

Minutes of a Meeting of the Full Council held in the Hollinsworth Hall, Canalside Conference Centre, Marsh Lane, Huntworth, Bridgwater TA6 6LQ, on Tuesday, 20 February 2024 at 10.00 am

Present:

Cllr Mike Best (Chair)

Cllr Lee Baker (Vice-Chair)

Cllr Steve Ashton

Cllr John Bailey

Cllr Marcus Barr

Cllr Adam Boyden

Cllr Hilary Bruce

Cllr Simon Carswell

Cllr Norman Cavill

Cllr Mandy Chilcott

Cllr Peter Clayton

Cllr Shane Collins

Cllr Nick Cottle

Cllr Hugh Davies

Cllr Dawn Denton

Cllr Andy Dingwall

Cllr Michael Dunk

Cllr Ben Ferguson

Cllr David Fothergill

Cllr Tony Grimes

Cllr Pauline Ham

Cllr Mark Healey

Cllr Alistair Hendry

Cllr Mike Hewitson

Cllr Henry Hobhouse

Cllr Dawn Johnson

Cllr Jenny Kenton

Cllr Marcus Kravis

Cllr Liz Leyshon

Cllr Martin Lovell

Cllr Suria Aujla

Cllr Jason Baker

Cllr Brian Bolt

Cllr Alan Bradford

Cllr Theo Butt Philip

Cllr Mike Caswell

Cllr Nicola Clark

Cllr Barry Clarke

Cllr Simon Coles

Cllr John Cook-Woodman

Cllr Dixie Darch

Cllr Tom Deakin

Cllr Martin Dimery

Cllr Lance Duddridge

Cllr Sarah Dyke

Cllr Bob Filmer

Cllr Andrew Govier

Cllr Andy Hadley

Cllr Philip Ham

Cllr Bente Height

Cllr Ross Henley

Cllr Edric Hobbs

Cllr John Hunt

Cllr Andy Kendall

Cllr Tim Kerley

Cllr Christine Lawrence

Cllr Tony Lock

Cllr Dave Mansell

Cllr Matthew Martin
Cllr Tessa Munt
Cllr Frances Nicholson
Cllr Sue Osborne
Cllr Oliver Patrick
Cllr Emily Pearlstone
Cllr Evie Potts-Jones
Cllr Hazel Prior-Sankey
Cllr Faye Purbrick
Cllr Bill Revans
Cllr Diogo Rodrigues
Cllr Peter Seib
Cllr Gill Slocombe
Cllr Fran Smith
Cllr Jeny Snell
Cllr Claire Sully
Cllr Lucy Trimnell
Cllr Martin Wale
Alex Wiltshire
Cllr Rosemary Woods
Cllr Ros Wyke

Cllr Kevin Messenger
Cllr Mike Murphy
Cllr Graham Oakes
Cllr Connor Payne
Cllr Kathy Pearce
Cllr Derek Perry
Cllr Tom Power
Cllr Steven Pugsley
Cllr Leigh Redman
Cllr Tony Robbins
Cllr Jo Roundell Greene
Cllr Heather Shearer
Cllr Brian Smedley
Cllr Federica Smith-Roberts
Cllr Mike Stanton
Cllr Andy Sully
Cllr Sarah Wakefield
Cllr Richard Wilkins
Cllr David Woan
Cllr Gwil Wren

Other Members present remotely:

Cllr Adam Dance
Cllr Helen Kay

Cllr Caroline Ellis
Cllr Mike Rigby

58 Apologies for Absence - Agenda Item 1

Apologies were received from Councillors Adam Dance, Caroline Ellis, Habib Farbahi, Susannah Hart, Helen Kay, Val Keitch, Harry Munt, Mike Rigby, Wes Read and Andy Soughton.

59 Minutes from the Previous Meeting - Agenda Item 2

The Chair of Council noted that there was an amendment to be made to minute 51, which was to amend the wording:-
“Councillor David Fothergill called for a recorded vote to ensure transparency, which was supported by Councillor ?”
to “Councillor David Fothergill called for a recorded vote to ensure transparency,

which was supported by at least 15% of members.”

Resolved that the minutes of Full Council held on 20 December 2023, as amended, be confirmed as a correct record.

