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## FULL COUNCIL SUMMARY OF DECISIONS

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**Tuesday, 20 February 2024**

(Published on 21 February 2024)

| Item No. | Title  |
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| 6        | Report of the Section 151 Officer  |
|          | <p>DECISION</p> <p>Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to:</p> <ul style="list-style-type: none"><li>a) Consider and note the assurance provided by the Section 151 Officer in respect of the robustness of the 2024/25 budget proposals.</li><li>b) Consider and note the assurance provided by the Section 151 Officer on the adequacy of reserves for 2024/25.</li><li>c) Approve that the Level of General Reserves were maintained within the range £30m (5% of net budget) to £60m (10% of net budget).</li><li>d) Note the Section 151 Officers significant concerns over the 2025/26 financial year and the ability to balance the budget.</li><li>e) Note that the Section 151 would provide members with regular updates concerning the council's finances and the risks of a Section 114 notice.</li></ul> |
| 7        | Report of the Leader and Executive - Capital Strategy 2024/25 to 2026/27   |

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|   | <p>DECISION</p> <p>Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to approve:</p> <ul style="list-style-type: none"> <li>a) The Capital Strategy including the key prudential indicators for 2024/25</li> <li>b) The Flexible Use of Capital Receipts Policy for 2024/25</li> <li>c) The Minimum Revenue Provision (MRP) Policy for 2024/25</li> <li>d) That the administration would review the MRP Strategy over the next six months to ensure the MRP was calculated in a consistent manner.</li> </ul> |
| 8 | Report of the Leader and Executive - Treasury Management Strategy 2024-25  |
|   | <p>DECISION</p> <p>Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to:</p> <ul style="list-style-type: none"> <li>• Adopt the Treasury Borrowing Strategy and Treasury Investment Strategy for 2024-25 as set out in this report,</li> <li>• Adopt the Prudential Treasury Indicators set out in this report, and</li> <li>• Adopt Appendix A as part of the Councils Financial regulations.</li> </ul>   |
| 9 | Report of the Leader and Executive - 2024/25 General Fund Capital Budget   |
|   | <p>DECISION</p> <p>Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to:</p> <ul style="list-style-type: none"> <li>a) Approve the removal of the already approved schemes as detailed in Appendix A,</li> <li>b) Approve the revised capital programme for 2024/25 as detailed</li> </ul>  |

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|    | <p>in Appendix B,</p> <p>c) Approve the inclusion of the new capital bids for 2024/25 onwards as detailed in Appendix C for inclusion in the programme.</p>  |
| 10 | <p>Report of the Leader and Executive - Housing Revenue Account 2024-25</p>  |
|    | <p>DECISION</p> <p>Councillor Federica Smith-Roberts proposed the recommendations which were seconded by Councillor Liz Leyshon.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to approve:</p> <p><b>1) Revenue Budget for 2024/25 (see section 8)</b></p> <ul style="list-style-type: none"> <li>• The HRA Annual Revenue Budget for 2024/25 as shown in Appendix A.</li> </ul> <p><b>2) Rent Setting for 2024/25 (see section 10)</b></p> <ul style="list-style-type: none"> <li>• An increase of 7.7% to Dwelling Rents in line with the Governments 2019 (and updated 2023) Rent Standard.</li> <li>• An increase of 7.7% for Sheltered and Extra Care housing rents in line with the dwelling rents increase.</li> <li>• An increase of 7.7% for Shared Ownership properties.</li> <li>• 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.</li> <li>• 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 would be levied at basic rent plus 5% for general needs tenants and 10% for sheltered and extra care tenants.</li> <li>• 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 would be levied at basic rent plus 5% for general needs tenants and 10% for sheltered and extra care tenants.</li> </ul> <p><b>3) Fees &amp; Charges for 2024/25 (see section 11)</b></p> |

- 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 were contained in **Appendix B**.
- 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 would increase in line with the Wessex Water increases for 2024/25 once known. The service charges were contained in **Appendix C**.
- An increase of 7.7% for garage rents.
- An increase of 6.7% on temporary accommodation daily rates.
- An increase of 6.7% for Meeting Hall hourly rental rates.
- An increase of 6.7% for Guest Room charges.

