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# South Somerset District Council

**Thursday 21st July 2022**

**6.30 pm**

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

(disabled access and a hearing loop are available at this meeting venue)



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All members of Council are requested to attend this meeting

If you would like any further information on the items to be discussed, please contact Democratic Services at [democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk) or 01935 462462

Any members of the public wishing to address the meeting at Public Question Time are asked to email [democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk) by 9.00am on Wednesday 20 July 2022 so we can ensure safe social distancing at the meeting.

If you would like to view the meeting on-line without participating, please see:  
[https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF\\_soA](https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF_soA)

This Agenda was issued on Wednesday 13 July 2022.

**Jane Portman**, *Chief Executive Officer*

This information is also available on our website  
[www.southsomerset.gov.uk](http://www.southsomerset.gov.uk) and via the Modern.Gov app



# South Somerset District Council Membership

**Chairman:** Paul Maxwell

**Vice-chairman:** Wes Read

Jason Baker  
Robin Bastable  
Mike Best  
Neil Bloomfield  
Ray Buckler  
Dave Bulmer  
Hayward Burt  
Tony Capozzoli  
Martin Carnell  
Malcolm Cavill  
John Clark  
Nicola Clark  
Louise Clarke  
Nick Colbert  
Adam Dance  
Sarah Dyke  
Karl Gill  
David Gubbins  
Peter Gubbins

Brian Hamilton  
Mike Hewitson  
Henry Hobhouse  
Ben Hodgson  
Charlie Hull  
Kaysar Hussain  
Val Keitch  
Andy Kendall  
Jenny Kenton  
Tim Kerley  
Mike Lewis  
Mike Lock  
Pauline Lock  
Tony Lock  
Kevin Messenger  
Graham Oakes  
Tricia O'Brien  
Sue Osborne  
Tiffany Osborne

Robin Pailthorpe  
Oliver Patrick  
Clare Paul  
Crispin Raikes  
David Recardo  
Paul Rowsell  
Dean Ruddle  
Gina Seaton  
Peter Seib  
Garry Shortland  
Jeny Snell  
Andy Soughton  
Mike Stanton  
Rob Stickland  
Lucy Trimnell  
Gerard Tucker  
Martin Wale  
William Wallace  
Colin Winder

## Information for the Public

The meetings of the full Council, comprising all 60 members of South Somerset District Council, are held at least 6 times a year. The full Council approves the Council's budget and the major policies which comprise the Council's policy framework. Other decisions which the full Council has to take include appointing the Leader of the Council, members of the District Executive, other Council Committees and approving the Council's Constitution (which details how the Council works including the scheme allocating decisions and Council functions to committees and officers).

Meetings of the Council are scheduled to be held monthly at 6.30 p.m. on the third Thursday of the month in the Council Offices, Brympton Way although some dates are only reserve dates and may not be needed.

The agenda, minutes and the timetable for council meetings are published on the Council's website – [www.southsomerset.gov.uk/councillors-and-democracy/meetings-and-decisions](http://www.southsomerset.gov.uk/councillors-and-democracy/meetings-and-decisions)

Agendas and minutes can also be viewed via the modern.gov app (free) available for iPads and Android devices. Search for 'modern.gov' in the app store for your device and select 'South Somerset' from the list of publishers and then select the committees of interest. A wi-fi signal will be required for a very short time to download an agenda but once downloaded, documents will be viewable offline.

## **Public participation at meetings (held in person and via Zoom) and Public question time**

We recognise that these are challenging times but we still value the public's contribution to our meetings. If you would like to participate and contribute in the meeting, we would encourage you to please join on-line through Zoom at: <https://zoom.us/join>  
You will need an internet connection to do this.

Please email [democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk) for the details to join the meeting.  
If you would like to view the meeting on-line without participating, please see:  
[https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF\\_soA](https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF_soA)

The period allowed for participation in Public Question Time shall not exceed 15 minutes except with the consent of the Chairman and members of the Committee. Each individual speaker shall be restricted to a total of three minutes.

If you would like to attend the meeting in person and speak at Public Question Time, please email [democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk) by 9.00am on Wednesday 20 July 2022. We need to know how many public are attending to ensure safe social distancing at the meeting. When you have registered, the Chairman will invite you to speak at the appropriate time during the meeting.

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# South Somerset District Council

## Thursday 21 July 2022

### Agenda

#### 1. Apologies for Absence

#### 2. Minutes

To approve and sign the minutes of the previous meeting held on Thursday, 16 June 2022..

#### 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. Chairman's Engagements (Page 6)

#### 7. Statement of Licensing Policy Under the Licensing Act 2003 (Pages 7 - 44)

#### 8. Energy Rebate Discretionary Scheme Policy (Pages 45 - 65)

#### 9. 2021/22 Treasury Management Performance Outturn Report (Pages 66 - 89)

#### 10. Proposed Changes to the Financial Procedure Rules for 2022/23 (Pages 90 - 122)

#### 11. Local Government Reorganisation - The Section 24 Direction and the General and Specific Consents Issued by the Executive of Somerset County Council (Pages 123 - 142)

#### 12. Review of Remote Meetings Options (Pages 143 - 158)

**13. Appointment of Members to Vacancies on Various Council Committees**

(Pages 159 - 161)

**14. Report of Executive Decisions** (Pages 162 - 165)

**15. Audit Committee** (Page 166)

**16. Scrutiny Committee**

A written report will provided to the next meeting of Full Council.

**17. Motions**

There were no Motions submitted by Members.

**18. Questions Under Procedure Rule 10**

There were no questions submitted under Procedure Rule 10.

**19. Date of Next Meeting** (Page 167)



## Chairman's Engagements

On Friday 17<sup>th</sup> June 2022 the Vice-Chairman attended the Yeovil College University Centre's Shining Star Awards Ceremony held at Westlands Entertainment Venue in Yeovil.

On Friday 1<sup>st</sup> July 2022 the Vice-Chairman attended Sedgemoor District Council Chairman's Civic Event and Awards Evening held at The Canalside Conference Centre, Bridgwater.

On Friday 1<sup>st</sup> July 2022 the Chairman attended a meeting of District Council Chairs with Cllr Mike Best, newly appointed Chairman of Somerset County Council at County Hall in Taunton.

On Sunday 17<sup>th</sup> July the Chairman attended Yeovil Town Council's Annual Civic Service at St. John's Church, followed by a reception at The Cow and Apple in Yeovil.

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## Statement of Licensing Policy under the Licensing Act 2003

Executive Portfolio Holder:	Adam Dance, Area North and Licensing
Strategic Director:	Kirsty Larkins, Director Service Delivery
Service Manager:	Michelle James, Principal Licensing Specialist
Lead Officer:	Anita Legg, Specialist, Licensing
Contact Details:	Anita.Legg@southsomerset.gov.uk or 01935 462137

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### Purpose of the Report

1. To inform Council of the Draft Statement of Licensing Policy and the revision to its contents.

### Forward Plan

2. This report did not appear on the District Executive Forward Plan due to a extension change with the Consultation process. This item appears as a recommendation directly from the Licensing Committee which was held on 12 July 2022.

### Public Interest

3. Every five years, the Council as Licensing Authority, is required to publish its Statement of Licensing Policy in order to exercise its licensing function under the Licensing Act 2003 and publish a statement of that policy.

### Recommendations

The Licensing Committee recommend that Full Council agree to:

- a) Approve the Statement of Licensing Policy as amended
- b) Approve the Licensing Policy for publication prior to implementation

### Background

4. This is the sixth Statement of Licensing Policy for this Council. The draft Policy, including the amendments is attached at **Appendix A**.

### Fundamental Principles of the Statement of Licensing Policy

5. In determining the policy, the Council must have regard to the Guidance issued under Section 182 of the Act, as well as to the views of those it has consulted.

6. Following consideration of each of the points raised in the consultation process, the draft policy does not at any point depart from the Section 182 Guidance from the Government.
7. Whilst the Statement of Licensing Policy should set out the approach that the Licensing Committee and Sub Committee will adopt when considering different kinds of applications and representations, it should not ignore or be inconsistent with provisions within the Act. For example, an individual's right to apply for a variety of permissions and to have any application considered on its own merits should not be undermined.

### **Details of Amendments from the Previous Policy**

8. Amendments to this policy from the previous policy are:
  - i. That as a result of lack of evidence to support the continuance of a Cumulative Impact Policy (CIP), that this is removed. This does not preclude consideration of a future CIP if evidence is provided to support its implementation.
  - ii. That the Licensing Authority require a Full or Minor Variation application to move the location of a mobile structure
  - iii. The Licensing Authority wishes to provide a non-exhaustive check list for applicants use prior to the submission of a Temporary Event Notice.
  - iv. That organisers of large-scale events should submit along with their licence application any supplementary document(s) clearly setting out how the event will be managed. These are referred to as Event Management Plans. The reason for this is to assist the applicant with providing a detailed plan to inform the responsible authorities how the applicant intends to manage the event and address the licensing objectives.
  - v. That a new reference to the Climate and Ecological Emergency is considered and addressed in the licence application. This is to encourage applicants to consider taking steps during the planning of the event to reduce the burden on the environment without compromising event safety.
  - vi. Additional information has been included on the Members Code of Conduct. This is by way of clarification as to how the Council currently operates its code of conduct.

### **Consultation**

9. Before determining its policy for the next five-year period, the following must be consulted: -
  - a. The Chief Officer of Police
  - b. The Fire Authority
  - c. Public Health
  - d. Persons/bodies representative of local holders of Premises Licences
  - e. Persons/bodies representative of local holders of Club Premises Certificates
  - f. Persons/bodies representative of local holders of Personal Licences
  - g. Persons/bodies representative of Businesses and Residents.



10. The views of all the bodies listed should be given appropriate weight before the policy is determined.
11. The Licensing Service additionally consulted with recognised trade bodies.
12. The consultation was held from 24 January 2022 and concluding on 10 June 2022. Notification of the consultation was conducted by email with a link to the draft Statement of Licensing Policy and questionnaire published on the SSDC website.
13. The responses to the draft policy were presented to the Licensing Committee for consideration following the close of the consultation. The meeting was held on 12 July 2022.

### **Financial Implications**

14. The government indicates that they expect the centrally set fees of the Licensing Act 2003 to cover the cost to the council of administering the licensing regime, which would include the preparation of the revised policy, and the mailshot.

### **Legal implications (if any) and details of Statutory Powers**

15. The Licensing Authority is required to act in accordance with the:
  - provisions of the Licensing Act 2003; and have regard to,
  - statutory guidance issued by the Secretary of State, and
  - Council's Statement of Licensing Policy, in its determination of applications.
16. Section 5 of the Licensing Act 2003 provides that a Licensing Authority must, every 5 years, determine and publish a Statement of Licensing Policy.
17. The integrity of the Statement of Licensing Policy has the potential to directly impact upon the Council's determination of applications under the Act and as such decisions made could be the subject of judicial review or appeal.
18. The Licensing Authority in determining applications and taking enforcement action pursuant to the Licensing Act 2003 will also have regard to the provisions of the Human Rights Act 2010.
19. The licensing objectives that the licensing authority must adhere to in carrying out its duties to ensure that the carrying on of licensable activities on or from premises is done in the public interest are: -
  - the prevention of crime and disorder;
  - public safety;
  - the prevention of public nuisance;
  - the protection of children from harm.

## **Council Plan Implications**

20. This revised policy supports the Council Plan aims of 'Protecting Core Services' and 'Environment' Areas of focus.
- Deliver a high quality, effective and timely service to our customers

## **Carbon Emissions and Climate Change Implications**

21. This policy is primarily focused on setting out how the Council will deliver its statutory function under the Licensing Act 2003 and does not have any implications for Carbon Emissions and Climate Change. However, the addition of a section on Sustainable Event Management will help to promote the Council's commitment to address Climate Change impacts and encourage event organisers to consider how they can reduce the impact of their events.

## **Equality and Diversity Implications**

22. A stage 1 Equality Analysis (EqA) has been carried out which does not identify any impacts on any persons with protected characteristics.

## **Privacy Impact Assessment**

23. The policy which is the subject of this report does not in itself involve the processing or handing of personal data. The processing of application forms in accordance with this policy currently involves the handling of personal data and no changes are being made to how that data is processed. The consultation process is likely to result in personal data being processed. The responses would be handled by SSSDC and any responses would have any personal details removed before being published.

## **Background Papers**

Licensing Act 2003  
Current Statement of Licensing Policy  
Section 182 Guidance issued by the Secretary of State



South Somerset District Council

# Licensing Policy

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If you wish to make comments on this Licensing Policy or if you want further information regarding the Licensing Act 2003 please contact:

Vicki Dawson  
Lead Specialist - Environment  
South Somerset District Council  
Brympton Way  
Yeovil  
Somerset  
BA20 2HT

Tel: 01935 462462  
Email: [licensing@southsomerset.gov.uk](mailto:licensing@southsomerset.gov.uk)

The Licensing Act 2003 can be viewed at:

<http://www.legislation.gov.uk/ukpga/2003/17/contents>

The Secretary of State's Guidance can be viewed at:

<https://www.gov.uk/government/publications/explanatory-memorandum-revised-guidance-issued-under-s-182-of-licensing-act-2003>

The Police Reform and Social Responsibility Act 2011 can be viewed at:

<http://www.legislation.gov.uk/ukpga/2011/13/contents>

## 1.0 Introduction

### 1.1 Background

1.1.1 South Somerset District Council (the Council) is the licensing authority under the Licensing Act 2003 ('the Act'). It is empowered to administer the following in respect of the sale and/or supply of alcohol and the provision of regulated entertainment and late night refreshment within the District:

- premises licences including provisional statements, full and minor variations, transfers, interim authorities and reviews
- club premises certificates
- temporary event notices
- personal licences

1.1.2 The Licensing Act 2003 requires a Licensing Authority to prepare and publish a statement of its Licensing Policy before the Authority can carry out any licensing or regulatory functions under the terms of the Licensing Act 2003. This Policy must be kept under review and the Licensing Authority may make any revisions to it, as it considers appropriate. In any event the Licensing Authority is required to review their Statement of Licensing Policy every 5 years.

1.1.3 This Licensing Policy sets out the issues that the Licensing Authority will take into account when determining licences throughout the District of South Somerset and encompasses experience gained in the implementation and regulation of the Licensing Act 2003.

1.1.4 In determining this Policy the Licensing Authority has had regard to the Guidance issued under Section 182 of the Licensing Act 2003. In determining applications under The Act the Licensing Authority shall consider:

- The promotion of the four Licensing Objectives
- Representations and evidence presented by all parties, together with any relevant supporting documentation
- The Latest Guidance issued by the Government
- The Licensing Authority's own Statement of Licensing Policy

### 1.2 Aim

1.2.1 The Act requires the Licensing Authority to carry out its various licensing functions so as to promote the four licensing objectives.

1.2.2 The aim of this Licensing Policy is to set out how the Licensing Authority seeks to promote the four licensing objectives, which are:

- the prevention of crime and disorder
- public safety
- the prevention of public nuisance
- the protection of children from harm

1.2.3 These four objectives will be the paramount considerations when determining a course of action in relation to the Licensing Authority's licensing functions. Each objective will be given equal importance.

### 1.3 Purpose

- 1.3.1 The main purpose of this Policy is to provide clarity to applicants, other persons and Responsible Authorities on how the Licensing Authority will determine applications to supply alcohol, provide regulated entertainment and operate late night refreshment. The Licensing Authority will consider all representations from any person however it shall apportion the weight of the representation between those persons immediately affected by the premises and its operation and those persons who may have a lack of knowledge of the area or of personal experience.
- 1.3.2 Where revisions are made to the Guidance there may be a period of time when this Policy is inconsistent with the Guidance. In these circumstances the Licensing Authority shall have regard, and give appropriate weight, to the revised Guidance in conjunction with this Licensing Policy.

### 1.4 Consultation

- 1.4.1 Before determining its policy for any five year period, the Licensing Authority will consult the following:
- the chief officer of police
  - the fire and rescue authority
  - the director of public health
  - persons/bodies representative of local holders of premises licences
  - persons/bodies representative of local holders of club premises certificates
  - persons/bodies representative of local holders of personal licences
  - persons/bodies representative of businesses and residents in the District
- 1.4.2 The Licensing Authority may consult beyond the statutory requirements, and seek comments from additional bodies, groups or individuals as appropriate.

### 1.5 Fundamental Principles

- 1.5.1 This Policy sets out the Licensing Authority's general approach to the making of licensing decisions and is consistent with the provisions of the Act. Nothing in the Policy will undermine the right of any individual to apply for authorisations and to have any such application considered on its individual merits. Similarly, nothing in the Policy will override the right of any person to make representations on an application or to seek a review of a Licence or Certificate in accordance with the provisions of the 2003 Act.
- 1.5.2 This Policy recognises that the Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics. The applicant must give due consideration to disabled persons under this Act for access and egress so that they are not at a substantial disadvantage.
- 1.5.3 The introduction of the Policing & Crime Act 2009 extends Police closure powers. The Licensing Authority further acknowledges and supports that this legislation has been introduced against the background of increasing alcohol-related anti-



social behaviour and subsequent hospital admissions that has led to criticism due to the increased cost to local residents. This Act signifies a shift back from deregulation towards offering greater support for communities being adversely affected.

- 1.5.4 The Licensing Authority may recommend actions over and above the requirements of a licence/certificate and applicants are asked to give these recommendations serious consideration, as adoption of best practice may be considered in the investigation of complaints if they arise in connection with the premises in the future.
- 1.5.5 The Licensing Authority may only impose conditions on a premises licence if they are consistent with the operating schedule or after receiving relevant representations and only if a Licensing Committee or Licensing Sub-Committee determines the matter. Any conditions attached to the licence must relate to the promotion of the Licensing Objectives.
- 1.5.6 The Licensing Authority acknowledges that the Government believes that in some circumstances flexible hours for the sale of alcohol can help to ensure that the concentrations of customers leaving premises simultaneously are avoided.
- 1.5.7 Where licensed premises are surrounded by housing, unrestricted extensions of hours could extend the time of disturbance to later in the night; therefore the Licensing Authority acknowledges that tighter control may be justified in residential areas always however having regard to the individual merits of any application.
- 1.5.8 In general terms the Licensing Authority will closely scrutinise applications for premises licences showing a late terminal hour so as to be satisfied that they will have no adverse impact on the Licensing Objectives.
- 1.5.9 Once people are beyond the control of the individual, club or business holding the relevant authorisation, licensing law is not the primary mechanism for the general control of nuisance and anti-social behaviour. Licensing law will always be part of a holistic approach to the management of the evening and night-time economy in the district.
- 1.5.10 The Licensing Authority expects every licence holder or event organiser to minimise the impact of their activities on the surrounding area and any anti social behaviour created by their customers in and within the vicinity of their premises by taking appropriate measures and actions consistent with that responsibility. Whether or not incidents can be regarded as being in 'the vicinity' of the licensed premises is recognised as a question of fact and will depend on the specific circumstances in each case. In cases of dispute, the question will ultimately be decided by the courts. In addressing this matter, the Licensing Authority will primarily focus on the direct impact of the activities taking place at the licensed premises on members of the public living, working or engaged in normal activity in the area concerned.
- 1.5.11 The type of entertainment offered on licensed premises and the closing hour of premises permitted to provide alcohol to the public often have a direct link to crime and disorder, public nuisance and public safety issues. For example, there is generally more likelihood of crime and disorder and public safety problems occurring in a music and dance venue permitted to sell alcohol and open until 3 am than there is in a well managed public house located in a quiet back street that provides limited regulated entertainment and closes at 11 pm.



## 2.0 General Principles

In all applications relating to premises, applicants should specify methods by which they will promote the four Licensing Objectives in their operating schedules.

### 2.1 Revisions to Policy.

2.1.1 The Policy shall be subject to periodic reviews and further consultation as and when required. The Licensing Authority may make revisions to this Policy following changes to, for example:

- Local circumstances;
- The Licensing Act, associated regulations or statutory guidance;
- Other national legislation; or
- The policies and practices of a responsible authority

### 2.2 Areas of Concern

2.2.1 Specific areas of concern include:

- Sales of alcohol from “On” and “Off” licensed premises.
- Glass related injuries.
- Noise from music on the premises.
- Nuisance and disturbance from smokers immediately outside the premises.

2.2.2 Applicants for a premises licence are advised to include in their Operating Schedule, (where applicable) specifically how they will prevent sales of alcohol to persons under 18 years, minimise glass related injuries and or assaults, prevent noise from licensed premises become a nuisance and manage customers outside their premises who are smoking. It is expected that a Challenge 25 Policy will be adopted at the premises.

2.2.3 Experience indicates that a last time of entry condition is assisting in the promotion of the licensing objectives. It is therefore expected that applicants for late licensed premises will detail in their operating schedules that there will be no new entry or re-entry to the premises after 1am other than premises which are only open after 1am for late night refreshment..

### 2.3 Children

2.3.1 The Act requires applicants for premises licences and club premises certificates to copy details of their applications to a body which:

- a) represents those who, in relation to any such area, are responsible for, or interested in, matters relating to the protection of children from harm, and
- b) is recognised by the Licensing Authority for that area for the purposes of this section as being competent to advise it on such matters.

2.3.2 The Licensing Authority’s policy is that the Responsible Authority in relation to the protection of children from harm is Somerset County Council, PO Box 5199, Council Offices, Brympton Way, Yeovil, Somerset, BA20 2HT

- 2.3.3 The Licensing Authority will expect licensees of premises giving film exhibitions to include, in their operating schedules, arrangements for restricting children from viewing age restricted films. Such premises will be subject to a mandatory condition requiring that access will be restricted to only those who meet the required age limit in accordance with any certificate granted by the British Board of Film Classification, or in specific cases where such certificates have not been granted, the Licensing Authority.
- 2.3.4 The Licensing Authority does not intend to adopt its own system of film classification but reserves the right to amend the classification imposed by the British Board of Film Classification.
- 2.3.5 If the Licensing Authority attaches an age-restriction to any film that differs from the BBFC classification or attaches one to an unclassified film, the information about the Licensing Authority's classification will be published on the Council's website at [www.southsomerset.gov.uk](http://www.southsomerset.gov.uk).
- 2.3.6 The Licensing Authority shall not seek to limit the access of children to any licensed premises unless it is necessary for the prevention of physical, moral or psychological harm. In all other cases it will be left to the discretion of the Licensee but the Licensing Authority shall expect that the licensee shall give full consideration of access by children at all times and ensure that there is a policy in place to promote this licensing objective.
- 2.3.7 The following are examples of premises that are likely to raise concern and engage the Licensing Authority as a Responsible Authority to take action:
- Where entertainment or services of an adult or sexual nature are likely to undermine the licensing objectives;
  - Where relevant premises are known to allow unaccompanied children;
  - Where the applicant has described in the Operating Schedule that '*no adult or similar entertainment shall take place on the premises*' but intends to hold an event liable to compromise the protection of children from harm licensing objective;
  - Where there has been early indication and subsequent evidence of poor management of the premises leading to undermining of the licensing objectives;
  - Where the premises have a known association with drug taking or dealing;
  - Where the current staff have received convictions or cautions for serving alcohol to minors or where the premises has a reputation for underage drinking or failures in test purchasing;
  - Where there is a strong element of gambling or illegal gambling on the premises;
  - Where there is likely to be under age events with the intention of selling or exposing alcohol for sale or where the intention is to permit adults to this event;
  - Where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises.
- 2.3.8 Examples of entertainment likely to cause concern are entertainment or services of an adult or sexual nature including topless bar staff, striptease, lap, table or pole dancing, performances involving feigned violence or entertainment involving strong or offensive language.

This Licensing Authority strongly advises that where music and alcohol sales are the main reasons for the event taking place, that persons under 18 years are not

admitted unless the organisers have extremely robust procedures for ensuring those under 18 years do not have access to any alcohol – this includes sales, proxy sales, and bringing it onto the event.

- 2.3.9 “Where there are events solely provided for young people, for example an Under 18’s disco in a nightclub or similar relevant premises, the Licensing Authority strongly advises that adequate and sufficient measures are put in place so that young people cannot gain access alcohol or energy drinks and further that no alcohol is served to any supervising adults at such events. The management of the premises should also ensure that measures are taken to prevent alcohol being brought onto those premises and lawful steps are taken to prevent attendees from leaving the premises without parental or guardian consent.”
- 2.3.10 In particular, the Licensing Authority will consider what conditions are offered in the Operating Schedule. The applicant in completing the Operating Schedule is required to describe the steps they intend to take to promote this Licensing Objective and highlight any adult entertainment or services, etc. that may give rise to concern in respect of children. However, where the applicant does not state the steps they intend to take to promote this Objective but does state that “*no adult or similar entertainment shall take place on the premise*”, the Licensing Authority shall consider that this restriction to be a condition on the Licence/certificate even though it may not state it on the Licence/Certificate itself.

## 2.4 Licensing Hours

- 2.4.1 With regard to licensing hours the Licensing Authority will consider each application on its individual merits.
- 2.4.2 Applications for premises licences with a terminal hour later than 12 midnight, where the sale or supply of alcohol for consumption on the premises is the main activity or where the sale or supply of alcohol is accompanied by musical entertainment, will be subject to close scrutiny by the Responsible Authorities to ensure that there will be no adverse impact on the Licensing Objectives. Specifically, the applicant should ensure that the operating schedule for such premises demonstrates how the Licensing Objectives will be met. This is a general policy and does not automatically mean that all applications will result in licences being granted until midnight or that no applications will be granted with a closing hour after midnight.
- 2.4.3 In considering these issues the Licensing Authority will give careful consideration to the nature of the venue proposed. For example, the Council is keen to promote establishments at which the service and consumption of alcohol is not the primary activity. These may include restaurants, theatres, cinemas, comedy clubs, galleries, museums, and similar venues. The Licensing Authority’s experience is that such venues are liable to give rise to fewer public concerns in relation to later closing hours.
- 2.4.4 The Licensing Authority will pay special regard to the proximity of residential properties to the proposed premises. Consideration will be given to the imposition of stricter noise control conditions, if representations are received in areas with a concentration of residential properties.
- 2.4.5 Where the premises licence does not include Hours Open to the Public, the Licensing Authority will expect premises to be cleared of patrons within a reasonable time of

the terminal hour set for licensable activities. **Where** the premises licence does include Hours Open to the Public; the premises licence holder shall ensure that members of the public shall be off the premises by the finish time stated in operating schedule after the cessation of licensable activities except in such circumstances where premises are open for licensable activities where members of the public are not present such as fulfilling orders for the sale of alcohol off the premises.

2.4.6 Shops, stores and supermarkets will generally be free to provide sales of alcohol for consumption off the premises at any times when the retail outlet is open for shopping, unless there are good reasons for restricting those hours. An example would be where the Police make representations that the premises are a focus of disorder and disturbance.

## 2.5 Late Night Levies (LNL) and Early Morning Restriction Orders (EMRO'S)

2.5.1 The Police Reform and Social Responsibility Act 2011 (the PRSRA) has introduced the power for the Licensing Authority to charge a late night levy ("the levy") to all premises within the South Somerset District.

2.5.2 It also provides the Licensing Authority with the power to restrict the sale or supply of alcohol between the hours of midnight and 6am by introducing an Early Morning Restriction Order ("EMRO") to tackle high levels of alcohol-related crime and disorder, nuisance and anti-social behaviour.

2.5.3 Any decision to introduce an EMRO would consider:

- The current Cumulative Impact Policy;
- Taking a robust joint agency approach to tackling problem premises;
- Prior to reviewing a licence/certificate, meeting with the DPS and licence/certificate holder to ensure a Premises Improvement Plan is in place.
- Using other mechanisms to control the cumulative impact, e.g. planning controls;
- Using other mechanisms to control noise and anti-social behaviour;
- Police powers to closure premises;
- Providing powers to designate parts of the local authority area as places where alcohol may not be consumed publicly;
- police enforcement of the general law concerning disorder and anti-social behaviour, including the issuing of fixed penalty notices;
- Provision of CCTV;
- Provision of night marshals and street pastors; introduction of a late night levy;

The above is not an exhaustive list of possible measures.

## 2.6 Late Night Refreshment

2.6.1 The Licensing Authority will expect applicants for licences in respect of late night refreshment premises to detail in their operating schedules how they intend to promote the licensing objectives and in particular how they intend to address queue management, litter and noise disturbance.

2.6.2 Where appropriate, and, in line with the Public Nuisance and Public Safety Licensing Objectives, the Licensing Authority may recommend that applicants display their

company name on containers and packaging; this will enable the Licensing Authority to identify any premises causing concern.

- 2.6.3 The Licensing Authority expects that any premises providing late night refreshment will have a responsible policy for regularly clearing litter from outside their premises and for 25 metres along the pavement/curtilage of premises in either direction as necessary, whilst the premises are open and at the end of the working day. Such Policy could also include the display of notices advising customers to use the bins provided. In addition, where there is evidence that grease and food, etc. has emanated from the premises, the Licensing Authority recommends that the highway in the vicinity of the premises is swilled or scrubbed so as not to attract gulls, pigeons and vermin. The Licensing Authority recommends that all such inspections and action taken be recorded in the Premises Log Book.
- 2.6.4 Where an applicant wishes to sell alcohol either on or off the premises in such an establishment or provide an alcohol delivery service, the Licensing Authority expects that the Operating Schedule will set out specific measures to ensure the prevention of Crime and Disorder and Public Nuisance in the vicinity of the premises. It also expects that a Challenge 25 Policy is adopted so that no alcohol is left with anyone under 18 years. Existing premises that seek to provide an alcohol delivery service are expected to notify the Licensing Authority that they are operating such a service setting out specific measures they intend to take to promote the licensing objectives and adopt a Challenge 25 Policy.

## 3.0 Licensing Approach

### 3.1 Partnership Working

- 3.1.1 The Council recognises that Licensing functions under the Act are not the only means of promoting the principles behind the Licensing Objectives. Delivery includes working with Planning, Environmental Health, the Police, the Fire Authority, the Crime Reduction Partnerships, Town and Parish Councils, Pubwatch or similar schemes, local businesses and residents, Somerset County Council, transport operators and those involved with child protection.
- 3.1.2 The Council recognises that co-operation across services within the Council and with our external partners remains the best means of promoting the Licensing Objectives.
- 3.1.3 The Licensing Authority seeks to encourage and support the night-time economy by providing a vibrant and safe town centre experience. It shall work closely with the Responsible Authorities to deliver the licensing objectives, including the licensed trade, local people and businesses. The Licensing Authority will continue to work closely as part of these groups to promote the common objectives and shall recognise its duty under Section 17 of The Crime and Disorder Act 1998 when carrying out its functions under the 2003 Act. In addition the Licensing Authority will seek to support strategies where they are allied to the licensing objectives such as the Government's Alcohol Strategy and any other relevant strategies and policies.
- 3.1.4 The Licensing Authority recognises that the private sector, local residents and community groups in particular have a vital role to play in promoting the licensing objectives. The Licensing Authority shall work closely with other enforcement agencies in the management of the night time economy, particularly relating to the

tackling of under age sales and proxy sales of alcohol and drunkenness or disorder on or in the immediate vicinity of the licensed premises.

### 3.2 Cumulative Impact Policy

3.2.1 Following consultation with Avon and Somerset Police on crime statistics in Yeovil and Chard town centres, the Licensing Authority no longer consider it appropriate and necessary to incorporate within this Policy Statement a Cumulative Impact Policy for the towns of Yeovil and Chard. The previous Cumulative Impact Policy has therefore been removed.

### 3.3 Local Strategies and Policies

3.3.1 Where appropriate, the Committee will take into account local strategies and policies. These will include:

- Sustainable Community Strategy
- Somerset Health & Well-Being Plan

### 3.4 Integrating Strategies

3.4.1 There are many stakeholders involved in the leisure industry and many are involved in the promotion of the licensing objectives. A number of stakeholders' plans and strategies deal with matters related to the licensing function. Where this is the case the Council will aim, as far as possible, to coordinate them.

3.4.2 Cultural Strategy – The Council will monitor the impact of any decisions on the provision of regulated entertainment. The aim is not to deter live music, but to ensure that the licensing objectives are promoted. The Council will monitor the effect of licensing on the provision of regulated entertainment, particularly live music and the performance of dance to ensure that any licensing conditions that impose any restrictions on such events are proportionate and reasonable.

3.4.3 Racial Equality – The Council is required under race relations legislation to have due regard to the need to eliminate unlawful discrimination and to promote equality of opportunity and good relations between persons of different racial groups. The impact of these issues on the Licensing Policy will be monitored and amendments will be made as necessary.

3.4.4 Where appropriate, the Licensing Authority will also have regard to:

- local crime prevention strategies;
- needs of the local tourist economy;
- employment situation in the area and the need for new investment and employment where appropriate;
- needs of the local community
- the duty on Public Authorities to eliminate unlawful discrimination;
- the Economic Strategy

### 3.5 Avoiding Duplication

3.5.1 The Licensing Authority recognises the need to avoid, so far as possible, duplication with other regulatory regimes such as health and safety at work, fire safety, building control and planning. Conditions will not be imposed if the matters concerned are



already provided for in other legislation. However, other legislation may not always cover the unique circumstances that arise in connection with licensable activities and in such cases tailored conditions may be necessary but only if relevant representations are received.

- 3.5.2 The Licensing Authority recognises that in accordance with Section 43 of the Regulatory Reform (Fire Safety) Order 2005, any conditions imposed by the Licensing Authority that relate to any requirements or prohibitions that are or could be imposed by that Order, shall have no effect. The Licensing Authority shall therefore not seek to impose fire safety conditions where the Order applies.
- 3.5.3 In much the same way, the Indecent Displays (Control) Act 1981 prohibits the public display of indecent matter and the Licensing Authority shall therefore not seek to impose conditions concerning such displays inside or outside the premises. The existing laws governing indecency and obscenity are adequate to control adult entertainment of this nature. However, the Licensing Authority shall, if it considers necessary in certain premises, consider attaching conditions following a hearing addressing the exclusion of minors.
- 3.5.4 Non-compliance with other statutory requirements may be taken into account in reaching a decision about whether or not to grant or vary a licence but only if relevant representations are received.
- 3.5.5 The Licensing Authority recognises that the existence of planning permission, building regulation approval or pavement licences must be properly separated from licensing applications to avoid duplication and inefficiency. Similarly, the existence of a Premises Licence shall not prejudice the consideration of any planning, building regulation approval or pavement applications. However, the Licensing Authority shall expect applicants to have obtained the appropriate consents or licences prior to operation.
- 3.5.6 Where the premises licence holder(s) has not obtained such consents or licences, they will be liable for enforcement action under the appropriate legislation. There may be circumstances when as a condition of planning permission a terminal hour is set for the use of commercial premises. Where these hours are different to the licensing hours, the applicant must observe the earlier closing time to ensure that they are not in breach. Premises operating in breach of their Planning Permission or their premises licence/certificate may be liable to enforcement action by the Planning Authority or the Licensing Authority as appropriate.