60 Declarations of Interest - Agenda Item 3

Councillors present at the meeting declared the following personal interests in their capacity as a Councillor of a Town or Parish Council or any other Local Authority:-

SOMERSET COUNCILLOR	CITY, TOWN AND/OR PARISH COUNCIL
Steve Ashton	Crewkerne Town Council / Hinton St George Parish Council / West and Middle Chinnock Parish Council
Suria Aujla	Bridgwater Town Council
Jason Baker	Chard Town Council
Lee Baker	Cheddon Fitzpaine Parish Council
Marcus Barr	Wellington Town Council
Mike Best	Crewkerne Town Council
Alan Bradford	North Petherton Town Council
Theo Butt Philip	Wells City Council
Simon Carswell	Street Parish Council
Norman Cavill	West Monkton Parish Council
Peter Clayton	Burnham Highbridge Town Council
Nick Cottle	Glastonbury Town Council / St Edmunds Parish Council
Tom Deakin	Taunton Town Council
Andy Dingwall	Westonzoyland Parish Council
Ben Ferguson	Axbridge Town Council
Bob Filmer	Brent Knoll Parish Council
Andrew Govier	Wellington Town Council
Pauline Ham	Axbridge Town Council
Philip Ham	Coleford Parish Council
Alastair Hendry	Burnham on Sea and Highbridge Town Council
Ross Henley	Wellington Town Council
Edric Hobbs	Shepton Mallet Town Council
John Hunt	Bishop’s Hull Parish Council
Andy Kendall	Yeovil Town Council
Jenny Kenton	Chard Town Council
Tim Kerley	Somerton Town Council

Marcus Kravis	Minehead Town Council
Tony Lock	Yeovil Town Council
Martin Lovell	Shepton Mallet Town Council
Mike Murphy	Burnham Highbridge Town Council
Graham Oakes	Yeovil Town Council / Yeovil Without Parish Council
Sue Osborne	Ilminster Town Council
Kathy Pearce	Bridgwater Town Council
Evie Potts-Jones	Yeovil Town Council
Tom Power	Wincanton Town Council
Leigh Redman	Bridgwater Town Council
Tony Robbins	Wells City Council
Diogo Rodrigues	Bridgwater Town Council
Peter Seib	Brympton Parish Council / Chilthorne Domer Parish Council
Heather Shearer	Street Parish Council
Gill Slocombe	Bridgwater Town Council
Brian Smedley	Bridgwater Town Council
Federica Smith-Roberts	Taunton Town Council
Jeny Snell	Yeovil Town Council / Brympton Parish Council
Richard Wilkins	Curry Rivel Parish Council
Dave Woan	Yeovil Town Council
Ros Wyke	Westbury-sub-Mendip Parish Council

61 Public Question Time - Agenda Item 4

Public Questions were received from:-

- 1) David Preece – Budget, Major Projects and Highways.
- 2) Martin Pakes – Budget.
- 3) Estelle Smillie – Budget.
- 4) Karuna Tharmananthar – Climate Action Taunton – Budget.
- 5) Alison Morgan – Aztec West – this was withdrawn.
- 6) Helen – The Future of Somerset – Climate Change.
- 7) Drew Thompson – Petition to save Castle Cary Household Waste Recycling Centre (HWRC) (less than 5000 signatures).
- 8) Councillor Steve Ashton – Petition to save Crewkerne HWRC (less than 5000 signatures) – presenting on behalf of a resident.
- 9) Robert Holmes – closure of HWRCs.
- 10) Rachel Binns – Petition to save Bus 54 (less than 5000 signatures) – Councillor John Bailey to present on her behalf.

The questions and responses provided are attached to the minutes in Annexe A.

62 Chair's Announcements - Agenda Item 5

The Chair of Council, Councillor Mike Best, referred to the events detailed on the Chair's Information Sheet, circulated and published with the agenda.

Council observed a minute's silence in memory of former Councillors Dean Ruddle and Alan Gloak who had sadly passed away. Several councillors paid tribute to them at the meeting, including Councillors Sarah Dyke, David Fothergill, Tim Kerley, Tessa Munt, Bill Revans and Gill Slocombe.

