
**EXECUTIVE
SUMMARY OF DECISIONS**

Wednesday, 7 February 2024

Item No.	Title
6	<p>2023/24 Budget Monitoring Report - Month 9 - End of December 2023 Q3</p> <p>NON-KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive noted the forecast overspend of £17.5m (3.6%) for the year and the recovery action being taken and mitigations put in place to address this.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
7	<p>2023/24 Capital Budget Monitoring Report - Q3</p> <p>NON-KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive:</p> <p>Following consideration of the officer report, appendices and discussion, the Executive:</p> <p>a. Approved the changes to the capital programme approvals, as detailed in Section 42 of the report.</p> <p>b. Noted the revised capital forecast spend for the financial</p>

	<p>year 2023/24 of £199.8m and the key risks, future issues detailed in the report.</p> <p>c. Agreed to move the slippage of £105.7m from 2023/24 into 2024/25.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
8	<p>2023/24 Housing Revenue Account Capital and Revenue Budget Monitoring Report Q3</p>
	<p>NON-KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive noted:</p> <p>a. The HRA's forecast financial performance and projected reserves position for 2023/24 financial year as at 31 December 2023. Including key risks and future issues and opportunities detailed in the report which will be closely monitored and updated throughout the year.</p> <p>b. The forecast outturn position of the Capital Programme.</p> <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
9	<p>2024/25 HRA Budget setting report</p>
	<p>KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive agreed:</p> <p>2.1 To endorse and recommend the recommendations below for approval by the Council, which include changes for rents and service charges to be used to prepare the necessary notices to tenants ready for dispatch following the Council meeting on 20 February 2024 to ensure the 28 days, notice period is met.</p>

2.2 That Full Council approve the following:

Revenue Budget for 2024/25

2.3 The HRA Annual Revenue Budget for 2024/25 as shown in Appendix A of the report.

Rent Setting for 2024/25

2.4 An increase of 7.7% to Dwelling Rents in line with the Governments 2019 (and updated 2023) Rent Standard.

2.5 An increase of 7.7% for Sheltered and Extra Care housing rents in line with the dwelling rents increase.

2.6 An increase of 7.7% for Shared Ownership properties.

2.7 An increase of 7.7% on affordable rental tenures, with the rent being reviewed at relet based on 80% of open market rent capped at the LHA rate.

2.8 The continuation of rent flex at relet for new tenants within the West of the Council for tenants part of the in-house service (dwelling stock inherited from the legacy Somerset West and Taunton Council) as included in the Rent Charging Policy. This will be levied at basic rent plus 5% for general needs tenants and 10% for sheltered and extra care tenants.

2.9 The introduction of rent flex at relet for new tenants within the North of the Council for tenants part of Homes In Sedgemoor (dwelling stock inherited from the legacy Sedgemoor District Council) as included in the Rent Charging Policy. This will be levied at basic rent plus 5% for general needs tenants and 10% for sheltered and extra care tenants.

Fees & Charges for 2024/25

2.10 An increase in Service Charges for tenants in the North, managed by Homes In Sedgemoor, based on predicted costs in line with the service charging policy. The introduction of a transparent 10% service charge management fee.

The service charges are contained in Appendix B of the report.

2.11 An increase in Service Charges for tenants in the West, managed by the In-House Service, of

(a) 7.7% for Grounds Maintenance and the Support / Sheltered Housing and Extra Care accommodation services

(b) 6.8% for the Piper Lifeline service

(c) other charges based on actual costs incurred for laundry, heating, communal areas, communal door entry systems

(d) no change to the communal utilities charge

(e) a new charge for exceptional street cleaning

(f) sewerage will increase in line with the

Wessex Water increases for 2024/25 once known. The service charges are contained in Appendix C of the report.

2.12 An increase of 7.7% for garage rents.

2.13 An increase of 6.7% on temporary accommodation daily rates.

2.14 An increase of 6.7% for Meeting Hall hourly rental rates.

2.15 An increase of 6.7% for Guest Room charges.

Capital Programme from 2024/25

2.16 The HRA Major Works and Improvement Capital Programme for 2024/25 of

£8,834,500 for HiS and £19,189,200 for the In-House Service.

2.17 To approve a **capital budget of £940,000** for the delivery of the **Bespoke Homes Phase 2** scheme (North of Somerset). This scheme will deliver 2 large and fully adapted new homes that will be built to low carbon standards in excess of building regulations and extend two existing council dwellings to create larger adapted homes. The proposal is to finance this using an appropriate combination of up to 29.78% subsidy from Homes England and the remainder funded by borrowing. These homes will be let at social rents.