#### 4) **Capital Programme from 2024/25 (see section 12)**

- 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.
- To approve a **capital budget of £940,000** for the delivery of the **Bespoke Homes Phase 2** scheme (North of Somerset). This scheme would deliver 2 large and fully adapted new homes that would be built to low carbon standards in excess of building regulations and extend two existing council dwellings to create larger adapted homes. The proposal was to finance this using an appropriate combination of up to 29.78% subsidy from Homes England and the remainder funded by borrowing. These homes would be let at social rents.
- 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 would deliver 8 new homes and let to vulnerable adults or children such as low complex homeless or children

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

- 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 would deliver 16 new homes for vulnerable adults or children such as low complex homeless or children leaving care. The homes would be built to low carbon standards in excess of building regulations and use Modern Methods of construction. The proposal was to finance this scheme using a combination of Better Care Capital Funding and the remainder funded by borrowing. These new homes would be let at affordable rents and discounted if appropriate.
- To approve a **capital budget of £2,615,430** for the delivery of the **Taunton Road** scheme (North of Somerset). This scheme would deliver 11 new homes that would be built to low carbon standards in excess of building regulations. The proposal was to finance this using an appropriate combination of up to 40% subsidy from RTB receipts and the remainder funded by borrowing. These new homes would be let at affordable rents.
- 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 was delivering 16 new homes and would be built to low carbon standards in excess of building regulations. The proposal was to finance this using Homes England capital grant, Hinkley Point C funding and the remainder funded by borrowing. These new homes would be let at affordable rents.
- 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 was delivering 8 new homes would be built to low carbon standards in excess of building regulations.

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|    | <p>The proposal was to finance this using an appropriate combination of up to 40% subsidy from RTB receipts and the remainder funded by borrowing. These new homes would be let at affordable rents.</p> <ul style="list-style-type: none"> <li>• To approve a <b>budget return of £20,274,207</b> for the <b>North Taunton Woolaway Project Phase D</b> (West of Somerset).</li> <li>• To approve a <b>budget return of £10,499,189</b> for the <b>Zero Carbon Affordable Homes</b> scheme (West of Somerset).</li> <li>• To approve a <b>budget return of £950,000</b> for the <b>Tuckerton Lane</b> scheme (North of Somerset).</li> <li>• To approve a <b>budget return of £500,000</b> for the <b>Purchase of Properties for RTB</b> scheme (North of Somerset).</li> </ul> <p><b>5) Medium Term Financial Plan 2024/25 – 2029/30 (see section 9)</b></p> <ul style="list-style-type: none"> <li>• To note the reviewed and updated assumptions in the 2024/25 5-Year Medium Term Financial Plan (MTFP).</li> <li>• 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.</li> <li>• 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.</li> </ul> <p><b>6) 30-Year Business Plan (see section 8)</b></p> <ul style="list-style-type: none"> <li>• The updated assumptions and figures in the 2024 HRA 30-Year Business Plan as summarised in section 7.</li> <li>• That members note the challenges and next steps for the HRA and landlord services.</li> </ul> |
| 11 | Report of the Leader and Executive - General Fund Revenue Budget and Medium Term Financial Plan 2024-25 including Council Tax Setting 2024-25  |
|    | <p>DECISION</p> <p>Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.</p>  |

Having been duly proposed and seconded, the Council RESOLVED to:  
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) Approve the additional funding for pressures requirements set out in **Appendix 6**.
- c) Approve the savings and income generation plans outlined in **Appendix 7**, considering the detailed Equalities Impact Assessments
- d) Note the MTFP Cumulative Impact Assessment in **Appendix 15**
- e) Approve 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) Note that in order to balance the 2024/25 budget, that revenue spend would be capitalised in accordance with the Capitalisation Directive from DLUHC of £36.9m
- g) Delegate 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

- h) Note that the level of General Reserves was maintained within the risk-based assessment range of £30m minimum to £60m maximum level.
- i) Approve that £36.8m from the Medium-Term Financial Plan Support Reserve was used to help balance the 2024/25 budget.
- j) Note the overall estimated position of Earmarked Reserves outlined in **Table 14** and the proposed use of reserves detailed in **Appendix 10** which included the estimated use of Earmarked Reserves during the year.

