

## South Somerset District Council

Minutes of a meeting of the District Executive held in the Council Chamber, Council Offices, Brympton Way, Yeovil on Thursday 5 January 2023.

(9.30 am - 11.15 am)

### Present:

Councillor Val Keitch (Chairman)

Jason Baker  
Mike Best  
Sarah Dyke

Peter Gubbins  
Tony Lock  
Peter Seib



### Also Present:

Andy Kendall  
Sue Osborne  
Gerard Tucker

Gina Seaton  
Martin Wale

### Officers:

Jane Portman	Chief Executive
Jan Gamon	Director (Place, Recovery, Arts & Entertainment)
Nicola Hix	Director (Strategy, Support & Environmental Services)
Kirsty Larkins	Director (Service Delivery)
Jill Byron	District Solicitor & Monitoring Officer
Karen Watling	Chief Finance Officer (S151 Officer)
Robert Orrett	Commercial Property. Land & Development Manager
Dan Bennett	Property and Development Project Manager
Natalie Fortt	Regeneration Programme Manager
Jade Groves	Property & Development Project Specialist
Angela Cox	Specialist (Democratic Services)
Becky Sanders	Case Officer (Strategy & Support Services)

**Note:** All decisions were approved without dissent unless shown otherwise.

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### 96. Minutes of Previous Meeting (Agenda Item 1)

The minutes of the previous meeting held on Thursday 1<sup>st</sup> December 2022 were approved as a correct record and were signed by the Chairman.

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### 97. Apologies for Absence (Agenda Item 2)

There were no apologies for absence.

It was noted that Councillors John Clark, Nicola Clark and Adam Dance had joined the meeting remotely on-line (non-voting).

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**98. Declarations of Interest (Agenda Item 3)**

There were no declarations of interest made by Members.

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**99. Public Question Time (Agenda Item 4)**

There were no questions from members of the public.

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**100. Chairman's Announcements (Agenda Item 5)**

The Chairman noted that it was now the last 3 months of South Somerset District Council and the setting up of the new Unitary Council was gathering pace.

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**101. Yeovil Refresh Scope Change Request (Agenda Item 6)**

The Portfolio Holder for Area South and the Yeovil Refresh advised that officers had faced a number of challenges during the programme which had meant additional work and he asked that the Committee support the recommendations as proposed.

The Regeneration Programme Manager advised that the report detailed the issues which had arisen which were both national issues and local issues such as contaminated land and collapsed cellars. She noted that the Yeovil Refresh Project Manager had been working with the design team to reduce costs where possible and she thanked the Portfolio Holder for his support.

In response to questions from Members and the Scrutiny Committee, the Regeneration Programme Manager and Chief Finance Officer advised:-

- The existing tree pits in Middle Street would remain, however, the proposed tree pits in the High Street would be constructed above ground to avoid a weak gas main.
- Advice would be sought from the Horticultural Team to select the most appropriate tree varieties considering their tree canopy and hardiness.
- There were currently 3 compensation claims being sought from utility companies totalling around £200,000.
- At the current time, the Yeovil Refresh was funded using internal borrowing but at some point the new Unitary Council would decide the future borrowing requirements which could be over 25 or 50 years.
- There was one final tender due for cycleways, however, there were Active Travel funding opportunities available and a bid would be submitted for this funding.

The Portfolio Holder for Finance and Legal Services clarified that there was no link between borrowing to fund the Yeovil Refresh and its business case. The benchmark for borrowing was the Public Works Loans Board over 50 years but SSDC had used internal borrowing and that may continue but it was unclear what the Unitary Council would decide in the future.

At the conclusion of the debate, Members were content to propose the recommendations to Full Council.

**RESOLVED:** That District Executive recommend that Full Council agree:-

- a. to reallocate £1.2m from the Yeovil Refresh Transport workstream to the Yeovil Refresh Public Realm Workstream;
- b. a redesign of the Middle Street East section of the public realm;
- c. the risk management proposal to not ring-fence funds for risks currently rated unlikely;
- d. to allocate £0.821m from the corporate contingency fund to the Yeovil Refresh budget. This would leave the balance remaining of £0.833m in the Corporate Capital Contingency Budget.

**Reason:** To seek approval from members to change the scope of the project to reflect the current forecasted costs and to update the Yeovil Refresh budget in response to the increase of the cost to deliver the public realm improvement works.

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## 102. Update on Section 106 Schemes (Agenda Item 7)

The Portfolio Holder for Protecting Core Services advised that he agreed with the Scrutiny Committee proposal that the report be circulated to the Area Chairmen to check if any schemes with Section 106 contributions had been missed from either of the appendices or required deleting.

The Director for Service Delivery advised that officers had worked hard to draw information together from 3 separate sources and it would be published on the SSDC website and the new Unitary Council website in due course.

In response to questions from Members, the Director for Service Delivery confirmed that officers closely monitored the funding to ensure it was spent before any 5 or 10 year deadlines were reached.

During discussion Members were very supportive of the report being circulated to all Members for them to check the individual schemes in their areas. It was also

agreed that, at the discretion of the individual Area Chairman, the report may be presented to their Area Committee for a collated response.

At the conclusion of the debate, Members unanimously supported the proposal.