2.18 To approve a **capital budget of £968,000** for the delivery of the **Rochester Road Step Down / Move on Accommodation** (West of Somerset). This scheme will deliver 8 new homes and let to vulnerable

adults or children such as low complex homeless or children leaving care. The homes will use Modern Methods of construction and be of built to low carbon standards in excess of building regulations. The proposal is to finance this scheme using a combination of Better Care Funding and the remainder funded by borrowing. These new homes will be let at affordable rents and discounted if appropriate.

2.19 To approve a **capital budget of £2,000,000** for the delivery of the **Step Down / Move On Accommodation** scheme (West of Somerset). This scheme will deliver 16

new homes for vulnerable adults or children such as low complex homeless or children leaving care. The homes will be built to low carbon standards in excess of building regulations and use Modern Methods of construction. The proposal is to finance this scheme using a combination of Better Care Capital Funding and the remainder funded by borrowing. These new homes will be let at affordable rents and discounted if appropriate.

2.20 To approve a **capital budget of £2,615,430** for the delivery of the **Taunton Road** scheme (North of Somerset). This scheme will deliver 11 new homes that will be built to low carbon standards in excess of building regulations. The proposal is to finance this using an appropriate combination of up to 40% subsidy from RTB receipts and the remainder funded by borrowing. These new homes will be let at affordable rents.

2.21 To approve a **supplementary budget of £656,760** for the current **Cricketers** scheme (North of Somerset) to fund the projected overspend to complete the scheme. This scheme is delivering 16 new homes and will be built to low carbon standards in excess of building regulations. The proposal is to finance this using Homes England capital grant, Hinkley Point C funding and the remainder funded by borrowing. These new homes will be let at affordable rents.

2.22 To approve a **supplementary budget of £375,000** for the current **Oxford Inn** scheme (West of Somerset) to fund the projected overspend to complete the scheme.

This scheme is delivering 8 new homes will be built to low carbon standards in excess of building regulations. The proposal is to finance this using an appropriate

combination of up to 40% subsidy from RTB receipts and the remainder funded by borrowing. These new homes will be let at affordable rents.

2.23 To approve a **budget return of £20,274,207** for the **North Taunton Woolaway Project Phase D** (West of Somerset).

2.24 To approve a **budget return of £10,499,189** for the **Zero Carbon Affordable Homes** scheme (West of Somerset).

2.25 To approve a **budget return of £950,000** for the **Tuckerton Lane** scheme (North of Somerset).

2.26 To approve a **budget return of £500,000** for the **Purchase of Properties for RTB** scheme (North of Somerset).

Medium Term Financial Plan 2024/25 – 2029/30

2.27 To note the reviewed and updated assumptions in the 2024/25 5-Year Medium Term Financial Plan (MTFP).

2.28 To approve the transfer of four dwellings from the General Fund to the Housing Revenue Account and delegate authority to the Lead Member for Communities, Housing and Culture and the Section 151 Officer to approve the final land transfer value.

2.29 To approve an increase in the HRA's strategic approach to generate capital receipts of approximately £1.225m through the sale of uneconomical assets on the open market.

30-Year Business Plan

2.30 The updated assumptions and figures in the 2024 HRA 30-Year Business Plan as summarised in section 7 of the report.

2.31 That members note the challenges and next steps for the HRA and landlord services.

	<p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
10	<p>2024/25 Treasury Management Strategy</p>
	<p>NON-KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive endorsed and the recommended approval by Full Council on 20 February 2024:</p> <ul style="list-style-type: none"> a. The adoption of the Treasury Borrowing Strategy and Treasury Investment Strategy for 2024-25 as set out in the report. b. The adoption of the Prudential Treasury Indicators set out in the report. c. The adoption of Appendix A of the report as part of the Councils Financial regulations. <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
11	<p>2024/25 Capital Strategy</p>
	<p>KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive approved and recommended to Full Council:</p> <ul style="list-style-type: none"> a. The Capital Strategy including the key prudential indicators for 2024/25. b. The Flexible Use of Capital Receipts Policy for 2024/25 c. The Minimum Revenue Provision (MRP) Policy for 2023/24 and 2024/25. <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>

