:

Help keep our communities safe (from flooding).

3. Constraints and Decisions

None.

4 Interfaces

None.

5 Measures of Success

Continued effective maintenance of the land drainage infrastructure that we maintain across the district.

6 Anticipated Benefits

The maintenance crews will be able to operate more efficiently and more importantly safer. On some sites time will be saved due to not having to set up temporary access arrangements.

7 Options Discounted

There are no other options to be considered.

8 Key Information Summary

| | | |
|------------|----------------------------------|--------------|
| 8.1 | Expected Duration Of Work | |
| | Start Date: | May 2020 |
| | Other Key Milestones with Dates: | N/A |
| | Expected Completion Date: | October 2020 |

| 8.2 Estimate of Officer Time Required: - | | | | |
|---|--|------------------------|---------------------------|--|
| Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N | |
| Specialist – Asset Management | 30 | Y | Y | |
| Streetscene: Operations Manager | 15 | Y | Y | |
| Team Leader | 15 | Y | Y | |
| Operational Section Lead | 25 | Y | Y | |
| Are there any impacts on property? | None as internal | | | |
| Are there any impacts on IT systems? | None. | | | |
| Are there any environmental impacts? | Yes, there is a risk of flooding if we do not maintain the land drainage infrastructure. | | | |
| Have you appropriately considered all Equality issues? | Yes and there are none. | | | |
| 8.3 Risk Assessment | | | | |
| Risk | Steps taken to mitigate Risk | | | |
| There are no outside partners other than contractors and the usual procurement risks would apply. | Good planning and procurement methods. | | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | | | | | |
|-------------------------------------|--|--------------------|------------------|------------------|------------------|------------------|
| | | Funding Body | | | £' 000 | |
| SSDC Capital: - | | District Executive | | | 25 | |
| Total Capital Cost | | | | | 25 | |
| 9.2 Breakdown of main areas of cost | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| Works at various sites | | 25 | | | | |
| Totals | | 25 | | | | |

| 9.3 External funds to be received | | | | | | | |
|--|---|-----------------|------------------|------------------|------------------|------------------|------------------|
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/A | | | | | | |
| | Totals | | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | FT922 | 0.5 | | | | |
| | (Savings in expenditure) | | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | | |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 0.5 | | | | |
| | Cumulative | | 0.5 | | | | |
| 9.5 Whole Life Costing | | | | | | | |
| | Estimated useful life of asset (years) | | | 20 years | | | |
| | Total Revenue Costs Year 1 to 5 | | | No extra | | | |
| | Annual Revenue Cost after year 5 | | | No extra | | | |
| | Total cost over whole life of asset | | | | | | |
| 9.6 VAT Implications | | | | | | | |
| | Based on the current information provided to us there are no VAT implications | | | | | | |



South Somerset District Council Request for Capital

Capital Request No: 2020-08

Capital Name: District Wide CCTV Contribution to new system

Date Created 20/11/2019
Document Version: 1.0
Author: Ian Case

1 Purpose of Request

Sedgemoor District Council (SDC) under a Service Level Agreement (SLA) monitor the CCTV cameras that we own in Yeovil town centre and have done so for many years.

The supplier who provide their recording and VMS (Video Management System) platform have voluntarily closed their business at the start of this year.

All of the towns monitored by SDC are affected, including Yeovil and Taunton.

The risk is that if part of the system fails we will have limited or no support and a worst case scenario is that if the software aspect of the system fails then we could potentially lose everything.

Any hardware support will continue to be provided by our incumbent CCTV maintenance contractors CDS with the spares that are available. However, the maintenance company is currently using spare parts, which were already in stock, but this will cease to become viable in the short-medium term.

As the software is no longer supported, we will in future start becoming at risk of security vulnerabilities as the system ages (lack of security patching).

The system has been working, however, SDC have been looking into options to replace the system.

This request therefore is to fund SSDCs share of this replacement system. The total system is believed to be in the order of £125,000 with SSDC's share to be £25,000.

For completeness we also pay significant revenue costs relating to the CCTV system including SDC to carry out the monitoring, line rental from BT etc. This amounts to some £.... per year.

2 Objectives

The project objectives link to the Council Plan 2016-21 as follows:

Protecting Core Services:

Provide high quality cost effective services and transform customer services through technology.

Healthy, Self-reliant Communities:

Work with partners to keep our residents safe and help them to feel safe in their local area.

3 Constraints and Decisions

As SDC will be procuring and providing the new system, SSDC will have no direct control over costs. However, as a neighbouring local authority partner this should not be a cause of concern for us.

4 Interfaces

None

5 Measures of Success

Uninterrupted service. Operating costs

A modern system procured and operational before the existing system developed a major fault.

6. Anticipated Benefits

A modern replacement CCTV monitoring system.

7. Options Discounted

An option would be to close down our CCTV system but has been discounted as not appropriate.

8. Key Information Summary

| | | | | |
|------------|--|---|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | April 2020 | | |
| | Other Key Milestones with Dates: | | | |
| | Expected Completion Date: | June 2020 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Specialist – Asset Management Case Officer | 20 10 | Y Y | Y Y |
| | Are there any impacts on property? | None | | |
| | Are there any impacts on IT systems? | None directly as any system is not run by SSDC. | | |
| | Are there any environmental impacts? | No. | | |
| | Have you appropriately considered all Equality issues? | Existing system and is a replacement of existing monitoring system. | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | At this stage we only have estimated costs and as the product will have certain bespoke elements costs could rise. | We have a partnership arrangement with Sedgemoor DC so accepted procurement practices are expected to be followed producing best value. | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | | | | | | |
|---|--|-----------------|---|------------------|------------------|------------------|------------------|
| | | | Funding Body | | £' 000 | | |
| SSDC Capital: - | | | District Executive | | 25 | | |
| Total Capital Cost | | | | | 25 | | |
| 9.2 Breakdown of main areas of cost | | | | | | | |
| | | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| SSDCs share of project | | | 25 | | | | |
| Totals | | | 25 | | | | |
| 9.3 External funds to be received | | | | | | | |
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| N/A | | | | | | | |
| Totals | | | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| Loss of interest @ 2.0% | | FT922 | 0.5 | | | | |
| (Savings in expenditure) | | | | | | | |
| Revenue Costs by Individual Budget: (List) | | | | | | | |
| Revenue Income | | | | | | | |
| Total Revenue Expenditure / (Net saving) | | | 0.5 | | | | |
| Cumulative | | | 0.5 | | | | |
| 9.5 Whole Life Costing | | | | | | | |
| Estimated useful life of asset (years) | | | 15 years | | | | |
| Total Revenue Costs Year 1 to 5 | | | Not anticipated to be extra other than inflation rises. | | | | |
| Annual Revenue Cost after year 5 | | | Not anticipated to be extra other inflation rises. | | | | |
| Total cost over whole life of asset | | | | | | | |
| 9.6 VAT Implications | | | | | | | |
| Based on the current information provided to us there are no VAT implications | | | | | | | |



South Somerset District Council

Request for Capital

Capital Request No: 2020-09

Capital Name: Birchfield Leachate Pumping Station

Date Created 20/11/2019

Document Version: 1.0

Author: Ian Case

1 Purpose of Request

To carry out essential repairs to the roof of the pump house kiosk to ensure the integrity and operation of the pumping station is maintained.

To upgrade the telemetry system to provide more effective warning of issues and increased remote functionality.

There is currently £485k in a 'Gas Control System – Birchfield' reserve from a 2013 capital bid that has been unspent for years and thus was returned to the reserves. Therefore, approval is sought to utilise £45k of this reserve to fund this scheme. Once the Gas Control System scheme is to go ahead, which is expected to be in a few years' time, a new bid to top-up the existing reserve will be submitted once it has been re-costed.

2 Objectives

The project objectives link to the Council Plan as follows:

High Quality Cost Effective Services:

Actively manage assets and resources to ensure the best financial or community return.

Health and Communities:

Help keep our communities safe.

Other Service Objectives:

Birchfield Disused Landfill site – to continue to monitor and manage the pollution risks including gas, leachate and dissolved methane

3 Constraints and Decisions

Specialised contractors and materials availability for roof repair works.

4 Interfaces

None.

5 Measures of Success

Continued effective management of the Birchfield Disused Landfill site reducing pollution risk.

6 Anticipated Benefits

The project will have two benefits:

Firstly, repairing the roof will ensure that the pump kiosk remains weatherproof thereby preventing failure. The roof is currently supported by temporary props but this cannot be relied upon long term.

Secondly, the existing telemetry is some 10 years old and has limited functionality requiring a site visit to remedy any faults. The new system will be designed such that any faults can be interrogated remotely and reset in the same way. It will also enhance the functionality by providing constant monitoring information assisting with the management of the pumping station.

This will save time and resources both in specialist maintenance contractor attendance but also SSDC officer time.

7 Options Discounted

No action.

8 Key Information Summary

| | | | | |
|------------|--|--|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | June 2020 | | |
| | Other Key Milestones with Dates: | | | |
| | Expected Completion Date: | June 2021 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Specialist – Asset Management | 74 | Y | Y |
| | Are there any impacts on property? | None as internal | | |
| | Are there any impacts on IT systems? | None directly as the system will be web based. | | |
| | Are there any environmental impacts? | Yes, if there is a risk of pollution if the project does not proceed. | | |
| | Have you appropriately considered all Equality issues? | Yes and there are none. | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | There are no outside partners other than contractors and the usual procurement risks would apply. The system will be specific but open protocol in that more than one supplier could operate once installed. | Ensure a specialist and established supplier is procured with experienced officers carrying out design and feasibility checks. | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | Funding Body | | £' 000 | | |
|--|---|--------------------|------------------|------------------|------------------|------------------|
| | SSDC Capital Programme: 'Gas Control System – Birchfield' Capital Reserve | District Executive | | 45 | | |
| | Total Capital Cost | | | 45 | | |
| 9.2 Breakdown of main areas of cost | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Replacement roof | 15 | | | | |
| | Upgraded Telemetry | 30 | | | | |
| | Totals | 45 | | | | |
| 9.3 External funds to be received | | | | | | |
| | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/A | | | | | |
| | Totals | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | |
| | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | 0.9 | | | | |
| | (Savings in expenditure) | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | |
| | Revenue Income | | | | | |
| | Total Revenue Expenditure / (Net saving) | 0.9 | | | | |
| | Cumulative | 0.9 | | | | |
| 9.5 Whole Life Costing | | | | | | |
| | Estimated useful life of asset (years) | 20 years | | | | |
| | Total Revenue Costs Year 1 to 5 | No extra | | | | |
| | Annual Revenue Cost after year 5 | No extra | | | | |
| | Total cost over whole life of asset | | | | | |
| 9.6 VAT Implications | | | | | | |
| | Based on the current information provided to us there are no VAT implications | | | | | |



South Somerset District Council Request for Capital

Capital Request No: 2020-10

Capital Name: Car Park Improvement Works

Date Created 20/11/2019
Document Version: 1.0
Author: Ian Case

1 Purpose of Request

a) Court Ash Car Park

The wall suffered an impact damage in recent weeks. The wall is therefore in need of repair and following an initial structural report it will be difficult to carry out localised repairs. This bid therefore is to carry out essential repairs to the stone retaining wall along Court Ash.

b) West Hendford Car Park

This car park is an underground car park that we lease from Tesco since 1993 under a 125 years' term. The original lighting was installed in 1998.

The car park has for years now suffered from the effects of anti-social behaviour degradation and has become dark and unwelcoming due in some part to the lighting being persistently damaged by vandals. The original lighting scheme is now outdated and the spares and fittings are unavailable meaning that we had to prioritise areas to provide lighting. There are also issues with the water ingress from above which has corroded the galvanised steel conduit.

There is also an increasing problem with pigeons nesting in the concrete beams forming the roof area and also on top of the existing lights. This causes unacceptable mess and is costing significant amounts to carry out deep cleans each month. The works proposed will carry out anti pigeon measures.

We will also be looking to paint the walls, columns and ceiling in white anti-graffiti to provide an improved reflection thereby providing an opportunity to reduce the number of lights with the associated cost saving. This together with dedicated walkways will provide a safe and inviting customer experience to users of the car park.

All of the above measures have been discussed with the local crime prevention officer who is supportive of the proposals.

(c) Car Park Ticket Machines – To provide updates and modernise our payment methods for our ticket machines in the car parks. Our ticket machines are obviously getting older and less reliable. We have looked at installing contactless payment as an option which is expensive on its own. However, we could take the opportunity to significantly upgrade the machines without replacement which would also have the benefit of providing a modern more user friendly experience for the customer. It should also have the advantage of future proofing our infrastructure to be more flexible saving us future maintenance costs. We will look to suppliers to provide us with the most beneficial solution.

2 Objectives

The project objectives link to the Council Plan 2016-21 as follows:

Protecting Core Services:

Provide high quality cost effective services and transform customer services through technology.

Healthy, Self-reliant Communities:

Work with partners to keep our residents safe and help them to feel safe in their local area.

Priority Project 3 – to continue the refresh of Yeovil Town Centre

Install improved lighting in West Hendford

3 Constraints and Decisions

Court Ash – As there is no feasible diversion route we would need to liaise with SCC to be innovative in how we direct traffic whilst the works are being carried out.

West Hendford – The car park is leased from Tesco who own the structure, therefore negotiations will need to proceed to protect any investment in the car park. This is important to improve the upper deck structure to prevent water ingress to the lower deck.

4 Interfaces

None

5 Measures of Success

Increase in car park usage and improved customer experience.

6. Anticipated Benefits

Court Ash Car Park – Reduce the risk of wall collapse causing disruption and potential safety issues.

West Hendford Car Park - Better managed car park, reduced anti-social behaviour and criminal activity leading to increased usage and better customer experience in this important town centre car park

Car Park Ticket Machines – Contributing to better managed payment options to provide a better more flexible customer experience for users of our car parks.

7. Options Discounted

No action.

8. Key Information Summary

| | | |
|------------|----------------------------------|------------|
| 8.1 | Expected Duration Of Work | |
| | Start Date: | April 2020 |
| | Other Key Milestones with Dates: | |
| | Expected Completion Date: | March 2021 |
| | | |

| | | | | |
|------------|--|--|-------------------------------|----------------------------------|
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Specialist – Asset Management | 200 | Y | Y |
| | Case Officer | 50 | Y | Y |
| | Are there any impacts on property? | None as internal | | |
| | Are there any impacts on IT systems? | None directly as any system will be web based. | | |
| | Are there any environmental impacts? | Yes, we will be installing LED lighting at West Hendford. | | |
| | Have you appropriately considered all Equality issues? | Yes and there are none. | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | There are no outside partners other than contractors and the usual procurement risks would apply. The system will be specific but open protocol in that more than one supplier could operate once installed. | Ensure a specialist and established supplier is procured with experienced officers carrying out design and feasibility checks. | | |

9 Financial Investment

| | | | | | | |
|------------|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 9.1 | Total Costs and Funding | | | | | |
| | | Funding Body | | £' 000 | | |
| | SSDC Capital: - | District Executive | | 310 | | |
| | Total Capital Cost | | | 310 | | |
| 9.2 | Breakdown of main areas of cost | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Car Park Ticket Machines | 100 | | | | |
| | Car Park – Court Ash | 120 | | | | |
| | Car Park – West Hendford | 90 | | | | |
| | Totals | 310 | | | | |

| 9.3 External funds to be received | | | | | | | |
|--|---|-----------------|------------------|------------------|------------------|------------------|------------------|
| | | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/A | | | | | | |
| | Totals | | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | | |
| | | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | FT922 | 6.2 | | | | |
| | (Savings in expenditure) | | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | | |
| | Revenue Income | | | | | | |
| | Total Revenue Expenditure / (Net saving) | | 6.2 | | | | |
| | Cumulative | | 6.2 | | | | |
| 9.5 Whole Life Costing | | | | | | | |
| | Estimated useful life of asset (years) | | | 20 years | | | |
| | Total Revenue Costs Year 1 to 5 | | | No extra | | | |
| | Annual Revenue Cost after year 5 | | | No extra | | | |
| | Total cost over whole life of asset | | | | | | |
| 9.6 VAT Implications | | | | | | | |
| | Based on the current information provided to us there are no VAT implications | | | | | | |



South Somerset District Council Request for Capital

Capital Request No: 2020-11

Capital Name: Westlands Building Improvement Works

Date Created 20/11/2019
Document Version: 1.0
Author: Robert Orrett

1 Purpose of Request

Leisure Complex Boiler Replacement:

Heating for Westlands Leisure Complex is provided via a single gas fired boiler, located in a plant room at ground floor level. The boiler is an aged large cast iron boiler. There is no direct means to predict the point at which a boiler will fail by cracking of the sections but the existing boiler is at the end of typical design life. This leaves us in a vulnerable position. If the boiler fails, the whole facility will be unusable. Reactive replacement is likely to take 3-4 months.

Options range from direct replacement of the whole boiler to re-design and modernisation of the total heating installation. The budget proposed is provisional as specialist consultancy advice will be required. It contemplates a new system which would provide improved resilience and environmental performance.

Sport Centre roof replacement:

The main roofs are original and leaking. The roof above the squash court and gym is a flat roof covered in felt weathering which is beyond the functional life. The budget proposed is an estimate of the cost to strip and replace. The detail will need to be worked up in a specification and tender document.

Westland Entertainment Complex upgrade works:

A range of works is proposed to carry forward the success of the entertainment complex. These are items which were not affordable at the time of the refurbishment but were known to be objectives. These include replacing banked seating, car parking and security works, and a series of minor items. This will require external project management and contract administration.

2 Objectives

The project objectives link to the Council Plan 2016-21 as follows:

Environment:

Providing locally based facilities that reduce need to travel.

Healthy, Self-reliant Communities:

Enable quality cultural, leisure and sport activities.

3 Constraints and Decisions

Failure of the boiler would leave the building unheated and not capable of use. This would fundamentally disrupt the programme offered and cause major financial losses.

Roof leaks are disrupting use and causing unsafe conditions. Temporary repairs are costly due to access and ineffective.

Additional improvements will support the Entertainment Complex success.

4 Interfaces

5 Measures of Success

No lost days of building use. Costs of property management. Numbers in ticket sales and memberships.

6. Anticipated Benefits

Continued uninterrupted use of Leisure facility. Reduced vulnerability to failure of boiler. Improved energy performance.

Less interruption of use of sports facilities. Reduced call out for repairs.

Improved visitor experience at Entertainment Complex. Continued increase in market and sector reputation.

7. Options Discounted

No action; patch repair of roofs.

8. Key Information Summary

| | | | | |
|------------|---|--|-------------------------------|----------------------------------|
| 8.1 | Expected Duration Of Work | | | |
| | Start Date: | April 2020 | | |
| | Other Key Milestones with Dates: | | | |
| | Expected Completion Date: | March 2021 | | |
| 8.2 | Estimate of Officer Time Required: - | | | |
| | Officer's Name | Estimate of Officer hrs | Officer available? Y/N | Agreement of Officer? Y/N |
| | Specialist – Asset Management | 80 | Y | Y |
| | Case Officer | 30 | Y | Y |
| | Are there any impacts on property? | Delivery details will need to be considered to minimise disruption | | |
| | Are there any impacts on IT systems? | No. | | |
| | Are there any environmental impacts? | Improvement in energy efficiency. | | |
| | Have you appropriately considered all Equality issues? | Yes and there are none. | | |
| 8.3 | Risk Assessment | | | |
| | Risk | Steps taken to mitigate Risk | | |
| | There are no outside partners other than consultants and contractors and the usual procurement risks would apply. | Employ specialist consultants as appropriate. Ensure a specialist and established supplier is procured with experienced officers carrying out design and feasibility checks. | | |

9 Financial Investment

| 9.1 Total Costs and Funding | | Funding Body | | £' 000 | | |
|--|---|--------------------|------------------|------------------|------------------|------------------|
| | SSDC Capital: - | District Executive | | 800 | | |
| | Total Capital Cost | | | 800 | | |
| 9.2 Breakdown of main areas of cost | | | | | | |
| | | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Boiler replacement | 330 | | | | |
| | Roof replacement | 100 | | | | |
| | Entertainment complex | 370 | | | | |
| | Totals | 800 | | | | |
| 9.3 External funds to be received | | | | | | |
| | Secured? Y/N | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | N/A | | | | | |
| | Totals | | | | | |
| 9.4 Revenue Implications of Capital scheme | | | | | | |
| | Cost Centre | 2020/21 £'000 | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 |
| | Loss of interest @ 2.0% | 16 | | | | |
| | (Savings in expenditure) | | | | | |
| | Revenue Costs by Individual Budget: (List) | | | | | |
| | Revenue Income | | | | | |
| | Total Revenue Expenditure / (Net saving) | 16 | | | | |
| | Cumulative | 16 | | | | |
| 9.5 Whole Life Costing | | | | | | |
| | Estimated useful life of asset (years) | 20 years | | | | |
| | Total Revenue Costs Year 1 to 5 | No extra | | | | |
| | Annual Revenue Cost after year 5 | No extra | | | | |
| | Total cost over whole life of asset | | | | | |
| 9.6 VAT Implications | | | | | | |
| | Based on the current information provided to us there are no VAT implications | | | | | |

Agenda Item 8

Capital, Investment and Treasury Strategies 2020/21 to 2022/23

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Purpose of Report

1. The purpose of this report is to inform members of the recommended strategy in relation to capital expenditure and financing, investments and treasury management activities.

Previously separate strategies have been presented, however this report provides a holistic view of the Council's capital, investment and borrowing requirements meeting the requirements of statutory guidance issued by government in January 2018.

Recommendations

2. The District Executive are requested to:
 - a) Review and recommend that the Full Council approve the Capital Strategy, Investment Strategy and the Treasury Management Strategy 2020/21 to 2022/23;
 - b) Review and recommend the proposed borrowing and investment limits included in the Capital Strategy;
 - c) Note the Minimum Revenue Provision statement for 2020/21.

Introduction and Background

3. In line with regulatory guidance, the Council is required to produce a Capital Strategy, and Investment Strategy and a Treasury Management Strategy. These are intrinsically linked so, whilst in the past these have been presented to Members as separate reports, they have been pulled together into a draft consolidated document this year. It is recognised this is a large document, but is helpful on this occasion to provide a holistic review of the relevant data and information together with supporting narrative.
4. The S151 Officer proposes to explore future iterations of this report to condense into a single, shorter strategy document. This will be discussed with our external auditor to ensure compliance to the relevant regulations is not compromised.
5. Note that the terms of reference for Audit Committee in respect of Treasury Management is to:

'provide a scrutiny role in Treasury Management matters including regular monitoring of treasury activity and practices. The committee will also review and recommend the Annual Treasury Management Strategy Statement and Investment Strategy, MRP Strategy, and Prudential Indicators.'
6. As per the terms of reference, the Audit Committee reviewed the draft Treasury Management Strategy and agreed to recommend the strategy to District Executive at the meeting held on 23 January. At the meeting, the committee were asked to feedback on

the full report and clarification was provided by officers on figures included in the Capital and Investment Strategies.

7. The remainder of this report provides an overview of the information included in each element of the attached strategy document.

Capital Strategy

- Provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services.
- Includes an overview of how the associated risk is managed, the implications for future financial sustainability and information on how stewardship, value for money, prudence, sustainability and affordability will be secured.
- Sets out the long-term context in which both capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

Investment Strategy

- Focuses on two types of investments which are:
 - Investments made to support local public services by lending to or buying shares in other organisations, known as **service investments**.
 - Investments made to earn investment income known as **commercial investments**
- Provides detailed information on the policies and procedures that the Council has in place to address the fundamental concepts that are associated with each investment type, which are risk, security and liquidity.
- Deals with the concept of proportionality and the Council's reliance on investment income to fund services in the immediate and long-term and the concept of 'borrowing in advance of need' on which a statement of the Council's position is required.
- Provides information on the capacity, skills and culture, with a disclosure requirement included on the steps taken to ensure that elected members and officers involved in the investment decision making process have appropriate capacity, skills and information.
- Information on the corporate governance arrangements and the investment indicators that ensure elected members and the public are able to assess the Council's total risk exposure as a result of its investment decisions.

Treasury Strategy Statement

- Includes summary commentary on the wider economic picture and interest rate forecasts (provided by Arlingclose – Treasury Advisor).
- The current and forecast position of the Council's borrowing requirement and investments.

- Details of the proposed borrowing strategy including the objectives of the strategy and information on the approved sources of long-term and short-term borrowing.
- Information on the treasury investment strategy and counterparty types, the cash limits and the time limits applicable per counterparty.
- Proposed Treasury Management indicators which measure and manage exposure to treasury management risk.

Minimum Revenue Provision Statement

- The MRP statement includes details on voluntary overpayments of MRP which is not included in the current MRP policy. Voluntary overpayments can be made in a financial year with the impact of the overpayment being a reduction in the charge to revenue in future years.
- The statement provides information on the process of determining if an MRP overpayment can be made in a particular year.

Financial Implications

8. The proposed capital and investment strategies align with the 2020/21 Capital Programme and the updated Medium Term Financial Plan, those reports seek to establish approval of spending and funding requirements to meet the Council's priorities. This report establishes the borrowing and investment limits that are considered to be prudent and affordable in meeting those plans.
9. There are no additional financial implications in reviewing the attached treasury management strategy.

Background Papers: *CIPFA Treasury Management Code of Practice*
CIPFA Prudential Code
Treasury Management Practices
CIPFA Prudential Code (revised December 2018)
Statutory guidance on Local Government Investments (revised February 2018)



South Somerset
District Council

Capital, Investment and Treasury Strategies
2019/20 to 2022/23

Capital Strategy

1 Introduction

- 1.1 This Strategy sets out South Somerset District Council's approach to capital investment and sets out the long-term context in which both capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.
- 1.2 It provides an overview of how the associated risk is managed, the implications for future financial sustainability and information on how stewardship, value for money, prudence, sustainability and affordability will be secured.
- 1.3 The investment and treasury management strategies are fundamentally linked to the capital strategy and are therefore included here to provide a holistic view of capital, investment and borrowing requirements.
- 1.4 The flowchart below provides information on the requirements and the contents of the various strategies that are required on an annual basis, and how the strategies are inter-related.

CAPITAL STRATEGY: A short overview, accessible to non-financial specialist members, covering:

CAPITAL EXPENDITURE

PFI & LEASING

BORROWING

INVESTMENTS

GUARANTEES & LIABILITIES

KNOWLEDGE & SKILLS

MRP

PRUDENTIAL INDICATORS

Treasury

Service & Commercial

CAPITAL PROGRAMME

Capital expenditure
Capital financing
Capital receipts

Prudence
Affordability
Sustainability

TREASURY STRATEGY

Interest rate forecast
Cash flow forecast
Borrowing strategy
Investment strategy
TM indicators

Risk management

INVESTMENT STRATEGY

Contribution
Security
Liquidity
Investment indicators
Capacity and skills

Proportionality

MRP STATEMENT

Prudent provision
Calculation method
Overpayments

Prudence
Aligned cost:benefit

TM POLICY STATEMENT

TREASURY MANAGEMENT PRACTICES

NON-TREASURY INVESTMENT MANAGEMENT PRACTICES

2 Capital Expenditure

Capital Expenditure Estimates

- 2.1 Capital expenditure is incurred where the Council spends money on constructing or acquiring assets such as land and buildings, vehicles, plant and equipment, which will be used for more than one year, as well as larger scale maintenance works that maintain or enhance the Councils existing assets. In local government capital expenditure can also include spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure. For example, assets costing below £10,000 are not capitalised and are charged as revenue expenditure in the year. This discretion is reflected in the Council's accounting policies which are set out within the Statement of Accounts each year.
- 2.2 In 2020/21, the Council is planning capital expenditure of £57.6m as summarised below:

Table 1: Prudential Indicator: Actual and Estimates of Capital Expenditure

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|-----------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| General Fund services | 17,222 | 6,561 | 5,018 | 2,736 | 1,571 |
| Capital investments | 11,192 | 66,886 | 52,550 | 51,200 | 17,700 |
| TOTAL | 28,414 | 73,447 | 57,568 | 53,936 | 19,271 |

- 2.3 The Council's capital investment focusses on the following main areas:

- Investment in new and existing operational assets and issuing capital grants to support the delivery of its services and strategic priorities. This includes schemes such as regeneration and infrastructure projects, grants for accessibility adaptations and equipment to support independent living.

- Investment to grow and balance the Council's commercial investment income portfolio, as set out in the investment strategy. This may include direct property freehold or long-leasehold acquisition, as well as shareholdings and loans to third parties and subsidiaries.

Capital Programme

- 2.4 The Capital Programme represents the Council's commitment to continue to invest in its operational asset portfolio and wider investment to support housing, economy and place-shaping priorities. It is reviewed annually and approved through the budget setting process, taking into account the availability of capital resources and the financing cost implications on the revenue budget.
- 2.5 New capital schemes and projects are usually added to the Programme as part of the annual process, however the Council's governance arrangements allow for new schemes and projects to be added or removed from the programme during the year subject to appropriate approvals.
- 2.6 Service managers have submitted bids to include projects in the Council's capital programme. Bids are collated by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). The Strategic Leadership Team appraises all bids based on a comparison of service priorities against financing costs and makes recommendations to District Executive. The proposed capital programme is then presented to District Executive in January and to Council in February each year.
- 2.7 The proposed capital programme includes investment of £52.6m in 2020/21, with indicative further investment of £68.9m in the subsequent two years to 2022/23. The details of this investment is included in the General Fund 2020/21 Budget Estimates reports.

Asset Management

- 2.8 To ensure that capital assets continue to be of long-term use, the Council has an asset management plan, which is incorporated in the Council's Commercial Strategy and an Asset Disposal and Community Asset Transfer Policy.

- 2.9 This Asset Disposal and Community Asset Transfer Policy provides a transparent, robust and strategic framework to enable Asset Disposal and Community Asset Transfer decisions to be made, together with a clear process for both SSDC and community organisations to progress with transfers/disposals, with long term sustainable benefits both to the Council and the community.
- 2.10 The Disposals element of the policy refers to Council owned assets that are sold on the open market for a financial consideration or otherwise transferred out of Council ownership. The aim is to enable SSDC to retain only sound assets that support the effective and efficient delivery of services, achieve corporate priorities or produce a healthy financial return each year in accordance with the Commercial Land and Property Strategy.
- 2.11 When a capital asset is identified as surplus to requirements or an enabler for others to deliver council priorities, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts. The Council estimates it will receive £2.67 million of capital receipts in the 2020/21 financial year.

Table 2: Capital receipts in £ millions

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|--------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Asset sales | 333 | 62 | 255 | 15 | 430 |
| Loans repaid | 224 | 2,318 | 2,414 | 2,427 | 2,439 |
| TOTAL | 557 | 2,380 | 2,669 | 2,442 | 2,869 |

3 Capital Financing

- 3.1 The Council's capital investment falls within the scope of the CIPFA Prudential Code for Capital Finance in Local Authorities (the 'Prudential Code'), to which the Council must give due regard. The Code was last updated in 2017. Under the Prudential Code the Council has discretion over the funding of capital expenditure and the freedom to determine the level of borrowing it undertakes to deliver the Capital Programme.

3.2 All capital expenditure must be financed, and there are range of potential funding sources the Council may use including its own resources or externally:

- Capital receipts from asset disposals and loan repayments
- Capital grants e.g. from Government or other local authorities
- Contributions from others e.g. Section 106 (S106) and Community Infrastructure Levy (CIL)
- Revenue Contributions to Capital e.g. from the Revenue Budget or Revenue Reserves
- Debt financing e.g. borrowing, capital market bonds, leasing

Capital Financing Plan

3.3 The planned financing of the capital expenditure in Table 1 above is as follows:

Table 3: Capital Financing Plan

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k | Totals 2019/20- 2022/23 £k |
|----------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|-------------------------------------|
| External Sources: | | | | | | |
| Grants and general contributions | 1,261 | 1,307 | 231 | 112 | 1 | 1,651 |
| S106 | 264 | 888 | 0 | 0 | 0 | 888 |
| CIL | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total – External | 1,525 | 2,195 | 231 | 112 | 1 | 2,539 |
| Own Resources: | | | | | | |
| Capital receipts & Reserves | 4,735 | 16,728 | 9,739 | 3,857 | 2,038 | 32,362 |
| Sub-total - Own | 4,735 | 16,728 | 9,739 | 3,857 | 2,038 | 32,362 |
| Debt: | | | | | | |
| Loans (Internal & External) | 22,154 | 54,524 | 47,598 | 49,967 | 17,232 | 169,321 |
| Leases | | | | | | |
| Sub-total - Debt | 22,154 | 54,524 | 47,598 | 49,967 | 17,232 | 169,321 |
| Total | 28,414 | 73,447 | 57,568 | 53,936 | 19,271 | 204,222 |

- 3.4 The allocation of resources may vary over time, for example, where additional income is achieved through asset sales or obtaining external funding. The plan is therefore dynamic, and is overseen by the Council's S151 Officer to optimise financing arrangements on an ongoing basis. The estimates will not commit the Council to particular methods of financing. The S151 Officer will determine the actual financing of capital expenditure incurred at the end of the financial year.
- 3.5 The implications of financing capital expenditure from borrowing is that the expenditure is not funded immediately but charged to the revenue budget over a number of years. The Council may defer the timing of external borrowing on a short to medium term by using temporary cash resources held in reserves and balances. This practice, which is referred to as 'internal borrowing', does not reduce the magnitude of borrowing required or the level of funds held in reserves and balances; the funds are merely being utilised in the short term until they are required for their intended purpose. The timing of external borrowing and the balance of external / internal borrowing is determined by market conditions and the Council's cash flow position. Officers manage this position on a day to day basis in line with the overall Treasury Management Strategy.
- 3.6 Debt is only a temporary source of finance, since loans and leases must be repaid and this is, therefore, replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, capital receipts may be used to replace debt finance.

Capital Financing Requirement

- 3.7 The Council's cumulative amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP repayments and capital receipts used to replace debt. Based on the above figures for expenditure and financing the Council's estimated CFR is as follows:

Table 4: Prudential Indicator – Actual and Estimated Capital Financing Requirement

| | 2018/19 Actual £k | 2019/20 Estimate £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|---------------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| CFR Balance b/f | 17,438 | 39,320 | 93,844 | 141,442 | 191,409 |
| Expenditure financed by debt | 28,414 | 73,447 | 57,568 | 53,936 | 19,271 |
| MRP | -221 | -491 | -747 | -765 | -842 |
| Capital receipts used to replace debt | -4,786 | -16,237 | -8,992 | -3,092 | -2,038 |
| Grants & Contributions | -1,525 | -2,195 | -231 | -112 | -1 |
| Total CFR | 39,320 | 93,844 | 141,442 | 191,409 | 207,799 |

- 3.8 The capital financing requirement for 2020/21 and subsequent years includes a £14.5m increase due to a change in the accounting for leases.
- 3.9 The chart shows that the Council's proposed capital strategy and capital investment plans are expected to increase the overall indebtedness position of the next 5 years. It is important to ensure such plans are affordable and the Council can meet the costs of this debt over the short and long term.

Grants and Contributions

- 3.10 The Council will seek to access external funding towards its capital investment plans where funds are available and our schemes are within scope. Examples of grants may include Government schemes such Housing Infrastructure Fund, Future High Streets Fund and so on. We also receive contributions from other bodies such as developers in the form of S106 planning

obligations contributions and Community Infrastructure Levy (see below). It is often the case that the Council will need to put some of its own resources towards a scheme in order to attract the external funding. However, this can be effective in leveraging in funds to enable larger infrastructure investments to progress and mitigate marginal viability schemes.

S106 Contributions

- 3.11 S106 contributions are received in respect of certain obligations that have been agreed through planning approvals. Contributions that are in respect of district council services within SSDC are paid to the Council, there are usually restrictions on the nature of costs that S106 monies can fund. Expenditure on items such as public art, play areas and equipment and affordable housing provision are examples service expenditure that S106 contributions can fund. S106 contributions can be used to fund both revenue and capital expenditure and are allocated to the relevant capital and revenue budget accordingly.
- 3.12 All S106 funds over £10,000 will be included if appropriate in the capital programme once received and included within a quarterly monitoring statement for reporting to District Executive.