### 3.6 Representations

- 3.6.1 Under the 2003 Act both Responsible Authorities and 'other persons' may make representations on licence/certificate applications and review existing premises licences/certificates.
- 3.6.2 'Other persons' is defined as any individual, body or business that may be affected by the operation of a licensed premise regardless of their geographical location. Although the other person may be in any geographical location, any representation they make must be relevant to one or more of the licensing objectives. In addition the other person is encouraged to provide evidence supporting their representation or review. This may be for example by way of recording dates where noise nuisance or anti-social behaviour occurs. Any representation however must be specific to the premises in question and not to

the area in general. The representation must also detail how the granting of the application is likely to affect the person making it. Representations may not be made by individuals on behalf of anyone else without their explicit consent and we would expect to see proof of this consent.

3.6.3 The Licensing Authority will however consider the geographical location of the other person who has made the representation to see if in fact that it is a relevant and valid representation with supporting evidence and weigh it accordingly.

3.6.4 In addition all representations must be relevant relating to the likely effect of the grant of the licence/certificate on the promotion of at least one of the licensing objectives. The Licensing Authority will determine whether a representation from an individual, body or business is relevant, frivolous, repetitive or vexatious. In borderline cases, the benefit of the doubt will be given to the person or body making that representation.

### 3.7 Conditions

3.7.1 Where conditions are imposed at a licensing hearing, they shall be appropriate and proportionate and shall be tailored to the size, style, characteristics and activities that take place at the premises concerned. However, the Licensing Authority accepts that Responsible Authorities may suggest conditions following negotiation with the applicant when completing their Operating Schedules.

3.7.2 In addition conditions imposed by a Licensing Authority shall be precise and enforceable, clear in what they intend to achieve, shall not duplicate other statutory requirements or other duties or responsibilities placed on the employer by other legislation, shall not replicate offences set out in the 2003 Act or other legislation, shall be justifiable and capable of being met and shall not seek to manage the behaviour of customers once they are beyond the direct management of the licence/certificate holder and their staff.

3.7.3 The Licensing Authority recommends that conditions volunteered in the Operating Schedule should be:

- Targeted on the deterrence and prevention of crime and disorder
- Appropriate for the promotion of the licensing objectives;
- Proportionate and enforceable;
- Consistent and not conflicting;
- Relevant, clear and concise;
- Not duplicate other legislation; and
- Expressed in plain language capable of being understood by those expected to comply with them.

3.7.4 The Licensing Authority when preparing the licences/certificates shall not simply replicate the wording from an applicant's Operating Schedule but will interpret conditions in accordance with the applicant's overall intentions.



## 3.8 Enforcement

3.8.1 South Somerset District Council's Regulatory Services, which includes the Licensing Authority, have adopted an Enforcement Policy. This policy seeks to communicate and explain the approach to dealing with non-compliance to businesses, residents, and others affected by our enforcement activities. The policy incorporates the Regulators' Code and is available on the Council's website [www.southsomerset.gov.uk](http://www.southsomerset.gov.uk). This policy has been developed following guidance issued by the Better Regulation Delivery Office and in consultation with stakeholders. It is influenced by good enforcement practice, current legislation, guidance and statutory codes of practice. SSDC aims to deliver the services above by avoiding unnecessary regulatory burdens and enforcement. Wherever possible SSDC will work closely with businesses and other organisations to assist them in meeting their legal obligations, without unnecessary expense. The council will only intervene where there is a clear case for action.

Enforcement action will be:

- Targeted toward those premises presenting the highest risk;
- Proportional to the nature and seriousness of the risk those premises present;
- Consistent, so that the Licensing Authority takes similar approaches in similar situations;
- Transparent, so those who are subject to enforcement action know what to expect; and
- Accountable, so that the Licensing Authority and its officers take responsibility for their actions.

3.8.2 The Council intends to use appropriate enforcement to promote the licensing objectives. Once licensed, it is essential that premises are monitored to ensure that they are run in accordance with their operating schedules, in compliance with the specific requirements of the Act and any licence conditions. It will also monitor the District for unlicensed activities that may or may not require authorisation.

3.8.3 The Licensing Authority has established protocols with Avon and Somerset Police, Devon, Plymouth, Somerset and Torbay Trading Standards Service and Devon and Somerset Fire and Rescue Service on enforcement issues to ensure an efficient deployment of resources. Where official warnings are given prior to any decision to prosecute for an offence, the Licensing Authority shall ensure that these enforcement authorities are informed of these warnings and the result of any action taken.

3.8.4 In order to ensure compliance with the law and licensing conditions, the Licensing Authority will also carry out whenever possible unscheduled 'non routine' evening inspections with Avon and Somerset Police. After each visit, the Designated Premises Supervisor and Premises Licence Holder shall be notified of any concerns and be given an opportunity to rectify any issues.

3.8.5 The Licensing Authority recognises that most Licence Holders seek to comply with the law and any enforcement action will normally follow a graduated approach and in the first instance will include education and support. Where licence holders continue to flout the law or act irresponsibly firm action will be taken.

- 3.8.6 Premises inspections will take place as required based on consideration of risk and/or based on intelligence received. It should be the case that higher risk premises be viewed as higher priority for such contact, whilst lower risk premises, that are well managed and run, will benefit from a lighter touch.
- 3.8.7 The Licensing Authority may seek to meet with the licence or certificate holder and/or DPS working closely with them and relevant Responsible Authorities in implementing a Premise Improvement Plan where appropriate.
- 3.8.8 Where the premise does not comply with an agreed Improvement Plan and continues to breach the licensing laws and/or licence conditions, the Licensing Authority will consider further sanctions, either by way of a review, formal caution or prosecution. In any event, the Licensing Authority will have regard to the SSDC Regulatory Services Enforcement Policy.
- 3.8.9 Where one off events are taking place, the Licensing Authority may also carry out inspections to ensure the Licensing Objectives are being promoted. Inspections shall be carried out in accordance with the principles of risk assessment and targeting problem premises.
- 3.8.10 In addition, the Licensing Authority will conduct checks to ensure that official notices for new applications, varied applications, reviews and minor variations are accurate and clearly displayed. Notices for reviews shall be displayed at or near the site of the premises, and where there are concerns these shall be regularly checked and recorded.
- 3.8.11 Any decision to instigate legal proceedings will take account of the criteria set down in the Code of Crown Prosecution and Attorney General Guidelines.

### 3.9 Complaints Against Licensed Premises

- 3.9.1 Complainants are advised, whenever possible, in the first instance to raise their complaint directly with the licensee in order to resolve the matter. The Licensing Authority, however, recognises that it is not always possible or practical for complaints to be raised directly. In such circumstances, complaints in the first instance should be addressed to: The Lead Specialist - Environment, South Somerset District Council, The Council Offices, Brympton Way Yeovil, BA20 2HT or e-mail [licensing@southsomerset.gov.uk](mailto:licensing@southsomerset.gov.uk)
- 3.9.2 It is expected that all noise-related complaints are initially raised through the "Report it" tool on the Council website. This will link directly into the Council's Environmental Health and Licensing section.
- 3.9.3 On receipt of a complaint, the Specialist - Licensing Officer shall investigate the circumstances, discussing the complaint with the Designated Premises Supervisor of the licensed premises, the Premises Licence holder, any Relevant Responsible Authority and the complainant. Where it is a valid complaint, the Licensing Authority shall endeavour to seek a resolution through informal means prior to taking any legal action.
- 3.9.4 The Lead Specialist - Environment is responsible for considering complaints in the context of this Policy and will determine whether or not it is a relevant complaint. They will authorise suitably qualified officers to discharge enforcement

duties as appropriate to their seniority, professional qualifications and/or experience in order to resolve any complaint.

3.9.5 Where there is a serious complaint, the Director - Service Delivery, the Lead Specialist - Environment and Specialist - Licensing Officers shall ensure that it is investigated and enforcement action taken where necessary. The Licensing Authority shall act in accordance with the Enforcement Policy available on the Council's web site or from Licensing Services and in accordance with the Regulators' Compliance Code: Statutory Code of Practice for Regulators.

3.9.6 The Licensing Authority recognises that this Policy and the promotion of the Licensing Objectives relies on partnership between all the parties. Therefore, where there are any concerns identified at the premises, or there is need for improvement, the Licensing Authority shall work closely with the parties at an early stage to address these concerns.

### 3.10 Live Music, Dancing and Theatre

3.10.1 The Council recognises the need to encourage and promote a broad range of entertainment, particularly live music, dancing and theatre for the wider cultural benefit of the community and in particular for children and young people.

3.10.2 When considering applications for such events and the imposition of any conditions if representations are received on licences or certificates, the Licensing Authority will carefully balance the need to promote the licensing objectives against these wider cultural benefits.

3.10.3 When considering whether an activity constitutes the provision of regulated entertainment each case will be treated on its own merit. Live music is a performance of live music in the presence of an audience that it is intended to entertain; it can for example include the playing of some recorded music and may be part of the performance of amplified live music. As there will inevitably be a degree of judgement as to whether a performance is live music or not organisers of events are encouraged to consult with the Licensing Authority if in doubt. The Licensing Authority is aware of the changes made to the Licensing Act 2003 by the Live Music Act 2012 including amending statutory instruments<sup>1</sup> and the Deregulation Act 2015 so that in prescribed circumstances, live music, performance of dance and plays are not classed as a licensable activity.

## 4.0 Administrative Issues

The Licensing Authority will accept online and electronic applications; however applications will not be treated as valid until all relevant documents have been received together with the appropriate fee.

All hard copy applications will be treated in line with the relevant regulations and all applications and relevant documentation must continue to be submitted in their entirety and not in piecemeal form to avoid the potential for any errors or confusion.

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<sup>1</sup> SI 2013 No. 1578 The Licensing Act 2003 (Descriptions of Entertainment)(Amendment) Order 2013; The Legislative Reform (Entertainment Licensing) Order 2014

As the Regulations require advertising of all new and full variation applications, the Licensing Authority recommends that the applicant contact them prior to displaying the statutory notice or advertising the application in a local paper circulating in the vicinity of the premises. This will ensure that an accurate consultation date will be given which will avoid any errors and the potential of a breach of the regulations that would result in the application being rejected or delayed.

#### 4.1 Premises Licence

- 4.1.1 The Premises Licence application outlines the operating conditions and the Operating Schedule that will form the basis of conditions that will be attached to the Licence. It should include information that is necessary to enable any responsible authority or other person to assess whether the steps to be taken to promote the licensing objectives are satisfactory. The Licensing Authority shall expect the applicant to have carefully considered the promotion of all four Licensing Objectives in their Operating Schedule.
- 4.1.2 It is recommended that applicants liaise with neighbours and/or any relevant community group such as a local residents association, or other such groups, as may be appropriate prior to submitting an application.
- 4.1.3 The Licensing Authority especially recommends that applicant liaise with the Relevant Authorities prior to submitting their applications, e.g. police or fire authority, when compiling their operating schedules and the local pubwatch if one operates in that area.
- 4.1.4 In completing their Operating Schedule the Licensing Authority suggest the applicant considers the following:

##### **General**

- Premises log book
- Management and staff training and awareness of duties under the Licensing Act
- Policies and procedures relating to e.g. age restricted sales, capacity, noise monitoring, dispersal, queuing, etc.
- Safe capacities
- Evidence of competent management procedures

##### **Prevention of Crime and Disorder**

- Drugs policy
- CCTV
- Pub Watch and Radio links with other licensed premises
- Security Industry Authority Door supervisors and Approved Contractor Scheme
- Polycarbonate or shatterproof vessels
- Frequency of glass bottle disposal and provision of secure storage before collection
- An appropriate ratio of tables and chairs to customers
- Management of outside areas
- Use of 'spikeys' or similar anti drink spiking device

- Calming atmosphere at close of business/event
- Safe capacities
- Queuing policy
- Stewards for events and event plan
- Control of nitrous oxides

### **Public Safety**

- Health and Safety and Fire Safety risk assessments and staff training
- Safeguarding measures
- Use of CCTV in and around the premises
- Safe capacities and monitoring procedures
- Provision of local taxi companies who can provide safe transportation home
- Procedures to control access to and egress from premises
- Patrolling of premises
- Glass clearance policy
- Control of ventilation
- Control of litter immediately outside the premises
- The presence of trained first aiders and appropriate & sufficient first aid kits
- Adequate external lighting
- Consideration of the safety of performers appearing at any premises
- Indoor sporting events: medical practitioner; flame retardant material, location of public to wrestling ring; water sports events – lifeguards
- Stewards for events and event plan; and regard to standards of the National Sporting Body
- Ensuring appropriate access for emergency services

### **Prevention of Public Nuisance**

- Control of general noise, disturbance, light, odour, litter and anti-social behaviour
- Whilst regulated entertainment taking place, management of noise disturbance
- Control of litter (e.g. cigarette ends, rubbish, etc.), vomiting, urinating and anti-social behaviour in the vicinity of the premises
- Dispersal policy to ensure customers respect their neighbours
- Removal of persons causing disturbance
- Management of outside areas, e.g. pub gardens, smokers, etc.
- Control of deliveries in early hours
- Queuing policy
- Winding down period

### **Protection of Children from Harm**

- Refusals book
- Consideration of access to premises where adult entertainment may take place
- Consideration to proximity of premises to schools and youth clubs
- Restriction on hours when children under a specified age can be present and whether they should be accompanied by a responsible adult
- Clarity on activities and times at which events take place to determine whether or not it is appropriate to allow access to children
- Challenge 21 or 25 policy
- Prompting mechanism on tills at retail outlets

- Measures to control access to hotel minibars
- Operational measures to avoid proxy purchases
- How to prevent children from being exposed to alcohol sales at under age events, gambling, incidents of violence and disorder and drugs or drug taking
- Consideration of safeguarding issues
- Consideration of children as performers where relevant
- Supervision of children
- Under 18 event Code of Conduct, for example: searches, ticketed event, door supervisors, DBS checks, stewards monitoring event, set hours for event, restricted event, policy to ensure young people leave premise safely, etc.

These lists are not exhaustive, and advice can be obtained from the relevant responsible authorities. However, applicants are reminded again to contact the relevant Responsible Authorities to seek their expert advice before an application is submitted to the Licensing Authority.

- 4.1.5 Public Health (Somerset County Council) has developed a tool called HaLO. The purpose of HaLO is to enable applicants and Responsible Authorities to consider all alcohol-related harms in the relevant local area when dealing with a licensing application. HaLO is publicly available at: [www.somersetintelligence.org.uk/haLO/](http://www.somersetintelligence.org.uk/haLO/)

## 4.2 Garages

- 4.2.1 With regard to the licensing of garages, and/or filling stations, Section 176 of the 2003 Act prohibits the sale or supply of alcohol from premises that are used primarily as a garage. However, the Licensing Authority will use the court's approach based on intensity of use, to establish primary use. Where such applications are submitted, the Licensing Authority will expect sufficient relevant evidence to accompany the application form to prove the issue of primary use. Where there is any doubt the – Licensing specialist will determine whether or not any premises are used primarily as a garage.

## 4.3 Mobile Premises and Temporary Structures

- 4.3.1 Where licensable activities take place in mobile vehicles, a Premises Licence will be required for the land upon which the vehicle operates. The Operating Schedule must indicate the specific pitch from where trading is to take place.
- 4.3.2 As this type of premises is likely to cause people to congregate, the Licensing Authority shall expect applicants to demonstrate specific measures to prevent Crime and Disorder and Public Nuisance. In addition, the Licensing Authority shall expect the applicant to consider specific measures to ensure that litter from such premises is regularly disposed of and that the licensee has adopted a Litter Policy as set out above.
- 4.3.3 Where temporary structures are used for licensable activities they shall be shown on plan of the premises as the location where they will take place. Once a premises licence has been granted, the location of those structures may not change until an application for a full or minor variation of the premises licence has been submitted and granted.



## 4.4 Temporary Event Notices

4.4.1 The Act states that the premises user must give the Licensing Authority a minimum of 10 working days' notice for a standard temporary event notice and between 5 and 9 working days' for a late temporary event notice. The 'working day' requirement means that the day of receipt of the notice, Saturdays or Sundays, Bank Holidays, or the day of the event are not included as a working day.

4.4.2 Premises users are advised to submit their TENS well before the date of the event (ideally 28 days beforehand). When serving TENS in a hard copy format, the premises user should serve the notice on the Licensing Authority, Police and the Environmental Protection team at the same time to avoid a situation where one of the bodies does not receive their copy within the statutory timescale, which could mean that the event cannot proceed even if the other bodies have received their copy in time.

4.4.3 It is a legal requirement for all organisers to prepare Health and Safety and Fire Safety Risk Assessments with regard to their event. Guidance on how to conduct such risk assessments may be obtained from the relevant enforcing authority. The Licensing Authority may notify the Fire Authority of any TENS submitted so that they can offer advice to event organisers if necessary. Members of the Safety Advisory Group may also be notified of any TENS for similar reasons. Organisers are recommended to give thought to the provision of first aid at such events. It should be noted that if the Fire Authority is of the opinion that the use of premises/venue involves, or will involve, a risk to relevant persons so serious, including anything affecting their escape from the premises in the event of fire, the Fire Authority may prohibit or restrict premises use without notice.

4.4.4 The Authority strongly recommends that premises users address the following issues: -

- Applicants are strongly advised to consider and mitigate the potential impact in terms of public nuisance, i.e. noise, vehicle parking of attendees, traffic.
- Seek relevant professional advice on public liability insurance.
- Seek relevant professional advice on noise, public safety, sanitation, food hygiene, health & safety and fire safety matters. Liaise with local residents and businesses that may be affected by the event, to raise awareness of the nature and duration of the event.
- Seek relevant professional advice on medical provision.
- Ensure that the event site and environs are maintained free of litter to a reasonable extent during an event and completely cleared following an event. This includes the removal of all advertising material used to promote events, within a reasonable period.

Consider the conditions attached to a Premises Licence or Club Premises Certificate and manage the event in accordance with such conditions, where appropriate. (This is to mitigate the potential for adverse impacts on the promotion of the Licensing Objectives and/or complaints).

## 4.5 Personal Licences & Exemption of Designated Premises Supervisor

- 4.5.1 The Licensing Authority places particular emphasis on the role of premises supervisors and licensees and where the Police object on the grounds of prevention of crime and disorder there will be a presumption against issuing a personal licence to any applicant with an unspent conviction for a relevant offence. If the applicant can demonstrate exceptional and compelling reasons for disregarding the conviction, this will be taken into consideration.
- 4.5.2 The Licensing Authority advises that it is good practice for the Personal Licence holder to give specific written and dated authorisation to individuals to demonstrate due diligence. Whilst the Designated Premises Supervisor (“the DPS”) and Personal Licence Holder may authorise sales in their absence, they still remain responsible for those sales. Similarly, the Premises Licence Holder also remains responsible for ensuring that the licensing law and conditions are complied with at that premises. Any authorisations should be meaningful and properly managed.
- 4.5.3 Where a Premises Licence is in force authorising the supply of alcohol, a DPS will need to be nominated. The main purpose of the DPS is to ensure that there is always one specified individual who can be readily identified by Responsible Authorities as the individual who has day-to-day responsibility for running the business and who can therefore ensure that any problems are dealt with swiftly. As such the DPS will occupy a pivotal position. Experience has proved that in some cases the Premises Licence Holder has employed a DPS who is remote from the premises and therefore not involved in the day-to-day running of that premise; the Licensing Authority will therefore pay particular attention to those premises.
- 4.5.4 Whilst the Licensing Authority recognises that a DPS may supervise more than one premise, the DPS must be able to ensure that the four Licensing Objectives are promoted and that the licensing law and licensing conditions are complied with. Where the DPS is not available at the premises for whatever reason, the Licensing Authority recommends a responsible individual is nominated who can deal with matters in the absence of the DPS. In addition, the Licensing Authority recommends that a notice is displayed prominently indicating the name and position of that nominated person. Whenever alcohol is to be sold it is recommended that written and dated consent be given to that nominated person.
- 4.5.5 Experience has indicated that a number of Personal Licence Holders have failed to produce their Personal Licence to the court in accordance with Section 128 of the 2003 Act. In view of this the Licensing Authority will take appropriate action against those who continue to fail to notify the courts and/or provide notification of their change of address in accordance with their statutory duty.

### Exemption of DPS

- 4.5.6 Where a community premises applies for an exemption from the requirement to have a DPS, the Licensing Authority must be satisfied that arrangements for the management of the premises by their Committee or Board of individuals are sufficient to ensure the adequate supervision of the supply of alcohol on the premises. The applicant will be required to set out how the premise is managed, its committee structure and how the supervision of alcohol sales is conducted. Copies of the Constitution and other management documents must be submitted. The



management committee is strongly encouraged to notify the Licensing Authority if there are any key changes in the committee's composition as this committee will collectively be responsible for ensuring compliance with licence conditions and licensing law. Where management arrangements are unclear, the Licensing Authority may seek further details to confirm that the management board or committee is properly constituted and accountable. While overall responsibility lies with the management committee where premises are hired out, the hirer will be clearly identified as having responsibilities falling within their control. Community premises are encouraged to check with the Licensing Authority before making any application.

## 4.6 Large Scale Events

4.6.1 Large Scale events of a temporary or more permanent nature will generally require detailed planning, it is therefore recommended that applicants engage with the Responsible Authorities, the Safety Advisory Group, local Town & Parish Councils and residents as early as possible in the planning process; this should ensure that applicants are aware of potential issues and have already addressed them prior to submission of their application. Such an approach in effect, lengthens the statutory consultation period as there is a considerable amount of work for all parties involved and reduces the number of issues/uncertainties once in the formal process.

4.6.2 It is strongly recommended that applications for Large Scale events are submitted no later than the timescales given below:

Maximum number of attendees at any time	Minimum notice period
500 - 999	Not less than 3 months
1000 - 2999	Not less than 4 months
3000 - 4999	Not less than 5 months
5000 - 9999	Not less than 6 months
10000 - 49999	Not less than 7 months
50000 +	Not less than 8 months

4.6.3 If less notice is given by an applicant, they may have insufficient time to respond fully to representations that may have been submitted; this is particularly relevant where Responsible Authorities and/or other persons take the view that an application is lacking in detail and substance, which can lead to the licensing process becoming drawn out in the lead up to the proposed event. This can lead to pressures on an organiser in the crucial lead up time to an event itself and could lead to the refusal of the licence.

4.6.4 These events have significant potential to undermine the promotion of the Licensing Objectives, due to their sheer size and complexity. The Authority believes that this risk can only be adequately mitigated by the submission of an up to date, relevant, detailed and complete operating schedule that is specific to the proposed event on each separate occasion or for a specific period less than permanent.

4.6.5 Applicants must be mindful that although it is possible for an operating schedule to be drawn sufficiently widely to encompass a range of events under a licence, there is a possibility that it will lack sufficient specific detail to enable responsible authorities

to come to a balanced judgment as to whether the licensing objectives will be placed at risk and as to whether the mitigation measures proposed will be sufficient to avert that risk. Further, the potential for adverse impacts can vary significantly between events even when planned at the same premises; applicants are therefore advised to provide as much detail as possible for each type of event.

- 4.6.6 Applicants are expected to rely most heavily on their own competence and knowledge or that of persons/ bodies that they employ in making their plans. They cannot and should not rely on the input of the Responsible Authorities to ensure that detailed and comprehensive plans for their event are produced. The demands on the Responsible Authorities can be disproportionate to their resources, this might place undue pressure on such bodies, undermining the level of scrutiny of such applications. It must be considered that the legal responsibilities connected to holding such events primarily rest with the applicant, organiser and landowner.
- 4.6.7 Where an applicant does not consider such advice and guidance before making an application this can place Responsible Authorities and/or Other Persons in a difficult position due to the fact that many aspects of an application may be lacking and it may not allow full and proper consideration of the proposals during the objection period. This may undermine their full and proper consideration of an application.
- 4.6.8 Where relevant representations are received in respect of an application for a premises licence/club premises certificate, the Authority will consider, amongst other matters, whether the operating schedule a) defines the events proposed with sufficient certainty to enable Responsible Authorities and the Authority itself to consider the risks to the licensing objectives arising from the event; b) defines the measures proposed to avert those risks with sufficient certainty to enable Responsible Authorities and the Licensing Authority itself to make a balanced judgment as to whether the measures will be sufficient to avert those risks. The authority will generally require a high degree of particularity before deciding that the operating schedule fulfils this requirement but will decide that matter on the merits of each case.
- 4.6.9 Where the Authority judges that the operating schedule is not drafted with sufficient certainty, the application will normally be refused, save in exceptional circumstances. It is unlikely that the circumstances will be considered exceptional unless they give assurance that the licensing objectives will be met despite the lack of certainty in the operating schedule and therefore in the conditions of the licence.
- 4.6.10 Where the Authority judges that the operating schedule is drafted with sufficient certainty, then in deciding the application, the Authority will take account of any risks arising from the temporary nature of the event(s) proposed in the application.
- 4.6.11 Organisers should be able to demonstrate that they have had regard to 'The Event Safety Guide – also known as the 'Purple Guide' and that they have carried out risk assessments suitable for the event; it can be found at:  
<http://www.thepurpleguide.co.uk/>

## 4.7 Sustainable Event Management

- 4.7.1 Events can impact heavily on our resources, society, and the environment, as they can generate significant waste, put a strain on local resources like water or energy, and generate large volumes of traffic. It is, therefore, important that event organisers are taking the right steps to integrate sustainability into their event management and ensure that they are organised responsibly. As such, the Council encourages event

organisers to take the necessary steps to develop proposals that are conscious of the Council's Environment Strategy following its recognition of the Climate and Ecological Emergency, by way of demonstrating what steps will be taken to ensure the environmental impacts of the event are kept to a minimum.

4.7.2 It is highly recommended that event organisers consider the following points:

1. Banning single use plastic glasses/cups in the bars and look to use reusable receptacles.
2. Encourage non fossil fuel powered events, including any caterers.
3. Alcohol sourced from local brewers/suppliers to keep bars with a lower carbon footprint.
4. High recycling rates, a target of 70% plus, which could be evidenced from weighbridge tickets provided by recycling transfer stations.

## 4.8 Reviews of Licence or Club Premises Certificate

- 4.8.1 The Licensing Act 2003 details that where a premises licence or club premises certificate has effect, a responsible authority or another person may apply to the relevant licensing authority for a review of the licence. Nothing in this Policy shall restrict their right to apply for a review of a licence or make relevant representations in accordance with the Act, however the licensing authority may, at any time, reject any ground for review specified in an application under this section if it is satisfied that the ground is not relevant to one or more of the licensing objectives, or in the case of an application made by a person other than a responsible authority, that the ground is frivolous or vexatious, or the ground is a repetition.
- 4.8.2 Where a person or body is considering making an application for a review, they are advised to contact the Licensing Team. This is so that the Licensing Authority may provide some initial feedback on the matter and then, if appropriate, attempt to facilitate a meeting or a series of meetings between relevant persons and bodies to consider alternative solutions and/or discuss the review process.
- 4.8.3 Applicants should make all reasonable efforts to set out their concerns regarding an authorisation concisely and clearly, and ensure that these concerns are relevant to a failure to promote the Licensing Objectives.
- 4.8.4 Examples of triggers for a review may be: continual complaints of noise from or in the vicinity of the premises; continual complaints of noise or intimidation from customers outside the premises; an accumulation of breaches of licensing conditions; poor management where the licensing objectives are undermined; underage sales of alcohol (persistent or otherwise); crime-related activity; anti-social behaviour; sales of alcohol outside of the permitted hours, etc.
- 4.8.5 The Licensing Authority shall expect applicants for a review to gather sufficient and relevant evidence relating to the specific premises that is subject to the review. This may include a diary of events and any potential witnesses. With regard to reviews on noise complaints, applicants are encouraged to liaise with the Council's Environmental Protection team who may be able to assist with and support the review process.

4.8.6 Prior to a review, however, Avon and Somerset Police, other Responsible Authorities or the Licensing Authority may seek to meet with the licence/certificate holder to address issues through a premises improvement plan.

#### 4.9 Administration, Exercise and Delegation of Functions

4.9.1 The Council has a Licensing Committee, consisting of 15 elected members, to carry out its licensing functions and to make licensing decisions, except those functions relating to the making of a Statement of Licensing Policy.

4.9.2 In the interests of speed, efficiency and cost-effectiveness the Committee will delegate certain decisions and functions to Sub-Committees and Licensing specialists.

4.9.3 For example, where there are no relevant representations on an application for the grant of a premises licence or club premises certificate or Police objection to an application for a personal licence, these matters should be dealt with by Licensing specialists.

4.9.4 The following table sets out the agreed delegation of decisions and functions to the Licensing Committee, Sub-Committees and Licensing specialists.

4.9.5 This scheme of delegation does not prevent the referral of matters to a higher authority if considered appropriate in the circumstances of any particular case.

MATTER TO BE DEALT WITH	FULL COUNCIL	SUB-COMMITTEE OR FULL COMMITTEE IF APPROPRIATE	LIENSING SPECIALISTS
Application for personal licence, with no relevant convictions, or with spent relevant convictions			✓
Application for personal licence, with unspent convictions		If a Police representation is made and not withdrawn	
Application for premises licence/club premises certificate		If a representation is made and not withdrawn	All other cases
Application for provisional statement		If a representation is made and not withdrawn	All other cases
Application to vary premises licence/club premises certificate		If a representation is made and not withdrawn	All other cases

MATTER TO BE DEALT WITH	FULL COUNCIL	SUB-COMMITTEE OR FULL COMMITTEE IF APPROPRIATE	LIENSING SPECIALISTS
Application to vary designated premises supervisor		If a police objection is made and not withdrawn	All other cases
Request to be removed as designated premises supervisor			✓
Application for transfer of premises licence		If a police /Secretary of State objection is made and not withdrawn	All other cases
Application for interim authority		If a police/Secretary of State objection is made and not withdrawn	All other cases
Application to review premises licence/club premises certificate		✓	
Decision on whether a complaint is irrelevant, frivolous, vexatious, etc			✓
Decision to object when local authority is a consultee and not the relevant authority considering the application		✓	
Determination of a police or environmental protection objection to a temporary event notice		✓	
Imposition of existing conditions on a standard TEN (s106A LA03)		✓	
Determination of application to vary licence at community premises to include alternative licence condition		If Police objection made and not withdrawn	All other cases

MATTER TO BE DEALT WITH	FULL COUNCIL	SUB-COMMITTEE OR FULL COMMITTEE IF APPROPRIATE	LIENSING SPECIALISTS
Decision on whether to consult other Responsible Authorities on Minor Variation application			Lead Specialist – Environment or their deputy in their absence
Application for a Minor Variation			If representation(s) made and not withdrawn – Lead Specialist - Environment
Acting as a Responsible Authority on behalf of the Licensing Authority			Lead Specialist - Environment or their deputy in their absence
Suspension of a Premises licence of Club premises Certificate for non-payment of annual fee			Lead Specialist – Environment or their deputy in their absence
Specify the date on which suspension takes effect (min 2 working days)			Lead Specialist – Environment or their deputy in their absence
Licensing Policy Approval	✓		
Decision to make, vary or revoke an Early Morning Restriction Order	✓		
Decision on whether or not an EMRO is appropriate		✓	
Decision to introduce, vary or end a late night levy	✓		
Other decisions relating to administration and design of levy		✓	

- 4.9.6 Members of the Licensing Committee) will comply with the South Somerset District Council Code of Conduct for Councillors and will declare any personal or prejudicial interest in any matter coming before them in accordance with the Code. Members with a prejudicial interest will have the opportunity to speak as any member of the public (i.e. only where they make relevant representations) is permitted but will withdraw from the room in which the meeting is being held immediately after speaking and will not seek to improperly influence the decision.
- 4.9.7 Members of the Licensing Committee who make representations on behalf of any Other Person or in their own right as a member of the Licensing Authority will not sit on the Committee or any Sub-Committee making any decision in relation to the matter in question, nor take any other part in the decision-making process

#### **4.10 Licensing Authority as a Responsible Authority**

- 4.10.1 The Police Reform and Social Responsibility Act 2011 amended the 2003 Act to include the Licensing Authority as a Responsible Authority. This Licensing Authority is therefore empowered to fulfil the same functions as other Responsible Authorities under the Act including making relevant representations to new licence/certificate applications and variations and reviewing an existing licence/certificate.
- 4.10.2 The Licensing Authority will however not normally act on behalf of other parties (e.g. local residents, councillors or community groups) as such parties may make relevant representations in their own right. However, if these parties fail to take action and the Licensing Authority is aware of relevant grounds to make a representation, it may in these circumstances choose to act in its capacity as a Responsible Authority. However, before the Licensing Authority acts in this capacity it will expect other Responsible Authorities to intervene where the basis for that intervention falls within their remit. The Licensing Authority recognises that each Responsible Authority has equal standing under the 2003 Act and has the power to act independently without waiting for representations from any other Responsible Authority.
- 4.10.3 In cases where the Licensing Authority is also acting in its capacity as a Responsible Authority it will ensure that there is a separation of responsibilities within the Council to ensure procedural fairness and eliminate conflict of interests. The Licensing specialist reporting to the Licensing Sub Committee shall be different from the officer who is acting as the Responsible Authority.