The Chair of Council also welcomed the Somerset Council's Honorary Aldermen and Alderwomen to their first meeting of Full Council.

The meeting adjourned at 11.15am

The meeting restarted at 11.35am

63 Report of the Section 151 Officer - Agenda Item 6

The Section 151 Officer, Jason Vaughan, introduced the Section 25 Report on the 2024-25 Budget in respect of the robustness of the budget estimates and adequacy of reserves.

The Council must have regard to the statutory report and professional advice provided by the Section 151 Officer when making its decisions around the annual budget and the level of Council Tax for 2024-25 in accordance with Section 31A of the Local Government Finance Act 1992.

The report provided assurance to Council on the robustness of the 2024-25 budget estimates and adequacy of the level of reserves for the year. It also, highlighted the Section 151 Officer's concerns in respect of the financial position for 2025-26.

The Deputy Leader and Lead Member for Resources and Performance, Councillor Liz Leyshon, also spoke to Council and emphasised the importance of the Section 25 Report to the other items being discussed at the meeting. She also highlighted the challenges faced by Local Government and the disparities in the Council Tax setting processes.

The Council discussed the report and the following points were raised:-

- The Chair of the Audit Committee spoke and highlighted the scale of the challenges faced for the budget setting process this year. He also

commented on the risk of a Section 114 notice and the vast budgetary measures that would be required over the next five years. He recommended that the Audit and Scrutiny Committees needed to work together on future budget savings.

- Concern was raised that the ability to balance the budget relied upon a letter from the Department for Levelling Up, Housing and Communities (DLUHC), which had not yet been received.
- Further concern was raised on the application that had been submitted to DLUHC requesting to raise the Council Tax by more than 5% which had been rejected. However, if a Section 114 notice had been issued, DLUHC would have authorised the request to raise the Council Tax.

The Section 151 Officer agreed that the capitalisation approach by DLUHC was not adequate but due to the reserves being higher than the capital request, he could sign off a balanced budget.

- Councillors stated their duty was to set a balanced budget and queried whether they would be able to do so at this meeting.
- Councillors were not convinced the future of Somerset Council was sustainable.
- Councillors highlighted that they were angry with how Local Authorities were funded and that they were left to deal with the financial hardship with little support from Central Government. They further highlighted that the funding model was broken and needed to be remedied for the future of all Local Councils across the country.

The Section 151 Officer agreed that DLUHC needed to change their funding processes for Local Authorities.

- The Leader of the Opposition felt he could not vote on the Section 25 report as he did not believe a balanced budget had been set and that not all councillors had been privy to confidential legal advice on the report.
- Councillors queried what impact the Transformation Project would have on the budget.
- Concern was raised on the increasing cost of Adult Social Care and Children Services.
- Councillors thanked the Parish Council Clerks for all their hard work on setting the precepts this year.
- Concern was raised on whether there was adequate reserves left after the budget saving process this year.

- Councillors queried at what point would a Section 114 notice be issued.
The Section 151 Officer advised that there was no guarantee that a Section 114 notice wouldn't be issued this year and if something was to happen with the budget savings, it could trigger a Section 114 notice, as the reserves were lower than what he would like them to be.
- Councillors thanked the Section 151 Officer and his Finance Team for all their

hard work.

Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.

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

- a) Consider and note the assurance provided by the Section 151 Officer in respect of the robustness of the 2024/25 budget proposals.
- b) Consider and note the assurance provided by the Section 151 Officer on the adequacy of reserves for 2024/25.
- c) Approve that the Level of General Reserves were maintained within the range £30m (5% of net budget) to £60m (10% of net budget).
- d) Note the Section 151 Officers significant concerns over the 2025/26 financial year and the ability to balance the budget.
- 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.

64 Report of the Leader and Executive - Capital Strategy 2024/25 to 2026/27 - Agenda Item 7

The Deputy Leader and the Lead Member for Resources and Performance, Councillor Liz Leyshon, introduced the report which was considered at the Executive meeting on 7 February 2024. The report set out the proposed Capital Strategy for Somerset Council for the three-year period between 1 April 2024 and 31 March 2027.

The report was designed to meet the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code for Capital Finance (2021) and summarised the Council's capital investment priorities and funding plans over the next three years, taking account of financial stewardship, value for money, prudence, sustainability and affordability.