Community Infrastructure Levy (CIL)

- 3.13 The Council operates an approved CIL policy, with the levy payable on development in certain areas within the District. CIL is recognised as capital income and therefore provides resources to contribute to eligible infrastructure investment such as transport/roads, education, town centre regeneration and flood alleviation schemes. 15% (or 25% with an adopted Neighbourhood Plan) of CIL income is passed to town or parish councils, and 5% is allocated to fund administration costs.
- 3.14 Table 5: Estimated CIL Retained Income (Net of town/parish share and administration costs)

| | 2018/19 Actual £k | 2019/20 Estimate £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|----------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Net CIL Income | 59 | 267 | 347 | 451 | 587 |

Capital Receipts

- 3.15 When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. Repayments of capital grants, loans and investments also generate capital receipts income.
- 3.16 The balance of capital receipts reserves at 1 April 2019 was £22.80m, £13.13m is committed to financing the current approved Capital Programme. The Council estimates it will receive £7.98m of capital receipts in the coming financial years as set out below.

Table 6: Capital Receipts Income Estimates

| | 2018/19 Actual £k | 2019/20 Estimate £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Asset Disposals | 333 | 62 | 255 | 15 | 430 |
| Loans and Grants Repaid | 224 | 2,318 | 2,414 | 2,427 | 2,439 |
| Total Receipts | 557 | 2,380 | 2,669 | 2,442 | 2,869 |

Flexible Use of Capital Receipts

- 3.17 In the Spending Review 2015, the Chancellor of the Exchequer announced that to support local authorities to deliver more efficient and sustainable services, the government will allow local authorities to spend up to 100% of their capital receipts from the sale of non-housing assets on revenue costs incurred to generate ongoing revenue savings, to reduce costs and / or transform service delivery in a way that reduces costs or demand for services in future years. This flexibility relates to expenditure which is properly incurred for the financial years 2016/17 to 2021/22.
- 3.18 Local authorities are only able to use capital receipts in the years in which this flexibility is offered. In using the flexibility, the Council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.

Table 7: Flexible Use of Capital Receipts

| | 2016/17- 2018/19 £k | 2019/20 Estimate £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| General Fund Flexible Use of Capital Receipts | 500 | 0 | 300 | 0 | 0 |

4 Treasury Management and Borrowing Strategy

- 4.1 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 4.2 The Council held £19.50m of external borrowing on 1 April 2019 and treasury investments totalling £30.73m.
- 4.3 The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting and the Council, therefore, seeks to strike a balance between cheaper short-term loans (currently available at around 0.75%-1%) and long term fixed rate loans where the future cost is known but higher (currently 2%-3.3%).
- 4.4 Council's do not borrow for specific assets and cannot use local authority assets as security. Borrowing is undertaken to meet the capital financing requirement (less any short term use of temporary cash balances).

Public Works Loans Board (PWLB)

- 4.5 A common source of borrowing for local authorities is the Treasury, through the Debt Management Office, which took over the responsibilities of the previous Public Works Loans Board (although the term PWLB is still commonly used). There are a number of advantages to using the PWLB as a source of borrowing, such as
- Funds can be accessed quickly – usually within 2-3 days of notice

- It is simple to arrange with limited time and effort required
- The Council does not require a credit rating
- Borrowing is not linked to any specific asset, but can provide the resources need to meet the overall capital financing requirement.

4.6 The PWLB currently offers a discounted 'certainty rate' at 0.2% below its standard rates, triggered by the Council completing an annual return to Government. It also offers a discounted 'infrastructure rate' which is 0.4% below its standard rate, which is subject to a competitive bidding process.

4.7 In October, in response to the Treasury's concern about growing total debt balances for local government, the PWLB standard and certainty rates were increased by 1% without notice. As a consequence, the Council is working on identifying alternative sources of long term finance such as issuing bonds to the capital markets (typically pension funds and insurance companies).

Total Debt Position

4.8 Projected levels of the Council's total outstanding debt are shown below, compared with the CFR (as detailed above). Statutory guidance is that actual debt should remain below the CFR, except in the short-term. As can be seen from the table the Council expects to comply with this in the medium term.

Table 8: Prudential Indicator – Gross Debt and the CFR

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Debt | 19,500 | 79,097 | 126,197 | 177,397 | 195,097 |
| CFR | 39,320 | 93,844 | 141,442 | 191,409 | 207,799 |

Liability Benchmark

4.9 To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £30m at each year-end. This benchmark is estimated to be £75.1m and is forecast to rise to £191.1m over the next five years.

Table 9: Actual Borrowing and the Liability Benchmark

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|-----------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Outstanding borrowing | 19,500 | 79,097 | 126,197 | 177,397 | 195,097 |
| Liability Benchmark | 19,420 | 75,144 | 124,442 | 174,709 | 191,149 |

5 Affordable Borrowing Limit

- 5.1 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach this limit. The Operational Boundary has been calculated based on the forecast CFR plus a tolerance for variations in spending plans during the year and possible volatility in availability of internal and external resources.

Table 10: Prudential Indicators – Authorised Limit and Operational Boundary for external debt

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|-----------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Operational Boundary: | | | | | |
| Borrowing | 19,500 | 100,000 | 120,000 | 170,000 | 190,000 |
| Leases | 82 | 1,000 | 15,000 | 20,000 | 20,000 |
| Total Operational Boundary | 19,582 | 101,000 | 135,000 | 190,000 | 210,000 |
| Authorised Limit: | | | | | |
| Borrowing | 124,000 | 124,000 | 140,000 | 180,000 | 210,000 |
| Leases | 1,000 | 1,000 | 20,000 | 25,000 | 25,000 |
| Total Authorised Limit | 125,000 | 125,000 | 165,000 | 205,000 | 235,000 |

- 5.2 Further details of existing borrowing can be found in the Treasury Management Strategy Statement.

6 Treasury Investment Strategy

- 6.1 Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 6.2 The Council's policy on treasury investments is to prioritise security and liquidity over yield, therefore to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high quality banks to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.
- 6.3 As part of the Council's financial strategy, the aim is to grow the balance within the investment portfolio to improve the net income available through treasury management to fund services, whilst maintaining a prudent balance between security, liquidity and yield. Subject to long term cash flow forecasts, it is anticipated that funds held in longer term investments will be maintained at current levels.
- 6.4 Longer term investments may expose a proportion of funds to a higher risk of capital value volatility, this volatility is mitigated by holding a risk-assessed minimum balance of funds in a Treasury Risk Reserve. The balance of funds in this specific reserve is reviewed annually and a decision taken by the S151 Officer on the required transfer to or from the reserve made based on the current and projected performance of the longer term investments. The assessment of adequate general reserves also incorporates an element of risk to investment income assumptions.

Table 11: Treasury Management Investments

| | 2018/19 Actual £k | 2019/20 Budget £k | 2020/21 Estimate £k | 2021/22 Estimate £k | 2022/23 Estimate £k |
|-----------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Near-term investments | 4,480 | 3,000 | 3,000 | 2,000 | 2,000 |
| Long-term investments | 26,250 | 30,000 | 30,000 | 30,000 | 30,000 |
| Total | 30,730 | 33,000 | 33,000 | 32,000 | 32,000 |

- 6.5 Further details of existing treasury investments can be found in the Treasury Management Strategy below.
- 6.6 The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.
- 6.7 Decisions on treasury management and borrowing are made daily and are, therefore, delegated to the S151 Officer and his staff who must act in line with the Treasury Management Strategy approved by Full Council. Reports on treasury management activities are presented to the Audit Committee at mid-year and at year-end.

7 Investment for Service Purposes

- 7.1 The Council can make service investments; service investments can be in the form of a loan to an organisation or the purchase of shares in organisations. The purpose of service investments is to support local public services and to stimulate local economic growth.
- 7.2 In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break even after all costs.
- 7.3 Decisions on service investments are presented to Strategic Leadership Team, which includes the Section 151 Officer. Investments must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.
- 7.4 Further details on service investments are contained in the Investment Strategy.

8 Commercial Investment Activities

- 8.1 The commercial property investment portfolio is an integral part of the Council's medium term financial plan and contributes towards the overall income generation target that is needed to mitigate the significant reduction in government funding, enable the Council to maintain and improve services and service standards, and meet our priorities and objectives. The Commercial Strategy details the Council's approach to commercialisation. One of the aims of the strategy is to align with and support the Council Plan and ensure that the Council is the partner of choice for the community and commercial sectors by demonstrating its commercial awareness and effective delivery of services.

- 8.2 The value of the property held for investment purposes was £26.1m as at 31 March 2019 and is anticipated to be £85.7m at 31 March 2020, the target average return on properties held for investment purposes is 7% on all new investments. The target net rate of return is a minimum of 2.5% to 3% after accounting and financing provisions. The forecast rate of return net of financing costs for the investment properties held at 31 March 2020 is anticipated to be in the region of 3.98%.
- 8.3 With financial return being the main objective, and as with investments for service purposes, the Council accepts a higher risk on commercial investment than with treasury investments. It has a robust risk assessment process in place which includes assessing the risk of loss before entering into and whilst holding service investments.
- 8.4 This increased risk is balanced with an efficient and proportional regard to governance, policy, management, processes and systems to ensure robust decision-making, performance and success of new commercial enterprises, contracts and partnerships. All of which will continue to evolve and be refined over time to ensure that the Council adheres to its statutory responsibilities and that public money continues to be appropriately invested, used and accounted for.
- 8.5 In considering investment opportunities, a predetermined set of assessment criteria for each proposed investment is used and a business case is completed to ensure transparency, due diligence, governance and consistency to aid achievement of the investment objectives.
- 8.6 In order that commercial investments remain proportionate to the size of the authority, these are subject to an overall maximum investment limit of £150m.
- 8.7 If the returns on investments are not maintained at the required levels contingency plans to continue to provide services are in place. The contingency plan includes holding adequate general reserves and a specific investment risk reserves such as the Treasury Risk Reserve and the Investment Property Risk Reserve.
- 8.8 Decisions on commercial investments are made in line with the criteria and limits approved by council in the 2020/21 investment strategy. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.
- 8.9 Further details on commercial investments and limits are included in the investment strategy.

9 Liabilities

- 9.1 In addition to capital debt as detailed above the Council is committed to making future payments to cover its pension deficit, which was valued at £73.83m on 1 April 2019. This balance is due to be paid over a 20 year period, and the deficit and annual contributions are revalued every three years. It has also set aside funds to cover provisions for probable costs. The Council is also at risk of having to pay for contingent liabilities but has not put aside any money because payment is contingent on, as yet, unknown events occurring which may crystallise possible amounts due.
- 9.2 Decisions on incurring new discretionary liabilities are taken by senior managers and service managers in consultation with the S151 Officer. The risk of liabilities crystallising and requiring payment is monitored by the finance team and reported to the S151 officer.
- 9.3 Further details on liabilities and guarantees can be found in the 2018/19 Statements of Accounts.

10 Revenue Budget Implications

- 10.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans/leases and capital debt repayment provisions are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 12: Prudential Indicator – Proportion of financing costs to net revenue stream

| | 2018/19 Actual | 2019/20 Estimate | 2020/21 Estimate | 2021/22 Estimate | 2022/23 Estimate |
|----------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Financing Costs (£m) | (0.939) | (0.781) | (0.77) | 245 | 497 |
| Proportion of net revenue stream | (5.65%) | (4.82%) | (0.51%) | 1.66% | 3.39% |

- 10.2 Financing costs for 2020/21 and subsequent years includes an increase due to a change in the accounting for leases.

- 10.3 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The S151 Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable.
- 10.4 All capital investment must be sustainable in the long term through revenue support by the Council or its partners. All capital investment decisions consider the revenue implications both in terms of servicing the finance and running costs of the new assets. The impact of the revenue implications is a significant factor in determining approval of projects. The use of capital resources has been fully taken into account in the production of the Council's Medium Term Financial Plan.

11 Knowledge and Skills

- 11.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the S151 Officer is a qualified accountant, and the Director of Commercial Services and Income Generation is highly experienced in the commercial property field. There are several other professionally qualified Finance Specialists within the Council's finance function and the Council pays for staff to study towards relevant professional qualifications including CIPFA. All officers involved in the treasury and investment management function have access to relevant technical guidance and training to enable them to acquire and maintain the appropriate level of expertise, knowledge and skills to undertake the duties and responsibilities allocated to them.
- 11.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers, and utilises services of property consultants who provide a diligent assessment of the market and assists in preparing a bid, acting as the sounding board for the in house Investment Surveyor. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 11.3 Those charged with governance (Members of the Audit Governance and the District Executive) recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively. The S151 Officer will ensure that elected members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and responsibilities.

Investment Strategy

12 Introduction

12.1 The Council invests funds that it holds for three broad purposes:

- i) because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- ii) to support local public services by lending to or buying shares in other organisations (**service investments**), and
- iii) to earn investment income (known as **commercial investments** where this is the main purpose)

12.2 This investment strategy meets the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

13 Treasury Management Investments

13.1 The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). The balance of treasury management investments is expected to fluctuate between £30m and £60m during the 2020/21 financial year.

13.2 The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

13.3 Full details of the Council's policies and its plan for 2020/21 for treasury management investments are covered in the treasury management strategy later in this document.

14 Service Investments – Loans

- 14.1 The Council lends money to local businesses, local charities, other local authority partnerships, and local residents to support local public services and priorities, and stimulate local economic growth. Currently the Council has loans invested with:
- Hinton St George Shop
 - Somerset Waste Partnership – for waste vehicles, with added benefit of keeping waste contract costs down
 - Opium Power Limited
- 14.2 The Council has also included provision in its Capital Programme to provide further loan finance to the Somerset Waste Partnership for new vehicles, depot works and bins / boxes to deliver Recycle More under the new waste contract.
- 14.3 The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to minimise this risk and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 13: Loans for Service Purposes

| Category of borrower | Actual as at 31/03/2019 | | | 2020/21 Approved Limit £k |
|-------------------------|-------------------------|-------------------------|---------------------------------|------------------------------------|
| | Balance Owing £k | Loss Allowance £k | Net Figure In Accounts £k | |
| Local Businesses | 157 | 0 | 157 | 200 |
| Local authorities | 1,017 | 0 | 1,017 | 10,000 |
| Joint Operations | 11,192 | 0 | 11,192 | 15,000 |
| Community (Small) Loans | 0 | 0 | 0 | 1,000 |
| Employees | 26 | 0 | 26 | 100 |
| Total | 12,392 | 0 | 12,392 | 26,300 |

- 14.4 Accounting standards require the Council to set aside a loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Councils statement of accounts will be shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.
- 14.5 No loss allowance is set aside for the current loans made for service purposes. In the case of the loan to the local business and the loan to the joint operation, the Council has a charge over the asset. The asset values are currently higher than the value of the balance owing on the respective loans, therefore no loss allowance is currently required. Assets are revalued in line with the accounting policies and the loss allowance will be revised if asset value reduces to a level below the balance outstanding on the loan.
- 14.6 The Council assesses the risk of loss before entering into and whilst holding service loans by working up a robust business case and applying due diligence to all requests for service loans, and proportionate monitoring of credit risk of borrowers. For example, with loans to key businesses the Council's finance specialist team (qualified accountants) will review financial statements and service officers will maintain communication with the borrower in order that emerging risks are identified promptly. The Council will use credit rating information where available, and will use external specialist advisors if appropriate.

15 Service Investments – Shares

- 15.1 The Council does not currently hold any direct investment in the shares of subsidiaries, its suppliers or local businesses. As part of the Council's commercialisation agenda, the Council may explore opportunities to establish wholly-owned or partly-owned trading companies. In any such case, appropriate business cases, due diligence, risk assessment and governance proposals will be developed for consideration of Full Council. In addition, relevant provisions would be added to the Investment Strategy including the expected contribution to the Council's strategies and priorities, and the security and liquidity of investments.

16 Commercial Investments – Property

- 16.1 The Council invests in a diverse investment property portfolio both locally and nationally with the intention of generating surplus income that will be spent on local public services delivered within the district. This is an essential response to significant reductions in government funding over recent years, in order to meet service delivery objectives and the place making role of the Council, and avoid service cuts. The council plans to increase its investment by up to £85m over the next 2-3 years.

- 16.2 The Council holds a number of assets that were initially acquired for service purposes such as benefitting the local economy but have since been reclassified as investment properties. These are now established and the main purpose for holding the assets is for rental income. The following table summarises the investment properties as at 1 April 2019. This table includes historically held investment properties as well as investments made as part of the Commercial Strategy up to 1 April 2019.

Table 14: Property held for investment purposes

| Sector | Actual Purchase cost £k | 31 st March 2019 (Actual) | | 31 st March 2020 (Expected) | |
|----------------------|----------------------------|--|----------------------------|--|----------------------------|
| | | Valuation Gains or (-) losses £k | Value in accounts £k | Valuation Gains or (-) losses £k | Value in accounts £k |
| Offices | 11,761 | -901 | 10,860 | TBC | TBC |
| Retail | 11,300 | -1,200 | 10,100 | | |
| Industrial | 3,361 | -261 | 3,100 | | |
| Small Business Units | 1,153 | -53 | 1,100 | | |
| Historic Buildings | 419 | -39 | 380 | | |
| Nursery | 284 | -44 | 240 | | |
| Commercial | 187 | 33 | 220 | | |
| Garages | 65 | -6 | 59 | | |
| Warehouse | 38 | -3 | 35 | | |
| Totals | 28,568 | -2,474 | 26,094 | | |

- 16.3 The Council has purchased a number of properties held for investment purposes in line with the Commercial Strategy since the 1 April 2019, the purchase cost of the properties is detailed in table 15.

Table 15: Commercial Investment purchases from 1st April to 31 December 2019

| Sector | Actual Purchase cost £k |
|--------------|----------------------------|
| Industrial | 20,624 |
| Offices | 13,316 |
| Industrial | 3,361 |
| Alternative | 6,765 |
| Retail | 4,674 |
| Total | 48,740 |

- 16.4 The total value of property held for investment purposes as at 31 December 2019 is £74.8m. The valuation gains and losses and the value in the accounts in respect of these purchases, and the properties held at 1 April 2019, is not known at the stage as the gains and losses on properties are undertaken as part of the closure of accounts.
- 16.5 In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs. The Council also recognises that asset values may increase and decrease over time due to market volatility, and takes a long term perspective with the assumption that capital values are likely to hold or grow over the life of the asset.
- 16.6 *Where value in accounts is at or above purchase cost:* A fair value assessment of the Council's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2019/20 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

or

- 16.7 *Where value in accounts is below purchase cost:* The fair value of the Council's investment property portfolio is no longer sufficient to provide security against loss, and the Council is therefore taking mitigating actions to protect the capital invested. These actions include: planning to hold the assets for the long term; maintaining assets to appropriate quality; mitigating risk of realised losses through maintaining adequate funds in an Investment Risk Reserve, and reducing capital borrowing through its MRP policy.
- 16.8 The Council assesses the risk of loss before entering into and whilst holding property investments by undertaking appropriate due diligence including full valuation surveys and operating an asset management plan. The Council also considers strength of local market conditions to give confidence on future re-letting and also considers possible alternative uses if appropriate, and actively monitors the portfolio to ensure tenant obligations for maintaining assets are fulfilled.
- 16.9 Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Council actively manages cash flow through its treasury management arrangements and plans to under-borrow against its CFR so that it can temporarily borrow at short notice if required.
- 16.10 The Council's asset disposal policy includes the approved process for asset disposal and performance indicators (property management indicators) which provide the information on the performance of each property. The performance indicators provide information on assets which are not yielding the level of return required by the Commercial Strategy.
- 16.11 The Council uses industry standard software, to track the performance of its investment portfolio. The software is capable of monitoring running yields asset by asset and across the portfolio, and adopting multiple scenarios. By continually reviewing the market, the tenant covenant and unexpired lease term of each property, the Council is able to find the optimum time to dispose of assets.

17 Other Categories of Investment

- 17.1 Special Purpose Vehicles - The Council has setup a special purpose vehicle (SSDC Opium Power Ltd) which will to deliver a renewable energy project. This is the Council's first step into ownership and development of renewable energy which will provide essential support to the National Grid for balancing power demand and storing renewable energy. The company is 50:50 owned between the Council and Opium Power Limited, with the Council providing a secured term loan facility to the SPV. The agreed rate of interest on the loan is 5% per annum. A repayment schedule has been agreed with the SPV as part of the loan conditions.

- 17.2 Renewable energy investments – This type of investment not only assist with the Council's income generation needs and contributes towards the objectives of the commercial strategy, they also meet the Council Plan commitment to promote the use of green technology. Renewable energy measures and investments are continually sought to ensure that the Council's existing and future energy costs and requirements on our own operational property are considered.
- 17.3 Community Benefit - Other investments that do not meet the internal rate of return target, but do provide some financial return and also bring collective benefit to the community in accordance with the wider Corporate Plan objectives are considered with a different form of assessment criteria but similar decision making process. The primary objective may not be to generate income but to deliver a service of community benefit i.e. economic development, jobs, health, welfare, leisure, housing need etc.
- 17.4 Regeneration Schemes - Major investment in Regeneration Schemes are planned or are in progress, such as the Chard Regeneration Scheme and the Yeovil Refresh, and these are projects with their own strategies and plans for delivery, but they link to the Commercial Strategy objectives in the longer term and the same principles apply in executing these projects.
- 17.5 Therefore, the council will progress, consider and assess Regeneration proposals, using an investment based approach that seeks to create viable regeneration schemes that not only pay for themselves but generate a return on the investment over the longer term where possible. Regeneration delivers both tangible commercial and community objectives resulting in income generation for the wider district in the medium to long-term, as well as directly to the Council through business rates or council tax, for example.

18 Financial Guarantees

- 18.1 Although not strictly counted as investments, since no money has exchanged hands yet, financial guarantees carry similar risks to the Council and are included here for completeness.
- 18.2 The Council had the following guarantees on 1 April 2019, as reported in the Council's Statement of Accounts for 2018/19:
- Environmental risk in the Birchfield Park - £311k

- Somerset Waste Partnership (SWP) pension liability - £275k
- South West Audit Partnership Limited Pension Liability - £149k
- Mama Bears Nursery Pension Liability - £36k

19 Proportionality

- 19.1 The Council currently has a low dependency on investment property income, but with increased investment the Council plans to become dependent on income generating investment activity to achieve a balanced revenue budget. Table 16 below shows the extent to which the expenditure planned to meet the service delivery objectives and place making role of the Council is dependent on achieving the expected net income from investments over the lifecycle of the Medium Term Financial Plan.
- 19.2 Should it fail to achieve the expected net income, the Council's contingency plans for continuing to provide these services including holding adequate funds in an earmarked Investment Risk Reserve as well as carrying adequate General Reserves. Budget estimates are also set using prudent assumptions about net income from the portfolio including an allowance for voids / non-collection.

Table 16: Proportionality of Investments

| | 2018/19 Actual | 2019/20 Estimate | 2020/21 Estimate | 2021/22 Estimate | 2022/23 Estimate |
|----------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Gross Service Expenditure | 71,886,232 | 68,481,530 | 64,721,510 | 63,155,350 | 62,805,750 |
| Investment Income | | | | | |
| - Treasury Investments | 1,426,361 | 1,648,920 | 1,393,120 | 1,445,560 | 1,484,250 |
| - Commercial Investments | 1,030,192 | 1,160,630 | 5,024,594 | 7,218,464 | 10,103,214 |
| Total Investment Income | 2,456,553 | 2,809,550 | 6,417,714 | 8,664,024 | 11,587,464 |
| Proportion | 3.42% | 4.10% | 9.92% | 13.72% | 18.45% |

19.3 Investment income shown in the above table is the gross income included in the budget estimates, disregarding asset management and capital financing costs.

20 Borrowing In Advance of Need

20.1 Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Council has chosen not to follow this guidance and plans to borrow for this purpose because generating investment income is now essential to respond to the large scale reductions in grant funding from Government. The Council (and its predecessors) has already sought to mitigate this reduction through service cost reductions, combining into a single workforce followed by the creation of the single new council entity, and driving further efficiency by transforming how we work and effectively managing demand for services. Increasing income is also part of the strategy to mitigate the significant funding reductions.

21 Capacity, Skills and Culture

21.1 The Council have enterprising staff, partners and members, their skills and ideas need to be clearly and effectively communicated and harnessed to help achieve our Commercial Strategy. The Council have invested in staff training to enhance staff and member skills and raise the level of commercial expertise across the Council. Staff training is a continuing priority in this area with continuing professional development being an integral part of this.

- 21.2 The Council has recruited a highly experienced commercial director and qualified property specialists, which ensures that the necessary skills and knowledge are in place to achieve the aims of the Commercial Strategy and ensures that the risks involved in commercial investments are fully understood.
- 21.3 Officers involved in the investment making decision process are governed by internal procedures and processes and external statutory guidance in the form of the CIPFA Treasury Management Code and MHCLG Investment guidance. Internally limits are set in the annual Treasury Management Strategy Statement and the overriding Treasury Management Practices. The Council team dealing with investment assessments and management are professionally qualified and experienced in their field of property, finance and legal, with access to training as required. Specialist advice will also be bought in for non-traditional property investments as required.
- 21.4 Members on the Investment Assessment Group will have access to relevant commercial property training for example as provided by the LGA or CIPFA as well as being advised by professional specialists.
- 21.5 Reporting to members on a regular basis on the performance on current investments, and on potential new investments is an integral part of the Commercial Strategy, the continual reporting ensures that elected members have the information needed to assess the risks and rewards that are associated in this area.
- 21.6 In considering investment opportunities, a predetermined set of assessment criteria for each proposed investment is used and a business case is completed to ensure transparency, due diligence, governance and consistency to aid achievement of the investment objectives.
- 21.7 Officers who are tasked with negotiating commercial deals have been provided with the necessary training and information and are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.
- Briefings and guidance provided to, and discussed with the senior leadership team and officers involved in commercial deals.
 - There is a requirement for continuing professional development for qualified professionals who are part of the decision making process for commercial deals.

21.8 The Council has robust governance arrangements in place, the Commercial Strategy (2017-2021) sets out the arrangements which:

- Sets out the approved budget for the financial years that the strategy covers, the authority to manage the budget of either borrowings or reserves is delegated to the S151 officer in consultation with the Investment Assessment Group.
- An Investment Assessment Group established who undertake due diligence, report on performance and recommend investments to acquire, or assets to dispose of, to the CEO that meet required criteria set out in the Commercial Strategy
- The IAG comprises of the Property, Land and Development Manager, Director of Commercial Services & Income Generation, S151 Officer, Monitoring Officer, and Portfolio Holder.
- Delegation of individual investment / acquisition approvals up to a value of £10 Million for any single transaction to the Chief Executive Officer in consultation with the Leader.
- In considering opportunities, a predetermined set of assessment criteria for each proposed investment project is used.
- A business case is completed in each case to ensure transparency, due diligence, governance and consistency to aid achievement of the Commercial Strategy and the Corporate Plan objectives.
- Where the criteria are met, there is a schedule of delegation agreed that enables positive decisions to be made that respect market requirements for swift action and confidentiality.
- If a unanimous recommendation to proceed is made by the IAG, the proposal will be recommended to the Chief Executive Officer for a final decision in consultation with the Council Leader.
- There is regular performance monitoring to demonstrate how investments are performing over time, and to enable portfolio review to take place to maximise benefit over time.

22 Investment Indicators

22.1 The Council has set the following quantitative indicators to allow elected measures and the public to assess the Council's total risk exposure as a result of its investment decisions.

Total investment exposure:

22.2 This indicator shows the Council's total exposure to potential investment losses. It includes amounts the Council is contractually committed to lend but have yet to draw down and guarantees the Council has issued.

Table 17: Total Investment Exposure

| | Actual 1/4/2019 £k | Forecast 31/3/2020 £k | Forecast 31/3/2021 £k | Forecast 31/3/2022 £k |
|---|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| Treasury Management Investments – Strategic Funds | 23,250 | 30,000 | 30,000 | 30,000 |
| Treasury Management Investments – Other | 7,480 | 3,000 | 2,000 | 2,000 |
| Service Investments – Loans | 1,174 | 5,021 | 5,509 | 6,171 |
| Commercial Investment – Property | 26,109 | 85,691 | 120,691 | 140,116 |
| Other investments – SPV | 11,192 | 12,316 | 11,674 | 9,884 |
| Total Investments | 69,205 | 136,028 | 169,874 | 188,171 |
| Guarantees Issued on Pension Liabilities | 460 | 460 | 185 | 185 |
| Total Commitments and Guarantees | 460 | 460 | 185 | 185 |
| Total Exposure | 69,665 | 136,488 | 170,059 | 188,356 |

How investments are funded:

22.3 Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, it is difficult to comply with this guidance. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of need.

Table 18: Investments funded by Borrowing

| | Actual 1/4/2019 £k | Forecast 31/3/2020 £k | Forecast 31/3/2021 £k | Forecast 31/3/2022 £k |
|----------------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|
| Treasury Management Investments | 0 | 0 | 0 | 0 |
| Service Investments – Loans | 0 | 4,125 | 4,794 | 4,801 |
| Commercial Investment – Property | 26,109 | 85,691 | 120,691 | 140,116 |
| Other investments - SPV | 11,191 | 12,316 | 11,674 | 9,884 |
| Total Funded by Borrowing | 38,475 | 102,132 | 137,159 | 154,801 |

Rate of return received:

22.4 This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 19: Investment Net Rate of Return

| | Actual 1/4/2019 | Forecast 31/3/2020 | Forecast 31/3/2021 | Forecast 31/3/2022 |
|----------------------------------|--------------------|-----------------------|-----------------------|-----------------------|
| Treasury Management Investments | 3.20% | 2.84% | 3.10% | 3.10% |
| Service Investments – Loans | 2.49% | 2.80% | 2.80% | 2.80% |
| Commercial Investment – Property | 5.56% | 3.98% | 3.50% | 3.50% |
| Other investments - SPV | 5.00% | 6.00% | 6.00% | 6.00% |
| Total All Investments | 4.06% | 3.91% | 3.85% | 3.85% |

Other investment indicators:

22.5 The Government’s investment guidance suggests authorities should consider a range of other quantitative indicators to show risks and opportunities in respect of investment and borrowing. The table below summarises indicators proposed for this Council.

Table 20: Other investment indicators

| | Actual 1/4/2019 | Forecast 31/3/2020 | Forecast 31/3/2021 | Forecast 31/3/2022 |
|--|--------------------|-----------------------|-----------------------|-----------------------|
| Commercial Income to Net Service Expenditure | 6.30% | 7.17% | 32.82% | 48.32% |
| Investment cover ratio | 3.86 | 3.50 | 8.82 | 7.80 |
| Loan to value ratio | 40.28% | 56.96% | 65.14% | 70.39% |

- 22.6 Commercial Income to Net Service Expenditure: Indicates dependence on commercial income to deliver core services.
- 22.7 Investment cover ratio: The total net income from commercial property investment compared to the interest expense relative to investment properties funded by borrowing.
- 22.8 Loan to value ratio: The amount of debt compared to the total assets value on the Council's balance sheet.

Treasury Management Strategy

23 Introduction

- 23.1 Treasury management is the management of the Council's cash flows, borrowing and investments and the associated risks. The Council has borrowed and invested substantial sums of money and is, therefore, exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are, therefore, central to the Council's prudent financial management.
- 23.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
- 23.3 Investments held for service purposes and for commercial income generation are considered in the Investment Strategy above.

24 External Context

- 24.1 The treasury strategy appropriately considers the wider economic picture. The Council's treasury advisor – Arlingclose – has provided a summary commentary on this wider context and their own interest rate forecasts, which is provided in Appendix A.

25 Local Context

25.1 On 31st December 2019, the Council had external borrowing of £51.5m and £29.2m of treasury investments. These balances are summarised below.

Table 21: Existing Debt and Investment Position

| | 1/4/2019 Balance £k | 31/12/2019 Balance £k |
|------------------------------------|---------------------------|-----------------------------|
| External Borrowing: | | |
| Local Authorities | -11,500 | -51,500 |
| Higher Education Providers | -8,000 | 0 |
| Total External Borrowing | -19,500 | -51,500 |
| Treasury Investments: | | |
| Covered bonds (secured) | 4,000 | 4,000 |
| Term Deposits (Other LA's & Banks) | 3,000 | 1,000 |
| Money Market Funds | 480 | 910 |
| Property & Pooled funds | 23,250 | 23,250 |
| Total Treasury Investments | 30,730 | 29,160 |
| Net Debt(-)/Investment | 11,230 | -22,340 |

25.2 Forecast changes in these sums are shown in the balance sheet analysis in Table 22 below.

Table 22: Balance Sheet Summary and Forecast

| | 1/4/2019 Actual £k | 31/3/2020 Estimate £k | 31/3/2021 Estimate £k | 31/3/2022 Estimate £k | 31/3/2023 Estimate £k |
|---|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Capital Financing Requirement | 39,320 | 93,844 | 141,442 | 191,409 | 207,799 |
| Less: External Borrowing | -19,500 | -79,097 | -111,697 | -162,897 | -180,597 |
| Less: Other debt liabilities (leases) | -82 | -1,000 | -14,500 | -14,500 | -14,500 |
| Internal Borrowing | 19,738 | 13,747 | 15,245 | 14,012 | 12,702 |
| Less: Usable reserves | -47,100 | -45,900 | -44,200 | -43,900 | -43,850 |
| Less: Working capital surplus (-) / deficit | -2,800 | -2,800 | -2,800 | -2,800 | -2,800 |
| Treasury Investments (-) / New Borrowing | -30,162 | -34,953 | -31,755 | -32,688 | 33,948 |

- 25.3 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investments. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 25.4 The Council has an increasing CFR due to the planned spending within the capital programme including expected investment property acquisitions and significant expenditure on regeneration schemes. The trend of increased expenditure indicates it will be required to borrow up to £181m over the forecast period.
- 25.5 The financing approach agreed in the governance for the regeneration programmes is quite elastic meaning the CFR could grow further in line with supported business cases, however a 'worst case' position in terms of potential up front borrowing has been taken into account in setting the required borrowing limit.
- 25.6 CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 22 shows that the Council expects to comply with this recommendation over the medium term.

Liability benchmark:

- 25.7 To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 22 above, but that cash and investment balances are kept to a minimum level of £30m at each year-end to maintain sufficient liquidity but minimise credit risk.

Table 23: Liability benchmark

| | 1/4/2019 Actual £k | 31/3/2020 Estimate £k | 31/3/2021 Estimate £k | 31/3/2022 Estimate £k | 31/3/2023 Estimate £k |
|----------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total CFR | 39,320 | 93,844 | 141,442 | 191,409 | 207,799 |
| Less: Usable reserves | -47,100 | -45,900 | -44,200 | -43,900 | -43,850 |
| Less: Working capital | -2,800 | -2,800 | -2,800 | -2,800 | -2,800 |
| Plus: Minimum investments | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Liability benchmark | 19,420 | 75,144 | 124,442 | 174,709 | 191,149 |

Borrowing Strategy

- 25.8 The Council currently holds £51.50m of loans (as at 31 December 2019), compared to £19.50m on 1 April 2019, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 22 shows that the Council expects to borrow up to £120m in 2020/21. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £165m.
- 25.9 The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 25.10 Given the significant cuts to public expenditure and in particular local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short term to either use internal resources, or to borrow short term loans instead.

25.11 By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal and short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2020/21 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

25.12 Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period (although forward loan interest rates will usually factor in an allowance for interest rate risk during the intervening period).