## APPENDIX A GLOSSARY OF TERMINOLOGY

Cumulative Impact	Where there is a potential impact on the promotion of the Licensing Objectives of a significant number of licensed premises concentrated in one area.
Club Premises Certificate	means a certificate granted to a qualifying club under the Act in respect of premises occupied, and habitually used for the purposes of a club. Alcohol must not be supplied other than to members by or on behalf of the club.
Hot food or hot drink	<p>food or drink supplied on or from any premises is “hot” for the purposes of Schedule 2 to the Act if the food or drink, or any part of it:</p> <p>(i) before it is supplied, is heated on the premises or elsewhere for the purpose of enabling it to be consumed at a temperature above the ambient air temperature and, at the time of supply, is above that temperature, or</p> <p>(ii) after it is supplied, may be heated on the premises for the purpose of enabling it to be consumed at a temperature above the ambient air temperature.</p>
Licensable activities and qualifying club activities	<p>are defined in the Licensing Act as:</p> <p>(i) the sale by retail of alcohol</p> <p>(ii) the supply of alcohol by or on behalf of a club to, or to the order of, a member of the club</p> <p>(iii) the provision of regulated entertainment</p> <p>(iv) the provision of late night refreshment - for those purposes the following licensable activities are also qualifying club activities:</p> <p>(i) the supply of alcohol by or on behalf of a club to, or to the order of, a member of the club for consumption on the premises where the supply takes place</p> <p>(ii) the sale by retail of alcohol by or on behalf of a club to a guest of a member of the club for consumption on the premises where the sale takes place</p> <p>(iii) the provision of regulated entertainment where that provision is by or on behalf of a club for members of the club or members of the club and their guests.</p>
Operating Schedule	<p>means a document that must be prepared by or on behalf of an applicant for a premises licence or club premises certificate containing a statement including the following matters:</p> <ul style="list-style-type: none"> <li>• the relevant licensable activities</li> <li>• the times at which licensable activities are to take place and any other times the premises are to be open to the public</li> <li>• information about the Designated Premises Supervisor (if any)</li> <li>• whether any alcohol sales are on and/or off sales (if any)</li> </ul>



	<ul style="list-style-type: none"> <li>the steps being taken to promote the licensing objectives.</li> </ul>
Other Persons	any individual, body or business affected by the operation of a licensed premises, regardless of their geographical proximity to the premises
Personal Licence	authorises an individual to supply or authorise the supply of alcohol in accordance with a premises licence.
Premises Licence	authorises the premises to be used for one or more licensable activities.
Provision of late night refreshment	<p>is defined as the provision of hot food or hot drink to members of the public, or a section of the public on or from any premises, whether for consumption on or off the premises between 11 pm and 5 am or,</p> <p>at any time between those hours when members of the public, or a section of the public, are admitted to any premises, a person supplies, or holds himself willing to supply, hot food or hot drink to any persons, or to persons of a particular description, on or from those premises, whether for consumption on or off the premises.</p>
Regulated Entertainment	<p>Where not subject to amending legislation is defined as:</p> <p>(a) a performance of a play</p> <p>(b) an exhibition of film</p> <p>(c) an indoor sporting event</p> <p>(d) a boxing or wrestling entertainment</p> <p>(e) a performance of live music</p> <p>(f) any playing of recorded music</p> <p>(g) a performance of dance</p> <p>(h) entertainment of a similar description to that falling within paragraph (e), (f) or (g) where the entertainment takes place in the presence of an audience and is provided for the purpose, or for purposes which include the purpose of entertaining that audience. Any reference to an audience includes a reference to spectators. This definition is subject to Part 3 of Schedule 1 to the Licensing Act 2003 (interpretation).</p>
Responsible Authority	<p>is defined as:</p> <p>3.0 the relevant licensing authority and any other licensing authority in whose area part of the premises is situated</p> <p>4.0 the Chief Officer of Police for any Police area in which the premises are situated</p> <p>5.0 the Fire and Rescue Service for any area in which the premises are situated</p> <p>6.0 the Director of Public Health ((England)</p>

	<p>7.0 the enforcing authority within the meaning given by section 18 of the Health and Safety at Work etc Act 1974 for any area in which the premises are situated</p> <p>8.0 the local planning authority within the meaning given by the Town and Country Planning Act 1990 (c.8) for any area in which the premises are situated</p> <p>9.0 the local authority by which statutory functions are exercisable in any area in which the premises are situated in relation to minimising or preventing the risk of pollution of the environment or of harm to human health</p> <p>10.0 a body which:</p> <ul style="list-style-type: none"> <li>• represents those who, in relation to any such area, are responsible for, or interested in matters relating to the protection of children from harm, and</li> <li>• is recognised by the licensing authority for that area for the purposes of this section as being competent to advise it on such matters</li> </ul> <p>11.0 in relation to a vessel:</p> <p>(i) a navigation authority (within the meaning of section 221(1) of the Water Resources Act 1991 (c.57)) having functions in relation to the waters where the vessel is usually moored or berthed or any waters where it is or is proposed to be, navigated at a time when it is used for licensable activities</p> <p>(ii) the Environment Agency</p> <p>(ii) the British Waterways Board, or</p> <p>(iii) Secretary of State</p> <p>12.0 a person prescribed for the purpose of this subsection.</p> <p>13.0 The local weights and measures authority (Trading Standards)</p> <p>14.0 Home Office Immigration Enforcement (on behalf of the Secretary of State).</p>
Safety Advisory Group	A non-statutory group of Regulatory Authorities offering a single point of reference on event safety to both event organisers and regulatory services alike.
Temporary Event	is defined as the use of premises for one or more of the licensable activities during a period not exceeding 168 hours usually where a premises licence covering the licensable activity is not in place.
Temporary Event Notice	a document giving notice to the Licensing Authority of intention to hold a temporary event

## APPENDIX B

### CONTACT ADDRESSES AND TELEPHONE NUMBERS FOR RESPONSIBLE AUTHORITIES FOR SOUTH SOMERSET DISTRICT COUNCIL

RESPONSIBLE AUTHORITY	ADDRESS	TELEPHONE NUMBER
<b>Avon and Somerset Police</b>  liquorlicensing@avonandsomerset.pnn.police.uk	Liquor Licensing PO Box 3119 Bristol BS1 2AA	
<b>Fire Authority</b>	The Station Officer, The Fire Station, Yeovil, Somerset, BA20 1JF	01935 382000
<b>South Somerset District Council (Environmental Protection)</b>  enhpollution@southsomerset.gov.uk	Environmental Protection Team The Council Offices Brympton Way Yeovil Somerset BA20 2HT	01935 462462
<b>South Somerset District Council (Planning Department )</b>  planning@southsomerset.gov.uk	Planning Department Council Offices Brympton Way Yeovil Somerset, BA20 2HT	01935 462462
<b>South Somerset District Council (Licensing Responsible Authority)</b>  licensing@southsomerset.gov.uk	Vicki Dawson Lead Specialist, Environment Council Offices Brympton Way Yeovil Somerset, BA20 2HT	01935 462462
<b>South Somerset District Council (Health and Safety)</b>  food.safety@southsomerset.gov.uk	Food & Safety Team Council Offices Brympton Way Yeovil Somerset, BA20 2HT	01935 462462
<b>Health and Safety Executive (for schools, colleges, universities and factories)</b>	2 Rivergate Bristol BS1 6EW	0117 988 6000
<b>NHS Somerset – Public Health</b>	Public Health Somerset County Council A3W County Hall Taunton TA1 4DY	01823 357207
<b>Social Services – Somerset County Council</b>	FAO Mrs Kara Storey PO Box 5199	01935 422111

	Council Offices Brympton Way Yeovil Somerset BA20 2HT	
<b>Trading Standards</b>  tsadvice@devon.gov.uk	Devon and Somerset Trading Standards Buckland Road Chelston Wellington Somerset TA21 9HP	0845 3459166
Home Office (Immigration Enforcement) <b>(not required where the application is ONLY for regulated entertainment)</b>	Alcohol Licensing Team Lunar House 40 Wellesley Road Croydon CR9 2BY	<b>Not Applicable</b>
<b>Responsible Authority for Vessels (for the whole of the Southwest)</b> <b>(not required unless premises is a vessel)</b>	FAO Tony Heslop Maritime & Coastguard Plymouth Marine Office, Western Region, New Fish Market, Fish Quay Plymouth, PL4 0LH	01752 266211

Please don't forget that the Licensing Authority in its administrative capacity also requires a copy of the application form, plan and any other enclosures not forgetting the application fee.

## Energy Rebate Discretionary Scheme Policy

Executive Portfolio Holder:	Peter Seib, Finance and Legal Services
Strategic Director:	Kirsty Larkins, Service Delivery
Lead Officer:	Catherine Thompson, Benefits Specialist, Benefits & Housing
Contact Details:	Catherine.thompson@southsomerset.gov.uk

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## Purpose of the Report

1. To inform the Council of the Energy Rebate Discretionary Scheme Policy that has been developed in collaboration with Somerset West & Taunton, Sedgemoor and Mendip District Councils.

## Public Interest

2. On 3 February 2022, the Government announced measures to help protect millions of households from rising energy costs by way of Main and Discretionary payment schemes.
3. Whilst the Main Government scheme is limited to paying a £150 rebate to all eligible households in Council Tax bands A-D, the Government has also provided South Somerset District Council £298,350 for a Discretionary Fund to support those suffering financial hardship as a result of the rising cost of living.

## Recommendation

4. That Full Council agree to endorse the Discretionary Energy Rebate Scheme.

## Background

5. Councils can determine how best to use their Discretionary Fund and where it considers the best means of supporting those in financial difficulty including carefully targeted top up payments or to offer support exceeding £150 per household. The Government expects that all support from the Discretionary Fund is targeted towards those most likely to be suffering hardship as a result of the rising cost of living.
6. In designing our discretionary scheme we have focused on five objectives:
  - Delivers on the Government and public's expectation of quickly mobilising and delivering support to hard pressed households.
  - Uses the means-tested Council Tax Support (CTS) scheme as a consistent basis of identifying low income/low capital households, (and consequently those most likely to be impacted the most from rising energy bills).
  - Manages expenditure within the funding provided.
  - Is straightforward to administer.

- Ring-fences some of the funds available for households in difficult circumstances which cannot be captured within a rules- based framework.

## The Discretionary Scheme Policy

7. The Discretionary Scheme was developed in conjunction with Somerset West & Taunton, Sedgemoor and Mendip District Councils with the aim of having a Somerset Wide scheme.
8. We designed the scheme with three parts:
  - a. A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E to H **and** who are in receipt of CTS.
  - b. A single “top up” payment of £27\* to all households within Council Tax Band A to H who receive a £150 Council Tax Energy Rebate from either the main or discretionary scheme **and** who are in receipt of CTS
  - c. A **General Energy Support Fund** payment of £150 for any household not entitled to either a payment in (a) or (b) above or a payment under the Mandatory Council Tax Energy Rebate **and**
    - i. Is directly responsible for household energy bills; **and**
    - ii. Is experiencing financial hardship and struggling to meet their energy costs
9. The payment under part 3 will be by referral by a partner agency (in the case of South Somerset – Citizen’s Advice)
10. The effective date for this scheme is 1<sup>st</sup> April 2022. The Council will determine eligibility based on the position at the end of that day. This is in line with the Mandatory Scheme.
11. At the time of writing this report the three step scheme has been agreed in all Somerset Councils and is supported by South Somerset Citizen’s Advice.

## Financial Implications

12. Funding received in the sum of £298,350 for the Discretionary Scheme.
13. £5,000 has been set aside towards the General Energy Support Fund
14. £150 for households in Council Tax bands E-H who also receive Council Tax Support. This equates to 234 households and the total sum of £35,100.00
15. This leaves £258,250 for the top up payment to Council Tax Support recipients in bands A-H. This is 9,357 recipients = £27.60.
16. Rounded down to the nearest pound of £27.00 leaves a balance of £5,611 to be added to the General Energy Support Fund bringing this to £10,611 which will be enough for 70 payments of £150.

17. \*This calculation has been used by Somerset West & Taunton and Mendip Councils hence the variance in the top up payment due to differing caseloads. The top up payment in Mendip is £25, £21 in Sedgemoor and £24 for Somerset West & Taunton. Sedgemoor have not specified an amount for the General Fund (part 3).

### Legal implications (if any) and details of Statutory Powers

18. None

### Council Plan Implications

Priority 2: Healthy and self-reliant communities  
Priority 3: Economy and Covid-19 recovery plan

### Carbon Emissions and Climate Change Implications

None

### Equality and Diversity Implications

<i>An Equality Impact Relevance Check Form has been completed in respect of the Proposal?</i>	No
<i>The Impact Relevance Check indicated that a full EIA was required?</i>	N/A
<i>If an EIA was <b>not</b> required please attach the Impact Relevance Check Form as an Appendix to this report and provide a brief summary of its findings in the comments box below.</i>	
<i>If an EIA <b>was</b> required please attach the completed EIA form as an Appendix to this report and provide a brief summary of the result of your Equality Impact Assessment in the comment box below.</i>	
<b>Additional Comments</b>	
<b>A Somerset Wide EIA has been prepared which shows no negative impacts. See document attached.</b>	

### Privacy Impact Assessment

Although referrals may be received from our partner agency (in the case of South Somerset – Citizen’s Advice), all personal data will be processed by SSSDC staff.

### Background Papers

- South Somerset District Council Discretionary Council Tax Energy Rebate Scheme 2022-23
- Equalities Impact Assessment



# Somerset Equality Impact Assessment

Before completing this EIA please ensure you have read the EIA guidance notes – available from your Equality Officer

<b>Organisation prepared for</b>	South Somerset District Council		
<b>Version</b>	1.0	<b>Date Completed</b>	25/04/2022

## Description of what is being impact assessed

Our proposals for a discretionary energy rebate scheme are being impact assessed. The proposed scheme is attached as an appendix to this assessment.

On 3 February 2022, the Government announced measures to help protect millions of households from rising energy costs.

As part of these measures South Somerset District Council were, in early April 2022, provided with £298k with which to develop a discretionary energy rebate scheme.

Part 15 of the *Council Tax rebate – frequently asked questions* document, sent to Councils on 16 March 2022, clarifies that ‘Councils can determine how best to use their Discretionary Fund to support those suffering financial hardship as a result of the rising cost of living.

Where councils consider it the best means of supporting those in financial difficulty, they can use the discretionary fund to offer carefully targeted 'top-up' payments to the most vulnerable households in bands A -D (for example, those on means tested benefits), or to offer support exceeding £150 per household under their discretionary scheme. The Government expects that all support from the Discretionary Fund is targeted towards those most likely to be suffering hardship as a result of the rising cost of living’.

In designing our discretionary scheme we have focused on five objectives:

- Delivers on the Government and public’s expectation of quickly mobilising and delivering support to hard pressed households.
- Uses the means-tested Council Tax Support (CTS) scheme as a consistent basis of identifying low income/low capital households, (and consequently those most likely to be impacted the most from rising energy bills).
- Manages expenditure within the funding provided.

- Is straightforward to administer.
- Ring-fences some of the funds available for households in difficult circumstances which cannot be captured within a rules-based framework.

We designed our proposed discretionary scheme with three parts:

1. A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E to H **and** who are in receipt of CTS.
2. A single “top up” payment of £27 to all households within Council Tax Band A to H who receive a £150 Council Tax Energy Rebate from either the main or discretionary scheme **and** who are in receipt of CTS
3. A **General Energy Support Fund** of £5k plus the balance after making payment of a) and b) above for those not qualifying under (a) or (b) or a main scheme payment **and**
  - i. Is directly responsible for household energy bills; **and**
  - ii. Is experiencing financial hardship and struggling to meet their energy costs

The payment under this part will be £150 and will be made upon referral by a partner agency (in the case of South Somerset – Citizen’s Advice)

## Evidence

**What data/information have you used to assess how this policy/service might impact on protected groups?** Sources such as the [Office of National Statistics](#), [Somerset Intelligence Partnership](#), [Somerset’s Joint Strategic Needs Analysis \(JSNA\)](#), Staff and/ or [area profiles](#), should be detailed here

We have drawn upon published reports in relation to fuel poverty such as:

[Annual fuel poverty statistics report: 2022](#) (2020 data), [Fuel poverty factsheet](#) and [Sub-regional Fuel Poverty in England 2021 \(2019 data\)](#) in order to identify household characteristics /composition where fuel poverty is likely to be most prevalent.

In 2020, there were an estimated 13.2 per cent of households (3.16 million) in fuel poverty in England. The rate for the south west was lower at 10.6% and for SSDC district was 11%. This will have risen significantly during 2022 due to the huge rises in wholesale and retail energy prices.

Households that pay for their energy bills by prepayment are no longer the most likely to be fuel poor. The prepayment price cap contributed to this. Those on standard credit schemes (eg non-DD payers ) are most likely to be fuel poor. Those who pay their energy bills by direct debit are least likely to be energy poor.

Household composition - Single parent households are most likely to be fuel poor. However, couples over 60 have the largest average gap (the reduction in fuel bill that the average fuel poor household needs in order to not be classed as fuel poor).

Tenure – Households living in privately rented accommodation are most likely to be fuel poor

Employment - Households where the household reference person is unemployed are three times more likely to be in fuel poverty than the national average. Only roughly half of adults with a disability are in employment, compared to around 80% of non-disabled people (Labour Force Survey, LFS)

We have also drawn on our own Council Tax data to identify households in receipt of means tested benefits. In particular our [CTS scheme](#) data. This is a local means tested benefit scheme for people who have to pay Council Tax and are on a low income, with modest levels of capital.

Our CTS caseload is split broadly 60:40 working age caseload to pensioner age caseload. We have a responsibility to foster good relationships between people who share a protected characteristic and those who do not. There is a risk of harming the relationship between pensioners and working age claimants if we were to focus the discretionary energy support on just one of these caseload groups. Our proposal therefore seeks to treat both of these caseload groups equally.

Having examined the CTS data there is a correlation between the recipient base and those most likely to be in fuel poverty. Single parents, unemployed people and people with disabilities in particular were heavily represented within our caseload. This provides some assurance that using the means tested CTS caseload as the basis for eligibility for our proposed discretionary energy rebate scheme has sound logic and will reasonably target energy support toward households most likely to be in need of that support.

We do recognise however that there are likely to be some households experiencing fuel poverty that are outside of the Council Tax system or indeed outside of the CTS scheme.

In particular, younger people are more likely than older people to reside in Houses of Multiple Occupation (HMO). We hold no records of the number of people in this position. However, in many of these instances the resident will not be liable for payment of Council Tax and will not therefore qualify for the mandatory £150 energy support payment. Many will however be responsible for the payment of energy bills (often through a pre-payment meter). Therefore, to provide a possible route for these households to receive some support, our proposals include a general energy support fund which is not dependent upon the household being liable for the payment of Council Tax.

Similarly, there are likely to be 'asset rich' but 'cash poor' households who do not qualify for CTS that occupy large, often poorly insulated homes which require a significant portion of the household income to heat. The properties are often in the higher Council Tax bands that do not attract the mandatory £150 energy support payment. Often these are occupied by older, rather than younger people, in more rural locations. Again, the proposed general energy support fund will provide a possible route for these households to receive some support

**Who have you consulted with to assess possible impact on protected groups?** If you have not consulted other people, please explain why?

We have not undertaken public consultation. This scheme is designed within the pre-election period and is being approved using the urgent decisions process within our Constitution given the expectation of both Government and communities to distribute this assistance as quickly as possible to help with the present cost of living crisis; significantly caused by rising home energy prices.

## Analysis of impact on protected groups

The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. Consider how this policy/service will achieve these aims. In the table below, using the evidence outlined above and your own understanding, detail what considerations and potential impacts against each of the three aims of the Public Sector Equality Duty. Based on this information, make an assessment of the likely outcome, before you have implemented any mitigation.

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Age	<p>It is believed the outcome of this scheme will have a positive impact on people of any age that are in receipt of CTS and are responsible for the payment of home energy bills, and will not negatively impact on people of particular ages or ranges or ages that fall outside of its scope.</p> <p>Some younger people however are more likely than older people to reside in Houses of Multiple Occupation (HMO). We hold no records of the number of people in this position. However, in many of these instances the resident will not be liable for payment of Council Tax and will not therefore qualify for the mandatory £150 energy support payment. Many will however be responsible for the payment of energy bills (often through a pre-payment meter). Therefore, to provide a possible route for these households to receive some support, our proposals include a general energy support fund which is not dependent upon the household being liable for the payment of Council Tax.</p> <p>Similarly, there are likely to be 'asset rich' but 'cash poor' households who do not qualify for CTS that occupy large, often poorly insulated homes which require a significant portion of the household income to heat. The properties are often in the higher Council Tax bands that do not attract the mandatory £150 energy support payment. Often these are occupied by older, rather than younger people, in more rural locations. Again, the proposed general energy support fund will</p>			X

	provide a possible route for these households to receive some support.			
<b>Disability</b>	<p>People with a disability are less likely to be in full time paid employment and therefore be less resilient to the impact of significant increases in home energy bills and, as a consequence be more likely to be experiencing full poverty.</p> <p>It is believed the outcome of this scheme will have a positive impact on those within this group that are in receipt of CTS which has additional disregards for those with disabilities and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope.</p>			X
<b>Gender reassignment</b>	<p>We hold no data on our Council Tax system to identify the names or numbers of current CTS applicants who share this protected characteristic. Gender reassignment is not a factor in any part of the assessment of CTS, or this scheme, and it is not considered to be a characteristic which requires greater assistance when assessing support.</p> <p>It is believed the outcome of this scheme will have a neutral impact on those within this group that are in receipt of CTS and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope</p>		X	
<b>Marriage and civilpartnership</b>	<p>Marital or civil partnership status is not currently a factor in determining CTS, or this scheme, as it is not considered to be a characteristic that requires greater assistance when assessing support.</p> <p>It is believed the outcome of this scheme will have a neutral impact on those within this group that are in receipt of CTS and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope</p>		X	

<b>Pregnancy and maternity</b>	<p>Pregnancy alone is not a factor in the current assessment of CTS, or this scheme, as it is not considered to be a characteristic that requires a higher level of support.</p> <p>It is believed the outcome of this scheme will have a neutral impact on those within this group that are in receipt of CTS and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope.</p>		X	
<b>Race and ethnicity</b>	<p>Race is not a factor in the assessment of CTS, or this scheme, and it is not considered to be a characteristic that requires greater assistance when assessing support.</p> <p>It is believed the outcome of this scheme will have a neutral impact on those within this group that are in receipt of CTS and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope</p>		X	
<b>Religion or belief</b>	<p>We do not hold data on religion or belief within our Council Tax or CTS records.</p> <p>Religion and belief is not a factor in any part of the assessment of CTS, or this scheme, as it is not considered to be a characteristic which requires greater assistance when assessing support.</p> <p>It is believed the outcome of this scheme will have a neutral impact on those within this group that are in receipt of CTS and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope</p>		X	
<b>Sex</b>	<p>There are a greater number of female recipients of CTS within our caseload (either single, lone parents or part of a couple) than male recipients.</p> <p>The majority of lone parents in receipt of CTS are female. Lone parent households have been identified as being at highest risk of experiencing fuel poverty.</p> <p>Consequently, more females than males will benefit from payments under this scheme. This is not deliberate but is simply a product of</p>			X



	<p>the makeup of our caseload. However, gender will not be a direct factor in any part of the assessment of CTS, or this scheme, as it is not considered to be a characteristic that requires greater assistance when assessing support.</p> <p>For both men and women that are in receipt of CTS and are responsible for the payment of home energy bills the impact of this scheme is expected to be positive and will not negatively impact those within this group that fall outside of its scope</p>			
<b>Sexual orientation</b>	<p>We do not hold details of people's sexual orientation on our Council Tax records. Sexual orientation is not a factor in any part of the assessment of CTS, or this scheme, as it is not considered to be a characteristic which requires a higher level of support.</p> <p>It is believed the outcome of this scheme will have a neutral impact on those within this group that are in receipt of CTS and are responsible for the payment of home energy bills and will not negatively impact those within this group that fall outside of its scope</p>		X	
<b>Other, e.g. carers, veterans, homeless, low income, rurality/isolation, etc.</b>	<p>This scheme focuses on supporting those with low incomes and modest levels of capital that are, as a consequence, likely to be less resilient to the impact of significant increases in home energy bills and more likely to be experiencing full poverty. Consequently, those households on our Council Tax records that receive means tested CTS will be supported by this scheme. We do not believe this scheme will negatively impact those within these groups that fall outside of its scope.</p>			X

**Negative outcomes action plan**

Where you have ascertained that there will potentially be negative outcomes, you are required to mitigate the impact of these. Please detail below the actions that you intend to take.

<b>Action taken/to be taken</b>	<b>Date</b>	<b>Person responsible</b>	<b>How will it be monitored?</b>	<b>Action complete</b>
N/A				

**If negative impacts remain, please provide an explanation below.**

<b>Completed by:</b>	Catherine Thompson
<b>Date</b>	25/04/2022
<b>Signed off by:</b>	

<b>Date</b>	
<b>Equality Lead/Manager sign off date:</b>	
<b>To be reviewed by:</b> (officer name)	Catherine Thompson
<b>Review date:</b>	

# **The Discretionary Council Tax Energy Rebate Scheme 2022-23**

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## Definitions

The following definitions are used within this document:

**‘Chargeable Dwelling’;** means any dwelling that appears on the Council’s Council Tax Valuation List on 1 April 2022;

**‘Council Tax Exemption or Exempt Dwelling’;** means any chargeable dwelling which is determined by the Council as exempt from Council Tax as prescribed by the Council Tax (Exempt Dwellings) Order 1992 as amended;

**‘Council Tax Energy Rebate Scheme or Mandatory Scheme’;** means the scheme announced by the Secretary of State for Levelling Up, Housing and Communities on 3 February 2022 as part of a package of support for rising energy costs;

**‘Council Tax Payer or Liable Person’** means the liable person determined by the Council as being responsible for Council Tax under section 6 of the Local Government Finance Act 1992;

**‘Council Tax Reduction (or Support)’** means any entitlement awarded under section 13A 1(A) of the Local Government Finance Act 1992;

**‘Discretionary Scheme or Fund’;** means the scheme determined by the Council in line with the guidance issued by the Department for Levelling Up, Housing and Communities announced on 3 February 2022;

**‘Effective Date’** ; means the effective date of this scheme. The effective date shall be the situation as at the end of the day on 1 April 2022

**‘Empty Dwelling (or premises)’** means any dwelling that is not deemed to be the sole or main residence of a person and are substantially unfurnished;

**‘Liability for Owner’;** means any dwelling determined to fall within the Council Tax (Liability for Owners) Regulations 1992, for example, House in Multiple Occupation or Residential Care homes;

**‘Mandatory Scheme’;** means the scheme determined by Government in line with the guidance issued by the Department for Levelling Up, Housing and Communities announced on 3 February 2022;

**‘Second Home’** means any dwelling not deemed to be the sole or main residence of the liable person and which is furnished as defined by the Council Tax (Prescribed Class of Dwellings) (England) Regulations 2003 as amended; and

**‘Sole or main residence’** means the dwelling determined by the Council to be the sole or main residence of a person.

## 1.0 Purpose of the scheme and background.

- 1.1 The purpose of this policy is to determine eligibility for a payment under the Council's Discretionary Council Tax Energy Rebate Scheme (the 'Discretionary Scheme').
- 1.2 The scheme has been designed based on general guidance issued by the Secretary of State for Levelling Up, Housing and Communities on 3<sup>rd</sup> February 2022. However, it is separate to the mandatory Council Tax Energy Rebate Scheme which is largely determined by Government
- 1.3 The Council's Discretionary Scheme is part of a package of support for households in respect of rising energy costs.
- 1.4 Government has determined that Councils can decide locally how best to make use of the discretionary funding to provide payments to other households who are energy bill payers but not covered by the mandatory Council Tax Rebate. However, Government has stated that occupants of class M (student halls) are unlikely to be eligible for discretionary support, unless they are exposed to rising energy prices in a similar way to other households and discretionary support should **not** be offered to occupants of property in exemption class O, where the Ministry of Defence will provide cost of living support.

## 2.0 Funding

- 2.1 Government has provided funding to the Council; however, all payments will have to be made prior to the 30 November 2022 which is the deadline for this scheme. Given the need to meet this deadline all applications must be made by no later than 23 November 2022. However, as the funding provided to the Council for this scheme is limited, the Council reserves the right to close the scheme or any part thereof should funding be exhausted earlier.

## 3.0 Eligibility criteria and awards

### Basic eligibility

- 3.1 The Council has decided that the payments will be made provided:
  - (a) the household has their sole or main residence in a dwelling; and
  - (b) the Council Tax liable person is not a local authority, a corporate body or other body such as a housing association, the government or governmental body.

### Awards

- 3.2 Where the criteria in 3.1 (a) and (b) are met, the following awards will be made:
  - (a) A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E to H **and** who are in receipt of Council Tax Reduction (Council Tax Support);
  - (b) A single 'top up' payment of £27 to any household within Council Tax band A to H who receives an award of Council Tax Reduction (Support); and



- (c) A payment of £150 for any household, not entitled to either a payment in (a) or (b) above or a payment under the mandatory Council Tax Energy Rebate **and**:
- (i) Is directly responsible for household energy bills; and
  - (ii) Is facing significant difficulties in paying energy bills.

3.3 In the case of 3.2(a) and (b), households in Council Tax band E who receive a Reduction for Disability in accordance with the Council Tax (Reduction for Disabilities) Regulations 1992 (Disabled Person Reductions), will be treated as being in Council Tax band D.

3.4 In the case of 3.2(c), applications will be dealt by partner agencies working with the Council and referred to the Council for a decision to be made as to whether an award should be made.

3.5 For the purpose of the discretionary scheme, a household is a person or group of persons occupying a single dwelling, as defined in section 3 of the Local Government Finance Act 1992.

### **Effective date**

3.6 The effective date for this scheme is 1 April 2022. The Council will determine eligibility based on the position at the end of that day.

### **Exclusions**

3.7 The following households are excluded from this scheme:

- A property that has is not a person's sole or main residence;
- A property that is deemed to be a second home for Council Tax purposes;
- An unoccupied property (for the purposes of Council Tax);
- Occupants of Council Tax exemption class M (Halls of Residence); and
- Occupants of property in Council Tax exemption class O, (Ministry of Defence).

### **Alterations to liability or the Council Tax Band**

3.8 Where the Council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, it will withhold the payment and take reasonable steps to determine the correct information.

3.9 Where records relating to the liable taxpayer(s) or the residents' circumstances in respect of 1 April 2022 are retrospectively updated, the Councils will take reasonable steps to either pay the discretionary award or potentially reclaim any payment made.

3.10 In any case, where the Council Tax band of the chargeable dwelling is amended retrospectively after 1 April 2022, for example where a successful appeal is made to the Valuation Office Agency (VOA) that concluded after this date, the Council is not required either to pay any discretionary award or to reclaim any payment made.

## Eligibility Disputes

- 3.11 The decision of the Council on any eligibility matter will be final. Should any applicant feel aggrieved by any decision of the Council, then matters will be dealt with through the Council's complaints procedure. Full details are available on the Council's website.

## 4.0 How the Council Tax Rebate will be paid

- 4.1 Where the Council determines that all of the eligibility criteria are met in full, payment will be made to the household as defined within section 3 above. It should be noted that **only one discretionary payment** will be made per household, regardless of the number of occupants or liable Council Taxpayers.

### Direct Debit payers

- 4.2 Where the Council holds a current direct debit instruction for a liable Council Taxpayer of an eligible household, payment will be made using the bank account details held. Payments will be made as soon as practicable.
- 4.3 The Council is required to verify that the bank details held are those of the eligible household and where multiple residents of an eligible household are jointly and severally liable for Council Tax, the full payment will be made to the account for which the direct debit is held only. Payment of the award, however, is for the benefit of the household as a whole.
- 4.4 No payment will be made where the name on the bank details does not match the person / household without checks being made and suitable assurance provided that payment is going to the eligible person. Should the Council require additional information in order to establish the correct person to receive the payment, it is expected that the household provides all necessary details as soon as possible. Further details of how this request will be made and responsibilities to supply such information are detailed below.
- 4.5 It should be noted that the award will be paid on the assumption that the person receiving the payment is eligible (or would have been if the property were not exempt) and that the property meets the criteria on 1 April 2022 as defined with section 3 above.

### Where the Council does not hold current a direct debit instruction for an eligible household

- 4.6 Where the Council does not hold a current direct debit instruction for an eligible household, it will make reasonable efforts to contact the household and obtain the necessary bank details.
- 4.7 Where the Council is unsuccessful in contacting the household but where it is of the opinion that the household meets the eligibility criteria, the discretionary award will be credited to the Council Tax account if appropriate.

4.8 In all cases, the Council must ensure that payments are made correctly and where appropriate, require households to verify that that they are eligible for the payment. Where no such verification can be made or where a household fails to respond to the Council's request, no payment whatsoever shall be made.

## **5.0 Provision of information to the Council**

5.1 Residents, owners and managing agents should note that the Council has powers available to it under Regulation 3 (1) (c) of the Council Tax (Administration and Enforcement) Regulations 1992, to request such information to determine the correct liable person for Council Tax purposes. Government has stated that these powers may also be used for Council Tax Rebate purposes.

5.2 Failure to respond to such a request, without a reasonable excuse, within 21 days could lead to penalties being imposed. The Council therefore encourages all such persons to provide any requested information as soon as possible.

## **6.0 Scheme of Delegation**

6.1 The Council has approved this scheme. The Council's Section 151 Officer is authorised to make technical policy amendments to ensure the scheme meets the criteria set by the Government and the Council.

## **7.0 Notification of Decisions**

7.1 All decisions made shall be notified to the liable person either in writing or by email.

## **8.0 Reviews of Decisions**

8.1 The Council will operate an internal review process and will accept a taxpayer's request for a review of its decision.

8.2 All such requests must be made in writing to the Council and should state the reasons why the taxpayer is aggrieved with the decision of the Council. New information may be submitted at this stage to support the taxpayer's review

8.3 The case will be reconsidered by a senior officer as soon as practicable, and the taxpayer informed in writing or by email of the decision. That decision shall be final.

## **9.0 Taxation and the provision of information to Her Majesty's Revenue and Customs (HMRC)**

9.1 The Council does not accept any responsibility in relation to a taxpayer's HMRC tax liabilities and all taxpayers should make their own enquiries to establish any tax position.

## **10.0 Managing the risk of fraud**

- 10.1 The Council will not accept deliberate manipulation of this policy or fraud. Any person caught falsifying information to gain a discretion payment will face prosecution and any amount awarded will be recovered from them.

## **11.0 Recovery of amounts incorrectly paid**

- 11.1 If it is established that **any** payment has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by a taxpayer or any other person, the Council will look to recover the amount in full.

## **12.0 Data Protection and use of data**

- 12.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.

## 2021/22 Treasury Management Performance Outturn Report

Executive Portfolio Holder: Peter Seib, Finance and Legal Services  
SLT Lead: Karen Watling, Chief Finance Officer  
Lead Officer: Paul Matravers, Lead Specialist – Finance

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### Purpose of the Report

1. To review the treasury management activity and the performance against the Prudential Indicators for the 2021/22 financial year as prescribed by the CIPFA Code of Practice and in accordance with the Council's Treasury Strategy, Annual Investment Policy and Treasury Management Practices.