The report also incorporated into the Strategy the Council's Minimum Revenue Provision (MRP) Policy for 2024-25.

The Council discussed the report and the following points were raised:-

- Concern was raised on Key Risks and that they did not link to the Risk Register. Councillors advised that there should be a golden thread throughout.
- Councillors queried why Section 106 and Community Infrastructure Levy (CIL) funds had not been included within the Capital Funding.

The Lead Member for Economic Development, Planning and Assets

expressed caution on the inclusion of Section 106 and CIL funds as they were specific for sites and not for the General Fund.

Councillor Mandy Chilcott proposed an additional recommendation to the report, as follows:-

- That the administration would review the MRP Strategy over the next six months to ensure the MRP was calculated in a consistent manner.

Councillors Liz Leyshon and Bill Revans accepted the recommendation as the proposer and seconder and it was added as recommendation d) to the report.

Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.

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

- 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 2024/25
- d) That the administration would review the MRP Strategy over the next six months to ensure the MRP was calculated in a consistent manner.

65 Report of the Leader and Executive - Treasury Management Strategy 2024-25 - Agenda Item 8

The Deputy Leader and Lead Member for Resources and Performance, Councillor Liz Leyshon, introduced the report which set out the proposed Treasury Management Strategy (TMS) for Somerset Council for 2024-25. The Council recognised that effective treasury management underpinned the achievement of its business and service objectives and was essential for maintaining a sound financial reputation.

The report brought together the requirements of the CIPFA Treasury Management in the Public Services Code of Practice Revised 2021 Edition and the CIPFA Prudential Code for Capital Finance in Local Authorities Revised 2024 Edition.

The Council discussed the report and the following points were raised:-

- Councillors thanked officers for their work on the TMS as it had proved to be an interesting read.
- Clarification was requested on the statement within the TMS advising that the detailed disposal would be brought forward.

The Deputy Leader and Lead Member for Resources and Performance advised that there were three sets of asset disposals coming forward and clarified the process.

- Councillors queried the composition of the Asset Management Group and whether it should be open to a more politically balanced membership.
The Lead Member for Economic Development, Planning and Assets advised councillors of the full process for each asset disposal and that there were several opportunities for wider input from each of the political parties throughout.
- Councillors queried whether the short-term borrowing was from other councils and whether it could lead to problems due to other councils being in financial hardship.
The Deputy Leader and Lead Member for Resources and Performance advised that there had been significant refinancing since vesting day, which had meant that the changing interest rates had impacted on the income received.

Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.

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

- Adopt the Treasury Borrowing Strategy and Treasury Investment Strategy for 2024-25 as set out in this report,
- Adopt the Prudential Treasury Indicators set out in this report, and
- Adopt Appendix A as part of the Councils Financial regulations.

The meeting adjourned at 1.10pm

The meeting restarted at 2.10pm

66 Report of the Leader and Executive - 2024/25 General Fund Capital Budget - Agenda Item 9

The Deputy Leader and the Lead Member for Resources and Performance, Councillor Liz Leyshon, introduced the report which was considered at the Executive meeting on 7 February 2024.

Somerset Council has had to carry out a review of its current capital programme during this period of austerity, with a view to reduce external borrowing and to maximise external sources to fund a significant proportion of expenditure.

The report detailed suggested amendments to the current capital programme for 2023-24 and a recommended capital programme for 2024-25 and beyond.

The Council discussed the report and the following points were raised:-

- Councillors queried why some projects had been included in the programme

and why others had been omitted. The areas highlighted were: Wincanton Regeneration, the Octagon Theatre, Yeovil Crematorium Project, Academy Capital Improvements, Bin Replacements, Blue Anchor Coastal Funding and the Brewhouse Theatre.

The Lead Member for Communities, Housing and Culture, along with the Deputy Leader and the Lead Member for Resources and Performance advised on the progress on each project which included the detail of the business cases and funding.

Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans.

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

- a) Approve the removal of the already approved schemes as detailed in Appendix A,
- b) Approve the revised capital programme for 2024/25 as detailed in Appendix B,
- c) Approve the inclusion of the new capital bids for 2024/25 onwards as detailed in Appendix C for inclusion in the programme.