25.13 Additionally, the Council may borrow further short term loans to cover unplanned cash flow shortages.

25.14 The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- Any institution approved for investments (see below)
- Any other bank or building society authorised to operate in the UK
- Any other UK public sector body
- UK public and private pension funds (except Somerset County Pension Fund)
- Capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

25.15 Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- Leasing
- Hire purchase
- Private finance initiative
- Sale and leaseback

- 25.16 Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.
- 25.17 Short-term and variable rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).
- 25.18 Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

26 Treasury Investment Strategy

- 26.1 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £29m and £46m, and similar levels are expected to be maintained in the forthcoming year.
- 26.2 The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
- 26.3 If the UK enters into a recession in 2020/21, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

- 26.4 Given the increasing risk and very low returns from short-term unsecured bank investments, the Council aims to further diversify into more secure and/or higher yielding asset classes during 2020/21. The Council has increased its strategic (long-term) investments from £23.25m at the start of the financial year to an estimated £27.50m by the 31 March 2020. This diversification will represent a continuation of the strategy adopted in earlier years.
- 26.5 A proportion of the Council's surplus cash is currently invested in short-term unsecured bank deposits, money market funds and other local authorities.
- 26.6 Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's 'business model' for managing them. The Council aims to achieve value for money from its internally managed treasury investments by a business model of collecting the contractual cash flows and, therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved Counterparties

26.7 The Council may invest its surplus funds with any of the counterparty types in table 24 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 24: Approved investment counterparties and limits

| Credit rating | Banks unsecured | Banks secured | Government | Corporates | Registered Providers |
|---|-------------------|--|-------------------------|-------------------|----------------------|
| UK Govt | n/a | n/a | £ Unlimited 50 years | n/a | n/a |
| AAA | £3 m 5 years | £6 m 20 years | £6 m 50 years | £3 m 20 years | £3 m 20 years |
| AA+ | £3 m 5 years | £6 m 10 years | £6 m 25 years | £3 m 10 years | £3 m 10 years |
| AA | £3 m 4 years | £6 m 5 years | £6 m 15 years | £3 m 5 years | £3 m 10 years |
| AA- | £3 m 3 years | £6 m 4 years | £6 m 10 years | £3 m 4 years | £3 m 10 years |
| A+ | £3 m 2 years | £6 m 3 years | £3 m 5 years | £3 m 3 years | £3 m 5 years |
| A | £3 m 13 months | £6 m 2 years | £3 m 5 years | £3m 2 years | £3 m 5 years |
| A- | £3 m 6 months | £6 m 13 months | £3 m 5 years | £3 m 13 months | £3 m 5 years |
| None | n/a | n/a | £6 m 25 years* | n/a | £3 m 5 years |
| Pooled funds and real estate investment trusts | | £10m (nominal value) per fund or trust | | | |

This table must be read in conjunction with the notes below

- 26.8 **Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
- 26.9 **Banks unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 26.10 **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- 26.11 **Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of £2m per company as part of a diversified pool in order to spread the risk widely.
- 26.12 **Registered providers:** Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.
- 26.13 **Pooled funds:** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 26.14 Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying

investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

26.15 **Real estate investment trusts:** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.

26.16 **Operational bank accounts:** The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £200,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

26.17 **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty

26.18 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

26.19 **Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government

support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

26.20 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.

Investment Limits

26.21 The Council's revenue reserves available to cover investment losses are forecast to be £3m on 31 March 2020. In order that no more than 20% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £10m. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 25: Investment limits

| | Cash limit |
|---|-------------------|
| Any single organisation, except the UK Central Government | £10m each |
| UK Central Government | unlimited |
| Any group of organisations under the same ownership | £20m per group |
| Any group of pooled funds under the same management | £20m per manager |
| Negotiable instruments held in a broker's nominee account | £30m per broker |
| Foreign countries | £12m per country |
| Registered providers and registered social landlords | £8m in total |
| Unsecured investments with building societies | £8m in total |
| Loans to unrated corporates | £4m in total |
| Money market funds | £20m in total |
| Real estate investment trusts | £10m in total |

26.22 **Liquidity management:** The Council uses an in-house spreadsheet based cash flow forecasting model to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

27 Treasury Management Indicators

27.1 The Council measures and manages its exposures to treasury management risks using the following indicators.

Security

- 27.2 The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

| Credit risk indicator | Target |
|---------------------------------|---------------|
| Portfolio average credit rating | 5.0 |

Liquidity

- 27.3 The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

| Liquidity risk indicator | Target |
|--------------------------------------|---------------|
| Total cash available within 3 months | £10m |

Interest Rate Exposures

- 27.4 This indicator is set to control the Council's exposure to interest rate risk. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

| Interest rate risk indicator | Limit |
|---|--------------|
| Upper limit on one-year revenue impact of a 1% rise in interest rates | £200,000 |
| Upper limit on one-year revenue impact of a 1% fall in interest rates | £150,000 |

Maturity Structure of Borrowing

- 27.5 This indicator is set to control the Council's exposure to refinancing risk. The limits set for each category within this indicator is wide since the indicator is only to cover the risk of replacement loans being unavailable, not interest rate risk. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. The upper and lower limits on the maturity structure of borrowing will be:

| Refinancing rate risk indicator | Upper limit | Lower limit |
|---------------------------------|-------------|-------------|
| Under 12 months | 100% | 100% |
| 12 months and within 24 months | 100% | 100% |
| 24 months and within 5 years | 100% | 100% |
| 5 years and within 10 years | 100% | 100% |
| 10 years and above | 100% | 100% |

Principal Sums Invested For Periods Longer Than a Year

- 27.6 The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

| Price risk indicator | 2020/21 | 2021/22 | 2022/23 |
|---|---------|---------|---------|
| Limit on principal invested beyond year end | £30m | £25m | £25m |

28 Related Matters

- 28.1 **Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

- 28.2 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 28.3 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
- 28.4 In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.
- 28.5 Markets in Financial Instruments Directive: The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the S151 Officer believes this to be the most appropriate status.

Financial Implications

28.6 The budget for investment income and debt interest in 2020/21 is summarised as follows:

Table 26: Interest Income and Costs Budget Estimates

| | 2020/21 Investment Income £k | 2020/21 Average Interest Rate % | 2020/21 Interest Costs £k | 2020/21 Average Interest Rate % | 2020/21 Net Income or Costs £k |
|-------|---|--|--|--|---|
| Total | -1,393 | 3.10% | 570 | 1.00% | -823 |

28.7 If actual levels of investments and borrowing, or actual interest rates differ from those forecast, performance against budget will be correspondingly different. Significant variances will be identified in budget monitoring reports to the Senior Leadership Team and the District Executive.

29 Other Options Considered

29.1 The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The S151 Officer, having consulted the Portfolio Holder for Finance believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

| Alternative | Impact on income and expenditure | Impact on risk management |
|---|--|---|
| Invest in a narrower range of counterparties and/or for shorter times | Interest income will be lower | Lower chance of losses from credit related defaults, but any such losses may be greater |
| Invest in a wider range of counterparties and/or for longer times | Interest income will be higher | Increased risk of losses from credit related defaults, but any such losses may be smaller |
| Borrow additional sums at long-term fixed interest rates | Debt interest costs will rise; this is unlikely to be offset by higher investment income | Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain |
| Borrow short-term or variable loans instead of long-term fixed rates | Debt interest costs will initially be lower | Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain |
| Reduce level of borrowing | Saving on debt interest is likely to exceed lost investment income | Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain |

External Context – Commentary by Arlingclose (November 2019)

Economic background: The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2020/21.

UK Consumer Price Inflation (CPI) for September registered 1.7% year on year, unchanged from the previous month. Core inflation, which excludes the more volatile components, rose to 1.7% from 1.5% in August. The most recent labour market data for the three months to August 2019 showed the unemployment rate ticked back up to 3.9% while the employment rate was 75.9%, just below recent record-breaking highs. The headline 3-month average annual growth rate for pay was 3.8% in August as wages continue to rise steadily. In real terms, after adjusting for inflation, pay growth increased 1.9%.

GDP growth rose by 0.3% in the third quarter of 2019 from -0.2% in the previous three months with the annual rate falling further below its trend rate to 1.0% from 1.2%. Services and construction added positively to growth, by 0.6% and 0.4% respectively, while production was flat and agriculture recorded a fall of 0.2%. Looking ahead, the Bank of England's Monetary Policy Report (formerly the Quarterly Inflation Report) forecasts economic growth to pick up during 2020 as Brexit-related uncertainties dissipate and provide a boost to business investment helping GDP reach 1.6% in Q4 2020, 1.8% in Q4 2021 and 2.1% in Q4 2022.

The Bank of England maintained Bank Rate to 0.75% in November following a 7-2 vote by the Monetary Policy Committee. Despite keeping rates on hold, MPC members did confirm that if Brexit uncertainty drags on or global growth fails to recover, they are prepared to cut interest rates as required. Moreover, the downward revisions to some of the growth projections in the Monetary Policy Report suggest the Committee may now be less convinced of the need to increase rates even if there is a Brexit deal.

Growth in Europe remains soft, driven by a weakening German economy which saw GDP fall -0.1% in Q2 and is expected to slip into a technical recession in Q3. Euro zone inflation was 0.8% year on year in September, well below the European Central Bank's target of 'below, but close to 2%' and leading to the central bank holding its main interest rate at 0% while cutting the deposit facility rate to -0.5%. In addition to maintaining interest rates at ultra-low levels, the ECB announced it would recommence its quantitative easing programme from November.

In the US, the Federal Reserve began easing monetary policy again in 2019 as a pre-emptive strike against slowing global and US economic growth on the back on of the ongoing trade war with China. At its last meeting the Fed cut rates to the range of 1.50-1.75% and financial markets expect further loosening of monetary policy in 2020. US GDP growth slowed to 1.9% annualised in Q3 from 2.0% in Q2.

Credit outlook: Credit conditions for larger UK banks have remained relatively benign over the past year. The UK's departure from the European Union was delayed three times in 2019 and while there remains some concern over a global economic slowdown, this has yet to manifest in any credit issues for banks. Meanwhile, the post financial crisis banking reform is now largely complete, with the new ringfenced banks embedded in the market.

Challenger banks hit the news headlines in 2019 with Metro Bank and TSB Bank both suffering adverse publicity and falling customer numbers.

Looking forward, the potential for a “no-deal” Brexit and/or a global recession remain the major risks facing banks and building societies in 2020/21 and a cautious approach to bank deposits remains advisable.

Interest rate forecast: The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. The risks to this forecast are deemed to be significantly weighted to the downside, particularly given the upcoming general election, the need for greater clarity on Brexit and the continuing global economic slowdown. The Bank of England, having previously indicated interest rates may need to rise if a Brexit agreement was reached, stated in its November Monetary Policy Report and its Bank Rate decision (7-2 vote to hold rates) that the MPC now believe this is less likely even in the event of a deal.

Gilt yields have risen but remain at low levels and only some very modest upward movement from current levels are expected based on Arlingclose's interest rate projections. The central case is for 10-year and 20-year gilt yields to rise to around 1.00% and 1.40% respectively over the time horizon, with broadly balanced risks to both the upside and downside. However, short-term volatility arising from both economic and political events over the period is a near certainty.

Arlingclose Economic & Interest Rate Forecast November 2019

Underlying assumptions:

- The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased.
- Some positivity on the trade negotiations between China and the US has prompted worst case economic scenarios to be pared back. However, information is limited, and upbeat expectations have been wrong before.
- Brexit has been delayed until 31 January 2020. While the General Election has maintained economic and political uncertainty, the opinion polls suggest the Conservative position in parliament may be strengthened, which reduces the chance of Brexit being further frustrated. A key concern is the limited transitional period following a January 2020 exit date, which will maintain and create additional uncertainty over the next few years.
- UK economic growth has stalled despite Q3 2019 GDP of 0.3%. Monthly figures indicate growth waned as the quarter progressed and survey data suggest falling household and business confidence. Both main political parties have promised substantial fiscal easing, which should help support growth.
- While the potential for divergent paths for UK monetary policy remain in the event of the General Election result, the weaker external environment severely limits potential upside movement in Bank Rate, while the slowing UK economy will place pressure on the MPC to loosen monetary policy. Indeed, two MPC members voted for an immediate cut in November 2019.
- Inflation is running below target at 1.7%. While the tight labour market risks medium-term domestically-driven inflationary pressure, slower global growth should reduce the prospect of externally driven pressure, although political turmoil could push up oil prices.
- Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- Although we have maintained our Bank Rate forecast at 0.75% for the foreseeable future, there are substantial risks to this forecast, dependant on General Election outcomes and the evolution of the global economy.
- Arlingclose judges that the risks are weighted to the downside.
- Gilt yields have risen but remain low due to the soft UK and global economic outlooks. US monetary policy and UK government spending will be key influences alongside UK monetary policy.
- We expect gilt yields to remain at relatively low levels for the foreseeable future and judge the risks to be broadly balanced.

A summary of the forecast rates is included on the next page. Note:

- PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80%
- PWLB Local Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

| | Dec-19 | Mar-20 | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Mar-22 | Jun-22 | Sep-22 | Dec-22 | Average |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Official Bank Rate | | | | | | | | | | | | | | |
| Upside risk | 0.00 | 0.00 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.21 |
| Arlingclose Central Case | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Downside risk | -0.50 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.73 |
| 3-month money market rate | | | | | | | | | | | | | | |
| Upside risk | 0.10 | 0.10 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.25 |
| Arlingclose Central Case | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Downside risk | -0.50 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.73 |
| 1yr money market rate | | | | | | | | | | | | | | |
| Upside risk | 0.10 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.25 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.23 |
| Arlingclose Central Case | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 |
| Downside risk | -0.30 | -0.50 | -0.55 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.60 |
| 5yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.45 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 0.50 | 0.50 | 0.50 | 0.55 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 0.57 |
| Downside risk | -0.35 | -0.50 | -0.50 | -0.55 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.60 | -0.56 |
| 10yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 0.75 | 0.75 | 0.80 | 0.80 | 0.85 | 0.85 | 0.90 | 0.90 | 0.95 | 0.95 | 1.00 | 1.00 | 1.00 | 0.88 |
| Downside risk | -0.40 | -0.40 | -0.40 | -0.40 | -0.45 | -0.45 | -0.45 | -0.45 | -0.50 | -0.50 | -0.50 | -0.50 | -0.50 | -0.45 |
| 20yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 1.20 | 1.20 | 1.25 | 1.25 | 1.25 | 1.30 | 1.30 | 1.30 | 1.35 | 1.35 | 1.35 | 1.40 | 1.40 | 1.30 |
| Downside risk | -0.40 | -0.40 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.50 | -0.50 | -0.45 |
| 50yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.40 | 0.40 | 0.45 | 0.45 | 0.37 |
| Arlingclose Central Case | 1.20 | 1.20 | 1.25 | 1.25 | 1.25 | 1.30 | 1.30 | 1.30 | 1.35 | 1.35 | 1.35 | 1.40 | 1.40 | 1.30 |
| Downside risk | -0.40 | -0.40 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.45 | -0.50 | -0.50 | -0.45 |

Minimum Revenue Provision (MRP) Statement

1 Policy Statement

- 1.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.
- 1.2 The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 1.3 The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.
- 1.4 For capital expenditure incurred before 1st April 2008, MRP will be determined in accordance with the former regulations that applied on 31st March 2008, incorporating an "Adjustment A" of £9,113k.
- 1.5 For capital expenditure on operational assets incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset by either of the following methods:
 - a) In equal instalments
 - b) Using an annuity basis
- 1.6 For freehold land, MRP will be applied over 50 years, except where there is a structure on the land which the Council considers to have a life of more than 50 years where in such cases the longer life may also be applied to the land.

- 1.7 For capital expenditure not related to council assets but which has been capitalised by regulation or direction (e.g. capital grants to third parties) will be charged in equal instalments over a period of up to 25 years.
- 1.8 For assets acquired by leases, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- 1.9 For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. While this is not one of the options in the MHCLG Guidance, it is thought to be a prudent approach since it ensures that the capital expenditure incurred in the loan is fully funded over the life of the assets.
- 1.10 For investment properties, MRP will be calculated over a period of no more than 50 years, and MRP may be calculated by either of the following methods:
 - a) In equal instalments
 - b) Using an annuity basis
 - c) Weighted to reflect projected net income cash flows over the expected life of investment (up to 50 years)
- 1.11 MRP will be charged from the start of the financial year after the expenditure is incurred, meaning capital expenditure incurred during 2020/21 will not be subject to a MRP charge until 2021/22.

2 Capital Financing Requirement and MRP Estimates

- 2.1 Based on the Council's latest estimate of its capital financing requirement (CFR) on 31 March 2020, the budget estimate for MRP has been set as follows:

| Capital Financing Requirement and MRP | 31/03/2020 Estimated CFR £k | 2020/21 Estimated MRP £k |
|---|-----------------------------------|--------------------------------|
| Capital Expenditure before 1 April 2008 | 9,113 | 0 |
| Unsupported Capital Expenditure since 31 March 2008 | 84,731 | 747 |
| Voluntary overpayment or use of prior year overpayments | 0 | 0 |
| Total | 93,844 | 747 |

3 MRP Overpayments

- 3.1 Overpayments: In earlier years, the Council has made no voluntary overpayments of MRP that are available to reduce the revenue charges in later years. It is not planned to make an overpayment in 2020/21, however the S151 Officer may determine such an overpayment during the year and report this through the Outturn Report.

| MRP Overpayments | £k |
|---|----|
| Actual balance 1 April 2019 | 0 |
| Approved overpayment 2019/20 | 0 |
| Expected balance 31 March 2020 | 0 |
| Planned overpayment 2020/21 | 0 |
| Forecast Overpayments Balance 31 March 2021 | 0 |

Agenda Item 9

2019/20 Budget Monitoring Report for the Period Ending 31st December 2019

Executive Portfolio Holder: Peter Seib, Finance
Director: Netta Meadows
Lead Officer: Nicola Hix, Interim S151
Contact Details: nicola.hix@southsomerset.gov.uk or 01935 462612

Purpose of the Report

1. The purpose of this report is to provide Members with the current projection of the forecast spending and income (“outturn”) against the Council’s approved Revenue Budget for the financial year, and to explain projected variations against budget.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 6th February 2020.

Public Interest

3. This report gives an update on the forecast revenue financial position and budgetary variations of the Council for the financial year 2019/20, as at 31st December 2019. Maintaining the financial health and resilience of the organisation is important in ensuring the ongoing delivery of priority services in our community.

Recommendations

4. That the District Executive:
 - a. Notes current 2019/20 financial position of the Council
 - b. Notes the reasons for variations to approved Directorate Budgets as detailed in paragraph 8, Table 1
 - c. Notes the budget virements made under delegated authority as detailed in Appendix B,
 - d. Approve the budget virements included in Table 4
 - e. Notes the transfers made to and from reserves outlined in paragraph 28 Table 6, the Area Reserves as detailed in Appendix C, and the Corporate Reserves as detailed in Appendix D.

Background

5. The 2019/20 original budget was approved by Council in February 2019. This represents the financial plans that the Executive manages under their delegated authority and that they monitor in accordance with the Financial Procedure Rules. All of the Council’s income and expenditure has a responsible budget holder.
6. This is the third forecast for the year, which is completed at the end of Quarter 3 (1st April to 31st December 2019). As the report is the penultimate monitoring report for 2019/20, the projected position should be regarded as a reasonably firm indication of possible differences between actual

and budgeted spend and income for the year. However, experience shows that the position at the end of the year can vary, sometimes significantly, from the forecast position. Budget managers will continue to take corrective action and manage risks and opportunities in the remaining part of the financial year to minimise the variances on budgets.

Summary of the Current Revenue Financial Position and Forecast Outturn

7. Managers have forecast expenditure and income for the year in order that the expected outturn and the projected variances are identified and reported. Appendix A to this report sets out the position as at the end of quarter 3 and details the forecast outturn for 2019/20.
8. There is currently a net forecast underspend of £285,870 (1.66%) for 2019/20. Table 1 below details the services with major variances forecast for 2019/20 as predicted at 31st December 2019 that contribute to this predicted figure.

Table 1 – Major Variances (+/- £50,000)

| Directorate | Service | Forecast Variance £'000 | Explanation of variance |
|---|----------------------------------|----------------------------|--|
| Commercial Services and Income Generation | Streetscene | -60 | Additional income is anticipated on various Streetscene income budgets. |
| | Waste Services | -57 | Garden Waste income is expected to exceed the 2019/20 budget |
| | Income / Opportunity Development | 64 | Additional expenditure in respect of National Non Domestic Rates and an anticipated shortfall in rental income at Yeovil Innovation Centre. Actions are in place to promote the meeting room facilities and small business units which will of course improve the income generated for the site. |
| | Operational Properties | 80 | Income from catering and operational buildings is forecast to be £85k below budget estimate. There are underspends expected on catering related expenditure due to reduced activity, this is partially offset by an anticipated overspend on National Non Domestic Rates payable. |
| | Commercial Investments | -100 | Income will exceed budget due to commercial investment purchases only being added into the budget setting report once actually completed. Any overachievement of income showing at year end will be transferred to Commercial Risk Reserve. £450k already transferred this year. |
| | Car Parking | 208 | Expected £60k overspend on NNDR and £10k on repairs budget. Expected £163k shortfall in car park income. District Executive approved increase was modelled for budget purposes on 10% but indexation provides only 7%. |
| Service Delivery | Customer Connect Team | -73 | Underspend on salaries due to vacancies, recruitment into a number of the vacant roles was delayed due to the identification of the requirements that will fit the need of the service. |
| | Land Charges | 75 | Shortfall of income due to service pressures, additional capacity has been added to the team meaning an improvement in income is anticipated. |

| Directorate | Service | Forecast Variance £'000 | Explanation of variance |
|----------------------------|------------------------------|----------------------------|---|
| | Building Control | 213 | The forecast year end variance is based on the service having to run with agency staffing due to difficulties in recruitment. The outcomes of a peer review undertaken in the summer will help inform the future business plan for the service. |
| | Development Management | 192 | Agency costs incurred due to being unsuccessful in recruiting to vacant posts. Fee income expected to be less than the budget. |
| Strategy and Commissioning | Contracted Sports Facilities | -109 | Underspend on premises maintenance budgets due to resource issues. Additional income expected at one of the Sports Centres. |
| Support Services | Finance Corporate Costs | -543 | Insurance premiums projected to be below budget, and treasury net interest costs and income forecast to produce a surplus against budget. |
| | Support Services Functions | 55 | Resource issues will result in the income receivable in respect of Legal fees and costs recovered being less than the annual budget |

(Negative figures = underspend / surplus income, positive figures = overspend / income shortfall)

9. Income trends compared to budget remains a concern for managers in some areas. Managers in the areas concerned are continually monitoring income trends together with their Finance Specialist and, if required, plans will be implemented to bring spending and income in line with the approved budgets where deliverable. Additional information on the areas which have significant income budgets which would impact on the financial position if there were to be significant variances are detailed in the risk table (Table 8) of this report.
10. The commercial investment properties income budget is currently forecasting a gross surplus of c£1m for the year, as a result of completed investments since the original budget for the year was estimated. Once the adjustments for interest and MRP have been processed, it is proposed to transfer the additional income to the Investment Risk Reserve at year end, therefore this surplus is not included as an underspend variance against total budget for the year. This transfer is in addition to the £450k agreed in the Financial Strategy report approved at September District Executive. The Financial Strategy report also proposed a number of additional transfers which were in line with the financial strategy of building resilience to income volatility within this reserve. Table 2 details the amounts approved which have been transferred to the reserve in quarter 3 and are reflected in the reserve balances included in table 6. An additional £57k transfer to the reserve was approved in the Financial Strategy report, this amount will be included as part of the transfer of surplus income that will be made at year end.

Table 2 – Commercial Investment Risk Reserve

| | £'000 |
|--|--------------|
| Balance as at 1st April 2019 | 132 |
| 2019/20 budgeted transfer from investment income surplus | 450 |
| Financial Strategy recommended transfer from General Reserves | 661 |
| Financial Strategy recommended transfer from BRR Volatility Reserve | 2,500 |
| Financial Strategy recommended transfer from MTFP Support Fund Reserve | 2,500 |
| Revised Budget as at 31st December 2019 | 6,243 |

11. In addition, the Council's treasury investments continue to outperform the budget set for the year, resulting in a projected surplus. The Financial Strategy report also proposed to transfer an element of the treasury investment income surplus to the Treasury Risk Reserve in 2019/20. Therefore, an amount of £150k was transferred to the reserve from the treasury management income budget, from general reserves and from the MTFP Support Fund making the total transferred to the reserve in the third quarter £450k. The balance on the reserve as at 31 December 2019 was £600k. The additional transfer of £450k accelerates the build-up of financial resilience to capital volatility in the Council's investments. The S151 Officer proposes to review the position at year end and a further transfer to this Reserve may be proposed at Outturn, if the year-end position on investment income continues to be positive.
12. The approved base budget as at 1st April 2019 was £16.198m for 2019/20, which is increased to £17.179m including £170k budget carried forward from the previous financial year.

Table 3 – Net Budget Reconciliation

| | £'000 |
|---|---------------|
| Approved base budget as at April 2019 | 16,198 |
| 2019/20 Carry forwards | 170 |
| Commercial Investment Risk Reserve | 661 |
| Treasury Investment Risk Reserve | 150 |
| Revised Budget as at 31st December 2019 | 17,179 |

Budget Virements

13. Under the Financial Procedure Rules, providing that the S151 Officer has been notified in advance, Directors/Managers may authorise any virements for an individual cost centre within their responsibility. Directors and Managers can authorise virements, up to a maximum of £25,000, for an overall Directorate that is within their area of responsibility. Portfolio Holders can approve virements between services within their areas of responsibility, up to a maximum of £25,000 per virement. These virements are listed in Appendix B for District Executive to note and have been approved by the S151 Officer.
14. All virements outside of the criteria set out above require the approval of District Executive and, such virements are detailed in the table below.

Table 4 – Virements over £25,000

| Amount £ | From | To | Details |
|---------------------|-------------------------------|---|--|
| 105,550 | Various | Information Systems | Transfer of software budgets from service department to Information Technology |
| 61,970 | Support Service Case Officers | Strategy & Commissioning Case Officers | Transfer of Democratic Services & Elections Case Officer staff budgets to Strategy Commissioning |
| 60,380 | Support Service Specialists | Democratic Services & Elections | Transfer of Democratic Services & Elections Specialist staff budgets to Strategy Commissioning |
| 670,000 | Support Services Functions | Strategy & Commissioning – Strategic Planning | Transfer of Democratic Services non staff budgets to Strategy Commissioning |
| 180,680 | Support Services Functions | Strategy & Commissioning – Strategic Planning | Transfer of Elections non staff budgets to Strategy Commissioning |

| Amount £ | From | To | Details |
|-------------|------------------------|---------------------|---|
| 48,500 | Learning & Development | Various | Allocation of training budget to service department |
| 65,790 | Conservation | Development Control | Consolidation of budget to reflect transformation structure |

Delivery of Savings

15. As part of effective financial planning and control it is important to monitor the delivery of savings planned within the approved budget. The table below details the major savings (savings over £25,000) that were agreed and the expected achievement of those savings at year-end. The table only highlights projected shortfalls and does not identify where targets may be exceeded.

Table 5 – 2019/20 Budgeted Major Savings (over £25,000)

| Description | Income/ Saving Target £'000 | Forecast Saving at Year-End £'000 | Shortfall £'000 |
|--|--------------------------------------|--|--------------------|
| Transformation (See paragraph 15 regarding one-off service resilience transitional costs of £494,900 for 19/20) | 756.8 | 756.8 | 0 |
| Sales, Fees and Charges - Arts | 5.4 | 5.4 | 0 |
| Sales, Fees and Charges - Planning | 15.0 | 15.0 | 0 |
| Sales, Fees and Charges - Licensing | 9.3 | 9.3 | 0 |
| Sales, Fees and Charges - Welfare/Careline | 12.4 | 10.4 | 2 |
| Sales, Fees and Charges - Horticulture/ Street Scene | 21.8 | 21.8 | 0 |
| Sales, Fees and Charges - Countryside | 11.0 | 11.0 | 0 |
| Parking Fee Income | 135.0 | 55.0 | 80 |
| Insurance Premiums Procurement saving | 50.0 | 50.0 | 0 |
| Total Major Savings | 1,016.7 | 934.7 | 82 |

(Negative figures = shortfall)

16. As reported previously in the quarter 1 report, one-off service resilience transitional costs of £494,900 for 2019/20 were agreed by DX in June 2019. Whilst the approved budget (and table 5 above) reflects the full delivery of savings per the business case it is appropriate to recognise some of the savings have effectively been reinvested to provide service resilience and meet workload as changes continue to be made.
17. Table 5 shows that the majority of the major savings target for 2019/20 is anticipated to be achieved. The achievement of savings will continue to be monitored during the remaining part of the financial year to clarify whether the base budget expectation is realistic, and any changes to underlying trend will be addressed through the 2020/21 budget setting process. The projected shortfall on its own is not material to the overall financial performance for the year, it is anticipated that the impact of the shortfall can be managed within the overall budget total and be offset by underspends in other areas.

Council Tax Support and Council Tax

18. The Council Tax Support Scheme (CTS) provides for discounted tax charges to households with lower income. The authority has set an estimate for 2019/20 of £9.042m within the Council Tax Base for annual CTS discounts. A total of £8.970m has been allocated as at 31st December 2019. The cost of CTS is allocated through the Council Tax Collection Fund and is shared between the

preceptors in proportion to their relative shares of council tax due for the year (SSDC share is c14.3% for 2019/20).

19. The Hardship Scheme is in place for extreme circumstances with a budget of £30,000 for the year. By the end of quarter 3 SSDC had received 93 requests for hardship relief of which 79 were successful. The amount awarded to the end of quarter 3 was £14,956.84.
20. The in-year collection rate for Council Tax is 82.90% for 2019/20 compared to 83.72% for quarter 3 last year. The number of people opting to pay by 12 instalments rather than 10 continues to increase (currently 16,834 households). This means the collection profile will see more income during February and March than last year. At the end of quarter 3 we had reduced the total of £7.567m outstanding debt relating to previous years by £1.940m.

Non Domestic Rates

21. The in-year collection rate for Non Domestic Rates is 80.82% for 2019/20 compared to 82.40% for quarter 3 last year. At the end of quarter 3 we had reduced the total of £2.628m outstanding debt relating to previous years by £561k.
22. Non Domestic Rates income that we collect is distributed between Government, SSDC, the County Council, and Fire and Rescue Authority under the Business Rates Retention funding system. For 2019/20 this distribution is based on the one-off 75% BRR Pilot arrangements (Gov 25%, SSDC 44%, SCC 30%, Fire 1%).

Council Tax Reforms

23. Members agreed to amend some discounts to Council Tax from 1st April 2013, one of which relates to long term empty properties (unfurnished and unoccupied for 2 years or more). There were 133 at the end of December 2019. There is a natural turnover of properties with some becoming occupied and others reaching the two-year trigger for inclusion in this statistic. At the same point last year there were 198. Most of this reduction is attributable to the change in the premium charged from 1 April 2019 (see next paragraph). Tax payers have been better at telling us about the status of their properties i.e. if they are a second home or now occupied.
24. Legislation gives councils the power to increase the Council Tax premium on empty homes. During the final debate on the Rating (Property in Common Occupation) and Council Tax (Empty Homes Premium) Bill, MPs approved an amendment to enable councils to levy up to 200 per cent council tax premium on homes that have been empty for between five and 10 years and up to 300 per cent premium on homes that have been empty for 10 years or more. This is in addition to existing plans to allow councils to double the council tax premium for homes that have been empty for two years or more. A report was approved by District Executive on the 7th February 2019. From the 1st April 2019 dwellings that have been empty for more than two years, a premium of 100% of the charge will be added (this previously was 50%). Further changes will come into effect from 1st April 2020.

Discretionary Housing Payments

25. The Government DHP funding allocation for 2019/20 is up to £232,768. In addition to this the Council is permitted to spend up to £349,152 of its own money on DHP awards, although no budget has been set for this discretion. By the end of quarter 3 we had processed 337 DHP applications, 283 of which were successful with a total award value of £145,566.457. A further £8,375.81 is committed up to the end of this financial year. The total sum paid and committed (£153,942.26) represents 66.13% of the government DHP grant.

26. Universal Credit recipients have their housing cost support paid directly by DWP, however they are still able to apply to SSDC for a DHP and the number of Universal Credit recipients in the district is increasing each month. Universal credit related DHP's are included in the figures in the above paragraph.

Reserves & Balances

27. Reserves are amounts that have been set aside from annual revenue budgets to meet specific known events that will happen in the future. Details of the reserves held within the Areas are provided in Appendix C. The complete list of specific Corporate Reserves and the current balance on each one is provided at Appendix D. The Appendix shows all movements of each one that has been actioned under the authority delegated in the Financial Procedure Rules.
28. Transfers out of specific reserves that require reporting to District Executive for noting are as follows:

Table 6 – Reserves Movements

| Reserve | Balance at 01/10/2019 £'000 | Transfers £'000 | Balance at 31/12/2019 £'000 | Reason for Transfer |
|--|--|----------------------------|--|---|
| Capital | | | | |
| Useable Capital Receipts | -22,263 | -40 | -22,303 | Sale of Capital Assets (£13k) plus Air-Conditioning contribution for The Ralph, Marlow from previous owner (£27.5k). |
| Revenue | | | | |
| Capital Reserve | -1,307 | -25 | -1,331 | Revenue contribution to capital for wood-chipper (£14.5k) and Photovoltaic additional tariff income (£10.5k). |
| Internal Capital Loans Repayments Fund | -204 | -5 | -209 | Repayments from revenue accounts for internal loans for vehicles and equipment. |
| Elections Reserve | -270 | 92 | -178 | Contribution from reserve to cover May elections expenditure. |
| Transformation Reserve | -162 | -2 | -166 | Funding of quarter 3 transformation expenditure (£23k), less previously agreed transitional funding (£25k) returned to reserve. |
| Treasury Management Reserve | -150 | -450 | -600 | Transfers to reserve as per Financial Strategy report agreed by District Executive in September 2019 |
| Revenue Grants Reserve | -500 | 33 | -467 | Release of general grants to revenue in respect of Land Charges and High Street Clean up Fund |

| Reserve | Balance at 01/10/2019 £'000 | Transfers £'000 | Balance at 31/12/2019 £'000 | Reason for Transfer |
|--------------------------------------|--|----------------------------|--|---|
| MTFP Support Fund | -5,019 | 2,742 | -2,277 | £2.5m transfer to Commercial Investment Risk Reserve, £150k to Treasury Management Reserve as per September District Executive report. |
| Council Tax/Housing Benefits Reserve | -783 | 17 | -766 | Funding for transitional resources and outsourced work (£90k), less Housing Benefit grants received from DWP (£73k) transferred to reserve. |
| Closed Churchyard Reserve | -23 | 6 | -17 | To fund spend on grounds maintenance works in quarter. |
| Regeneration Fund | -1,601 | 219 | -1,382 | Funding of regeneration schemes expenditure in period. |
| NNDR Volatility Reserve | -3,955 | 2,500 | -1,455 | Transfer to Commercial Investment Risk Reserve as agreed in Financial Strategy Report to District Executive in September 2019. |
| Ticket Levy Reserve | -107 | -56 | -163 | Ticket Levies to reserve. |
| Community Safety Reserve | -72 | 2 | -70 | Contribution to revenue budget for clothing and equipment. |
| Housing & Homelessness Reserve | -487 | 102 | -385 | £100k transfer in respect of hostel provision as agreed in 2019/20 MTFP and the balance to fund training requirement. |
| Commercial Investment Risk Reserve | -132 | -6,111 | -6,243 | Transfer to reserve from MTFP support fund and from NNDR Volatility reserve as agreed in September District Executive report. |

(Negative figures = income, positive figures = costs)

General Fund Balance

29. The General Fund Reserve Balance represents the accumulated revenue surpluses that are held to mitigate financial risks and unforeseen costs. Within the total, however, are amounts that have been earmarked by the District Executive for specific purposes. The table below shows the current position on the General Fund Balance compared to that previously reported.

Table 7 - General Fund Balance

| | £'000 |
|---|--------------|
| Balance at 1 April 2019 | -4,593 |
| Area & Economic Development Balances | 121 |
| 2019/20 Carry Forwards | 170 |
| Financial Strategy agreed reserve transfers (September 19 District Executive) | 811 |
| Support for 2019/20 budget | -253 |
| Commitments (including A303) | 157 |

| | |
|--|---------------|
| Current Estimated underspend in 2019/20 | -286 |
| Unallocated General Fund Balance at 31st December 2019 | -3,873 |

(Negative figures = income, positive figures = costs)

30. The S151 Officer recently updated the assessment for determining the adequate minimum general reserves balance, as included in the Financial Strategy report approved by District Executive in September 2019. This minimum balance requirement is updated to £2.6m. It is advisable to continue to hold a balance above this minimum to provide headroom and flexibility to manage risk and avoid falling below recommended levels. Current balances as at 31st December exceed this minimum requirement providing financial resilience to address financial risks if required.

Financial Implications

31. As part of monitoring an assessment of risk has been made. This review of balances and reserves has shown that SSDC currently has sufficient balances to cover major areas of financial risk. The balance at the 31st December 2019 is estimated to be £3.873 million.
32. Details of the current key risks, as identified in the 2019/20 Budget Setting Report, are listed in the table below with an update from the responsible officer.