### Forward Plan

2. This report appeared on the Audit Committee Forward Plan with an anticipated Committee date of 29th June 2022.

### Public Interest

3. The Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services Code of Practice requires the Council to approve an annual Treasury Management Strategy and, report treasury performance mid-year and at the year end.

### Recommendations

4. Council is recommended to:
  - Note the Treasury Management Activity for the 2021/22 financial year;
  - Note the position of the individual prudential indicators for the 2021/22 financial year;
  - Note the outlook for the investment performance in 2021/22;
  - Note the Council operated within all of the Prudential Indicators during 2021/22;

### Introduction and Background

5. 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 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year and, as a minimum, produce a six month and annual treasury outturn report. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code. The



## South Somerset District Council

Council reports six monthly to Full Council against the strategy approved for the year. The scrutiny of treasury management policy, strategy and activity is delegated to the Audit Committee.

6. Full Council approved the Council's 2021/22 Treasury Management Strategy on 25 February 2021. 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 risk remains central to the Council's Treasury Management Strategy.
7. The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 25 February 2021.
8. Overall responsibility for treasury management remains with the Council. The day to day treasury management operation is delegated to the S151 Officer and is undertaken by the Finance function which is part of Strategy and Support Services. No treasury management activity is without risk; the effective identification and management of risk are integral to the Council's treasury management objectives.
9. This report provides information on the performance of the Council's Treasury Investments in 2021/22. The performance of the Council's Commercial Investments, which are part of the Commercial Strategy, are not included in this report.

### **Revised CIPFA Codes, Updated Public Works Loan Board Lending Facility Guidance**

10. In August 2021 HM Treasury significantly revised guidance for the Public Works Loan Board (PWLB) lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.
11. CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.



12. The principles of the Prudential Code took immediate effect although local authorities could defer introducing the revised reporting requirements until the 2023/24 financial year if they wish.
13. To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.
14. Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.
15. Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The Treasury Management Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.
16. The Council will follow the same process as the Prudential Code, i.e. delaying changes in reporting requirements to the 2023/24 financial year.

### Treasury Management Position - Summary

17. The treasury management position at 31st March 2022 and the change during the year is shown in the table below.

	<b>31/03/2021 Balance £000's</b>	<b>Net Movement £000's</b>	<b>31/03/2022 Balance £000's</b>
Long-term borrowing	-	-	-
Short-term borrowing	(98,000)	(30,500)	(128,500)
<b>Total Borrowing</b>	<b>(98,000)</b>	<b>(30,500)</b>	<b>(128,500)</b>
Long-term Investments	2,000	(2,000)	-
Short-term Investments	-	16,550	16,550
Cash and Cash Equivalents	23,980	(0,480)	23,500
<b>Total Investment</b>	<b>25,980</b>	<b>14,070</b>	<b>40,050</b>
<b>Net Position</b>	<b>(72,020)</b>	<b>(16,430)</b>	<b>(88,450)</b>

18. External borrowing has increased during the year, reflecting the financing of planned capital expenditure. The advice received for the year from our Treasury



advisers given the interest rates prevailing and the creation of a new unitary council was to continue to use short term borrowing which is flexible and keeps the Council's borrowing costs low. The projected value of external borrowing as at 31 March 2022 was reported to Full Council in February 2022 in the Annual Treasury Management Strategy report.

19. The amount of external borrowing is dependent on the level of capital expenditure incurred in the financial year along with other in and outgoing cash flow requirements. Short-term borrowing continues to be the best option to meet the financing requirement.
20. Ongoing dialogue is held with the Council's Treasury advisors on the best borrowing options available. The current advice being to continue to borrow short term at present. The Council may however utilise long term borrowing (as part of the current strategy) in 2022/23 if it is deemed the best option, which will also remove an element of interest rate risk. Any long-term borrowing that exceeds £5m and exceeds 365 days will, under the Section 24 Direction, now need the specific consent of the County Council S151 Officer.

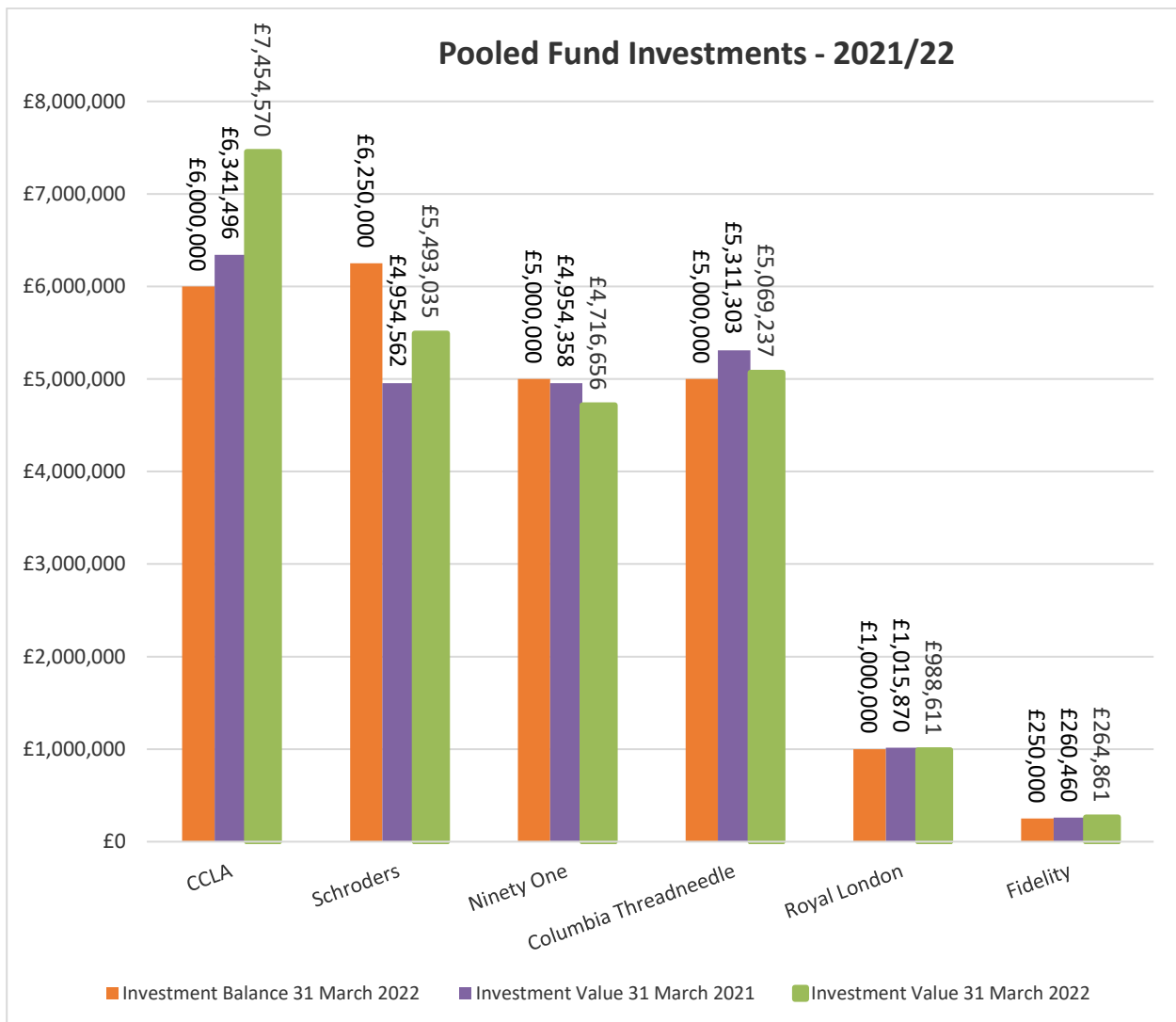
### **Investment Activity**

21. CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
22. The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2021/22, the Council's investment balance ranged between £23 million and £48 million. The average investment balance in 2021/22 was between £30m and 32m.
23. Both the CIPFA Code and Government guidance require 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.
24. Ultra low short-dated cash rates, which were a feature since March 2020 when Bank Rate was cut to 0.1%, prevailed for much of the 12-month reporting period which resulted in the return on sterling low volatility net asset value (LVNAV) Money Market Funds being close to zero even after some managers have temporarily waived or lowered their fees. However, higher returns on cash instruments followed the increases in Bank Rate in December 2021, February 2022 and March 2022.





25. Similarly, deposit rates with the Debt Management Account Deposit Facility (DMADF) initially remained very low with rates ranging from 0% to 0.1%, but following the rises policy rates increased to between 0.55% and 0.85% depending on the deposit maturity.
26. The Council’s best performing investments continue to be the investments in the Pooled Funds (Strategic Investments). Details of the investment balance as at 31 March 2022 and the value of each investment at the same date is detailed in the chart below.



**Note:** Pooled fund investments are revalued at the end of the financial year to reflect the fair value of the investment; the third bar in the graph signifies this value and details the investment value as at 31 March 2022. The first bar represent the investment balance in each fund at that date.

## Pooled Fund Investments 2021/22

27. The table below includes the closing investment balance for each pooled fund investment and the opening and closing investment value. There were no changes to the investment balance for pooled fund investments in 2021/22 with the total investment remaining at £23.5m as at 31 March 2022. The investment fair value signifies the individual value of the investments after the year end revaluation.

Investment Type	Investment Balance 31/03/2022 £000's	Investment Value		
		01/04/2021 £000's	31/03/2022 £000's	Change £000's
CCLA	£6,000	£6,341	£7,455	£1,114
Schroders	£6,250	£4,955	£5,493	£538
Investec	£5,000	£4,954	£4,716	(£238)
Colombia Threadneedle	£5,000	£5,311	£5,069	(£242)
Royal London	£1,000	£1,016	£989	(£27)
Fidelity	£250	£260	£265	£5
<b>Total</b>	<b>£23,500</b>	<b>£22,837</b>	<b>£23,987</b>	<b>£1,150</b>

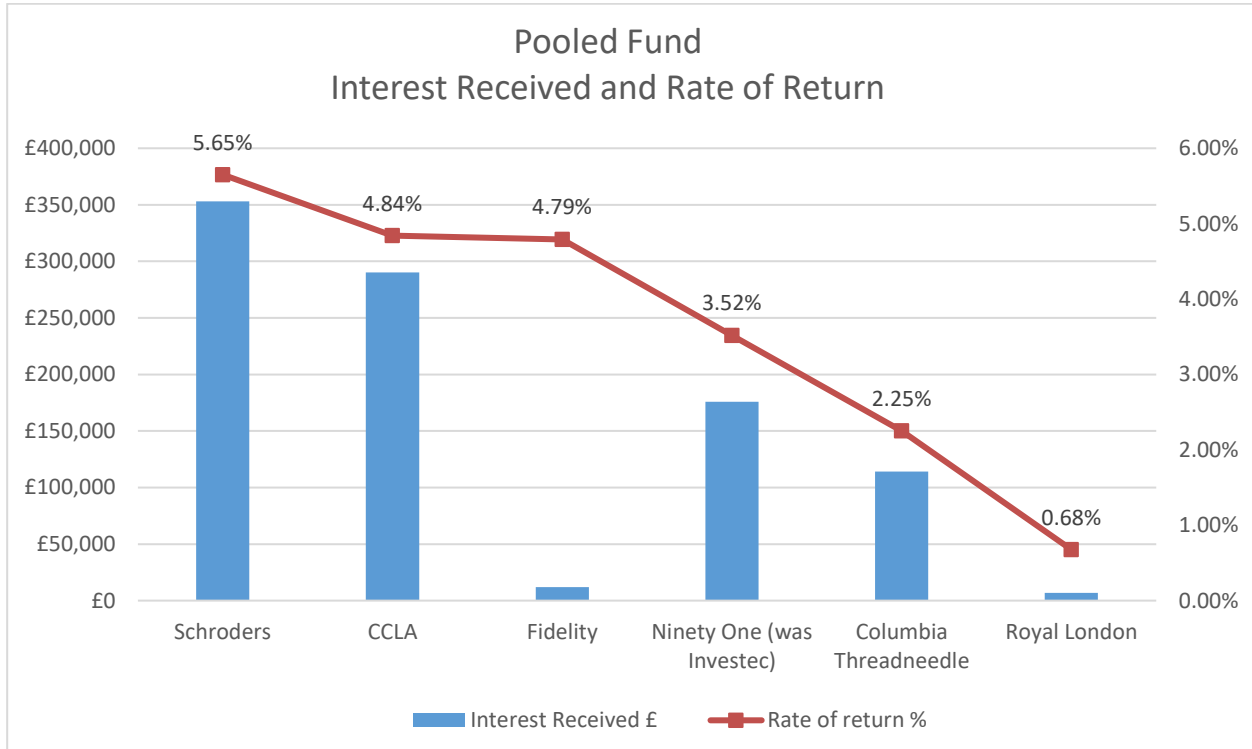
28. The Council has investments in equity, multi-asset and property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability.
29. In the nine months to December improved market sentiment was reflected in equity, property and multi-asset fund valuations and, in turn, in the capital values of the Council's property, equity and multi-asset income funds. The prospect of higher inflation and rising bond yields did however result in muted bond fund performance. In the January to March quarter the two dominant themes were tighter UK and US monetary policy and higher interest rates, and the military invasion of Ukraine by Russia in February, the latter triggering significant volatility and uncertainty in financial markets.
30. In light of Russia's invasion, Arlingclose contacted the fund managers of our MMF, cash plus and strategic funds and confirmed no direct exposure to Russian or Belarusian assets had been identified. Indirect exposures were immaterial. It should be noted that any assets held by banks and financial institutions (e.g. from loans to companies with links to those countries) within MMFs and other pooled funds cannot be identified easily or with any certainty as that level of granular detail is unlikely to be available to the fund managers or Arlingclose in the short-term, if at all.
31. It should be noted that the £1.15m increase in the capital value of the investments will not have an impact on the General Fund as the Council is using the alternative fair value through profit and loss (FVPL) accounting and defers the funds' fair



# South Somerset District Council

value losses (and gains) to the Pooled Investment Fund Adjustment Account until 2023/24.

The income generated from these investments in 2021/22 and the rate of return is detailed in graph and table below.



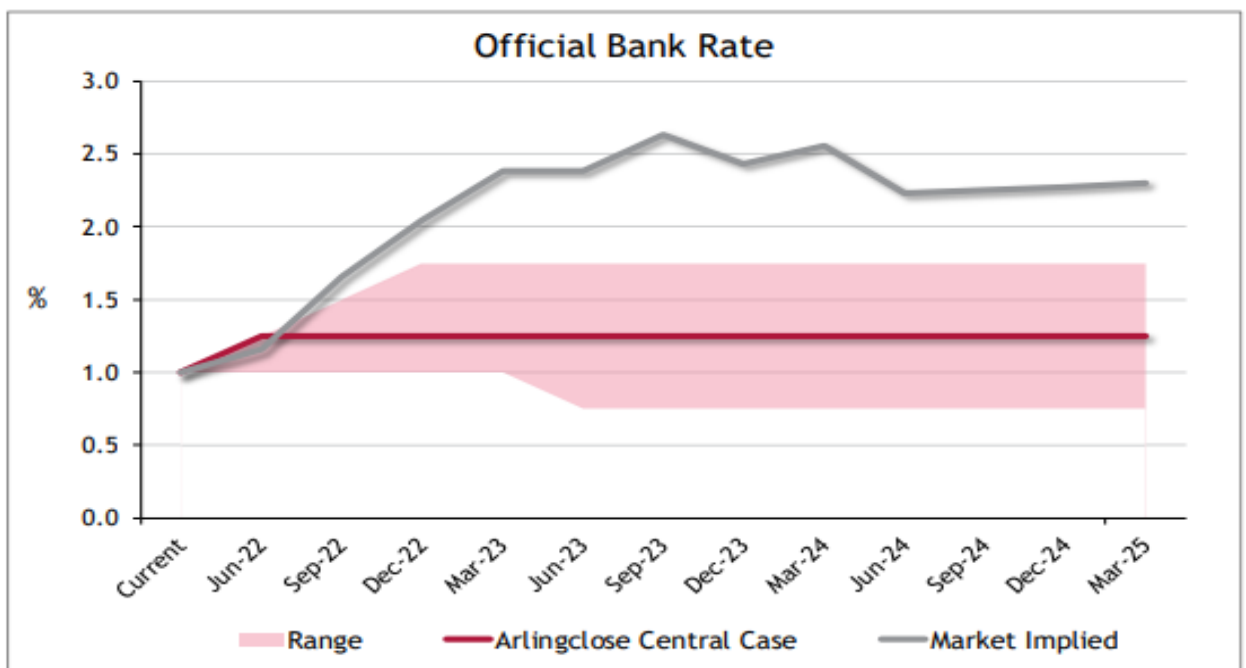
Fund	Interest Received £	Rate of return %
Schroders	£353,022	5.65%
CCLA	£290,285	4.84%
Fidelity	£13,992	4.79%
Ninety One	£175,904	3.52%
Columbia Threadneedle	£114,223	2.25%
Royal London	£6,768	0.68%
<b>Total</b>	<b>£954,194</b>	<b>4.06%</b>

32. Pooled 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 is regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down; but with the confidence that over a three to five-year period total returns will exceed cash interest rates.

33. The investment strategy approved in the 2022/23 Treasury Management Strategy Statement recommended that the Council maintains its investments in the secure and higher yielding asset classes given the increasing risk and very low returns from short-term unsecured bank investments.
34. The graph above and table detailing interest received, and the rate of return on investments demonstrates that the approved policy has met the objectives of the investment strategy. It is anticipated that the level of strategic (long-term) investments will remain in the region of £24m in 2022/23, with the possibility of increasing these investments, if cash flow permits, in line with the Council's overall Financial Strategy and income generation targets.
35. The diversification into strategic investments represents a continuation of the strategy adopted in 2017/18. The Council's Treasury advisors have indicated that a maximum exposure to this investment type should be limited to £30m.

### Interest Rates 2021/22

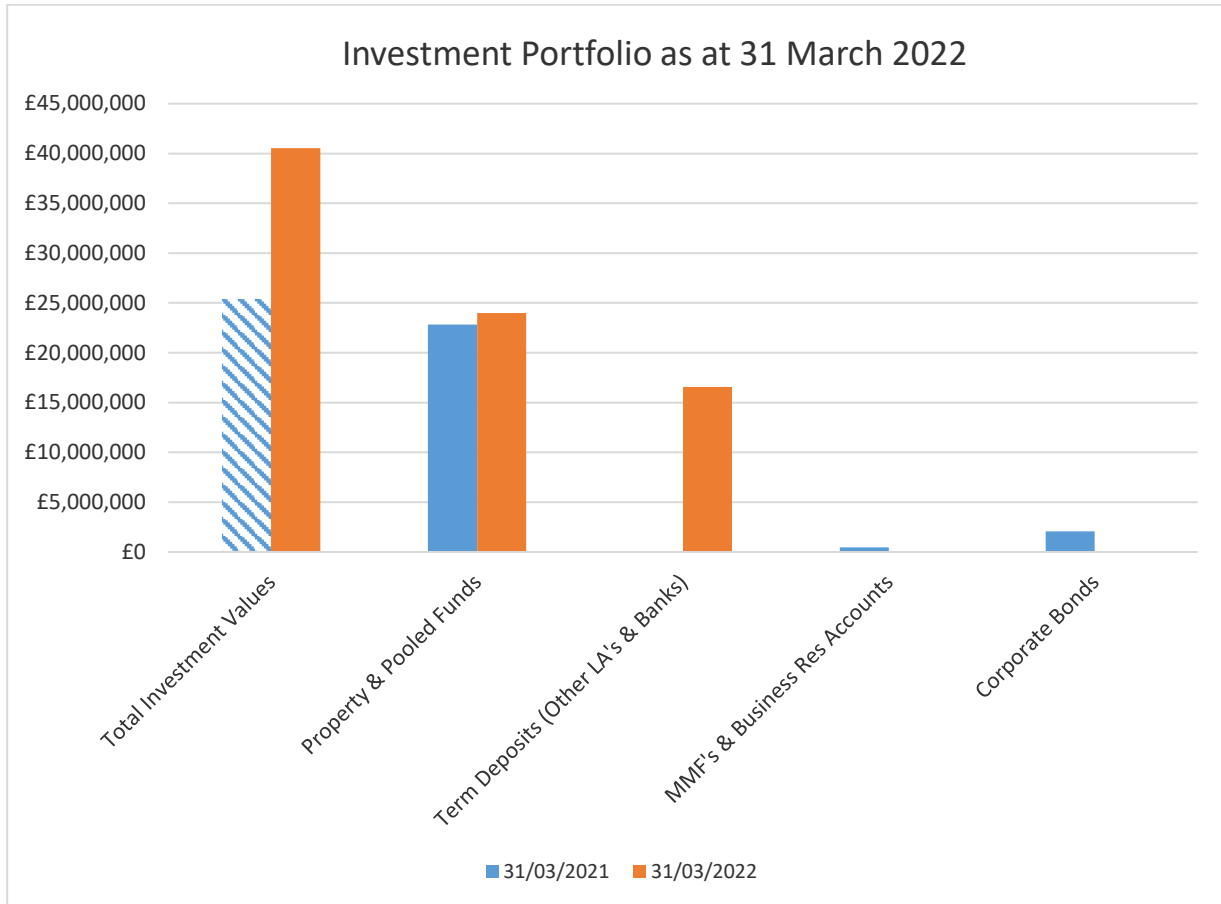
36. As detailed in the Arlingclose external context provided in Appendix A, the Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.
37. As anticipated the Bank Rate increased to 1.25% in June. Risks around the forecast are weighted to the upside in the short term and a further rise to 1.50%, or higher, is a possibility.





### Investment Portfolio – Values and Returns

38. The graph below provides a snapshot of the Council's portfolio of investments at the end of the 2021/22 financial year, in comparison to the previous year end position.



39. The table below provides additional information on the actual value of investments at the start and end of the 2021/22 financial year:

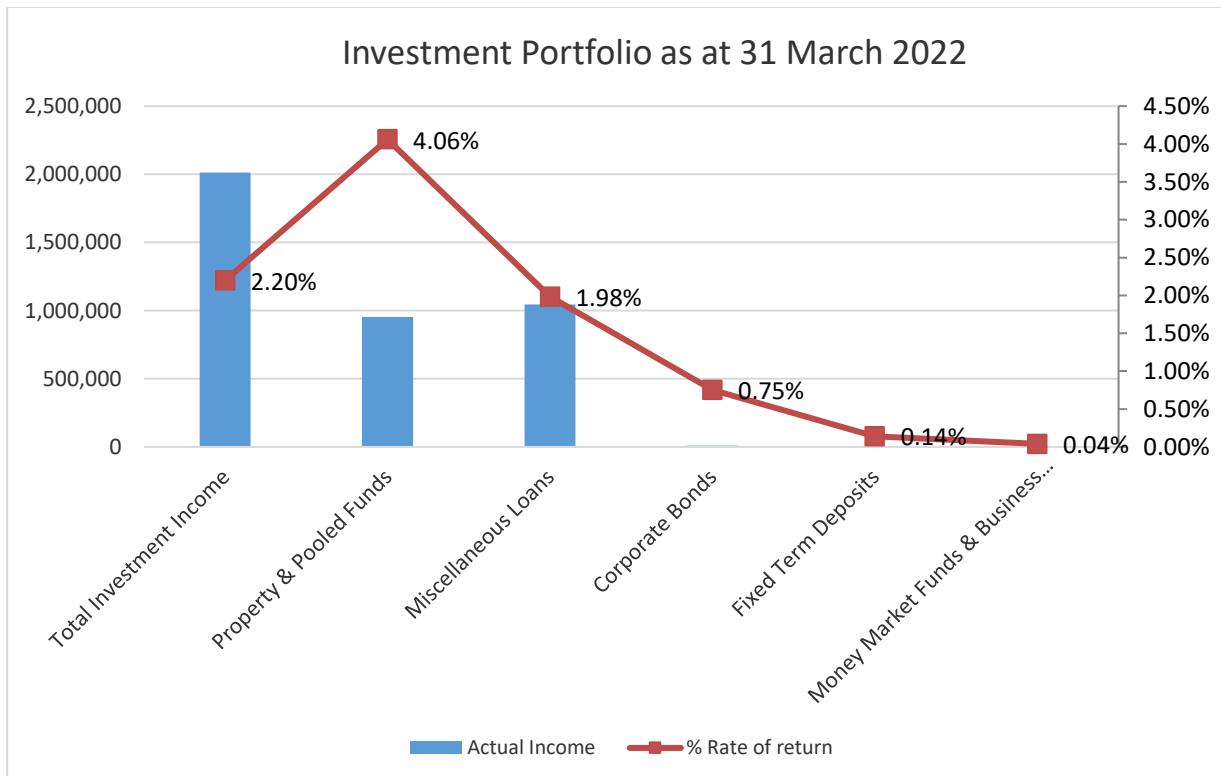
Investment type	Investment Value as at 31/03/2021	Investment Value as at 31/03/2022	Actual Income	% Rate of return
Property & Pooled Funds	22,838,048	23,986,971	954,194	4.06%
Money Market Funds & Business Reserve Accounts	480,000	0	1,847	0.04%
Term Deposits (Other LAs & Banks)	0	16,550,000	2,714	0.14%
Corporate Bonds	2,060,491	0	8,699	0.75%
<b>Total Investment Values</b>	<b>25,378,539</b>	<b>40,536,971</b>	<b>967,454</b>	<b>2.77%</b>



- 40. The types of investment that the Council held at the 31 March 2021 and 31 March 2022 has changed. The continuation of the policy to invest in higher yielding, long term strategic investments has resulted in a large portion of the Council's investment being concentrated in the pooled and property fund investment type. Pooled and property fund investments amounted to 59% of the investment portfolio as at 31 March 2021 (90% as at 31 March 2021).
- 41. The proportion of the investment portfolio which has increased 2021/22 is term deposits. The balance as at 31 March 2022 was £16.55m, with £12.55m invested with the DMADF and £4m invested with other LA's. The maximum investment period, in days, of the £16.55m was 13 days. These investments were made in line with the cash flow requirements of the Council meaning that the funds were unable to be invested in the higher yielding investment classes such as a property fund due to the short time period of the investments.
- 42. The Council continues to work closely with Arlingclose on the investment diversification and portfolio mix, Arlingclose are comfortable with the percentage of investment that the Council holds in pooled and property funds but has suggested a maximum exposure of £30m. The Council continually monitors the performance of the property and pooled funds and is able to withdraw funds at short notice if the fund performance were to deteriorate. Equally, the Council may borrow short term to manage cash flow variations if necessary.

### Returns achieved in 2021/22

- 43. The returns are shown in the graph and table below:





<b>Investment type</b>	<b>Actual Income £</b>	<b>Rate of return %</b>
Property & Pooled Funds	954,194	4.06%
Miscellaneous Loans	1,046,132	1.98%
Corporate Bonds	8,699	0.75%
Fixed Term Deposits	2,714	0.14%
Money Market Funds & Business Reserve Accounts	1,847	0.04%
<b>2021/22 Treasury Investment Income</b>	<b>2,013,586</b>	<b>2.20%</b>
<b>2021/22 Treasury Income Budget</b>	<b>1,973,230</b>	
<b>Surplus /(Deficit)</b>	<b>40,356</b>	

44. The table above shows investment income for the year compared to the budget. The figures show a small surplus over budget of £40,356. The original treasury management budget of £1,973,230 was derived by forecasting an average rate of return of **1.39%** based on an average investment portfolio of £50m.
45. The outturn position is also affected by both the amount of cash we have available to invest and the interest base rate set by the Bank of England. Balances are affected by the timing of revenue and capital income and expenditure, and the collection and distribution of council tax and business rates income.

### Treasury Investments

46. Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2021/22. The table below lists the investments held on 31 March 2022.



**Breakdown of investments as at 31 March 2022**

<b>Date Invested</b>	<b>Counterparty</b>	<b>Nominal Amount £'000</b>	<b>Rate %</b>	<b>Maturity Date</b>
	<b>Term Deposits (Other LAs &amp; Banks)</b>			
25/03/2022	DMADF	4,550	0.55	07/04/2022
28/03/2022	North Warwickshire Borough Council	1,000	0.60	04/04/2022
30/03/2022	Cumbria Police & Crime Commissioner	3,000	0.61	11/04/2022
30/03/2022	DMADF	8,000	0.55	11/04/2022
	<b>Property &amp; Pooled Funds</b>			
	Fidelity Global enhanced income (Global Equity)	250	5.69	
	Ninety One Diversified Income (was Investec)	5,000	3.52	
	Royal London Enhanced Cash Plus Fund	1,000	0.68	
	Schroders Income Maximiser (UK Equity)	6,250	5.65	
	Columbia Threadneedle Strategic Bond	5,000	2.28	
	CCLA Property Fund	6,000	4.84	
	<b>Total</b>	<b>40,050</b>		

**Non-Treasury Investments**

47. The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

The Council also held £141.04m of such investments in

- Directly Owned Property - £96.30m
- Loan to Local Businesses - £0.13m
- Loan to Local Authority Partnership - £3.76m
- Loan to Subsidiaries - £40.85m

48. The detail of the Council's total investment in commercial investment property is reported separately. As part of its Commercial Strategy, investment in property has increased significantly in the past three years. Full Council at its meeting in December 2021 however decided not to make any further new investments for commercial purposes from that date.





## Borrowing

49. The Council's primary objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
50. The table below summarises the external borrowing position for 2021/22. It details the opening position in respect of external loans, loans repaid, new loans, the average interest rate and the year-end position.

	<b>Amount £'000</b>	<b>Average Interest Rate %</b>
<b>External Loans as at 1 April 2021</b>	<b>98,000</b>	
New Loans	238,500	0.13%
Loans Repaid	(208,000)	
<b>Total External Loans as at 31 March 2022</b>	<b>128,500</b>	<b>0.09%</b>

51. In keeping with these objectives, new borrowing was kept to a minimum, however external borrowing increased from £98m to £128.5m. This strategy enabled the Council to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

52. Details of the borrowing are included in the table below.

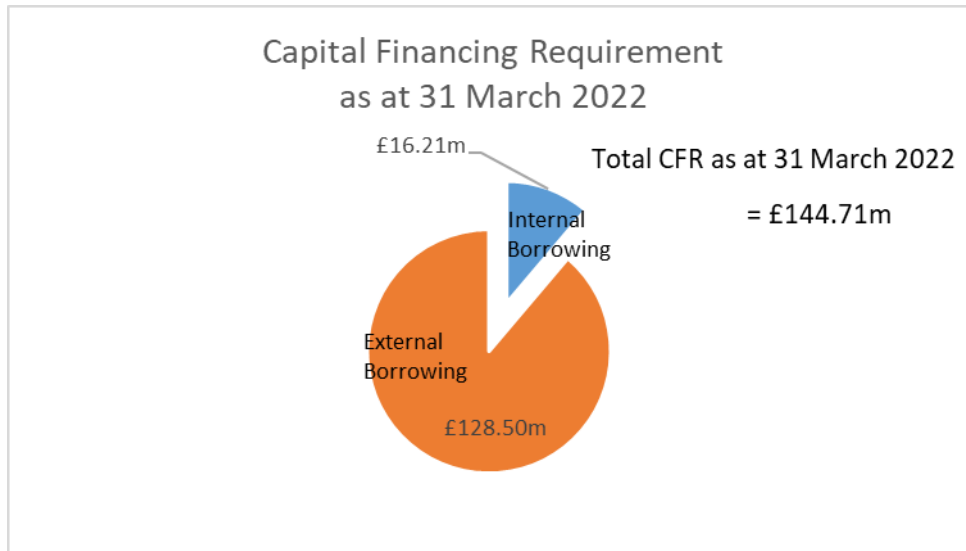
Lender	Date Borrowed	Repayment Date	No of Days	Interest Rate	Amount	2021/22 Interest	Total Interest
Northern Ireland Housing Executive	19/04/2021	14/04/2022	360	0.10%	4,000,000	3,803	3,945
Northern Ireland Housing Executive	20/04/2021	14/04/2022	359	0.10%	5,000,000	4,740	4,918
East Suffolk Council	20/04/2021	20/04/2022	365	0.14%	3,000,000	3,981	4,200
Middlesbrough Borough Council	25/08/2021	24/05/2022	272	0.07%	5,000,000	2,100	2,608
University of Teeside	25/08/2021	25/05/2022	273	0.08%	4,000,000	1,920	2,393
Greater Manchester Combined Authority	27/01/2022	27/04/2022	90	0.10%	3,000,000	526	740
Greater Manchester Combined Authority	23/12/2021	25/04/2022	123	0.04%	3,000,000	325	404
Wigan Metropolitan Borough Council	25/08/2021	25/05/2022	273	0.07%	5,000,000	2,100	2,618
Middlesbrough Borough Council	17/09/2021	07/04/2022	202	0.04%	10,000,000	2,148	2,214
South Lanarkshire Council	20/09/2021	20/05/2022	242	0.05%	2,000,000	529	663
South Lanarkshire Council	24/09/2021	24/05/2022	242	0.05%	2,000,000	518	663
Tendring District Council	29/09/2021	11/04/2022	194	0.04%	5,000,000	1,008	1,063
Greater Manchester Combined Authority	20/12/2021	20/04/2022	121	0.04%	7,000,000	782	928
West Yorkshire Police Authority	19/01/2022	18/01/2023	364	0.15%	10,000,000	2,959	14,959
Basildon Borough Council	17/03/2022	19/09/2022	186	0.15%	5,000,000	308	3,822
West Yorkshire Combined Authority	20/01/2022	20/07/2022	181	0.06%	10,000,000	1,167	2,975
Maldon District Council	18/02/2022	18/08/2022	181	0.10%	2,000,000	230	992
North Northamptonshire Council	31/01/2022	29/07/2022	179	0.16%	5,000,000	1,315	3,923
Nottingham City Council	16/02/2022	16/05/2022	89	0.15%	5,000,000	904	1,829
Northern Ireland Housing Executive	18/03/2022	19/09/2022	185	0.23%	5,000,000	441	5,829
Chichester District Council	21/01/2022	21/07/2022	181	0.14%	5,000,000	1,342	3,471
Mansfield District Council	16/02/2022	16/08/2022	181	0.18%	2,000,000	434	1,785
West Yorkshire Combined Authority	17/03/2022	19/09/2022	186	0.23%	3,000,000	284	3,516
Fermanagh and Omagh District Council	28/03/2022	05/08/2022	130	0.40%	2,000,000	88	2,849
Blaenau Gwent County Borough Council	31/03/2022	08/04/2022	8	0.58%	1,500,000	24	191
Gwynedd Council	28/03/2022	11/04/2022	14	0.58%	2,500,000	159	556
Leicester City Council	28/03/2022	06/06/2022	70	0.60%	5,000,000	329	5,753
West Midlands Combined Authority	28/03/2022	28/06/2022	92	0.60%	5,000,000	329	7,562
Blaenau Gwent County Borough Council	31/03/2022	08/04/2022	8	0.58%	2,500,000	40	318
				<b>Total</b>	<b>128,500,000</b>	<b>34,833</b>	<b>87,688</b>

53. With short-term interest rates remaining much lower than long-term rates, the Council considered it cost effective in the near term to use internal resources in parallel with short-term loans.

