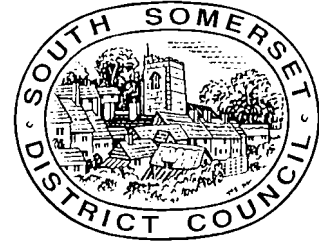


South Somerset District Council

Notice of Meeting



District Executive

Making a difference where it counts

Thursday 7th February 2019

9.30 am

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



Disabled access and a hearing loop are available at this meeting venue.

Members listed on the following page are requested to attend the meeting.

The public and press are welcome to attend.

If you would like any further information on the items to be discussed, please contact the Democratic Services Specialist on 01935 462148 or democracy@southsomerset.gov.uk

This Agenda was issued on Wednesday 30 January 2019.

Alex Parmley, *Chief Executive Officer*



This information is also available on our website
www.southsomerset.gov.uk and via the mod.gov app

District Executive Membership

Jason Baker
Peter Gubbins
Henry Hobhouse
Val Keitch
Graham Middleton
Jo Roundell Greene
Sylvia Seal
Peter Seib
Angie Singleton
Nick Weeks

Information for the Public

The District Executive co-ordinates the policy objectives of the Council and gives the Area Committees strategic direction. It carries out all of the local authority's functions which are not the responsibility of any other part of the Council. It delegates some of its responsibilities to Area Committees, officers and individual portfolio holders within limits set by the Council's Constitution. When major decisions are to be discussed or made, these are published in the Executive Forward Plan in so far as they can be anticipated.

Members of the Public are able to:-

- attend meetings of the Council and its committees such as Area Committees, District Executive, except where, for example, personal or confidential matters are being discussed;
- speak at Area Committees, District Executive and Council meetings;
- see reports and background papers, and any record of decisions made by the Council and Executive;
- find out, from the Executive Forward Plan, what major decisions are to be decided by the District Executive.

Meetings of the District Executive are held monthly at 9.30 a.m. on the first Thursday of the month in the Council Offices, Brympton Way.

The Executive Forward Plan and copies of executive reports and decisions are published on the Council's web site - www.southsomerset.gov.uk.

The Council's Constitution is also on the web site and available for inspection in Council offices. The Council's corporate priorities which guide the work and decisions of the Executive are set out below.

Questions, statements or comments from members of the public are welcome at the beginning of each meeting of the Council. If a member of the public wishes to speak they should advise the committee administrator and complete one of the public participation slips setting out their name and the matter they wish to speak about. Each individual speaker shall be restricted to a total of three minutes. Answers to questions may be provided at the meeting itself or a written reply will be sent subsequently, as appropriate. Matters raised during the public question session will not be debated by the Committee at that meeting.

Further information can be obtained by contacting the agenda co-ordinator named on the front page.

District Executive

Thursday 7 February 2019

Agenda

1. Minutes of Previous Meeting

To approve as a correct record the minutes of the District Executive meeting held on 10th January 2019.

2. Apologies for Absence

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. Funding for Citizens Advice South Somerset (CASS) (Pages 5 - 11)

7. Local Plan Review 2016-2036 Preferred Options for Consultation (Pages 12 - 21)

8. SSDC Council Plan Update 2019-20 (Pages 22 - 39)

9. Economic Development Strategy (2019 - 2028) Delivery Budget (Pages 40 - 43)

10. Adoption of the Somerset Housing Strategy (2019-2023) (Pages 44 - 54)

11. 2018/19 Revenue Budget Monitoring Report for the Period Ending 31st December 2018 (Pages 55 - 76)

12. 2018/19 Capital Budget Monitoring Report for the Period Ending 31st December 2018 (Pages 77 - 88)

- 13. 2019/20 Draft Revenue and Capital Budgets and Medium Term Financial Plan** (Pages 89 - 168)
- 14. SSDC Capital Strategy 2019/20** (Pages 169 - 176)
- 15. SSDC Investment Strategy 2019/20** (Pages 177 - 193)
- 16. Council Tax Discount Review** (Pages 194 - 196)
- 17. Corporate Performance Report 2018-19: 3rd Quarter** (Pages 197 - 210)
- 18. Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance** (Pages 211 - 224)
- 19. District Executive Forward Plan** (Pages 225 - 228)
- 20. Date of Next Meeting** (Page 229)

Agenda Item 6

Funding for Citizens Advice South Somerset (CASS)

Executive Portfolio Holder: Cllr Sylvia Seal, Leisure & Culture
Director: Netta Meadows, Strategy & Support Services
Service Manager: Jan Gamon, Lead Specialist, Strategic Planning
Lead Officer: David Crisfield, Specialist – Strategic Planning
Contact Details: david.crisfield@southsomerset.gov.uk or 01935 462240

Purpose of the Report

1. This report is seeking member approval for a number of one off additional financial contributions to mitigate the worst effects of the County Council cuts to the core funding of Citizens Advice South Somerset (CASS).

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 7th February 2019.

Public Interest

3. SSDC supports, through regular funding, a small number of strategic district-wide organisations approved by District Executive. This financial investment in the sector not only provides direct support to groups working in the local community but also assists the council in the delivery of the council plan. Citizens Advice South Somerset is one of SSDC's regularly funded partner organisations providing services to some of the district's most disadvantaged and vulnerable residents.

Recommendations

4. That the District Executive:-
 - a. Note the report and approve an additional one-off financial contribution for the year 2019/20 of up to £32,000 to Citizens Advice South Somerset (CASS) as set out in the options at paragraph 21.
 - b. Receive a further report by, December 2019, with proposals for consolidating and securing the long-term future of CASS beyond March 31st 2020.

Background

5. South Somerset District Council supports the core advice service of CASS with a grant of £121,730 per annum. A two-year SLA was approved by District Executive Committee on the 1st February 2018 for the two year period 2018-20.
6. In September 2018 Somerset County Council approved a 100% cut to core funding totalling £419,000 to all five of Somerset's Citizens' Advice services. The cut is comprised of a 100% cut to the Adult Social Care grant and a 100% cut to the Local Assistance Scheme Administration Grant.
7. In South Somerset this cut represents a loss of £95,315 core funding for CASS to take effect from 1st April 2019.

8. There will also be a further cut to the Local Assistance Scheme assessment fee (a flexible amount dependent on number of clients assisted). 50% of this assessment fee was cut with immediate effect (from 1st October 2018) with the remaining 50% to be cut as of 1st April 2019. For CASS this represents c£25,000. The LAS grants to beneficiaries will remain.
9. In addition to our core grant we also fund the secondment of a CASS worker into the SSDC Housing Team at a cost of £22,000 via Homeless Reduction Act funding. This will continue until at least March 31st 2020.
10. Four of the five Somerset advice charities are members of National Citizens Advice (South Somerset, Taunton, Mendip and Sedgemoor) with West Somerset Advice currently in the process of applying for membership, which will be awarded if the necessary standards of practice and financial sustainability criteria are met in full. It is anticipated that a decision will be made before the end of the current financial year. For the purposes of this report however, the 5 services will be referred to as Citizens Advice (CA's)

Report

11. Following the confirmation of the County Council cuts, the Chief Executives and Leaders of the District Councils met to consider the impact of the cuts and how, if appropriate, they could assist in mitigating their worst effects, particularly in the immediate short-term.
12. Of particular note is the determination of all the CAs to continue to offer a service to the public and to remain viable organisations. However, in view of the cuts this will most likely require a reduction or reconfiguration of the service going forward, for example -
 - Reduced opening hours,
 - Closure of some outreach services,
 - Paid roles transferred to volunteers,
 - Reduction in the hours of paid staff, including the CEO's/Managers,
 - Less face to face and greater use of telephone.
13. Due to an unexpected central government fund to Citizens Advice for a Universal Credit Support Service four of the 5 Somerset services will gain some new income in 2019/20 that will help mitigate some of the core funding loss. Whilst this will be restricted to specific Universal Credit service delivery it is likely that existing staff can be redeployed who would otherwise have been at risk of redundancy.
14. To help manage the effects of the cuts the 5 Somerset CA's are also being supported by National CA, particularly exploring where there are opportunities for greater collaboration and opportunities to generate efficiencies through shared services.
15. The recommendations put forward in this report will help to secure the service in South Somerset in the short-term (one-year) whilst longer term arrangements are considered during the course of 2019.
16. Under the direction of Netta Meadows, a piece of work has been undertaken by the following District Council officers, and coordinated by SSDC, to consider impact and mitigations.

Mark Leeman - Strategy Specialist Taunton Deane Borough Council/West Somerset Council

Dave Baxter - Strategic Housing Manager, Sedgemoor District Council

Emma Plummer - Project and Improvement Officer, Mendip District Council

17. This involved a meeting with the CEO's/Managers of the five Somerset Citizens Advice services and their Chairs of Trustees (and the Strategic Change Senior Consultant from National Citizens Advice), on the 26th October 2018 and further conversations and a meeting of the District Council Officers, and individual discussions between the CA Managers and their District Council officers.
18. A report, with proposals/options, was produced for consideration by the council Chief Executives and Leaders. The proposals put forward were as follows.

Proposal/Option	Deadline	Comment
<p>1. That the District Councils agree to receive all the plans from the CA's before considering any further investment. This is to ensure the impacts and mitigations work can be appropriately considered.</p>	<p>Plans to be submitted by mid-January 2019</p>	
<p>2. That short-term transitional measures are considered, in particular:-</p> <p>a. Jointly investing in a resource to work with the CAs to identify efficiencies through achievable collaboration and shared back office functions.</p> <p>b. Individually agreeing to a package of 'no cost' or 'low cost' measures following the submission of the CA's lists of 'Quick Wins'.</p>	<p>Feedback from CAs to be received by 16th November 2018</p> <p>By 21st December 2018</p>	<p>Investigation into the viability of a council funded resource to work with the CA's to identify efficiencies through achievable collaboration and shared back office functions is being undertaken by Strategic Change Senior Consultant from National Citizens Advice. Feedback from CA's will determine whether this is a feasible option to pursue.</p> <p>Whilst there may be commonality around some of the issues where a quick win is identified, in particular future management of the LAS, the solutions may be slightly different for each District.</p> <p>Therefore, quick wins to be presented to respective District Council Chief Executives and Leaders for local decisions.</p>
<p>3. That a long term support and development plan is agreed and delivered jointly by the District Councils in response to the Impacts and Mitigations report with a focus particularly on the core grant.</p>	<p>Work on long term will commence in January 2018 with a view to reporting</p>	<p>With quick wins in place to secure service for 2019/20 the District Council officers will meet, both independently and with the CA's to look at the question of 'what constitutes core offer' in order to explore opportunities for a common approach to core funding from 2020/21 onwards.</p>

19. The issue of efficiencies generated by greater collaboration and shared back office and other functions will be looked at as part of the work in 2019 on developing long term solutions. At the current time the arrangements in each of the individual CAs is very different, in some cases particular back office functions being carried out by paid staff in some and volunteers in others, making it too complex to resolve in the short-term. However that is not to say that the CAs haven't already been looking at this with CASS having agreed a number of shared functions in partnership with Taunton CA.
20. With the findings of the work undertaken having received approval by the District Chief Executives and Leaders, this report is concerned with the 'quick win' options presented by CASS in response to Proposal 2b in the table above.

One off funding proposals

21. It is proposed therefore, that members agree to the following three one-off funding contributions for the financial year 2019/20.

1) **Outreach costs for Wincanton and Chard.**

Consider an option for the two outreach services to continue in Wincanton and Chard by either:-

- a) Hosting them free of charge within existing SSDC premises, or
- b) Through an additional one-off grant of £10,000 to enable them to remain at the Balsam and Forefront centres.

These currently include premises hire of the Balsam Centre in Wincanton and the Forefront Community Centre in Chard.

Of the two options, **Option b)** is the preferred option for the following reasons:-

- The added value derived from CASS being co-located with our own Welfare Advice Service at the Forefront Centre, along with other services such a job club, drop-in, NHS counselling, SDAS service and the Lord's Larder food bank. This helps provide some of Chard's most vulnerable residents with a joined up and wrap around service. Similar benefits are derived by CASS being located in the Balsam Centre where both organisations are supporting particularly vulnerable and disadvantaged residents.
- Being located in neutral community venues helps retain the independent status of CASS and removes any obstacles that otherwise might prevent clients from using the service.
- By remaining at the Forefront and Balsam centres the rent payable by CASS will not be lost to these two organisations.
- In the current climate of reduced funding and services across the area, it is essential that services such as there are, are maintained. Joined up working and co-locating advice agencies and other community services is an ideal way to maintain access to vital services and mitigate dwindling resources.

Recommended Contribution: £10,000

2) Local Assistance Scheme (LAS) Client Hardship Fund Administration Costs.

Match funding of the County Council's reduced offer of £6,480.

Recommended Contribution: £6,500

3) Offering a short term grant to bridge the loss of core funding for the first 3 months of the 2019/20 financial year.

This investment would be used to research, plan and implement any uniformity that can be achieved in the medium term by covering staff costs so that officers can be released from operational duties in order to re-engineer advice services.

Recommended Contribution: £15,500

Total Contribution: £32,000

22. Impact of cut and benefits realisation of an additional one-off contribution

By agreeing to the above funding proposal the worst effects of the county cuts can be mitigated.

However, it is important first of all, to set out what the impact of the county cuts would be if no short term funding solution was available.

The SCC cut to core funding, amounting to £98,000 will cause the following detriments.

1. Lost posts

- Part time volunteer training officer (loss 21 hours)
- Part time advice session supervisor (22.5 hours)
- Digital Advice Team leader and adviser (21 hours)
- Community Outreach Supervisor and Advice (Chard, Wincanton) (37 hours)

2. Reduction in staff hours:

- CEO post to 28 hours per week (reduced by 9 hours)
- Operational Manager and Supervisor post to 28 hours per week (reduced by 9 hours)
- Finance manager to 28 hours per week (reduced by 9 hours)

3. Service reduction

- Cuts in staff posts and reduction in staff hours would result in the closure of all outreach with the exception of Chard on a Thursday.
- Reduction in opening hours of face to face service of **16.5 per week**
Face- to-face reduced from (41.5 hours per week to 25 (20 in Yeovil and 5 in Chard)
- Reduction in phone and email advice of **6 hours per week**
From 30 hours a week to 24 hours (not available on Thursday as supervisor would be re-assigned to Chard).
- Termination of room hire in Wincanton and Chard outreach resulting in loss of service

4. Reduction in number of clients seen

- Annual cut in number of clients we could help would be: **2,148**

5. Reduction in Volunteer numbers as there would be little or no provision for recruitment and new volunteer adviser training.

If the above cuts were to be implemented, with no measures put in place to help offset them, then there is a very strong likelihood that SSDC would be directly impacted as a consequence, in, for example, any of the following ways.

- Through an increased take-up of our own Welfare Advice Service
- Of increased numbers of clients contacting our Customer Focused staff in order to seek a resolution to their problems concerning council tax, benefits and housing etc.
- Increased numbers of people falling into council tax or rent arrears having a negative impact on our income
- Increased numbers of people falling into debt and at risk of poverty.

However through the one-off funding contribution that is being proposed, the following benefits can be achieved.

- i. The provision of transition funding SSDC of £15,500, and contribution of £6,500 towards delivery of the LAS £6,500
 - Maintain CEO post at 35 hours per week to enable advice service transformation and to undertake business case and due diligence in support of option for full merger with Taunton Citizens Advice.
 - Maintain Client Services Manager at 37 hours per week to enable advice service transformation and to maintain provision and clients helped at the 2018/19 levels
 - Continue to deliver the award of the Local Assistance Scheme.
- ii. The retention of the Wincanton a Chard outreach services at their current levels

The realisation of these benefits is also dependent on CASS making its own contribution to its future sustainability and to this end the trustees have agreed to an investment of Free Reserves of **£15,000** to continue the digital advice service and retention of a team leader post.

Furthermore the provision of an unexpected and unplanned for Government 'Universal Credit Help to Claim Fund' grant of £37,000 annually, means that staff who otherwise would have been made redundant can now be re-assigned to this work.