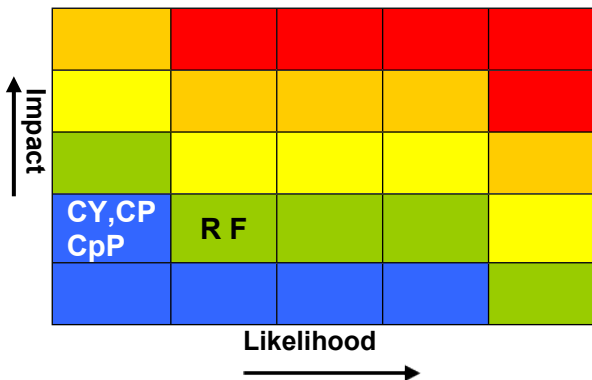
Table 8 - Risks

| Current Risk | Responsible Officer | Officer's Update |
|--------------------------------|----------------------------|--|
| Interest Rates | S151 Officer | Current predictions are for the Treasury Management income to exceed budget. PWLB unexpectedly increased its standard borrowing rates by 1% on 9 October, which has the potential to increase borrowing costs in future if sourced from the PWLB. |
| Business Rate Income | Director-Service Delivery | The collection rate is down by 1.58% compared to the previous year's quarter 3; This is a volatile measure affected by the timing of summonses and payments made by large businesses. |
| Transformation | Chief Executive | Officers continue to implement changes through transformation to enable channel shift and improve efficiency, which is essential to underpin full benefit realisation and avoid the risk that operational capacity will need to be increased to meet service demands. |
| The Council Tax Support Scheme | Director-Service Delivery | Current monitoring shows that 99.20% of the budget has been allocated by 31 st December 2019. If costs exceed the assumption in the Council Tax Base this recovery risks a deficit in the Collection Fund to be paid in subsequent years in proportion to precept totals. |
| Housing Benefit Subsidy | Director-Service Delivery | Current predictions are for the housing benefit subsidy to be on budget at the year-end but the outcome will not be confirmed until the subsidy claim is externally audited in autumn 2020. |
| Planning Income | Director-Service Delivery | It is anticipated that there will be a shortfall of £117k against the income target for Development Management in 19/20. |

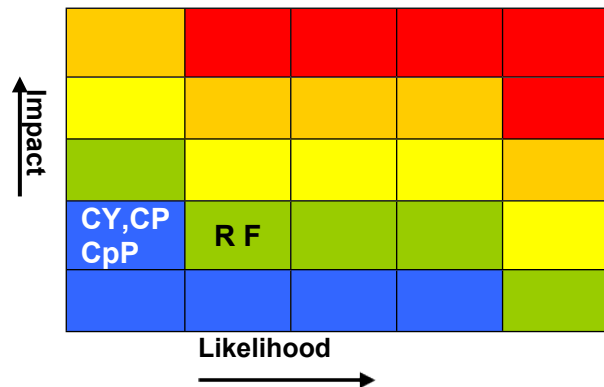
| Current Risk | Responsible Officer | Officer's Update |
|--------------------------|--|--|
| Building Control Income | Director-Service Delivery | Current predictions are that there will be a £213k overspend on expenditure for the year should the current use of agency staff be continued. No variance is currently projected on the Building Control income budget and this will be closely monitored during the remainder of the year. |
| Car Parking Income | Director – Commercial Services & Income Generation | A £162.5k shortfall in car park income is projected. DX approved increase was modelled for budget on 10% but indexation provides only 7%. |
| The UKs Exit from the EU | S151 Officer | We still do not yet know the impact in the medium to long term. If consumer confidence reduces there may be an impact on SSDC's income streams such as planning, licencing, theatre income, and car parking, although this is considered a low risk at this stage. Financing / treasury costs and income may also be affected. |
| Land Charge Income | Director-Service Delivery | The income budget is expected to be £75k below budget at year end. The income levels will continue to be monitored and an improvement on the income position is expected. |

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



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

33. The budget is closely linked to the Council Plan, and maintaining financial resilience and effective resource planning is important to enable the council to continue to fund its priorities for the local community.

Carbon Emissions and Climate Change Implications

34. There are no implications currently in approving this report.

Equality and Diversity Implications

35. When the budget was set any growth or savings made included an assessment of the impact on equalities as part of that exercise.

Privacy Impact Assessment

36. There is no personal information included in this report.

Background Papers

Budget Setting reports to Full Council in February 2019
Quarter 2 Budget Monitoring to Executive in August 2019.

2019-2020 Budget Detail

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn Accountants' Comments in Italics |
|--|--------------------|------------------------------|------------------------------|--------------------------------|--------------------|---------------------------------|---------------------------------|---|
| | | Budget to 31st December £ | Actual to 31st December £ | Variance to 31st December £ | Annual Budget £ | Expected Total by Year End £ | Variance expected 31/03/20 £ | |
| STRATEGIC MANAGEMENT | | | | | | | | |
| Chief Executive : Alex Parmley | | | | | | | | |
| Service Manager: Alex Parmley | | | | | | | | |
| MANAGEMENT BOARD (DMB) | Expenditure | 458,970 | 494,440 | 35,470 | 599,460 | 599,460 | 50,400 | <i>The expenditure variance to date is in respect of salaries and consultants fees, the additional expenditure incurred is covered by external contributions received to date or grant funding which will be received in the final quarter of 19/20</i> |
| | Income | (47,000) | (69,167) | (22,167) | (47,000) | (47,000) | (50,400) | |
| Portfolio Holder: Clr Val Keitch | TOTAL | 411,970 | 425,273 | 13,303 | 552,460 | 552,460 | 0 | |
| Service Manager: Sara Kelly | | | | | | | | |
| TRANSFORMATION (DMT) | Expenditure | 99,050 | (433,486) | (532,536) | 99,050 | 99,050 | 0 | <i>The current variance is due to a 2018/19 year end accrual for pension strain costs that are paid over a 3 year period but accounted for in 2018/19. The 2019/20 expenditure for the continuation of the programme is funded from the Transformation Reserve.</i> |
| | Income | (95,300) | (95,300) | 0 | (95,300) | (95,300) | 0 | |
| Portfolio Holder: Clr Val Keitch | TOTAL | 3,750 | (528,786) | (532,536) | 3,750 | 3,750 | 0 | |
| TOTAL STRATEGIC MANAGEMENT | Expenditure | 558,020 | 60,954 | (497,066) | 698,510 | 698,510 | 50,400 | |
| | Income | (142,300) | (164,467) | (22,167) | (142,300) | (142,300) | (50,400) | |
| | TOTAL | 415,720 | (103,513) | (519,233) | 556,210 | 556,210 | 0 | |
| TOTAL CHIEF EXECUTIVE | Expenditure | 558,020 | 60,954 | (497,066) | 698,510 | 698,510 | 50,400 | |
| | Income | (142,300) | (164,467) | (22,167) | (142,300) | (142,300) | (50,400) | |
| | TOTAL | 415,720 | (103,513) | (519,233) | 556,210 | 556,210 | 0 | |
| COMMERCIAL SERVICES & INCOME GENERATION | | | | | | | | |
| Director: Clare Pestell | | | | | | | | |
| Arts & Entertainment | | | | | | | | |
| Service Manager: Adam Burgan | | | | | | | | |
| OCTAGON (GOC) | Expenditure | 1,650,778 | 1,649,128 | (1,650) | 2,189,340 | 2,315,270 | 125,930 | <i>An overspend is anticipated on wages, performance costs and advertising, this will be offset by income exceeding the annual budget.</i> |
| | Income | (1,435,110) | (2,110,233) | (675,123) | (1,890,560) | (2,033,190) | (142,630) | |
| Portfolio Holder: Clr John Clarke | TOTAL | 215,668 | (461,105) | (676,773) | 298,780 | 282,080 | (16,700) | |
| WESTLANDS (GWL) | Expenditure | 969,667 | 939,729 | (29,938) | 1,365,750 | 1,385,760 | 20,010 | <i>Employees and premises maintenance budgets expected to overspend, this will be offset by an anticipated underspend on provisions, advertising and performance costs budgets</i> |
| | Income | (875,590) | (997,688) | (122,098) | (1,246,980) | (1,226,410) | 20,570 | |
| Portfolio Holder: Clr John Clarke | TOTAL | 94,077 | (57,959) | (152,036) | 118,770 | 159,350 | 40,580 | |
| | | | | | | | | <i>Income expected to be slightly less than the annual budget with bar sales expected to be below budget. This shortfall will be offset by ticket sales budget exceeding the annual budget</i> |
| | | | | | | | | <i>Expected to end the year with an overspend but having shown a significant improvement in the financial position from the same point last year. The overspend will be offset by an underspend at the Octagon Theatre.</i> |
| TOTAL ARTS & ENTERTAINMENT | Expenditure | 2,620,445 | 2,588,857 | (31,588) | 3,555,090 | 3,701,030 | 145,940 | |
| | Income | (2,310,700) | (3,107,921) | (797,221) | (3,137,540) | (3,259,600) | (122,060) | |
| | TOTAL | 309,745 | (519,064) | (828,809) | 417,550 | 441,430 | 23,880 | |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i> |
|---|--|------------------------------|------------------------------|--------------------------------|--------------------|---------------------------------|---------------------------------|--|
| | | Budget to 31st December £ | Actual to 31st December £ | Variance to 31st December £ | Annual Budget £ | Expected Total by Year End £ | Variance expected 31/03/20 £ | |
| Environmental Services | | | | | | | | |
| Service Manager: Chris Cooper | | | | | | | | |
| STREETSCENE (KHT) | Expenditure | 2,470,365 | 2,540,712 | 70,347 | 3,264,040 | 3,264,040 | 0 | Expenditure has been high recently as we have invested in strengthening some of our work areas through the purchase of equipment and machinery, this has made our expenditure higher than expected but this will be offset by additional income An amount of invoicing has not yet come through into the budget, however when this income arrives, we project that the variance will move to a positive balance in the region of £60k. These funds are being actively pursued. |
| | Income | (1,016,799) | (1,078,720) | (61,921) | (1,546,600) | (1,606,600) | (60,000) | |
| | Portfolio Holder: Clr Sarah Dyke | TOTAL | 1,453,566 | 1,461,992 | 8,426 | 1,717,440 | 1,657,440 | (60,000) |
| WASTE & RECYCLING (KWT) | Expenditure | 4,787,512 | 4,784,265 | (3,247) | 6,390,120 | 6,390,120 | 0 | No variance anticipated. The variance is due to a 2018/19 year end accrual for £193K recyclemore surplus held by Somerset Waste Partnership. Garden Waste income has exceeded the 2019/20 budget by £57K at the end of quarter 3. |
| | Income | (1,543,512) | (1,414,979) | 128,533 | (1,778,740) | (1,835,740) | (57,000) | |
| | Portfolio Holder: Clr Sarah Dyke | TOTAL | 3,244,000 | 3,369,286 | 125,286 | 4,611,380 | 4,554,380 | |
| TOTAL ENVIRONMENTAL SERVICES | Expenditure | 7,257,877 | 7,324,977 | 67,100 | 9,654,160 | 9,654,160 | 0 | |
| | Income | (2,560,311) | (2,493,699) | 66,612 | (3,325,340) | (3,442,340) | (117,000) | |
| | TOTAL | 4,697,566 | 4,831,278 | 133,712 | 6,328,820 | 6,211,820 | (117,000) | |
| Income / Opportunity Development | | | | | | | | |
| Service Manager: James Divali/ Justine Parton | | | | | | | | |
| INCOME/ OPPORTUNITY DEVELOPMENT (IOD) | Expenditure | 285,125 | 317,401 | 32,276 | 369,040 | 390,960 | 21,920 | It is anticipated that income targets will not be met this year. The deficit in the budget can partially be attributed to the high business rates for the site. Additionally, the introduction of a £20,000 annual sinking fund has seen an additional but essential financial commitment to the centre. Actions are in place to promote the meeting room facilities and small business units which will of course improve the income generated for the site. Income budget targets for 2020/21 are being reconsidered as part of the budget setting report. |
| | Income | (471,083) | (422,505) | 48,578 | (484,750) | (443,090) | 41,660 | |
| | Portfolio Holder: Clr John Clarke | TOTAL | (185,958) | (105,104) | 80,854 | (115,710) | (52,130) | |
| TOTAL INCOME/ OPPORTUNITY DEVELOPMENT | Expenditure | 285,125 | 317,401 | 32,276 | 369,040 | 390,960 | 21,920 | |
| | Income | (471,083) | (422,505) | 48,578 | (484,750) | (443,090) | 41,660 | |
| | TOTAL | (185,958) | (105,104) | 80,854 | (115,710) | (52,130) | 63,580 | |
| Leisure, Recreation & Tourism | | | | | | | | |
| Service Manager: Katy Menday | | | | | | | | |
| COUNTRYSIDE (GCT) | Expenditure | 492,943 | 519,538 | 26,595 | 653,335 | 686,515 | 33,180 | Overspend anticipated on expenditure due to staff sickness and the cover required. Expenditure incurred on grant funded projects such as pop up museum and childrens activity leaflet. The additional expenditure is funded by grant income received. Chard dam wall requires small urgent works this Winter and there are tree works in Sampsons Wood to undertake in the final quarter of the year. Ninesprings café income higher than profiled budget and is anticipated to exceed the budget. Grant income received to fund the related project expenditure at Ham Hill and Yeovil Country Park. |
| | Income | (241,655) | (311,624) | (69,969) | (309,340) | (385,020) | (75,680) | |
| | Portfolio Holder: Clr Mike Best | TOTAL | 251,288 | 207,914 | (43,374) | 343,995 | 301,495 | |
| YEOVIL RECREATION CENTRE (GSP) | Expenditure | 209,737 | 181,457 | (28,280) | 306,280 | 306,280 | 0 | Budget on track for period. Some winter expenditure on tree maintenance to follow in final quarter and also repairs to the athletic arena discus cage. Bookings have increased this year and therefore income slightly above profile to date. Anticipated to be on budget at year end once the contributions to funds and reserves have been moved for the arena and AGP. |
| | Income | (105,299) | (106,898) | (1,599) | (125,580) | (125,580) | 0 | |
| | Portfolio Holder: Clr Mike Best | TOTAL | 104,438 | 74,559 | (29,879) | 180,700 | 180,700 | |
| TOURISM & HERITAGE (GTR) | Expenditure | 181,222 | 185,712 | 4,490 | 258,390 | 258,390 | 0 | Wages expenditure now decreased due to time of year and limited opening times of the TICs, so variation will decrease to align budget. Costs of River Parrett Trail project totalling £6K to be moved into Tourism budget from revenue reserves to cover expenditure. |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i> |
|--|--------------------|------------------------------|------------------------------|--------------------------------|---------------------|---------------------------------|---------------------------------|---|
| | | Budget to 31st December £ | Actual to 31st December £ | Variance to 31st December £ | Annual Budget £ | Expected Total by Year End £ | Variance expected 31/03/20 £ | |
| | Income | (71,367) | (50,305) | 21,062 | (97,910) | (82,910) | 15,000 | Further income to be secured by the Heritage team for sessions and grant income, plus a contribution from Yeovil Town Council. Income from adverts in 2020 Gardens publications also to be secured. However, income budget targets will still under achieve due to high ticket sales budgets and a shift in the way people purchase event and attraction tickets decreasing business and income this year at the TIC. |
| Portfolio Holder: Cllr Mike Best | TOTAL | 109,855 | 135,407 | 25,552 | 160,480 | 175,480 | 15,000 | |
| TOTAL LEISURE, RECREATION & TOURISM | Expenditure | 883,902 | 886,707 | 2,805 | 1,218,005 | 1,251,185 | 33,180 | |
| | Income | (418,321) | (468,827) | (50,506) | (532,830) | (593,510) | (60,680) | |
| | TOTAL | 465,581 | 417,880 | (47,701) | 685,175 | 657,675 | (27,500) | |
| Property, Land & Development | | | | | | | | |
| Service Manager: Robert Orrett | | | | | | | | |
| BIRCHFIELD (CIBF) | Expenditure | 43,135 | 27,849 | (15,286) | 64,290 | 64,290 | 0 | No variance expected. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | No variance expected. |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 43,135 | 27,849 | (15,286) | 64,290 | 64,290 | 0 | |
| PROP LAND & DEV- CASE OFFICER (CICO) | Expenditure | 208,613 | 160,173 | (48,440) | 278,150 | 248,150 | (30,000) | Saving due to period with unfilled vacancies. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 208,613 | 160,173 | (48,440) | 278,150 | 248,150 | (30,000) | |
| LAND DRAINAGE (CILD) | Expenditure | 54,000 | 27,474 | (26,526) | 72,000 | 57,000 | (15,000) | Expect £15k saving from Repairs and Maintenance budget. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 54,000 | 27,474 | (26,526) | 72,000 | 57,000 | (15,000) | |
| OPERATIONAL PROPERTIES (CIOP) | Expenditure | 894,650 | 873,088 | (21,562) | 1,110,360 | 1,105,360 | (5,000) | Expect Catering variable spend to be £20k below budget due to reduced activity; £15k overspend on NNDR for Operational Offices. |
| | Income | (394,731) | (191,451) | 203,280 | (546,270) | (461,270) | 85,000 | Expect Catering income to be £35k below budget due to reduced number of customers; combined income from operational buildings also expected to be £50k below budget due to reduced external income. |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 499,919 | 681,637 | 181,718 | 564,090 | 644,090 | 80,000 | |
| COMMERCIAL PROPERTIES (CIPR) | Expenditure | 76,797 | 82,523 | 5,726 | 96,710 | 96,710 | 0 | |
| | Income | (178,212) | (102,924) | 75,288 | (183,690) | (158,690) | 25,000 | Shortfall in rental income due to tenants vacating and ending leases. |
| Portfolio Holder: Cllr John Clarke | TOTAL | (101,415) | (20,401) | 81,014 | (86,980) | (61,980) | 25,000 | |
| PROP, LAND & DEV - SPECIALISTS (CISP) | Expenditure | 102,705 | 78,019 | (24,686) | 136,940 | 133,000 | (3,940) | Underspend due to period with vacancies countered by bringing in external resources. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 102,705 | 78,019 | (24,686) | 136,940 | 133,000 | (3,940) | |
| COMMERCIAL INVESTMENTS (KCM) | Expenditure | 2,834,052 | 2,245,954 | (588,098) | 3,071,940 | 4,171,940 | 1,100,000 | Final adjustments to be carried out for Interest and MRP which accounts for large variance showing. Small underspend expected on overall costs of team. |
| | Income | (2,533,875) | (3,714,059) | (1,180,184) | (2,829,130) | (4,029,130) | (1,200,000) | Income will exceed budget due to commercial investment purchases only being added into the budget setting report once actually completed. Any overachievement of income showing at year end will be transferred to Commercial Risk Reserve. £450K already transferred this year. |
| Portfolio Holder: Cllr John Clarke | TOTAL | 300,177 | (1,468,105) | (1,768,282) | 242,810 | 142,810 | (100,000) | |
| CAR PARKING (KCP) | Expenditure | 601,344 | 511,521 | (89,823) | 772,000 | 817,000 | 45,000 | Cost increased by NNDR (£60k) and repairs (£10k) offset by lower payment to contractors (-25k). |
| | Income | (1,546,934) | (1,439,984) | 106,950 | (2,055,670) | (1,893,170) | 162,500 | General slippage from budget - £80k; reduced impact from increase by 7% vs 10% and later implementation November not July. |
| Portfolio Holder: Cllr John Clarke | TOTAL | (945,590) | (928,463) | 17,127 | (1,283,670) | (1,076,170) | 207,500 | |
| ENGINEERING SERVICES (KEN) | Expenditure | 13,800 | 20,717 | 6,917 | 17,170 | 17,170 | 0 | No variance expected. |
| | Income | (4,545) | (2,120) | 2,425 | (11,910) | (11,910) | 0 | |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 9,255 | 18,597 | 9,342 | 5,260 | 5,260 | 0 | |
| TOTAL PROPERTY, LAND & DEVELOPMENT | Expenditure | 4,829,096 | 4,027,318 | (801,778) | 5,619,560 | 6,710,620 | 1,091,060 | |
| | Income | (4,658,297) | (5,450,538) | (792,241) | (5,626,670) | (6,554,170) | 272,500 | |
| | TOTAL | 170,799 | (1,423,220) | (1,594,019) | (7,110) | 156,450 | 163,560 | |
| TOTAL COMMERCIAL SERVICES & INCOME GENERATION | Expenditure | 15,876,445 | 15,145,260 | (731,185) | 20,415,855 | 21,707,955 | 1,292,100 | |
| | Income | (10,418,712) | (11,943,490) | (1,524,778) | (13,107,130) | (14,292,710) | 14,420 | |
| | TOTAL | 5,457,733 | 3,201,770 | (2,255,963) | 7,308,725 | 7,415,245 | 106,520 | |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn Accountants' Comments in <i>Italics</i> |
|---|--------------------|-------------------------|-------------------------|---------------------------|------------------|----------------------------|----------------------------|--|
| | | Budget to 31st December | Actual to 31st December | Variance to 31st December | Annual Budget | Expected Total by Year End | Variance expected 31/03/20 | |
| | | £ | £ | £ | £ | £ | £ | |
| SERVICE DELIVERY | | | | | | | | |
| Director: Martin Woods | | | | | | | | |
| Customer Connect Team | | | | | | | | |
| Service Manager: Sharon Jones | | | | | | | | |
| CUSTOMER CONNECT TEAM (PCR) | Expenditure | 518,020 | 452,084 | (65,936) | 690,540 | 618,000 | (72,540) | The budget will end the year with an overall underspend predominantly from salaries due first year of a new team and very much a transitional period. There has been a delay in recruiting to some posts as we have looked at alternative roles. |
| | Income | (47,440) | (47,436) | 4 | (47,440) | (47,440) | 0 | |
| Portfolio Holder: Cllr Tony Lock | TOTAL | 470,580 | 404,648 | (65,932) | 643,100 | 570,560 | (72,540) | |
| TOTAL CUSTOMER FOCUSED TEAM | Expenditure | 518,020 | 452,084 | (65,936) | 690,540 | 618,000 | (72,540) | |
| | Income | (47,440) | (47,436) | 4 | (47,440) | (47,440) | 0 | |
| | TOTAL | 470,580 | 404,648 | (65,932) | 643,100 | 570,560 | (72,540) | |
| Case Team | | | | | | | | |
| Service Manager: Kirsty Larkins | | | | | | | | |
| CASE TEAM (DCT) | Expenditure | 1,355,435 | 1,313,552 | (41,883) | 1,798,500 | 1,793,500 | (5,000) | There is likely to be a slight under spend at year end. |
| | Income | (124,110) | (124,114) | (4) | (124,110) | (124,110) | 0 | |
| Portfolio Holder: | TOTAL | 1,231,325 | 1,189,438 | (41,887) | 1,674,390 | 1,669,390 | (5,000) | |
| TOTAL CASE TEAM | Expenditure | 1,355,435 | 1,313,552 | (41,883) | 1,798,500 | 1,793,500 | (5,000) | |
| | Income | (124,110) | (124,114) | (4) | (124,110) | (124,110) | 0 | |
| | TOTAL | 1,231,325 | 1,189,438 | (41,887) | 1,674,390 | 1,669,390 | (5,000) | |
| Service Delivery Functions | | | | | | | | |
| Service Manager: Nigel Marston | | | | | | | | |
| ENFORCEMENT & COMPLIANCE (DEC) | Expenditure | 34,965 | 34,236 | (729) | 46,620 | 46,620 | 0 | No variance expected. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: | TOTAL | 34,965 | 34,236 | (729) | 46,620 | 46,620 | 0 | |
| REVENUES & BENEFITS (FBN) | Expenditure | 496,276 | 449,008 | (47,268) | 642,430 | 642,430 | 0 | Anticipate the outturn to be broadly on budget by end of year. |
| | Income | (361,673) | (367,333) | (5,660) | (645,810) | (645,810) | 0 | |
| Portfolio Holder: Cllr Mike Best | TOTAL | 134,603 | 81,675 | (52,928) | (3,380) | (3,380) | 0 | |
| HOUSING BENEFIT SUBSIDY (FHB) | Expenditure | 21,560,663 | 21,460,301 | (100,362) | 28,747,550 | 28,747,550 | 0 | Current predictions are for the housing benefit subsidy to be on budget at the year-end but the outcome will not be confirmed until the subsidy claim is externally audited in the Autumn 2020. |
| | Income | (22,086,350) | (22,055,490) | 30,860 | (29,318,510) | (29,318,510) | 0 | |
| Portfolio Holder: Cllr Mike Best | TOTAL | (525,687) | (595,189) | (69,502) | (570,960) | (570,960) | 0 | |
| HOUSING STANDARDS (HCP) | Expenditure | 72,495 | 67,222 | (5,273) | 96,660 | 93,660 | (3,000) | Predicted slight underspend on expenditure at year end A large proportion of this is income in advance for multi year HMO licenses. This will need to be apportioned to relevant years |
| | Income | (50,587) | (95,814) | (45,227) | (67,450) | (77,450) | (10,000) | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 21,908 | (28,592) | (50,500) | 29,210 | 16,210 | (13,000) | |
| ENV HEALTH & COMM PROTECTION (HEH) | Expenditure | 317,353 | 275,220 | (42,133) | 414,680 | 414,680 | 0 | Expenditure carefully controlled and staff vacancies are yet to be filled. Income is down to reduction in number of wasp treatments we were able to carry out in the Summer Predicted underspend at year end |
| | Income | (59,123) | (47,250) | 11,873 | (69,820) | (69,820) | 0 | |
| Portfolio Holder: Cllr Mike Best | TOTAL | 258,230 | 227,970 | (30,260) | 344,860 | 344,860 | 0 | |
| HOUSING (HHL) | Expenditure | 1,078,720 | 951,334 | (127,386) | 1,501,010 | 1,501,010 | 0 | There is an overspend to date of approximately £18k on the Travellers site cost centre due to the level of voids experienced this year. However, the budget is anticipated to be on target at year end. |
| | Income | (848,065) | (710,743) | 137,322 | (911,170) | (911,170) | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 230,655 | 240,591 | 9,936 | 589,840 | 589,840 | 0 | |
| LICENSING (HLC) | Expenditure | 83,660 | 92,042 | 8,382 | 110,800 | 122,800 | 12,000 | Variance due to overtime and agency costs |
| | Income | (273,071) | (318,081) | (45,010) | (319,930) | (339,930) | (20,000) | |
| Portfolio Holder: Cllr John Clarke | TOTAL | (189,411) | (226,039) | (36,628) | (209,130) | (217,130) | (8,000) | |
| CARELINE (HWL) | Expenditure | 96,770 | 86,895 | (9,875) | 114,920 | 103,920 | (11,000) | Underspend at year end |
| | Income | (406,658) | (404,901) | 1,757 | (427,850) | (425,850) | 2,000 | |
| Portfolio Holder: Cllr Mike Best | TOTAL | (309,888) | (318,006) | (8,118) | (312,930) | (321,930) | (9,000) | |
| ENFORCEMENT (KET) | Expenditure | 24,393 | 35,475 | 11,082 | 31,440 | 31,440 | 0 | |
| | Income | (2,250) | (38) | 2,212 | (3,000) | (3,000) | 0 | |
| Portfolio Holder: Cllr Sarah Dyke | TOTAL | 22,143 | 35,437 | 13,294 | 28,440 | 28,440 | 0 | |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i> |
|---|---|-------------------------|-------------------------|---------------------------|---------------------|----------------------------|----------------------------|---|
| | | Budget to 31st December | Actual to 31st December | Variance to 31st December | Annual Budget | Expected Total by Year End | Variance expected 31/03/20 | |
| | | £ | £ | £ | £ | £ | £ | |
| LAND CHARGES (LLC) | Expenditure | 17,513 | 14,336 | (3,177) | 23,350 | 23,350 | 0 | Small underspend in expenditure expected Reduction in income due to service pressures, this has been addressed by bringing in additional capacity and the picture is now showing signs of improvement although will still be showing a shortfall at year end |
| | Income | (308,527) | (231,939) | 76,588 | (411,370) | (336,370) | 75,000 | |
| | Portfolio Holder: Cllr John Clarke | TOTAL | (291,014) | (217,603) | 73,411 | (388,020) | (313,020) | |
| RIGHTS OF WAY (LRW) | Expenditure | 2,107 | 4,451 | 2,344 | 2,810 | 2,810 | 0 | Overspend due to legal fees and charges Income reduced due to reduction in applications |
| | Income | (12,375) | (8,688) | 3,687 | (16,500) | (16,500) | 0 | |
| | Portfolio Holder: Cllr Sarah Dyke | TOTAL | (10,268) | (4,237) | 6,031 | (13,690) | (13,690) | |
| BUILDING CONTROL (RBC) | Expenditure | 215,985 | 375,110 | 159,125 | 459,310 | 672,310 | 213,000 | Cost of employing agency staff as unable to recruit in current market |
| | Income | (305,397) | (304,486) | 911 | (561,240) | (561,240) | 0 | |
| | Portfolio Holder: Cllr John Clarke | TOTAL | (89,412) | 70,624 | 160,036 | (101,930) | 111,070 | |
| DEVELOPMENT MANAGMENT (RDC) | Expenditure | 792,445 | 815,056 | 22,611 | 1,049,060 | 1,123,760 | 74,700 | Overspend is because we have been unable to recruit permanent staff and have to extend contracts of agency staff Fee income is down on the same point in time last year |
| | Income | (1,371,642) | (1,284,774) | 86,868 | (1,781,380) | (1,664,050) | 117,330 | |
| | Portfolio Holder: Cllr John Clarke | TOTAL | (579,197) | (469,718) | 109,479 | (732,320) | (540,290) | |
| ECONOMIC DEVELOPMENT (RED) | Expenditure | 191,343 | 141,513 | (49,830) | 279,790 | 279,790 | 0 | Underspend due to allocated project funding which is yet to be spent |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | Portfolio Holder: Cllr John Clarke | TOTAL | 191,343 | 141,513 | (49,830) | 279,790 | 279,790 | |
| STREET NAMING & NUMBERING (SSN) | Expenditure | 5,407 | 7,187 | 1,780 | 7,210 | 7,210 | 0 | Overspend due to training on new software and purchase of software |
| | Income | (22,673) | (23,325) | (652) | (30,230) | (30,230) | 0 | |
| | Portfolio Holder: Cllr John Clarke | TOTAL | (17,266) | (16,138) | 1,128 | (23,020) | (23,020) | |
| COMMUNITY SAFETY (TCS) | Expenditure | 31,370 | 32,043 | 673 | 32,120 | 32,120 | 0 | No variance anticipated, additional expenditure to be funded from the earmarked reserve. |
| | Income | (29,120) | (29,120) | 0 | (29,120) | (29,120) | 0 | |
| | Portfolio Holder: Cllr Mike Best | TOTAL | 2,250 | 2,923 | 673 | 3,000 | 3,000 | |
| TOTAL SERVICE DELIVERY FUNCTIONS | Expenditure | 25,021,465 | 24,841,429 | (180,036) | 33,559,760 | 33,845,460 | 285,700 | |
| | Income | (26,137,511) | (25,881,982) | 255,529 | (34,593,380) | (34,429,050) | 164,330 | |
| | TOTAL | (1,116,046) | (1,040,553) | 75,493 | (1,033,620) | (583,590) | 450,030 | |
| Localities | | | | | | | | |
| Service Manager: Tim Cook | | | | | | | | |
| AREA EAST (DAE) | Expenditure | 45,018 | 11,725 | (33,293) | 53,190 | 39,220 | (13,970) | Underspend in discretionary due to unspent carry forwards. Future expenditure to be directly linked to Area Chapter work. No more income expected as not using Churchfields for external meetings |
| | Income | (3,382) | (678) | 2,704 | (4,510) | (680) | 3,830 | |
| | Chairman: Cllr Henry Hobhouse | TOTAL | 41,636 | 11,047 | (30,589) | 48,680 | 38,540 | |
| AREA NORTH (DAN) | Expenditure | 13,970 | 5,711 | (8,259) | 17,960 | 15,700 | (2,260) | Grant underspend due to lack of promotion and capacity to process. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | Chairman: Cllr Adam Dance | TOTAL | 13,970 | 5,711 | (8,259) | 17,960 | 15,700 | |
| AREA SOUTH (DAS) | Expenditure | 76,120 | 35,478 | (40,642) | 98,660 | 96,660 | (2,000) | Underspend due to discretionary funding. Future expenditure linked to Area Chapters. Under target in some areas but balanced overall |
| | Income | (28,445) | (29,539) | (1,094) | (31,370) | (31,370) | 0 | |
| | Chairman: Cllr Peter Gubbins | TOTAL | 47,675 | 5,939 | (41,736) | 67,290 | 65,290 | |
| AREA WEST (DAW) | Expenditure | 51,728 | 28,467 | (23,261) | 63,110 | 49,500 | (13,610) | Underspend due to discretionary funding. Future link to Area Chapters. Room hire for both Lacermill and Boden Centre no longer happening |
| | Income | (13,080) | (1,800) | 11,280 | (17,440) | (1,800) | 15,640 | |
| | Chairman: Cllr Jason Baker | TOTAL | 38,648 | 26,667 | (11,981) | 45,670 | 47,700 | |
| LOCALITY TEAM (DLT) | Expenditure | 415,072 | 392,409 | (22,663) | 551,170 | 531,170 | (20,000) | Underspend due to vacant posts for most of the year. Some of this is offset by under-estimated budget for mileage. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | Portfolio Holder: | TOTAL | 415,072 | 392,409 | (22,663) | 551,170 | 531,170 | |
| PLAY, HEALTH & WELLBEING (PHW) | Expenditure | 189,435 | 155,218 | (34,217) | 221,610 | 211,610 | (10,000) | Project funding not used due to transition from Community Health & Leisure to Locality Commuted sums are variable year on year. No longer carrying out playground annual inspections. |
| | Income | (120,175) | (118,970) | 1,205 | (148,970) | (145,470) | 3,500 | |
| | Portfolio Holder: Cllr Mike Best | TOTAL | 69,260 | 36,248 | (33,012) | 72,640 | 66,140 | |
| TOTAL LOCALITIES | Expenditure | 791,343 | 629,008 | (162,335) | 1,005,700 | 943,860 | (61,840) | |
| | Income | (165,082) | (150,987) | 14,095 | (202,290) | (179,320) | 22,970 | |
| | TOTAL | 626,261 | 478,021 | (148,240) | 803,410 | 764,540 | (38,870) | |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn Accountants' Comments in Italics |
|---|--------------------|-------------------------|-------------------------|---------------------------|---------------------|----------------------------|----------------------------|--|
| | | Budget to 31st December | Actual to 31st December | Variance to 31st December | Annual Budget | Expected Total by Year End | Variance expected 31/03/20 | |
| | | £ | £ | £ | £ | £ | £ | |
| Regeneration | | | | | | | | |
| Service Manager: Natalie Fortt | | | | | | | | |
| REGENERATION (RGE) | Expenditure | 195,400 | 217,900 | 22,500 | 211,050 | 211,050 | 0 | Revenue costs currently within SSDC net budget allocation for the 3 Regeneration schemes. The required budget is moved from the Regeneration reserve to ensure that there will be a £0 variance at year-end. |
| | Income | (149,450) | (149,453) | (3) | (149,450) | (149,450) | 0 | |
| Portfolio Holder: Cllr John Clarke | TOTAL | 45,950 | 68,447 | 22,497 | 61,600 | 61,600 | 0 | |
| TOTAL REGENERATION | Expenditure | 195,400 | 217,900 | 22,500 | 211,050 | 211,050 | 0 | |
| | Income | (149,450) | (149,453) | (3) | (149,450) | (149,450) | 0 | |
| | TOTAL | 45,950 | 68,447 | 22,497 | 61,600 | 61,600 | 0 | |
| Service Delivery Specialists | | | | | | | | |
| Service Manager: Nigel Marston | | | | | | | | |
| SERV DELIVERY LEAD SPECIALISTS (DLS) | Expenditure | 187,800 | 188,107 | 307 | 250,400 | 250,400 | 0 | No variance is anticipated |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: | TOTAL | 187,800 | 188,107 | 307 | 250,400 | 250,400 | 0 | |
| TOTAL SERVICE DELIVERY SPECIALISTS | Expenditure | 187,800 | 188,107 | 307 | 250,400 | 250,400 | 0 | |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL | 187,800 | 188,107 | 307 | 250,400 | 250,400 | 0 | |
| Service Delivery Team Managers | | | | | | | | |
| Service Manager: Martin Woods | | | | | | | | |
| SERVICE DELIVERY - MANAGERS (DTM) | Expenditure | 180,960 | 175,519 | (5,441) | 241,280 | 233,280 | (8,000) | Underspend due to vacant hours |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: | TOTAL | 180,960 | 175,519 | (5,441) | 241,280 | 233,280 | (8,000) | |
| TOTAL SERVICE DELIVERY TEAM MANAGERS | Expenditure | 180,960 | 175,519 | (5,441) | 241,280 | 233,280 | (8,000) | |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL | 180,960 | 175,519 | (5,441) | 241,280 | 233,280 | (8,000) | |
| TOTAL SERVICE DELIVERY | Expenditure | 28,250,423 | 27,817,599 | (432,824) | 37,757,230 | 37,895,550 | 138,320 | |
| | Income | (26,623,593) | (26,353,972) | 269,621 | (35,116,670) | (34,929,370) | 187,300 | |
| | TOTAL | 1,626,830 | 1,463,627 | (163,203) | 2,640,560 | 2,966,180 | 325,620 | |
| STRATEGY & COMMISSIONING | | | | | | | | |
| Director: Netta Meadows | | | | | | | | |
| Strategy & Comm Case | | | | | | | | |
| Service Manager: Jan Gamon | | | | | | | | |
| STRATEGY & COMM CASE OFFICERS (SCC) | Expenditure | 200,340 | 181,743 | (18,597) | 293,870 | 278,870 | (15,000) | Underspend on salary budgets due to vacancies |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 200,340 | 181,743 | (18,597) | 293,870 | 278,870 | (15,000) | |
| TOTAL STRATEGY & COMM CASE | Expenditure | 200,340 | 181,743 | (18,597) | 293,870 | 278,870 | (15,000) | |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL | 200,340 | 181,743 | (18,597) | 293,870 | 278,870 | (15,000) | |
| Comms, Marketing & Media | | | | | | | | |
| Service Manager: Richard Birch | | | | | | | | |
| COMMUNICATIONS (CCM) | Expenditure | 67,500 | 64,141 | (3,359) | 90,000 | 87,000 | (3,000) | Small underspend to date on Leisure communications budget, no variance projected at year end. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 67,500 | 64,141 | (3,359) | 90,000 | 87,000 | (3,000) | |
| TOTAL COMMS, MARKETING & MEDIA | Expenditure | 67,500 | 64,141 | (3,359) | 90,000 | 87,000 | (3,000) | |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL | 67,500 | 64,141 | (3,359) | 90,000 | 87,000 | (3,000) | |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn Accountants' Comments in <i>Italics</i> |
|---|--------------------|-------------------------|-------------------------|---------------------------|------------------|----------------------------|----------------------------|---|
| | | Budget to 31st December | Actual to 31st December | Variance to 31st December | Annual Budget | Expected Total by Year End | Variance expected 31/03/20 | |
| | | £ | £ | £ | £ | £ | £ | |
| Performance, People & Change | | | | | | | | |
| Service Manager: Charlotte Jones | | | | | | | | |
| PERFORMANCE PEOPLE & CHANGE (CPL) | Expenditure | 184,007 | 168,806 | (15,201) | 263,195 | 263,195 | 0 | Income received from Local Authority partners in respect of graduate scheme, the surplus income will be carried forward to fund future years expenditure. No variance anticipated. |
| | Income | 0 | (220,000) | (220,000) | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 184,007 | (51,194) | (235,201) | 263,195 | 263,195 | 0 | |
| TOTAL PERFORMANCE, PEOPLE & CHANGE | Expenditure | 184,007 | 168,806 | (15,201) | 263,195 | 263,195 | 0 | |
| | Income | 0 | (220,000) | (220,000) | 0 | 0 | 0 | |
| | TOTAL | 184,007 | (51,194) | (235,201) | 263,195 | 263,195 | 0 | |
| Strategic Planning | | | | | | | | |
| Service Manager: Jan Gamon | | | | | | | | |
| PROCUREMENT, CONTRACT & RISK (CPR) | Expenditure | 39,945 | 40,596 | 651 | 53,260 | 53,260 | 0 | No variance is anticipated |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 39,945 | 40,596 | 651 | 53,260 | 53,260 | 0 | |
| PLACE PLANNING (CPS) | Expenditure | 226,462 | 319,925 | 93,463 | 324,610 | 299,610 | (25,000) | Underspend on salaries expected due to vacant posts for part of the year. Reserves transfers required in respect of consultants fees and the rail partnership income, the reserve transfers will be completed before the end of the financial year |
| | Income | (1,920) | (59,511) | (57,591) | (2,560) | (2,560) | 5,000 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 224,542 | 260,414 | 35,872 | 322,050 | 297,050 | (25,000) | |
| CONTRACTED SPORTS FACILITIES (GSF) | Expenditure | 367,055 | 198,617 | (168,438) | 487,040 | 387,160 | (99,880) | Provision for dilapidations at St Michaels Hall ongoing, surplus share anticipated at Westlands, underspend on maintenance budgets. A request to carry forward the underspend on the maintenance budgets will be made at year end. |
| | Income | (180,382) | (104,854) | 75,528 | (240,510) | (249,370) | (8,860) | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 186,673 | 93,763 | (92,910) | 246,530 | 137,790 | (108,740) | |
| CIVIL CONTINGENCIES AND H&S (HCC) | Expenditure | 61,498 | 51,174 | (10,324) | 81,900 | 52,790 | (29,110) | Underspend projected on Overtime & Standby budgets, partially offset by additional spend on contractors. |
| | Income | (4,860) | (744) | 4,116 | (6,110) | (1,110) | 5,000 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 56,638 | 50,430 | (6,208) | 75,790 | 51,680 | (24,110) | |
| PLANNING POLICY (RPP) | Expenditure | 578 | 0 | (578) | 770 | 770 | 0 | The small budget in this element will be moved to the Place Planning element before the end of the financial year |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 578 | 0 | (578) | 770 | 770 | 0 | |
| VOLUNTARY, COMM & SOCIAL ENT (SVCSE) | Expenditure | 220,318 | 271,625 | 51,307 | 291,540 | 291,540 | 0 | Incorrect budget profile resulting in variance to date. However, no variance anticipated at year end. |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 220,318 | 271,625 | 51,307 | 291,540 | 291,540 | 0 | |
| DEMOCRATIC SERVICES (RLD) | Expenditure | 497,695 | 471,816 | (25,879) | 671,400 | 652,050 | (19,350) | Underspend on Member training budgets Additional income received for training provided to neighbouring Local Authorities. |
| | Income | (1,050) | (6,154) | (5,104) | (1,400) | (7,550) | (6,150) | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 496,645 | 465,662 | (30,983) | 670,000 | 644,500 | (25,500) | |
| ELECTIONS (RLE) | Expenditure | 108,845 | 656,427 | 547,582 | 188,700 | 188,700 | 0 | Additional income and expenditure in respect of the various elections that have been held during 2019/20. The majority of the variance to date is in respect of the Parliamentary election, the income from the Cabinet Office is received in advance of the expenditure. However, no variance is anticipated at year end |
| | Income | (6,015) | (779,913) | (773,898) | (8,020) | (8,020) | 0 | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 102,830 | (123,486) | (226,316) | 180,680 | 180,680 | 0 | |
| TOTAL STRATEGIC PLANNING | Expenditure | 1,522,396 | 2,010,180 | 487,784 | 2,099,220 | 1,925,880 | (173,340) | |
| | Income | (194,227) | (951,176) | (756,949) | (258,600) | (268,610) | (10,010) | |
| | TOTAL | 1,328,169 | 1,059,004 | (269,165) | 1,840,620 | 1,657,270 | (183,350) | |
| Strategy & Comm Specialists | | | | | | | | |
| Service Manager: Netta Meadow | | | | | | | | |
| STRGY & COMM LEAD SPECIALISTS (SCLS) | Expenditure | 151,305 | 151,842 | 537 | 201,740 | 201,740 | 0 | No variance anticipated |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Val Keitch | TOTAL | 151,305 | 151,842 | 537 | 201,740 | 201,740 | 0 | |
| TOTAL STRATEGY & COMM SPECIALISTS | Expenditure | 151,305 | 151,842 | 537 | 201,740 | 201,740 | 0 | |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL | 151,305 | 151,842 | 537 | 201,740 | 201,740 | 0 | |
| TOTAL STRATEGY & COMMISSIONING | Expenditure | 2,125,548 | 2,576,712 | 451,164 | 2,948,025 | 2,756,685 | (191,340) | |
| | Income | (194,227) | (1,171,176) | (976,949) | (258,600) | (268,610) | (10,010) | |
| | TOTAL | 1,931,321 | 1,405,536 | (525,785) | 2,689,425 | 2,488,075 | (201,350) | |