12	2024/25 General Fund Capital Budget
	<p>KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive approved and recommended to Full Council to:</p> <ul style="list-style-type: none"> a. Approve the removal of the already approved schemes as detailed in Appendix A of the report. b. Approve the revised capital programme for 2024/25 as detailed in Appendix B of the report. c. Approve the inclusion of the new capital bids for 2023/24 and 2024/25 onwards as detailed in Appendix C of the report for inclusion in the programme. <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report.</p>
13	2024/25 General Fund Budget and Medium-Term Financial Plan
	<p>KEY DECISION</p> <p>Following consideration of the officer report, appendices including individual and cumulative impact assessment and discussion the Executive:</p> <ul style="list-style-type: none"> a) Considered the feedback on the public consultation set out in Appendix 8. b) Considered the comments from the five business sector engagement events set out in Appendix 8. c) Considered and endorsed the comments from Scrutiny Committee Corporate & Resources on the budget proposals. d) Noted the that a formal request has been submitted to DLUHC for Exceptional Financial Support in the form a Capitalisation Direction to balance the budget, an additional 5% in council tax (<i>request subsequently refused</i>) and £40m for the ‘re-sizing’ of the council and associated redundancy costs and that as part of this process there will an external assurance review by CIPFA.

e) Noted that the conclusions of the Council's Section 151 Officer (Chief Finance Officer) confirming the robustness of the budget estimates and the adequacy of the level of reserves, will be a separate report to Council.

f) The Executive agreed the removal of savings proposals: CMS015 RNLI, CAP007 Crossing Patrols; SWL006 Democratic process; SWL007 Committee size; SWL008 Committee meeting locations; SWL012 Members allowances; and CAP -32 Reductions to highways maintenance. Resulting in a total change of £260,000.

g) The Executive agreed the following updates/revisions:

Communities Service Area - wording and savings type amendments to: CMS021 overnight locking of Wellington, Blenheim and Vivary Parks; CMS026 Taunton Visitor Information Centre; and CMS041 Parish Ranger Scheme. Resulting in no financial changes.

Climate and Place Service Area - new savings: Contractual changes related to the guaranteed minimum annual tonnage for residual waste in Somerset to our Contractor (Viridor) or seeking alternative EfW disposal routes above the current minimum annual tonnage floor; and Funding of one Grade 10 post and one Grade 7 post using time-limited external Levelling up front grant provided by DHLUC to support us in delivering LUF schemes - resulting in a combined £243,000 saving, And: the removal of CAP004 Funding for Community Rail Partnership; a reduction in CAP027 transport policy costs; the deferral until 2025/26 of CAP032 reduction in highways maintenance and devolution of service (including removing savings regarding gully emptying, deferring savings regarding reducing reactive budgets for hedge trimming, noxious weeds treatment, gully emptying, ditches and grips and reduced planned grass-cutting; and a amendment of the title (wording only) of CAP010 to Make Savings from the Core Contract for Household Waste Recycling Centre. In total

resulting in a savings reduction of £243,000.

Furthermore the Executive agreed to recommend to full Council approve:

Revenue Budget

- a. Note the conclusions of the Council's Section 151 Officer (Chief Finance Officer) in his Section 25 report confirming the robustness of the budget estimates and the adequacy of the level of reserves for 2024/25 and his warning about the 2025/26 financial year.
- b. Approves the additional funding for pressures requirements set out in **Appendix 6**.
- c. Approves the savings and income generation plans outlined in **Appendix 7**, considering the detailed Equalities Impact Assessments
- d. Notes the MTFP Cumulative Impact Assessment in **Appendix 15**
- e. Approves the General Fund net revenue budget for 2024/25 of £601.775m and the individual service budgets for 2024/25 as outlined in **Appendix 2**.
- f. Notes that in order to balance the 2024/25 budget, that revenue spend will be capitalised in accordance with the Capitalisation Directive from DLUHC of £36.9m
- g. The delegation of any amendments within the final Government Financial Settlement and the final Business Rates amendments to the Executive Director of Resources and Corporate Services (Section 151 Officer) in consultation with the Leader of the Council.

Reserves

- a. Notes that the level of General Reserves is maintained within the risk based assessment range of £30m minimum to £60m maximum level.
- b. Approves that £36.8m from the Medium-Term Financial

Plan Support Reserve is used to help balance the 2024/25 budget.

- c. Notes the overall estimated position of Earmarked Reserves outlined in **Table 14** and the proposed use of reserves detailed in **Appendix 10** which includes the estimated use of Earmarked Reserves during the year.