67 Report of the Leader and Executive - Housing Revenue Account 2024-25 - Agenda Item 10

The Lead Member for Communities, Housing and Culture, Councillor Federica Smith-Roberts, introduced the report which was considered at the Executive meeting on 7 February 2024.

The report included the proposed Housing Revenue Account (HRA) Annual Revenue Budget and Capital Programme for 2024-25, along with the proposed Rent Setting, Fees and Charges for 2024-25.

The report also provided an update on the 5-year Medium Term Financial Plan and the 30-year Business Plan Review.

The Council discussed the report and the following points were raised:-

- Concern was raised on the impact the cost-of-living crisis was having on the council's tenants. Councillors further queried what support was available for the tenants and whether the information was clear and communicated out to all the tenants.

The Lead Member for Communities, Housing and Culture advised that details of what support was available was included in the tenant newsletter and that they would also promote details using the Council's social media accounts.

- Councillors hoped that the Council would become the lead on building 'homes for life' which would see an increase in specially adapted homes being built in the future.
- Councillors praised the Lead Member for the work that had been achieved on the North Taunton Woolaway Project.
- Concern was raised that the new houses being built in Seaward Way, Minehead would be allocated to people from outside of Somerset.
The Lead Member for Communities, Housing and Culture advised that applicants would need to have a local connection to apply for the new properties in Minehead.
- Concern was raised on the Homefinder Somerset system and that it did not work well for applicants.
The Lead Member for Communities, Housing and Culture advised that they were looking into an improved system as they were aware of the challenges faced by those who used the Homefinder system.
- Councillors queried what would happen to the HRA if a Section 114 notice was issued.
The Section 151 Officer advised that the HRA was a ring-fenced account but that it could be used by the commissioners as they could use all councils' funds. However, it did not mean that the Council would look to dispose of the HRA, especially if it was self-funding.
- Councillors thanked officers for their hard work.

Councillor Federica Smith-Roberts proposed the recommendations which were seconded by Councillor Liz Leyshon.

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

1) Revenue Budget for 2024/25 (see section 8)

- The HRA Annual Revenue Budget for 2024/25 as shown in Appendix A.

2) Rent Setting for 2024/25 (see section 10)

- An increase of 7.7% to Dwelling Rents in line with the Governments 2019 (and updated 2023) Rent Standard.
- An increase of 7.7% for Sheltered and Extra Care housing rents in line with the dwelling rents increase.
- An increase of 7.7% for Shared Ownership properties.
- 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.
- 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.

- 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.

3) Fees & Charges for 2024/25 (see section 11)

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

- To approve a **budget return of £10,499,189** for the **Zero Carbon Affordable Homes** scheme (West of Somerset).
- To approve a **budget return of £950,000** for the **Tuckerton Lane** scheme (North of Somerset).
- To approve a **budget return of £500,000** for the **Purchase of Properties for RTB** scheme (North of Somerset).

5) Medium Term Financial Plan 2024/25 – 2029/30 (see section 9)

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

6) 30-Year Business Plan (see section 8)

- The updated assumptions and figures in the 2024 HRA 30-Year Business Plan as summarised in section 7.
- That members note the challenges and next steps for the HRA and landlord services.

68 Report of the Leader and Executive - General Fund Revenue Budget and Medium Term Financial Plan 2024-25 including Council Tax Setting 2024-25 - Agenda Item 11

The Deputy Leader and the Lead Member for Resources and Performance, Councillor Liz Leyshon, introduced the report which was considered at the Executive meeting on 7 February 2024.

The report set out the proposed Revenue Budget for 2024-25 and the Council Tax based on implementing the Financial Strategy and avoiding a Section 114 Notice.

The 2024-25 budget could not be balanced without Exceptional Financial Support from the Department for Levelling Up, Housing and Communities (DLUHC). A request for an additional 5% increase in the Council Tax was not approved by DLUHC, which had increased the requirement for a capitalisation direction to balance the 2024-25 budget.

It was very clear that under the current financial model for local government the Council was not financially sustainable and that urgent reform of the funding mechanism was required.