SUPPORT SERVICES

Director: Netta Meadows

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i> |
|--|--------------------|------------------------------|------------------------------|--------------------------------|--------------------|---------------------------------|---------------------------------|---|
| | | Budget to 31st December £ | Actual to 31st December £ | Variance to 31st December £ | Annual Budget £ | Expected Total by Year End £ | Variance expected 31/03/20 £ | |
| Support Services Case | | | | | | | | |
| Service Manager: Lisa Davis | | | | | | | | |
| SUPPORT SERVICES CASE OFFICERS (RCO) | Expenditure | 709,907 | 711,282 | 1,375 | 932,460 | 934,460 | 2,000 | Protected salary situation has resulted in small overspend. This is ending soon and will not be repeated in the next financial year. |
| | Income | (22,000) | (22,000) | 0 | (22,000) | (22,000) | 0 | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 687,907 | 689,282 | 1,375 | 910,460 | 912,460 | 2,000 | |
| SUPPORT SERVICES CASE WORK (RXC) | Expenditure | 270,630 | 194,391 | (76,239) | 360,840 | 300,840 | (60,000) | Continue to see a reduction in postage, mfd usage and printing and stationary due to new ways of working and associated channel shift which demonstrates some benefits being achieved from the new ways of working. Fixed line telephone usage is also reducing, however we are seeing an increase in cost of mobile rentals and calls related to agile working principles which offsets this. Internal print requirements are continuing to reduce as a result of channel shift efforts and conscious shift to producing less paper in line with environment strategy. Current income target is therefore unachievable. |
| | Income | (71,603) | (29,588) | 42,015 | (95,470) | (65,470) | 30,000 | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 199,027 | 164,803 | (34,224) | 265,370 | 235,370 | (30,000) | |
| TOTAL SUPPORT SERVICES CASE | Expenditure | 980,537 | 905,673 | (74,864) | 1,293,300 | 1,235,300 | (58,000) | |
| | Income | (93,603) | (51,588) | 42,015 | (117,470) | (87,470) | 30,000 | |
| | TOTAL | 886,934 | 854,085 | (32,849) | 1,175,830 | 1,147,830 | (28,000) | |
| Support Services Functions | | | | | | | | |
| Service Manager: Nicola Hix | | | | | | | | |
| FINANCE CORPORATE COSTS (RFC) | Expenditure | 2,328,844 | 2,377,741 | 48,897 | 3,086,810 | 3,376,250 | 289,440 | Underspend on budget in respect of insurance premiums, offset by interest payable in respect of external borrowing. Interest income surplus to be transferred to Treasury Management Reserve. It is anticipated that the budget for investment income will be exceeded. The variance to date is in respect of investment income, the budget profile will be amended to reflect the trend of income to be received. |
| | Income | (769,011) | (1,154,890) | (385,879) | (2,178,650) | (3,011,530) | (832,880) | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 1,559,833 | 1,222,851 | (336,982) | 908,160 | 364,720 | (543,440) | |
| Service Manager: Lisa Davis | | | | | | | | |
| SUPPORT SERVICES FUNCTIONS | Expenditure | 661,209 | 1,127,632 | 466,423 | 780,890 | 780,890 | 0 | The variance to date is partially due to payments in advance in respect of IT expenditure. Increase in People Specialists to further support staff and line managers. There has been an increase in OH and counselling, which is representative of wellbeing issues across the Council. Resource issues will result in the income receivable in respect of Legal fees and costs recovered being less than the annual budget |
| | Income | (99,140) | (54,133) | 45,007 | (132,410) | (77,630) | 54,780 | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 562,069 | 1,073,499 | 511,430 | 648,480 | 703,260 | 54,780 | |
| TOTAL SUPPORT SERVICES FUNCTIONS | Expenditure | 2,990,053 | 3,505,373 | 515,320 | 3,867,700 | 4,157,140 | 289,440 | |
| | Income | (868,151) | (1,209,023) | (340,872) | (2,311,060) | (3,089,160) | (778,100) | |
| | TOTAL | 2,121,902 | 2,296,350 | 174,448 | 1,556,640 | 1,067,980 | (488,660) | |
| Support Services Specialists | | | | | | | | |
| Service Manager: Netta Meadows | | | | | | | | |
| SUPPORT SERV LEAD SPECIALISTS (RLS) | Expenditure | 286,948 | 289,342 | 2,394 | 380,480 | 380,480 | 0 | No variance expected |
| | Income | 0 | 0 | 0 | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 286,948 | 289,342 | 2,394 | 380,480 | 380,480 | 0 | |
| Service Manager: Lisa Davis | | | | | | | | |
| SUPPORT SERVICES SPECIALISTS (RSS) | Expenditure | 676,780 | 675,770 | (1,010) | 871,220 | 871,220 | 0 | No variance expected |
| | Income | 0 | (833) | (833) | 0 | 0 | 0 | |
| Portfolio Holder: Cllr Peter Seib | TOTAL | 676,780 | 674,937 | (1,843) | 871,220 | 871,220 | 0 | |
| TOTAL SUPPORTSERVICES SPECIALISTS | Expenditure | 963,728 | 965,112 | 1,384 | 1,251,700 | 1,251,700 | 0 | |
| | Income | 0 | (833) | (833) | 0 | 0 | 0 | |
| | TOTAL | 963,728 | 964,279 | 551 | 1,251,700 | 1,251,700 | 0 | |
| TOTAL SUPPORT SERVICES | Expenditure | 4,934,318 | 5,376,158 | 441,840 | 6,412,700 | 6,644,140 | 231,440 | |
| | Income | (961,754) | (1,261,444) | (299,690) | (2,428,530) | (3,176,630) | (748,100) | |
| | TOTAL | 3,972,564 | 4,114,714 | 142,150 | 3,984,170 | 3,467,510 | (516,660) | |

| Service with Elements | | Year to date | | | Outturn Forecast | | | Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i> |
|-----------------------|--------------|---------------------------------|---------------------------------|-----------------------------------|--------------------|------------------------------------|---------------------------------------|--|
| | | Budget to 31st December £ | Actual to 31st December £ | Variance to 31st December £ | Annual Budget £ | Expected Total by Year End £ | Variance expected 31/03/20 £ | |
| TOTAL SSDC | Expenditure | 51,744,754 | 50,976,683 | (768,071) | 68,232,320 | 69,702,840 | 1,520,920 | |
| | Income | (38,340,586) | (40,894,549) | (2,553,963) | (51,053,230) | (52,809,620) | (606,790) | |
| | TOTAL | 13,404,168 | 10,082,134 | (3,322,034) | 17,179,090 | 16,893,220 | (285,870) | |

Appendix B

The following virements should be noted:

| Value £ | From | To | Description |
|---------|--|------------------------------|--|
| 3,170 | Play Health & Wellbeing | Contracted Sports Facilities | Transfer of Community Leisure budget to reflect transformation structure |
| 10,775 | Learning & Development | Various | Allocation of training budget |
| 390 | Revenues & Benefits System Support | Revenues & Benefits | Re-allocate overtime budget |
| 3,800 | Yeovil One & Area Development | Locality | Transfer of travel budget |
| 20,480 | Street Cleansing | Horticulture & Plant Nursey | Amendment to salary budgets |
| 3,000 | Localities | Service Delivery Functions | Transfer of Community Safety budget to reflect transformation structure |
| 1,820 | Langport Visitor Centre | Ham Hill Country Park | Transfer of Licences budget |
| 1,760 | Tourism District Wide | Tourist Information Centres | Transfer of Business Rates budget |
| 15,350 | Westlands – Front of House | Octagon – Front of House | Transfer of funding for 0.5 FTE |
| 770 | Environmental Health Research & Policy | Environmental Protection | Consolidation of Environmental Health budget |
| 1,000 | Chard Regeneration Scheme | Locality Team | Transfer travelling allowance budget |
| 3,740 | Housing | Case Team | Transfer funding towards salaries |
| 1,500 | In It Together | Locality Team | Re-allocate travel budget |
| 680 | Area Development North | Locality Team | Consolidate budget |
| 23,480 | Area Development South | Locality Team | Consolidate budget |
| 9,140 | Housing Core Functions | S & C Case Officers | Transfer salary budget |
| 13,000 | Environmental Protection | Building Control | Transfer salary budget |

Appendix C

AREA RESERVES Quarter 3 2019/20

| Allocation of Reserves | Approval Date | Approved Allocation | Balance 2019/20 | Transfer from Reserves during 2019/20 |
|--|---------------|---------------------|-----------------|---------------------------------------|
| | | £ | £ | £ |
| Area East | | | | |
| Balance B/fwd 1st April 2019 | | | -49,190 | |
| Community Planning - Project Spend | Apr-05 | 50,000 | 15,930 | |
| Derelict Sites Castle Cary | Jun-05 | 4,000 | 4,000 | |
| Rural Business Units | Nov-05 | 25,000 | 5,800 | |
| Retail Support Initiative | May-09 | 10,000 | 10,000 | |
| Wincanton Retail Support Initiative | Jul-14 | 10,000 | 10,000 | |
| Totals | | | 45,730 | 0 |
| Balance of reserve | | | | -49,190 |
| Unallocated Balance 31st December 2019 | | | -3,460 | |
| Area North | | | | |
| Balance B/fwd 1st April 2019 | | | -23,900 | |
| Support towards progressing affordable rural housing schemes | Mar-09 | 15,000 | 10,000 | |
| Totals | | | 10,000 | 0 |
| Balance of reserve | | | | -23,900 |
| Unallocated Balance 31st December 2019 | | | -13,900 | |
| Area West | | | | |
| Balance B/fwd 1st April 2019 | | | -46,220 | |
| Totals | | | 0 | 0 |
| Balance of reserve | | | | -46,220 |
| Unallocated Balance 31st December 2019 | | | -46,220 | |

(Negative Figures = income, Positive figures = costs)

(Area South has no reserve remaining)

Summary of Usable Reserves

Appendix D

The following table shows the current balance on each usable reserve and the movements since 1 April 2019:

| Capital Reserves | Balance as at 01/04/2019 | Movement | Balance as at 31/12/2019 |
|---|-----------------------------|-------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Usable Capital Receipts | -22,244 | -60 | -22,304 |
| Internal Borrowing Reserve | -554 | 0 | -554 |
| Total | -22,798 | -60 | -22,858 |
| | | | |
| Revenue Reserves | Balance as at 01/04/2019 | Movement | Balance as at 31/12/2019 |
| | £'000 | £'000 | £'000 |
| Internal Borrowing Repayments | -118 | -91 | -209 |
| Capital Reserve | -1,277 | -54 | -1,331 |
| Cremator Replacement Capital Reserve | -549 | 0 | -549 |
| Election Reserve | -230 | 52 | -178 |
| Sports Facilities Reserve | -31 | -10 | -41 |
| Yeovil Athletic Track Repairs Fund | -167 | 7 | -160 |
| Planning Delivery Reserve | -16 | 0 | -16 |
| Bristol to Weymouth Rail Reserve | -28 | 0 | -28 |
| Yeovil Refresh Reserve | -112 | 0 | -112 |
| IT Replacement Reserve | -10 | 0 | -10 |
| Insurance Fund | -50 | 0 | -50 |
| Transformation Reserve | -229 | 63 | -166 |
| Treasury Management Reserve | -150 | -450 | -600 |
| Revenue Grants Reserve | -504 | 38 | -466 |
| Medium Term Financial Plan Support Fund | -5,019 | 2,742 | -2,277 |
| Council Tax/Housing Benefits Reserve | -822 | 56 | -766 |
| Closed Churchyards Reserve | -11 | -5 | -16 |
| Health Inequalities | -31 | 0 | -31 |
| Deposit Guarantee Claims Reserve | -5 | 0 | -5 |
| Park Homes Replacement Reserve | -226 | 0 | -226 |
| Planning Obligations Admin Reserve | -30 | 0 | -30 |
| Artificial Grass Pitch Reserve | -128 | 4 | -124 |
| Business Support Scheme (Flooding) | -122 | 1 | -121 |
| Regeneration Fund | -2,094 | 712 | -1,382 |
| NNDR Volatility Reserve | -3,955 | 2,500 | -1,455 |
| Ticket Levy Reserve | -64 | -99 | -163 |
| Waste Reserve | -294 | 0 | -294 |
| Community Housing Fund | -211 | 0 | -211 |
| Community Safety Reserve | -79 | 9 | -70 |
| Housing & Homelessness Reserve | -458 | 73 | -385 |
| Commercial Investment Risk Reserve | -132 | -6,111 | -6,243 |
| Spatial Policy Reserve | -334 | -28 | -362 |
| YIC Maintenance Reserve | -20 | -20 | -40 |
| Climate Change Fund | 0 | -350 | -350 |
| Total Usable Reserves | -17,506 | -963 | -18,469 |

(Negative Figures = income, Positive figures = costs)

The list above excludes the reserves which are not usable by Members. These are the Capital Adjustment Account, Revaluation Reserve, Available for Sale Reserve, Financial Instrument Adjustment Account, Pensions Reserve and Collection Fund Adjustment Account.

Agenda Item 10

2019/20 Capital Budget Monitoring Report for the Period Ending 31st December 2019

Executive Portfolio Holder: Peter Seib, Finance and Legal Services
Director: Netta Meadows, Strategy & Commissioning
Interim S151 Officer: Nicola Hix
Lead Officer: Ross Eaton, Finance Specialist
Contact Details: ross.eaton@southsomerset.gov.uk or (01935) 462274

Purpose of the Report

1. The purpose of this report is to provide Members with an in-year projection in 2019/20 of the forecast spending (“outturn”) against the Council’s approved Capital Programme Budget, and to explain projected variations against individual projects and the Programme as a whole.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of February 2020.

Public Interest

3. This report gives an update on the forecast capital financial position and budgetary variations for the financial year 2019/20, as at 31st December 2019. Maintaining effective control over capital spending within approved budgets helps to ensure capital investment is affordable and meets agreed priorities.

Recommendations

4. That the District Executive:
 - a. Note the content of the report;
 - b. Approve the revised Capital Programme spend profile as detailed in paragraph 7, Table 1.
 - c. Approve the projects listed on Appendix B remain in the capital programme.

Background

5. Full Council approved the original Capital Programme in February 2019. Monitoring of the agreed programme has been delegated to District Executive.

Capital Programmes

6. The revised gross Capital Programme for this financial year and beyond is attached in Appendix A. The forecast spend for 2019/20 has been revised up from **£46,671 million** to **£57.390 million** as shown in Table 1 below. Additional information is included to show the various sources of planned funding for the programme, shown on Table 2.

Table 1 – Revised Gross Capital Programme Q3 2019/20 – 2023/24
(negative figures = income/reduction in budget, positive figures = costs)

| | 19/20 £'000 | 20/21 £'000 | 21/22 £'000 | 22/23 £'000 | 23/24 £'000 | Total £'000 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Capital Programme for Quarter 1 of 2019/20 | 46,671 | 3,332 | 1,236 | 71 | 0 | 51,310 |
| Plus Projects approved since 1st October 19: | | | | | | |
| Affordable Housing – The Link Day Centre (moving to revenue in Q4) | 5 | | | | | 5 |
| Chard Regeneration | | 2,276 | | | | 2,276 |
| Yeovil Refresh | | 1,000 | 696 | | | 1,696 |
| Wincanton Regeneration | | 1,000 | 1,000 | | | 2,000 |
| Plus S106 Projects approved since 1st October 19: | | | | | | |
| Redstart Park, Chard | 9 | | | | | 9 |
| Montacute Rec | 6 | | | | | 6 |
| Caryford Community Hall | 21 | | | | | 21 |
| Ilminster Rec | 44 | | | | | 44 |
| Henstridge Rec | 3 | | | | | 3 |
| Ilminster Cricket Club | 52 | | | | | 52 |
| Ridgeway Hall, Langport | 3 | | | | | 3 |
| Projects moved to Reserve List: | | | | | | |
| Investment in Property – Unpurchased property | -6,330 | | | | | -6,330 |
| Allocations from the Internal Lease Pot | | | | | | |
| Ford Transit 350 FE65 BSZ | 15 | | | | | 15 |
| Isuzu Boxed Tipper 1 | 46 | | | | | 46 |
| Isuzu Boxed Tipper 2 | 46 | | | | | 46 |
| Ford Transit Van | 14 | | | | | 14 |
| FORST ST6P Trailed Wood Chipper | 15 | | | | | 15 |
| Plus Allocations from the Reserves: | | | | | | |
| Transformation | 78 | | | | | 78 |
| Investment in Property – new purchases | 19,115 | | | | | 19,115 |
| Affordable Housing - 23 Southway Drive, Yeovil | 10 | | | | | 10 |
| Market Towns Vision | 5 | | | | | 5 |

| | 19/20 £'000 | 20/21 £'000 | 21/22 £'000 | 22/23 £'000 | 23/24 £'000 | Total £'000 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Plus Projects agreed at Area Committee: | | | | | | |
| Area North – Parochial Church Council of All Saints Church | 35 | | | | | 35 |
| Area West – Chard Town Centre Gateway & Seating Area | | 23 | | | | 23 |
| Area West - Merriott Village Hall | 12 | | | | | 12 |
| Less Projects moved to Area Reserves: | | | | | | |
| Area North - High Ham Recreation Ground - Youth Park | -1 | | | | | -1 |
| Area North - Village Hall Grant Kingsbury Episcopi Church Rooms | -4 | | | | | -4 |
| Area East - Purchase of Allotment Area in Ilchester | -3 | | | | | -3 |
| Area East - Milborne Port PC-Stair lift Market House | -3 | | | | | -3 |
| Area East - Bruton TC-New MUGA | -5 | | | | | -5 |
| Area East - Upgrade of Milborne Port Village Hall Car Park | -1 | | | | | -1 |
| Area West - Avishayes Junior Football Club | -4 | | | | | -4 |
| Re-profiling of forecast spending between financial years | -2,465 | 2,380 | 72 | 13 | | 0 |
| Revised Gross Capital Programme for 2019/20 at 30th June 2019 | 57,390 | 10,011 | 3,004 | 84 | 0 | 70,489 |

7. As Table 1 shows the total planned capital investment in the approved programme 2019/20 to 2023/24 has increased from **£51.31 million** to **£70.489 million**. This is primarily due to the addition of Investment Property purchases and the Regeneration Scheme net budget balances.

8. The detail of the Capital Programme showing all the projects included in the approved budget is shown in Appendix A.

Table 2 – Capital Programme Sources of Funding 2019/20 – 2023/24

| | 19/20 £'000 | 20/21 £'000 | 21/22 £'000 | 22/23 £'000 | 23/24 £'000 | Total £'000 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| External Grants & Contributions - Assets | 271 | 228 | 112 | 1 | | 612 |
| External Grants & Contributions – REFCUS* | 1,482 | 5 | | | | 1,487 |
| Capital Receipts | 10,575 | 9,914 | 3,966 | 2,051 | | 26,506 |
| Capital Fund Earmarked Reserve | 524 | 1,832 | 894 | | | 3,250 |
| Internal Borrowing Reserve | 368 | | | | | 368 |
| Borrowing | 44,170 | -1,968 | -1,968 | -1,968 | | 38,266 |
| Total Capital Programme Financing | 57,390 | 10,011 | 3,004 | 84 | 0 | 70,489 |

*REFCUS = Revenue Expenditure Financed as Capital Under Statute. This is for costs of a capital nature that do not create assets for the council e.g. capital grants to the other entities.

Progress on various schemes

9. Progress on individual schemes is attached on Appendix A, including responsible officer comments on forecast spending profile between financial years and performance against targets.
10. Within the current financial year **£50.507 million** has been spent up to the end of Q3, of the total of **£57.390 million** projected for the year. The most significant areas of spend so far this year include:
- £45.377m acquiring Investment Properties, with the purpose of generating income to pay for council services.
 - £1.054m on Regeneration projects.
 - £876k on Affordable Housing schemes.
 - £760k on Commercial Loans.
 - £507k on Streetscene vehicles.
 - £430k on disabled facilities grants for adaptations in homes.
 - £298k on play areas, play equipment and other leisure schemes.
 - £225k on Transformation IT Software.
11. Schemes which are expected to be delayed this year and are more than £50,000 and have slipped to 2020/21 in Q3 are shown on Table 3:

Table 3 – Capital Project over £50k delayed into 2020/21

| Project | Date Funding Approved | Slippage to 2020/21 £'000 | Reason for Delay |
|---|-----------------------|---------------------------|--|
| Forton Playing Pitches, Chard | S106 | 85 | It had been thought that agreement had been reached on the sale of land for pitches. The vendor (SCC) does not now seem to want to complete so the issue will be raised at a higher level to determine whether they are still prepared to sell or not. |
| Goldenstones Sports Centre – 10 year Maintenance Plan | Feb-19 | 260 | Property Services are responsible for organising maintenance works but are under-resourced currently. |
| Wincanton Sports Centre - 10 year Maintenance Plan | Feb-19 | 286 | Property Services are responsible for organising maintenance works but are under-resourced currently. |
| Lyde Road Pedestrian & Cycle Way, Yeovil | Feb-17 | 250 | SCC are progressing detailed plans for this scheme and we are awaiting updated costs before proceeding. |
| Grant to Milborne Port Rec | S106 | 100 | Work currently ongoing with the Parish Council to progress S106 grant spend. |
| Disabled Facilities Grants | Feb-19 | 444 | Resource issues caused backlog of work. This is being addressed with extra staffing to be funded from the DFG grant. |
| Empty Property Grants | Feb-19 | 76 | Difficulty with resources to be able to progress this area. Looking into work with Yeovilton, but may not create spend this year. |
| New Car Parks | Feb-08 | 240 | Miller Garage site works still ongoing to be completed in 2020/21. |

| | | | |
|------------------------------------|--------|-----|---|
| Enhancement to SSDC Buildings | Feb-16 | 259 | Works to Petters have been delivered, remaining works will be in 2020/21. |
| Capital Works to Council Portfolio | Feb-19 | 139 | Property Services are currently under-resourced and are actively recruiting staff to help the workload. Works to be delivered in 2020/21. |

(the figures shown above are included in the slippage figure at the bottom of the table in paragraph 6)

Capital Programme & Reserves

12. The total capital reserve schemes approved in principle currently has a forecast gross spend of **£87.098 million** over the period 2020/21 to 2023/24, with a further **£0.554 million** across the Area capital reserves that are currently awaiting allocation. Detail of these reserve schemes can be found on page 4 of Appendix A.
13. The total current capital programme, contingent liabilities and reserves allocates a total gross spend of some **£158.141 million** to various schemes over the next five years. This includes significant approved funding commitments that are held in the “reserve schemes” list pending individual projects moving into the operational programme, including for example investment properties, regeneration schemes, affordable housing schemes. Further details are shown in Appendix A, and summarised below in Table 4.

Table 4 – Capital Programme and Reserve Schemes for 2019/20 - 2023/24

| | £'000 |
|--|----------------|
| Capital Programme (as detailed in paragraph 7) | 70,489 |
| Contingent Liabilities and Reserve Schemes | 87,652 |
| Total Programme to be Financed | 158,141 |

Projects agreed at or before August 2015

14. Schemes that were agreed before August 2015 that have not yet completed are detailed on Appendix B. Appendix B also incorporates responsible officer comments on the reason for the delay, and the risks of not retaining the funding.

Additional Income

15. This section highlights any new S106 funding that has been received by the Council and added to the capital programme within the last quarter. It is recommended the capital programme budget is increased and funded by the amounts shown in the table below:

Table 5 – Additional Capital funding received Q3 2019/20

| Project | Additional funding received £'000 |
|-------------------------|--|
| Redstart Park, Chard | 9 |
| Montacute Rec | 6 |
| Caryford Community Hall | 21 |
| Ilminster Rec | 44 |
| Henstridge Rec | 3 |
| Ilminster Cricket Club | 52 |
| Ridgeway Hall, Langport | 3 |
| Total | 138 |

Section 106 (S106) Deposits by Developers

16. S106 agreements are legal agreements between local authorities and developers that are linked to a planning permission. The total balance held is £4,071,306. This is purely a whole district South Somerset District Council financial summary, more detail on S106's is given to Area Committees on an annual basis.

Community Infrastructure Levy (CIL)

17. Community Infrastructure Levy (CIL) is a tax on new developments designed to pay for infrastructure that supports growth. For SSDC this has been defined as: transport, defences, schools, hospital and other health and social care facilities. This definition allows the levy to be used to fund a very broad range of facilities such as play areas, parks and green spaces, cultural and sports facilities, district heating schemes and police stations and other community safety facilities.
18. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their Local Plan. Parish and Town Councils will receive 15% of all CIL received within their administrative boundary. This rises to 25% if the town or parish has made a 'Neighborhood Plan'.
19. SSDC also receive a 5% administration fee to fund the CIL case officer post. Table 6 below shows the amounts received and balance held on 31st December 2019.

Table 6 – Community Infrastructure Levy (CIL) balance held on 31st December 2019

| | £'000 |
|------------------------------------|--------------|
| CIL Deposits | 342 |
| Less 15% / 25% to Parishes | 53 |
| Less 5% Administration Fee | 17 |
| Balance of CIL held by SSDC | 272 |

Wessex Home Improvement Loans (WHIL)

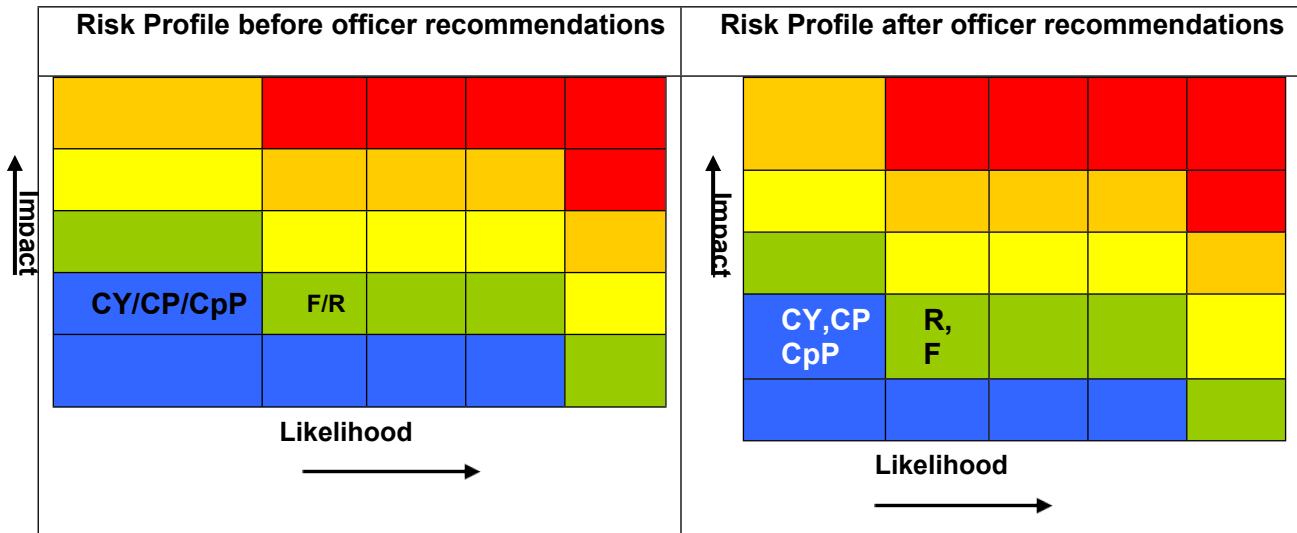
20. WHIL works in partnership with the Council to provide finance to homeowners for essential maintenance and improvement works to their property. Loans are increasingly replacing grants allowing the Council to re-circulate funds.
21. The District Executive previously agreed a loan (outside the original policy) for Wessex Home Improvement Loans (Wessex Resolutions CIC) to provide a loan of £200,000 to Somerset Care and Repair Ltd at a 4.5% fixed interest rate, with capital and interest being repayable over 15 years. This loan is to go towards completing the conversion of the Milford Inn, Yeovil into six flats, and to enable the building of three housing units in the grounds. All of the £200,000 has now been drawn-down and the conversion of Milford Inn has now been finished.
22. The Council has £672,988 of capital invested with WHIL. As at the end of December 2019 there was £486,249 on the loan book and £186,739 as available capital.