54. The Council's underlying need to borrow is defined as its 'Capital Financing Requirement (CFR)'. The CFR was £134.1m million at the beginning of 2021/22. Capital expenditure during 2021/22 was funded through a combination of capital receipts, revenue reserves, external contributions (e.g. S106 receipts) and borrowing. As a result, the borrowing requirement (CFR) has increased to £144.7 million. However, we have followed a strategy of using our cash reserves to finance this borrowing requirement in the short term – known as "internal borrowing" – as short term investment returns foregone are currently lower than longer term borrowing rates.



<b>Borrowing Type</b>	<b>£'000</b>	<b>%</b>
Internal Borrowing	£16,214	11.20%
External Borrowing	£128,500	88.80%
<b>Total Capital Financing Requirement as at 31 March 2022</b>	<b>£144,714</b>	



### Treasury Management Indicators

55. The Authority measures and manages its exposures to treasury management risks using the following indicators.

**Security:** The Authority 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.

	<b>2021/22 Target</b>	<b>2021/22 Actual</b>
Portfolio average credit rating	5.0	3.1

**Liquidity:** The Authority 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.

	<b>2021/22 Target</b>	<b>2021/22 Actual</b>
Total cash available within 3 months	£10m	£40m



**Interest Rate Exposures:** This indicator is set to control the Authority’s exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

	<b>2021/22 Limit</b>	<b>2021/22 Actual</b>
Upper limit on one-year revenue impact of a 1% change in interest rates	£200,000	£315,381

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

**Maturity structure of borrowing:** This indicator is set to control the Council’s exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

<b>Refinancing rate risk indicator</b>	<b>2021/22 Upper Limit %</b>	<b>2021/22 Lower Limit %</b>	<b>2021/22 Actual %</b>
Under 12 months	100%	100%	100%
12 months and within 24 months	100%	100%	0%
24 months and within 5 years	100%	100%	0%
5 years and within 10 years	100%	100%	0%
10 years and above	100%	100%	0%

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. Upper and lower limits are set at 100% providing full flexibility to optimise borrowing arrangements.

**Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Authority’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 were:

<b>Price risk indicator</b>	<b>2021/22</b>
Actual principal invested beyond year end	£0m
Limit on principal invested beyond year end	£30m

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.



**Other**

**IFRS 16:** The implementation of the new IFRS 16 Leases accounting standard was due to come into force for local authorities from 1<sup>st</sup> April 2022. Following a consultation CIFPA/LASAAC announced an optional two year delay to the implementation of this standard a decision which was confirmed by the Financial Reporting Advisory Board in early April 2022. Authorities can now choose to adopt the new standard on 1<sup>st</sup> April 2022, 1<sup>st</sup> April 2023 or 1<sup>st</sup> April 2024. The decision on implementation date for the new standard will be taken by the newly formed Somerset Council.

**Prudential Indicators – 2021/22**

56. In February 2021, through approval of the Treasury Management Strategy Full Council approved the Prudential Indicators for 2021/22, as required by the Prudential Code for Capital Finance in Local Authorities. The Local Government Act 2003 allows local authorities to determine their own borrowing limits provided they are affordable and that every local Council complies with the Code.

**Capital Expenditure:** The actual capital expenditure incurred for 2021/22 compared to the revised estimate was:

	<b>2020/21 Outturn £'000</b>	<b>2021/22 Revised Estimate £'000</b>	<b>2021/22 Outturn £'000</b>	<b>2021/22 Variance £'000</b>
Approved capital schemes	41,780	40,540	35,601	(4,939)
<b>Total Expenditure</b>	<b>41,780</b>	<b>40,540</b>	<b>35,478</b>	<b>(4,939)</b>

**Ratio of Financing Costs to Net Revenue Stream:** This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

	<b>2020/21 Outturn £'000</b>	<b>2021/22 Revised Estimate £'000</b>	<b>2021/22 Outturn £'000</b>	<b>2021/22 Variance £'000</b>
Financing Costs	1,269	(502)	(655)	(153)
Net Revenue Stream	15,150	17,319	17,483	163
%	<b>7.8%</b>	<b>(2.9%)</b>	<b>(3.7%)</b>	

\*figures in brackets denote income through receipts and reserves

The financing costs include interest payable and notional amounts set aside to repay debt less interest on investment income. The figure in brackets is due to investment income outweighing financing costs significantly for the Council but is relevant since it shows the extent to which the Council is dependent on investment income.

**Estimates of Capital Financing Requirement:** The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

	2020/21 Outturn £'000	2021/22 Revised Estimate £'000	2021/22 Outturn £'000	2021/22 Variance £'000	Reason for Variance
<b>Opening CFR</b>	96,973	134,148	134,148	-	
Capital Expenditure	42,177	40,540	35,601	(4,939)	
Capital Receipts*	(2,026)	(19,465)	(18,038)	1,427	
Grants/Contributions*	(2,148)	(10,335)	(6,956)	3,379	
Minimum Revenue Provision (MRP)	(828)	(1,199)	(992)	207	
Additional Leases taken during year	-	-	-	-	
<b>Closing CFR</b>	<b>134,148</b>	<b>143,689</b>	<b>143,764</b>	<b>74</b>	

\*Figures in brackets denote income through receipts or use of revenue resources.  
 Total figures are rounded

**Gross Debt and the Capital Financing Requirement:** In order to ensure that over the medium term debt will only be for a capital purpose. The Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

	2020/21 Outturn £'000	2021/22 Revised Estimate £'000	2021/22 Outturn £'000	2021/22 Variance £'000
Borrowing	98,000	122,000	128,500	6,500
Finance Leases	20	20	5	(15)
<b>Total Debt</b>	<b>98,020</b>	<b>122,020</b>	<b>128,505</b>	<b>6,485</b>
Capital Financing Requirement	134,148	143,689	143,764	74

Total debt is expected to remain below the CFR for the near future.

**Credit Risk:** The Council considers security, liquidity and yield, in that order, when making investment decisions.



Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council’s assessment of counterparty credit risk. The Council also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution and its sovereign
- Sovereign support mechanisms
- Credit default swaps (where quoted)
- Share prices (where available)
- Economic Fundamentals, such as a country’s net debt as a percentage of its GDP
- Corporate developments, news articles, markets sentiment and momentum
- Subjective overlay

The only indicators with prescriptive values remain to be credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

**Actual External Debt:** This indicator is obtained directly from the Council’s balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities (this represents our finance leases). This indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

<b>Actual External Debt as at 31/03/2022</b>	<b>£'000</b>
Borrowing	128,500
Other Long-term Liabilities (Finance Leases)	
-Vehicles	5
-Photocopiers	-
<b>Total</b>	<b>128,505</b>



**Authorised Limit for External Debt:** This limit represents the maximum amount that the Council may borrow at any point in time during the year. If this limit is exceeded the Council will have acted ultra vires. It also gives the Council the responsibility for limiting spend over and above the agreed capital programme. A borrowing requirement was identified in year to finance the capital programme and further borrowing may be undertaken to fund the agreed plans to acquire investment properties.

	<b>2020/21 Actual £'000</b>	<b>2021/22 Original Estimate £'000</b>	<b>2021/22 Actual £'000</b>
Borrowing	98,000	180,000	128,500
Other Long-term Liabilities	20	25,000	5
<b>Total</b>	<b>98,020</b>	<b>205,000</b>	<b>128,505</b>

**Operational Boundary for External Debt:** The operational boundary sets the limit for short term borrowing requirements for cash flow and has to be lower than the previous indicator, the authorised limit for external debt.

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

The S151 Officer has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next Council meeting.

	<b>2020/21 Actual £'000</b>	<b>2021/22 Original Estimate £'000</b>	<b>2021/22 Actual £'000</b>
Borrowing	98,000	170,000	128,500
Other Long-term Liabilities	20	20,000	5
<b>Total</b>	<b>98,020</b>	<b>190,000</b>	<b>128,505</b>

For information the 2022/23 operational boundary has been set at £180m and the authorised limit £195m. This was approved by full Council in February 2022 as part of the Annual Capital, Investment and Treasury Management Strategy report.





## **Compliance**

57. The Council operated within all of the Prudential Indicators during 2021/22.

### **Background Papers:**

Treasury Management Strategy Statement 2021/22

Prudential Indicators and MRP Statement 2021/22

Capital Outturn 2021/22

## APPENDIX A – Additional commentary from Arlingclose

### External Context

**Economic background:** The continuing economic recovery from coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.

Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.

UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.

With the fading of lockdown – and, briefly, the 'pingdemic' – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.

Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.

In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.

GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank's target of 'below, but close to 2%', putting further pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

**Financial markets:** The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.

Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.

The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10 year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.

The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

**Credit review:** In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. In September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but then fell back. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Authority's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.

Fitch also revised the outlook for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable. The agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it previously assigned to the lenders.

The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty engendered by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.

Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.



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## Proposed Changes to Financial Procedure Rules for 2022/23

Executive Portfolio Holder: Peter Seib, Finance and Legal Services  
SLT Lead/Lead Officer: Karen Watling, Chief Finance Officer  
Contact Details: Karen.Watling@southsomerset.gov.uk  
07521 460 232

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### Purpose of the Report

1. This report sets out proposed changes to the Financial Procedure Rules (FPRs) for the rest of the financial year 2022/23.

### Public Interest

2. To conduct its business efficiently a local authority needs to ensure that it has sound financial management policies in place and that they are adhered to. Part of this process is the establishment of Financial Procedure Rules that set out the financial policies of the authority.
3. The Financial Procedure Rules provide clarity about the financial accountabilities of individuals: Elected Members; the District Executive; the Chief Executive; Directors; Section 151 Officer; the Monitoring Officer; other Managers and all other officers of the Council.

### Recommendation

4. That Full Council approve the proposed changes to the Financial Procedure Rules for the rest of the financial year 2022/23.

### Background to the proposals

5. The Financial Procedure Rules (FPRs) outline the financial policies of this authority and the individual financial accountabilities applying to both officers and members. The review of those rules is included within the remit of the Audit Committee under its terms of reference relating to reviewing governance, risk and control arrangements.
6. The S151 Officer is responsible for maintaining a continuous review of the FPRs and submitting any additions or changes necessary to the Audit Committee and then Full Council for approval. The FPRs were last updated in August 2020.
7. A full wholesale review and redrafting of the rules has not been undertaken given that 2022/23 is the last year of SSDC being a sovereign separate council. Some changes however are being proposed particularly in response to:

- An internal audit report undertaken by SWAP (South West Audit Partnership) recommending that virement rules are amended, as they are unclear and inconsistent as written in the current FPRs.
- Requirements under the Section 24 notice issued to all five councils within Somerset to govern expenditure and funding decisions from now to vesting day of the new Somerset Council.
- Updates arising from the investigation undertaken of a previously employed Director.
- General updates to reflect changes in names/nomenclature/responsibilities now used within SSDC.

## Proposed changes

8. The attached document shows revisions to the current approved rules. Green highlights are changes proposed to the wording and/or content of the FPRs. Proposed deletions are crossed out and highlighted in grey.
9. One of the key changes relate to the budget virement rules. A SWAP internal audit report recommended that the rules required clarification. Their report suggested that it is not clear whether the S151 Officer approval is required for all virements or only those relating to the 'employee budget'. Additionally, the summary table shows the responsibilities and the finance approval levels; however, this does not align completely with the associated text, e.g., whilst the text suggests that the District Executive (DX) is responsible for all virements greater than £100,000, the table suggests that approval is provided by the S151 Officer with the DX being notified. These have now been addressed in the proposed text.
10. Other key proposed changes relate to Local Government Reorganisation. A new Somerset Unitary Council will come into existence on the 1 April 2023 and all of the financial resources and commitments from the predecessor Councils will transfer to the new Somerset Council at this date. It is important, therefore, that decisions and actions taken in the existing Councils are made against the background of avoiding adverse financial pressures for the new Council where possible.
11. On the 10 May 2022 the Secretary of State for the Department of Levelling Up, Housing and Communities gave a direction under Section 24 of the Local Government and Public Involvement in Health Act 2007 that the four District Councils in Somerset, including South Somerset District Council, are required to seek the consent of Somerset County Council before they:
  1. Dispose of any land if the consideration for the disposal **exceeds £100,000**.
  2. Enter into any capital contract under which the consideration payable by the relevant authority **exceeds £1,000,000**; or which includes a term allowing the consideration payable by the relevant authority to be varied.



3. Enter into any non-capital contract under which the consideration payable by the relevant authority **exceeds £100,000**, where:
  - a. the period of the contract extends beyond 1 April 2023; or
  - b. Under the terms of the contract, that period may be extended beyond that date.
  
13. The Section 24 Direction takes precedence over the Financial Procedure Rules, where applicable, from 16<sup>th</sup> June 2022 and for those instances where Somerset County Council's Executive did not approve prior general consents at their meeting on 15<sup>th</sup> June 2022.
  
14. The Section 151 Officer will provide advice on any proposal needing County Council Executive consent under the Section 24 Direction.

## **Background Papers**

"Review of Financial Procedure Rules", SSDC Council report, August 2020

"S24 report" Somerset County Council Executive, June 2022

## Financial Procedure Rules

### Introduction

- i. To conduct its business efficiently a local authority needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is the establishment of Financial Procedure Rules that set out the financial policies of the authority. A modern council should also be committed to innovation, within the regulatory framework, providing that the necessary risk assessment and approval safeguards are in place.
- ii. The Financial Procedure Rules provide clarity about the financial accountabilities of individuals: Elected Members; the District Executive; the Chief Executive; Directors; Section 151 Officer; the Monitoring Officer; Managers and all other officers of the Council. For the purposes of these Rules, “Manager” means Assistant Directors, Leadership Management Team, Lead Specialists, People Managers and any other budget holders.
- iii. The Council has established other internal regulatory documents as set out in Part 4 of the Council’s Constitution. The Constitution lays down the Council’s governance structure, which sets out how the Council operates, decision making processes, and the Council’s operating procedures.
- iv. It is not possible to draft procedure rules to cover every eventuality or circumstance. Consequently, the principles of sound financial management and proper exercise of responsibility and accountability, as set out in this document should be applied in all circumstances.
- v. The following general principles apply: -
  - there should be adequate and understood separation of duties so as to maintain adequate control over all financial transactions and operations;
  - there should be a clear hierarchy of control;
  - there should be adequate training and supervision of staff and there should be adequate management and audit trails;
  - there should be adequate management of risks and additional checks where there are high levels of risk;
  - operational financial procedures should be clearly documented, key risks identified, and such documents kept up to date and there should be adequate business continuity plans in place to maintain effective administration of the Council’s finances at all times.
- vi. Financial Procedure Rules apply to every Member and employee of the Council and anyone acting on its behalf.
- vii. Executive Members and Senior Leadership Team should, where decision-making is delegated to them, maintain a written record of all decisions. Where decisions are **formally** delegated to other responsible officers, references to the Senior Leadership Team in these rules should be read as referring to them.
- viii. All elected Members and employees have a general responsibility for taking reasonable action to provide for the security of assets, funds and resources under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
- ix. The S151 Officer is individually responsible for maintaining a continuous review of the Financial Procedure Rules and submitting any additions or changes necessary to the Audit Committee and then Full Council for approval. They are also individually responsible for reporting, where appropriate, breaches to the Council, to the District Executive, or the Audit Committee. Senior Leadership Team and their staff are responsible for promptly notifying the S151 Officer of any breaches of these Financial Procedure Rules.
- x. The Senior Leadership Team is responsible for ensuring that all Managers are aware of the existence and content of the Council’s Financial Procedure Rules and other internal regulatory documents, and that all employees comply with them. The Senior Leadership Team shall also ensure that there is an adequate level of understanding of these rules within their teams and that copies are available for reference within their service area or are accessible via other media.



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4	Financial Control	4.1 4.2 4.3 4.4 4.5 4.6	General Local Code of Corporate Governance Annual Governance Statement Internal Audit – South West Audit Partnership Operational Leases Treasury Management
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13	Land, Buildings and Other Property	13.1 13.2 13.3 13.4 13.5 13.6 13.7 13.8 13.9	Asset Register Acquisition of Land and Property Transactions Investment Properties Freehold disposal of Land and Property Leases, rentals and other non-freehold disposals Condition Surveys Asset Management Plans Custody of Deeds and Documents Security
14	Loans to Third Parties	14.1	Loans Policy
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## 1 LOCAL GOVERNMENT REORGANISATION

1.1 Under the provisions of the Somerset (Structural Changes) Order 2022 (SCO) a new Somerset Unitary Council will come into existence on the 1 April 2023 and all of the financial resources and commitments of the predecessor Councils will transfer to the new Somerset Council at this date in accordance with the provisions of the SCO and other statutory instruments made under the Local Government and Public Involvement in Health Act 2007 in respect of local government reorganisations generally. In the transitional period to 1 April 2023 South Somerset District Council has a duty under the SCO to:

- (a) take such steps as may be necessary to prepare for the transfer of its functions, property, rights and liabilities to the new Somerset Council;
- (b) consult and co-operate with the other Somerset councils to secure the economic, effective, efficient and timely transfer of those functions, property, rights and liabilities; and
- (c) generally, exercise its functions to further the purposes of the SCO.

1.2 On 10 May 2022 the Secretary of State for the Department of Levelling Up, Housing and Communities issued a direction under section 24 of the Local Government and Public Involvement in Health Act 2007 that with effect from 16 June 2022 the four Somerset District Councils were required to obtain the consent of the Executive of Somerset County Council before:

- (a) Disposing of any land if the consideration for the disposal **exceeds £100,000**;
- (b) Entering into any capital contract under which the consideration payable **exceeds £1,000,000**; or which includes a term allowing the consideration payable to be varied;
- (c) Entering into any non-capital contract under which the consideration payable **exceeds £100,000**, if:
  - (i) the period of the contract extends beyond 1 April 2023; or
  - (ii) under the terms of the contract, its period may be extended beyond that date.

1.3 On 15 June 2022 the Executive of Somerset County Council issued the following General Consent to come into effect on 16 June 2022:

### **General Consent**

*General Consent is hereby granted to the District Councils to enter into new contracts (over £100k for revenue and over £1m for capital) and to dispose of land (over £100k) where the following criteria are met:*

#### **Entering into new contractual arrangements:**

1. *Entering into new revenue funded contracts (over £100k excluding recoverable VAT) which can be funded from within the individual Council's 2022/23 approved revenue budget **and** where the contract does not enable extensions beyond vesting day. This could be a contract for goods or services.*
2. *Any contract required as an essential response to a civil emergency, for example response to flooding.*
3. *Entering into new staffing contracts which can be funded from within the 2022/23 approved revenue budget **and** which comply with the agreed LGR staffing protocol.*
4. **General Fund:** *Entering into new capital funded contracts (over £1m excluding recoverable VAT) for projects/programmes that are included in the 2022/23 approved capital budget **and***

can be funded from financing sources included within the budget reports and/or Treasury Management Strategies agreed by the Councils in February/March 2022. Such contracts can extend beyond vesting day if the individual project has an approved phased budget, and no revenue implications beyond 1<sup>st</sup> April 2023 e.g. a housing development scheme, decarbonisation programme, regeneration project.

5. **Housing Revenue Account:** Entering into new capital funded contracts (over £1m) for projects/programmes that are included in the 2022/23 approved capital budget/HRA Business Plan **and** can be funded from financing sources included within the budget reports and/or Treasury Management Strategies agreed by the councils in February 2022. Such contracts, e.g. social housing development scheme, housing stock decent homes works such as replacement windows, can extend beyond vesting day if within the approved budget for the contract and within HRA business plan value for money and affordability limits.
6. Points 1, 3, 4 and 5 above to include budgets previously approved before February 2022 that carry forward into the 2022/23 financial year (e.g. slippage of unspent but approved capital and revenue budget from 2021/22 into 2022/23).
7. Entering into a contract that relates to the operation of prudent treasury management and complies with the district councils' approved treasury management and investment strategies, prudential indicators, and treasury management practices, where any borrowing does not exceed £5m and 365 days. In the event of any long-term borrowing exceeding £5m and exceeding 365 days specific consent of the County Council S151 Officer is required.
8. Entering into a contract that is outside the existing approved budget but is fully funded by external grants / contributions, unless the grant conditions require match funding exceeding the S24 Threshold (not included in the agreed budget) and/or pose potential significant risks and significant obligations on the Unitary exceeding the S24 Threshold. Town Deals is an example of expenditure which would be included in the general consent as it is externally funded

#### **Land disposals:**

9. Disposals of council dwellings or grant or renewal of leases (over £100k) under the Right to Buy legislation and disposal of other housing revenue account assets in line with approved budgets, financial strategies and business plans.
10. All lease rental agreements for investment properties (over £100k and continuing past vesting day) at market value.
11. All lease rental agreements for non-investment properties (over £100k and continuing past vesting day) where the rental value secured is at least that contained within the approved rental income budget or within the Business Case previously agreed by the Council prior to issue of the S24 Effective Date.
12. Completion of land and property disposals (over £100k) that are already approved through the District Council's governance arrangements prior to S24 Effective Date and in line with the 2022/23 approved budget and capital strategy. All capital disposal or land sales outside of those identified will need specific consent.

To aid interpretation the following are examples of financial activities **that can be carried out** by the District Councils without needing the consent of the County Council

- New use of earmarked reserves and reserves not included in the agreed budget (unless they are to fund new contracts above the S24 financial limits **and** which are outside of the general consent criteria).
- Raising new **and/or** changing 2022/23 fees & charges tariffs.
- Meeting staffing needs (new contracts) that have funding available within the agreed budget and follow the LGR recruitment protocol.
- Debt write-offs of any value in line with the existing Councils' approved constitutions, financial procedures and accounting policies.

1.4 Where a proposed activity is covered by the General Consent set out in rule 1.3, before taking any action under the General Consent officers must check that it has not been amended by the Executive of Somerset County Council. If the General Consent has not been amended or, if amended, continues to cover the proposed activity, no additional steps are required under these Rules. Note: that a small number of projects are not covered by the General Consent and these are listed in the Schedules to the General Consent which can be found at [hyperlink](#)

1.5 If a proposed activity is not covered by the General Consent set out in rule 1.3, then in addition to the requirements set out in these Rules and the South Somerset District Council Constitution, consent must be obtained from the Executive of Somerset County Council (in accordance with their published Specific Consent Procedure applicable at the time) before the proposed activity commences.

1.6 The Section 151 Officer will provide advice on any proposal needing County Council Executive consent under the section 24 Direction.

## 2 FINANCIAL GOVERNANCE

### 2.1 Full Council

- a) The Full Council is responsible for approving the policy framework and, through a named vote, the annual revenue and capital budgets within which the Executive operates. This encompasses any medium and longer-term plans for both revenue and capital resources. The policy framework shall also include approval and setting the Council Tax rate.
- b) The Full Council may delegate to a Sub Committee or the Leader the approval of the Full Council Tax Determination that sets out the detailed council tax charges by town/parish and council tax band for each preceptor.
- c) ~~It is also responsible for monitoring the budget including compliance with the Authority's overall framework of accountability and control. If revenue reserves fall below the risk assessed minimum requirement then only Full Council can authorise any further use of those reserves, taking due account of advice from the Council's S151 Officer. Full Council is responsible for approving the use of capital reserves, additional to those agreed annually in February as part of the overall budget, that are greater than 5% of the usable reserves balance in any one year-~~

### 2.2 District Executive

- a) The District Executive is responsible for proposing the policy framework and detailed budget to the Full Council and for discharging executive functions in accordance with the policy framework and budget agreed by Full Council **and for in year monitoring of the budget**. The detailed budget should include the allocations to the various services and projects, proposed funding including taxation levels, and minimum required levels of general reserves.
- b) District Executive can approve the use of general reserves to fund Supplementary Budget allocations within the financial year ~~subject to balances remaining at the risk assessed minimum requirements. District Executive can approve the use of usable capital receipts up to a maximum of 5% of unallocated receipts~~ **reserves** to fund Supplementary Budget allocations in any one year.
- c) Where the District Executive delegates executive decisions to a committee, or an individual Executive Member (Portfolio Holder), or a Member of staff, that delegation will include the financial accountabilities relating to the administration of the budget and spending decisions.
- d) The relevant budget holder will be the employee with responsibility for the relevant service, policy, or project, unless the Executive specifically identifies to whom budget responsibility is delegated e.g. to an Executive Member.
- e) Senior Leadership Team or District Executive Members who have responsibility for budgets delegated to them will be accountable to the District Executive or Full Council, as appropriate, for the use of

delegated budgets and should report at least quarterly to their accountable body for the use of those budgets and on the latest budget position.

- f) The District Executive is responsible for ensuring individual Executive Members with delegated powers consult with all relevant staff before taking decisions within their delegated authority, so that all implications, including financial implications, are taken into account.
- g) The District Executive will follow general good practice and comply with sound principles of accountability and effective management by delegating management and operational control normally to the Senior Leadership Team / Managers and other suitable officers wherever feasible and practical.
- h) It is the responsibility of the Executive or Executive Member with delegated budget responsibility to consult with the S151 Officer over the availability of funds before committing the authority to expenditure.

### 2.3 The Chief Executive

- a) The Chief Executive is the Council's Head of Paid Service, and is responsible for the corporate and overall strategic management of the authority as a whole. This includes responsibility for establishing a framework for management direction, style, and standards and for monitoring the performance of the authority. The functions of the Chief Executive are set out in Article 12 of the Council's Constitution.

### 2.4 Monitoring Officer

a) The functions of the Council's Monitoring Officer are set out in Article 12.03 of the Council's Constitution.

- b) In particular the Monitoring Officer, in consultation with the Chief Executive and the S151 Officer is responsible for advising the Executive, Full Council, Audit Committee and Scrutiny Committee if any proposal, decision or omission would give rise to unlawfulness or has given rise to maladministration, which would include:

- initiating a new policy with additional unfunded budgetary implications
- committing expenditure in future years above the current year budget level or medium term financial plan
- incurring virement without approval or outside any limits set by Council
- causing total expenditure to increase above the approved budget

### 2.5 Section 151 Officer

a) The functions of the Council's section 151 Officer are set out in Article 12.04 of the Council's Constitution.

- b) In particular, the S151 Officer, is responsible, in consultation with the Chief Executive and Monitoring Officer, for advising the Executive, Full Council, Audit Committee and Scrutiny Committee if any proposal, decision or course of action will involve incurring unlawful expenditure, or be unlawful and likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully, which would include:

- initiating a new policy with additional unfunded budgetary implications
- committing expenditure in future years above the current year budget level or medium term financial plan
- incurring virement without approval or outside any limits set by Council
- causing total expenditure to increase above the approved budget

- c) The S151 Officer is responsible for the proper administration of the Council's financial affairs and shall:
  - i. Advise the Council on insurance and financial risk;
  - ii. Advise the Council on effective systems of internal control;
  - iii. Ensure that there is an effective system of internal financial control;
  - iv. Advise the Council on anti-fraud and anti-corruption strategies and measures;
  - v. Present the annual Statement of Accounts to the Audit Committee ~~subsequent to external audit~~ and submit to the appropriate departments of central government any associated grant claims.

- vi. Select and consistently apply accounting policies, determine accounting procedures and records, and ensure compliance with relevant Accounting Codes of Practice;
- vii. Ensure **with Senior Leadership Team** that there is an effective internal audit function and assist managers to provide effective arrangements for financial scrutiny;
- viii. Secure effective systems of financial administration and provide appropriate financial information to enable budgets to be monitored;
- ix. Manage the cash and investments of the Council in accordance with the relevant CIPFA Codes of Practice and the Council's Treasury Management Strategy Statement, and determine effective and compliant Treasury Management Practices;
- x. Ensure that financial management arrangements are in line with the Council's policy objectives, the Council's overall governance arrangements and comply with any internally or externally set financial management standards;
- xi. Advise the Council on the setting of its revenue and capital budgets and the adequacy of its reserves to meet possible future commitments and contingencies. It is the responsibility of the S151 Officer to advise the District Executive on the setting of budget guidelines, to ensure budget estimates reflect agreed service levels and any guidelines set by the District Executive, and to liaise with budget holders throughout the budget preparation process;
- xii. Discharge statutory duties under Section 151 of the Local Government Act 1972, Section 114 of the Local Government Finance Act 1988, the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, the Accounts and Audit Regulations 2015, and the Local Government Act 2003;
- xiii. Advise the District Executive and Full Council on prudent levels of reserves for the Council and on the robustness of the Revenue and Capital Budgets;
- xiv. Advise the District Executive, Senior Leadership Team / Managers on all taxation issues that affect the Council;
- xv. Ensure the effective billing, collection and recovery of all sums due to the Council, in accordance with the Debt Recovery Policy.

## 2.6 Senior Leadership Team and Budget Holders

- a) The Council delegates all approved budgets for management purposes to a named post of the Council. Each named employee shall:
  - i. Ensure that the financial content of all reports, forms and procedures is approved by the S151 Officer (or a named Finance representative);
  - ii. Report any irregularities concerning the Council's financial affairs to the S151 Officer or Assistant Director (SWAP Internal Audit Services) at the earliest possible opportunity. The provisions of the Council's Whistleblowing Policy shall also be followed where relevant;
  - iii. Ensure that there are sufficient funds available in their ~~cash limited~~ **approved** budget before commitments are entered into;
  - iv. Consult with the S151 Officer prior to submitting to the Senior Leadership Team, District Executive or any Committee any report that may have financial implications;
  - v. Ensure that the Council's **Constitution** ~~Standing Orders, Procurement Rules, and Human Resources Rules~~ and **other procedural requirements** ~~notes~~ are complied with together with all applicable statutes, regulations, and best practice;
  - vi. Monitor and control expenditure against approved budget allocations and report to the District Executive quarterly in conjunction with the S151 Officer on variances and the action being taken to address them;
  - vii. Maintain systems of control that facilitate the achievement of the Council's objectives by using resources economically, efficiently, and effectively and by safeguarding the authority's assets and interests;
  - viii. Review and appraise their operations so as to achieve continuous improvement;
  - ix. Liaise with the Council's external auditor and any other inspectorate with statutory rights of access.
  - x. Ensure any compensation payments are authorised in accordance with the limits set in the Constitution (see Scheme of Delegation). The relevant Director will report to the SLT ~~annually~~ on the number and value of payments made.
  - xi. Maintain systems, procedures and sufficient resources to ensure that collection and recovery of all sums due to the Council follow the Income Management Policy.

## 2.7 Executive Members Exercising Budget Responsibility

- a) Where an Executive Member exercises budget responsibility they shall comply with the provisions of section 2.6 above and all related Financial Procedure Rules.



## 2.8 All Employees

- a) All employees of the Council have a responsibility to:
  - i. Report any irregularities concerning the Council's financial affairs to the S151 Officer or the Internal Auditor (Assistant Director – SWAP) at the earliest possible opportunity. The provisions of the Council's Whistleblowing Policy and the Anti Money Laundering Policy shall also be followed where relevant;
  - ii. Ensure that the Council's ~~Constitution, Standing Orders, Procurement Rules, and Human Resources Rules~~ and ~~other procedural requirements~~ notes are complied with together with all applicable statutes, regulations, and best practice;

## 3 ~~MANAGING RESOURCES~~ REVENUE AND CAPITAL BUDGETS

### 3.1 General Budget Monitoring

- a) Delegation of ~~cash limits~~ budgets shall be in accordance with the Scheme of Delegation.
- b) Delegation of ~~cash limits~~ budgets is to the Senior Leadership Team. They must maintain a full list of delegations to officers within their functional areas.
- c) Accountability for appropriate budgets shall be held at Senior Leadership Team level.
- d) Budget holders can only vary ~~cash limited~~ budgets in accordance with these Financial Procedure Rules. Accounting recharges (such as Support Services and depreciation) ~~will not be included in cash limits~~ can only be varied by the S151 Officer.
- e) Budget monitoring is the responsibility of each Senior Leadership Team member. Where there is likely to be a significant variation between the budget and actual expenditure they must notify the S151 Officer as soon as possible including an action plan to rectify the situation where appropriate.
- f) Budgets must be managed and monitored at nominal code level. The nominal code describes the type of spending and income e.g. salaries, electricity, grants, fees and charges. Virements must be requested where insufficient funds are available at nominal level. Virements are required where the variance is greater than £1,000.
- g) The S151 Officer is responsible for setting a timetable and reporting the Council's financial performance and financial position to the Senior Leadership Team and the District Executive.
- h) The Council has a statutory responsibility to produce a Statement of Accounts and all budget holders must comply with the accounts closedown timetable set by the S151 Officer.

### 3.2 Variations to Structures and Staffing Levels

- a) Within the total ~~cash limit~~ budget approved by the Council each year, Senior Leadership Team shall be entitled to vary the numbers and composition of their workforce in order to meet service requirements, provided such variations do not commit the Council to increased expenditure in future years, receive SLT approval ~~and follow the applicable LGR staffing protocol~~.
- b) Members of Senior Leadership Team proposing restructures shall liaise with both Finance Specialists and People Specialists to agree overall cost implications and HR process and procedure. SLT members shall ensure they have included the cost implications of the Council's severance scheme, and that the S151 Officer verifies these costs. Salaried posts will be costed at the top of the grade in any workforce design, include all potential redundancies and/or early retirements and salary protections, and then be compared to the previous structure. Where there are any actual or potential additional costs associated with restructuring proposals that may commit the Council to increased expenditure in future years, overall agreement must be obtained from the SLT and District Executive including the method of financing and a ~~section 24 consent must be in place~~.
- c) Senior Leadership Team shall not enter into or change a contract of employment, including the grading of a post without prior consultation with the Lead Specialist - People.



- d) Senior Leadership Team shall adhere to the Council's staffing policies and staffing delegations, including the proper use of appointment procedures, **the applicable LGR Staffing Protocol**, systems for determining remuneration and the method used to make payments to employees. Senior Leadership Team may choose to delegate these functions.

