

South Somerset District Council

Minutes of a meeting of the **District Executive** held in the **Council Chamber, Council Offices, Brympton Way, Yeovil on Thursday 2 February 2023.**

(9.30 am - 11.20 am)

Present:

Councillor Val Keitch (Chairman)

Jason Baker	Sarah Dyke
Mike Best	Peter Gubbins
John Clark	Tony Lock
Adam Dance	Peter Seib
Nicola Clark (Virtual) (non-voting)	



Also Present:

Andy Kendall	Gerard Tucker
Sue Osborne	Martin Wale

Officers:

Jane Portman	Chief Executive
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
Natalie Fortt	Regeneration Programme Manager
Angela Cox	Specialist (Democratic Services)
Becky Sanders	Case Officer (Strategy & Support Services)

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

110. Minutes of Previous Meeting (Agenda Item 1)

The minutes of the previous meeting held on Thursday 05 January 2023 were approved as a correct record and were signed by the Chairman.

111. Apologies for Absence (Agenda Item 2)

It was noted that Councillor Nicola Clark had joined the meeting on-line (remotely) (non-voting).

112. Declarations of Interest (Agenda Item 3)

Councillor John Clark declared a personal interest in Agenda item 6: Wincanton Town Centre Regeneration - Revisions to Timetable, as a Trustee of the Board of Bath Opera who were a beneficiary of grants from the Wincanton Regeneration Board.

113. Public Question Time (Agenda Item 4)

It was agreed that the member of public present would speak at Agenda item 8: Yeovil Crematorium – Revisions to Timetable.

114. Chairman's Announcements (Agenda Item 5)

The Chairman noted that the next meeting of the District Executive on 02 March 2023 would be the final meeting of the Executive.

115. Wincanton Town Centre Regeneration - Revisions to Timetable (Agenda Item 6)

The Portfolio Holder for Environment and Wincanton Regeneration Scheme advised that the new County Executive had reviewed all of the capital projects as they moved 5 budgets into one. She said despite all the projects being worthy of investment, two had been deferred for one year and they were only paused, not cancelled. The projects future spend depended upon an updated business case in the next year. She noted the work which had already enhanced the town centre with 17 property grants and the activities held which had resulted in over 4,000 visitors to Wincanton. She concluded that she remained committed to the project and asked that Members note the report.

In response to questions from Members, the Portfolio Holder and the Regeneration Programme Manager advised:-

- The consultancy work would have included a local consultation and it was felt that the information gathered would be quickly out of date in a rapidly changing environment.
- The re-profiling of the budget was a financial term to profile the spend through each financial year.
- The other deferred project was the Yeovil Crematorium (Agenda item 8).

The Chairman of the Scrutiny Committee advised that most of their questions had been answered by officers at their meeting. He said they understood the reasons for pausing the works but said that the communication of this to the local community must be sensitively handled.

The Regeneration Project Manager confirmed that communications had a press release which would be released later that day.

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

RESOLVED: That District Executive noted that:-

- a. the total amount of the agreed capital budget for the Wincanton Town Centre Regeneration had been reprofiled so that the spend anticipated to be incurred 2023/24 and in following years had been deferred by a year;
- b. future spend would be dependent upon an updated business case being submitted to the Somerset Council next year for implementation in 2024/25 and beyond;
- c. the total forecast spend to the end of the current financial year was £601k (of which £318k capital and the remainder revenue costs associated with the project (e.g. events and project management costs). Of the capital expenditure, £197k related to 2022/23 and £121k to the period 2018/19 to 2021/22.

Reason: To note the councillors elected to the new Somerset authority had undertaken an extensive review of the revenue and capital budgets for the financial year 2023/24 and beyond and identified the impact on the Wincanton Town Centre Regeneration scheme.

116. SSDC Opium Power Ltd - distribution of 2022/23 half year profits (Agenda Item 7)

The Portfolio Holder for Economic Development and Income Generation said the success of the project was evident in the half-yearly dividend of £900,000. He said there was an option to use the dividend to re-pay the debt but the partner had requested to pay a dividend on this occasion. He noted this was a 25 year project and the finance team had, on balance, agreed it would be a benefit to receive the dividend on the half-year only without prejudice.

In response to a question the Chief Finance Officer confirmed that the payment did not fall within the Section 24 financial agreement with Somerset County Council, however, she had informed their Section 151 Officer of the proposal.