Financial Implications

23. These are contained in the body of the report.

Risk Matrix

24. This matrix only identifies the risk associated with taking the decision as set out in the report as the recommendations. Should there be any proposal to amend the recommendations 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 recommendations 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 |

Council Plan Implications

25. The budget is closely linked to the Council Plan and any capital bids are scored accordingly.

Carbon Emissions and Climate Change Implications

26. There are no specific implications in these proposals.

Equality and Diversity Implications

27. There are no specific implications in these proposals.

Privacy Impact Assessment

28. There is no personal information included within this report.

Background Papers

29. Capital Programme Budget report to Council in February 2019.

REVISED CAPITAL PROGRAMME 2019/20 - 2023/24

CAPITAL PROGRAMME GROSS EXPENDITURE 2019/20 - 2023/24

| Scheme | Original Approval Date | Current Approved Budget £000s | Spend in Previous Years £000s | 2019/20 Estimated Spend £000s | 2019/20 Actual Spend to Date £000s | 2019/20 Projected Further Spend £000s | Future Years Estimated Spend £000s | Total Forecast Project Spend £000s | Forecast Underspend (-) / Overspend £000s | Forecast Underspend (-) / Overspend % | Project Officer | Comments |
|---|------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------------|---------------------------------------|------------------------------------|------------------------------------|---|---------------------------------------|-------------------|---|
| STRATEGIC MANAGEMENT | | | | | | | | | | | | |
| Chief Executive - Alex Parmley | | | | | | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | | | | | | |
| Transformation | Mar-16 | 2,604 | 2,379 | 225 | 225 | 0 | 0 | 2,604 | 0 | 0% | T Beattie | Remaining spend largely related to final transitional resources. Close budget monitoring will continue by the future state board and the updates provided to DX. Spend expected to be under remaining Transformation reserve funding. |
| Subtotal for Strategic Management | | 2,604 | 2,379 | 225 | 225 | 0 | 0 | 2,604 | 0 | | | |
| COMMERCIAL SERVICES & INCOME GENERATION | | | | | | | | | | | | |
| Director - Clare Pestell | | | | | | | | | | | | |
| ARTS AND ENTERTAINMENT | | | | | | | | | | | | |
| Service Manager - Adam Burgen | | | | | | | | | | | | |
| Portfolio Holder - Cllr John Clarke | | | | | | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | | | | | | |
| Octagon Dimmers/LED Lighting | Feb-16 | 71 | 41 | 30 | 30 | 0 | 0 | 71 | 0 | 0% | A Burgen | Project complete. |
| Octagon Electricity Upgrade & Air Cooling | Feb-19 | 86 | 0 | 86 | 121 | -35 | 0 | 86 | 0 | 0% | A Burgen | Works have completed. Costs over SSDC contribution of £86k will be met from the Ticket Levy. This will be transferred once the project is complete and all costs are known. |
| Westland Entertainment Venue | Oct-15 | 2,407 | 2,838 | -431 | 0 | -431 | 0 | 2,407 | 0 | 0% | A Burgen | Internal loan repayments being made in line with original agreement. |
| Upgrade Joanna France Building | Feb-16 | 27 | 0 | 0 | 0 | 0 | 27 | 27 | 0 | 0% | K Menday | Awaiting final confirmation from YOAC on ability to progress via SSDC Legal team. Work likely to progress in Autumn 2020. |
| ENVIRONMENTAL SERVICES | | | | | | | | | | | | |
| STREETSCENE | | | | | | | | | | | | |
| Service Manager - Chris Cooper | | | | | | | | | | | | |
| Portfolio Holder - Cllr Sarah Dyke | | | | | | | | | | | | |
| Purchase of Road Sweeper | Feb-17 | 145 | 0 | 145 | 141 | 0 | 0 | 141 | -4 | -3% | C Cooper | Sweeper now purchased. |
| Purchase of Road Sweeper | Apr-19 | 141 | 0 | 141 | 141 | 0 | 0 | 141 | 0 | 0% | C Cooper | Sweeper now purchased. Internally funded. |
| Double-cab Tipper | Apr-19 | 14 | 0 | 14 | 14 | 0 | 0 | 14 | -1 | -4% | C Cooper | Tipper now purchased. Internally funded. |
| Iseki Tractor with cab | May-19 | 30 | 0 | 30 | 30 | 0 | 0 | 30 | 0 | 1% | C Cooper | Tractor now purchased. Internally funded. |
| Wessex 4.3m Hedge Cutter | May-19 | 13 | 0 | 13 | 13 | 0 | 0 | 13 | 0 | -3% | C Cooper | Hedge cutter now purchased. Internally funded. |
| Wessex 410 Roller Mower | May-19 | 18 | 0 | 18 | 17 | 0 | 0 | 17 | -1 | -6% | C Cooper | Roller mower now purchased. Internally funded. |
| Ford Transit w/elec Tail-Lift | May-19 | 16 | 0 | 16 | 16 | 0 | 0 | 16 | 0 | 0% | C Cooper | Van now purchased. Internally funded. |
| Ford Transit 350 FE65 BSZ | Oct-19 | 15 | 0 | 15 | 15 | 0 | 0 | 15 | 0 | 2% | C Cooper | Van now purchased. Internally funded. |
| Isuzu Boxed Tipper 1 | Dec-19 | 46 | 0 | 46 | 46 | 0 | 0 | 46 | 0 | -1% | C Cooper | Tipper now purchased. Internally funded. |
| Isuzu Boxed Tipper 2 | Dec-19 | 46 | 0 | 46 | 46 | 0 | 0 | 46 | 0 | -1% | C Cooper | Tipper now purchased. Internally funded. |
| Ford Transit Van | Dec-19 | 14 | 0 | 14 | 14 | 0 | 0 | 14 | 0 | 0% | C Cooper | Van now purchased. Internally funded. |
| FORST ST6P Trailed Wood Chipper | Nov-19 | 15 | 0 | 15 | 15 | 0 | 0 | 15 | -1 | -3% | C Cooper | Wood Chipper now purchased. Internally Funded. |
| LEISURE, RECREATION & TOURISM | | | | | | | | | | | | |
| COUNTRYSIDE | | | | | | | | | | | | |
| Service Manager - Katy Menday | | | | | | | | | | | | |
| Portfolio Holder - Cllr Mike Best | | | | | | | | | | | | |
| Riverside Park Planting Scheme | | 23 | 17 | 2 | 0 | 2 | 4 | 23 | 0 | 0% | R Whaites | Persistent vandalism problems across the whole country park have delayed the installation of any new equipment or park infrastructure. This work will now take place in 2020/21. Trees and benches will be purchased in Qtr 4 of this year. |
| Land at Schuldham Ham Hill | | 286 | 281 | 5 | 2 | 0 | 0 | 283 | -3 | -1% | K Menday | Land purchase project complete. |
| Ninesprings Café Extension | | 103 | 0 | 3 | 2 | 1 | 100 | 103 | 0 | 0% | K Menday | Fundraising for remainder of project costs ongoing with a late 2020, early 2021 build phase expected. |
| YEovil REC | | | | | | | | | | | | |
| Service Manager - Katy Menday | | | | | | | | | | | | |
| Portfolio Holder - Cllr Mike Best | | | | | | | | | | | | |
| Yeovil Rec - J O'Donnell Pavilion upgrade | | 100 | 0 | 5 | 5 | 0 | 95 | 100 | 0 | 0% | K Menday | Build quotes to be received in January 2020 with a contractor appointed in April 2020. Build phase expected in spring/summer 2020. |
| PROPERTY, LAND & DEVELOPMENT | | | | | | | | | | | | |
| ENGINEERING AND PROPERTY SERVICES | | | | | | | | | | | | |
| Service Manager - Robert Orrett | | | | | | | | | | | | |
| Portfolio Holder - Cllr John Clarke | | | | | | | | | | | | |
| Commercial Loan | Jul-17 | 11,960 | 11,200 | 760 | 760 | 0 | 0 | 11,960 | 0 | 0% | R Orrett | Final works to complete Phase 1 currently being delivered. Second phase commenced. |
| Investment Properties | Various | 68,204 | 22,826 | 45,378 | 45,377 | 1 | 0 | 68,204 | 0 | 0% | R Orrett | 8 of 9 property purchases complete. |
| Yeovil Innovation Centre - 1st Floor Fit-Out | May-19 | 320 | 0 | 315 | 192 | 123 | 5 | 320 | 0 | 0% | R Orrett | Fit out works fully delivered and lease complete. Retention due next year. |
| Car Park Enhancements | Feb-17 | 235 | 207 | 28 | 0 | 28 | 0 | 235 | 0 | 0% | R Orrett | Surfacing works to be implemented in 2019/20. |
| New Car Parks | Feb-08 | 810 | 570 | 0 | 0 | 0 | 240 | 810 | 0 | 0% | R Orrett / I Case | Millers Garage site works to be completed 2020/21. |
| Enhancement to SSDC Bldgs | Feb-16 | 618 | 359 | 0 | 0 | 0 | 259 | 618 | 0 | 0% | R Orrett | Works to Petters have been delivered, remaining works will be in 2020/21. |
| Capital Works to Council Portfolio | Feb-19 | 139 | 0 | 0 | 0 | 0 | 139 | 139 | 0 | 0% | R Orrett | Works to be delivered in 2020/21. |
| Transfer of Castle Cary Market House | Apr-16 | 45 | 20 | 25 | 29 | 0 | 0 | 49 | 4 | 9% | R Orrett | Transfer now concluded. |
| Lufton 2000, Yeovil - All Phases | Jan-00 | 1,280 | 1,280 | 0 | 0 | 0 | 0 | 1,280 | 0 | 0% | R Orrett | No current works identified. |
| Yeovil Crematorium 5 year plan | Feb-16 | 686 | 668 | 18 | 0 | 18 | 0 | 686 | 0 | 0% | P Biggenden | Fire alarm upgrade completed November 2019, still awaiting invoice. |
| Confidential Scheme | Jul-17 | 4,100 | 496 | 541 | 269 | 272 | 3,063 | 4,100 | 0 | 0% | P Biggenden | Main project to start March/April 2020 |
| Petters Way Refurbishment | Jun-18 | 250 | 132 | 86 | 86 | 0 | 32 | 250 | 0 | 0% | P Biggenden | Further refurbishment works due in 2020. |
| Manor Farm, Forton | S106 | 98 | 86 | 12 | 12 | 0 | 0 | 98 | 0 | 0% | M Hicks | Project completed. |
| Subtotal for Commercial Services & Income Generation | | 92,361 | 41,021 | 47,376 | 47,392 | -21 | 3,964 | 92,356 | -5 | | | |

| | | | | | | | | | | | | |
|---|----------------|---------------|---------------|--------------|--------------|--------------|--------------|---------------|-----------|-------|------------|--|
| Henstridge Recreation Ground | S106 | 3 | 0 | 3 | 0 | 0 | 0 | 0 | -3 | -100% | S Barnes | Work Complete. |
| Old Kelways Play Area, Langport | S106 | 54 | 41 | 0 | 0 | 0 | 13 | 54 | 0 | 0% | S Barnes | Ongoing project, remaining costs now expected in 2022/23. |
| Flagship Play Area | Feb-18 | 142 | 4 | 109 | 103 | 6 | 29 | 142 | 0 | 0% | S Barnes | Ship installed final phases to be completed in 2020. |
| Grant for Merriott Rec Ground | S106 | 29 | 15 | 14 | 14 | 0 | 0 | 29 | 0 | 1% | S Barnes | Work Complete. |
| Grant to Milborne Port Rec | Mar-14 | 136 | 36 | 0 | 0 | 0 | 100 | 136 | 0 | 0% | S Barnes | Work ongoing with Parish Council, remaining costs now expected in 2020/21. |
| Langport Memorial Ground New Changing Facilities | S106 | 7 | 3 | 0 | 0 | 0 | 4 | 7 | 0 | 0% | S Barnes | Ongoing project, remaining costs now expected in 2021/22. |
| Redstart Park, Chard | S106 | 9 | 0 | 9 | 9 | 0 | 0 | 9 | 0 | -4% | S Barnes | Work Complete. |
| Huish Episcopi Swimming Pool | Apr-16 /Aug-17 | 509 | 438 | 71 | 0 | 71 | 0 | 509 | 0 | 0% | L Pincombe | Claims paid up to date. A final claim expected at the end of the retention period which will be paid as S106 funding becomes available. Shared Use Agreement to be updated before final payment made. |
| Forton Playing Pitches, Chard | S106 | 85 | 0 | 0 | 0 | 0 | 85 | 85 | 0 | 0% | L Pincombe | It had been thought that agreement had been reached on the sale of land for pitches. The vendor (SCC) does not now seem to want to complete so the issue will be raised at a higher level to determine whether they are still prepared to sell or not. |
| Holyrood Sports Hall | S106 | 17 | 0 | 17 | 0 | 17 | 0 | 17 | 0 | 0% | L Pincombe | Shared user agreement drafted. Currently being reviewed by the Academy trust responsible for Holyrood Academy. |
| Ilminster Cricket Club | S106 | 52 | 0 | 52 | 0 | 52 | 0 | 52 | 0 | 0% | D Haines | Work expected to complete before cricket season. |
| Caryford Community Hall | S106 | 21 | 0 | 0 | 0 | 0 | 21 | 21 | 0 | 0% | D Haines | Project due to start June 2020. |
| Ridgeway Hall, Langport | S106 | 3 | 0 | 3 | 0 | 3 | 0 | 3 | 0 | 0% | D Haines | Project due to start and complete January 2020. Payment to be made before financial year end. |
| Grant for Stoke Sub Hamdon Recreational Ground | Qtr 3 14/15 | 40 | 4 | 36 | 36 | 0 | 0 | 40 | 0 | 0% | D Haines | Floodlights (£7,769) and Changing Rooms extension (£7,123) projects are complete. |
| Sparkford Cricket Club | S106 | 12 | 6 | 3 | 3 | 0 | 3 | 12 | 0 | 0% | D Haines | Sparkford CC is currently waiting for planning permission. Section 106 funding is available from other developments which have not yet reached the trigger points. |
| South Petherton Cricket Club | S106 | 34 | 0 | 29 | 29 | 0 | 5 | 34 | 0 | 0% | D Haines | Cricket Nets project is now complete. Pavilion and Play Area projects to follow. |
| COMMUNITIES | | | | | | | | | | | | |
| Service Manager - Tim Cook | | | | | | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | | | | | | |
| Reckleford Gyrratory (Eastern Gateway) Yeovil | Feb-07 | 1,651 | 1,649 | 2 | 0 | 0 | 0 | 1,649 | -2 | 0% | T Cook | Retention now paid, so the project is complete. |
| Land Acquisition in Waterside Rd, Wincanton | Feb-08 | 4 | 4 | 0 | 0 | 0 | 0 | 4 | 0 | 0% | T Cook | Land now acquired. |
| Enhancements to Waterside Rd, Wincanton | Feb-08 | 31 | 0 | 31 | 18 | 13 | 0 | 31 | 0 | 0% | T Cook | Tree management scheme complete, car park enhancement programme underway. Transfer of land to WTC expected within next six months. |
| Subtotal for Service Delivery | | 32,730 | 20,159 | 5,549 | 2,839 | 2,706 | 7,022 | 32,727 | -4 | | | |
| STRATEGY & COMMISSIONING | | | | | | | | | | | | |
| Director - Netta Meadows | | | | | | | | | | | | |
| STRATEGIC PLANNING | | | | | | | | | | | | |
| Service Manager - Jan Gamon | | | | | | | | | | | | |
| GOLDENSTONES | | | | | | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | | | | | | |
| Goldenstones 10 Yr Plan Changing Rm's Refurbishment | Mar-17 | 285 | 249 | 36 | 0 | 36 | 0 | 285 | 0 | 0% | L Pincombe | To be repaid from the revenue budget in March 2020. |
| Goldenstones Sports Centre - 10 Yr Maintenance Plan | Feb-19 | 440 | 0 | 0 | 0 | 0 | 440 | 440 | 0 | 0% | L Pincombe | Required to deliver planned preventative maintenance as per 2018/19 ten year plans. Property Services are responsible for organising maintenance works. 2019/20 forecast moved into 2020/21 as no work yet done this year. |
| SPORT FACILITIES | | | | | | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | | | | | | |
| Wincanton Community Sports Centre 10 year plan | Sep-12 | 178 | 136 | 0 | 0 | 0 | 42 | 178 | 0 | 0% | L Pincombe | Required to deliver planned preventative maintenance as per 2018/19 ten year plans. Property Services are responsible for organising maintenance works. 2019/20 forecast moved into 2020/21 as no work yet done this year. |
| Wincanton Sports Centre - 10 Year Maintenance Plan | Feb-19 | 476 | 0 | 0 | 0 | 0 | 476 | 476 | 0 | 0% | L Pincombe | Required to deliver planned preventative maintenance as per 2018/19 ten year plans. Property Services are responsible for organising maintenance works. 2019/20 forecast moved into 2020/21 as no work yet done this year. |
| WESTLANDS SPORT FACILITIES | | | | | | | | | | | | |
| Portfolio Holder - Cllr Val Keitch | | | | | | | | | | | | |
| Westlands Sports & Pavilion | Oct-15 | 1,284 | 1,263 | 21 | 18 | 0 | 0 | 1,281 | -3 | 0% | D Haines | Project is now complete. |
| PLANNING/SPATIAL POLICY | | | | | | | | | | | | |
| Portfolio Holder - Cllr Mike Best | | | | | | | | | | | | |
| Lyde Road Pedestrian & Cycle Way, Yeovil | Feb-17 | 250 | 0 | 0 | 0 | 0 | 250 | 250 | 0 | 0% | L Pincombe | SCC are progressing detailed plans for this scheme and SSDC are awaiting updated costs before proceeding. Delivery now likely to be in 2020/21. |
| Total for Strategy & Commissioning | | 2,913 | 1,648 | 57 | 18 | 36 | 1,208 | 2,910 | -3 | | | |
| SUPPORT SERVICES | | | | | | | | | | | | |
| Director - Netta Meadows | | | | | | | | | | | | |
| SUPPORT SERVICES FUNCTIONS | | | | | | | | | | | | |
| FINANCIAL SERVICES | | | | | | | | | | | | |
| Lead Specialist - Nicola Hix | | | | | | | | | | | | |
| Portfolio Holder - Cllr Peter Seib | | | | | | | | | | | | |
| Capital Salaries | Jan-00 | 2,957 | 2,957 | 0 | 0 | 0 | 0 | 2,957 | 0 | 0% | N Hix | Allocation of budget will be made in line with time spent on various capital projects. |
| Loan to Somerset Waste Partnership - Repayment (1) | Oct-14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% | N Hix | Loan repayments being made as agreed. |
| Loan to Somerset Waste Partnership for Vehicles (2) | Feb-17 | 5,000 | 0 | 4,125 | 0 | 0 | 4,125 | 875 | 5,000 | 0 | N Hix | Majority of loan for vehicles being drawn down in February 2020. Loan agreement in place linked to a repayment schedule. Repayments start in April 2020. Remainder of |
| Loan to Somerset Waste Partnership - Repayment (2) | Feb-17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% | N Hix | Loan repayments being made as agreed. |
| Loan to Hinton St George Shop - Repayment | Oct-15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% | N Hix | Loan repayments being made as agreed. |
| ICT SERVICES | | | | | | | | | | | | |
| Lead Specialist - VACANT | | | | | | | | | | | | |
| Portfolio Holder - Cllr Peter Seib | | | | | | | | | | | | |
| E5 Upgrade | Feb-19 | 30 | 0 | 0 | 0 | 0 | 30 | 30 | 0 | 0% | D Chubb | Project delayed, now due to commence in Qtr 1 of 2020/21. |
| Mobile Devices for Council Members | Feb-19 | 33 | 0 | 33 | 27 | 0 | 0 | 27 | -6 | -18% | D Chubb | Devices purchased and issued within budget. |

| | | | | | | | | | | | | |
|--------------------------------------|--------|----------------|---------------|---------------|---------------|--------------|---------------|----------------|------------|----|---------|--|
| Firewalls & Security | Feb-19 | 25 | 0 | 25 | 6 | 19 | 0 | 25 | 0 | 0% | D Chubb | Project commenced. New firewalls in place. Other security upgrades are underway and due to be finished in 2019/20. |
| Total for Support Services | | 8,045 | 2,957 | 4,183 | 34 | 4,144 | 905 | 8,039 | -6 | | | |
| Total Gross Capital Programme | | 138,653 | 68,164 | 57,390 | 50,507 | 6,865 | 13,099 | 138,636 | -18 | | | |

CAPITAL PROGRAMME FUNDING 2019/20 - 2023/24

| Scheme | 2019/20 Est Funding £000s |
|---|---------------------------|
| External Grants & Contributions - Assets | 271 |
| External Grants & Contributions - REFCUS | 1,482 |
| Repayment Loans | 2,318 |
| Capital Fund | 524 |
| Internal Borrowing Reserve | 368 |
| Usable Capital Receipts | 8,257 |
| Externally Borrowed not Usable Capital Receipts | 44,170 |
| Total Capital Programme Financing | 57,390 |

REFCUS = Revenue Expenditure Funded by Capital Under Statute. This is expenditure on assets not owned by the authority e.g. parish play areas funded through S106.

RESERVE SCHEMES APPROVED IN PRINCIPLE

| Scheme | Original Date of Project Approval | Previous Year's Spend £000s | 2019/20 Est Spend £000s | Actual Spend to 30 June 2019 £000s | Future Est Spend £000s |
|---|-----------------------------------|-----------------------------|-------------------------|------------------------------------|------------------------|
| Wyndham Park Community Facilities | Mar-17 | 0 | 0 | 0 | 400 |
| Market Towns Vision | Feb-06 | 377 | 0 | 0 | 345 |
| Investment in Land, Property & Renewables | | 0 | 0 | 0 | 79,672 |
| Gas Control System - Birchfield | Feb-13 | 130 | 0 | 0 | 485 |
| Affordable Housing - Unallocated | Feb-14 | 0 | 0 | 0 | 1,172 |
| Affordable Housing - Rural Contingency Fund | Sep-16 | 0 | 0 | 0 | 500 |
| Affordable Housing - Bought not built Allocation | | 0 | 0 | 0 | 201 |
| Affordable Housing - Mortgage Rescue Contingency Fund | | 0 | 0 | 0 | 277 |
| Investment in Market Housing | Feb-15 | 0 | 0 | 0 | 1,931 |
| Disabled Facilities Grant | | 0 | 0 | 0 | 821 |
| ICT Replacement | | 0 | 0 | 0 | 187 |
| Transformation | Mar-16 | 0 | 0 | 0 | 146 |
| Contingency for Plant Failure | | 0 | 0 | 0 | 199 |
| Home Farm, Somerton | | 0 | 0 | 0 | 298 |
| Lufton 2000, Yeovil - All Phases | Apr-99 | 1,280 | 0 | 0 | 240 |
| Sports Zone | Feb-08 | 0 | 0 | 0 | 0 |
| Gypsy & Traveller Acquisition Fund | Feb-09 | 17 | 0 | 0 | 133 |
| Infrastructure & Park Homes Contingency | Sep-09 | 0 | 0 | 0 | 91 |
| Total Reserve Schemes Approved in Principle | | 1,804 | 0 | 0 | 87,098 |

AREA RESERVE SCHEMES AWAITING ALLOCATION

| Scheme | 2019/20 Est Spend £000s | Actual Spend to 30 June 2019 £000s | Future Est Spend £000s |
|--------------|-------------------------|------------------------------------|------------------------|
| North | 0 | 0 | 119 |
| South | 0 | 0 | 262 |
| East | 0 | 0 | 57 |
| West | 0 | 0 | 115 |
| Total | 0 | 0 | 554 |

| Scheme | 2019/20 Est Spend £000s | Actual Spend to 30 June 2019 £000s | Future Est Spend £000s | Total Est Spend £000s |
|---|-------------------------|------------------------------------|------------------------|-----------------------|
| Capital Programme | 57,390 | 50,507 | 13,099 | 70,489 |
| Contingent Liabilities and Reserve Schemes | 0 | 0 | 87,652 | 87,652 |
| Total Capital Programme to be Financed | 57,390 | 50,507 | 100,751 | 158,141 |

Projects agreed before August 2015

The table below highlights the schemes agreed before August 2015, and provides a reason for the delay in their progression. Members need to confirm their approval for the project to stay in the capital programme.

| Project | Date Funding Agreed | Original Budget £'000 | Remaining Budget £'000 | Reason for Delay (Update from Officer) | Risks of not retaining funding (Update from Officer) |
|---|---------------------|-----------------------|------------------------|--|--|
| Land Acquisition & Enhancements at Waterside Road | Feb 08 | 35 | 13 | Land now acquired. Liaising about enhancement programme including car park improvements, tree management scheme and possible transfer to Wincanton Town Council. | Tree management scheme complete, car park enhancement programme underway. Transfer of land to WTC expected within next six months |
| New Car Parks | Feb 08 | 810 | 240 | The majority of the scheme has been delivered in previous years. With the remaining element there have been delays with obtaining planning consent and also releasing the legal covenant. This is now resolved so we can progress to tender and construction next financial year. | There has been significant expenditure to purchase the land. This funding is required to finish construction of this car park. Without it the site would remain unusable. |
| Affordable Housing – 117 Sherborne Road, Yeovil | Feb-14 | 98 | 94 | This project has been on the reserve schemes for some time until works were ready to commence. Works have now started and will finish in 2019/20. | This funding is required to meet the Housing needs of the District. Now works have commenced, withdrawing funding would cause the project to stop midway through. |
| Wincanton Community Sports Centre 10 year plan | Sep 12 | 178 | 42 | New 10 year plans for our sports facilities were completed during 2018 and highlight that this money is still required. It will be spent on the agreed maintenance programmes by the Property Service team, although this team currently lacks the staff resource required to implement the planned preventative maintenance identified. | If this budget were removed, then finance would not be available for planned preventative maintenance which could eventually result in the failure of plant and could lead to the temporary closure of facilities. |

Agenda Item 11

Corporate Performance Report 2019-20: 3rd Quarter

Executive Portfolio Holder: Val Keitch, Strategy and Policy
Director: Netta Meadows, Director of Strategy and Commissioning
Service Manager: Charlotte Jones, Lead Specialist People, Performance and Change
Lead Officer: Cath Temple, Specialist - Performance
Contact Details: Cath.temple@southsomerset.gov.uk or (01935) 462587

Purpose of the Report

1. This report sets out the current position of the Council's agreed key performance indicators and covers the period from October to December 2019 (Q3).

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of February 2020.

Public Interest

3. The Council is accountable to the local community for its performance. We publish performance-monitoring information to demonstrate outcomes and to highlight opportunities to learn and improve for the future.

Recommendations

4. The District Executive is asked to note and comment on the report.

Background

5. The Council monitors a set of key performance indicators (KPIs) which are published on our [website](#).

Quarter 3 Performance

6. The attached report includes our performance from October to December 2019 with KPIs for each theme of the Council Plan.
7. The KPIs have been revised to align more closely with the areas of focus within the Council Plan 2019/20. Some measures are annual so there is no data to report in this quarter.
8. The last two years has seen significant activity and change across the whole of South Somerset District Council (SSDC). We have delivered many key parts of our Transformation programme, at pace and with significant staff changes, while working hard to ensure that our key business areas continue to deliver for the communities we serve. This has included significant financial benefits, alongside the implementation of new ways of working (in terms of processes and systems) within a completely new organisational model. This has not been without its challenges, and we fully recognise that at times customer service has been affected.
9. We have a committed group of leaders, managers and staff who are working hard to deliver services to our residents whilst also transforming what we do. Moving to our new ways of working presents

some challenges, yet our teams have demonstrated commendable professionalism, dedication and hard work, and should be justifiably proud of all we have achieved over the past two years.

10. The changes we have to make are not yet complete and we have a good awareness of the considerable work that remains ahead for us as an organisation. This includes completing the redesign of our services and supporting our customers to take up new digital channels, together with embedding new ways of working within the 'One Team'.
11. The attached report shows that in certain key areas, in quarter 3, there were some dips in performance below targets or agreed service levels. Additional resources have been agreed to support these key areas. Overall, 20 KPIs are either showing a steady position or are improving and 18 KPIs are either on or above target. Comments are included from the relevant lead officer or Performance Specialist. We will continue to monitor performance closely and take action as appropriate.

Financial Implications

12. There are no direct financial implications related to this report.

Risk Matrix – this report is for information only – no risk profile.

Council Plan Implications

13. This report is consistent with the Council Plan 2016 – 2021

Carbon Emissions and Climate Change Implications

14. There are no direct implications

Equality and Diversity Implications

15. There are no direct implications

Privacy Impact Assessment

16. There are no direct implications

Background Papers

Council Plan 2016-2021 & Annual Action Plan 2019/20



South Somerset District Council

Corporate Performance Monitoring

Quarter 3 report: October - December 2019-20

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**Protecting
Core Services**



Economy



Environment



Housing



**Healthy, Self-reliant
Communities**



Protecting
Core Services



Economy



Environment



Housing



Healthy, Self-reliant
Communities



This is our third quarterly report for the 2019-20 Council Plan annual action plan. There are two sets of comparisons for the data within the report. One compares performance against the agreed target and the other compares the current result with past performance to give a direction of travel.

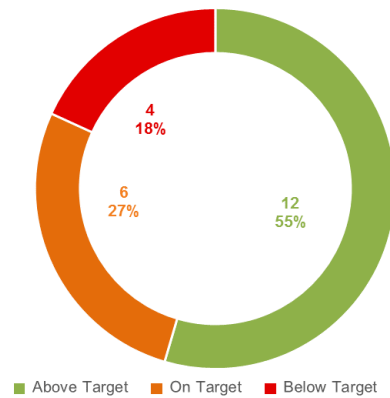
For targets this quarter 12 measures were above target (green), 6 were on target (amber) and 4 were below target (red)

For direction of travel this quarter, 12 improved (green), 8 stayed the same as last quarter (amber) and 1 was worse (red) than the previous quarter. There is commentary included within the report which explains the current position in more detail, this commentary has been provided by the Lead Specialists/Specialists within the appropriate areas

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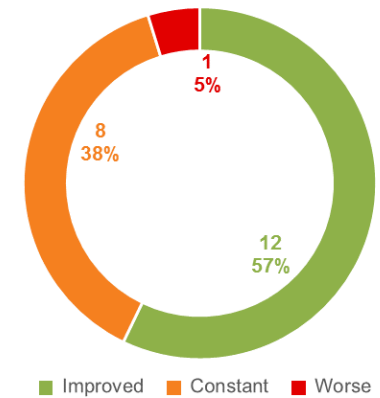
Progress against targets - summary for this quarter

- Red = significantly below target
- Amber = behind target
- Green = on, ahead of or above target














Direction of travel - summary for this quarter







- ↓ Red = Significantly worse than last quarter (more than 10%)
- ↔ Amber = No real change
- ↑ Green = Improved on the last quarter











Protecting Core Services

| Ref | Measure (frequency of reporting) | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Q3 | Perf against target | Direction of travel | Supporting information |
|------|---|--|-------------------------|---------------|--------|--------|--------|---|---|--|
| PCS1 | Number of on-line accounts activated – Household & Business (Quarterly) | The number of new Customer accounts during the quarter | 10,000 | New for 19/20 | 3482 | 5132 | 2116 |  |  | Total number of accounts = 10,370 |
| PCS2 | Number of accounts active at 6 month point – Household & Business (Quarterly) | The percentage of customer accounts in active use within the last 6 months | 50% | NEW for 19/20 | - | - | 68% |  | * | * Figures unavailable for Q2 therefore direction of travel not applicable. |
| PCS3 | Service requests through on-line forms as a % of all requests (Quarterly) | % of transactions being completed using online service forms instead of other channels, for the same service e.g. phone/letter | 70% | New for 19/20 | 67% | 71% | 72% |  |  | This is direct comparison of services that can be completed over the phone and the exact service is available online. This shows 72% of these total services are web reported rather than phone. |
| PCS4 | % of property portfolio with a performance assessment (Quarterly) | The number of SSDC owned properties with an assessment in place | 95% | 50% | 50% | 50% | 50% |  |  | Recruitment is in hand and alternative proposal to Senior Leadership Team is underway – business plan aims to resolve in 2020. |
| PCS5 | Council Tax Collection (Quarterly) | The % of council tax collected at 31 st March | 98% (annual cumulative) | 98% | 28.11% | 55.56% | 82.9% |  |  | Work on the backlog is progressing and forms part of the Service Delivery recovery plan. This consequently affects the collection rate. Our focus for Quarter 4 will be on revenue collection and post summons recovery. |
| PCS6 | NNDR collection (Quarterly) | The % of National Non Domestic Rates collected at 31 st March | 97% (annual cumulative) | 97.4% | 33% | 56.29% | 80.82% |  |  | The comment above also applies NNDR collection. |

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| | | | |
|---|--------------------------------------|---|---|
|  | Red = significantly below target |  | Red = Significantly worse than last quarter (more than 10%) |
|  | Amber = behind target |  | Amber = No real change |
|  | Green = on, ahead of or above target |  | Green = Improved on the last quarter |

Protecting Core Services

| Ref | Measure | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Q3 | Perf against target | Direction of travel | Supporting information |
|-------|--|---|--------------|------------|---------|----|----|--|--|---|
| PCS7 | Speed of processing - Housing Benefit new claims (Quarterly) | The average (mean) number of days taken from receipt of application from the customer to notification of decision | 21 | 29.5 | 37 days | 41 | 25 |  |  | We are making great progress on this indicator. We no longer have a backlog of applications and the profile of performance across the quarter is October 27 days, November 27 days and December 21 days - performance target met for December. This is the first time the team has achieved this since November 2018. We are aiming to be meeting our performance target for Q4. |
| PCS8 | Speed of processing - Housing benefit change of circumstance (Quarterly) | The average (mean) number of days taken from notification of change by the customer to notification of adjustment | 7 | 4 | 8 | 16 | 9 |  |  | We are making great progress on this indicator too. We have reduced the age of the backlog from 15 weeks to 5 weeks. We cease to consider work as a backlog when it is no more than two weeks old. The profile of performance over the quarter is October 16 days, November 10 days and December 5 days. We will meet our performance target for Q4 due to a large number of changes we process for the new financial year. |
| PCS9 | Speed of processing - Council tax new claims (Quarterly) | The average (mean) number of days taken from receipt of application from the customer to notification of decision | 30 | 45 | 67 | 63 | 69 |  |  | The Q3 performance belies the progress we have made in improving this measure. The Q3 indicator shows the direction of travel as negative compared with Q2 but across Q3 the direction of travel is much more positive. The average number of days to process new claims peaked in October (98 days) when we cleared the oldest part of the backlog of work, reducing to 68 days in November and 38 days in December. |
| PCS10 | Speed of processing – Council tax change of circumstance (Quarterly) | The average (mean) number of days taken from notification of change by the customer to notification of adjustment | 7 | 7 | 15 | 51 | 34 |  |  | As with the above indicator the direction of travel across the months in Q3 is better than the overall Q3 performance suggests. Monthly performance was 64 days for October, 24 days for November and 15 days for December. We are continuing to work on reducing the age of the outstanding work to deliver further performance improvement in Q4 for both indicators. |

| | | | |
|---|--------------------------------------|---|---|
|  | Red = significantly below target |  | Red = Significantly worse than last quarter (more than 10%) |
|  | Amber = behind target |  | Amber = No real change |
|  | Green = on, ahead of or above target |  | Green = Improved on the last quarter |

Protecting Core Services

| Ref | Measure | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Q3 | Perf against target | Direction of Travel | Supporting information |
|-------|---|---|---------------------|------------|-------|-------|-------|---|---|---|
| PCS11 | Speed of processing – planning applications – major (Quarterly) | The % of valid major planning applications determined within 13 weeks | 60% | 100% | 100% | 89% | 76.9% |  |  | 5 decisions out of 36 were issued out of time in this quarter. |
| PCS12 | Speed of processing – planning applications – minor (Quarterly) | The % of valid minor planning applications determined within 8 weeks | 70% | 93.7% | 97% | 90% | 92% |  |  | 40 decisions out of 471 decisions were issued out of time. |
| PCS13 | Speed of processing – planning applications – other (Quarterly) | The % of all valid other planning applications determined within 8 weeks | 80% | 96.4% | 99% | 96% | 96% |  |  | 17 decisions out of 661 decisions were issued out of time without an agreed extension of time. The performance at 96% is still well above the Government target of 80%. |
| PCS14 | Planning appeals lost as a % of all decisions (Quarterly) | The number of appeals to the Planning Inspector lost (ie decision overturned) expressed as a % of all decisions | 10% (max threshold) | 7.3% | 3.52% | 2.00% | 0.88% |  |  | The description provide by MHCLG is 'The quality of decisions is the percentage of planning applications refused, for major development that have been overturned at appeal, once nine months have elapsed following the end of the assessment period' and its measured over years not quarters. Because of the relatively small numbers of appeals the council could rapidly move over and above 10% should decisions be taken outside of national and local policy. |

NB: PCS14 The description provide by MHCLG (Ministry of Housing, Communities and Local Government) is 'The quality of decisions is the percentage of planning applications refused, for major development that have been overturned at appeal, once nine months have elapsed following the end of the assessment period' and its measured over years not quarters:- April 16_March 18 – 7.38%, April 17_March 19 – 4.23% and April 18_March 20 2.00%



Red = significantly below target

Amber = behind target

Green = on, ahead of or above target



Red = Significantly worse than last quarter (more than 10%)

Amber = No real change

Green = Improved on the last quarter

Protecting Core Services

| Ref | Measure | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Perf against target | Direction of Travel | Supporting information |
|-------|---|---|--------------|------------|----|----|---------------------|---------------------|---|
| PCS15 | Commercial property income yield (Annual) | The annual income from SSDC commercial property investments | £449k | £254k | | | Annual measure | | Income is predicted to exceed the net budget set in Feb19 by approx. £800K, due to commercial investment purchases only being added into the budget setting report once actually completed. |
| PCS16 | Annual average yield increase of business services (%) (Annual) | The % and numerical value of income (yield) across all income generating services | 5% or £250k | 4.52% | | | Annual measure | | |



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Amber = behind target



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Amber = No real change









Green = Improved on the last quarter



Economy

| Ref | Measure | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Q3 | Perf against target | Direction of travel | Supporting information |
|-----|---|--|---------------------------|-----------------|-----------------------|-----------------------|--------------|---|---|--|
| E1 | % spend with local SMEs (bi-annual) | The proportion of SSDC purchasing through local SME suppliers (within the SSDC postcode area), as a % of total spend for goods and services. We assign SME status on the EU definition of SME. <250 employees, We base local status on SSDC postcodes, using CEDAR Vendor addresses. | 10% | New for 2019/20 | 20% Revised to 15% | 13% Revised to 14% | 9% |  Cumulative YTD performance of 14% on track |  | Cumulative 9 months YTD performance is 13.7% of influenceable £11.8M external spend. Q1 & 2 figures adjusted following further review of supplier classifications. Q3 figure is down due to effect of 5 (none local/SME) supplier payments totalling 1M against a total Q3 spend of 3.2M |
| E2 | Delivery of the Economic Development Strategy (EDS) (Quarterly) | The number of actions and priority projects which are in progress, aligned to the EDS delivery plan. | 30 Milestones in progress | New for 2019/20 | 17 on target | 21 on target | 23 on target |  |  | Particularly good progress was made in Q3 with company engagement and support through key account management activity. So far focused meetings with 70 local businesses have taken place. A good example of support given is to Numatic (makers of Henry vacuum cleaner in Chard) with their planning application for expansion. Support was provided to clarify the economic benefits of the proposals, which were used in a planning representation that helped with the granting of planning permission. The subsequent development will lead to a further 200 new jobs in activities including R&D and provide local opportunities for employment and skills development. Supporting this local company to expand will help to deliver clean and inclusive growth. |

-  Red = significantly below target
-  Red = Significantly worse than last quarter (more than 10%)
-  Amber = behind target
-  Amber = No real change
-  Green = on, ahead of or above target
-  Green = Improved on the last quarter



Environment

| Ref | Measure | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Q3 | Perf against target | Direction of travel | Supporting information |
|-----|--|--|--------------|----------------|--------|--------|----|---------------------|---------------------|---|
| EN1 | % of household waste recycled (Quarterly)* | The % of all household waste recycled (Somerset wide) | 53% | 52.41% (18/19) | 54.98% | 54.95% | * | | | *there will always be a delay of one quarter (data provided by the Somerset Waste Partnership - SWP) |
| EN2 | Residual waste sent to landfill (Quarterly)* | The % of residual waste volume going to landfill (Somerset wide) | 46% | 46.4% | 43.69% | 43.89% | * | | | SWP have confirmed that there is a direct correlation between the amount of waste recycled and the amount going to landfill. There are many factors that affect the figures including the time of year and weather. |
| EN3 | Waste recycled in the UK (Quarterly)* | The % of all waste collected which is recycled in the UK (Somerset wide) | 90% | 90% | 91.75% | 88.61% | * | | | There are again a number of reasons for this figures decreasing, such as lack of capacity at reprocessors in the UK or the price the contractors can get for the material at a non UK plant. |

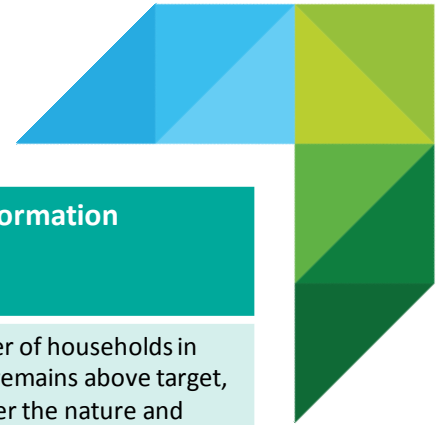
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*SSDC is part of the Somerset Waste Partnership. At present the performance data relating to waste services is supplied by SWP and is not available at a district level. The opportunity to create a district level picture is being explored. Currently targets for the new financial year are not available, SWP targets will track performance against last year.