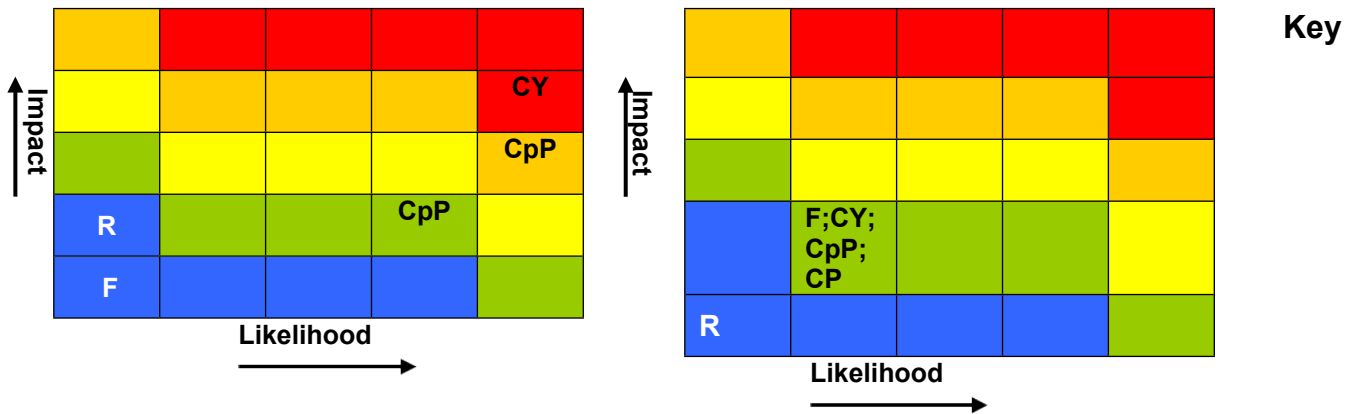
Financial Implications

23. The financial implications are set out above. The one-off budget requirement included in this report totals £32,000, and this sum is included in the proposed Draft 2019/20 Budget report to the Executive.

Risk Matrix

Risk Profile before officer recommendations

Risk Profile after officer recommendations



Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

24. The proposals detailed in this report help the Council deliver on the following values and priorities in the 2016/21 Council Plan:

- Working with partners to improve services, efficiencies, resilience and influence.
- To build healthy, self-reliant, active communities we will:
 - Target support to areas of need

Carbon Emissions and Climate Change Implications

25. There are no implications in relation to Carbon Emissions and Climate Change

Equality and Diversity Implications

26. If members support the report’s recommendations this will have a positive impact on a number of the Protected Characteristics, as in securing the future of the Citizens Advice service it will ensure that South Somerset’s most disadvantaged and vulnerable residents will still have a access to a quality assured generalist advice service.

Privacy Impact Assessment

27. No implications

Background Papers

28. None

Agenda Item 7

Local Plan Review 2016-2036 Preferred Options for Consultation

Executive Portfolio Holder: Angie Singleton, Strategic Planning (Place Making)
Director: Netta Meadows; Strategy and Support Services
Service Manager: Jan Gamon; Lead Specialist - Strategic Planning
Lead Officers: Jo Wilkins and Jo Manley; Specialists Strategic Planning
Contact Details: Jo.wilkins@southsomerset.gov.uk or 01935 262588
Jo.manley@southsomerset.gov.uk or 01935 462442

Purpose of the Report

1. To seek approval from the District Executive Committee to go out to consultation on the Local Plan Review 2016-2036 Preferred Options document in June 2019.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of February 2019.

Public Interest

3. The Local Plan Review 2016-2036 Preferred Options document identifies the proposed sites to be allocated to provide new housing and employment development in South Somerset over the 20 years (2016 to 2036). It also includes the proposed policies against which planning applications will be assessed in the future. Officers are asking the District Executive to approve the document for consultation in June 2019.
4. The report includes an appendix with responses to the main issues raised during the consultation on the Local Plan Review Issues and Options document.

Recommendations

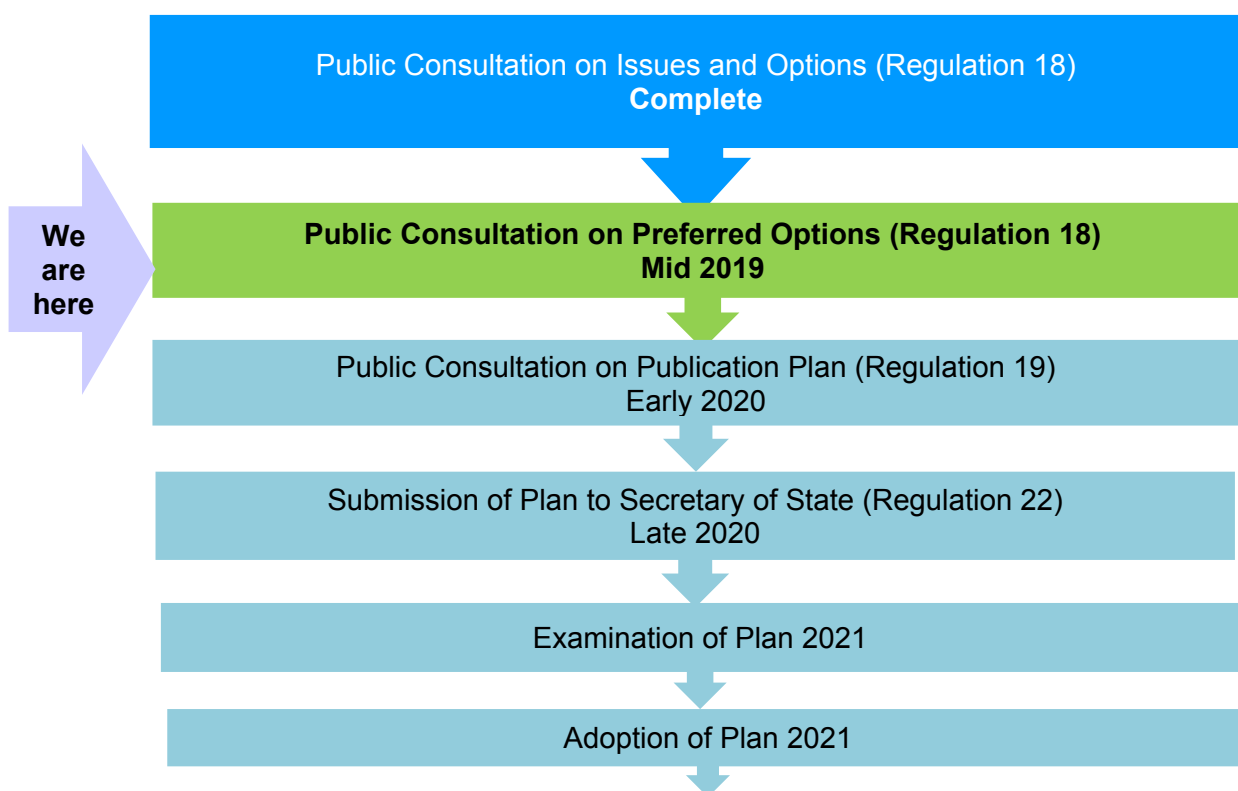
5. That the District Executive:
 - a. Approves the Local Plan Review 2016-2036 Preferred Options document (published in a separate appendix) for Regulation 18 public consultation in June 2019.
 - b. Delegate responsibility for the production, technical editing and styling of the consultation document to the Lead Specialist- Strategic Planning in association with the Director, Strategy and Commissioning and the Portfolio Holder Strategic Planning (Place Making).

Background

6. The Local Plan Review Issues and Options Document went out to public consultation between October 2017 and January 2018. During the consultation period the Council received over 800 representations resulting in 1,424 individual comments. Since that time officers have been working to develop the Preferred Options document. Appendix 1 is a summary schedule of the main issues raised during the Issues and Options consultation and an officer response to those issues.

7. In July 2018 the Government published a new National Planning Policy Framework (NPPF)¹ this included a large number of changes to national planning policy including the introduction of a new standard methodology for calculating the Council’s housing requirement, the Housing Delivery Test (HDT) and a new definition of affordable housing. This new guidance has been taken into account when drafting the Preferred Options document.
8. The Preferred Options consultation is still a relatively early stage in the production of the Local Plan Review. A further round of public consultation will take place on the Publication version of the Plan before the Local Plan Review is formally submitted and goes to Examination. Figure 1 below shows the various stages of production and the anticipated timeline.

Figure 1: Local Plan Review Timeline



9. Three member workshops were held during November 2018 the aims of which were to share the main points arising from the emerging Local Plan Review Preferred Options and to capture Member feedback so that this could be presented to District Executive. A schedule showing who attended those workshops and providing a summary of the main issues raised at the workshops along with an officer response can be found as Appendix 2.

Local Plan Review Preferred Options

10. A Local Plan sets out the strategy and policies to support the Council’s long-term vision as well as the strategic context for managing and accommodating residential and economic growth across South Somerset. This is in the context of national policy as well as other strategies and plans at District, County and sub-regional level.

¹
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/740506/National_Planning_Policy_Framework_print_version.pdf

11. The current adopted Local Plan covers the period 2006-2028. In his report to the Council, the independent Inspector who carried out the Examination into the Local Plan made it clear that an early review of part of the Plan should be undertaken and the decision was subsequently made to review the whole Local Plan. The LPR rolls the plan period forward covering the timeframe 2016-2036.
12. The Local Plan Review Issues and Options document identified a large number of site options for housing and employment allocations as well as options for amendments to Local Plan policies. Having taken into account the comments received, the contents of the most recent evidence base documents and the NPPF, the Local Plan Review Preferred Options document has been produced to form the basis for a further round of consultation.
13. The Local Plan Review Preferred Options document is set out in section headings which broadly reflect the adopted Local Plan, although some re-ordering has taken place, policies have been deleted, added and amended which has resulted in policy references changing. A new section has been introduced called 'Town Centre Regeneration and Retail' in order to properly reflect the Council's priority projects for the regeneration of Yeovil, Chard and Wincanton town centres. The draft document forms Appendix 3 of this report.
14. It should be noted that due to the diversion of staff resources to the on-going Development Consent Order examination process on the dualling of the A303 Sparkford to Ilchester, the employment land requirements are not currently included in the document; however the Employment Land Review is close to being completed and the figures will be added in time for the public consultation process later in the year. Members have been informed of the fact that less employment land is required as a whole across this plan period compared to the last and this smaller strategic need will be reflected on a settlement by settlement basis.
15. The following is a summary of the key proposals in the Preferred Options document:
 - a. A housing requirement of 14,510 dwellings.726 dwellings per year. It should be noted that Local Plan Review Policy SS2 identifies allocations and levels of growth which provides for housing in excess of the minimum local housing need target of 14,510 new homes. This is in order to allow for a level of flexibility as the Local Plan Review progresses and to avoid having to carry out additional consultation if levels of growth need to be adjusted or through the consultation process it becomes clear that a site/sites is no longer deemed to be deliverable. Subsequently the Council may wish to consider identifying some of the sites as 'reserve sites' where development would be directed first, should it be in the position where it is unable to identify a five-year supply of housing land. At this point in time it is not proposed that the final Local Plan Review will have a housing requirement in excess of the 14,510 minimum local housing needs figure.
 - b. The introduction of a 'Villages' category into the settlement hierarchy, combined with a more restrictive Policy SS4 (currently Policy SS2 in the adopted Local Plan). The places that are identified as Villages are: Abbas and Templecombe, Broadway and Horton, Charlton Adam and Charlton Mackrell, Combe St Nicholas, Curry Rivel, Henstridge, Keinton Mandeville, North Cadbury, Queen Camel, Sparkford, Stoke-sub-Hamdon and Tatworth. The evidence base document that provides the justification for the identification of these Villages, The Potential for Rural Settlements to be Designated 'Villages', November 2018, can be found here: <https://www.southsomerset.gov.uk/planning-and-building-control/spatial-policy/early-review-of-local-plan-2006-2028/evidence-base/>
 - c. A strategy for the distribution of housing growth that continues to focus on the larger more sustainable settlements. Summarised in Figure 2 below.

Figure 2: Distribution of Housing Growth

Settlement Type	Number of Settlements of that Type	Overall Percentage of Growth in adopted Local Plan (%)	Overall Percentage of Growth in Local Plan Review Preferred Options (%)	Percentage of growth per settlement in Local Plan Review Preferred Options (%)
Principal Town Yeovil	1	47%	33%	33.00%
Primary Market Towns Chard Crewkerne Ilminster Wincanton	4	25%	30%	7.50%
Local Market Towns Ansford and Castle Cary Langport and Huish Episcopi Somerton	3	7%	11%	3.67%
Rural Centres Bruton Ilchester Martock and Bower Hinton Milborne Port South Petherton	5	7%	8%	1.60%
Villages Abbas and Templecombe Broadway and Horton Charlton Adam and Charlton Mackrell Combe St Nicholas Curry Rivel Henstridge Keinton Mandeville North Cadbury Queen Camel Sparkford Stoke-sub-Hamdon Tatworth	12	N/A	8%	0.67%
Rural Settlements (that qualify as at October 2018)	23	14%	11%	0.48%

- d. Housing allocations are proposed in Yeovil, all the Market Towns and Rural Centres. An overall housing requirement is given for Villages and Rural Settlements. Figure 3 shows the detail of the housing requirement.

Figure 3: Detail of the Housing Requirement

	A	B	C	D	E
Local Plan Review	Completions 2016-2018 as at 31 st March 2018	Commitments - net commitments as at 31 st March 2018	Completions 2016-2018 as at 31 st March 2018 plus net commitments as at 31 st March 2018 (A plus B)	LPR Housing requirement 2016-2036	Residual Requirement (any pending planning applications, planning permissions granted after 31 st March 2018 and LPR allocations are included within this number) (D minus C)
Principal Town					
Yeovil	564	1640	2204	5091	2887
Primary Market Towns					
Chard	31	474	505	1995	1490
Crewkerne	9	705	714	1194	480
Ilminster	14	105	119	839	720
Wincanton	62	281	343	613	270
Local Market Towns					
Ansford/ Castle Cary	7	559	566	727	161
Langport/ Huish Episcopi	25	146	171	351	180
Somerton	80	354	434	574	140
Rural Centres					
Bruton	11	76	87	152	65
Ilchester	4	157	161	361	200
Martock/ Bower Hinton	45	75	120	330	210
Milborne Port	29	76	105	245	140
South Petherton	20	41	61	116	55
Villages	121	471	592	1314	722
Rural Settlements	157	653	810	1686	876
Total	1179	5813	6992	15588	8596

- e. A District-wide employment land requirement of 91 ha (including existing supply) and 9,360 new jobs.
- f. A new Town Centre Regeneration and Retail section including policies to support regeneration proposals in Yeovil, Chard and Wincanton.
- g. Allocations for land use. Figure 4 is a list of the proposed allocations.