### **3.3 Increases to the approved Revenue Budget**

- a) Full Council is to approve the ~~Detailed Budget Analysis~~ including income and expenditure totals for each activity as part of the Annual Budget Report.
- b) Senior Leadership Team can increase their expenditure by up to £20,000 in one financial year for goods purchased for resale with a matching increase in income budgets, in consultation with a Finance Specialist.
- c) Senior Leadership Team can increase their cost centre income budget on services by up to a maximum of £20,000 in one financial year, with supporting evidence, and in consultation with a Finance Specialist.
- ~~d) Senior Leadership Team can increase their budgets in respect of 100% externally funded staff provided the Lead Specialist – People has agreed the contract terms and that the Lead Specialist – Finance has been notified in advance. SLT must ensure any additional costs associated with that Member of staff is fully funded at the outset including any provision for possible redundancy costs.~~
- e) **Senior Leadership Team can increase their revenue expenditure budgets by up to £100,000 if such expenditure is fully grant funded or can be financed by an earmarked reserve (set up for the purpose of funding such expenditure) provided that approval is gained from the overall Senior Leadership Team. Any such increases will be reported to District Executive in the quarterly corporate budget monitoring report and the gross expenditure (and its financing) added to the approved budget totals.**
- f) **Senior Leadership Team must receive advice from the Lead Specialist – People, on the contract terms, and from the Lead Specialist – Finance, on the budget and financing arrangements, before agreeing any proposal to increase the staffing budget. SLT must ensure any additional costs associated with that Member of staff is fully funded at the outset including any provision for possible redundancy costs.**
- g) **Any increase needed to the revenue budget over £100,000 will require consent under the section 24 Direction.**

### **3.4 Revenue and Capital Budget Virement Rules**

- a) District Executive has delegated authority to approve virements between activities/services/**projects** within the overall **approved** net budget total and have further delegated this authority as set out **in the table below**:
- ~~b) Senior Leadership Team can authorise any non-staffing budget virement within each individual cost centre / activity / service of their responsibility, using the limits and approvals shown in the table below, provided that the S151 Officer is notified in advance.~~
- ~~c) Senior Leadership Team can authorise any budget virement to or from the 'employees' budget provided that the Lead Specialist – Finance approval is obtained in advance.~~
- ~~d) Subject to the above specific virement responsibilities, the following table summarises virement approval limits. Where virements are between different areas of responsibility the approval of all relevant officers and portfolio holders is required. The Lead Specialist – Finance shall ensure all virements above £50,000 are reported to District Executive for information and transparency.~~

<b>Responsible Authoriser</b>	<b>Limit</b>	<b>Finance approval advice required from</b>
<b>Budget Holder</b>	£25,000	Specialist – Finance
<b>SLT member</b>	£50,000	Lead Specialist – Finance
Portfolio Holder	£100,000	S151 Officer
District Executive	Greater than £100,000	S151 Officer

- e) ~~Movements to and from earmarked capital and revenue reserves can be actioned by the relevant Director (or delegated budget holder where appropriate) provided that the use is for the approved purpose.~~
- f) Any virement involving the staffing budget needs, in addition, advice from the Lead Specialist Finance and Lead Specialist People and, if that advice is not followed, written reasons must be sent to the s151 Officer before the virement is made.
- g) Where virements are between different areas of responsibility the approval of all relevant officers and portfolio holders is required.
- h) All budget virements above £50,000 will be reported to District Executive in the quarterly corporate budget monitoring reports for information and transparency.
- i) All budget virements properly approved shall be actioned in the Council's main finance system by Finance Officers.
- j) Area Committees can approve budget allocations (virements) from total budgets and ring-fenced reserves delegated to each Committee by District Executive and Full Council. Area Budget information will be reported to the District Executive for information via the quarterly corporate budget monitoring reports.
- k) District Executive has delegated authority to vire amounts from the Corporate Capital Contingency Budget into the schemes previously approved by Full Council in the capital programme.
- l) In urgent cases, the Chief Executive Officer has delegated authority, in consultation with the s151 Officer, to vire amounts from the Corporate Capital Contingency Budget into the schemes previously approved by Full Council in the capital programme.

### 3.5 Revenue Underspends and Budget Carry Forwards

- a) Senior Leadership Team members are responsible for ensuring budgetary control is maintained at all times, and shall take all reasonable action to contain spending and meet income targets within approved targets. All forecast and actual variations to approved budgets by activity/service greater than £50,000 must be reported and fully explained to the District Executive through the quarterly corporate budget monitoring reports.
- b) The S151 Officer is responsible for approving all budget carry forwards due to timing differences between financial years in meeting agreed commitments. District Executive approval is needed to carry forward unspent and uncommitted revenue budget.
- c) The S151 Officer shall transfer Revenue Budget Net Underspend or Overspend, after approved carry forwards and agreed allocations to/from earmarked reserves, to General Reserves at the end of the financial year. District Executive can approve a net overspend of a maximum of £50,000 to be carried forward to the following financial year to be met from that year's approved budget.

### 3.6 Capital Budget

- a) A rolling five-year Capital Programme is to be prepared and reviewed annually to confirm the Capital Budget and Financing requirement within each financial year.
- b) The S151 Officer is responsible for compiling the Capital Budget and the 5-year Programme including the associated capital financing, in consultation with Senior Leadership Team, for consideration by the District Executive prior to submission to Full Council for approval. The programme will include:
- committed schemes that are in the process of completion
  - schemes for replacement/maintenance of existing assets
  - new starts for the following years
  - receipts from expected sales of assets and
  - external contributions expected

c) ~~The Chief Executive or Directors may approve Supplementary Capital Budgets of up to £50,000, and District Executive may approve Supplementary Capital Budgets of up to £150,000 during the year, within the resourcing limit delegated by Full Council. Full Council is responsible for approving all other supplementary capital budgets unless specific delegations exist e.g. for investment property acquisitions/disposals under the Council's approved Commercial Strategy. In all Supplementary Budget decisions, the decision-maker must consider affordability of both capital and revenue implications of recommended projects, in consultation with the S151 Officer or Lead Specialist – Finance.~~

d) Any increase needed to the capital budget over £1,000,000 will require consent under the section 24 Direction.

e) The S151 Officer is responsible for setting the reporting timetable in consultation with the Portfolio Holder responsible for Finance. The Capital Programme will be monitored by District Executive or, where monitoring has been delegated, by the appropriate Area Committee or Regeneration Board.

f) The S151 Officer in consultation with Responsible Officers (see 3.7(f) below) and the SLT will prepare the corporate monitoring reports to the District Executive.

### 3.7 Bidding for Urgent Capital Resources

a) Schemes where appropriate shall have completed a feasibility study before submission to Area Committees or District Executive. All schemes requiring Feasibility Funds require approval by SLT and then District Executive.

b) There is a de-minimis value of £10,000 for each Capital Scheme, £250 for Capital Grants, and £10,000 for capital receipts.

c) During the annual budget setting process, decisions will be made on which new schemes are to be included in the following year's Capital Budget and 5 year Programme. Capital Investment Appraisal shall be completed in line with Guidance provided by Finance and can be submitted to the S151 Officer at any time during the year but will be considered by SLT for onward approval by District Executive and Full Council in line with the agreed timetable.

d) Proposals shall be clearly linked to the Council Plan and any relevant Service Plans.

e) The capital investment appraisal form shall disclose any revenue consequences. If these cannot be absorbed by the service a request shall be made to District Executive for additional resources as part of the Revenue Budget setting process.

f) Each approved scheme will be the responsibility of a named Responsible Officer, who shall monitor the scheme's progress and report accordingly.

~~g) Allocations to services from the Internal Capital Loans Fund is delegated to the S151 Officer for assets purchased by the authority and recharged to services within the approved budget.~~

### 3.8 Urgent Purchase and Disposal of Plant and Vehicles over £10,000

a) Managers/Lead Specialists are responsible for assessing the need for acquiring, replacing or disposing of plant or vehicles and completing a business case that includes describing the business need and benefit, the costs and funding proposals. This includes regular (at least 6-monthly) reviews of leases.

b) Managers/Lead Specialists shall liaise with a Finance Specialist to determine the most economical approach to financing and confirm sufficient budget is in place.

~~e) The Finance Lead Specialist has authority to approve advances from the Internal Loans Fund Reserve to finance vehicles and plant within the overall Fund total approved by Council. Alternatively, freehold or leasehold purchases may be approved by the Finance Lead Specialist if capital costs are affordable within approved capital budget totals and any revenue implications are affordable within approved revenue budgets.~~

d) Managers/Lead Specialists shall maintain a maintenance and replacement plan for vehicles and plant, and submit future budget requirements in line with the annual Budget Timetable set by the S151 Officer.

### 3.9 Capital Receipts

a) Senior Leadership Team shall inform the relevant Finance Specialist of all expected capital receipts as soon as they are identified. ~~Where a land and property asset is identified as available for sale this is to be considered in line with FPR 13.2. Disposal of other assets shall be approved by the relevant Director/Manager, and notified to Lead Specialist – Finance.~~ Best value needs to be obtained when disposing of assets. Proceeds from sale of assets valued at £10,000 or above shall be credited to the Capital Receipts Reserve and allocated in accordance with the approved Capital Programme.

b) Any disposal where the value exceeds £100,000 will require consent under the section 24 Direction.

### 3.10 Virement Rules – Capital

a) ~~Approved budget allocations may be transferred between schemes subject the following authorisation responsibilities and limits.~~

Responsible	Limit	Finance approval required
Manager	£25,000	Specialist – Finance
Director	£50,000	Lead Specialist – Finance
Portfolio Holder	£100,000	S151 Officer
District Executive	Greater than £100,000 (previously £10K)	S151 Officer

b) ~~All contributions made from revenue budgets to capital budgets (other than those purely made for accounting adjustments such as accounting for leases) shall be approved by the relevant Committee and authorised by the S151 Officer (or nominated representative).~~

e) ~~If, during the progress of approved schemes, significant budget variations are projected then virement can be made from another scheme within the Corporate or Area totals. All such proposed virements shall be reported to the District Executive for approval.~~

### 3.11 Monitoring the Capital Programme and Capital Projects

a) Where Responsible Officers require schemes to be re-phased between years they shall notify the S151 Officer at least quarterly so that the overall financing of the Capital Programme can be maintained and investment income maximised.

b) Financial progress on each project and funding projections must be submitted to District Executive quarterly by the S151 Officer. This must include any slippage in the project timetable and spend with the actions being taken if necessary to bring the project back in line.

c) Projects should be managed and monitored using the Council's Project Management Methodology and regular reports made to each Project Sponsor/Project Board for monitoring purposes.

d) Any projects amended, other than for minor changes **that exceed the agreed tolerances** between approval and implementation must be resubmitted to the District Executive for approval. This includes projects that have received further external financing to meet additional costs over £50,000.

e) **All capital projects over a value of £1,000,000 and capital projects over £250,000 that also have a risk impact score of moderate or above, must undertake End of Stage Assessments and if the assessment identifies any change to the original business case for the project, authorisation to move to the next stage will require District Executive approval.**

### 3.12 Capital Underspends

a) The S151 Officer can approve the carry forward of underspends against budgets to the following year if the project has commenced before the year-end and has not been completed. District Executive or the appropriate Committee will decide at the year-end whether projects that have a delayed start date of more than one year can continue.

### 3.13 Post Completion Appraisals

- a) On completion of any project **over £1,000,000** the Responsible Officer will prepare a report in consultation with the S151 Officer (or nominated representative) **and SLT lead** stating how the project has performed against its set objectives. This will be reported as part of the outturn report **or quarterly capital budget monitoring report** to District Executive each year.

### **3.14 S106 & Community Infrastructure Levy (CIL) Funds**

- a) 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.
- b) The Strategic Development Board (SDB) has delegated authority to determine the criteria for awarding and the subsequent allocation of CIL monies received.**

### **3.15 Regeneration Programme Boards**

- a) Governance and delegated authority for implementing the Regeneration Programme shall be approved by Full Council.
- b) Full Council shall approve the total budget **limits and its funding** for each Regeneration Programme.
- c) ~~The S151 Officer shall approve individual scheme Gross Budget, Net Budget and any funding arrangements, within the overall Programme limits set by Full Council. Full Council shall approve the original Business Case for the investment and any subsequent proposed changes that would have a significant impact on the agreed Business Case. The individual Project Boards act within the agreed budget and scope approved by Full Council.~~**
- d) Individual schemes within approved Programme limits shall be approved by the Director of Place and Recovery in consultation with the Programme Board Chair and the S151 Officer.

## **4 FINANCIAL CONTROL**

### **4.1 General**

- a) All accounting systems, procedures and records shall be subject to the approval of the S151 Officer. Changes to or discontinuation of existing **financial** systems/procedures and the introduction of new **financial** systems shall also be approved by the S151 Officer.
- b) All accounts and reports shall be prepared in accordance with these Financial Procedure Rules and in conformity with any Government Regulations and CIPFA Codes of Practice and any other professional guidance held to represent best practice.
- c) Senior Leadership Team is responsible for specifying the budget requirements for their cost centres **in accordance with the cash limit rules and the timetables established by the S151 Officer. Directors and Managers** and should seek the advice of the S151 Officer, or nominated representative, to ensure that budgets are compiled in accordance with the financial policies agreed by the Council.
- d) Senior Leadership Team is responsible for the proper operation of financial processes within their functional areas.

### **4.2 Local Code of Governance**

- a) The Senior Leadership Team is responsible for preparing a Local Code of Corporate Governance which is to be reviewed on a regular basis and at least every three years. The Audit Committee is responsible for approving the Local Code of Corporate Governance.

### **4.3 Annual Governance Statement**

- a) The Council is required to publish an Annual Governance Statement at the end of each financial year, which is to be approved by the Audit Committee and signed by the Chief Executive and Leader. Senior

Leadership Team shall annually declare and evidence that the internal controls within their functional area are regularly monitored and reviewed.

#### 4.4 Internal Audit – South West Audit Partnership Ltd (SWAP)

- a) The general standards for Internal Audit shall be those of the Institute of Internal Auditors (IIA) in conjunction with Public Sector Internal Audit Standards (PSIAS).
- b) The South West Audit Partnership Ltd (SWAP) Chief Executive, or nominated Senior Officer Representative, will be the responsible Chief Internal Auditor (CIA) as agreed with the S151 Officer. The CIA shall compile an Annual Audit Plan in consultation with the S151 Officer & Senior Leadership Team, to be approved by the Audit Committee.
- c) The Chief Internal Auditor shall report audit findings and significant control risks, performance in delivering the Audit Plan, and an annual Audit Opinion to the S151 Officer, Senior Leadership Team, and the Audit Committee.
- d) To assist in the objectivity and independence of the South West Audit Partnership Ltd, all audit employees have:
  - authority to enter any Council premises or land
  - authority to access all Council records, documents and correspondence
  - receive explanations from employees and Members on any matter that they are reviewing or investigating
- e) Such authority will not be used unreasonably.
- f) All thefts and break-ins to Council property shall be reported to the South West Audit Partnership Ltd at the earliest possible opportunity.
- g) Where the Council enters into agreements with partners that involve financial grants or contributions from the Council, those agreements shall give the South West Audit Partnership Ltd authority to examine the financial accounts of the partner.

#### 4.5 Operational Leases

- ~~a) Directors/Managers may enter into an operational lease for equipment provided that the S151 Officer has confirmed in writing that the method of finance is appropriate for the asset concerned. Procedure 2.7 Purchase and Disposal of Plant and Vehicles over £10,000 shall be followed where appropriate. Directors/Managers may not enter into a lease without first taking advice from the Procurement Specialist. Directors/Managers shall ensure that charges arising from such arrangements can be met within approved budget for the current and future years.~~
- ~~b) Directors/Managers must liaise with the Lead Finance Specialist or Finance Specialist to determine whether a lease shall be accounted for as capital or revenue expenditure.~~

#### 4.6 Treasury Management

- a) The S151 Officer is responsible for preparing annually a Treasury Management Strategy Statement (TMSS) setting out the main principles of treasury management to be followed, including Prudential Indicators and other relevant performance measures. Audit Committee is responsible for reviewing the TMSS before Full Council approves it. Revisions to the TMSS or Prudential Indicators require Full Council approval.
- b) All Executive decisions on borrowing, investment or financing shall be delegated to the S151 Officer, who may delegate to appropriately trained Finance Officers in accordance with Treasury Management Practices. All employees are required to act in accordance with the CIPFA Code of Practice for Treasury Management in Local Authorities and the Council's Treasury Management Strategy Statement, and comply with the Treasury Management Practices.
- c) The S151 Officer shall review the TMSS mid-year and recommend any changes to Full Council. The S151 Officer shall also provide a Treasury Management activity monitoring report mid-year, and an



annual report by no later than 30th June to the Audit Committee and by the 30th September to Full Council.

- d) All investments and borrowing shall be made in the name of the Council or its approved nominees.
- e) All financial balances in the possession of the Council shall be managed by the S151 Officer.

## 5 CONTRACT PROCEDURE RULES

### 5.1 General

- a) All employees shall comply with the ~~Procurement~~ **Contract** Procedure Rules (**Contract Standing Orders**). ~~Procurement rules. These refer~~ relates to the appropriate arrangements for purchasing works, goods and services, and include authority to approve/sign/~~amend~~ contracts which commit the Council to expenditure and potentially related obligations. **These also refer to payment made in advance of receipt of goods/services.** Authorisation of individual invoice payment transactions – which certifies that invoices are correct and valid for payment – are covered under purchasing below.
- b) **All employees when complying with the Contract Procedure Rules must also comply with these Financial Procedure Rules, for example, in respect of budget availability and authorisation, budget virements, and any SCO or transitional requirements.**

## 6 PURCHASING -

### 6.1 Payment of Invoices

- a) The S151 Officer shall make arrangements for the payments of all monies due from the Council, which shall comply with statutory provisions in force.
- b) Invoices to be paid shall not be made out to employees of the Council, except in any case or category of case agreed by the S151 Officer in advance. Employees shall not amend any invoices received but instead return to the supplier to provide an amended invoice if necessary. Copy invoices shall be clearly marked as such, and appropriate checks undertaken to confirm an original invoice has not been received or paid.
- c) Where an order has been raised for goods and services (see ~~Procurement~~ **Contract** Procedure Rules) the invoice must be matched with the order. In most circumstances, it is appropriate for an official order to be raised.
- d) All suppliers shall be asked to quote on all invoices the name of the group and section, the order number and the place where the work was done or goods delivered.
- e) No payment is to be made on the basis of a supplier's statement of account.
- f) Senior Leadership Team (or other delegated employees) shall be responsible for the verification and certification of all payments from their own budgets only. Certification means a manual signature or a computerised authorisation as required by the Council's E5 Financial Management System. The certification by, or on behalf of the Senior Leadership Team shall be regarded as an assurance that:
  - value has been received and accounted for in the opinion of the Senior Leadership Team
  - expenditure complies with the ~~Procurement~~ **Contract** Procedure Rules and Financial Procedure Rules in force at the time
  - the document presented to support the payment is correctly priced and the invoice has not been previously passed for payment
  - all trade and prompt payment discounts have been deducted (where appropriate)
  - VAT has been properly accounted for in accordance with the HM Revenues and Customs regulations applicable at the time
  - expenditure and income is posted to the appropriate nominal codes on Cedar to ensure that the financial system reflects the correct nature of the expenditure/income incurred

- g) Where the same person raises the order and authorises the payment, a second person shall input details of the transaction into the Council's E5 Financial System.
- h) Senior Leadership Team can authorise any payments within their area of responsibility, and are allowed to delegate payments of up to £100,000 to their supporting officers. **Delegations above this amount require the written approval of the S151 Officer.**
- i) A list of those employees authorised to certify all types of expenditure (including those authorisers via the Council's E5 Financial System) shall be prepared and signed by the relevant Senior Leadership Team member / Manager and copies forwarded to the S151 Officer. The database of authorised employees shall be kept fully up to date and all changes notified as soon as possible.
- j) Where invoices are authorised on line via the Council's Financial System the authoriser shall ensure the due date is in accordance with the invoice terms or the Council's payment policy. This requires that all undisputed invoices for goods and services supplied should be paid within 10 working days of their receipt by the Council.
- k) Invoices shall all be stored electronically in a specified folder ready for importing the image into the E5 system.
- l) As soon as possible after 31 March each year, Senior Leadership Team shall notify the Financial Services Team of all outstanding expenditure relating to the previous financial year. When such expenditure is subsequently certified for payment it shall be identified as required by the S151 Officer.
- m) The S151 Officer shall publish detailed closedown procedures each year.

## **6.2 Corporate Credit Cards**

- a) The S151 Officer is required to authorise the issue of a corporate credit card. The card shall only be used for business purchases. Receipts for all transactions shall be passed to Support Services-Finance for reconciliation to the monthly statements.

## **6.3 Procurement Cards**

- a) The issue and use of a procurement card shall be in accordance with the Procurement Card Rules as approved by the S151 Officer.

# **7 PAYROLL SERVICES**

## **7.1 Appointment of Employees**

- a) The appointment of all employees shall be made in accordance with approved Employment Policies and Procedures. Recruiting managers must ensure there is sufficient budget to fund the appointed position, to be certified by a Finance Specialist, and submit to the People Managers Forum for consultation and approval.

## **7.2 Amendments to Payroll**

- a) Senior Leadership Team / Responsible Managers shall notify the Lead Specialist – People as soon as possible, in the prescribed form, of
  - all appointments, promotions, resignations, retirements, dismissals and suspensions from duty
  - all transfers between services within the control of the Senior Leadership Team
  - all periods of sickness and absence, except normal annual leave
  - all changes in remuneration of employees, except normal increments
  - all payments for compensation and any other emoluments to any employee
  - such other information as may be required by the Lead Specialist People in connection with the calculation and payment of pay related expenditure
  - All leavers should be immediately reported to the Lead Specialist Digital Change to enable their access to be cancelled on the financial system



- Senior Leadership Team is also required to contact the Lead Specialist Digital Change and the Revenues Specialists to identify if there is any outstanding debt owing to the Council – if this is the case, the Director Support Services & Strategy shall then instruct payroll to deduct any debt from the last salary payment
- The Financial Systems support team will at least once a year circulate an up to date list of Cedar users and access levels to the Senior Leadership Team, who will be required to sign and return this list, noting any amendments

### **7.3 Other Payments**

- a) All travelling, subsistence, financial loss, and any other reimbursements to employees shall be paid through the payroll system and in accordance with the detailed arrangements required by the S151 Officer and approved by the Council. In special cases a payment can be made through BACS.
- b) All travelling claims from both Officers and Members shall be submitted on the appropriate form monthly to payroll by the 5th working day of the month, together with appropriate VAT receipts to cover the mileage claimed. All high mileage claims over 300 miles per month shall be submitted monthly, claims under 300 miles per month shall be submitted at least quarterly.
- c) All payments for allowances, travel and subsistence etc. to elected Members shall be paid through the payroll system and in accordance with the detailed arrangements required by the S151 Officer and approved by the Council.

### **7.4 Timesheets**

- a) All timesheets and records for overtime, expenses etc. shall be in a form approved by the Director Support Services & Strategy. All claims shall be submitted at least quarterly. Any claims submitted outside of this time limit (without the approval of the Chief Executive) will not be paid.
- b) The standard procedure for employees leaving the Council, or transferring to another post shall be followed in all cases. These procedures are laid down in Employment Policies and Procedures.

## **8 BANKING ARRANGEMENTS – Karen Horley reviewing**

### **8.1 General**

- a) All arrangements with the Council's bankers concerning the Council's bank accounts and partnership accounts which the Council manages on behalf of any partnership, and the issue and deposit of cheques shall be made through the S151 Officer.
- b) The S151 Officer shall be authorised to operate such subsidiary bank accounts as deemed necessary.
- c) Any overdraft on the Council's bank accounts shall be kept within the limits set out in the Treasury Management Strategy Statement. Bank accounts shall be reconciled by the S151 Officer at intervals no longer than one month and kept up to date.

### **8.2 Cash and Cheques Received – Karen Horley reviewing**

- a) All monies received on behalf of the Council shall, without delay, be banked in the Council's name in accordance with the instructions of the S151 Officer. Post-dated cheques will not be accepted.
- b) There shall be separation of duties between receiving and paying out monies. Employees who collect cash shall not be involved in the maintenance of cash and deposit books or other financial records in respect of that cash. This requirement can only be excepted on the written approval, in advance, of the S151 Officer.
- c) Post that may contain income shall be subject to control by not less than two persons from the point of delivery through to the receipt of a signature at the cash desk. The S151 Officer will issue detailed written instructions for the handling of postal income and these instructions shall be adhered to at all times.

- d) Where a person or body claims to have made a payment which has not been credited to their account, a Support Services Case Officer, or in his/her absence Support Services Case Team Leader, shall follow the agreed procedure immediately.
- e) All copies of cancelled receipts shall be retained for inspection.
- f) Managers are responsible for ensuring the control, monitoring and regular banking of daily receipts arising from cash collection points under their control. The S151 Officer will provide detailed procedure notes which shall be adhered to at all times.

### **8.3 Money Laundering**

- a) The Council has a nominated Money Laundering Responsible Officer (MLRO). The MLRO is the S151 Officer.
- b) Any transaction involving an unusually large amount of cash should cause questions to be asked about the source. This may particularly be the case where cash paid exceeds the amount needed to pay the transaction and a refund is requested but not in cash form. Any suspicious transaction in cash over £10,000 should be directly reported to the Money Laundering Responsible Officer and Money Laundering procedures followed.
- c) Appropriate money laundering checks must be carried out in respect of any property or assets purchased from the Council. Any suspicious transaction shall be reported to the Money Laundering Responsible Officer.

### **8.4 Payments by Direct Debit**

- a) All agreements with banking organisations regarding direct debits shall be approved by the S151 Officer.
- b) Any telephone lines used to transmit confidential banking information regarding the Council's customers shall meet security standards approved by the Lead Specialist Digital Change. The Lead Specialist Digital Change shall ensure that direct debits requested from banks are made on the dates specified by the Support Services Team Leader.

### **8.5 Direct Debits and Cheques Paid**

- a) All cheques and direct debit mandates drawn on bank accounts of the Council shall:
  - be signed only by the S151 Officer or other employee authorised by the S151 Officer
  - bear the name of the S151 Officer as produced by approved systems where this has been specifically agreed by the S151 Officer
- b) The S151 Officer shall arrange for such safeguards as are deemed necessary and practicable, including the separation of duties, so that as far as possible the following procedures are the responsibility of separate employees:
  - the checking of creditors' accounts
  - the control of cheques
  - the preparation of cheques
  - the signature of cheques
  - authorisation procedures for electronic payments (BACS, CHAPS)
  - the entry of the cash account
  - the reconciliation of bank balances

### **8.6 Handling of Cheques**

- a) The Support Services Team Leader shall ensure the list of outstanding cheques is examined at least monthly and reasons sought for cheques that have not been cashed. Cheques, which have not been cashed six months after the date of issue, shall be cancelled.

## 9 INCOME MANAGEMENT

### 9.1 Income Collection

- a) Arrangements for the collection of all monies due to the Council shall be subject to the control or approval of the S151 Officer.
- b) Managers shall maintain such information in connection with the work done, goods supplied or services provided so that a correct record of all sums due is maintained. Wherever possible income due should be collected in advance. Managers shall ensure that individual customer debtor accounts are raised as soon as possible but no later than five working days from the delivery of goods or provision of services, unless specified terms have been agreed by the S151 Officer.
- c) Monthly and where appropriate quarterly accounts should be produced five working days after the month or quarter's end. Managers shall record promptly, within the Council's Sundry Debtor System, all money due to the Council. The records shall include details relating to contracts, leases and other agreements and any arrangements entered into which involve the periodic receipt of money by the Council.

### 9.2 Setting Fees and Charges

- a) In line with the budget setting timetable all fees and charges shall be reviewed annually by each Senior Leadership Team member / Manager in consultation with the S151 Officer. All changes to such charges shall be agreed in advance with the S151 Officer and recorded annually within the Fees and Charges Register. The Register will be published on the Council's website and it is the responsibility of each Senior Leadership Team member / Manager to notify the S151 Officer of any changes made in addition to the annual review.

### 9.3 Writing Off of Debts

- a) Any debts written off shall be in accordance with procedures approved by District Executive, and shall be approved in line with the following delegations. These delegations only apply when sufficient resources are held to write off the debt in the bad debt provision. If sufficient resources are not held to write off the debt then the S151 Officer will submit a report to District Executive / Council for approval.

Income Type	Limits	Authority to Approve Write-Offs
Council Tax and Business Rates All Income types	£0 system balance	Customer Focus or Case Officer
	£0.01 to £25 £500	Customer Focus or Revenues Case Officer (Grade 3 / 4) – (recovery costs only)
	£25.01 to £100	Revenues Case Officer
	£100.01 £0.01 to £1,000	Revenues Specialist / Team Leader – Revenues Case Officer (Grade 5) / Finance Specialist / Support Service Team Leader
	£1,000.01 to £5,000 £10,000	Revenues Specialist / Team Leader / Lead Specialist – Finance
	£10,000.01 to £24,999.99	Lead Specialist - Finance
	>£5,000 £25,000 and over	S151 Officer
Other Income	£0.01 to £25	Customer Focus or Case Officer
	£25.01 to £100	Case Officer
	£100.01 to £1,000	Finance Specialist / Support Services Team Leader
	£1,000.01 to £5,000	Lead Specialist – Finance
	>£5,000	S151 Officer

- b) The recovery of all debts shall be in accordance with the Income Management Policy approved by the District Executive and supporting procedures agreed by the S151 Officer. It is the responsibility of Senior Leadership Team / Managers to adhere to policy and procedures, and ensure income due is collected.
- c) Managers shall be responsible for accounting for VAT on income, fees and charges in accordance with the Regulations of HM Revenue and Customs. The S151 Officer shall advise those managers of any changes to the Regulations.

#### 9.4 Cash Floats and Petty Cash

- a) Where cash floats, petty cash, or cash remittances are held, Managers shall ensure that cash holdings and receipts should be regularly reconciled and recorded to evidence monitoring and minimise the risk of cash differences.

#### 9.5 Imprest Accounts

- a) The Support Services Team Leader is responsible for the arrangements for Imprest Accounts. Guidance notes will be issued and employees in control of Imprest Accounts shall follow the correct procedures at all times. Managers shall ensure that all monies authorised for reimbursement in an Imprest Account are accounted for in accordance with the guidance notes.

### 10 RISK MANAGEMENT AND INSURANCES

#### 10.1 Risk Management

- a) The ~~Director – Strategy & Support Services~~ **Lead Specialist – Procurement Performance and Change** will prepare the authority's Risk Management Policy statement and strategy for the approval of the District Executive. **Audit Committee scrutinises and monitors the effectiveness of those arrangements risk management and internal control arrangements to obtain assurance on their effectiveness. Systems will be developed to identify and evaluate all significant risks to the authority by all associated in the planning and delivery of services. A system of regular review and dialogue with Senior Leadership Team / Managers and relevant stakeholders is maintained to identify and drive evaluation of all significant risks to the authority in the planning and delivery of services.**
- b) A consolidated risk register will be maintained by the **Lead Specialist – Procurement Performance and Change** and is published and accessible to all employees. All risks identified which which are considered relevant in respect of their potential impact on the activities of the Council will be recorded on the register.
- c) **Senior Leadership Team is responsible for identifying, assessing and managing all risks in respect of their functions and business plan delivery, and will obtain assurance from ensure named risk officer(s) owners are responsible for maintaining risk data and profiles within those functions that risks are evaluated and managed to ensure the achievement of the business plan**
- d) Risks will be identified through:
- ~~Programmed Control and Risk Self Assessments sessions facilitated by the South West Audit Partnership~~
  - **A system of regular facilitated reviews, workshops, and ongoing dialogue with the Senior Leadership Team and relevant stakeholders**
  - Audit reviews
  - ~~Senior Leadership Team as part of their responsibilities for maintaining accurate risk records~~
- e) ~~The South West Audit Partnership in conjunction with Senior Leadership Team will devise Action Plans to actively manage risks, following all control and risk self-assessment sessions. Senior Leadership Team will be responsible for ensuring that all actions identified, in respect of any risk, are dealt with in accordance with the timetable specified.~~
- f) The Lead Specialist – Procurement Performance and Change will provide risk management reports to SLT quarterly and to the Audit Committee twice yearly.

#### 10.2 Insurances

- a) The S151 Officer shall make arrangements for approved insurance cover, maintaining adequate records and negotiating claims with the Council's insurers.
- b) Senior Leadership Team shall advise the Insurance Case Services Officer of the extent and nature of all new risks where insurance may not exist or may be inadequate.
- c) The S151 Officer can authorise payments of small claims from self-insured funds of up to £2,000.

- d) The S151 Officer shall review insurance cover annually.
- e) The Insurance Case Services Officer shall keep Senior Leadership Team notified as to the nature and extent of the various risks that are covered or left exposed.

### **10.3 Notification of Loss**

- a) Senior Leadership Team / Managers shall notify immediately the Insurance Case Services Officer, in writing, of any loss, liability or damage or any event likely to lead to a claim in connection with their areas of responsibility.
- b) All employees of the Council shall be included in a fidelity guarantee policy.

### **10.4 Car Allowances**

- a) Recipients of car allowances shall provide Payroll with copies of policies or premium receipts as may be necessary to ensure adequate cover against any liability of the Council arising from official use of their vehicle.

## **11 STOCKS, STORES, FURNITURE AND EQUIPMENT**

### **11.1 General**

- a) Managers shall be responsible for the care and physical control of all stocks, stores, furniture, plant and equipment in their custody. ~~Records shall be maintained in a form specified by the S151 Officer.~~

### **11.2 Write Offs**

- a) Any items of stocks, stores, plant or equipment to be written off shall require the certification of the relevant Senior Leadership Team member or an employee nominated by a Manager. The certification shall be in writing and details notified to the S151 Officer as soon as possible.

### **11.3 Stock Checks**

- a) All stocks of goods held as stores, or for resale, shall be subject to stock check annually. Managers, shall certify a certificate of the value held at 31 March each year at cost and the certificate forwarded to the S151 Officer within 10 days of the year end. The de minimis level for year-end stock certificate being returned to Support Services Finance is £1,000.

### **11.4 Corrections**

- a) Correction of deficiencies and surpluses on stocks and stores accounts shall be in accordance with the procedures laid down by the S151 Officer.