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- Green = on, ahead of or above target
- Red = Significantly worse than last quarter (more than 10%)
- Amber = No real change
- Green = Improved on the last quarter



Housing



| Ref | Measure | Description | Target 19/20 | Q4 (18/19) | Q1 | Q2 | Q3 | Perf against target | Direction of travel | Supporting information |
|-----|--|--|----------------|----------------|----|----|----------------|---------------------|---------------------|---|
| H1 | Number of households in temporary accommodation (Quarterly) | The number of households in temporary accommodation as at the final day of the quarter | 30 | 42 | 34 | 43 | 41 | | | We're aware that the number of households in temporary accommodation remains above target, but we have little control over the nature and amount of cases coming to us requiring temporary accommodation. Moving these households on to permanent accommodation depends on the number of suitable vacancies occurring in the private sector and with our partner landlords. |
| H2 | Length of stay in temporary accommodation (Quarterly) | The average (mean) number of days spent in temporary accommodation (B&B) | 7 days | 6 | 1 | 3 | 2 | | | Pleased to see that where we have used bed and breakfast accommodation, the average length of stay has reduced slightly. |
| H3 | Number of cases of homelessness prevented/helped (Quarterly) | The number of households assisted by SSDC to prevent or relieve homelessness | 30 per Quarter | 70 | 68 | 74 | 63 | | | And the number of households prevented or relieved remains above target, albeit slightly less this quarter. |
| H4 | Affordable housing completed (Annual) | The number of affordable homes completed for occupation | 254 pa | 121 (annual) | | | Annual measure | | | |
| H5 | Affordable housing as a % of all housing completed (Annual) | Number of affordable homes completed as a % of all new housing completions | 35%* | 18.6% (annual) | | | Annual measure | | | |

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| | | | |
|--|--------------------------------------|--|---|
| | Red = significantly below target | | Red = Significantly worse than last quarter (more than 10%) |
| | Amber = behind target | | Amber = No real change |
| | Green = on, ahead of or above target | | Green = Improved on the last quarter |

Healthy, Self Reliant Communities

The Council's area of focus for 'Healthy, Self-Reliant Communities' relies significantly on our work with partners through the design and delivery of a range of community based programmes. A small number of Key Performance Indicators are included below.

| Ref | Measure | Description | Target | Q4 (18/19) | Q1 | Q2 | Perf against target | Direction of travel | Supporting information |
|------|---|--|--------|-----------------|----|----|---------------------|---------------------|--|
| HSC1 | Participation in Health Walks (Annual) | The number of residents participating in health walks supported by SSDC | 10,500 | 10,440 (annual) | | | Annual measure | | At the start of 2019/20 walkers are being supported by 105 trained walk leaders leading 22 health walks. |
| HSC2 | Volunteering at SSDC (Annual) | The number of days provided through volunteering at SSDC | 2300 | 2277 (annual) | | | Annual measure | | |
| HSC3 | Investment into local communities facilities (Annual) | The value of investment by SSDC into local facilities enabling cultural, leisure and sports activities | £464k | £679k (annual) | | | Annual measure | | The target is the planned spend within the 2019-20 SSDC capital programme for sports and leisure schemes |



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Agenda Item 12

Time Extensions to Public Space Protection Orders for dog fouling, dogs on leads and dog exclusion area

Executive Portfolio Holder: Sarah Dyke, Environment
Director: Martin Woods, Service Delivery Director
Service Manager: Vicki Dawson, Lead Specialist, Environmental Health
Lead Officer: Paul Huntington, Compliance and Enforcement Specialist
Contact Details: Paul.huntington@southsomerset.gov.uk or 01935 462532

Purpose of the Report

1. For members to agree to the approval the time extension of two Public Space Protection Orders; one for dog fouling and dogs on leads across the district and one for dog exclusion at the fenced area at Yeovil Country Park

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 6th February 2020

Public Interest

3. In May 2011 the Council introduced a Dog Control Order to allow it to deal with dog fouling. The order made it an offence to not pick up dog foul on designated land across the district. A second Order created an offence if a person did not comply with a request from an authorised officer to put and keep their dog on a lead. A third Order excluded dogs from designated land around the play area at Yeovil Country Park. Without these orders in place Council officers would not be able to take action against persons not clearing up after their dogs.
4. In March 2014 a new piece of legislation came into force called the Anti-Social Behaviour Crime and Policing Act 2014. Under this Act Councils are required to replace any Dog Control Orders with a new order called a Public Space Protection Order (PSPO) if they still want the control to continue. In February 2017 the District Executive approved the creation of two PSPOs to address these matters. The duration of the order was for three years and the PSPOs are due to expire on the 8th March 2020.
5. As it is still believed there is a need for the controls to remain in place, this report is seeking the authority to extend the existing PSPOs for a further three years as allowed by the legislation.

Recommendations

6. That District Executive agree to extend the two existing Public Space Protection Orders as set out in Annex 1 and Annex 2

Background

7. In November 2010 Full Council considered a report on the introduction of three Dog Control Orders (DCO) under part six of The Clean Neighbourhoods and Environment Act 2005 (CNEA). The DCOs were modelled on (but extended) the provisions of the Dogs

(Fouling of Land) Act 1996. The CNEA gave powers to the Council to deal with dog fouling and other dog control matters across the District. The Dog Control Orders were agreed and introduced in May 2011.

8. The DCOs allow Council Officers to take action against persons who do not clear up after their dogs if they have fouled on any designated land. This is usually done by way of a fixed penalty notice. Officers will patrol known hot spots to help prevent problems arising and most people are now aware that allowing dogs to foul is an offence. In addition the DCOs allow our enforcement officers to require dog owners to put their dog on a lead if they feel it is necessary for keeping the dog under control. The area around Yeovil Country Park is also designated as a dog exclusion area.
9. In March 2014, the Anti-Social Behaviour Crime and Policing Act 2014 (The Act) was introduced. This Act introduced a range of new powers to deal with anti-social behaviour. One of the new provisions introduced was the ability to use Public Space Protection Orders (PSPO). These are intended to deal with a particular problem in a particular area and to ensure that the majority of the public can use and enjoy public spaces safe from anti-social behaviour.
10. The Act also repealed the ability to make Dog Control Orders and required that where any existed, and were still required, that they be replaced by a PSPO.

PSPO process

11. In order to introduce a PSPO the Council must be satisfied that three tests are met, namely;
 - a) the behaviour to be restricted is having, or is likely to have, a detrimental effect on the quality of life of those in the locality
 - b) the behaviour is continuing or persistent, and
 - c) the behaviour is unreasonable
12. The existence of dog foul in an area is commonly regarded as being detrimental, both in terms of the unpleasantness of its visual appearance, its odour and the disgust if one is unfortunate enough to step in it, but more importantly its health impacts and the transmission of disease. The PSPOs are still required since the Council continues to receive regular complaints regarding dog fouling.
13. Whilst the vast majority of dog owners are responsible and clear up after their dogs, but there remain a minority who disregard the law. Whilst it is acknowledged that enforcement of the provisions is difficult, if the PSPOs did not exist at all we believe it would send out the wrong message that we do not take this kind of irresponsible and anti-social behaviour seriously, and the situation would gradually deteriorate.
14. It is recognised that allowing people and dogs to socialise together can be rewarding for all, however, it is also known that where dogs are not under proper control this can be alarming and intimidating for both adults and children. We receive 50 to 100 complaint a year regarding dog behaviour that has caused such alarm or distress, again providing evidence that this order is still required. The ability to require dogs to be put on a leads allows a targeted approach to tackle individuals who allow their dogs to run out of control, without impacting on the vast majority of responsible dog owners.
15. With regard to the exclusion area at Yeovil Country Park this has allowed safe management of a particularly sensitive area of the site. Wildfowl on the lake area have

been able to flourish, with greatly reduced numbers of dog attacks. With dogs excluded the issue of fouling is almost removed, and definitely greatly reduced, thus enabling safe and clean access for people with young children, and those visitors using wheeled mobility vehicles and wheel chairs that visit this particular area of site. There are alternative routes around the exclusion area and it is believed a continued exclusion area is justified.

Consultation

16. Other than publishing the extension, no consultation is required for the extension.

Offences

17. Non compliance with the requirements of a PSPO is an offence. The penalty, on conviction in a Magistrates Court, for committing an offence is a maximum fine of level 3 on the standard scale (currently £1000). The opportunity to pay a fixed penalty notice can be offered as an alternative to prosecution. The fixed penalty notice for DCO offences is currently set at £80, reduced to £50 if paid within 10 days. The statutory maximum amount that a fixed penalty can be set at, for an offence of contravening the PSPOs, is £100. It is proposed to leave the penalty at £80 reduced to £50 for early payment, as this is believed to be proportionate and reasonable.

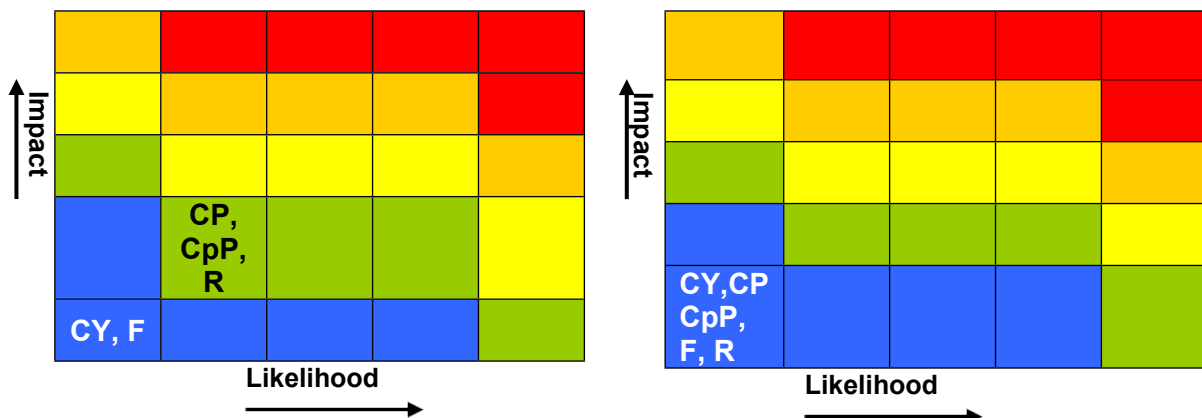
Financial Implications

18. As the enforcement of the PSPOs would not change, there are no financial implications to the Council.

Risk Matrix

19. The risk matrix shows risk relating to the Corporate Plan headings.

Risk Profile before officer recommendations Risk Profile after officer recommendations



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 | |

| | |
|---------------|---|
| CY = Capacity | Yellow = Moderate impact and moderate probability |
| F = Financial | Green = Minor impact and minor probability |
| | Blue = Insignificant impact and insignificant probability |

Council Plan Implications

The proposals in this report support the Councils Aims :

- To protect and enhance the quality of our environment

It also supports the Councils priorities to:

- Maintain Country parks and open spaces to promote good mental and physical health
- Keep streets and neighbourhoods clean and attractive

Carbon Emissions and Climate Change Implications

No implications for carbon emissions or climate change have been identified

Equality and Diversity Implications

An equality impact assessment has been completed. This is attached at Annex 3.

Privacy Impact Assessment

No privacy implications have been identified.

Background Papers

- Annex 1: The Fouling of Land by Dogs, and Dogs on Leads by Direction Public Spaces Protection Order
- Annex 2: The Dogs Exclusion (Land at the fenced lower lake area at Ninesprings in Yeovil Country Park) Public Spaces Protection Order
- Annex 3: Equality impact assessment (to be completed)

The Anti-social Behaviour, Crime and Policing Act 2014: Section 60

Extension of Public Spaces Protection Order

South Somerset District Council – The Fouling of Land by Dogs, and Dogs on Leads by Direction
Public Spaces Protection Order

South Somerset District Council in exercise of its powers under Section 60 and 72 of the Anti-social Behaviour, Crime and Policing Act 2014 (“the Act”) hereby extend the following order:-

THIS ORDER is made by South Somerset District Council (“the Council) because the Council is satisfied on reasonable grounds that;

- activities carried on or likely to be carried on in a public place have had or are likely to have a detrimental effect on the quality of life of those in the locality
- the effect or likely effect of the activities is or is likely to be, of a persistent or continuing nature,
- the effect or likely effect of the activities is or is likely to be, such as to make the activities unreasonable, and
- justifies the restrictions imposed by the notice

The Public Open Space to which this order applies is all public places (areas the public or any section of the public on payment or otherwise, have access to as of right or by virtue of express or implied permission) in the administrative area of South Somerset and is referred to as (“the restricted area”) as shown edged black on the attached plan, but does not include private Land (to which the public may have access).

This Order comes into force on 9th March 2020.

The Requirement

1. Dog Fouling

If a dog defecates at any time in the restricted area the person who is in charge of the dog at that time shall remove the faeces from the restricted area forthwith, unless he has reasonable excuse for failing to do so or the owner, occupier or other person or authority having control of the restricted area has consented (generally or specifically) to his failing to do so.

Nothing in this requirement applies to a person who –

- a) Is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
- b) Has a disability which affects his mobility, manual dexterity, physical co-ordination or ability to lift, carry or otherwise move everyday objects. In respect of a dog trained by a prescribed charity and upon which he relies for assistance.

For the purposes of this requirement –

- a) A person who habitually has a dog in his possession shall be taken to be in charge of the dog at any time unless at that time some other person is in charge of the dogs;
- b) Placing the faeces in a receptacle on the land which is provided for the purposes, or for the disposal of waste, shall be a sufficient removal from the land;
- c) Being unaware of the defecation (whether by reason of not being in the vicinity or otherwise), or not having a device for or other suitable means of removing the faeces shall not be a reasonable excuse for failing to remove the faeces;
- d) 'Prescribed Charity' means a charity listed as a member to Assistance Dogs UK (registered charity no 1119538)

Reasons for requirement 1

To protect the general public from the health risks dog fouling poses and the detrimental affect the proliferation of excessive dog fouling has on the restricted area.

2. Dogs on Leads by order

A person in charge of a dog shall at any time within the restricted area comply with a direction given to him by an authorised officer of the council, a police officer or police community support officer (PCSO) to put and keep the dog on a lead unless;

- a) he has reasonable excuse to fail to do so; or
- b) the owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his failing to do so;

An authorised officer (an employee of the authority who is authorised in writing by the Authority for the purposes of giving directions under this order), police officer or PCSO may only give a direction under this order if such restraint is reasonably necessary to prevent a nuisance or behaviour by the dog that is likely to cause annoyance or disturbance to any other person, or to a bird or any other animal.

Reason for requirement 2

To protect the public, any other animal or the wildlife from any nuisance, disturbing or harassing behaviour from the dog.

Duration of Order

This order shall remain in force for a period of three years unless extended under section 60 of the Act 2014

Appeal

An interested person may apply to the High Court to question the validity of this order on the ground that the local authority did not have power to make the order or that it has not complied with a requirement of the Act. An Appeal must be made within 6 weeks of the date on which the order is made.

Dated

The Common Seal of etc

.....
Solicitor to the Council

For Information

Offences – s67 of the Act

- 1) It is an offence for a person without reasonable excuse-
 - a) to do anything that the person is prohibited from doing by a public spaces protection order, or
 - b) to fail to comply with a requirement to which the person is subject under a public spaces protection order.
- 2) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- 3) A person does not commit an offence under this section by failing to comply with a prohibition or requirement that the local authority did not have power to include in the public spaces protection order.

Fixed Penalty – s68 of the Act

A constable or authorised person may issue a fixed penalty notice to anyone he or she believes has committed an offence by not complying with a requirement of this order. You will have 14 days to pay the fixed penalty of £80, reduced to £50 if paid within 10 days. If you pay the fixed penalty within the 14 days you will not be prosecuted.

The Anti-social Behaviour, Crime and Policing Act 2014: Section 60

Extension of Public Spaces Protection Order

South Somerset District Council – The Dogs Exclusion (Land at the fenced lower lake area at Ninesprings in Yeovil Country Park) Public Spaces Protection Order

South Somerset District Council in exercise of its powers under Section 60 and 72 of the Anti-social Behaviour, Crime and Policing Act 2014 (“the Act”) hereby make the following order:-

THIS ORDER is made by South Somerset District Council (“the Council) because the Council is satisfied on reasonable grounds that;

- activities carried on or likely to be carried on in a public place have had or are likely to have a detrimental effect on the quality of life of those in the locality
- the effect or likely effect of the activities is or is likely to be, of a persistent or continuing nature,
- the effect or likely effect of the activities is or is likely to be, such as to make the activities unreasonable, and
- justifies the restrictions imposed by the notice

The Public Open Space to which this order applies is the fenced lower lake area at Nine Springs, in Yeovil Country Park in the administrative area of South Somerset and is referred to as (“the restricted area”) as shown edged black on the attached plan.

This Order comes into force on 9th March 2020

The Requirement

1. No Dogs in the restricted area

A person in charge of a dog shall not take it onto or permit it to enter or to remain on, any land to which this Order applies – unless

- a) He has a reasonable excuse for doing so; or
- b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his doing so.

Nothing in this requirement applies to a person who –

- a) Is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
- b) Is deaf, in respect of a dog trained by Hearing Dogs for Deaf People (registered charity number 293358) and upon which he relies for assistance; or
- c) Has a disability which affects his mobility, manual dexterity, physical co-ordination or ability to lift, carry or otherwise move everyday objects, in respect of a dog trained by a prescribed charity and upon which he relies for assistance. In this requirement ‘Prescribed Charity’ means a charity listed as a member to Assistance Dogs UK (registered charity no 1119538)

For the purposes of this requirement

- a) A person who habitually has a dog in his possession shall be taken to be in charge of the dog at any time unless at that time some other person is in charge of the dog;

Reasons for requirement 1

To protect the public, any other animal or the wildlife from any nuisance, disturbing or harassing behaviour from the dog

2. Dogs on Leads by order

A person in charge of a dog shall at any time within the restricted area comply with a direction given to him by an authorised officer of the council, a police officer or police community support officer (PCSO) to put and keep the dog on a lead unless;

- a) he has reasonable excuse to fail to do so; or
- b) the owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his failing to do so;

An authorised officer (an employee of the authority who is authorised in writing by the Authority for the purposes of giving directions under this order), police officer or PCSO may only give a direction under this order if such restraint is reasonably necessary to prevent a nuisance or behaviour by the dog that is likely to cause annoyance or disturbance to any other person, or to a bird or any other animal.

Reason for requirement 2

To protect the public, any other animal or the wildlife from any nuisance, disturbing or harassing behaviour from the dog.

Duration of Order

This order shall remain in force for a period of three years unless extended under section 60 of the Act 2014

Appeal

An interested person may apply to the High Court to question the validity of this order on the ground that the local authority did not have power to make the order or that it has not complied with a requirement of the Act. An Appeal must be made within 6 weeks of the date on which the order is made.

Dated

The Common Seal of etc

.....
Solicitor to the Council

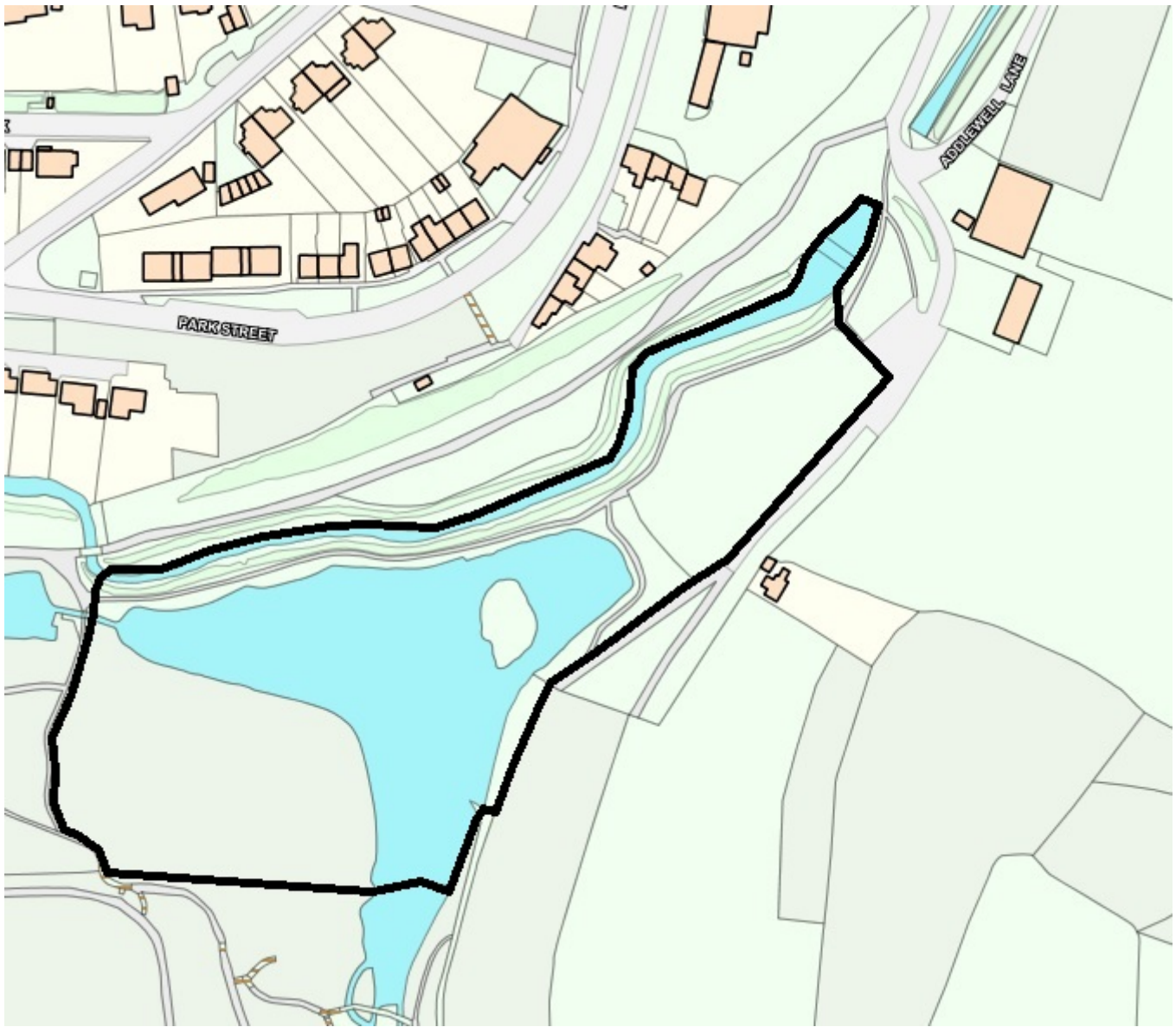
For Information

Offences – s67 of the Act

- 1) It is an offence for a person without reasonable excuse-
 - a) to do anything that the person is prohibited from doing by a public spaces protection order, or
 - b) to fail to comply with a requirement to which the person is subject under a public spaces protection order.
- 2) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- 3) A person does not commit an offence under this section by failing to comply with a prohibition or requirement that the local authority did not have power to include in the public spaces protection order.

Fixed Penalty – s68 of the Act

A constable or authorised person may issue a fixed penalty notice to anyone he or she believes has committed an offence by not complying with a requirement of this order. You will have 14 days to pay the fixed penalty of £80, £50 if paid within 10 days. If you pay the fixed penalty within the 14 days you will not be prosecuted.



Equality Impact Relevance Check Form



The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required.

| What is the proposal? | |
|---|--|
| Name of the proposal | Extension of Public Spaces Protection Order |
| Type of proposal (new or changed Strategy, policy, project, service or budget): | Policy |
| Brief description of the proposal: | Prohibit some dog related activity re fouling, dogs on leads an area ban |
| Name of lead officer: | Paul Huntington |

You should consider whether the proposal has the potential to negatively impact on citizens or staff in the following ways:

- Access to or participation in a service,
- Levels of representation in our workforce, or
- Reducing quality of life (i.e. health, education, standard of living)

A negative impact is any change that could be considered detrimental. If a negative impact is imposed on any citizens or staff with protected characteristics, the Council has a legal duty to undertake a full Equality Impact Assessment.

| | |
|--|-----------|
| Could your proposal negatively impact citizens with protected characteristics? (This includes service users and the wider community) | NO |
| Could your proposal negatively impact staff with protected characteristics? (i.e. reduction in posts, changes to working hours or locations, changes in pay) | NO |

| | |
|--|-----------|
| Is a full Equality Impact Assessment required? | NO |
| If Yes, Please provide a brief description of where there may be negative impacts, and for whom. Then complete a full Equality Impact assessment Form | |
| | |
| If No, Please set out your justification for why not. | |
| The law states that being unaware a dog has fouled or not having a suitable bag is not a reasonable excuse. Exemption from dog fouling offences is, therefore, not consistent with good Public Health outcomes. However, the PSPO does exempt disabled people, particularly the blind, but even assistance dogs are trained to guide their owners so the mess can be cleared up. | |
| Service Director / Manager sign-off and date | |
| Equalities Officer sign-off and date | |

Agenda Item 13

The Future of Local Government in Somerset: Delivering together for the people of Somerset

Executive Portfolio Holder: Val Keitch, Strategy and Housing, Leader of Council
Strategic Director: Alex Parmley, Chief Executive
Lead Officer: Netta Meadows, Director Strategy and Support Services
Contact Details: Netta.Meadows@southsomerset.gov.uk

Introduction

1. The debate about the best form of local government in Somerset has been ongoing for a number of years. In the last 30 years various forms of Unitary Government have twice been proposed, most recently in 2006 when an initiative to create one Unitary Council for the whole of Somerset did not win the backing of Government.
2. The issues that drove that debate, however, have not gone away. Over the past eighteen months the 5 Councils have been exploring together the best way to address the challenges we face the options and, under the banner of FoLGiS (Future of Local Government in Somerset) we have commissioned research into the options for the future. The aim has not been to simply cut costs, the intention has been to find a way, through the better use of our resources, to sustain vital services now and for the future whilst also dealing with some of the big challenges Somerset and its communities face.
3. Based on a collective view of the financial challenges that we face, the growing demand pressures for services likely to stem from a growing and aging population, and the opportunities inherent in a relatively low level of collaboration and sharing in the past, we concluded that change needs to happen to ensure we do the best we can for the communities of Somerset and for local government to be financially sustainable. We have considered impact on our services and communities of continuing on the current path and concluded that “no change is not an option”. The only real question is what changes we need to make and when shall we do it. The high level options report on the Future of Local Government in Somerset, reproduced at Annex 1, stated:

“We are now convinced that staying purely to our own paths is not an option. We can collectively do better”.... “Continuing ‘as is’ is not a sustainable long-term strategy. Service needs across Somerset are evolving, demand is increasing, and a new collaborative delivery strategy is needed”

4. This paper aims to summarise and make plain the main points of the research that the five Councils of Somerset commissioned, to enable a choice to be made. Prior to the 2019 local government District Council elections a way forward based on deeper collaboration and integration rather than reorganisation had been preferred, but it is recognised that changes have taken place in the political landscape.
5. Although the FOLGIS work was commissioned by all 5 Councils, more recently Somerset County Council has stated that it believes a Unitary approach is their preferred way forward. This is not a position that is shared by the District Councils. With growing momentum at a national level for local government reorganisation and a report indicating that savings and improvements are available to the Councils, “no change” is undesirable for all Councils. Unless the District councils of Somerset grasp the opportunity to shape that change and fully commit our organisations to it, we risk being subject to change designed by others who do not understand Somerset and its communities as well.
6. It is the case that the District Councils recognise change is needed. However, it is believed that the best way to deliver real, lasting and effective change is to simply get on with it, by working more collaboratively immediately. Long protracted and costly Unitary proposals,

whilst looking potentially attractive in financial savings terms, have a much longer period for delivery, not to mention the organisational turmoil that this approach creates.

7. They take the “local” out of local government by moving decisions and the decision makers further away from the communities they are there to serve. Not only is this form of local government further away from people and communities, it causes “lost years” to communities as staff of councils focus on changing structures and how it affects them, with less focus on dealing with the challenges faced by the communities they are there to serve.
8. Abolishing five councils and setting up a new one costs a substantial amount of tax payer’s money. The District councils believe this money, our residents’ money, would be better spent on the communities of Somerset, not on “rearranging the deckchairs” and paying redundancies.
9. To aid decision making this report describes the unique challenge and opportunities we face in Somerset, the options available to us and the benefits and risks associated with them, and a possible timetable to take forward the option chosen.

Recommendations for each District Council:

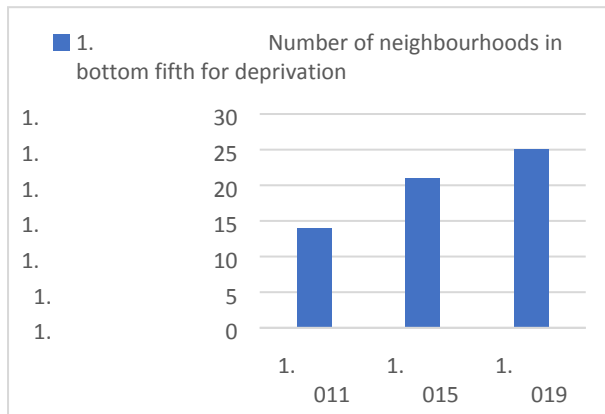
- a. That District Executive recommends that Full Council agree that a full business case should now be prepared, which fully explores Option 2 (Collaboration and Integration), being the preferred way forward at this time. This business case should come back to District Executive/Council in July 2020, along with clear recommendations and delivery plan.
- b. That District Executive recommends that Full Council agrees option 2 – Collaboration and Integration as this council’s current preferred option for the future of local government to take forward through community consultation and engagement.
- c. That District Executive recommends that Full Council agree that a joint Project Board should be created, with the Leader of the Council being the representative from each Council, to oversee the work during the next stage.

Somerset: The Big Challenges and Opportunities

10. In determining the best way forward for Local Government in Somerset it is important to understand the nature and scale of the challenge. Somerset has so many advantages as a place to live and work, but a number of trends threaten, unless reversed, to undermine its prosperity and overwhelm its local services including those of Councils.

Disadvantaged Children

11. Social Mobility is a measure which identifies the chances that a child born into a disadvantaged background will do well at school and get a good job and thus be able to get out of disadvantage.
12. Somerset has a poor track record on social mobility: The four Somerset district authorities are ranked between 206th and 324th out of a total of 324 authorities for social mobility, with West Somerset being the worst in the country. For children born into disadvantage in Somerset, their prospects are worse than the majority of areas in the country.



13. The impact of this track record is made all the more concerning by the fact that the chances a child in Somerset will be born into a deprived area is increasing. The bottom fifth of neighbourhoods, when ranked on deprivation (Indices of Multiple Deprivation) now includes 29 Somerset neighbourhoods (2019). In 2015 this was 21 and, in 2011, only 14.