Figure 4: Local Plan Review Preferred Options Proposed Allocations

Local Plan Review Policy Reference	Subject	Number of homes / employment allocation or other use
Yeovil		
YV1	Yeovil Sustainable Urban Extensions	1565 homes (800 South Area and 765 North) 5.16 ha of employment land (2.58 ha South Area and 2.58 North Area)
YV2	Yeovil Housing Growth North West of Brimsmore Key Site	200 homes
YV3	Yeovil Housing Growth South of Keyford	265 homes
YV4	Yeovil Housing Growth at Brimsmore Gardens	200 homes
YV5	Yeovil Housing Growth at Mudford Road	25 homes
YV6	Yeovil Housing Growth at the Former Bus Depot, Reckleford	100 homes
YV7	Yeovil Housing Growth North of Junction of St Michaels Road and Victoria Road	20 homes
YV8	Yeovil Housing Growth at Eastville Road	12 homes
TC2	Development in the Designated Yeovil Town Centre	Box Factory – 85 homes Bus Station / Glovers Walk - 100 homes Cattle Market - 80 homes Petters Way – 20 Homes
Chard		
CH1	Chard Eastern Development Area	1,342 homes 13 hectares of employment
CH2	Housing Growth at Land East of Crimchard	110 homes
CH3	Housing Growth at Land west of Crimchard	38 homes

TC3	Chard Town Centre Regeneration Site	New leisure centre and swimming pool, housing and commercial development
Crewkerne		
HG1	Strategic Housing Site (Crewkerne Key Site saved allocation)	635 homes plus a 60 bed care home have planning permission.
EP1	Strategic Employment Sites	Crewkerne Key Site Employment
CR1	Housing Growth East of Lang Road	100 homes
CR2	Housing Growth at Land Rear of Penlain	100 homes
CR3	Housing Growth at Land West of A356 (Station Road)	270 homes
CR4	Housing Growth at Land East of Charlton Close	10 homes
Iminster		
IM1	Housing Growth South west of Canal Way	400 homes
IM2	Housing Growth at Shudrick Lane	220 homes
IM3	Housing Growth at Station Road	100 homes
IM4/EP1	Employment Development at Station Road, Iminster/Strategic Employment Site	* ha of employment land
Wincanton		
WN1	Housing Growth west of Wincanton Business Park and New Barns Farm	220 homes
WN2	Housing Growth at The Tythings	50 homes
WN3	Employment development west of Wincanton Business Park	* ha of employment land
Ansford and Castle Cary		
AC1	Housing Growth North West of Ansford	60 homes
AC2	Housing Growth East of Station Road, Castle Cary	20 homes
AC3	Education Development at Torbay Road, Castle Cary	Safeguarded Primary School site

AC4	Car Parking at the Railway Station, Ansford	Safeguarded site for Castle Cary Train Station additional parking
Langport and Huish Episcopi		
LH1	Housing Growth at Land Between Somerton Road and Field Road (The Trial Ground)	80 homes
LH2	Housing Growth at Land Between Somerton Road and Wearne Lane	100 homes
Somerton		
SM1	Housing Provision on Land west of St Cleer's Orchard	140 homes
SM2	Employment Growth at Bancombe Road	* ha of employment land
Bruton		
BT1	Housing Provision at Brewham Road	60 homes
BT2	Housing Provision at Frome Road	5 homes
Ilchester		
IL1	Housing provision north of Troubridge Park	200 homes
Martock and Bower Hinton		
MB1	Housing Provision North of Coat Road	55 homes
MB2	Housing Provision South of Coat Road	95 homes
MB3	Housing Provision South of Hills Lane	60 homes
Milborne Port		
MP1	Housing Provision North of Wheathill Lane	110 homes
MP2	Housing Provision South of Court Lane	30 homes
South Petherton		
SP1	Housing Provision South of Hospital Lane	45 homes
SP2	Housing Provision at Rear of Littlehays	10 homes

- h. The addition of a landscape policy.
- i. An affordable housing requirement of 28% based upon the evidence in the Strategic Housing Market Assessment.

- j. The addition of a policy requiring the application of the nationally described minimum internal space standards for affordable housing.

Next Steps

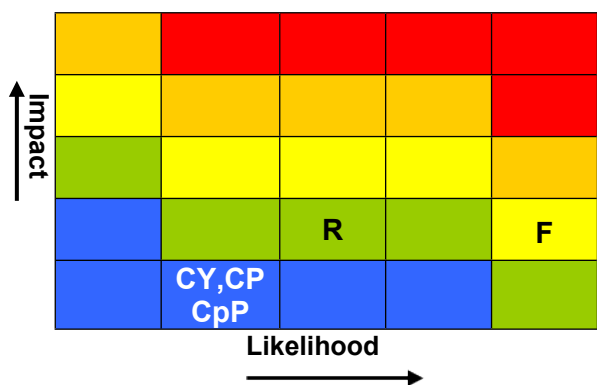
16. If members agree with the recommendations of this report, officers will spend the following months finalising evidence base documents, finalising the Local Plan Review Preferred Options document and preparing for the formal consultation process which will include preparing supporting material such as easy to read summary leaflets.
17. The consultation process will be designed around making it as accessible as possible to all members of the South Somerset community. Having learnt lessons from past consultation exercises we will maximise the use of online platforms and at the same time enable those who wish to engage through more traditional methods such as completing a comments form, viewing documents in local libraries or attending consultation drop in sessions.
18. Consultants AECOM have been commissioned to produce a Sustainability Appraisal of the Preferred Options and subsequent stages of the Local Plan Review. The document will be published alongside the other consultation documents later in the year.

Financial Implications

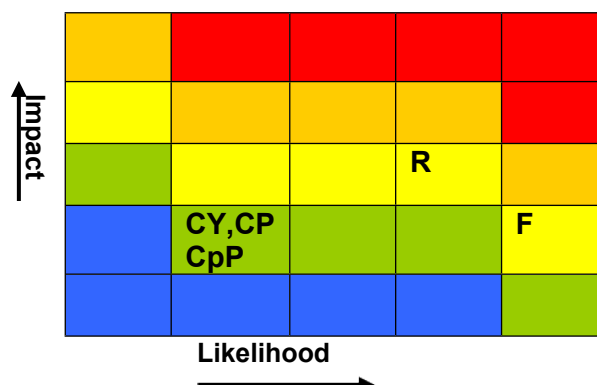
19. None at this time. There will be costs associated with the consultation exercise which will take place later in the year, however these can be paid for from existing resources allocated to the Local Plan.

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

20. The Local Plan Review Preferred Options supports the economy, environment, homes and health & communities areas of focus identified in the Council Plan 2016-2021. The Local Plan Preferred Options sets out a planning policy framework within which the priority projects identified in the emerging Council Plan 2019-2020 can be delivered including the town centre regeneration proposals in Yeovil, Chard and Wincanton, the delivery of new homes to meet the needs of the whole South Somerset community and an environment where economic development needs can be met.

Carbon Emissions and Climate Change Implications

21. The Environmental Quality section of the Local Plan Review Preferred Options document includes Policy EQ1 – Addressing Climate Change in South Somerset. The policy seeks to mitigate the impact of new development on climate change.

Equality and Diversity Implications

22. The Publication Plan (Regulation 19) version of the policies within the Local Plan Review will undergo EqA screening and full EqA of policies will be carried out where necessary. The final report will be included within the documents submitted to the Secretary of State.

Privacy Impact Assessment

23. No impact at this stage. Names and contact details of respondents will be collected during the consultation exercise which will take place later in the year. The data will be collected and processed by District Council officers and stored on the iNOVEM database.

Background Papers

12.

- Local Plan Review Issues and Options Consultation Document https://www.southsomerset.gov.uk/media/900905/early_review_local_plan_issues_and_options_merged_v12_-_final.pdf
 - Local Plan Review evidence base <https://www.southsomerset.gov.uk/planning-and-building-control/spatial-policy/early-review-of-local-plan-2006-2028/evidence-base/>
 - Adopted South Somerset Local Plan 2006-2028 <https://www.southsomerset.gov.uk/planning-and-building-control/spatial-policy/south-somerset-local-plan-2006-2028/adopted-south-somerset-local-plan/>
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Agenda Item 8

SSDC Council Plan Update 2019-20

Executive Portfolio Holder: Val Keitch, Leader of Council
Strategic Director: Alex Parmley, Chief Executive
Lead Officer: Netta Meadows – Strategic Director – Strategy and Commissioning
Contact Details: Netta.Meadows@southsomerset.gov.uk
Jan Gamon – Strategic Planning
Jan.gamon@southsomerset.gov.uk 01935 462095
Anna-Maria Lenz - Specialist Strategic Planning
Chereen Scott – Specialist Strategic Planning

Purpose of the Report

1. To invite Members to agree the adoption of the South Somerset District Council (SSDC) Council Plan 2019-20, together with a revised set of Key Performance Indicators.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 7th February 2019.

Public Interest

3. The Council Plan for 2016-21, agreed by Full Council in 2016, shows the Council's ambition to make major changes in the way that it operates and delivers services over the next few years whilst continuing to deliver services and priority projects that meet the needs of our residents, visitors and businesses. Each year the Council reviews and updates its priorities to reflect changing need.

Recommendations

4. That Council:
 - a) Agree the updated Council Plan and key performance indicators for 2019-20
 - b) Note the detailed milestones and desired outcomes for each Priority Project
 - c) Agree the Area Chapters
 - d) Agree the KPIs and performance monitoring plan

Background

5. In 2018, SSDC introduced a new approach to defining and developing the Council's priorities. This takes account of and is aligned to the new Area+ proposal that is live from January 2019. One of the key objectives of the new approach is to ensure that the priorities of the Council align to the political ambition of Members and are supported by evidence, such as national policy and community need.

Delivering our Vision

6. The objective of the Council Plan is to help us to achieve our vision for South Somerset: ***a place where businesses flourish, communities are safe, vibrant and healthy; where residents enjoy good housing and cultural, leisure and sporting activities.***

7. This is done by translating our vision and aims into key areas of focus and priority projects, which are categorised into five themes (protecting core services, economy, environment, housing, and healthy, self-reliant communities).
8. The Council Plan update (Appendix A) draws together our areas of focus and priority projects for the year ahead, supported by a revised set of key performance indicators. There is also a new addition in the form of Area Chapters, which present the area focused priorities that will be delivered through Area+.

Areas of Focus

9. The areas of focus within each of the five themes help us target our resources and efforts to deliver for our residents, communities and businesses. The areas of focus are aligned to key strategies including our Commercial Strategy as well as our emerging Economic Development Strategy and the Housing and 'Improving Lives' (Somerset's Health and Wellbeing Strategy).
10. An accountable person will be identified for each of our areas of focus who will be asked to develop an implementation plan and report on progress against key milestones.

Priority Projects

11. The proposed six priority projects for 2019-20 are as follows:
 - To complete and fully realise the benefits of Transformation and implement the Commercial Strategy
 - To finalise plans and progress implementation of the Chard regeneration project
 - To continue the refresh of Yeovil Town Centre
 - To implement the town centre action plan for Wincanton
 - To develop proposals to accelerate the delivery of key housing sites and associated infrastructure
 - To assess options for improving community transport links
12. For each of the priority projects, key milestones and desired outcomes are identified for 2019/20 (see Appendix A). Progress and performance of the projects will be monitored through the appropriate Project Boards.

Area Chapters

13. Area Chapters have been developed using area focused priorities identified through Member workshops, along with information from the latest Area Development plans and other service plans.
14. The Area Chapters have been agreed by each Area Committee. Delivery plans will be developed to determine the outcomes, milestones, key activities and resources needed from across the organisation to support delivery. The overall approach to delivery will be based on the principle that we will enable others to deliver, partner where it makes sense and deliver where we are able to and others cannot.
15. There is a SLT sponsor for each Area who will be an advocate for implementation of the Area Chapter and ensure that activities remain aligned with the strategic objectives of the District Council.

Key Performance Indicators

16. It is important to have relevant and appropriate Key Performance Indicators (KPIs) which provide assurance on progress and delivery, allow customers to hold us to account and help inform ongoing learning and evaluation.
17. The current KPI's, agreed by Full Council in 2018, have been reviewed and updated to provide high level measures of corporate performance aligned to the new Council Plan. The proposed set of indicators are shown in **Appendix B**.

Performance Management

18. A new performance framework supporting the Council Plan was introduced in 2018 that better links performance and business intelligence to drive improvement.
19. The proposed reporting arrangements to Councillors for the Council Plan are detailed in Appendix B and are as follows:
 - Quarterly performance report to Scrutiny and District Executive on KPIs.
 - Half-yearly report to Scrutiny and District Executive on Priority Projects targets and milestones
 - Monitoring and evaluation by relevant Portfolio Holders and boards for key strategies and business plans
 - Annual report to Full Council (Priority Projects, areas of focus and KPIs)
 - Additional reporting to or by project boards based on individual project governance as required.

Financial Implications

20. The costs of implementing our Council-wide areas of focus and priority projects have been included in the 2019/20 revenue budget and the capital programme.

Council Plan Implications

21. This report clarifies council plan priorities

Carbon Emissions and Climate Change Implications

22. None directly

Equality and Diversity Implications

23. None directly

Privacy Impact Assessment

24. None directly

Background Papers

25. SSDC Council Plan 2016 to 2021 (Report to Full Council April 2016)

'Tackling the Challenges': Council Plan 2016-21

Annual Action Plan 2019-20

Our Vision for South Somerset:

a place where businesses flourish, communities are safe, vibrant and healthy; where residents enjoy good housing and cultural, leisure and sporting activities.



2019-20

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Our Aims:

South Somerset District Council will be a confident, resilient and flexible organisation, protecting and improving core services, delivering public priorities and acting in the best long-term interest of the district. We will:

- Protect core services to the public by reducing costs and seeking income generation.
- Increase the focus on Jobs and Economic Development.
- Protect and enhance the quality of our environment.
- Enable housing to meet all needs.
- Improve health and reduce health inequalities.

Our Values:

- Putting the customer and community first when developing plans and services
- Supporting people and communities, enabling them to help themselves.
- Being open, transparent and with greater accessibility to those that need to use Council services.
- Working with partners to improve services, efficiencies, resilience and influence.
- Embracing innovation and improved technology to improve customer service and access.
- Empowering a confident, flexible workforce.

Council Plan themes and Areas of focus for 2019/20



Protecting Core Services

To ensure a modern, efficient and effective council that delivers for its communities, we will:

- Provide high quality cost effective services and transform customer services through technology.
- Take a more commercial approach to become self-sufficient financially.
- Develop a more cohesive and ambitious, economically efficient organisation.
- Become a partner of choice for the community and commercial sectors.
- Be a desirable and respected employer that invests in its staff and attracts the next generation.
- Become a leader in its field, delivering high quality and effective services to its customers and communities.



Economy

To promote a strong and growing economy with thriving urban, rural and land-based businesses, we will:

- Develop a reputation as a great place to do business.
- Ensure a greater proportion of our contracts are placed with local small to medium-sized enterprises.
- Support the delivery of improved infrastructure including the A303 Sparkford to Ilchester dualling, public transport improvements and sustainable transport.
- Ensure delivery of adequate employment land and premises to meet different business needs.
- Support our town centres in adapting to the changes in our high streets and consumer trends.
- Advise and support initiatives that ensure worker skills meet employers' needs.
- Promote and support commercial investment including inward investment, innovation and productivity.



Environment

To keep South Somerset clean, green, attractive and sustainable we will:

- Work with partners to promote recycling and minimise waste.
- Maintain and improve the provision and quality of open spaces and parks.
- Be a leading council in developing and adopting a Green Agenda to promote sustainable environment, economy and communities.
- Keep streets and neighbourhoods clean and attractive.
- Support long-term flood resilience.
- Promote a high-quality built environment.
- Support communities to develop and implement Neighbourhood Plans.



Housing

To enable housing and communities to meet the existing and future needs of residents and employers we will work to:

- Enable sufficient housing in appropriate places to meet community needs.
- Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities.
- Reduce homelessness and rough sleeping.
- Support communities to develop and implement Community Land Trusts.
- Match life long independent living with appropriate property solutions.
- Ensure development which is sustainable, where people want to live and communities can thrive.



Healthy, Self-reliant Communities

To enable healthy communities which are cohesive, sustainable and enjoy a high quality of life we will:

- Embed social value into all processes and activities to ensure we maximise the support we give to our communities.
- Work with partners to keep our residents safe and help them to feel safe in their local area.
- Work with partners to reduce the impact of social isolation and create a feeling of community.
- Work with partners to support people in improving their own physical and mental health and wellbeing.
- Enable quality cultural, leisure and sport activities.
- Support residents facing hardship.