The Council discussed the report and the following points were raised:-

- Concern was raised on the budget and the impact it would have on the community and services provided.
- Councillors highlighted work being carried out on the reserves and capitalisation but that this was only buying time and not a proper solution to close the budget gap.
- Concern was raised on using capitalisation on redundancies and the links to the Transformation Project which councillors had no detailed knowledge of yet.
- Concern was raised on what impact the Transformation Project would have on officers and services.
- Councillors were uncomfortable about the proposed cuts to staffing as officers were the heart of the organisation.
- Councillors highlighted the many issues which had led to the current budget situation, many of which, the council had no control over. Councillors further pleaded with Central Government to change the funding model used for local authorities.
- Concern was raised on the future of Somerset Council due to the budget gap and that many councillors did not believe it was a sustainable budget.
- Councillors requested that the Transformation Project was scrutinised properly and taken to committee at the earliest point possible.
- Councillors queried how much risk officers were prepared to take.
- Councillors queried how the budget could be considered to be 'balanced' when it had not been based on the impact caused by services being cut.
The Leader of the Council wanted to avoid issuing a Section 114 Notice and believed that the Executive had done everything they could to prevent this. The only other option would have been to raise the Council Tax, but this had been rejected by DLUHC.
- Concern was raised on the potential costs that had been pushed onto Parish Councils and the impact this would have on smaller Parish Councils who were not able to raise their precepts to cover the cost of services.
The Leader of the Council thanked all the City, Town and Parish Councils for their work on their Council Tax Precepts and the Devolution Project and advised that he would continue to consult with them and the local communities to continue to work together going forward.
- Councillors highlighted the cumulative impact assessment for the Medium-Term Financial Plan and that it had not included any risk to Parish Councils.
The Deputy Leader of the Council praised the Parish Councils for their input and knowledge as some of the best questioning on the budget process had been received from the Parish Councils especially at the meeting held by the Somerset Association for Local Councils. She also advised that none of the

Parish Councils would be forced to take on any services, it would be their choice through the Devolution Project.

- Concern was raised on funding for Adult Social Care and that a recent Panorama programme had raised the issue but that it had never been resolved by Central Government.
- Councillors queried the proposed savings being made to the Highways Services and raised concern due to recent periods of flooding and what contingencies had been put in place for this.

The Deputy Leader of the Council advised that the savings proposals and cumulative impact assessments linked to CAP03 for Highways Services had been removed after debate at the Executive meeting held on 7 February 2024 and would be deferred for a year to allow for discussions to take place with Local Community Networks and Parish Councils.

- Councillors requested clearer communications on the increase to Council Tax, as some residents thought it only applied to band D properties because that was the example used in most communications.

The Deputy Leader of the Council highlighted that Parish Councils had done a great job in explaining Council Tax payments to their local residents.

- Councillors asked for clarification on how the costs had been calculated for the CCTV service, as they were aware that both Bridgwater and Taunton Town Councils had committed to paying towards the cost.

The Lead Member for Communities, Housing and Culture explained the cost calculations and that they had asked for contributions from all the Parish Councils who would have access to CCTV in their area.

- Concern was raised on the proposed cuts on the Transport Services and the impact this would have on local residents.
- Concern was raised on the reduction in support given to the Citizens Advice Bureaus (CABs) and the Library service.

The Lead Member for Communities, Housing and Culture agreed that they both gave a good service to the community but sadly they had to cut the mobile library service and the CABs were on a 3-year deal.

- Councillors requested clarification on the figures included in appendix 10 for cycle paths.

The Lead Member for Economic Development, Planning and Assets shared their enthusiasm for Active Travel, however, the figures detailed were for a committed project and not for general spend.

- Councillors were happy to see that the budget proposals and cumulative impact assessment for CAP010 associated with Household Waste Recycling Centres was being reviewed.
- Councillors highlighted that they had been elected to ensure that taxpayers money was spent in the best way possible.
- Concern was raised on the budget proposals and cumulative impact

assessments relating to ADS004 and ADS009 which related to Adult Services, including mental health services.

The Executive Director for Adult Services thanked councillors for raising their concerns. She advised that there was no guarantee that the savings proposed would not impact on the services, but that officers were working closely with partner organisations to ensure services would continue to be provided.