Dedicated Schools Grant (DSG)

- a. Note the forecast spending on the Dedicated Schools Grant is forecast to exceed the funding provided by government by £23.4m in 2024/25 and is projected to reach a cumulative deficit of £96.2m by 31 March 2026.
- b. Notes the overall Dedicated Schools Grant allocation of £533.3m for 2024/25 and breakdown by block as set out in **Appendix 12**.

Council Tax

- a. Approves the calculations for determining the Council Tax requirement for the year 2024/25 in accordance with the Local Government Finance Act 1992 as set out in the Council Tax Resolution in **Appendix 16**.
- b. Agree to continue the Council Tax precept of £14.65, included in the overall band D Council Tax for the shadow Somerset Rivers Authority (representing no increase). This results in a Council Tax Requirement of £3,058,900 for the Somerset Rivers Authority.
- c. Approves the Council increase the Council Tax for a band D property for Somerset Council, including the Somerset Rivers Authority Precept, by £82.14 for 2024/25, giving a band D Council Tax of £1,728.18 per year,
 - i. The general band D Council Tax by 2.99%, £49.22, the maximum permitted without a referendum; and
 - ii. The Adult Social Care Precept by 2.00%, £32.92.
- d. Approves a Special Expenses rate of £230,977 as detailed

in **Appendix 5**.

- e. Approves the precept requirement of £361,071,003 (including Special Expenses Rate) £360,840,026 (excluding Special Expenses Rates).
- f. Approves the formal Council Tax resolution, in **Appendix 16a**, which incorporates the precepts of all the precepting bodies.

	2023/24 £	2024/25 £	Increase %
Somerset Council	1,449.58	1,498.80	4.99
Somerset Council – Social Care	196.46	229.38	
Police and Crime Commissioner	266.20	279.20	4.88
Devon and Somerset Fire Authority	96.79	99.68	2.99
Sub-Total	2,009.03	2,107.06	4.88
Special Expenses Average	1.07	1.11	3.74
City, Town and Parish Council (average)	105.99	158.86	49.88
Total	2,116.09	2,267.03	7.13

Note – all reference to appendices above relate to the Full Council papers for 20 February 2024.

14

Developing the Approach to Transformation

KEY DECISION

Following consideration of the officer report, appendices and discussion, the Executive:

- a. **Noted the new approach to whole Council transformation.**
- b. **Approved the launch of the Voluntary Redundancy (VR) scheme, and the 45-day consultation period on 9 February 2024, as part of the Workforce Reduction programme.**
- c. **Noted that the delivery of the VR scheme will be dependent on the current financial strategy.**

15

Heart of the South West LEP Transition

DECISION

KEY DECISION

Following consideration of the officer report, appendices and

	<p>discussion, the Executive:</p> <ul style="list-style-type: none"> a. Approved the proposed Integration Plan for the Heart of the South West Local Enterprise Partnership (HotSW LEP) and the transfer of the LEP functions into the Council. b. Delegated responsibility to the Service Director – Economy, Employment and Planning, in consultation with the Lead Member for Economic Development, Planning and Assets for establishing the Somerset Economic Growth Board and the implementation of the Integration Plan. c. Delegated to the Executive Director – Resources & Corporate Services (Section 151 Officer) to finalise a transfer arrangement and agreements with Devon, Plymouth and Torbay councils that cover operational implementation of the LEP functions; allocations of LEP residual funding, resources, and assets as set out in the finance and risk section. d. Agreed the case for applying the exempt information provision as set out in the Local Government Act 1972, Schedule 12A and therefore to treat the attached confidential Appendix 01 in confidence, as it contains commercially sensitive information, and as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information. <p>ALTERNATIVE OPTIONS CONSIDERED: As set out in the officer report</p> <p>REASON FOR DECISION: As set out in the officer report</p>
16	Determination of 2025/26 Somerset Council Admission Arrangements
	<p>KEY DECISION</p> <p>Following consideration of the officer report, appendices and discussion, the Executive agreed:</p> <ul style="list-style-type: none"> 1. To the proposed changes to the over subscription criteria for Local Authority Voluntary Controlled and Community Primary Schools.

2. To the proposed changes to the over subscription criteria for Local Authority Voluntary Controlled and Community Secondary Schools.

3. To determine the Admission Arrangements for all Local Authority Voluntary Controlled and Community Primary Schools for 2025/26.

4. To determine the Admission Arrangements for all Local Authority Voluntary Controlled and Community Secondary Schools for 2025/26.