Priority Projects for 2019-20

One Team, Ambitious for South Somerset

To meet our core aim of:



Delivering for our communities

- *Resilient services
- *Customer focused
- *Data driven
- *Proactive

1. To complete and fully realise the benefits of Transformation and implement the Commercial Strategy



Protecting Core Services

Excellent to work with

- *Commercial mindset
- *Efficient and effective



2. To finalise plans and progress implementation of the Chard regeneration project



Focusing on Economic Development

3. To continue the refresh of Yeovil Town Centre
4. To implement the town centre action plan for Wincanton



Leading the way

- *Modern and resilient
- *Adaptable to change
- *Technology enabled

5. To develop proposals to accelerate the delivery of key housing sites and associated infrastructure



Enabling Housing

Great to work for

- *Agile and empowered staff
- *Inspiring people



6. To assess options for improving community transport links



Developing Healthy, Self-reliant Communities

Priority Project 1: To complete and fully realise the benefits of Transformation and implement the Commercial Strategy



Desired 2019/20 project outcomes:

- 100% of external services that can be, are provided digitally by December 2019
- Secure £1.5m net additional annual revenue from council investment by December 2019 (from base of zero at July 2017) with stretch target of £2m
- To deliver a net minimum of £2.2m per annum of revenue by April 2021 (with a stretch target of £3m) through the Council's investment in commercial activity and/or existing asset management

2019/20 Key Milestones*



- Go live of digital offer for customers (May 2019)
- Develop case for setting up trading companies
- Fees and charges toolkit issued
- Service redesign complete
- Build of redesigned processes complete (December 2019)
- Deliver Benefits Realisation Impact Report (December 2019)
- Lead specialists mobilised to review fees and charges and identify new opportunities
- Review of fees and charges complete
- Benchmarker for fees and charges available for 2020/21

*Milestones will be refined over the course of the year

Priority Project 2:

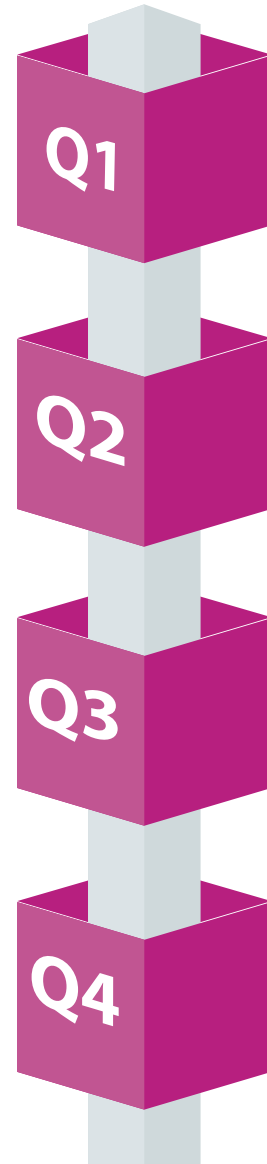
To finalise plans and progress implementation of the Chard regeneration project



Desired 2019/20 project outcomes:

- Produce a masterplan of the whole Boden Mill and ACI site to Royal Institute of British Architects (RIBA) stage 3
- Produce a detail design of the phase 1 element, the leisure facility to RIBA stage 4
- To adopt Public Realm design guide that includes; a consistent theme to style of street furniture and provides parameters on the colour and materials palate, to use throughout the town centre construction activities, such as the main regeneration scheme, within the Boden Mill and ACI grounds and other satellite schemes such as the Gateway Project at the Bell mouth of Silver Street and Fore Street.
- Design public spaces around new leisure facility, Boden Mill and Holyrood Lace Mill

2019/20 Key Milestones



- Commence Masterplanning process following Pre-app discussions
- Create Outline design for Public realm projects (Apr/May 2019)
- Major Planning application (Jun/Jul 2019)
- Completion of funding bids to support bringing forward the first phase (the leisure element)
- Subject to consent - Commencement of Phase 1 demolition and construction works Nov/Dec 2019)
- Completion of funding bids to support all the Public Realm aspirations (Dec 2019)
- Produce and adopt a local walking and cycling Infrastructure Plan
- Agree and produce an implementation plan of the Public Realm recommendations for the town's on-street and off street Car Parking and potential areas for pedestrian zones

Priority Project 3:

To continue the refresh of Yeovil Town Centre



3

Desired 2019/20 project outcomes:

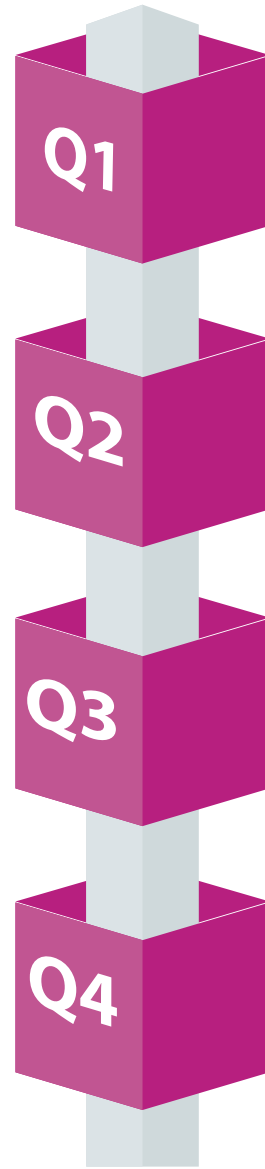
Public Realm

- An adopted Public Realm design guide (P1)
- An adopted detailed design incl. full technical detail which will provide the foundation for delivering the individual project areas (P2 –P6)

Transport

- An adopted Yeovil Town Centre Access Strategy providing the basis for future transport infrastructure investments (T1)
- An adopted Local Walking and Cycling Infrastructure Plan (LWCIP) providing the basis for future investment in cycling and walking infrastructure (T10)
- Car parking action plan (T9)
- Installed improved fixed plate directional signage
- Improved lighting in West Hendford car park

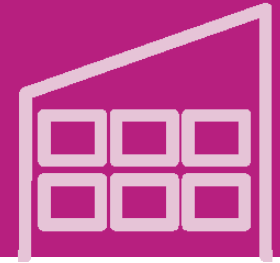
2019/20 Key Milestones



- Consultation on public realm design guide (P1) complete in line with Statement of Community Involvement
- Access Strategy (T1) Transport model produced
- Car Parking action plan (T9) Draft and approve fixed plate signage package
- Draft public realm design guide produced for adoption by council (P1)
- Creation of outline Public Realm design (P2 –P6)
- Public event on Public Realm design (P2 –P6)
- Access Strategy (T1) Infrastructure Plans tested
- Car Parking action plan (T9)
- Agree installation of fixed plate signage with SCC
- Identify preferred lighting scheme for West Hendford
- Draft detailed Public Realm design design produced (P2 –P6)
- Access Strategy (T1) Draft plan produced for adoption
- Car Parking action plan (T9)
- Install improved lighting in West Hendford
- Install Fixed plate signage package
- Adopt Local Walking and Cycling Infrastructure Plan (T10)

Priority Project 4:

To implement the town centre action plan for Wincanton



4

Desired 2019/20 project outcomes:

- Governance & resourcing of strategy agreed
- Preparation of town centre prospectus
- Unimplemented planning permissions brought forward
- Improved profile of banking services

2019/20 Key Milestones



- Establish Wincanton Regeneration Programme Board
- Feasibility of relocation of mobile banks and provision of 24 hour ATM determined



- Draft prospectus for consultation with stakeholder group



- Consultation prospectus published Land owner (key sites) liaison undertaken
- Obstacles to delivery identified and interventions agreed at target locations
- Consents for relocation of mobile banks and provision of 24 hour ATM obtained and implementation timescale agreed



Priority Project 5:

To develop proposals to accelerate the delivery of key housing sites and associated infrastructure



5

Desired 2019/20 project outcomes*:

- Sufficient housing of all tenures available to those who need it
- Stalled sites are brought forward
- Associated Infrastructure improves connectivity

2019/20 Key Milestones



- To set up of a community of practice (expert working group)
- Agree governance arrangements
- Scope and agree project objectives and expected outcomes
- Establish criteria for selecting sites



- Review best practice to understand effective approaches and practices
- Agree selected sites and associated infrastructure requirements



- Scope options for accelerating delivery of selected sites



- Share proposals for identified sites

*In year outcomes to be confirmed

Priority Project 6:

To assess options for improving community transport links



Desired 2019/20 project outcomes*:

- Improved access to essential services such as health-care, education, employment and recreation
- Improved access to opportunities for social interaction
- Improved ease of travel across the district

*In year outcomes to be confirmed

2019/20 Key Milestones



- To set up a community of practice (expert working group)
- Agree governance arrangements
- Scope and agree project objectives and expected outcomes



- Review best practice to understand effective approaches in delivery of Community Transport solutions.
- Review of current community transport provision



- District community consultation to understand transport needs
- Understand options against identified need



- Share outcomes of assessed options





Area Chapter - Area North

The area chapter presents the priority work in Area North for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area North:



Economy
Page 34

- Attract tourists and increase spend in and visits to Area North and wider district.
- Develop and refurbish Cartgate Tourist Information Centre, creating a hub for tourists and encouraging visitors to stop in Somerset.
- Continue to support individual businesses including local food and drink producers.
- Encourage shop front improvements.
- Encourage small and artisan businesses.
- Bring forward suitable land for small business units.



Environment

- Support the delivery of a Community/ Neighbourhood Plan to address balance of housing/employment land in Curry Rivel.
- Promote opportunities for enhanced service delivery through SSDC Environmental Services offer including parish warden scheme.
- Develop a round one Heritage Lottery Fund bid to cover a range of elements of heritage and visitor management at Ham Hill, ensuring its sustainable management for the future.
- Tourism and Countryside will work with SCC to deliver a project to rebrand and relaunch the River Parrett Trail.



Housing

- Promote and support new Community Land Trusts where appropriate.
- Complete Housing Needs Surveys when requested.



Healthy, Self-reliant
Communities

- To deliver improvements to Somerton Recreation Field.
- Support a range of improvements to community buildings.
- Programme of live schemes to be set out in the delivery plan.
- Increase the network of volunteer led health walks through promotion, training and support.
- Deliver 8 Play days in towns/villages in Area North.
- Improve community transport links to address issues of loneliness and isolation.
- Support the existing youth delivery organisations.
- Work with partners to tackle rural crime.



Area Chapter - Area East

The area chapter presents the priority work in Area East for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area East:



- Engage the substantial attractions in Area East to develop the overall destination offer for South Somerset and better market this throughout 2019 focusing on unique experiences.
- Work towards providing employment land and business units of appropriate sizes readily available for uptake by business and residents.
- Continue to support key businesses including work with the Chamber of Commerce and other partners.



- Environment**
- Support the completion of the Neighbourhood Plans in Queen Camel and Castle Cary.
 - Continue to support volunteers at Moldrams Ground.
 - Promote opportunities for enhanced service delivery through SSDC Environmental Services offer including parish warden scheme.



- Housing**
- Support existing Community Land Trusts in Queen Camel and Charlton Horethorne.
 - Complete Housing Needs Surveys when requested.



- Healthy, Self-reliant Communities**
- To support work towards provision of an artificial grass pitch available to the community in area east.
 - Support a range of improvements to community buildings.
 - Programme of live schemes to be set out in the delivery plan.
 - Work with Wincanton Rec Trust to develop sustainable management model and use of the site.
 - Work with the Balsam Centre to develop a local services hub.
 - Improve community transport links.
 - Increase the network of volunteer led health walks through promotion, training and support.
 - Deliver 8 Play days in towns/villages in Area East.



Area Chapter - Area South

The area chapter presents the priority work in Area South for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area South:



Economy ⁹⁶ Page 36

- Attract tourists and increase spend in and visits to Area South and wider district.
- Continue to support key businesses including work with the Chamber of Commerce and other partners.
- Support others to deliver Town Centre Events.
- Seek to resolve a long term solution for the location of Yeovil Tourist Information Centre.
- Promote genealogy to overseas visitors, promoting Community Heritage Access Centre (CHAC) and the family history centre.



Environment

- Maintain and develop Yeovil Country Park as a destination.
- Promote opportunities for enhanced service delivery through SSDC Environmental Services offer including parish warden scheme.
- Submit plans and research funding to extend the Ninesprings building to maximise community potential from schools, groups, cafe visitors and include new heritage and visitor displays.
- Deliver sessions that celebrate the heritage and natural history of Yeovil and Ham Hill whilst also increasing and diversifying volunteering opportunities.



Housing

- Promote and support new Community Land Trusts and community led housing initiatives.
- Support rural parishes in Area South with Housing Needs Surveys when requested.



Healthy, Self-reliant Communities

- To work on a priority programme of repairs to existing youth facilities in Yeovil.
- To support work towards the increased provision of a concrete skate park or pump track in Yeovil.
- Support a range of improvements to community buildings. - Programme of live schemes to be set out in the delivery plan.
- Target support with partners to tackle health inequality.
- Deliver the National Play Day.
- Take a full part in the work of Yeovil One Team.
- Develop innovative engagement programmes making use of the facilities at Yeovil Rec and encouraging participation in hard to reach groups.



Area Chapter - Area West

The area chapter presents the priority work in Area West for the coming year. Many of the projects are led by others working in our communities and SSDC will take an enabling approach to provide advice and practical support to help others deliver.

Area+ teams are made up of officers from across the council with specific knowledge, skills and experience needed to support the delivery of the Area Chapter. Details of the Area+ team, key activities, and milestones to be presented in the delivery plan.

Key priorities for Area West:



- Attract tourists and increase spend in and visits to Area West and wider district.
- Continue to support individual businesses and associations/Chambers of Trade/Town Teams.
- Supporting rural diversification.
- Maintain pressure to deliver Stop Line Way.
- Complete gateway highway improvement scheme – Chard Fore Street.

Environment

- Support the completion of the Neighbourhood Plan in Ilminster.
- Promote opportunities for enhanced service delivery through SSDC Environmental Services offer including parish warden scheme.
- Develop Chard Reservoir as a visitor destination.
- Continue to support the Blackdown Hills AONB.

Housing

- Promote and support any emerging Community Land Trusts.
- Complete Housing Needs Surveys when requested.

Healthy, Self-reliant Communities

- To improve pitch provision in Area West and particularly in Chard.
- Support a range of improvements to community buildings. - Programme of live schemes to be set out in the delivery plan.
- Develop options to improve community transport links to Crewkerne Station.
- Increase the network of volunteer led health walks through promotion, training and support.
- Deliver 8 Play days in towns/villages in Area West
- Take a full part in the work of Chard One Team.
- Work with Crewkerne TC to pilot hub approach to customer access.
- Deliver a play area at Jarman Way (Plot 5)

Monitoring the delivery of the Council Plan - Key Performance Indicators (KPIs*):



Protecting Core Services

- 1) Number & % of on-line accounts (household and business) active at 6 months.
- 2) Service requests through on-line channel as a % of all service requests.
- 3) Measures for speed of decisions - Planning (weeks)
Council tax collection (%)
Benefits applications and changes (days).
- 4) Commercial & financial targets (property & income yields).



Economy

- 5) % spend with (local) SMEs.
- The areas of focus under the Economy theme are reflected in the new Economic Development Strategy – our performance will be monitored through the delivery plan.



Environment

- 6) Quality of decision making in planning (Planning Appeals lost as a % of all decisions)
 - 7) Waste & recycling (household residual waste).
- Other areas of focus under the Environment theme are reflected in different strategies and investment programmes, and through partnerships. Our performance will be monitored through delivery plans.



Housing

- 8) Help for and prevention of homelessness – Government measure – (numbers of people supported).
 - 9) Affordable housing completions (number of units and % of all completions).
- Other areas of focus under the Housing theme are reflected in housing and homelessness strategies. Our performance will be monitored through delivery plans and the ongoing monitoring of the Local Plan.



Healthy, Self-reliant Communities

The areas of focus under the Health and Communities theme will be achieved through strong partnership working and through commissioned projects & programmes. Our performance will be monitored through ongoing feedback (from customers, partners and communities) and evaluation of programmes.

***These are supported by an Annual Residents Survey, locality (neighbourhood) level surveys and monitoring of complaints and feedback.**

Monitoring performance - corporate & public reporting



Priority Projects - reports against targets and milestones

Highlight reports to relevant projects / programme boards

Half-year report to DX / Scrutiny



Key performance indicators

Quarterly reports to DX / Scrutiny



Areas of Focus

Monitoring and evaluation by relevant Portfolio Holders and boards for key strategies and business plans



End of year report to Full Council

Agenda Item 9

Economic Development Strategy (2019 – 2028) Delivery Budget

Executive Portfolio Holder: Jo Roundell Greene (Environment, Economic Development & Transformation)
Directors: Martin Woods (Service Delivery)
Netta Meadows (Strategy & Support Services)
Specialist: Karen Chalke (Specialist – Economy)
Lead Specialist: Peter Paddon (Lead Specialist – Economy)
Contact Details: Karen.chalke@southsomerset.gov.uk
Peter.paddon@southsomerset.gov.uk

Purpose of the Report

1. On 6th December 2018, District Executive agreed the draft Economic Development Strategy (EDS) 2019 – 2028 for public consultation. This Report proposes an EDS Delivery Budget for 2019/20 and 2020/21.