The Chairman of the Scrutiny Committee said one of their members asked that the success of the venture be recorded. He also asked if the request to pay the dividend would set a precedent for the future. It was noted that a written response would be provided to a question regarding any rent review at the site by the landlord in view of the profitability of the business. *Subsequent to the meeting, the Commercial Property, Land and Development Manager confirmed that the rent payable at the Fareham BESS was index linked and not based on turnover so the strong trading would not directly trigger a rent rise.*

The Portfolio Holder confirmed that the Shareholders Agreement was built around repayment of debt before payment of dividend and that agreement would be amended for any future requests.

At the conclusion of the debate, Members were content to agree to the request from SSDC Opium Ltd to distribute the half-year profit generated in 2022/23 by FERL1.

RESOLVED: That District Executive members consented to the request from SSDC Opium Ltd to distribute the half-year profit generated in 2022/23 by FERL1 of £900k as a dividend payment to the two shareholders, SSDC and Opium Power Limited, in the agreed proportions: 65:35 respectively.

Reason: To consider a request from SSDC Opium Power Ltd under the Shareholders' Agreement to consent to the distribution of the half-yearly profits for 2022/23 of £900K, as a dividend.

117. Yeovil Crematorium - Revisions to Timetable (Agenda Item 8)

The Vice Chairman of Yeovil Without Parish Council (YWPC), partner in the Yeovil Crematorium, addressed the Committee. He said that YWPC had always been treated as an equal partner at board meetings although their holding was only 11% and they had always taken difficult funding decisions together, however, it appeared that the decision to defer the project had been taken without reference to them. He noted that approximately £650,000 of funding from YWPC was held by SSDC for the project and he asked that be returned to the Parish Council reserve fund until such time as the new business case was made and then funding from them would be returned to the project. He concluded that the area needed a more modern facility to say goodbye with dignity.

The Commercial Property, Land and Development Manager noted there would be a meeting of the Crematorium Board on 21 February and there would need to be future discussions on how to progress the project so it would not be a final meeting. He also clarified that as a separate company to SSDC, VAT was payable on the project.

The Portfolio Holder for Area South and the Yeovil Crematorium agreed that Crematorium Board Meetings had been cancelled recently as there had been no business to discuss and he was very disappointed that the project was to be deferred for one year. He said the decision had been taken and that SSDC could only note this but there would need to be future discussions between SSDC and YWPC on issues such as the car park extension and Garden of Remembrance. He also noted that the new Somerset Council should be aware of the partnership arrangement with YWPC.

The Chairman of the Scrutiny Committee said they understood that not every project could go forward but this was a profitable business and costs may rise if the project were delayed. He said SCC councillors should challenge the decision and there should be careful consideration on the publicity around the delay and the reputation of SSDC.

During discussion, points were raised regarding the delay, the new business case, the continuity of officers with knowledge of the project, and the financial situation which had caused SCC to defer the project. Councillors who were also Unitary Councillors said they would continue to press for the scheme to be reinstated.

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

RESOLVED: That District Executive noted that:-

- a. the total amount of the agreed capital budget has been reprofiled so that the spend anticipated to be incurred 2023/24 and in following years has been deferred by a year on the Yeovil Crematorium Refurbishment and Extension Project.
- b. future spend would be dependent upon an updated business case being submitted to the Somerset Council next year for implementation 2024/25 and beyond.
- c. the total forecast capital spend for this financial year was £0.700m, spending in 2023/24 was £0.385m and the remaining £3.367m had been reprofiled for 2024/25 and beyond.

Reason: To note that the councillors elected to the new Somerset Council had undertaken an extensive review of the revenue and capital budgets for the financial year 2023/24 and beyond and the impact this had on the Yeovil Crematorium Refurbishment and Extension Project.

118. District Executive Forward Plan (Agenda Item 9)

The Chairman advised that the Ilminster Neighbourhood Plan report would not be ready although the Inspectors report had been submitted. She confirmed that it would be dealt with by the new Somerset Council.

She also thanked the Chairman of the Scrutiny Committee for the positive way in which he had presented his Committee feedback to the Executive. She said they had been an excellent Scrutiny Committee.

The Portfolio Holder for Finance and Legal Services also thanked the Chief Finance Officer for her support and work as it was her final Executive meeting.

RESOLVED: That the District Executive:-

1. approved the updated Executive Forward Plan for publication as attached at Appendix A, with the following amendments;
 - Ilminster Neighbourhood Plan – deferred to the new Somerset Council.
2. noted the contents of the Consultation Database as shown at Appendix B.

Reason: The Forward Plan is a statutory document.

119. Date of Next Meeting (Agenda Item 10)

Members noted that the final 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.

120. Exclusion of Press and Public (Agenda Item 11)

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

RESOLVED: That the following item 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).

121. Briefing on Local Government Reorganisation (Confidential) (Agenda Item 12)

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