### **11.5 Disposal of Surplus Furniture & Equipment (including personal computers)**

- a) Prior to disposal Property Services shall offer the surplus furniture or equipment to other services within the organisation at no cost. Only when there is no organisational need to retain the equipment can it be disposed of ensuring value for money is received.
- b) All redundant ICT equipment including mobile telephones and related items shall be returned to Support Services ICT who will return to stock or dispose of securely.
- c) Managers shall amend inventories to reflect disposals and acquisitions.

### **11.6 Inventories**

- a) Managers shall be responsible for ensuring proper maintenance of inventories of plant, equipment and the means for prompt and efficient identification of each item for the purposes of insurance claims or claims under suppliers' guarantees. The information shall be recorded in the format specified by the S151 Officer.

## 12 CAR LOANS AND LEASED CARS

- a) All loans and leases for the provision of motor vehicles shall be administered in accordance with the scheme approved by the District Executive.

## 13 BUILDINGS, LAND AND PROPERTY

### 13.1 Asset Register

- a) The S151 Officer shall maintain a full and accurate register of all Council Property, Plant and Equipment and other Long Term Assets for the purpose of maintaining accurate balance sheet records and calculating capital charges in accordance with relevant Codes of Practice.
- b) The Commercial Property, Land and Development Manager shall ensure all land and property assets are fully and accurately recorded in a suitable property asset register / asset management system.
- c) If the property system and accounting asset register are separate systems, it is the responsibility of the Commercial Property, Land and Development Manager and the Lead Specialist – Finance to ensure these are reconciled regularly including as at 31 March each year to evidence accounting balances in the Balance Sheet.

### 13.2 Land and Property Transactions

- a) All arrangements for the acquisition or disposal of land and buildings shall be in accordance with approved governance arrangements such as ~~the Investment Assessment Group (IAG), Disposal Assessment Group (DAG), Strategic Development Board (SDB) and Regeneration Programme Boards (RPBs) or otherwise in accordance with the Scheme of Delegation and these Rules.~~ Acquisitions and disposals, including the Council's existing investment for yield portfolio, may involve freeholds, leaseholds or other forms of tenure, gifts, and other property rights and obligations.

### 13.2 Acquisitions

- a) The following levels of delegation and procedures apply:

	Business Case Assessment By	Values	Approval By
Non-Investment New-Property acquisition	S151 Officer, Commercial Property, Land and Development Manager, and relevant Portfolio Holder	Up to £50,000 Any	Commercial Property, Land & Development Manager in consultation with relevant Director or Portfolio Holder District Executive recommendation to Full Council

**Note:** likely to require specific consent under the section 24 direction

### 13.3 Sales

- a) The following levels of delegation and procedures apply:

	Business Case Assessment By	Values	Approval By
Property disposal	Disposal Assessment Group (DAG) in consultation with the S151 Officer and the relevant Portfolio Holder	Up to £50,000	Commercial Property, Land & Development Manager in consultation with relevant Director or Portfolio Holder
		>£50,000	District Executive
Asset Transfers to Registered Social Landlords – for	Disposal Assessment Group (DAG), and agreement of S151 Officer and Portfolio	Up to £250,000	Chief Executive
		>£250,000 and within approved Policy and Budget	Chief Executive

social housing or associated parking	Holder (Strategy and Policy)	>£250,000 and outside approved Policy and Budget	District Executive
Community Asset Transfers	Disposal Assessment Group (DAG)	Within CAT Policy	Chief Executive
		Outside CAT Policy	District Executive

**Note:** likely to require specific consent under the section 24 direction

### 13.3 Investment Properties

- b) ~~Investment Property acquisitions and disposals shall follow the governance and procedures agreed by Full Council as part of the Commercial Strategy, with the Director – Commercial Services responsible for its implementation.~~
- e) ~~Full Council is responsible for approving the Total Investment Limit for the Property Investment Fund, and related changes to the Capital, Treasury and Investment Strategies.~~
- d) ~~Authority to approve individual acquisitions and disposals (freehold or leasehold), subject to completion of appropriate business case and due diligence, shall be within the following delegation limits:~~

Type	Business Case Assessment By	Values	Approval By
Investment Property acquisition	Investment Assessment Group (IAG)	Up to £20,000,000	Chief Executive in consultation with the Leader
		>£20,000,000	District Executive
Investment Property disposal	Disposal Assessment Group (DAG)	Up to £20,000,000	Chief Executive in consultation with the Leader
		>£20,000,000	District Executive

- e) ~~The S151 Officer, in consultation with the Chief Executive and the Commercial Services and Income Generation Director, has authority to reinvest investment property disposal income within the Investment Fund within the overall fund limit approved by Full Council, or to repay residual capital debt for acquired assets. Surplus income from capital growth realised on disposal will be returned to reserve balances.~~

### 13.4 Disposal of land and property

- a) ~~With the exception of transfers to RSLs under £250,000 (for social housing or associated parking) or disposals outside of policy, the Commercial Property, Land and Development Manager in conjunction with the relevant Portfolio Holder and Director (Commercial Services and Income Generation) report to the DAG requesting approval to proceed with the disposal in such circumstances where either the use of a specific or general disposal consent or a Qualifying Meeting (as defined in the General Disposal Consent of 2003) is required before the disposal can be completed or in any other circumstances where the recommendation is to accept a tender which is other than the tender which offers the best consideration reasonably obtainable. Approval via DAG procedure and governance.~~
- b) In respect of receipts from sale of assets where values are less than £10,000: net proceeds will be credited to the appropriate revenue budget.
- e) ~~In respect of receipts from sale of assets where values are more than £10,000: where permitted under the Statutory Guidance on the Flexible Use of Capital Receipts (March 2016), net receipts can be used to fund revenue costs up to and including March 2022, provided the expenditure meets the requirements for qualifying expenditure under this guidance.~~

### 13.4 Leases, rentals and other dealings with property

- a) The Commercial Property, Land and Development Manager (or delegated representative) shall, in the absence of any specific conditions or exemptions agreed by the District Executive and these Financial Procedure Rules, have authority to undertake the following in consultation with the relevant Director, or Portfolio Holder, where the value of the consideration, rent, licence fees, easement or wayleave payment in each case does not exceed £100,000 annually for Non-Investment and is in accordance with the District Valuer (or other RICS professional) valuation, and operates within approved budgets:-

- the agreement of all monthly tenancies
- the agreement of all licences
- the conducting and agreement of all rent reviews, including rent free periods
- the agreement of all lease renewals
- new leases where tenancy of existing freehold/leasehold owned property changes
- 
- the agreement of lettings
- the agreement of all easements and wayleaves
- the agreement of all changes of use
- the agreement of all compensation claims where there is budgetary provision
- the agreement of all releases/variations of covenants

~~d) For Investment Properties, the Director of Commercial Services and Income Generation (or delegated representative) shall have authority to approve all of the following in consultation with the S151 Officer where the value of the consideration, rent, licence fees, easement or wayleave payment in each case does not exceed £1,000,000 annually. Items in excess of this amount must be referred to the Investment Assessment Group for review and recommendation for approval by the Chief Executive in consultation with the Leader.~~

- ~~• the agreement of all tenancies~~
- ~~• the agreement of all licences~~
- ~~• the conducting and agreement of all rent reviews including awarding rent free periods~~
- ~~• the agreement of all lease renewals or new leases where tenancy of existing freehold/leasehold owned property changes~~
- ~~• the agreement of lettings~~
- ~~• the agreement of all easements and wayleaves~~
- ~~• the agreement of all changes of use~~
- ~~• the agreement of all compensation claims where there is budgetary provision~~
- ~~• the agreement of all releases/variations of covenants~~

### 13.6 Condition Surveys

- a) ~~The Director Commercial Services and Income Generation~~ Commercial Property, Land and Development Manager shall ensure that condition surveys of all buildings and property assets in which the Council has a proprietary interest are carried out at least once every 5 years. Survey details are to be recorded in appropriate systems and work programmes prepared in accordance with priorities set out in the Property Repairs and Maintenance Policy.

### 13.7 Asset Management Plans

- a) ~~The Director Commercial Services and Income Generation~~ Commercial Property, Land and Development Manager shall maintain an Asset Management Plan in respect of the Council's land and property portfolio. The Plan must detail the actions to be monitored by the Commercial Property, Land and Development Manager
- b) ~~The Director Commercial Services and Income Generation shall maintain records and systems that enable the Council to ensure that the best use is made of all properties. The Director Commercial Services and Income Generation.~~ The Commercial Property, Land and Development Manager shall advise the Council on alternative uses of land and property as best serves the Council's interests at the time.
- c) The Commercial Property, Land and Development Manager shall ensure that all leases are kept up to date and rents due are revised at the appropriate time.

### 13.8 Custody of Deeds and Documents

- a) The Lead Specialist – Legal shall have custody of the title deeds and other agreements under seal or hand of all land owned by the Council (together with all deeds and documents held as security for any monies owed to the Council) and are responsible for their safe-keeping.



### 13.9 Security

- a) Senior Leadership Team shall be responsible for ensuring the proper security at all times for buildings, stocks, stores, furniture, equipment, cash and information held on files. Senior Leadership Team shall consult with the the relevant Manager in any instance where security is thought to be defective or where it is considered that special security arrangements may be needed, or where circumstances suggest the possibility of any irregularity.
- b) Senior Leadership Team shall ensure that there are appropriate arrangements for the control of all door, safe and cabinet keys held within their areas of responsibility. There shall be independent control of all receipt forms, cheques, tickets, store notes, order forms or similar documents and it shall be the responsibility of the appropriate Senior Leadership Team member to ensure that all such items are serially numbered and properly controlled ~~in accordance with arrangements agreed with the Chief Internal Auditor (Assistant Director, South West Audit Partnership).~~

## 14 LOANS POLICY

- a) The Council should only provide small loans to outside bodies where alternative forms of borrowing are not available or at prohibitive costs. The loans will only be made to outside bodies that operate from within the South Somerset District geographical area and are either registered charities, public sector, or not for profit organisations.
- b) All loan agreements will either be charged on the property to which they relate (like a mortgage) or a guarantee will be required from a surety which could be an individual, group of individuals or body.
- c) The maximum repayment period will be 10 years and all loans will be repaid on a repayment basis so that the loan is repaid across the loan period at instalment rates approved in advance (i.e. in the same way as mortgage repayments).
- d) Loans will be given at the appropriate PWLB rate for the period of the loan, or other prudent rate as determined by the S151 Officer in consideration of investment risk. The maximum amount of a loan to an outside body shall be £150,000.
- e) Approval of loans shall be by District Executive and a full appraisal submitted which shall include details of the security offered. In order to qualify for a loan, the outside body shall also submit a Business Plan to the S151 Officer covering the period of the loan.
- f) For small loans of £5,000 or less the approval procedure may be delegated to the area portfolio holders, in consultation with the relevant Managers. The interest rate will be the relevant PWLB rate, or other prudent rate as determined by the S151 Officer in consideration of investment risk, and the loans should be guaranteed by the Town or Parish Council, or similar trustees.
- g) Any loans agreed outside of the loans policy shall be agreed by Full Council.

## 15 EXTERNAL ARRANGEMENTS

### 15.1 Partnerships

- a) In leading the community and entering into partnerships the Council will seek to achieve the promotion or improvement of the economic, social or environmental wellbeing of its area.
- b) The main criteria for SSDC entering into a partnership are:
  - to provide improvements in service delivery
  - to provide efficiency in the costs of service provision
  - to share risk
  - to achieve specific corporate priorities
- c) A partnership is defined as a formal working arrangement involving one or more independent bodies, from any sector, who pool resources and share responsibility for agreeing and then delivering a set of planned actions and outcomes. A formal agreement is made by all partners to work together for specific outcomes.

- d) Partners may participate by:
- acting as a deliverer or sponsor, solely or jointly with others
  - acting as a funder or part funder
  - being the beneficiary group (or part thereof) of the activity undertaken in a partnership
- e) The District Executive is responsible for determining and agreeing all key partnerships. Senior Leadership Team is responsible for agreeing all substantial and minor partnerships. At inception a review period must be agreed and any associated delegation arrangements approved by District Executive if a key partnership or by the appropriate Senior Leadership Team member if a substantial or minor partnership.
- f) All partnerships must be reviewed annually and reported by the appropriate Senior Leadership Team member to the relevant committee (either District Executive or Area Committee). All partnerships must be included within the Partnership Register and updated annually by the Senior Leadership Team.
- g) Senior Leadership Team and Portfolio Holders shall consider and make provision for any overall corporate governance issues and shall ensure account is taken of any legal issues when arranging contracts with external bodies. They shall ensure that risks have been fully appraised before agreements are entered into with external bodies.
- h) The governance arrangements of all key and significant partnerships require approval of the statutory officers.
- i) All key partnerships have a requirement to produce, maintain, and monitor a shared risk register.
- j) The same high standards of conduct that apply throughout the authority shall be maintained in partnerships, and representatives to partnerships should exercise these same high standards.
- k) The S151 Officer shall ensure that accounting arrangements to be adopted in relation to partnerships and joint venture companies are satisfactory and compliant with relevant regulations and Codes of Practice.
- l) Regular monitoring arrangements must be in place. For key partnerships monitoring must be reported regularly to the District Executive and other partnerships (substantial and minor) to the Area Committees. This can be carried out through the quarterly budget monitoring reports as a minimum.
- m) Senior Leadership Team and Portfolio Holders are responsible for ensuring that appropriate Council approvals are obtained before concluding negotiations in relation to work with external bodies.

## 15.2 External Funding

- a) The S151 Officer in consultation with the relevant Senior Leadership Team member or Portfolio Holder is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts **and budgets**. Each Senior Leadership Team member and Portfolio Holder is responsible for informing the S151 Officer promptly about such funding. Where such income is receivable against a grant claim the relevant Senior Leadership Team member or Portfolio Holder shall provide written confirmation to the S151 Officer that all output and other grant requirements have been properly and fully met.

## 15.3 Grants to Outside Bodies

- a) The District Executive or relevant Area Committee shall approve all grants and other assistance to external bodies, except where such annual assistance in total is less than £1,000 in value to any one body and there is budgetary provision for such assistance. It must not form a commitment of future year's annual budget ~~unless it matches the criteria as set within the Community Grants Policy (4) in respect of those bodies with approved multi-year Funding Agreements / Service Level Agreements.~~ Where the total value per annum to any one body is below £1,000 the relevant Senior Leadership Team member or Portfolio Holder may approve such assistance subject to the requirements of these Financial Procedure Rules being met. Where the total value per annum to any one body is below £1,000 the relevant Senior Leadership Team member may delegate the approval to the appropriate designated officer, again subject to the requirements of these Financial Procedure Rules being met.

- b) The District Executive may approve a framework for the administration of any specified class of grant and assistance under their control over the value of £1,000 by a relevant Senior Leadership Team member for the efficient conduct of business, subject to the agreed framework and meeting the other requirements of these Financial Procedure Rules.
- c) Reports seeking approval to assist an outside body by grant or other assistance in kind shall provide assurance that the following requirements have been met or will be met, to ensure that the Council's interests are protected before any grant or assistance is actually made:
- the receiving body has been properly identified, has suitable lead parties, a defined work area/purpose, and suitable trust documents/constitution
  - any conflicts of interest have been declared and properly managed
  - any risks to such agreements and the Council's interests are being adequately and appropriately managed
  - it will be possible to confirm the proper use of the Council's assistance
  - the assistance contributes to the delivery of the Council's services or achievement of the Council's corporate objectives
  - the extent and purpose of the assistance have been properly identified
  - arrangements for the repayment of any loans have been made
  - arrangements to gain repayment/recovery for the value of the assistance are in place in the event of default by the recipient
  - any specific conditions relating to the assistance are identified
  - monitoring arrangements are to be set in place to ensure the assistance is used for the purpose approved
  - the recipient will provide evidence to the Council demonstrating proper accounting for, and use of the assistance, including, for assistance over £1,000 in value, access to the accounts of the body for S151 Officer, or designated representative and to supporting information, documents and evidence
  - a legally binding agreement is in place between the Council and the body covering the above conditions relating to the use of grant or other assistance
- d) Full records will be maintained of all grants and related applications for assistance, which should identify which staff are involved in the processing of applications and grants, and record the date of approval of any grant or other assistance and by whom, and any other relevant transaction information.

## **16 BREACHES OF FINANCIAL REGULATIONS**

- a) Where a failure to comply with these regulations is identified the matter should be brought to the immediate attention of the S151 Officer and the Chief Internal Auditor (Assistant Director, South West Audit Partnership).
- b) A report shall be made to the S151 Officer for minor breaches and to the District Executive or Audit Committee where the S151 Officer and the Chief Internal Auditor (Assistant Director, South West Audit Partnership) consider the matter to be of significance.

## Appendix A

Additional Guidance is available from the following Officer Contacts

		<b>TO BE UPDATED</b>
<b>Section</b>	<b>Financial Regulation</b>	<b>Contact Officer</b>
<b>1</b>	<b>FINANCIAL GOVERNANCE</b>	Section 151 Officer
1.2(e)	Decision Making Procedures	Democratic Services Specialist or Monitoring Officer
<b>2</b>	<b>CASH LIMITS</b>	Section 151 Officer
<b>3</b>	<b>FINANCIAL CONTROL</b>	
3.1	General	Section 151 Officer
3.2	Statement of Internal Control/Statement of Governance	Section 151 Officer
3.3	South West Audit Partnership	Assistant Director-SWAP
3.5	Operational Leases	Lead Specialist – Finance / Specialist - Procurement
3.6	Treasury Management	Finance Specialist
<b>4</b>	<b>CONTRACTS</b>	
4.1	General	Specialist - Procurement
<b>5</b>	<b>PAYMENT OF INVOICES</b>	
5	Payment of Invoices	Support Services Case Team Leader
5.1	Corporate Credit Cards	Section 151 Officer
5.2	Procurement Cards	Procurement Specialist
<b>6</b>	<b>PAYROLL SERVICES</b>	
6.1	Appointment of Employees	Lead Specialist - People
6.2	Amendments	Lead Specialist - People
6.3	Other Payments	Lead Specialist - People
6.4	Timesheets	Lead Specialist - People
<b>7</b>	<b>BANKING ARRANGEMENTS</b>	
7.1	General	Section 151 Officer
7.2	Cheques/Cash Received	Support Services Case Team Leader
7.3	Money Laundering	Assistant Director-SWAP
7.4	Direct Debits (received)	Support Services Case Team Leader
7.5	Direct Debits and Cheques Paid	Support Services Case Team Leader
7.6	Handling of Cheques	Support Services Case Team Leader
<b>8</b>	<b>INCOME</b>	Specialist – Finance
<b>9</b>	<b>IMPREST ACCOUNTS</b>	Specialist – Finance
<b>10</b>	<b>RISK MANAGEMENT AND INSURANCES</b>	
10.1	Risk Management	Specialist - Procurement
10.2	Insurances	Insurance Case Services Officer
10.3	Notification of Loss	Insurance Case Services Officer
10.4	Review	Insurance Case Services Officer
10.5	Car Allowances	Insurance Case Services Officer
10.6	Current Insurance	Insurance Case Services Officer
10.7	Inventories	Insurance Case Services Officer
<b>11</b>	<b>STOCKS, STORES, FURNITURE AND EQUIPMENT</b>	
11.1	General	Specialist – Finance
11.2	Write Offs	Specialist – Finance
11.3	Stock Checks	Specialist – Finance
11.4	Corrections	Specialist – Finance
11.5	Disposal of Surplus	Specialist – Finance
<b>12</b>	<b>CAR LOANS AND LEASED CARS</b>	Specialist – Finance
<b>13</b>	<b>BUILDINGS, LAND AND PROPERTY</b>	
13.1	Asset Register	Commercial Property, Land and Development Manager
13.2	Buildings, Land and Property Transactions	Lead Specialist – Finance / Commercial Property, Land and Development Manager
13.3	Condition Surveys	Commercial Property, Land and Development Manager

13.4	Asset Management Plans	Commercial Property, Land and Development Manager
13.5	Custody of Deeds	Lead Specialist - Legal
13.6	Security	Director Commercial Services and Income Generation
<b>14</b>	<b>LOANS POLICY</b>	Lead Specialist – Finance
<b>15</b>	<b>EXTERNAL ARRANGEMENTS</b>	
15.1	Partnerships	Lead Specialist – Finance
15.2	External Funding	Lead Specialist – Finance
15.3	Grants to Outside Bodies	Lead Specialist – Finance
<b>16</b>	<b>BREACHES OF FINANCIAL REGULATIONS</b>	Section 151 Officer or Assistant Director-SWAP

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## Local Government Reorganisation – the Section 24 Direction and the General and Specific Consents Issued by the Executive of Somerset County Council

Executive Portfolio Holder: Val Keitch, Leader of Council  
Lead Officer: Jill Byron, District Solicitor and Monitoring Officer  
Contact Details: Jill.Byron@southsomerset.gov.uk

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### Purpose of the Report

1. The purpose of this report is to inform members of the content and impact of:
  - (i) the Secretary of State's recent Direction under section 24 of the Local Government and Public Involvement in Health Act 2007 (the Section 24 Direction) and the restrictions it places on different types of expenditure by the Somerset district councils without the consent of the Executive of the continuing Somerset County Council (the County Executive) in the period to 1 April 2023 (Vesting Day);
  - (ii) the General Consent issued by the County Executive on 16 June 2022 to enable the majority of the business of the Somerset district councils to continue without the need to seek specific consent from the County Executive between 16 June and Vesting Day; and.
  - (iii) any requirement to seek Specific Consent for matters not covered by the General Consent and the process for doing so.

### Public Interest

2. The Section 24 Direction and the requirement it imposes to obtain consent from the County Council Executive in respect of a wide range of matters is of public interest because it is a constraint on the activities, expenditure and published plans of South Somerset District Council in the period to Vesting Day. It is important to explain the potential impact of the Section 24 Direction on the Council's business and set out the steps taken by the County Executive after consultation with the district councils to mitigate that potential impact by issuing a General Consent ensuring a Specific Consent mechanism is in place to enable business as usual to continue without unnecessary additional bureaucracy. It is in the public interest to ensure that Council services continue to be delivered in a timely and cost-effective manner in the period to Vesting Day.

## Recommendations

3. It is recommended:
  - a) The General Consent issued by the Executive of Somerset County Council under the section 24 Direction be noted;
  - b) That where the General Consent does not apply, all members of the Senior Leadership Team be given delegated authority in consultation with the section 151 Officer to seek specific consents from the Executive of Somerset County Council under the section 24 Direction if required to implement decisions taken or proposed by South Somerset District Council within their respective areas of responsibility.

**Reason:** To ensure that the Council can respond effectively to business and local government reorganisation needs in the period to Vesting Day.

**Note:** Appendices 2, 3 and 4 contain commercially sensitive information relating to the four district councils' financial and business affairs and have been treated as exempt information by the other Somerset councils under paragraph 3 of Schedule 12A of the Local Government Act 1972 - *Information relating to the financial or business affairs of any particular person (including the authority holding that information)*. If Members wish to discuss any of the information contained within the confidential appendices, then a resolution will need to be passed for the meeting to go into confidential session.

## Background

4. Section 24 of the Local Government and Public Involvement in Health Act 2007 allows the Secretary of State to direct that from a certain date the authorities to be dissolved under a Structural Change Order may not, without the written consent of those specified in the direction:
  - Dispose of land for more than £100,000 (note: disposals include granting or disposing of any interest in land; entering into a contract to dispose of land or grant or dispose of any such interest; and granting an option to acquire any land or any such interest)
  - Enter into contracts that exceed the following limits
    - Capital        £1,000,000+
    - Non-capital   £100,000+

**Note:** all of the financial limits set out above are cumulative from 1 January 2007. This means all disposals of land and, for contracts, repeat contracts with the same third party or for a similar description of matter as a previous contract are caught.

5. The purpose of a section 24 direction is to ensure that a new authority has oversight of and a degree of control over the decisions of its predecessor councils which could have implications for the finances and plans of that new authority. It should be noted that prior to this date four of the five Somerset councils, including South Somerset, were operating

under a voluntary finance and assets protocol designed to have a similar effect. However, once a section 24 direction takes effect, if land is sold or contracts are entered into without written consent, the other party cannot enforce them against the new authority, which was not the case under the protocol.

6. On 10 May 2022 the Secretary of State made a section 24 Direction in respect of structural change in Somerset to take effect on 16 June 2022 specifying the County Executive as the body whose written consent was required. On 15 June 2022 the County Executive issued a General Consent to come into effect on 16 June 2022 (Appendix 1). This General Consent and the process for obtaining specific consent were the subject of consultation with the Chief Executives, section 151 Officers and Monitoring Officers of the five Somerset councils. It should be noted that the County Executive can amend this General Consent at any time.

## The General Consent

7. As set out in the report to the County Executive meeting on 15 June, the General Consent is intended to ensure that the right balance is met between giving the County Executive sufficient oversight of decisions made by the District Councils that might bind the future unitary council while also allowing the District Councils to continue to carry out most business as usual until Vesting Day without unnecessary additional cost and bureaucracy. A key consideration for all five councils is the ability to respond effectively to business and local government reorganisation needs during the transition year.
8. The General Consent is set out in Appendix 1, but in summary allows the Somerset district councils to enter into new contracts (over £100k for revenue and over £1m for capital) and to dispose of land (over £100k) where the following criteria are met:

### New contracts:

- funded from within the Council's 2022/23 approved revenue budget with a contract that cannot be extended beyond vesting day or
- an essential response to a civil emergency, for example response to flooding; or
- a new staffing contract which can be funded from within the 2022/23 approved revenue budget **and** which complies with the agreed LGR staffing protocol; or
- **General Fund:** a new capital funded contracts for projects/programmes that are included in the 2022/23 approved capital budget **and** can be funded from financing sources included within the budget reports and/or Treasury Management Strategies agreed in February/March 2022. Such contracts can extend beyond vesting day **if** the individual project has an approved phased budget, and no revenue implications beyond 1<sup>st</sup> April 2023; or
- **Housing Revenue Account:** new capital funded contracts for projects/programmes that are included in the 2022/23 approved capital budget/HRA Business Plan **and** can be funded from financing sources included





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within the budget reports and/or Treasury Management Strategies agreed in February 2022. Such contracts can extend beyond vesting day if within the approved budget for the contract and within HRA business plan value for money and affordability limits; or.

- Arrangements relating to the operation of prudent treasury management that comply with the district council’s approved treasury management and investment strategies, prudential indicators, and treasury management practices, where any borrowing does not exceed £5m and 365 days; or;
- outside existing approved budget but fully funded by external grants/contributions, unless grant conditions require match funding exceeding the section 24 thresholds and/or pose potential significant risks and significant obligations to the new authority.

### Land transactions:

- disposals of council dwellings or grant or renewal of leases under the Right to Buy legislation and disposal of other housing revenue account assets in line with approved budgets, financial strategies and business plans; or.
- lease rental agreements for investment properties and continuing past vesting day at market value.
- lease rental agreements for non-investment properties continuing past vesting day where the rental value secured is at least that contained within the approved rental income budget or within the Business Case previously agreed by the Council before 16 June 2022; or
- completion of land and property disposals (over £100k) that are already approved through the District Council’s governance arrangements prior to S24 Effective Date and in line with the 2022/23 approved budget and capital strategy. All capital disposal or land sales outside of those identified will need specific consent.

9. Where the General Consent does not apply, the Council will need to obtain a specific consent from the County Executive before dealing with either the property transaction or the contract. At their meeting on 15 June 2022, the County Executive delegated authority to grant specific consents as follows:

<b>up to £499,999</b>	the Section 151 Officer in consultation with the Monitoring Officer and the Section 151 Officers of the District Councils
<b>£500,000 - £5,000,000</b>	the Lead Member for Finance and Human Resources in conjunction with the Section 151 Officer

Amounts over £5,000,000 will fall to be considered by the County Executive.

The section 151 officers are preparing guidance on the Direction, the General Consent and the processes and procedures for obtaining specific consent.

## Financial Implications

10. There are no specific financial implications arising directly from this report. The section 24 Direction and the General Consent from the County Executive are factors that will need to be taken into account as part of the Council's proper decision-making process from now until Vesting Day.
11. A report detailing suggested amendments to the Council's Financial Procedures Rules, including provisions in respect of Local Government Reorganisation and the Direction/General Consent, is set out at Agenda item 10.
12. The potential scale and value of specific consents that may be required during 2022-23 are set out in Appendix 2 (potential land disposals for specific consents), Appendix 3 (capital schemes where specific consents are likely to be required) and Appendix 4 (non-capital schemes where specific consents are likely to be required) where specific consents are likely to be required for non-capital schemes.

**Note:** the Appendices include details of schemes where the five section 151 Officers consider that specific consents are not required.

13. The estimated total value of likely specific consents during 2022/23 is £3.8m in land disposals, £98.6m in capital schemes and £7.8m in non-capital schemes. The estimated total value of schemes where specific consents are not required during 2022/23 is £17.4m in land disposals and £106.4m in capital schemes and £7.8m in non-capital schemes.

## Legal implications (if any) and details of Statutory Powers

14. Sections 24 – 29 of the Local Government and Public Involvement in Health Act 2007 apply. Section 24 has been dealt with in the main body of the report. Power to issue general consent is set out in section 26. Section 27 sets out the cumulative calculation (everything since 1 January 2007) rules. Section 28 provides that any disposal in contravention of a direction is void and that contracts entered into in contravention of a direction cannot be enforced against the new authority.

## Risk Matrix

15. The section 24 Direction may impact the Council's ability to deliver if specific consent is required but refused by the County Executive.

## Council Plan Implications

16. The section 24 Direction may impact the Council's ability to deliver against the Council Plan if specific consent is required but refused by the County Executive.

### **Carbon Emissions and Climate Change Implications**

17. No carbon emissions or climate change implications have been identified as a result of this report

### **Equality and Diversity Implications**

18. No equalities implications have been identified as a result of this report.

### **Privacy Impact Assessment**

19. No privacy impact assessment implications have been identified as a result of this report.

### **Background Papers**

Somerset Structural Changes Order 2022

Section 24 Direction dated 10 May 2022

Report to the Executive of Somerset County Council meeting on 15 June 2022, pages 161 - 192

<http://democracy.somerset.gov.uk/documents/g1631/Public%20reports%20pack%2015th-Jun-2022%2009.30%20Executive.pdf?T=10>

**General Consent**

General Consent is hereby granted to the District Councils to enter into new contracts (over £100k for revenue and over £1m for capital) and to dispose of land (over £100k) where the following criteria are met:

**Entering into new contractual arrangements:**

1. Entering into new revenue funded contracts (over £100k excluding recoverable VAT) which can be funded from within the individual Council's 2022/23 approved revenue budget **and** where the contract does not enable extensions beyond vesting day. This could be a contract for goods or services.
2. Any contract required as an essential response to a civil emergency, for example response to flooding.
3. Entering into new staffing contracts which can be funded from within the 2022/23 approved revenue budget **and** which comply with the agreed LGR staffing protocol.
4. **General Fund:** Entering into new capital funded contracts (over £1m excluding recoverable VAT) for projects/programmes that are included in the 2022/23 approved capital budget **and** can be funded from financing sources included within the budget reports and/or Treasury Management Strategies agreed by the Councils in February/March 2022. Such contracts can extend beyond vesting day **if** the individual project has an approved phased budget, and no revenue implications beyond 1<sup>st</sup> April 2023 e.g. a housing development scheme, decarbonisation programme, regeneration project.
5. **Housing Revenue Account:** Entering into new capital funded contracts (over £1m) for projects/programmes that are included in the 2022/23 approved capital budget/HRA Business Plan **and** can be funded from financing sources included within the budget reports and/or Treasury Management Strategies agreed by the councils in February 2022. Such contracts, e.g. social housing development scheme, housing stock decent homes works such as replacement windows, can extend beyond vesting day if within the approved budget for the contract and within HRA business plan value for money and affordability limits.
6. Points 1, 3, 4 and 5 above to include budgets previously approved before February 2022 that carry forward into the 2022/23 financial year (e.g. slippage of unspent but approved capital and revenue budget from 2021/22 into 2022/23).
7. Entering into a contract that relates to the operation of prudent treasury management and complies with the district councils' approved treasury management and investment strategies, prudential indicators, and treasury management practices, where any borrowing does not exceed £5m and 365 days. In the event of any long-term borrowing exceeding £5m and exceeding 365 days specific consent of the County Council S151 Officer is required.

8. Entering into a contract that is outside the existing approved budget but is fully funded by external grants / contributions, unless the grant conditions require match funding exceeding the S24 Threshold (not included in the agreed budget) and/or pose potential significant risks and significant obligations on the Unitary exceeding the S24 Threshold. Town Deals is an example of expenditure which would be included in the general consent as it is externally funded

### **Land disposals:**

9. Disposals of council dwellings or grant or renewal of leases (over £100k) under the Right to Buy legislation and disposal of other housing revenue account assets in line with approved budgets, financial strategies and business plans.
10. All lease rental agreements for investment properties (over £100k and continuing past vesting day) at market value.
11. All lease rental agreements for non-investment properties (over £100k and continuing past vesting day) where the rental value secured is at least that contained within the approved rental income budget or within the Business Case previously agreed by the Council prior to issue of the S24 Effective Date.
12. Completion of land and property disposals (over £100k) that are already approved through the District Council's governance arrangements prior to S24 Effective Date and in line with the 2022/23 approved budget and capital strategy. All capital disposal or land sales outside of those identified will need specific consent.

To aid interpretation the following are examples of financial activities **that can be carried out** by the District Councils without needing the consent of the County Council:

- New use of earmarked reserves and reserves not included in the agreed budget (unless they are to fund new contracts above the S24 financial limits **and** which are outside of the general consent criteria).
- Raising new **and/or** changing 2022/23 fees & charges tariffs.
- Meeting staffing needs (new contracts) that have funding available within the agreed budget and follow the LGR recruitment protocol.
- Debt write-offs of any value in line with the existing Councils' approved constitutions, financial procedures and accounting policies.

### **Specific Consent**

To aid interpretation, the following are examples of financial activities that are not included in the general consent set out in paragraph 3 above and which will require the approval of the County Council:

1. Granting of leases/easements/other rights over non-investment property where the consideration is more than £100k and which are not included/or are significantly different than the agreed revenue budget or in a business case previously agreed by the District Council prior to the s24 Effective Date.