Forward Plan

2. This report did not appear on the District Executive Forward Plan.

Public Interest

3. The EDS (Public Consultation Draft December 2018) sets out the vision, key outcomes, priority themes, and action plan to deliver economic development over the next 10 years. This Budget supports delivery of the milestones contained in the draft Action Plan within the EDS, agreed for public consultation by District Executive on 6th December 2018.

Recommendation

4. That the District Executive agree one off revenue funding of £200,000 for the EDS Delivery Programme, with £146,000 allocated in 2019/20 and the remaining £54,000 in 2020/21.

Background

5. The majority of actions to deliver the EDS will be undertaken by SSDC officers in accordance with delivery plans, which will be put in place prior to full commencement of year one activity. The Strategic Development Board will approve these plans separately. However, delivery will be enhanced by an accompanying EDS budget, as indicated in the summary below of the draft Action Plan contained within the EDS that was agreed for public consultation by District Executive on 6th December 2018.

EDS Delivery Budget

<p>PT1: Business Support, Retention, Innovation and Inward Investment Year One (19/20)</p>	<p>Budget Allocation = £40k</p>
<p>1.2: Map and evaluate existing key sector support plans, and business support networks and initiatives alongside key partners, including marketing and promotion as a business destination for potential new high growth sectors</p>	<p>Map and evaluate key sector propositions (Aerospace, AEM, Food & Drink) and on the basis of this work produce and promote an inward investment prospectus = £30k</p> <p>Aerospace Entrepreneurship 'Boot Camp' linked to iAero, YIC, Leonardo and SetSquared to promote innovation in aerospace = £10k</p>
<p>PT2: Transport & Communications Infrastructure Year One (19/20)</p>	<p>Budget Allocation = £10K</p>
<p>2.2: Continue to support and secure delivery of superfast broadband and mobile communications to rural and urban businesses in South Somerset</p>	<p>Specialist professional and legal advice to evaluate future expenditure associated with superfast broadband delivery = £10k</p>
<p>PT3: Economic Inclusion – Skills, Careers, Training Year One (19/20)</p>	<p>Budget Allocation = £46K</p>
<p>3.1 Support to identify emerging skills needs with business networks</p>	<p>To support skills and education initiatives across South Somerset. This will include the identification of business skills and training requirements = £10k</p>
<p>3.2 Continue to promote apprenticeship and other business training opportunities</p>	<p>Yeovil College HNC/HND Programme 2nd year = £18k</p> <p>Yeovil College HNC/HND Programme 3rd year = £18k (to be paid in year 2)</p>
<p>PT4: Land, Sites, Workspaces Year One (19/20)</p>	<p>Budget Allocation = £20K</p>
<p>4.1: Support development of new start-up and grow on incubation managed workspaces</p>	<p>Investigate demand, opportunities and barriers for managed workspace across different market towns and rural centres. This feasibility study will include co-working and artisan space and where appropriate evaluate requirements to unlock and bring sites forward = £20k</p>
<p>PT5: Supporting Urban Economies Year One (19/20)</p>	<p>Budget Allocation = £20K</p>
<p>5.1: Continue to deliver the Yeovil Refresh programme</p>	<p>Legal and specialist professional advice relating to property acquisition and tenure options for a work hub in Yeovil town centre. With the inclusion of a</p>

	business plan, financial projections and partnership agreements where necessary = £10k Support funding bid preparation for Council Plan regeneration priority projects (Yeovil, Chard, Wincanton) eg- Future High Streets Fund (MHCLG) or Heritage Fund (DCMS) = £10k
Year Two (20/21)	Budget allocation = £25K
5.5: Review potential and requirements for other town and village rejuvenation and regeneration programmes	Produce a regeneration strategy and action plan for a specific market town (e.g. Crewkerne) = £25k
PT6: Supporting Rural Economies Year One (19/20)	Budget Allocation = £15K
6.1 Continue to promote and safeguard traditional rural businesses and services including artisan businesses, food and drink and tourism which support and contribute to the vitality and viability of rural communities	Research rural productivity growth using innovation, technology and artificial intelligence and promote how businesses can diversify to take advantage of the findings = £5k To produce an artisan sector proposition linked to rural diversification. Including how businesses can start and grow in this sector = £5k
6.2: Assess the potential to support and grow a local, sustainable, circular economy	The commissioning of a feasibility study investigating the rural sustainable circular economy opportunities = £5k

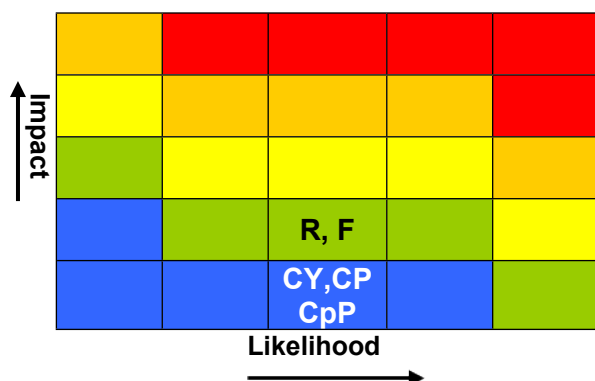
Financial Implications

6. The revenue funding requested is £200,000 over a two year period, as detailed in the table below. Contributions to HotSW LEP, the Joint Committee and Somerset Growth Board will continue to support the Council's economic development activity. Any underspend in year one (2019/20) will be carried forward into year two (2020/21).

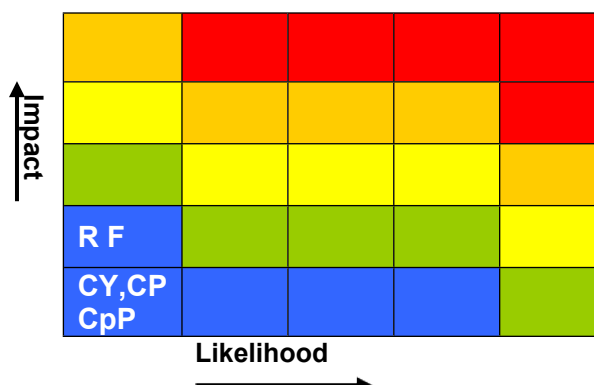
	2019/20	2020/21	Total
EDS Delivery Budget	£133,000	£43,000	£176,000
LEP Contribution	£5,000	£5,000	£10,000
HoTSW Joint Committee	£1,400	£1,400	£2,800
Somerset Growth Board Contribution	£4,600	£4,600	£9,200
Contingency	£2,000	£0	£2,000
Total	£146,000	£54,000	£200,000

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

9. This budget proposal will support the Council Plan priority regeneration projects of Yeovil, Chard and Wincanton, plus the other economic development work contained in the plan including the area chapters.

Carbon Emissions and Climate Change Implications

10. None

Equality and Diversity Implications

11. The public consultation exercise for the draft economic development strategy included equality and diversity stakeholders.

Privacy Impact Assessment

12. None

Background Papers

13. District Executive draft Economic Development Strategy Report of 6th December 2018
 14. Public consultation December 2018 of the draft Economic Development Strategy

Agenda Item 10

Adoption of the Somerset Housing Strategy (2019-2023)

Executive Portfolio Holder: Val Keitch, Strategy and Policy
Director: Netta Meadows, Director Strategy and Support Services
Service Manager: Jan Gamon, Lead Specialist Strategic Planning
Lead Officer: Leisa Kelly, Specialist, Strategic Planning
Contact Details: Leisa.kelly@southsomerset.gov.uk or 01935 462641

Purpose of the Report

1. The purpose of the report is to inform members about the updated Somerset Housing Strategy (SHS) and seek a decision to adopt the Strategy.
2. The SHS highlights key facts and challenges within the local housing market and proposes a vision for homes and housing across Somerset that embraces strong and effective strategic leadership, a local economy that provides opportunity for all, homes in Somerset are good for your health and a society that supports the vulnerable.
3. To help address the housing need, we need to work together in a way which embraces communities, housing, health and wellbeing, social care and planning. We need to work together with our partners to develop solutions with residents, local businesses and communities.
4. The preparation of the SHS began in July 2017, with the publication of district housing market profiles (see Appendix A) and a multi-agency workshop. A consultation draft was published in February 2018. The consultation closed on 30th April 2018. During the summer the consultation responses have been considered and amendments made.
5. The SHS is developed by the Somerset Strategic Housing Partnership (SSHP). South Somerset are active members of SSHP. SSHP is within the governance structure of the Somerset Health and Wellbeing Board.
6. The SHS (Appendix B – published as a separate appendix) was approved by SSHP on 22nd November 2018.
7. SSHP plans to develop a multi-agency delivery plan (the first draft has already been created), with the expectation that the SSHP partners may then choose to develop their own response in the form of strategic housing action plan. We believe that there is a subset of the priorities identified within the SHS which are particularly relevant to South Somerset and we would certainly wish to develop our own set of actions. An early draft action plan for South Somerset is included at Appendix C and is consistent with and aligned to our incoming Council Plan 2019/20. A more clearly defined action plan will be developed by the Community of Practice that will form part of the new Council Plan priority project for accelerating the delivery of housing.

Forward Plan

8. The Somerset Housing Strategy has been added to the forward plan for District Executive.

Public Interest

9. The Somerset Housing Strategy is the housing strategy for the county, it sets out the strategic direction for housing activity covering housing need, supply and our approach to the quality and management of existing and new housing stock.

Recommendations

10. That District Executive adopts the Somerset Housing Strategy (it's Vision, Themes, Priorities and Objectives) and supports the action plan for the district.

Background

11. The previous SHS (known as the Somerset Strategic Housing Framework (SSHF) was prepared in 2013 and had an end-date of 2016.
12. The SHS has been prepared by the Somerset Strategic Housing Officers Group (SSHG) which reports to the Somerset Strategic Housing Partnership (SSHP). There is representation from South Somerset, Mendip, Sedgemoor, Taunton Deane and West Somerset (officers and members), the county council (public health, adult social care and strategic planning), housing associations and Exmoor National Park.
13. The draft SHS was published in February 2018 and then a 3 month consultation period began where we received input from housing forums, parish councils and a range of interested partnership bodies. The responses received have been considered and have helped to inform the final draft of the Strategy attached as Appendix B (see separate supplement).
14. The Strategy incorporates other specific strategies such as the Homelessness Strategy and the Tenancy Strategy, there is a diagram on page 11 of the strategy which shows how the relevant documents and policies are incorporated. The Strategy has been prepared to ensure we have the necessary sign up to support a strong, inclusive and effective partnership and make certain that we are supporting each other to achieve the housing ambitions for Somerset. It's an important tool that can help us realise national housing policy requirements; it also places us in a better position to tackle housing issues as a collective rather than individually; one example of this is when we recently developed a partnership response to the government on their Green Paper.
15. The process of the review began in late 2016. The first task was to build the evidence base, and build partnership arrangements around leadership and governance. The following was undertaken during 2017:
 - Data collection resulting in the publication of a 'benchmarking report'
 - Preparation of 5 x district based Housing Market Profiles and 1 x County-wide Housing Market Profile
 - Engagement of the Somerset Health and Wellbeing Board on matters relating to health and housing
 - Stakeholder Conference (July 2017) at Taunton Rugby Club, involving 100+ people representing the housing sector and associated services. This conference ran 8 themed workshops on different aspects of housing issues / challenges
 - Consultation and engagement on all of the above
 - Development of an Equalities Impact Assessment

The above, in addition to national housing policy, provided the evidence base to the content of the draft SHS, which was published in February 2018.

Financial Implications

16. None

Risk Matrix

17. None

Council Plan Implications

18. There are no implications for this as the Somerset Housing Strategy fully supports the Council Plan 2016 – 2021, housing focus detailed below:

“To enable the provision of housing that meets the future and existing needs of residents and employers we will work with partners to:

- Minimise homelessness and rough sleeping
- Work with the private rented sector to improve the standard and availability of rented accommodation
- Tackle fuel poverty
- Work to minimise the impact of personal or household debt
- Enable people to live independently for as long as they are able”.

Carbon Emissions and Climate Change Implications

19. None

Equality and Diversity Implications

20. There are significant equality and diversity implications. Understanding housing issues and the effect on those with protected characteristics, helps us to respond with interventions. The SHS is supported by a comprehensive EIA which has been used to help shape the priorities and objectives. The EIA is not a static document. Its content will continue to inform the development of projects / activity within the Delivery Plan, and any supporting partner action plans.

Privacy Impact Assessment

21. None

Background Papers

Appendix A – Market Profile for South Somerset

Appendix B – Somerset Housing Strategy (published as a separate appendix)

Appendix C – Housing in South Somerset Priority Outcomes for 2019-20 Actions



Housing Market Profile: South Somerset



The Somerset Strategic Housing Framework comprises the housing strategy and district based action plans for the county of Somerset. The current Framework was published in 2013 and is now in need of review. To begin this process we have produced housing market profiles for each district, together with a county-wide housing market profile. These profiles highlight key facts about the current housing market including relevant health information. They also highlight recent achievements, current opportunities and immediate challenges. Additional background information can be found on the Council's website.

Affordability

For **private rentals** -



A **1 bed** is **21.6%** of the average income



A **2 bed** is **28.6%** of the average income

Valuation Office Agency & ASHE 2016

For **social rentals** -



A **1 bed** is **18%** of the average income



2 bed is **21.5%** of the average income

Statistical Data Return & ASHE 2016



A **terraced house** costs **6.4** times the average income and a **flat** costs **4.1** times the average income

Land Registry Price Paid Data & ASHE 2015



Current Housing Stock and Future Requirements



69,501 properties

14% affordable / social rented, **13.3%** private rented and **70.3%** owner occupied

Census 2011

300 social extra care properties

607 dwellings needed per annum until 2032, of which **206** need to be affordable and **120** dwellings need to be specialised housing for older people

Strategic Housing Market Assessment October 2016


Photographs courtesy of various partner Housing Associations



Housing and Health

- **58%** increase aged **75-84 years old**
- **123%** increase aged **85+**
ONS 2015-2035 projections
- **63%** live in rural areas, of which **32.1%** are **over 60**
Census 2011


25.7% of households have **long term health problems** and **14%** have **dependent children**
Census 2011



13% single person households with **74.3%** over 50
Census 2011



12.2% of those living in **social rented** housing are in **bad health**
Census 2011




Yeovil Sherborne Road
Yeovil Milford Road West
Langport
Yeovil Milford Road East
Yeovil Houndstone South
have the **loneliest over 65's**

Census 2011 & Age UK




Housing Need

- Short of **10** gypsy and traveller transit pitches
 - **35** gypsy and traveller permanent pitches delivered since 2006
- 

There are currently **214** homelessness applications with **150** owed a **duty** for 2015/16
DCLG

Fuel Poverty rose by **1.8%** (2013- 2014) to **9,487** households
Low Income High Costs Indicator




homefindersomerset.co.uk

Rough Sleeping has **increased** from **0** to **8** (2010-16) *DCLG Homelessness Statistics*



2,006 applications on the **Homefinder Somerset** with **267 gold** banded
Homefinder Somerset March 2016



Achievements

- **954 units of affordable** accommodation delivered between 2011- 2016
- **2,894 units (all tenures) built** between 2011-2016
- **33%** of housing delivered in 2011-2017 is **affordable**
- **2 successful CLT schemes** at Queen Camel and Norton sub Hamdon
- **Reduced B&B use to virtual zero** (occasional emergencies only)
- Number of households on the Homefinder Somerset register has remained at about 2,000 for the past 3 years but the **proportion of gold banded cases have reduced**
- **Adoption of the South Somerset District Council Local Plan** which will help with the delivery of affordable housing to meet the needs of local communities

Opportunities

- Creation of our own **private sector leasing scheme** may increase access to the private rented sector for some of our most urgent cases
- The Council will be investing directly in **new market housing** which, in turn, will produce more affordable housing
- We can build capacity for more **community led schemes**, particularly in **rural areas**

Challenges

- Housing Association **property disposal in rural areas**
- **Single people under 35** affected by the short supply of **1 bedroom homes**
- **HMO restrictions** (Article 4)
- **Delays** in construction at key sites due to market financial changes
- We expect the **private rented sector** to become both **more expensive** and **harder to access** as the effects of the Hinkley Point C construction phase ripple out across Somerset

Be Part of the Change

Does this district profile provide an accurate picture of the current local housing market?