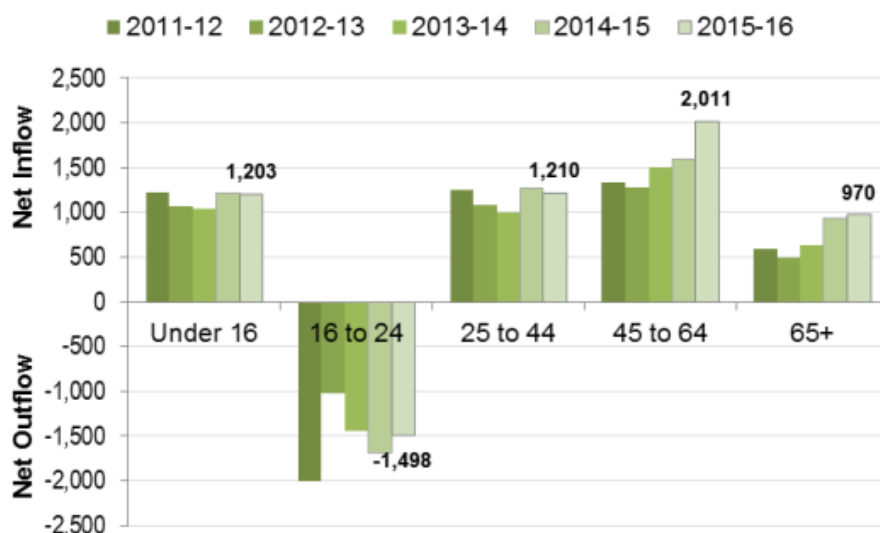
14. Poverty is the strongest predictor of a child's future life chances. The

highest early achievers from poorer backgrounds are overtaken by lower achieving children from advantaged backgrounds by age seven.ⁱ 25% of children in Somerset are living in poverty, with this rising to as much as 38% within some of our most deprived neighbourhoods. Further, children from poorer families in Somerset have an educational attainment two years behind that of the national average, when they leave school.

15. It is clear that unless poor social mobility and childhood poverty are tackled, the life opportunities of many children in Somerset will not improve and disadvantage will carry over into their youth and adulthood. In short, if you are born in to a poor family in Somerset, your chances of escaping poverty in your life time are low. The impact on children's lives is significant, but Somerset Councils are also carrying a financial burden which results from additional need for social care, education and housing services and the costs associated with poor physical and mental health. In 2015/16, the Troubled Families project identified Somerset as having 2790 families with three or more of the eligible areas of need. These families were estimated to cost the tax-payer approximately £26,700 per family (approx. £74m per year) across all public services and this is set to increase.

Our Young People (16-24 years)

16. The number of young people aged 15 years, who are eligible for free school meals, who then go on to enter Higher Education in Somerset is well below the national average. Only 39% of our 16-18 year olds go on to higher education compared to 48% nationally and this has an obvious impact on the skill and salary levels that our young people can expect to attain.
17. The ratio of house prices to earnings is higher than the national average across Somerset. The affordability gap is also widening, average private rental costs in Somerset account for 36% of the median gross monthly pay compared to 28% in 2015. The upward trend in single-person households, coupled with private rental values at an all-time high, may increase the number of households applying for assistance with their housing costs or with access to housing.
18. The combination of these factors, low wages, high house prices means that we consistently see net external migration in the 16-24 years group, as they leave Somerset for education or employment elsewhere in the country. Somerset is a net exporter of young people.
19. Chart 1: Net internal migration by Age, Somerset



Our Economy

20. For those young people who stay in Somerset as they move into their working years, they will enter a workforce of low waged and low skilled workers. The average salary of a full-time worker in Somerset is £26,532, compared to £28,758 nationally. Even allowing for the presence of London earnings in a small proportion of the national figures, our wages are well below average. Within our Local Enterprise Partnership, 94% of our apprenticeships are at intermediate or advanced level and only 6% at higher level. Instead of investing in the skills of local residents, niche employers are often recruiting highly skilled employees from outside the county. If we do not grow a more highly skilled workforce, it will continue to prove difficult to attract the right types of businesses into the county and we perpetuate our current reality.
21. Productivity is low and expected to remain so: between 2014 and 2030 it is expected that GVA growth will be 44.9% compared with 51.6% across the UK as a whole. Compared with many areas, our digital connectivity is poor: 13% of Somerset households do not have access to 'Superfast' broadband and 93% do not have access to 'Ultrafast' (South Somerset Economic Development Strategy 2018)
22. As well as a bleak picture for our young people, the way in which local government is funded is changing, and Councils will be more and more expected to balance the books from the proceeds of council taxes and business rates. The ongoing drain of people and the prevalence of relatively low value business activity, makes this harder.
23. These factors also impact the need for housing; rurality makes Somerset a desirable location for inward migration, fuelling local property prices. Lack of affordable housing contributes to the challenge of retaining younger people, and their skills, within Somerset.
48. The Strategic Housing Market Assessment (SHMA) states that;
 - There is a need for 2,355 dwellings per annum, this includes a need for 955 Affordable homes per annum
 - The focus of need is for 2 & 3 bedroom market housing and 1 or 2 bedroom dwellings in the social/affordable rental sector
 - There is demand for medium sized properties from newly forming households and those seeking to 'downsize'

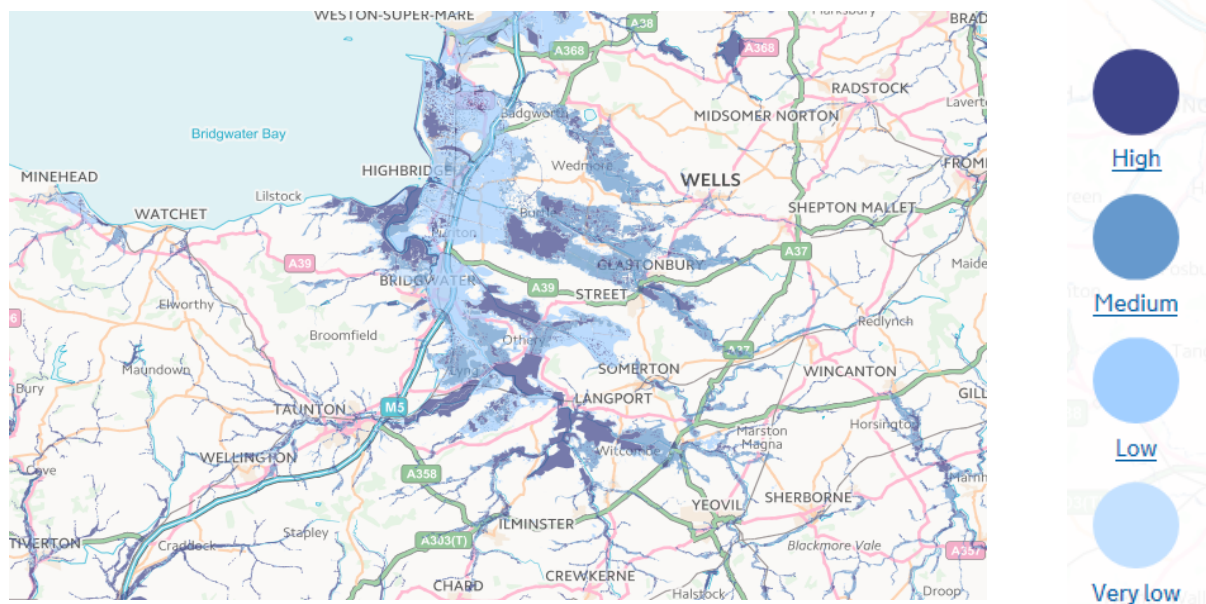
Our Environment

24. Rurality is both a blessing and a burden for Somerset. We have a dispersed population by virtue of being spread across a geographically large area and, because of this sparsity,

providing an effective transport system is a challenge. This in turn has a huge impact on the ability of our residents to access education, employment, healthcare and social events. For those of us living in Somerset, it takes us significantly longer to travel to access key services, such as education, employment and health services (25 minutes compared to 18 minutes nationally), and the use of cars is has increased as a result.

- 25. All the Councils in Somerset have declared a climate emergency. The release of greenhouse gases into the atmosphere is changing the world's climate and the planet is warming up.
- 26. Rising global temperatures will create more extreme weather events, rising sea levels and severe flooding. The best estimate of total economic damages for the winter 2013 to 2014 floods was £1,300 million in England and Wales (Defra). Much of Somerset is at high risk of flooding, as shown below:

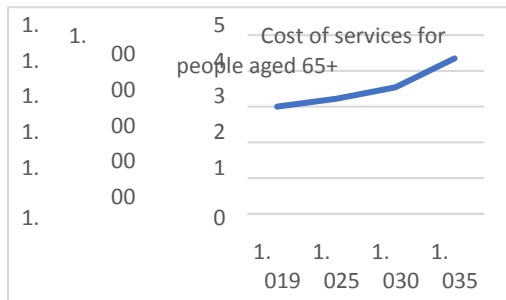
27. Map 1: Flooding Risk, Somerset



- 28. More extensive flooding in the future could lead to the large-scale displacement of communities, with associated social and economic costs. In the shorter-term, there will be increasing financial demands on Councils to mitigate flooding and reduce emissions.
- 29. Our current tree canopy covers 2.6% of the county and is capable of offsetting the carbon emissions from domestic consumption only for one District Council area only. There is clearly much to be done if we are to bring our emissions down and increase our capacity for offset.
- 30. There is a need for the county to reorient itself economically to focus on clean growth, with a significant impact on land use and the farming and manufacturing industries.
- 31. The Somerset Councils have come together to develop a county-wide strategy for tackling the Climate Emergency. Each of us has pledged to bring our own operations and estate to carbon neutrality by 2030. The costs of doing so, whilst also working to address the factors which contribute to climate change across our geographical county, will be considerable.

Our Older People, aged 65+ years

- 32. Almost all of the growth in Somerset's population between now and 2035 will occur amongst those aged 65 years and older and, by 2035, there will be 53,200 more in this age group. Those aged 85+ will increase by 88%. However, although we are living longer, we are not living well for longer into older age and it's more likely that later years will be spent in ill health or with disabilities. Older people, 65 years and older, in Somerset, cost



the health and social care system in the order of £300m per year but, by 2035, and based on the increased numbers alone, this may be £424m.

33. In addition, there will be 15,915 older people living with dementia, 26,880 older people providing unpaid care for a relative, 57,406 needing help with self-care and 58,197 needing help with domestic chores.

34. Older people are also living with the same constraints as the rest of the population; i.e. poor access to transport and digital connectivity. By 2035, 63,635 older people will be living alone (an increase of 30% on today). Using guidance produced by Age UK via The Campaign to End Loneliness, it is estimated that 19,270 are experiencing chronic loneliness and data from Somerset’s Adult Social Care service reports that 58% of their users do not have as much social contact as they would like. Because of the very rural nature of our county and poor access to transport (especially for this group) it is likely that we will increasingly be dealing with the mental health issues which stem from isolation and loneliness.

The scale of the challenges

35. There are many other issues that could be explored here, the list is by no means exhaustive. We lack, at this stage detailed financial modelling, of the overall impact of these trends, but if, in a worse-case scenario, we add together the cumulative costs of a growing and ageing population, plus the potential additional costs of supporting more troubled families, plus helping more people who cannot access affordable housing, dealing with more young people leaving the County at the same time as trying to create the necessary investment in trying to meet environmental targets, in investing in digital technologies and in crating the connectivity infrastructure, then it becomes apparent that the scale of the challenge is likely to be **greater than the savings that might be achieved by a traditional reorganising of local government to a Unitary council**. Indeed this old fashioned approach will likely take resources away from tackling challenge to pay for reorganisation and redundancies whilst moving decision makers further away from the people and communities they are there to serve. In addition, the solution is not sustainable and may effectively be kicking the financial can down the road a little further for Somerset local government as it does not address the underlying challenges.
36. It may be possible to consider all of these issues as presenting a challenge principally to the service providing budgets of the County Council and the health services. However, this too is outmoded thinking that does not recognise the complexity of the challenges and the interdependencies within and between challenges.
37. Instead, we recognise that we are in actual fact one large interdependent system when it comes to these issues, if service budgets are stretched and people are in difficulty the impact will be experienced at all levels of local government, moreover the solutions to these County wide problems don’t rest with any one service provider and may start in local communities.
38. There continue to be indications, given the demands on other parts of government, that there will likely not be much additional new funding for local government in coming years. This means that in meeting the challenges local government faces, including in Somerset, resources are likely to be taken away from council services that, whilst highly valued by residents, are regarded as a lesser priority within the national context.
39. A new approach is therefore required to sustain services during continued financial pressure and also find resources and solutions to the challenges Somerset faces.

Meeting the challenges, grasping the opportunities

40. The future of local government in Somerset needs to be based on creating a response to these challenges and be informed by evidence from elsewhere in the country about what works in gaining control over a set of trends that might otherwise overwhelm our communities and the organisations that serve them.
41. By meeting these challenges, rather than shirking them, we have the opportunity to transform local government in Somerset to ensure better lives for some of our most vulnerable communities, improved quality of life generally in Somerset and a genuinely sustainable, including financially sustainable, system of local government with excellent services – not constant cutting. These opportunities are as follows.
42. The first is to make sure that all available funds are focussed on meeting the needs of our communities and that not a penny is wasted in doing so. Achieving optimum efficiency is paramount and that means ensuring that there is no overlap or duplication in what the Councils do, that our back office costs are as low as they can be, that we use technology wisely and that economies of scope and scale are achieved in a relentless drive to reduce unnecessary costs across all the Councils. The FoLGiS research makes plain that this journey, whilst underway in individual Councils, has not been addressed as a whole. The research therefore presents initial estimates of significant savings. However, it should be noted that none of the options examined in the research form a detailed business case and therefore the potential savings need to be qualified in detail. They also need to be realised as quickly as possible to protect services and ensure the best outcome for communities.
43. It is recognised however that even if these estimated savings were achieved in full, it would not solve the problems set out above. The imperative is to create better more collaborative and effective kinds of government in Somerset, not just cheaper ones, otherwise the savings achieved will simply be swallowed up by the continued growing demand and quickly be inadequate, and we will have less capacity to deal with the issues that remain.
44. Meeting the complex challenges needs joint and concerted action, single strategies that make consensual use of the data that all the organisations own so that co-ordinated help can be targeted on those that most need it, as early as possible.
45. Many of the issues above will not be solved simply by the provision of services. Instead, new forms of intervention will be required to tackle some of these issues at source and in so doing, help people to have better lives whilst also reducing demand or the growth in demand. This could include redoubling our efforts at a very local level to create a greater sense of community and neighbourliness, helping to end isolation, engage with excluded people and groups, and maximising forms of support that help people and communities to help themselves.
46. As the Joint Strategic Needs Assessment states
“Being lonely has been found to have the same adverse impact on health as smoking 15 cigarettes a day. Loneliness can affect people at all ages and in all circumstances, and whilst old age or rural isolation are undoubtedly contributors, the cumulative risk, based on factors such as living alone, low income and transport, is highest in the more deprived communities. Groups such as widowed, older homeowners living alone and unmarried, middle-aged people (with long term conditions) and younger, ‘rootless’ renters have a high risk of loneliness”
47. Creating sustainable prosperity will also be vital to tackle low wages and increase the funds available to local councils. Working together across government, business and education sectors will help to create the conditions for prosperity, with a clear focus on growing high value and sustainable business opportunities.
48. Providing access to services locally will be helped by developing the connectivity infrastructure required. Recent attempts to do this through Connecting Devon and

Somerset have not delivered the hoped-for improvements, but a clear lead from a united public sector signalling its desire to conduct its own business online will help the investment case that providers need.

49. The option chosen needs to be enable people to focus on all these agendas in the shortest time available

The options for change

50. To help focus on the specific ways forward this part of the report draws on the research undertaken by the consortium of Ignite, Collaborate, Pixel Finance and De Montfort University. This report, "Future of Local Government in Somerset" (FoLGis) and subsequent work completed by the Somerset Internal Consultancy Team, is attached in full at Appendix 1 and 2. The FoLGis research identifies a number of options setting out possibilities for different configurations of Unitary Councils as well as alternatives for closer collaboration, rather than structural changes.
51. It should be noted that the options research is high level and does not represent a business case for any options. It was intended to inform discussion with a view to an option being selected to be developed into a detailed business case.

The 7 options in the FoLGis report

Option 1 – 'As Is'

52. It should be noted that this is not a "no change option." Improvements and savings would continue to be delivered in individual Councils however this option does mean that there would be a continuation of the current arrangements across Somerset (no specific changes to the way we work, the way we deliver services collectively across Somerset, or the way we are structured). We would continue to have the existing County, 4 Districts, and the Town and Parish Councils,
53. The savings delivered would be the sum of those currently being pursued by the individual Councils through their independent change and transformation plans which differ in nature and focus.
54. The collective view, based on the predicted pressures on services and budgets into the future, is that this is not an adequate option for Somerset as a whole. The challenges for communities and services (set out in part 1 of this report), are too great, and the opportunities, too good to miss. If we want to improve the outcomes for our communities then we need to change, it is just a matter of how and when.

Option 2 – The Collaboration & Integration option, referred to as 'Get Fit + Sharing' –

55. This means that each of the 4 District Councils, and Somerset County Council would remain as sovereign and independent legal authorities. They would at first work to deliver efficiencies individually, but in a co-ordinated way, with the aim of joining together services, strategic outcomes and initiatives to deliver efficiencies as quickly as possible. Individual savings plans would be pursued, based on a set of principles and standards which are agreed across all Councils. Joint work would then be pursued in the following areas:
56. A single strategy – aligning and joining up our strategies and action plans across the Councils. This could, for example, be things like one Local Plan for the whole of Somerset, one Economic Development Strategy, one commercial strategy, one procurement strategy, one approach to working with older people across the County, or with troubled families, or joining together local preventative services with better ways of working with people with high needs.
57. Shared support services; this could mean joining together all the back-office functions of the Councils, such as HR, ICT and finance functions, for example, to maximise use of back

office and internal support resources across organisations. Different councils might lead on the provision of a particular service. To maximise savings and for this option to be competitive with other Unitary options, Councils would have to make a commitment to share these services extensively and for a significant period of time.

58. Joint locality working; a joined-up approach to dealing with our customers, service users and residents. An example of this would be one aligned way of delivering Customer Hubs/Customer Contact Points that deliver services on behalf of all Councils in one place as well as integrated teams at a local level working with communities and groups to get better outcomes and reduce demand.
59. This would lead to financial savings and therefore would free up much needed money for frontline services and for changing the way we work.
60. This option is predicted to save up to £32m per annum (pa) in the first phase with a further £16m pa to follow
61. Savings could start to be realised within a year and continue over a three-year period

Option 3a – One new Council for Somerset

62. This option would mean that one new (unitary) Council across the whole of Somerset would replace all the Districts and the existing County Council. Town and Parish Councils would remain. It would mean a reduction in the number of elected Members across the County. (from 266 to circa 100-125). The FOLGIS report envisages that working at a local level would take place under newly constituted Area Boards, who would have powers and responsibilities, to be determined, delegated to them.
63. This option is estimated to deliver savings of up to £47m pa.
64. It would take longer to pay back the investment necessary compared to option 2 and savings would realistically start to be realised within 3 to 5 years as typically, the journey to Unitary government takes 2 to 3 years to achieve from the point an area decides to embark upon it.

Option 3b – Two new Councils for Somerset (North/South)

65. This option would follow the same path as option 3a above and the same features -, abolishing the existing County Council and the 4 Districts, and creating two new councils; one being the amalgamation of Bath & North East Somerset Council (B&NES) and North Somerset Councils, and the other, a new Council for the existing County Council area. It would mean a reduction in the number of elected Members too as in option 3a above. Town and parish councils would remain under this option and Area Boards may also feature.
66. The time taken to get to benefit would be the same as option 3a above with savings taking 3 to 5 years to start to be realised.
67. This option is estimated to save up to £80m pa (a big increase over option 3a but based on an extended geography with two other, existing Unitary Councils combining together)

Option 3c – Two new Councils for Somerset (East/West)

68. In this option two new councils for Somerset replace the existing County Council, all the District Councils and two unitaries to the north of the current County Council area. The two Councils would therefore be:

To the east, B&NES, Mendip and South Somerset and

To the west, North Somerset, Sedgemoor, and Somerset West and Taunton.

Town and parish councils would remain.

69. This option is also estimated to deliver the same savings of up to £80m pa, in the same time frame as option 3b beginning in 3-5 years

Option 3d – Three new Councils for Somerset

70. This option creates three new councils replacing the County, Districts and two existing unitaries. The areas are proposed as incorporating all the Councils in the what is referred to as the ceremonial or geographic County, Hence :

Council 1 – B&NES and Mendip

Council 2 – North Somerset & Sedgemoor

Council 3 – South Somerset, Somerset West & Taunton

71. Member numbers would reduce across Somerset from 381 to lower levels than options 3a-c above. The three new councils would delegate authority to Area Boards to support locality-based working and the benefits are estimated to be the same as those for the two council options, up to £80m pa beginning in 3-5 years.

The report also identifies a fourth option, Option 4 - A New Way of Working –

72. This option is not described in great detail and it is not seen as being achievable immediately. One of the options above would need to be delivered first to pave the way for the kind of work underway in Greater Manchester and potentially involving the creation of new organisations at 3 levels:

- a. Pan-Somerset entity (similar to that of a Combined Authority (with or without a mayor).
- b. “Super locality” councils; (based on the current four District Council boundaries)
- c. Town and parish councils.

73. In this option the County council would no longer exist and the “Super localities” would run scaled services at a local level. The Pan Somerset entity would run and coordinate services at a larger scale such as Transport, Planning, integrated services with the NHS.

74. For ease, the table below shows the potential financial costs and benefits from each option.

| Number | Option | Savings (up to) | Implementati on costs | Payback start | Payback duration |
|---------|-----------------------------------|-----------------------|-----------------------|-------------------|--------------------------|
| 1 | As is | As individual targets | As individual plans | Now | As per individual MTFS |
| 2 & 4 | Get fit + share then new approach | £32m +£16m | £80m | 1 year 3 years | In 2 years In 4 years |
| 3a | 1 Unitary | £47m | £82m | 3-5 years | In 3 years |
| 3b or c | 2 Unitary | £80m | £111m | 3-5 years | In 3 years |
| 3d | 3 Unitary | £80m | £111m | 3-5 years | In 3 years |

75. It is important to recognise that these potential savings are estimates derived from ‘typical’ savings levels as a percentage of current spend, and the cost of change has similarly been estimated based on estimates and experience from elsewhere.
76. Finance officers from the Councils have reviewed the estimates and indicated their satisfaction with this methodology as far as it goes. However, these estimates do not represent a business case and were not intended to do so. The options research was intended to inform a discussion and enable selection of a preferred option to be investigated in more detail.
77. It is essential that before commitment is made to any one option that the figures are explored more fully through the development of a detailed business case. The next part of this work could be to fully explore the preferred option and to build a business case for the change, that better reflects the specific elements of the chosen option and therefore the potential savings.

The preferred option of the District Councils – “Option 2 – Collaboration and Integration”

78. Having considered the FoLGIS reports the Leaders and Chief Executives of the District Councils are agreed in principle that option 2 is preferred on the basis that:
- The savings are **comparable** to other “reorganisation” options,
 - The time to benefit is **faster** i.e. savings and community benefits can start to be delivered within the first year,
 - It is **less disruptive** than other options and therefore less likely to detract from dealing with the important issues facing our communities and
 - Work can begin now** to deliver a new approach to local government without the uncertainty and division inherent in the creation of one, two or three Unitary Councils.
79. However, the District Councils are under no illusions that the collaborative, non-structural option is the easy option. This is not about loose partnership and sharing of a few services. Instead, it requires a deeper level of collaboration at a strategic and service delivery level that will lead to an integration of the four District councils of Somerset, and should they

accept the invitation, the County Council too, whilst retaining them as independent democratic and legal authorities. Their systems, buildings, ways of working would become closely integrated. This is a big change to the way local government currently works in Somerset. It is unfortunate that at this time, Somerset County Council no longer wish to progress this option alongside the Districts, and it is certainly the case that more efficiencies and greater community impacts can be achieved with them being part of this work.

What might Option 2 “Collaboration and Integration” look like?

80. Exactly what Option 2 would look like would need to be determined by the four District councils through the business case research and development and in the detailed implementation process. However, *for the purposes of illustration*, the bullets below set out what Option 2 *could look like* and the sort of things that *might happen*:

- a. *One set of strategies & strategic outcomes* – this might involve having one Strategic Plan for Somerset, one development plan, one economic strategy etc, building on the approach already in place for some key strategic areas such as the Somerset Housing Strategy and the Somerset Climate Change Strategy. Each plan would be developed and adopted by all councils. It might include specific chapters on each district area or even subdivisions of districts to take account of local community differences of need. This would ensure a unity of purpose between the councils at a strategic and operational level and support collaboration and sharing of resources in dealing with the opportunities and challenges within Somerset. It would also give Somerset the advantage of a unified voice when dealing with the Heart of the South West (HoSW) Joint Committee and LEP, and with government which could assist in making a case for devolution of powers and funding to deal with challenges and realise opportunities in Somerset.
- b. *Leadership/management integration* – this could mean at its basic level, shared management boards to bring senior managers together to oversee the development of strategy and the delivery of community outcomes and efficiencies. At the other end of the scale it could lead to a shared management structure with, for example, a single Senior Leadership Team for Somerset, leading the officer core of all Councils. This has been deployed in other areas of the country, for example in Oxfordshire where the Chief Executive of the County Council is also the CEO of a district – this could be applied across all districts; or in Gloucestershire where the Chief Executive of Gloucester City Council is also a Director of the County Council. A potential model for a unified senior structure across Somerset could be developed across the councils using similar lines to either of these examples. An integrated management across the councils with a core mission to deliver the benefits of option 2 would seem important to ensuring the change has an ownership and that there is clear accountability for delivery.
- c. *Shared internal support services* – examples already exist, for example with shared legal services in Somerset, that could be more broadly applied to all internal support services, such as HR, Finance etc. and applied across all councils. This would achieve economies of scale and widening of expertise that is not achievable with separate sets of support services. Such shared services could all sit under one umbrella – a partnership entity overseen by all councils – or each council could be the lead partner for a support service, providing services under service level agreements to the other councils e.g. one council leads on HR, one leads on Legal, one leads on Finance etc.
- d. *Simple self-serve customer journeys* – this might involve redesigning all services through the eyes of the customer rather than which council they are interacting with. It could involve a single customer portal for Somerset, with service design directing the customer need to the appropriate council and potentially other service providers, but

to the customer appearing seamless in its delivery. It would promote self-service to all residents of Somerset, thus allowing resources to be freed up to service demand from customers / residents who cannot or will not use self-service channels.

- e. *Local holistic triage* – this could involve investing in shared or integrated teams operating at a community level, able to deal with a range of service needs across councils and holding the knowledge of which specialists to contact from which council to meet customer demand. Teams would be able to look at the resident / customer needs in the round rather than being constrained by organisational boundaries.
- f. *Multi-disciplinary locality working* – this might involve integrated teams operating at a community or place level and sharing information and solutions and operating to locality plans and objectives that take account of local needs and differences as well as the wider strategic ambitions for Somerset. This could be based on themes e.g. community – bringing together disciplines such as housing and health, to tackle community and individual issues.
- g. *Single strategy/approach to community-based demand management* – reducing demand or at least stemming the increase in demand for services is a common challenge for all public services. A single strategy and approach would ensure all councils and potentially other public service providers are working coherently to reduce demand and are taking account of the impact of decisions about services and initiatives on demand for their services and the services of others. Some of the demand management activity might be at a service-based level such as identifying “failure demand” and inefficiencies where the process of one organisation might create demand within another. At a community level, demand management activity would be focussed on deep rooted community issues that cause demand on all councils and other service providers. A number of these are alluded to above in the challenges facing Somerset such as child poverty, social mobility, struggling families, health and the ageing population, isolation – all of which mean certain groups of residents have both a poorer quality of life than average and utilise a disproportionately large proportion of public services compared to the average.
- h. *Joined up commissioning & procurement* – all councils are involved in procuring similar goods and services. Joining this up could involve either more integration between the current individual and teams within councils or having a single procurement team tasked with driving down procurement costs and maximising the social and economic value to Somerset from the goods and services all councils buy.
- i. *Single commercial strategy (and delivery)* – all councils have embarked to varying degrees on commercial strategies to support the sustainable delivery of services. A single commercial strategy and delivery could involve at the very least, a more coordinated approach, sharing experience and expertise and coordinating activity. At its furthest extent there could be a shared commercial strategy and team tasked with maximising the return for all councils and helping reduce risk by operating a shared portfolio of investment. A shared team would enable both a greater depth and breadth of knowledge and experience and potentially make the authorities more competitive in attracting the required expertise to manage commercial investment and risk well. Each council needn't necessarily hold the same level of equity in the shared portfolio but could potentially invest at different levels dependent on need and appetite for risk.
- j. *Focused asset strategy & portfolio management* – all councils hold significant assets between them. Across the entirety of the portfolio there is undoubtedly excess operational space and the ambitions of “one public estate” are far from being fully realised. A focussed and shared asset strategy and portfolio could bring renewed focus to the efficient use of public assets, releasing those assets that are surplus to requirements for other uses and priorities and delivering operational savings and potentially capital receipts. Sharing portfolio management would not necessarily mean

that if an asset was sold the financial benefits were shared between all councils, as clearly the asset will still be owned by one council. However, methods could be examined to incentivise greater sharing and release of surplus assets, including potentially with other public service providers.

Moving ahead

81. To realise the benefits of Option 2 will require significant work to be undertaken from staff and most probably, external expert support given the capacity constraints in all councils. Furthermore and more importantly, the Councils will need to commit to far reaching reforms for the long term to realise the benefits identified and there will need to be unified, determined and consistent political and senior managerial leadership across the councils to drive this through to conclusion, and overcome the undoubted obstacles and challenges that change of this scale will pose.
82. The Leaders and Chief Executives commissioned some further exploratory work by an internal team drawn from the five councils, the Somerset Internal Consultancy Team, to consider option 2 and how it might be delivered. This fleshed out a potential approach and led to this option being renamed “Option 2 – Collaboration and Integration” as a better reflection of what it involves. The Team began to cluster the areas of work together to create a better integrated approach, reducing the risk of double counting financial benefits, and provide a clearer framework for moving forward.
83. These clusters need further work to define them accurately, but the intention would be to create a sequence that:
 - a. Starts with the creation of the ‘machinery’ to do the ‘heavy lifting’ of the ‘transformation programme in the future by bringing together data and strategy personnel, creating combined programme management and change delivery teams and working to assess the specific opportunities arising from the commitment to close collaboration. This work will also start to bring together the back office functions whose role is so vital in driving change, HR and ICT, finance and property. As each area of service is brought together the leadership and management elements can be integrated and rationalised
 - b. Once this is in place then the programme could begin the task of strengthening work at a local level, working to create the single strategy/approach to community-based demand management outlined above, redesigning customer access, creating a common front door to services and to local forms of help, and crucially working alongside local voluntary groups, town and parish Councils to build communities to combat isolation and exclusion. This work would also entail a greater emphasis on targeted early intervention and prevention.
 - c. The programme could then progress to create the ventures and initiatives which could provide new approaches to long standing problems and create new opportunities to work creatively with the assets of the organisations. The process of jointly recommissioning major areas of service could give us the opportunity to rethink and redesign many areas of service, working alongside partners and using evidence of what works from elsewhere to deliver better outcomes and better value for money. It could also present an opportunity to create community interest and other companies to pursue objectives creatively.
84. The potential programme outlined above needs a firm foundation, hence, to move ahead with a sense of urgency requires the immediate establishment of a Collaboration Programme Board with a remit to:
 - a. Build awareness of current activity in the Councils.
 - b. Gather the data necessary to create the business case to make the final decision, in particular the accurate modelling of future demand, and the validation of estimates for savings and the costs of achieving them.

- c. Ensure that all improvement activity in the separate Councils is understood and then aligned, based on the premise that a shared approach is the agreed goal of the organisations.
- d. Revisit the original report and create clusters of workstream activity.
- e. Identify where work could start in order to show quick progress and gain momentum.

Conclusion

85. The debate on the Future of Local Government in Somerset, which has been ongoing for over a year in this instance, and sporadically for several decades before that, needs to move decisively into concrete action and follow a clear direction.
86. Throughout this report and in the research and discussions, it is clear that the combined pressures of a growing and aging population, increasing levels of poverty and poor social mobility, low wages and insufficient housing present a set of challenges that threaten to overwhelm local government and other public sector organisations. Action is needed quickly to arrest and reverse the trends and to build on opportunities that have been dormant for some time.
87. Ironically the lack of collaboration between the Councils in the past provides the basis of the first steps toward a new future. As stated at the beginning, the District Councils believe that a more collaborative approach is the best way to achieve immediate change and improved outcomes for the communities that we serve. There are, at first sight, substantial savings to be gained from bringing the organisations together and removing waste and duplication. A number of options are available, with the preferred option being the one that delivers savings **quickly** and enables people to be fully focussed from day one on the **development of effective strategies**, the redesign of services and the strengthening of communities.
88. The collaborative option is not the easiest and this will require considerable and sustained political and managerial will. Light touch sharing will not provide the outcomes to compare with those on offer through the pursuit of a Unitary path, it will require integration at scale whilst retaining the local democratic arrangements of each area.
89. Work needs to start now by creating a joint programme board to create the business case and establish the capacity necessary to deliver an ambitious and far reaching programme that will give Somerset residents the local government they need and deserve.

Timetable

| Date | Action |
|--------------------------|---|
| February 2020 | Reports submitted to the District Councils to gain commitment and agreement to formally develop Option 2 Pre-briefing workshops at each Council |
| March - June 2020 | Discovery and development of detailed business case and outline delivery plan, governance etc for Option 2. Community Consultation and Engagement on the issues and the Future of Somerset |
| July 2020 | Joint Scrutiny Panel Individual Council Scrutiny Formal Consideration of Business Case, Delivery Plan and Governance by each of the District Councils |
| August 2020 | Commence Implementation |





Agenda Item 14

District Executive Forward Plan

Executive Portfolio Holder: Val Keitch, Leader, Housing and Strategy
Director: Netta Meadows, Strategy and Support Services
Lead Officer: Angela Cox, Democratic Services Specialist
Contact Details: angela.cox@southsomerset.gov.uk or (01935) 462148

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:-

- a) approve the updated Executive Forward Plan for publication as attached at Appendix A

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. There are no current consultation documents.

6. Background Papers

6.1 None.

Appendix A - SSDC Executive Forward Plan

| Date of Decision | Decision | Portfolio | Service Director | Contact | Committee(s) |
|--------------------------|--|---|--|--|---|
| March 2020 | Transformation Update | Portfolio Holder - Strategy & Housing | Director Strategy and Support Services | Toffer Beattie, Specialist (Projects & Programmes) | District Executive |
| March 2020 March 2020 | Adoption of Yeovil Public Realm Design Guide - Supplementary Planning Document | Portfolio Holder - Area South including Yeovil Refresh | Director Service Delivery | Ian Timms, Yeovil Refresh Project Manager | District Executive South Somerset District Council |
| March 2020 March 2020 | Statutory Pay Policy for Senior Officers | Portfolio Holder for Strategy and Housing | Director Strategy and Support Services | Jenny Clayton, Lead Specialist - People | District Executive South Somerset District Council |
| May 2020 | Quarterly Corporate Performance Report | Portfolio Holder - Strategy & Housing | Director Strategy and Support Services | Cath Temple, Specialist (Performance) | District Executive |
| May 2020 | Capital & Revenue Budget Outturn reports for Quarter 4 | Portfolio Holder - Finance, Legal & Democratic Services | Director Strategy and Support Services | Nicola Hix, Interim Section 151 Officer | District Executive |
| June 2020 | Transformation Update | Portfolio Holder - Strategy & Housing | Director Strategy and Support Services | Toffer Beattie, Specialist (Projects & Programmes) | District Executive |

| Date of Decision | Decision | Portfolio | Service Director | Contact | Committee(s) |
|------------------------|--|---|--|--|---|
| July 2020 | Capital & Revenue Budget out-turn reports 2018/19 | Portfolio Holder for Finance and Legal Services | Director Strategy and Support Services | Nicola Hix, Interim Section 151 Officer | District Executive |
| July 2020 July 2020 | SSDC Annual Performance Report 2019/20 | Portfolio Holder for Strategy and Policy | Director Strategy and Support Services | Charlotte Jones, People, Performance & Change Lead | District Executive South Somerset District Council |
| TBC | Recycle More - information on the extended recycling programme | Portfolio Holder - Environment | Director Commercial Services & Income Generation | Chris Cooper, Environment Services Manager | District Executive |
| TBC | Leisure Contracts | Portfolio Holder - Health & Well-Being | Director Service Delivery | Lynda Pincombe, pecialist - Strategic Planning | District Executive |
| TBC | Dualling of A303 from Sparkford to Ilchester | Portfolio Holder - Protecting Core Services | Director Strategy and Support Services | Lynda Pincombe, Specialist - Strategic Planning | District Executive |

Agenda Item 15

Date of Next Meeting

Members are asked to note that the next scheduled meeting of the District Executive will take place on **Thursday, 5th March 2020** in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.