2. Freehold sale of assets (over £100k), for all assets including investment assets, where these have not been previously agreed by the District Council prior to the S24 Effective Date. A list of potential disposals are included in Annex A
3. Community transfers of assets over £100k where these have not been previously agreed by the District Council prior to the S24 Effective Date.
4. General Fund capital projects over £1m where no contract has been signed, it has revenue implications beyond vesting day and/or increased risk for the New Council. Examples from 2022/23 district Council Capital Programmes are included in Annex B

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

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of the Local Government Act 1972.

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## Review of Remote Meetings Options

Executive Portfolio Holder: Val Keitch, Leader of Council  
SLT Lead: Jill Byron, District Solicitor and Monitoring Officer  
Contact Details: Jill.Byron@southsomerset.gov.uk

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## Purpose of the Report

1. To seek members instructions on whether or not to continue to hold some SSDC meetings remotely with the appropriate use of delegated powers. This decision was originally made on 15 April 2021 and was reviewed by Council on 8 July and 16 December 2021 and 16 June 2022 when it was agreed to continue the use of delegated powers to 21 July 2022.

## Public Interest

2. Part 3 of the Council's Constitution sets out who within the Council has the power to do what, sets out any associated limitations and, in particular, sets out which decisions can be taken by members and which can be taken by officers.
3. The District Executive and Full Council have previously agreed to allocate certain executive and non-executive matters to others, and it is important that these changes are made clear in the Constitution.
4. This report is seeking a Council decision on the continuation of remote consultative meetings and associated delegation to ensure that (i) the Council's decision-making processes continue to operate in accordance with the law and in line with safe practice under the Covid-19 guidance and requirements issued by the Government from time to time while remaining transparent and (ii) the Constitution is kept up-to-date.

## Recommendations

- i. that members adopt one of the options set out as B-H in paragraphs 15-21 of this report
- ii. that the option for meetings applies until 31 March 2023 unless external circumstances dictate otherwise
- iii. that should an Appointments or Appeals Committee meeting be required before 31 March 2023, it be an in person meeting.
- iv. that the Chief Executive in consultation with the Chair of Council be given delegated power to make any or all meetings remote for a period of up to 4 weeks at any time when it appears reasonably prudent to do so on public health and safety grounds or in line with national or local safe practice under the Covid19 guidance and requirements issued by the Government from time to time
- v. that officers may continue to attend meetings remotely, provided that where an officer is named as the Lead Officer for an Agenda item they must attend the meeting in person or, if attending remotely, ensure a suitable, properly briefed officer approved by the relevant SLT lead, attends in person.

## Background

5. On 15 April 2021, in view of the imminent lapse of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, Council decided to:
- (a) continue to enable members to hold remote, virtual meetings using available technology; and
  - (b) amend Part 3 (Responsibility for Functions) of the Council's Constitution to allow those remote meetings to function as consultative bodies and delegate decisions, including Executive and Quasi-Judicial decisions, that would have been taken by those meetings if the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 had continued in force to the Chief Executive (or the relevant Director in the Chief Executive's absence) in consultation with those meetings and those members to whom the decision would otherwise have been delegated under Part 3 of the Constitution.
6. The delegated authority given on 15 April was reviewed by Council as follows:

Date	Decision
8 July 2021	delegated authority extended to 8 January 2022
16 December 2021	delegated authority extended to 21 July 2022 for all meetings other than Full Council
16 June 2022	delegated authority extended to 21 July 2022

The delegated authority given on 16 June will expire on 21 July 2022 unless Council decides to extend it.

7. When Council considered this matter in December 2021, members noted that previous decisions had been taken on the basis that although it would be physically possible to hold meetings of members in person from 7 May 2021 (the date on which the Coronavirus meetings Regulations lapsed) in compliance with social distancing rules and the Covid-19 safe use guidance, there were many reasons to suggest that it would be sensible to continue to meet remotely. Space constraints and social distancing requirements suggested that members of the public and officers would still need to attend meetings remotely and, as Council meetings have sometimes shown, hybrid arrangements can be technologically challenging. In December 2021, it was noted that the majority of the population had been vaccinated, but that new variants of Covid continued to emerge and there was some uncertainty about how long protection was effective. Council therefore decided it would be prudent for meetings other than Council itself to remain remote for a further six months with appropriate distancing safeguards (for example at a larger venue such as Westlands) and with provision for remote attendance by members who needed to safeguard.
8. Since that meeting in December 2021, Covid related restrictions in England, including the explicit requirement to consider COVID-19 in health and safety risk assessments, have been removed and replaced with guidance on living safely with COVID-19 -



## The Law

9. Members will recall that in March 2021 the Minister of State for Regional Growth and Local Government wrote to all local authorities to announce that the opening of a call for evidence on the experience of local authorities and remote meetings to inform a decision about whether or not to promote primary legislation to allow remote and/or hybrid meetings in the future. The call for evidence closed in June 2021. The Government has since made it clear that it is in favour of local authorities having the power to hold remote meetings, but as existing legislation does not already enable local authorities to hold meetings remotely, new legislation will be required, but there has been no indication of when this might happen.
10. Although new legislation is required, it remains open to local authorities to continue to hold remote meetings but treat them as consultative bodies with decisions delegated to the Chief Executive in consultation with those members to whom the decision would otherwise have been delegated. South Somerset District Council is currently operating in this way apart from Council meetings and it remains an option moving forwards.

## Options for Meetings and the Conduct of Council Business

11. For the purposes of this report:
  - (i) a **remote** meeting is one that takes place in a virtual on-line space. All remote meetings are advisory or consultative only and any vote is to confirm the view of the meeting not to make the decision on the matter(s) being considered. The decision is taken by the Chief Executive under delegated powers having taken the views voted on at the remote meeting into account. SSDC meetings apart from Full Council are remote until 21 July 2022.
  - (ii) a **hybrid** meeting is one that takes place in person and via a virtual on-line space. Hybrid meetings, provided they are quorate, make the decision (in accordance with Part 3 of the Constitution) on the matter(s) being considered. Only members attending in person can vote, but other than being unable to vote, members attending via the virtual on-line space may participate as if they were present in person.
  - (iii) an **in person** meeting is one that takes place in person only. In person meetings, provided they are quorate, make the decision (in accordance with Part 3 of the Constitution) on the matter(s) being considered. Members attending via the virtual on-line space may only participate at the express invitation of the Chair of the meeting.
12. For the purposes of the definitions set out above it has been assumed that all meetings will have a virtual on-line space and will also be streamed on YouTube. The enabling technology has only been installed in the Council Chamber at Brympton Way, so any hybrid or in person meetings would need to take place there, including Area Committees, unless an alternative venue with the required functionality is available at



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a reasonable cost within budget. An advantage of the Council Chamber is that its size allows for appropriate distancing measures should they be required.

13. A broad range of options is available to members, including:
- Fully remote meetings unless a vote by Full Council is required
  - Full Council as a hybrid meeting, all other meetings remote (the current model)
  - Full Council as a hybrid meeting, all other meetings remote with provision for the Chair of a remote meeting and/or at least [*insert number*] members able to request a hybrid meeting
  - Full Council and specified meetings\* as hybrid meetings, everything else remote
  - Full Council and specified meetings\* as hybrid meetings, all other meetings remote with provision for the Chair of a remote meeting and/or at least [*insert number*] members able to request a hybrid meeting
  - All meetings as hybrid meetings
  - All meetings as in person meetings

**Note:** the meetings which could be specified are:

Appeals Committee  
Appointments Committee  
Area East Committee  
Area North Committee  
Area South Committee  
Area West Committee  
Audit Committee  
District Executive  
Licensing Committee  
Licensing Sub-Committee  
Regulation Committee  
Scrutiny Committee  
Standards Committee

**14. OPTION A - Fully remote meetings unless a vote by Full Council is required**

This option is not recommended

**15. OPTION B - Full Council as a hybrid meeting, all other meetings remote**

This option is the current model. It is not very flexible and does not allow for meetings other than Full Council to be hybrid or in person. There are savings in terms of travel time and allowances and a reduction in carbon emission as set out in the relevant sections below. If members wish to continue with this option it is recommended that Option C as a more flexible option.

**16. OPTION C - Full Council as a hybrid meeting, all other meetings remote with provision for the Chair of a remote meeting and/or at least [*insert number*] members able to request a hybrid meeting**

This option has more flexibility than the current model as it allows the Chairs of remote meetings to hold hybrid meetings if required, for example where there is a lot of public interest in the outcome. The savings in terms of travel time and allowances and reduction in carbon emissions should be similar to Option B as remote meetings for everything other than Full Council should remain the norm. If this option, including a specified number of members, is chosen, the number required will need careful consideration to ensure it does not become a route to all meetings being hybrid in practice.

If an option is given to a specified number of members to request a hybrid meeting, the parameters should be carefully considered. If the option is restricted to members who sit on the meeting in question it could be linked to either the quorum for that meeting or an agreed percentage of its membership or a general number (for example 5) could be given. If the option is open to all members, the number required would need to be greater.

Thought will also need to be given to the timing of any request for a hybrid meeting, to ensure that the Democratic Services Team have sufficient time to ensure the Council Chamber is available and the public are made aware. If the reason for a hybrid meeting is the expectation that there will be a lot of public interest in an item, it may be necessary to move the meeting to Westlands, which will require additional notice.

If this option is chosen, the following points will need to be dealt with as part of the recommendation:

Is this power for the Chair **OR** for the Chair and a specified number of members?

If this power is for a specified number of members, how many?

If this power is for a specified number of members, must they be members of the meeting in question?

**Recommendation** (if this option is chosen): that any request for a hybrid meeting must be made in writing to the Monitoring Officer no later than 10 working days before the meeting is due to take place and, where it is anticipated that the Council Chamber may not accommodate the hybrid meeting, no later than 20 working days before the meeting is due to take place.

**17. OPTION D - Full Council and specified meetings\* as hybrid meetings, everything else remote**

Similar to Option B, although if most meetings are specified as hybrid, Options F or G might be a better choice. Depending on the extent of meetings specified as hybrid, there would still be savings against time and travel allowances and a reduction in carbon emissions.

The following meetings could be specified as hybrid:



Appeals Committee  
Appointments Committee  
Area East Committee  
Area North Committee  
Area South Committee  
Area West Committee  
Audit Committee  
District Executive  
Licensing Committee  
Licensing Sub-Committee  
Regulation Committee  
Scrutiny Committee  
Standards Committee

They fall into the following three broad brush categories.

Appointments Committee and Appeals Committee are a stand-alone example of Committees that rarely meet, have a single purpose and should be in person whenever possible.

The majority of the business of the Licensing Committees and Regulation Committee deals with the regulation and determination of individual applications and rights, which could be a critical factor in determining whether or not their meetings or alternatively elements of their business should be specified as hybrid. The same can be said for elements of the work of the Area Committees (when dealing with planning matters) and Standards Committee (when considering individual instances), although neither the Area Committees nor the Standards Committee deal solely with individual regulatory matters.

Audit Committee, District Executive and Scrutiny Committee all have a much broader remit covering the Council as an entity rather than in relation to individuals and elements of the work of the Area Committees and Standards Committee also have that flavour. If this option is chosen, the nature of the business of these meetings might suggest that they could continue to be held remotely without undue detriment.

**Note:** the Audit Committee, like Full Council, is on occasion required by law to meet in person.

Savings in terms of travel time and allowances and any reduction in carbon emissions will depend on the number of meetings specified as hybrid.

**18. OPTION E - Full Council and specified meetings\* as hybrid meetings, all other meetings remote with provision for the Chair of a remote meeting and/or at least [insert number] members able to request a hybrid meeting**

The comments under options C and D are relevant to this option, which is more flexible than Option D. For example, it would allow members to decide that the Committees dealing with personal business should be specified, with a degree of flexibility allowed for the others.





If this option is chosen, the following points will need to be dealt with as part of the recommendation:

Is this power for the Chair **OR** for the Chair and a specified number of members?

If this power is for a specified number of members, how many?

If this power is for a specified number of members, must they be members of the meeting in question?

**Recommendation** (if this option is chosen): that any request for a hybrid meeting must be made in writing to the Monitoring Officer no later than 10 working days before the meeting is due to take place.

**19. OPTION F - All meetings as hybrid meetings**

This is the pre-Covid option of meetings in person with the addition of the option of remote attendance for members (who will not be able to vote), officers and members of the public, together with live streaming. There would be no savings in terms of travel time and allowances and no reduction in carbon emissions.

**20. OPTION G - All meetings as hybrid meetings, with provision for the Chair of a hybrid meeting and/or at least [*insert number*] members able to request a remote meeting**

This option is essentially the same as option F, but allows some flexibility in terms of remote meetings, for example where the agenda for a meeting might not require an in person element. The comments against Option C (other than in respect of larger venues) will apply to the practicalities of how any request for a remote meeting might work. Provision for occasional remote meetings might allow small savings in travelling time and allowances and a slight reduction in carbon emissions.

If this option is chosen, the following points will need to be dealt with as part of the recommendation:

Is this power for the Chair **OR** for the Chair and a specified number of members?

If this power is for a specified number of members, how many?

If this power is for a specified number of members, must they be members of the meeting in question?

**Recommendation** (if this option is chosen): that any request for a remote meeting must be made in writing to the Monitoring Officer no later than 10 working days before the meeting is due to take place.

**21. OPTION H - All meetings as hybrid meetings, with provision for the Chair of specified hybrid meetings and/or at least [*insert number*] members able to request a remote meeting**

This is a slightly more restrictive version of Option G and the comments under Option G above apply.



## 22. **OPTION I - All meetings as in person meetings**

This option is not recommended as it denies members who are unable to attend a particular meeting in person the ability to speak on matters. There will continue to be members who would previously have been “shielding” who may, depending for example on rates of infection, prefer to attend remotely for a period of time. There may be members who have a personal dispensation but are able to attend remotely. SSDC now has a large proportion of members who are also County Councillors who may not be able to attend in person due to in person commitments at County Hall earlier or later in the day.

## **Task and Finish Group**

23. On 1 July 2022 the Scrutiny Committee held a single meeting task and finish group to consider remote and hybrid meetings. The report of the Task and Finish Group is set out in full in Appendix 1. The recommendations of the Group are as follows:

1. That Full Council, District Executive and the Scrutiny, Audit, Standards, Regulation and Licensing Committees meet in person (hybrid).
2. That Area committees meet (hybrid) in person but can be remote meetings at the Chair and Vice-Chairs’ discretion provided there are no planning applications on the agenda.
3. Everything else (for example informal meetings, briefings, T&F, training) continue to be remote meetings.

Rationale for recommendations 1 & 2:

- Better quality of debate and decision making in person
- Restore decision making powers to committees - reduce use of delegatory powers
- Body language and non-verbal communication has been missed
- Scrutiny follows DX model and should therefore be held in-person
- Hybrid model better for transparency – continue to stream all formal meetings on YouTube.

Rationale for recommendation 3:

- Time and productivity savings for both members and officers
- Accessibility – Public sector duty
- Environmental impact and SSDC’s carbon reduction commitments

24. These recommendations are covered by Option H.

## **Conclusion on Options**

25. Options A-I are an inclusive not an exclusive list to illustrate the options available to members, but it should be noted that Options A and I are not recommended. Options B-H all have differing advantages and disadvantages and members will have different



## South Somerset District Council

views on them, as is shown by the notes of the Task and Finish Group at Appendix 1 and the rationale they give for their recommendations. Members instructions are sought on which option they wish to adopt.

26. Whichever option members adopt, the following points are recommended:
- (i) that the option for meetings agreed by Council applies until 31 March 2023 unless external circumstances dictate otherwise
  - (ii) that if an Appointments or Appeals Committee meeting is required before 31 March 2023, it is an in person meeting.
  - (iii) that the Chief Executive in consultation with the Chair of Council is given delegated power to make any or all meetings remote for a period of up to 4 weeks at any time when it appears reasonably prudent to do so on public health and safety grounds or in line with national or local safe practice under the Covid19 guidance and requirements issued by the Government from time to time

### Other Related Issues

#### Dispensations

27. Under section 85 of the Local Government Act 1972, any member who fails over a period of six consecutive months from the date of their last attendance to attend any meeting of their authority shall, unless the failure was due to a reason approved by that authority before the expiry of that period (a Dispensation), cease to be a member of that authority. Meetings include:
- (a) any Committee or Sub-Committee of the authority;
  - (b) any Joint Committee, Joint Board or other body discharging functions of the authority; and
  - (c) attendance as a representative of the authority at a meeting of an outside body.
28. At its meeting on 16 September 2021, Full Council approved a general dispensation under section 85 of the Local Government Act 1972 for any member of Council who, although not physically attending any in-person meetings over any six-month period, attended at least 75% of the meetings they would normally be expected to attend in person on-line. This dispensation lapsed on 31 January 2022 following the decision of Full Council on 16 December 2021 that meetings of Council would be in person from January 2022 onwards. This means that in the absence of an individual dispensation, any members who have not attended a Council meeting in person since 1 February 2022 will automatically cease to be members of South Somerset District Council on 1 August 2022.
29. Individual dispensations are normally approved by Full Council, with the Chief Executive having delegated authority, in the event of there not being a timely meeting of Full Council to consider the matter, to approve them provided (i) all of the Group Leaders have agreed; and (ii) any such dispensations are reported to the next meeting of Full Council.

30. A general dispensation for members who do not attend in person is **not recommended**.

### Officer Attendance

31. Although Council meetings have been in person since January 2022, officer attendance, other than the Chief Executive, the Monitoring Officer and the Specialist (Democratic Services), has tended to remain on-line. Although on the whole this has not caused any particular problems, technical problems at the June meeting of Council meant that on some items the relevant officers were not available to offer advice if needed as they were attending remotely.
32. Some of the considerations applicable to member attendance in person also apply to officer attendance in person. However, SSDC has an agile working culture which can mean that unlike members, officers do not live in or near South Somerset. This has to be weighed against the need to ensure that members can be certain of having appropriate advice available and to hand when they are taking decisions. This can be achieved by allowing officers to continue to attend remotely provided that the author of each report on the Agenda or a suitable, properly briefed alternate approved by the relevant SLT lead, attends in person. Where an alternate is approved, the normal expectation will be that the report author also attends.

**Recommended:** that officers may continue to attend meetings remotely, provided that where an officer is named as the Lead Officer for an Agenda item they must attend the meeting in person or, if attending remotely, ensure a suitable, properly briefed alternate approved by the relevant SLT lead, attends in person.

### Financial Implications

33. There have been budget savings in travel allowances to attend meetings. The amount varies from month to month but is in the region of £1,000 to £1,400 per month. There may be additional costs associated with hybrid meetings as public in person access to the Council Chamber will need to be provided and Brympton Way is currently card access only.

### Legal implications (if any) and details of Statutory Powers

34. These have been covered elsewhere in the report.

### Council Plan Implications

35. There are no specific Council Plan implications arising from this report.

## **Carbon Emissions and Climate Change Implications**

36. The use of Zoom software to hold remote meetings has reduced the need to travel to attend Council meetings and therefore resulted in reduced carbon emissions from vehicles across the district. This will vary in future depending on the option chosen and is one of the factors for members to consider in determining which of the options is best for South Somerset District Council.

## **Equality and Diversity Implications**

37. There are no specific equality or diversity implications arising from the subject matter of this report, as option I is not recommended.

## **Privacy Impact Assessment**

38. No privacy impact assessment implications have been identified as a result of this report.

## **Background Papers**

- Council Constitution - Part 3
- Agenda and minutes of Council meetings – 19 March 2020, August 2020, 15 April 2021, 08 July 2021, 16 December 2021, 16 June 2022

## **Scrutiny and Overview**

### **Task and Finish: Remote Meeting Protocol July 2022**

1<sup>st</sup> July 2022 10:30am – A virtual meeting via Microsoft Teams

#### **Members attending:**

Gerard Tucker – Chairman  
Cllr Sue Osborne  
Cllr Brian Hamilton  
Cllr Robin Pailthorpe  
Cllr Tim Kerley

Apologies were received by Cllr Paul Maxwell, Cllr Mike Lewis and Cllr Oliver Patrick

#### **Officers attending:**

Jill Byron – District Solicitor and Monitoring Officer  
Stephanie Gold – Specialist Scrutiny and Member Development  
Angela Cox – Specialist Democratic Services  
Becky Sanders – Case Officer Democratic Services

#### **Summary:**

Members of the Scrutiny Committee were invited to meet informally on 1<sup>st</sup> July 2022 to conduct a task and finish workshop to consider the options for in-person and/or remote meetings for the remainder of the year 22/23. The findings will form part of the Monitoring Officer's report to Full Council on 21<sup>st</sup> July 2022.

As part of the analysis members reviewed:

- Options from the monitoring officer (appendix A)
- Officer feedback (appendix B)

#### **Task and Finish Observations:**

The following points were discussed by members:

- Voting and democratic decision making at formal meetings
- Conversations with colleagues/interpersonal interaction at formal meetings
- Need for planning decisions to be in-person
- Some decisions can be done better virtually i.e. grant applications
- Hybrid Technology not always reliable which causes problems for participants and impacts transparency for public
- How has attendance at council meetings been impacted by use of remote meetings?

- How much have we saved as council by not meeting in person?
- Scrutiny and Audit more focussed in person, virtual can be distracting
- Scrutiny follows DX model.
- Savings approx. £1000 per month in travel expenses for members
- Environmental impacts and SSDC's climate emergency commitments

During the discussion the following questions were put to members: -

**Officer attendance at formal meetings:**

Should there be the same expectations for officers?

- No comments were made about officer attendance at meetings

**Attendance requirements:**

Now that Full Council is in person, should the general dispensation for remote attendance be removed?

- All members agreed that it should be removed.

One member who was unable to attend the meeting submitted the following comments by email: -

*having read the document "Options for remote meetings" there could be a case for hybrid meetings if*

*a) the technology is available and works. The evidence to date is that it is still in its infancy e.g. the last Full Council meeting where it did not work.*

*b) All meetings, including Areas were deemed to be "formal" where decisions are made using the democratic process of member participation.*

*It would appear that to make all meetings formal then we need to return to everything in person for the next 10 months, just as parish and town councils have been doing for some months.*

*Obviously there is the matter of carbon footprint for face to face meetings, but the democratic process is in my view the key to our decision making in SSDC.*

**Task and Finish recommendations:**

1. Full Council in person, District Executive in person, Scrutiny in person, Audit, Standards, Regulation and Licensing Committees in person.
2. Area committee meetings to be held in person but can be called as a virtual meeting at the Chair and vice chairs discretion provided there are no planning applications on the agenda.
3. Everything else (informal meetings, briefings, T&F, training etc...) continue to be virtual.

**Note:** "in person" means hybrid, but only those in the room can vote.

Rationale for recommendations 1 & 2:

- Better quality of debate and decision making in person
- Restore decision making powers to committees - reduce use of delegatory powers
- Body language and non-verbal communication has been missed
- Scrutiny follows DX model and should therefore be held in-person
- Hybrid model better for transparency – continue to stream all formal meetings on Youtube.

Rationale for recommendation 3:

- Time and productivity savings for both members and officers
- Accessibility – Public sector duty
- Environmental impact and SSSDC's carbon reduction commitments

Kind Regards

Cllr Gerard Tucker

Chairman of Scrutiny and Overview Committee

## Task and Finish Group Appendix A

### Options for remote meetings

- Continue as we are, with Full Council in person, everything else on line
- Full Council in person, everything else on line with Chairs and/or at least [*insert number - 5? One third of the membership? The quorate number?*] members able to call in person meetings if needed
- Full Council in person, District Executive in person, everything else on line
- Full Council in person, District Executive in person, everything else on line with Chairs and/or at least [*insert number - 5? One third of the membership? The quorate number?*] members able to call in person meetings if needed
- Full Council in person, District Executive in person, Scrutiny in person, everything else on line with Chairs and/or at least [*insert number - 5? One third of the membership? The quorate number?*] members able to call in person meetings if needed
- Full Council in person, District Executive in person, Scrutiny in person, one or more of Audit, Standards, Regulation and Licensing Committees in person, with Chairs of anything not in person and/or at least [*insert number - 5? One third of the membership? The quorate number?*] members able to call in person meetings if needed. Area meetings remain online but can be called in-person as above if needed/ at chairs/vice chairs discretion?
- Everything in person

**Note:** “in person” means hybrid, but only those in the room can vote.

Scrutiny is linked to the Executive model, so there is an argument that it should be similar to District Executive (reflected in the options above)

Other points to consider:

**Area Committees** – are there issues with Area West and Area East being hybrid as they are not normally held in Brympton Way?

**Attendance requirements** – now that Full Council is in person, should the general dispensation for remote attendance be removed?

**23 June 2022**



## **Task and Finish Group Appendix B**

### **Officer comments raised during the discussion**

- Officers find hosting meetings online to be straightforward (no additional burden)
- Public attendance at meetings is higher with remote meetings
- IT issues at Brympton Way Council Chamber have now been resolved
- More public interest and participation at formal meetings
- In person with hybrid can only take place from Brympton Way, as the Council does not have mobile technology (although other venues are being explored including the Guildhall in Chard).
- Hybrid confusion – voting rights and attendance requirements
- Query why Scrutiny and Audit should be in person when they are non-decision making committees (except for some Audit meetings where sign off is required)
- Query how the option for 5 member call in for in person meetings might work – committee agendas are on very tight time scales and realistically this might be difficult to achieve.



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## Appointment of Members to vacancies on various Council Committees

Executive Portfolio Holder: Val Keitch, Strategy and Housing  
Strategic Director: Jill Byron, Monitoring Officer  
Lead Officer: Angela Cox, Democratic Services Specialist  
Contact Details: Angela.cox@southsomerset.gov.uk or 01935 462148

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### Purpose of the Report

This report seeks to confirm the unfilled positions on the Licensing, Scrutiny, Standards and Audit Committees and Appeals Panel following the appointment of Councillors to various committees and working groups at Council on 19<sup>th</sup> May 2022.

### Public Interest

Each year, the Council reviews the membership of its Committees, Boards and representation by Councillors on outside organisations. This report seeks to confirm the un-filled positions on some Committees

### Recommendations

It is recommended that:

- (1) The Council appoint one Councillor to the vacancy on the Licensing Committee for the municipal year 2022-23 (not required to be in political balance).
- (2) The Council note that the Leader will appoint a Liberal Democrat Councillor to the vacancy on the Standards Committee for the municipal year 2022-23.
- (3) The Council note that the Leader will appoint a Liberal Democrat Councillor to the vacancy on the Scrutiny Committee for the municipal year 2022-23.
- (4) The Council note that the Leader has appointed Councillor Wes Read to the vacancy on the Appeals Panel for the municipal year 2022-23.
- (5) The Council note that the Leader will appoint a Councillor to the vacancy on the Wincanton Regeneration Programme Board for the municipal year 2022-23.
- (6) The Council note that the Leader has appointed Councillor Mike Hewitson as Chairman of Audit Committee for the remainder of the municipal year 2022- 23.
- (7) The Council note that the Leader has appointed Councillor Brian Hamilton as Vice-Chairman of Audit Committee for the remainder of the municipal year 2022- 23.
- (8) The Council note that the Leader will appoint a Liberal Democrat Councillor to the vacancy on the Audit Committee for the municipal year 2022-23

## Report Detail

The membership of committees and working groups for 2022/23 was approved at the Annual Council meeting on 19 May. Following that meeting, there were some unfilled positions on the Licensing Committee, Scrutiny Committee, Standards Committee and Appeals Panel. Also Councillor Martin Carnell has resigned from the Audit Committee and so a new Chairman is proposed and the vacancy is to be filled. This report seeks to confirm the appointments by the Leader of Council.

## Financial Implications

There are no direct financial implications in agreeing the appointments in this report. There is a budget provision to cover the basic and special responsibility allowances of all Councillors.

The majority of Council meetings have been held on-line since April 2020 and there have been budget savings in travel allowances to attend meetings. The amount varies from month to month but is in the region of £1,000 to £1,400 per month.

## Legal implications (if any) and details of Statutory Powers

The Local Government and Housing Act 1989 requires the Council to review the representation on committees and to allocate seats to political groups on the basis of the overall political composition of the Council.

## Council Plan Implications

Council Plan 2020 – 2024 – Council Values:

**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

## Carbon Emissions and Climate Change Implications

Since April 2020, the use of Zoom software to hold virtual meetings has reduced the need to travel to attend Council meetings and therefore resulted in reduced carbon emissions from vehicles across the district.

## Equality and Diversity Implications

There are no specific equality or diversity implications arising from the subject matter of this report.



<i>An Equality Impact Relevance Check Form has been completed in respect of the Proposal?</i>	Yes
<i>The Impact Relevance Check indicated that a full EIA was required?</i>	No
<i>If an EIA was <b>not</b> required please attach the Impact Relevance Check Form as an Appendix to this report and provide a brief summary of its findings in the comments box below.</i>	
<i>If an EIA <b>was</b> required please attach the completed EIA form as an Appendix to this report and provide a brief summary of the result of your Equality Impact Assessment in the comment box below.</i>	
<b>Additional Comments</b>	

## Privacy Impact Assessment

No personal data is involved or processed as a result of this report.

## Background Papers

The Council's Constitution – Parts 2 and 3  
Annual reports to Council - Appointment of Member Level Bodies  
Local Government and Housing Act 1989



## Report of Executive Decisions

Executive Portfolio Holder: Val Keitch, Leader of Council, Strategy  
Director: Jill Byron, Monitoring Officer  
Lead Officer: Angela Cox, Democratic Services Specialist  
Contact Details: angela.cox@southsomerset.gov.uk or (01935) 462148

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## Purpose of the Report

This report is submitted for information and summarises decisions taken by the Chief Executive, Portfolio Holders and District Executive Committee since the last meeting of Council in June 2022.

Members are invited to ask any questions of the Portfolio Holders.

## Background Papers

All Published

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## Appendix A

Portfolio	Subject	Decision	Taken By	Date
Finance and Legal Services	Energy Rebate Discretionary Scheme Policy	This report was recommended to Council and appears elsewhere on the agenda		07/07/22
Finance and Legal Services	Review of 2022/23 Capital Programme	That District Executive:- a. Noted the possible future calls on the Corporate Capital Contingency Budget during 2022/23, as currently foreseen by Senior Leadership Team. b. Recommended that the Chief Executive agrees to fund £125k from the Corporate Capital Contingency Fund towards the Ham Hill Project.	District Executive	07/07/22
Finance and Legal Services	2021/22 Revenue Budget Monitoring Report for the Period Ending 31 March 2022	That District Executive:- a. Noted the outturn report position as set out in Table One; b. Recommended that the Chief Executive approves the transfer of the 2021/22 underspend of £900k to the General Fund reserve, as set out in paragraph 12. c. Recommended that the Chief Executive approves the creation of a new earmarked reserve for potential Minimum Revenue Provision (MRP) costs and the transfer of £444k into this reserve as set out in paragraphs 18 to 23.	District Executive	07/07/22
Finance and Legal Services	2021/22 Capital Outturn Report Period Ending 31 <sup>st</sup> March 2022	That District Executive:- a. Noted the overall capital outturn position as described in this report. b. Recommended that the Chief Executive approve the carry forward of underspent budget from 2021/22 into 2022/23 of £7.062m. c. Noted that the principle of carrying forwards	District Executive	07/07/22

Portfolio	Subject	Decision	Taken By	Date
		unspent but approved capital budgets from one year to the succeeding year have been given general consent by Somerset County Council's Executive under the Section 24 Direction.		
Wincanton Regeneration	Wincanton Regeneration budget – Change of scope	That District Executive recommend that the Chief Executive agree:- a. Option 2 i. To allocate the full £260,000 requested from the capital contingency budget to the Wincanton Regeneration Scheme.	District Executive	07/07/22
Economic Development including Commercial Strategy	Investment Asset Update Report	District Executive agreed to:- a. note the continuing performance of the commercial investments of the Council b. note the return being achieved across the portfolio which is in line with the Council's target of 7%.	District Executive	07/07/22
Strategy and Housing	North Cadbury and Yarlington Neighbourhood Plan	That District Executive recommend that the Chief Executive:- a. agrees the Examiner's report and accepts in full his recommendations for Proposed Modifications to the North Cadbury and Yarlington Neighbourhood Plan. b. agrees to officers organising a referendum later this year for local people on the Electoral Register. The aim of the referendum is to ascertain whether local residents want South Somerset District Council to use the Neighbourhood Plan for North Cadbury and Yarlington to help it decide planning applications in the neighbourhood area. c. delegates responsibility to the Director for Support Services and Strategy to make any	District Executive	07/07/22

Portfolio	Subject	Decision	Taken By	Date
		final minor text amendments to the Neighbourhood Plan, in agreement with the North Cadbury and Yarlinton Neighbourhood Plan Steering Group.		
Leader of the Council	Establishment of an Implementation Board in Somerset for the implementation of local government reorganisation	That District Executive:- a. recommend that the Chief Executive agree to the establishment of the Implementation Board with representation from the Constituent Councils, constituted in accordance with and having the functions set out in the Terms of Reference attached as Appendix 1 b. noted the Leader's appointment of Councillor John Clark to the Implementation Board.	District Executive	07/07/22





## **Audit Committee**

Committee Vice Chairman: Cllr Mike Hewitson  
Lead Officer: Karen Watling, Section 151 Officer  
Contact Details: [Karen.watling@southsomerset.gov.uk](mailto:Karen.watling@southsomerset.gov.uk)

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This report summarises the items considered by the Audit Committee since the last report to Council in June 2022.

The Audit committee met informally on the 30<sup>th</sup> of June 2022.

Below are the items that have been considered.

- 2021/22 Internal Audit Annual Opinion Report
- 2021/22 Treasury Management Performance Outturn Report
- Annual Whistleblowing Update 2021/22
- Annual review of Treasury Management Practices for 2022-23
- Proposed changes to Financial Procedures Rules for 2022-23

The next meeting is scheduled to take place on Thursday 28<sup>th</sup> July at 10.00am.

Mike Hewitson  
Vice-Chairman of Audit Committee

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## **Date of Next Meeting**

Members are asked to note that the next scheduled meeting of the Full Council is a reserve date and will only be engaged if there is business to discuss.

The reserve date is **Thursday, 18<sup>th</sup> August 2022 at the Council Offices, Brympton Way, Yeovil** and as a virtual meeting using Zoom meeting software **commencing at 6.30 p.m.**

The following month, the scheduled meeting of Full Council will be **Thursday 15<sup>th</sup> September 2022 at the Council Offices, Brympton Way, Yeovil** and as a virtual meeting using Zoom meeting software **commencing at 6.30 p.m.**

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