Are you aware of other housing / housing related achievements, opportunities and challenges that we should highlight?

Are some of these challenges more important than others? If yes, please explain why?

Please respond by September 30th 2017

kelly.wheeler@southsomerset.gov.uk

South Somerset District Council
Council Offices
Brympton Way
Yeovil
BA20 2HT

Your responses will be used to inform the content of a draft revised Housing Framework.

This will be published during Autumn 2017.

Housing in South Somerset - Priority Outcomes for 2019/20 Actions

No	Objective	Actions	Identified in Council Plan
1	<p>Housing and the Economy - Priority 1: Maximise the number of affordable homes (all tenures) Each Local Authority will prioritise the delivery of new affordable housing all tenures) and provide community leadership at the highest level to make this happen.</p>	<ul style="list-style-type: none"> Delivering a community of practice around affordable housing to unblock barriers such as land with stalled planning permission. Look at all options for key housing sites in South Somerset and expedite them whether through our registered providers, private developers or council owned stock 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Enable sufficient housing in appropriate places to meet appropriate needs, Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities <p>Priority Projects for 2019/20</p> <ul style="list-style-type: none"> To develop proposals to accelerate the delivery of key housing sites and associated infrastructure
2	<p>Make use of all available funding streams from Central Government such as the Housing Infrastructure Fund and other short term funding such as private rented sector access fund</p>	<ul style="list-style-type: none"> Ensure relevant parties are kept aware of possible sources of funding around sites becoming unviable 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities
3	<p>Each Local Authority will seek to deliver the necessary infrastructure and community facilities in a timely and phased manner to accelerate housing delivery</p>	<ul style="list-style-type: none"> We have an up-to-date Infrastructure Delivery Plan, ensure the plan is up-to-date and ensure we apply CIL and s106 obligations in an appropriate way to support facilities 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities Ensure development which is sustainable, where people want to live and communities can thrive <p>Priority Projects for 2019/20</p> <ul style="list-style-type: none"> To develop proposals to accelerate the delivery of key housing sites and associated infrastructure
4	<p>Housing and the Economy - Priority 2: Provide more affordable homes to support rural economies and communities Support the rural economy and the creation of sustainable rural communities by meeting demonstrably identified needs for affordable housing</p>	<ul style="list-style-type: none"> We will implement the Updated Rural Housing Plan 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Ensure development which is sustainable, where people want to live and communities can thrive Match lifelong independent living with appropriate property solutions

No	Objective	Actions	Identified in Council Plan
5	Improve the percentage of affordable homes in rural developments tied to local plan allocations. Increase the number of supported housing units to ensure the need of some of the most vulnerable in society are more effectively met	<ul style="list-style-type: none"> We will work to mitigate the impact of reductions in supported housing units in South Somerset, which result from county council cuts 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities Match lifelong independent living with appropriate property solutions Ensure development which is sustainable, where people want to live and communities can thrive
6	Increase the number of Community Land Trusts across Somerset, particularly within rural communities	<p>We will actively encourage the creation of Community Land Trusts. This will be done by:</p> <ul style="list-style-type: none"> Supporting parishes with Housing Need Surveys Ensuring support and advice is provided Put them in touch with relevant organisations that can assist Make grants available 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Support Communities to develop and implement Community Land Trusts Ensure development which is sustainable, where people want to live and communities can thrive <p>Area Key Priorities</p> <ul style="list-style-type: none"> Promote and Support new Community Land Trusts where appropriate Complete Housing Needs Surveys when requested
7	<p>Housing and the Economy - Priority 3: Increase the supply of homes</p> <p>Maintain up to date local plan coverage within each district area and Exmoor National Park and ensure a five-year housing land supply to meet housing targets</p>	<ul style="list-style-type: none"> To work towards delivering our objective assessment of housing need (OAN) of 726 homes a year, ensuring that 206 of this is for affordable housing. 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Enable sufficient housing in appropriate places to meet appropriate needs Maximise the number of affordable homes including providing more affordable homes to support rural economies and communities Ensure development which is sustainable, where people want to live and communities can thrive

No	Objective	Actions	Identified in Council Plan
8	Housing and the Economy - Priority 4: Upskill the local labour force We will introduce off-site / modular construction	<ul style="list-style-type: none"> We will explore desirability and where appropriate use modular or other methods of modern construction 	Protecting Core Services – Housing <ul style="list-style-type: none"> Enable sufficient housing in appropriate places to meet appropriate needs Ensure development which is sustainable, where people want to live and communities can thrive
9	Housing and Health - Priority 1: Maximise positive health impacts through housing development and the lived environment Foster partnerships with developers around the delivery of lifetime homes / space standards to ensure well designed homes that are built for changing life circumstances and adaptability	<ul style="list-style-type: none"> This is covered under objective 1 	Protecting Core Services – Housing <ul style="list-style-type: none"> Match lifelong independent living with appropriate property solutions
10	Housing and Society - Priority1: Support communities with the impact of welfare reform Work as partners to share best practice and consolidate / improve awareness of benefit changes and what it means for families and individuals to help prevent incidence of debt and rent arrears	<ul style="list-style-type: none"> We will ensure the responsible officer is abreast any reviews and upcoming changes to regulations and cascade as needed and continue to respond to consultations concerning the impact of universal credit. 	Protecting Core Services – Housing <ul style="list-style-type: none"> Reduce Homelessness and rough sleeping
11	Housing and Society – Priority 2: Reduce Homelessness and Rough Sleeping Prepare and implement a new statutory county wide homelessness strategy, to include requirements of the Homeless Reduction Act 2017, and to foresee changing economic circumstances including rising interest rates that could increase repossessions	<ul style="list-style-type: none"> We are currently working on the new county-wide Homelessness Strategy. We will continue to increase our prevention efforts and relief including things such as applicants undertaking the Tenancy Accreditation Scheme or accessing debt advice; and preventing families being placed in bed and breakfast accommodation. Look at the temporary accommodation we currently have to see if we have adequate provision. 	Protecting Core Services – Housing Reduce Homelessness and rough sleeping

No	Objective	Actions	Identified in Council Plan
12	<p>Housing and Society - Priority 3: Create and sustain thriving communities Revise and update the existing Gypsy and Traveller Accommodation Assessment and increase the amount of available Gypsy and Traveller pitches across the County, exploring opportunities to use public sector land to make residential and transit site provision</p>	<ul style="list-style-type: none"> Continue to partner with the other districts to identify an appropriate transit site across the county. 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Ensure development which is sustainable, where people want to live and communities can thrive
13	<p>Commissioners and providers of housing and support services are to deliver social value and seek a social return on investment. This will enhance the value of the Somerset £pound and so expand the range and quality of service delivery for the benefit and opportunity of local residents and the voluntary / community sector</p>	<ul style="list-style-type: none"> Start to embed social value into all processes and activities to ensure we maximises the support we give to our Communities. 	<p>Health and Self-Reliant Communities</p> <ul style="list-style-type: none"> Embed social value into all processes and activities to ensure we maximises the support we give to our Communities
14	<p>Seek to create a downward trend in the number of Long Term Empty homes across all districts</p>	<ul style="list-style-type: none"> This should be considered as part of the new Homelessness Strategy to look at long term vacant dwellings; looking at the work that is already happening and how these dwellings may be able to be brought into use 	<p>Protecting Core Services – Housing</p> <ul style="list-style-type: none"> Enable sufficient housing in appropriate places to meet appropriate needs

Agenda Item 11

2018/19 Revenue Budget Monitoring Report for the Period Ending 31 December 2018

Executive Portfolio Holder: Peter Seib, Finance and Legal Services
Director: Netta Meadows, strategy and Support Services
S151 Officer: Paul Fitzgerald, Section 151 Officer
Lead Specialist: Nicola Hix, Lead Specialist - Finance
Contact Details: Nicola.hix@southsomerset.gov.uk or (01935) 462612

Purpose of the Report

1. The purpose of this report is to provide Members with the current projection of the forecast spending and income (“outturn”) against the Council’s approved Revenue Budget for the financial year, and to explain projected variations against budget.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 7th February 2019.

Public Interest

3. This report gives an update on the forecast revenue financial position and budgetary variations of the Council for the financial year 2018/19, as at 31st December 2018. Maintaining the financial health of the organisation is important in ensuring the ongoing delivery of priority services in our community.

Recommendations

4. That the District Executive:
 - a. note the current 2018/19 financial position of the Council;
 - b. note the reasons for variations to the previously approved Directorate Budgets as detailed in paragraph 9, Table 1;
 - c. note the virements made under delegated authority as detailed in Appendix B; and
 - d. note the transfers made to and from reserves outlined in paragraph 28, Table 5 and the position of the Area Reserves as detailed in Appendix C and the Corporate Reserves as detailed in Appendix D.

Background

5. The 2018/19 original budget was approved by Council in February 2018. This represents the financial plans that the Executive manages under their delegated authority and that they monitor in accordance with the Financial Procedure Rules. All of the Council’s income and expenditure has a responsible budget holder who is managing only items within their control.
6. This is the third forecast for the year, which is completed at the end of Quarter 3 (1st April to 31st December 2018). The projected position should be regarded as a reasonable indication of possible differences between actual and budgeted spend and income for the year. Experience shows that the position at the end of the year can vary, sometimes significantly, from early forecasts with time

for management to take corrective action and manage risks and opportunities before the end of the financial year. It should be noted that this year the Council is undergoing significant change including budget holders changing. This both contributes to uncertainty around budgets and may lead to an even more cautious approach than in the past to predicting budget outturn.

Summary of the Current Revenue Financial Position and Forecast Outturn

7. Managers have forecast expenditure and income for the year in order that the expected outturn and the projected variances are identified and reported. Appendix A to this report sets out the position as at the end of quarter 3 and details the forecast outturn for 2018/19.
8. There is currently a net overspend of £272,716 (1.64%) forecast for 2018/19, this is a movement of £488,556 from the Quarter 2 projected underspend of £215,840. The quarterly reporting process has shown some volatility in forecasting this year, with an overspend reported in Q1, and underspend in Q2, and now an overspend in Q3. As referred above, this is in part due to the scale of change underway with the largest phase of changes being implemented this year. This risk of volatility in reporting has been highlighted in previous reporting.
9. Table 1 below details the services with major variances forecast for 2018/19 as predicted at 31st December 2018.

Table 1 – Major Variances (+/- £50,000)

Directorate	Service	Forecast Variance £'000	Explanation of variance
Strategy and Commissioning	Strategic Policies	249	New Strategy & Commissioning Team formed from July 2018, nine months earlier than originally planned, to start work on some large council priorities. Funding for these posts in place from April 2019.
	Sports Facilities	103	The Sports facilities as a whole are currently operating within existing budget parameters. However, there is an overspend anticipated in respect of one-off dilapidations costs at St Michael's Hall.
Support Services	Finance Corporate Costs	-418	Significant over achievement of budget comprising a forecast of additional income from Treasury investments, and then also the insurance premium for the year was less than originally anticipated.
Service Delivery	Development Control	76	Interim staffing levels have temporarily been increased to meet a growth in planning activity and to provide capacity to maintain service levels during significant change. This has partially been offset by an increase in planning application fees.
	Building Control	223	Building Control costs have been inflated as Agency staff have been employed due to difficulty in recruitment, and market competition.
	Housing	100	The Homeless Reduction Act has increased the need for interim staffing resource. We have spent additional money on extra capacity needed as we go through a period of change to ensure that we can deliver resource needed to our vulnerable customers.

Directorate	Service	Forecast Variance £'000	Explanation of variance
Commercial Services and Income Generation	Investment Properties	-271	Anticipated savings at year end due to vacant posts within team throughout the year. Overall, the final variance will be dependent on investment schemes bought forward in the coming months.
	Engineering Services	-79	The repairs and maintenance budget in respect of Land Drainage unlikely to be spent before year end due to resources and weather.
	Car Parking	218	Pay & Display income, Season Tickets income and Penalty Charge Notice income all down against target budget. Year end forecast based on past year income trends.

(Negative figures = underspend / surplus income, positive figures = overspend / income shortfall)

10. Income trends compared to budget remains a concern for managers in some areas as reported last quarter. Managers in the areas concerned are continually monitoring income trends and, if required, plans will be implemented to bring spending and income in line with the approved budgets where deliverable. It is evident that some income reductions cannot be offset within service budgets within the year, and are projected to be a cost in the final outturn position.
11. A key financial risk is the delivery of phased savings as the implementation of the transformation continues. During quarter 2 there were both adverse and favourable variances in relation to salaries and agency costs across different cost centres, this has continued in quarter 3. However, confidence remains high that the full year savings are on track for 2019/20 (when the new operating model will be embedded before the start of the year) and it is anticipated that the transformation savings target for 2018/19 will be fully achieved. It may be necessary to cover some transitional costs from earmarked reserves set aside for this purpose. This is being carefully monitored, and will be clearly addressed in the end of year financial report.
12. The overall forecast is currently showing a potential overspend for the year. Costs will be closely monitored and managed during the remainder of the financial year with a view to reducing the overspend. In addition, the use of earmarked reserves will be reviewed with the aim of mitigating in year cost pressures from reserves where possible. Members are also advised that, as seen in previous years, there is the potential for large changes to the financial position at the end of the financial year, for example in respect of housing benefit subsidy. Whilst the intent is to bring the overall position back to within budget by the end of the financial year, the Council holds adequate reserves to mitigate the reported overspend if necessary.
13. The table below shows the movements on revenue budgets between 1st April 2018 and the 31st December 2018.

Table 2 – Budget movement

	£'000
Approved base budget as at April 2018	16,483.50
2018/19 Carry forwards	118.65
Cocklemoor Bridge from general balances approved February 2016	5.00
Revised Budget as at 31st December 2018	16,607.15

Budget Virements

14. Under the Financial Procedure Rules, providing that the S151 Officer has been notified in advance, Directors/Assistant Directors/Managers may authorise any virements for an individual cost centre within their responsibility. Directors and Assistant Directors can authorise virements, up to a maximum of £25,000, for an overall Directorate that is within their area of responsibility. Portfolio Holders can approve virements between services within their areas of responsibility, up to a maximum of £25,000 per virement. These virements are listed in Appendix B for District Executive to note and have been approved by the S151 Officer.
15. All virements outside of the criteria set out above require the approval of District Executive and, such virements are detailed in the table below.

Table 3 – Virements over £25,000

Amount	From	To	Details
£89,000	Strategic Management	Support Services Specialists	Re-allocation of salary budgets in line with transformation programme.
£29,940	Strategic Management	Area development East	Re-allocation of salary budgets as transformation programme.

Delivery of Savings

16. As part of effective financial planning and control it is important to monitor that savings proposed in the 2018/19 budget setting exercise are being delivered. The table below details the major savings (savings over £25,000) that were proposed and the expected achievement of those savings at year-end.

Table 4 – 2018/19 Budgeted Major Savings (over £25,000)

Description	2018/19 Budget Saving Target £'000	Estimated Actual Saving at Year-End £'000	Shortfall £'000
Transformation	1,222.7	1,222.7	0
Sales, Fees and Charges - Planning	120.0	120.0	0
Garden Waste income price and demand increases	63.6	63.6	0
Sales, Fees and Charges - Horticulture/Grounds/StreetScene	40.0	40.0	0
Private Sector Leasing and Letting Service	34.6	0	-34.6
Total Major Savings	1,480.9	1,446.3	-34.6

(Negative figures = shortfall)

17. Table 3 shows that there is a shortfall of projected income against one of the budgeted savings. The projected shortfall on its own is not material to the overall financial performance for the year, and as reported at the end of 2017/18 there were a number of underspends last year that were not included in original savings targets. It is worth noting that although not reflected in the table above there are areas where income is exceeding the target such as planning fees and garden waste.