**RESOLVED:** That District Executive agreed:-

- a. to note the contents of the Section 106 report, and the excellent work done by officers to move towards the new computer system in preparation for the Unitary Council;
- b. that the report be circulated to all Area Chairman and Members to seek assistance in identifying any missing data. At the Area Chairman's discretion the report be presented to the relevant Area Committee for a collated response.

**Reason:** To note the update on the Section 106 (s106) schemes across South Somerset and to update Members regarding the new system for monitoring s106.

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### 103. Investment Asset Update Report (Agenda Item 8)

The Portfolio Holder for Commercial Property and Income Generation reminded Members of the need to generate an income to cover the cuts in Government grants. He said the programme had been hugely successful in South Somerset thanks to the diligence of officers. He drew attention to several schemes within the report and noted that all the money borrowed was backed by assets which would be wholly owned when the capital had been repaid.

In response to questions from the Scrutiny Committee, the Commercial Property, Land and Development Manager and the Chief Finance Officer advised:-

- Although the Marlborough property investment had not gone as expected, £4.3m had been realised from sales and £1.1m of un-sold property in flats remained to be sold. The target income had been £5.2m.
- The battery storage facility was performing higher than anticipated.
- SSDC had used a blend of its own money and short term borrowing at very low interest rates to fund the various investments. The report listed the worst case situation which was the business case for making the investments.
- The battery storage units did degrade over time and there was a programme of progressive replacement built into the business plan.

At the conclusion of the debate, Members were content to note the report.

**RESOLVED:** That District Executive:-

- a. noted the continuing performance of the commercial investments of the Council;
- b. noted the gross return being achieved across the investment property portfolio which was in line with the Council's target of 7%;
- c. noted that the net return from SSDC's investments was currently being reviewed for the new Somerset Council, along with the other three district councils' investments. This was to comply with the revised Prudential Code. This review would be presented to Somerset County Council's Executive meeting on 18th January 2023 in the Non-Treasury Investment Strategy.

**Reason:** To provide an update to members and the public on performance of the commercial investments owned by the Council since the last half yearly update reported in July 2022.

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#### **104. Report on Investment Property Lease Renewal (Agenda Item 9)**

The Commercial Property, Land and Development Manager advised that as the Council's investment programme was concluding, the change in the Council's Financial Procedure Rules meant that the scope of delegated decision making had narrowed and so it required an Executive decision. He explained the ending of the existing lease at the property and the opportunity to enter into a new lease with the existing tenant as the best option to pursue.

There was no debate and Members unanimously agreed the recommendations of the report.

**RESOLVED:** That District Executive:-

- a. noted the details of the investment property lease renewal as set out in the confidential appendix;
- b. noted that approval had already been obtained from Disposals Assessment Group (DAG);
- c. approved the lease surrender and re-grant transaction as set out in the confidential appendix and delegated the detailed approval of the lease and agreement to the Commercial Property, Land and Development Manager in consultation with the Monitoring Officer.

**Reason:** To seek approval from District Executive to enter into a new lease with an existing lessee at one of SSDC's investment properties.

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**105. District Executive Forward Plan (Agenda Item 10)**

The Chief Executive advised that subject to final confirmation from the Director, the presentation from Opium Power may be presented to Council in January. At the current time, no reports were scheduled for February so there may be no requirement to hold a District Executive meeting or Council unless an unforeseen item arose. The presentation of the Kickstart Scheme would now be presented to Council in March 2023.

In response to a question, the Chief Executive and Chief Finance officer confirmed that the External Audit and Value for Money report was hoped to be presented to Full Council in March 2023.

**RESOLVED:** That the District Executive:-

1. approved the updated Executive Forward Plan for publication as attached at Appendix A, with the following amendment;
  - Kickstart scheme presentation – moved to March 2023
2. noted the contents of the Consultation Database as shown at Appendix B.

**Reason:** The Forward Plan is a statutory document.

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**106. Date of Next Meeting (Agenda Item 11)**

Members noted that the next scheduled meeting of the District Executive would take place if there was any urgent business to transact on Thursday 02 February 2023 in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.

Otherwise, the next scheduled meeting of the District Executive would take place on Thursday 02 March 2023 in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.

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**107. Exclusion of Press and Public (Agenda Item 12)**

The Chairman asked Members to agree that the press and public be excluded from the following items and this was agreed without dissent.

**RESOLVED:** That the following items be considered in Closed Session by virtue of the Local Government Act 1972, Schedule 12A under Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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**108. Somerset's Cultural Flagship Venue - Permission to tender (Confidential) (Agenda Item 13)**

The report was discussed in confidence and Members agreed unanimously to propose the recommendations of the report to Full Council.

**RESOLVED:** That District Executive agreed to propose the recommendations of the report to Full Council.

**Reason:** To update District Executive on the RIBA stage 4 costings for Somerset's Flagship Arts Venue Project and to seek approval to progress to the next stage of the project by putting the proposed works out to tender.

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**109. Briefing on Local Government Reorganisation (Confidential) (Agenda Item 14)**

The Chief Executive provided members with a brief verbal update on the progress of Local Government Reorganisation in Somerset and answered their questions on points of clarification.

The report was NOTED

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Chairman

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Date