Dedicated Schools Grant (DSG)

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

### Transformation Business Case

- m) Note the outline Business Case for transformation presented to the Executive on 7 February 2024 and that transformation was referenced in the DLUHC letter shown in Appendix 13.  
Transformation proposed to re-size the council so that it focused only on the unique value the council could provide and to reduce the workforce by over 1,000 (20-26%).
- n) Express concern about the ability to deliver, implications and potential outcomes of the changes planned from transformation.
- o) Called for the Executive to consider feedback on transformation from the Corporate and Resources Scrutiny Committee at the earliest opportunity.

### Council Tax

- p) Approve 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**.
- q) 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 resulted in a Council Tax Requirement of £3,058,900 for the Somerset Rivers Authority.
- r) Approve 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.
- s) Approve a Special Expenses rate of £230,977 as detailed in **Appendix 5**.
- t) Approve the precept requirement of £361,071,003 (including Special Expenses Rate) £360,840,026 (excluding Special Expenses Rates).
- u) Approve the formal Council Tax resolution, in **Appendix 16a**, which incorporated the precepts of all the precepting bodies.



|   | 2023/24<br>£    | 2024/25<br>£    | Increase<br>% |
|---|-----------------|-----------------|---------------|
| 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          |
| <b>Sub-Total</b>                        | <b>2,009.03</b> | <b>2,107.06</b> | <b>4.88</b>   |
| Special Expenses Average                | 1.07            | 1.11            | 3.74          |
| City, Town and Parish Council (average) | 105.99          | 158.86          | 49.88         |
| <b>Total</b>                            | <b>2,116.09</b> | <b>2,267.03</b> | <b>7.13</b>   |

12 Report of the Human Resources Committee

**DECISION**

Councillor Theo Butt Philip proposed the recommendations which were seconded by Councillor Bill Revans.

Having been duly proposed and seconded, the Council **RESOLVED** to approve the Pay Policy Statement (PPS) for 2024/25.

13 Report of the Independent Remuneration Panel

**DECISION**

Councillor Bill Revans proposed the recommendations which were seconded by Councillor Theo Butt Philip.

Having been duly proposed and seconded, the Council **RESOLVED** to:

- i. Thank the Panel for its report and recommendations set out in Appendix 1;
- ii. Consider the Panel’s recommendations prior to determining the Scheme of Members’ Allowances 2024/25 and the draft Scheme of Members’ Allowances 2024/25 (set out in Appendix 2);
- iii. Authorise the Monitoring Officer to finalise and publish the Scheme of Members’ Allowances 2024/25 to reflect the Council’s decision.

14 Report of the Chief Executive

**DECISION**

Councillor Bill Revans proposed the recommendations which were

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|    | <p>seconded by Councillor Richard Wilkins.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to approve the temporary appointment of Mike O'Dowd-Jones, Head of Service, Highways and Transport, to provide emergency cover to the post of Service Director Infrastructure and Transport, with effect from 15 December 2023 for a temporary period until 30 June 2024.</p>  |
| 15 | Report of the Monitoring Officer  |
|    | <p>DECISION</p> <p>Councillor Bill Revans proposed the recommendations which were seconded by Councillor Liz Leyshon.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to:</p> <p><b>Paper A:</b><br/>Approve the appointment of Councillor Henry Hobhouse as the Vice-Chair of Scrutiny Committee – Corporate and Resources</p> <p><b>Paper B:</b></p> <ol style="list-style-type: none"> <li>i. Appoint Lorraine Davey as an Independent Person with effect from 21 February 2024 and</li> <li>ii. Agree that the two Reserve Independent Person roles remained vacant until such time as the Monitoring Officer decides that recruitment was needed.</li> </ol> |
| 16 | Report of the Audit Committee   |
|    | <p>DECISION</p> <p>Councillor Mike Hewitson proposed the recommendations which were seconded by Councillor Andy Sully.</p> <p>Having been duly proposed and seconded, the Council RESOLVED to:</p> <ol style="list-style-type: none"> <li>a) Note the Auditors' Annual Report (Paper A – Appendix A) and all recommendations: and</li> <li>b) Note and endorse management's proposed responses and action to the improvement recommendations.</li> </ol>  |