Council Tax Support and Council Tax

18. The Council Tax Support Scheme (CTS) provides for discounted tax charges to households with lower income. The authority has set a budget for 2018/19 of £8.410 million for annual CTS discounts.

A total of £8.782 million has been allocated as at 31st December 2018, therefore exceeding the estimate included in the tax base. The cost of CTS is allocated through the Council Tax Collection Fund and is shared between the preceptors in proportion to their relative shares of council tax due for the year (SSDC share is c14.5% for 2018/19). The forecast position in January 2019 will be part of the estimated surplus/deficit on the Collection Fund that will impact the 2019/20 budget.

19. The Hardship Scheme is in place for extreme circumstances with a budget of £30,000 for the year. By the end of Quarter 3 SSDC had received 102 requests for hardship relief of which 81 were successful. The amount awarded to the end of Quarter 3 was £13,055.
20. The in-year collection rate for Council Tax as at December 2018 is 83.72% for 2018/19, compared to 84.50% for Quarter 3 last year. There is a 20% increase in the number of people that are spreading their council tax payments over 12 months rather than 10. This means the collection profile will see more income during February and March than last year. In monetary terms we have collected £4.37 million more than in the same period last year. At the end of Quarter 3 we had reduced the total of £6.394 million outstanding debt relating to previous years by £1.867 million.

Non Domestic Rates

21. The in-year collection rate for Non Domestic Rates at the end of Q3 was 82.40% for 2018/19 compared to 76.04% for last year. The total amount of business rates to be collected can be volatile, for example due to rateable value changes, so it is difficult to estimate end of year outturn precisely. At the end of Q3 we had reduced the total of £2.112 million outstanding debt relating to previous years by £716k.
22. Non Domestic Rates income that we collect is distributed between Government, SSDC, the County Council, and Fire and Rescue Authority under the Business Rates Retention funding system.

Council Tax Reforms

23. Members agreed to amend some discounts to Council Tax from 1st April 2013, one of which relates to long term empty properties (unfurnished and unoccupied for 2 years or more). There were 199 such properties at the end of December 2018. There is a natural turnover of properties with some becoming occupied and others reaching the two year trigger for inclusion in this statistic. At the same point last year there were 188.
24. Legislation has been approved in Parliament to give councils the power to increase the Council Tax premium on empty homes. During the final debate on the Rating (Property in Common Occupation) and Council Tax (Empty Homes Premium) Bill, MPs approved an amendment to enable councils to levy up to 200 per cent council tax premium on homes that have been empty for between five and 10 years, and up to 300 per cent premium on homes that have been empty for 10 years or more. This is in addition to existing plans to allow councils to double the council tax premium for homes that have been empty for two years or more. This matter will be considered by Council at its February meeting.

Discretionary Housing Payments

25. The Government DHP funding allocation for 2018/19 is up to £281k. In addition to this the Council is permitted to spend up to £422k of its own money on DHP awards. By the end of Quarter 3 we had processed 230 DHP applications, 199 of which were successful with a total award value of £126k. A further £17.4k is committed up to the end of this financial year. The total sum paid and committed (£143.6k) represents 51.1% of the government DHP grant. We currently have 32 outstanding DHP applications.

26. Universal Credit recipients have their housing cost support paid directly by DWP, however they are still able to apply to SSDC for a DHP and the number of Universal Credit recipients in the district is increasing each month. Universal credit related DHP's are included in the figures in paragraph 8 above.

Reserves and Balances

27. Reserves are amounts that have been set aside from annual revenue budgets to meet specific known events that will happen in the future. Details of the reserves held within the Areas are provided in Appendix C. The complete list of specific Corporate Reserves and the current balance on each one is provided at Appendix D. The Appendix shows all movements of each one that has been actioned under the authority delegated in the Financial Procedure Rules.

28. Transfers out of specific reserves that require reporting to District Executive for noting are as follows:

Table 5 – Reserves Movements

Reserve	Balance at 01/10/2018 £'000	Transfers In/Out £'000	Balance at 31/12/2018 £'000	Reason for Transfer
Usable Capital Receipts	-24,629	-629	-25,258	Lufton Joint Venture income, sale of land receipt and correction for vehicle purchased by an internal loan. This total slightly reduced by small payment to MHCLG for their share of the 'Pooling of Housing Capital Receipts' income.
Internal Capital Borrowing Reserve	-657	51	-606	Correction for vehicle purchased by an internal loan.
Capital Reserve	-1,314	-23	-1,337	Revenue Contributions to Capital Outlay: Octagon electrics and photovoltaic income.
Internal Capital Borrowing Repayments	-59	-59	-118	Repayment from revenue accounts for internal loans for vehicles and equipment.
Yeovil Refresh Reserve	-122	10	-112	Funds held on behalf of Love Yeovil returned to them.
Treasury Management Reserve	-100	-50	-150	Funding transferred into reserve as agreed at 2018/19 budget setting to provide contingency for investment return volatility.
Revenue Grants Reserve	-758	67	-691	Transfer from reserve for Yeovil One coordinator funding, defibrillator at Yeovil Recreation Centre and homelessness grant to Housing to fund various homelessness project.
Council Tax/ Housing Benefits Reserve	-773	-9	-782	New burdens Grant from DWP.
Closed Churchyard Reserve	2	-14	-12	Transfer from council tax collection fund of contribution to reserve.
Local Strategic Partnership Reserve	-8	-8	0	Funding paid to SPARKS

Reserve	Balance at 01/10/2018 £'000	Transfers In/Out £'000	Balance at 31/12/2018 £'000	Reason for Transfer
Business Support Reserve	-139	17	-122	Various projects to support businesses in Area North
Infrastructure Reserve	-786	132	-654	Funding of Chard Regeneration, Yeovil Refresh and Wincanton regeneration projects.
Ticket Levy Reserve	-71	-25	-96	Transfer from reserve for front of house lights and ticket levies to reserve.

(Negative figures = income, positive figures = costs)

29. **General Fund Balance** represents the accumulated revenue surpluses that are held to mitigate financial risks and unforeseen costs. Within the total, however, are amounts that have been earmarked by the District Executive for specific purposes. The table below shows the current position on the General Fund Balance compared to that previously reported.

Table 6 - General Fund Balance

	£'000
Balance at 1 April 2018	-4,361
Area & Economic Development Balances	121
2018/19 carry forwards	119
Cocklemoor Bridge	5
Commitments (including A303)	173
Current estimated overspend in 2018/19	272
Unallocated General Fund Balance at 31st December 2018	-3,671

(Negative figures = income, positive figures = costs)

30. The latest review of risks to SSDC balances shows that balances need to remain within the range of £2.8 to £3.1 million to meet current financial risks. Current balances as at 31st December exceed this minimum requirement providing added financial resilience to address financial risks if required.

Financial Implications

31. As part of monitoring an assessment of risk has been made. This review of balances and reserves has shown that SSDC currently has sufficient balances to cover major areas of financial risk. The balance at the 31st December 2018 is estimated to be £3.7 million.
32. Details of the current key risks, as identified in the 2018/19 Budget Setting Report, are listed in the table below with an update from the responsible officer.

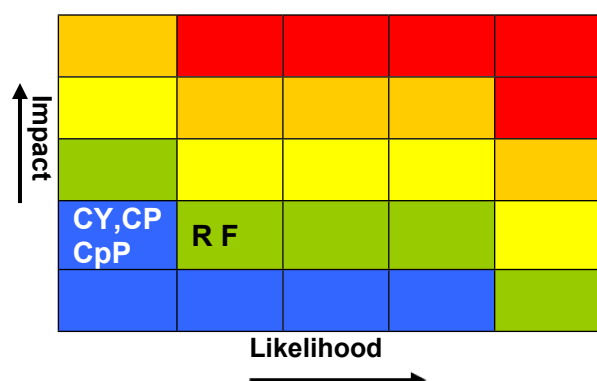
Table 7 - Risks

Current Risk	Responsible Officer	Officer's Update
Interest Rates	S151 Officer	Current predictions are for the Treasury Management income to exceed budget.
Transformation	Chief Executive	The blueprint has confirmed that the £2.5 million savings are forecast to be achievable. One-off and ongoing spend related to the project is being closely monitored.

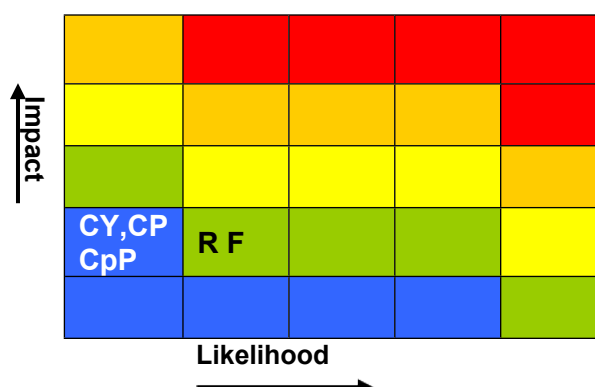
Current Risk	Responsible Officer	Officer's Update
Business Rate income	Director-Service Delivery	The collection rate is up by 6.36% on the previous year's Quarter 3; NDR collection can be quite volatile from quarter to quarter, and year to year. One factor affecting collection is the timing of a payment from a business with a large rates bill. If they pay a few days before the end of the quarter in one year but a few days after the end of the quarter in another year this can significantly change the % collected in that quarter.
The Council Tax Support Scheme	Director-Service Delivery	Current monitoring shows that 104.42% of the budget has been allocated by 31 st December 2018.
Housing Benefit Subsidy	Director-Service Delivery	Current predictions are for the housing benefit subsidy to be on budget at the year-end but the outcome will not be confirmed until the subsidy claim is externally audited. A large surplus was reported at the end of 2017/18.
Planning Income	Director-Service Delivery	Current predictions are for Planning income to exceed the budgeted amount by at least £250k
Building Control Income	Director-Service Delivery	Current predictions are that there will be a £100k shortfall in fee income.
Car parking Income	Director – Commercial Services & Income Generation	Car Park income is currently predicted to be below budget estimates by at least £200k.
Westland Leisure Centre	Director – Commercial Services & Income Generation	A full business plan revision was brought before District Executive in December 2017 in line with the forward plan. Sales and bookings for 2018/19 so far are good.
The UKs Exit from the EU	S151 Officer	We still do not yet know the impact in the medium to long term. If consumer confidence reduces there may be an impact on SSDC's income streams such as planning, licencing, theatre income, and car parking, although this is considered a low risk at this stage. Financing / treasury costs and income may be affected.
Land Charge Searches	Director-Support Services	The update from Land Registry is that they are currently still working on getting all authorities digitalised and then it is expected that the project will start with the South East region. So it is unlikely that there will be any change for SSDC until 2019/20.

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

33. The budget is closely linked to the Council Plan, and maintaining financial resilience and effective resource planning is important to enable the council to continue to fund its priorities for the local community.

Carbon Emissions and Climate Change Implications

34. There are no implications currently in approving this report.

Equality and Diversity Implications

35. When the budget was set any growth or savings made included an assessment of the impact on equalities as part of that exercise.

Privacy Impact Assessment

36. There is no personal information included in this report.

Background Papers

Budget Setting reports to Full Council in February 2018
 Quarter 2 Budget Monitoring to Executive in November 2018.