- Councillors thanked officers for all their hard work on the budget proposals, equality impact assessments and cumulative impact assessments.
- Councillors also thanked the Executive for ensuring the budget proposals were taken through the scrutiny process prior to Executive and Full Council.

Councillor Dave Mansell proposed an additional recommendation to the report as follows:-

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.

Councillors Liz Leyshon and Bill Revans accepted the recommendation as the proposer and seconder and it was added as recommendations m), n) and o) to the report.

In accordance with Standing Order 18(2)(i), the Chair called for a recorded vote to be taken and recorded in the minutes.

Councillor Liz Leyshon proposed the recommendations which were seconded by Councillor Bill Revans. A vote followed and the recommendations were agreed with fifty-two for, nine against and thirty-one abstaining, votes cast:

Those voting FOR: Councillors John Bailey, Jason Baker, Mike Best, Adam Boyden, Theo Butt Philip, Simon Carswell, Nicola Clark, Simon Coles, Nick Cottle, Dixie Darch, Hugh Davies, Tom Deakin, Sarah Dyke, Ben Ferguson, Pauline Ham, Ross Henley, Mike Hewitson, Edric Hobbs, Henry Hobhouse, Dawn Johnson, Jenny Kenton, Tim Kerley, Marcus Kravis, Liz Leyshon, Tony Lock, Martin Lovell, Matthew Martin, Kevin Messenger, Tessa Munt, Mike Murphy, Graham Oakes, Oliver Patrick, Emily

Pearlstone, Derek Perry, Evie Potts-Jones, Hazel Prior-Sankey, Bill Revans, Tony Robbins, Jo Roundell Greene, Peter Seib, Heather Shearer, Fran Smith, Federica Smith-Roberts, Jeny Snell, Mike Stanton, Andy Sully, Claire Sully, Sarah Wakefield, Richard Wilkins, Alex Wiltshire, David Woan and Ros Wyke.

Those voting AGAINST: Councillors Steve Ashton, Marcus Barr, Hilary Bruce, Andrew Govier, Bente Height, Kathy Pearce, Leigh Redman, Brian Smedley and Gwil Wren.

Those ABSTAINING from voting: Councillors Suria Aujla, Brian Bolt, Alan Bradford, Norman Cavill, Mandy Chilcott, Barry Clarke, Peter Clayton, Shane Collins, Dawn Denton, Martin Dimery, Michael Dunk, Bob Filmer, David Fothergill, Tony Grimes, Andy Hadley, Philip Ham, Mark Healey, John Hunt, Christine Lawrence, David Mansell, Frances Nicholson, Sue Osborne, Connor Payne, Tom Power, Steven Pugsley, Faye Purbrick, Diogo Rodrigues, Gill Slocombe, Lucy Trimnell, Martin Wale and Rosemary Woods.

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.

69 Report of the Human Resources Committee - Agenda Item 12

The Lead Member for Transformation and Human Resources, Councillor Theo Butt Philip, introduced the report which detailed the Pay Policy Statement for 2024-25.

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.

70 Report of the Independent Remuneration Panel - Agenda Item 13

The Leader of the Council and Lead Member for Governance and Communications, Councillor Bill Revans, introduced the report which set out the proposed Members Allowances for 2024-25.

The proposals had been developed in consultation with the Somerset Independent Remuneration Panel (IRP) following their review of the scheme in late 2023.

The Council discussed the report and the following points were raised:-

- Councillors queried the inclusion of all railcards under the expenses scheme, as those currently listed were not inclusive for all councillors.
The Leader of the Council was happy to accept that proposed addition of railcards.
- Councillors wanted to ensure that the IRP spoke to all the Committee Chairs to ensure a fair approach was used.
The Leader of the Council would ensure that was carried out.
- Councillors highlighted the workload of a Planning Committee Chair and wanted to ensure that was taken into account when calculating the special responsibility allowance.
- Councillors agreed that it was important for the IRP to be independent.

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.

71 Report of the Chief Executive - Agenda Item 14

The Chief Executive, Duncan Sharkey, introduced the report which sought approval for emergency cover arrangements for the vacant post of Service Director for Infrastructure and Transport Services.

Councillor Bill Revans proposed the recommendations which were seconded by Councillor Richard Wilkins.

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.

72 Report of the Monitoring Officer - Agenda Item 15

The Monitoring Officer, David Clark, introduced the report which sought approval for the appointment of the Vice Chair of the Scrutiny Committee for Corporate and Resources and for the appointment of an Independent Person.

Councillor Bill Revans proposed the recommendations which were seconded by Councillor Liz Leyshon.

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

Paper A:

Approve the appointment of Councillor Henry Hobhouse as the Vice-Chair of Scrutiny Committee – Corporate and Resources

Paper B:

- i. Appoint Lorraine Davey as an Independent Person with effect from 21 February 2024 and
- ii. Agree that the two Reserve Independent Person roles remained vacant until such time as the Monitoring Officer decides that recruitment was needed.

73 Report of the Audit Committee - Agenda Item 16

The Chair of the Audit Committee, Councillor Mike Hewitson, introduced the report which the Audit Committee considered at its meeting on 25 January 2024.

The report included the Joint Auditor's Annual Report to Somerset Council, which detailed arrangements to secure value for money, securing economy and efficient and effectiveness use of its resources.

The report also included a summary of the findings and recommendations to

Somerset Council which were accompanied but the Council's management responses.

The Council discussed the report and the following points were raised:-

- Members of the Audit Committee encouraged other councillors to attend the meetings, as the information provided at committee gave a whole view of the Council's finances.
- Councillors highlighted comments made by the auditors and their concerns on the reserves.
- Councillors queried whether the Council had the capacity to carry out the Transformation Project.

Councillor Mike Hewitson proposed the recommendations which were seconded by Councillor Andy Sully.

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

- a) Note the Auditors' Annual Report (Paper A – Appendix A) and all recommendations: and
- b) Note and endorse management's proposed responses and action to the improvement recommendations.

74 Report of the Leader and Executive - For Information - Agenda Item 17

The Leader of the Council, Councillor Bill Revans, introduced the report which included a summary of the key decisions taken by the Leader and Executive.

Member Questions were received from:-

- Councillor Sue Osborne
- Councillor Dave Mansell

The questions and responses are attached to the minutes in Annexe B.

The Council discussed the report and the following point was raised:-

- Concern was raised on the protocol for closing flood gates and that the information was not publicised enough which was causing problems for residents in the impacted areas.

The Council noted the report.

74a Annual Report of the Lead Member for Adult Services

The Leader of the Council, Councillor Bill Revans, introduced the annual report

following the sad passing of Councillor Dean Ruddle.

The Leader paid tribute to Councillor Ruddle and the work he had carried out whilst in the role of the Lead Member for Adult Services.

The Council discussed the report and the following points were raised:-

- Councillors requested an update briefing on 'Right Care, Right Person'.
- Councillors gave examples of when their loved ones required support and commended the care provided for them.

The Council noted the report.

74b Annual Report of the Lead Member for Transformation and HR

The Lead Member for Transformation and HR, Councillor Theo Butt Philip, introduced his annual report.

The Lead Member for Transformation and HR thanked the Associate Lead Member for Localities and Public Health, Councillor Val Keitch for her hard work whilst in the role of Lead Member and her continued support.

The Council discussed the report and the following points were raised:-

- Councillors thanked the officers for their hard work.
- Councillors were pleased to see that extra support had been put in place for apprentices during this time of transition.

The Council noted the report.

75 Report of the Five Scrutiny Committees - Agenda Item 18

The Chair referred councillors to the report which set out the activity of each of the five Scrutiny Committees since they last reported to Full Council in December 2023.

The Council discussed the report and the following points were raised:-

- Councillors highlighted the great work carried out by each of the Scrutiny Committees.
- Councillors thanked Eileen Tipper for all her work and her valued input at committee as a co-opted member.
- Councillors thanked all officers and committee members for their hard work.

The Council noted the report.

76 Annual Report of the Pensions Fund Committee - Agenda Item 19

The Chair of the Pensions Fund Committee, Councillor Simon Coles, introduced the annual report which detailed the many policies adopted by the committee along with the activity and financial performance for the year.

The Council noted the report.

(The meeting ended at 6.22 pm)

.....
CHAIR