2018-19 Budget Detail

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
STRATEGIC MANAGEMENT								
Chief Executive : Alex Parmley								
MANAGEMENT BOARD	Expenditure	458,318	394,128	(64,190)	611,090	606,090	(5,000)	Underspend anticipated on training budget
	Income	0	0	0	0	0	0	
	TOTAL	458,318	394,128	(64,190)	611,090	606,090	(5,000)	
TRANSFORMATION	Expenditure	42,990	1,950,293	1,907,303	57,320	57,320	0	<i>Net expenditure will be funded from the Transformation Reserve, therefore this variance is not expected at year end. Salary savings have been identified across service budgets for the Transformation phase 2 and 3 changes.</i>
	Income	0	(3,008)	(3,008)	0	0	0	<i>Income will be offset some of the spend which will result in less being drawn down from the reserve to fund the transformation costs.</i>
	TOTAL	42,990	1,947,285	1,904,295	57,320	57,320	0	
TOTAL STRATEGIC MANAGEMENT	Expenditure	501,308	2,344,421	1,843,113	668,410	663,410	(5,000)	
	Income	0	(3,008)	(3,008)	0	0	0	
	TOTAL	501,308	2,341,413	1,840,105	668,410	663,410	(5,000)	
TOTAL CHIEF EXECUTIVE	Expenditure	501,308	2,344,421	1,843,113	668,410	663,410	(5,000)	
	Income	0	(3,008)	(3,008)	0	0	0	
	TOTAL	501,308	2,341,413	1,840,105	668,410	663,410	(5,000)	
STRATEGY & COMMISSIONING								
Director: Netta Meadows								
PEOPLE PERFORMANCE & CHANGE								
Service Manager : Charlotte Jones								
POLICY & PERFORMANCE	Expenditure	77,029	77,447	418	98,290	98,290	0	
	Income	0	0	0	0	0	0	
	TOTAL	77,029	77,447	418	98,290	98,290	0	
TOTAL PEOPLE PERFORMANCE & CHANGE	Expenditure	77,029	77,447	418	98,290	98,290	0	
	Income	0	0	0	0	0	0	
	TOTAL	77,029	77,447	418	98,290	98,290	0	
COMMUNICATIONS, MARKETING & MEDIA								
Lead Specialist: Richard Birch								
COMMUNICATIONS	Expenditure	23,962	17,589	(6,373)	28,900	21,020	(7,880)	Underspend on pay budget
	Income	0	0	0	0	0	0	
	TOTAL	23,962	17,589	(6,373)	28,900	21,020	(7,880)	
TOTAL COMMUNICATIONS, MARKETING & MEDIA	Expenditure	23,962	17,589	(6,373)	28,900	21,020	(7,880)	
	Income	0	0	0	0	0	0	
	TOTAL	23,962	17,589	(6,373)	28,900	21,020	(7,880)	
STRATEGIC PLANNING								
Service Manager : Jan Gamon								
STRATEGIC POLICIES	Expenditure	277,870	455,704	177,834	400,900	650,690	249,790	Strategy & Commissioning team commenced new roles in July 18, but there was no budgets for Interns, Procurement Officer, Specialist - Performance & Projects. It was anticipated that costs overall would be met through vacancy savings during the year.
	Income	0	(498)	(498)	0	(750)	(750)	Income in respect of Data Protection Officer Services to TBDC
	TOTAL	277,870	455,206	177,336	400,900	649,940	249,040	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
PROCUREMENT & RISK MANAGEMENT	Expenditure	6,200	10,273	4,073	6,590	9,760	3,170	Additional expenditure on consultants fees in respect of Procurement Advice, expenditure on training to be funded from Corporate training budget.
	Income	0	0	0	0	0	0	
	TOTAL	6,200	10,273	4,073	6,590	9,760	3,170	
CIVIL CONTINGENCIES	Expenditure	86,198	86,159	(39)	115,260	106,710	(8,550)	Anticipated underspend on overtime and equipment budgets Income above budget due to worked completed and recharged to East Devon District Council.
	Income	(4,860)	(6,305)	(1,445)	(6,110)	(6,690)	(580)	
	TOTAL	81,338	79,854	(1,484)	109,150	100,020	(9,130)	
PLANNING POLICY	Expenditure	142,844	143,920	1,076	209,460	209,460	0	No budget variance anticipated.
	Income	(21,920)	(20,000)	1,920	(22,560)	(22,560)	0	
	TOTAL	120,924	123,920	2,996	186,900	186,900	0	
TRANSPORT	Expenditure	22,695	30,675	7,980	30,260	30,260	0	No budget variance anticipated.
	Income	0	0	0	0	0	0	
	TOTAL	22,695	30,675	7,980	30,260	30,260	0	
STRATEGIC HOUSING	Expenditure	93,924	152,882	58,958	136,140	229,230	93,090	Positive Lives expenditure which is funded by income, additional expenditure on overtime offset by pay underspend Funding received in respect of Positive Lives, additional income from Housing Partnership Levy and rental income received from housing for rent properties. A budget for the income and expenditure will be added for in 2019/20 annual budgets
	Income	0	(126,787)	(126,787)	0	(130,740)	(130,740)	
	TOTAL	93,924	26,095	(67,829)	136,140	98,490	(37,650)	
GOLDENSTONES	Expenditure	192,510	121,790	(70,720)	256,430	223,690	(32,740)	The Sports facilities as a whole are currently operating within existing budget parameters (see Westland Sport Facility and Sports Facilities).
	Income	(127,283)	(82,605)	44,678	(169,710)	(122,740)	46,970	
	TOTAL	65,227	39,185	(26,042)	86,720	100,950	14,230	
SPORT FACILITIES	Expenditure	115,133	127,675	12,542	153,510	241,520	88,010	The Sports facilities as a whole are currently operating within existing budget parameters (see Westland Sport Facility and Goldenstones). However, there is an overspend anticipated in respect of dilapidations at St Michael's Hall.
	Income	(45,750)	(40,177)	5,573	(61,000)	(45,650)	15,350	
	TOTAL	69,383	87,498	18,115	92,510	195,870	103,360	
WESTLAND SPORT FACILITIES	Expenditure	48,348	12,318	(36,030)	66,130	55,130	(11,000)	The Sports facilities as a whole are currently operating within existing budget parameters (see Westland Sport Facility and Sports Facilities).
	Income	(6,863)	(10,474)	(3,611)	(9,150)	(11,250)	(2,100)	
	TOTAL	41,485	1,844	(39,641)	56,980	43,880	(13,100)	
TOTAL STRATEGIC PLANNING	Expenditure	985,722	1,141,396	155,674	1,374,680	1,756,450	381,770	
	Income	(206,676)	(286,846)	(80,170)	(268,530)	(340,380)	(71,850)	
	TOTAL	779,046	854,550	75,504	1,106,150	1,416,070	309,920	
TOTAL STRATEGY & COMMISSIONING	Expenditure	1,086,713	1,236,432	149,719	1,501,870	1,875,760	373,890	
	Income	(206,676)	(286,846)	(80,170)	(268,530)	(340,380)	(71,850)	
	TOTAL	880,037	949,586	69,549	1,233,340	1,535,380	302,040	
REVENUES & BENEFITS								
Service Manager : Ian Potter								
REVENUES & BENEFITS	Expenditure	1,226,916	1,331,904	104,988	1,567,330	1,597,330	30,000	Income from costs and fees recovered continues to be below budget as we have issued fewer summons than last year. We have some new burdens funding that is yet to be reflected in the budget. I am predicting a small overspend by end of year.
	Income	(388,394)	(327,203)	61,191	(660,640)	(660,640)	0	
	TOTAL	838,522	1,004,701	166,179	906,690	936,690	30,000	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn Accountants' Comments in Italics
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
HOUSING BENEFIT SUBSIDY	Expenditure	22,819,712	23,645,511	825,799	33,756,970	33,756,970	0	Our latest subsidy monitor shows that we are broadly on track for EOY. Subsidy is monitored monthly and the subsidy claim externally audited and finally adjusted autumn 2019. <i>Variance is due to change in payment dates made over the Christmas holiday period.</i>
	Income	(24,103,629)	(24,151,035)	(47,406)	(34,331,430)	(34,331,430)	0	
	TOTAL	(1,283,917)	(505,524)	778,393	(574,460)	(574,460)	0	
TOTAL REVENUES AND BENEFITS	Expenditure	24,046,628	24,977,415	930,787	35,324,300	35,354,300	30,000	
	Income	(24,492,023)	(24,478,238)	13,785	(34,992,070)	(34,992,070)	0	
	TOTAL	(445,395)	499,177	944,572	332,230	362,230	30,000	
OPERATIONS & CUSTOMER FOCUS								
Service Manager : Sharon Jones								
CUSTOMER SERVICES	Expenditure	317,530	321,952	4,422	415,250	418,750	3,500	Additional expenditure on overtime, offset by additional income in respect of provision of reception services to SCC.
	Income	0	(8,603)	(8,603)	0	(8,600)	(8,600)	
	TOTAL	317,530	313,349	(4,181)	415,250	410,150	(5,100)	
TOTAL OPERATIONS & CUSTOMER FOCUS	Expenditure	317,530	321,952	4,422	415,250	418,750	3,500	
	Income	0	(8,603)	(8,603)	0	(8,600)	(8,600)	
	TOTAL	317,530	313,349	(4,181)	415,250	410,150	(5,100)	
LEGAL SERVICES								
Service Head : Angela Watson								
RIGHTS OF WAY	Expenditure	2,917	0	(2,917)	3,890	0	(3,890)	Work in this area is currently provided by an external provider due to resourcing issues. This will mean that there will be no expenditure or income in this area for the 2018/19 year.
	Income	(12,375)	0	12,375	(16,500)	0	16,500	
	TOTAL	(9,458)	0	9,458	(12,610)	0	12,610	
ROAD CHARGES	Expenditure	88,893	67,512	(21,381)	109,020	94,020	(15,000)	Expenditure on work undertaken by SCC expected be less than the budget Income target not anticipated to be achieved
	Income	(357,138)	(322,144)	34,994	(466,680)	(431,680)	35,000	
	TOTAL	(268,245)	(254,632)	13,613	(357,660)	(337,660)	20,000	
TOTAL LEGAL SERVICES	Expenditure	91,810	67,512	(24,298)	112,910	94,020	(18,890)	
	Income	(369,513)	(322,144)	47,369	(483,180)	(431,680)	51,500	
	TOTAL	(277,703)	(254,632)	23,071	(370,270)	(337,660)	32,610	
SUPPORT SERVICES								
Director : Netta Meadows								
SUPPORT SERVICES LEAD SPECIALISTS	Expenditure	272,085	259,657	(12,428)	362,780	358,980	(3,800)	An underspend is expected on pay budgets due to a post being vacant for part of the year. This has been partially offset by additional expenditure on additional staff capacity and advertising of posts.
	Income	0	0	0	0	0	0	
	TOTAL	272,085	259,657	(12,428)	362,780	358,980	(3,800)	
Service Manager: Lisa Davis								
SUPPORT SERVICES SPECIALISTS	Expenditure	689,355	668,723	(20,632)	919,140	909,140	(10,000)	Recruitment underway for vacant specialist post within Finance Service that will utilise some of the variance. Discussions underway regarding vacant legal specialist post going forward.
	Income	0	0	0	0	0	0	
	TOTAL	689,355	668,723	(20,632)	919,140	909,140	(10,000)	
FINANCE CORPORATE COSTS	Expenditure	2,029,931	2,066,079	36,148	2,589,970	2,471,970	(118,000)	Insurance budget expected to underspend, offset by overspend on investment management charges Forecast of additional income from Treasury investments.
	Income	(625,863)	(665,324)	(39,461)	(1,339,910)	(1,639,910)	(300,000)	
	TOTAL	1,404,068	1,400,755	(3,313)	1,250,060	832,060	(418,000)	
SUPPORT SERVICES CASE OFFICERS	Expenditure	690,300	683,530	(6,770)	920,400	920,400	0	
	Income	0	0	0	0	0	0	
	TOTAL	690,300	683,530	(6,770)	920,400	920,400	0	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
SUPPORT SERVICES FUNCTION - CASE WORK	Expenditure	274,547	217,732	(56,815)	367,530	323,430	(44,100)	New equipment has been funded out of transformation budgets and therefore the need for replacement items has reduced this year, underspend expected on telephones and copier related charges Income target against the central printing budget is unachievable given the drive for digital services reducing printing demand and our prices now being brought into line with commercial prices meaning customer base has reduced. The mobile phone rebate income budget also not achievable.
	Income	(85,103)	(34,666)	50,437	(113,470)	(47,350)	66,120	
	TOTAL	189,444	183,066	(6,378)	254,060	276,080	22,020	
SUPPORT SERVICES FUNCTION - FINANCE	Expenditure	65,124	58,831	(6,293)	93,820	93,820	0	No variance anticipated
	Income	(17,830)	(10,894)	6,936	(18,330)	(18,330)	0	
	TOTAL	47,294	47,937	643	75,490	75,490	0	
SUPPORT SERVICES FUNCTION - HUMAN RESOURCES	Expenditure	59,445	22,308	(37,137)	79,260	79,260	0	No variance anticipated
	Income	(10,375)	(4,265)	6,110	(12,870)	(12,870)	0	
	TOTAL	49,070	18,043	(31,027)	66,390	66,390	0	
SUPPORT SERVICES FUNCTION - INFORMATION TECHNOLOGY	Expenditure	357,621	779,132	421,511	484,430	498,430	14,000	Expenditure in advance has been made on maintenance of Microsoft and VMware software this expenditure will be transferred to next year. The expenditure on network charges is anticipated to exceed the budget.
	Income	(13,355)	(7,505)	5,850	(16,770)	(16,770)	0	
	TOTAL	344,266	771,627	427,361	467,660	481,660	14,000	
SUPPORT SERVICES FUNCTION - ELECTIONS	Expenditure	98,533	133,782	35,249	167,830	187,830	20,000	Expected overspend due to a combination of the IER grant reduction and increased costs of printing and postage.
	Income	(6,015)	(27,696)	(21,681)	(8,020)	(8,020)	0	
	TOTAL	92,518	106,086	13,568	159,810	179,810	20,000	
SUPPORT SERVICES FUNCTION - DEMOCRATIC SERVICES	Expenditure	449,523	433,293	(16,230)	596,710	596,710	0	No variance anticipated
	Income	(1,050)	(2,075)	(1,025)	(1,400)	(1,400)	0	
	TOTAL	448,473	431,218	(17,255)	595,310	595,310	0	
SUPPORT SERVICES FUNCTION - LEGAL	Expenditure	75,325	59,910	(15,415)	91,600	91,600	0	Income in respect of legal fees and costs recovered anticipated to be less than the budget.
	Income	(55,685)	(26,010)	29,675	(73,880)	(53,880)	20,000	
	TOTAL	19,640	33,900	14,260	17,720	37,720	20,000	
TOTAL SUPPORT SERVICES	Expenditure	5,061,789	5,382,977	321,188	6,673,470	6,531,570	(141,900)	
	Income	(815,276)	(778,435)	36,841	(1,584,650)	(1,798,530)	(213,880)	
	TOTAL	4,246,513	4,604,542	358,029	5,088,820	4,733,040	(355,780)	
TOTAL DIRECTOR OF STRATEGY & SUPPORT SERVICES	Expenditure	30,604,470	31,986,288	1,381,818	44,027,800	44,274,400	246,600	
	Income	(25,883,488)	(25,874,266)	9,222	(37,328,430)	(37,571,260)	(242,830)	
	TOTAL	4,720,982	6,112,022	1,391,040	6,699,370	6,703,140	3,770	
ECONOMIC DEVELOPMENT								
Service Manager : Peter Paddon								
ECONOMIC DEVELOPMENT	Expenditure	179,738	164,806	(14,932)	239,650	239,650	0	No budget variance anticipated.
	Income	0	0	0	0	0	0	
	TOTAL	179,738	164,806	(14,932)	239,650	239,650	0	
TOTAL ECONOMIC DEVELOPMENT	Expenditure	179,738	164,806	(14,932)	239,650	239,650	0	
	Income	0	0	0	0	0	0	
	TOTAL	179,738	164,806	(14,932)	239,650	239,650	0	
TOURISM & HERITAGE								
Service Manager : Katy Menday								
TOURISM	Expenditure	146,337	100,777	(45,560)	194,530	194,530	0	Expenditure as expected for the time of year. Main destination publication being designed and printed and so expenditure not yet processed. Events ticket sales were lower this year than in previous years, but improved retail income has offset any decrease in income.
	Income	(63,037)	(40,751)	22,286	(84,050)	(84,050)	0	
	TOTAL	83,300	60,026	(23,274)	110,480	110,480	0	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
HERITAGE	Expenditure	43,785	30,396	(13,389)	58,380	53,120	(5,260)	Underspend on salaries due to a vacant post, this will change under the new Leisure and Recreation structure with the new Case Officer, Community Heritage, starting on 1st march. All remaining expenditure as expected for the time of year.
	Income	(2,340)	(1,728)	612	(3,120)	(3,120)	0	Grant income of £300 to be claimed against the WWI project to offset print costs.
	TOTAL	41,445	28,668	(12,777)	55,260	50,000	(5,260)	
TOTAL TOURISM & HERITAGE	Expenditure	190,122	131,173	(58,949)	252,910	247,650	(5,260)	
	Income	(65,377)	(42,479)	22,898	(87,170)	(87,170)	0	
	TOTAL	124,745	88,694	(36,051)	165,740	160,480	(5,260)	
REGENERATION								
Service Manager : Natalie Fortt								
REGENERATION	Expenditure	151,700	132,586	(19,114)	167,100	167,100	0	All three regenerations programmes are now progressing well, which has resulted
	Income	(105,500)	(117,008)	(11,508)	(105,500)	(105,500)	0	in an expected increase in project expenditure
	TOTAL	46,200	15,578	(30,622)	61,600	61,600	0	
TOTAL REGENERATION	Expenditure	151,700	132,586	(19,114)	167,100	167,100	0	
	Income	(105,500)	(117,008)	(11,508)	(105,500)	(105,500)	0	
	TOTAL	46,200	15,578	(30,622)	61,600	61,600	0	
INCOME OPPORTUNITY DEVELOPMENT								
Service Manager : James Dival								
INCOME OPPORTUNITY DEVELOPMENT	Expenditure	283,072	249,045	(34,027)	366,730	366,730	0	A key concern on expenditure budgets is NNDR (£29k) which is being pro-actively targeted with filling the room allocation in YIC 1, but this is being offset by an underspend on staff budgets.
	Income	(410,415)	(383,574)	26,841	(436,730)	(436,730)	0	Rent is below budget but in the last two weeks we have filled 4 more rooms in the innovation centre 2. The review of the 19/20 budget and structuring of the expenditure and income budgets has been important to be able to visually align and understand the costs and income moving forward.
	TOTAL	(127,343)	(134,529)	(7,186)	(70,000)	(70,000)	0	
TOTAL INCOME OPPORTUNITY DEVELOPMENT	Expenditure	283,072	249,045	(34,027)	366,730	366,730	0	
	Income	(410,415)	(383,574)	26,841	(436,730)	(436,730)	0	
	TOTAL	(127,343)	(134,529)	(7,186)	(70,000)	(70,000)	0	
DEVELOPMENT CONTROL								
Service Manager : Simon Fox								
DEVELOPMENT CONTROL	Expenditure	916,053	1,158,757	242,704	1,220,070	1,613,440	393,370	<i>Additional expenditure on additional capacity to deal with demand. Assumed this capacity will remain until the end of March.</i>
	Income	(1,047,962)	(1,244,177)	(196,215)	(1,395,950)	(1,713,070)	(317,120)	<i>Additional income from Pre-application and application fees</i>
	TOTAL	(131,909)	(85,420)	46,489	(175,880)	(99,630)	76,250	
TOTAL DEVELOPMENT CONTROL	Expenditure	916,053	1,158,757	242,704	1,220,070	1,613,440	393,370	
	Income	(1,047,962)	(1,244,177)	(196,215)	(1,395,950)	(1,713,070)	(317,120)	
	TOTAL	(131,909)	(85,420)	46,489	(175,880)	(99,630)	76,250	
ENVIRONMENTAL HEALTH								
Service Manager : Vicki Dawson								
HOUSING STANDARDS	Expenditure	146,580	131,408	(15,172)	195,440	177,940	(17,500)	An underspend is expected on pay and travel budgets
	Income	(50,587)	(69,287)	(18,700)	(67,450)	(64,950)	2,500	Additional income expected due to new HMO licencing requirements which have been introduced this year. Income from HMO licences for 5 yrs included need to move to future years.
Portfolio Holder : Cllr Sylvia Seal	TOTAL	95,993	62,121	(33,872)	127,990	112,990	(15,000)	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
ENVIRONMENTAL HEALTH & COMMUNITY PROTECTION	Expenditure	520,949	507,955	(12,994)	715,500	708,000	(7,500)	Underspend predicted of between £5K and £10K. Mostly due to small underspends in a variety of areas for example mileage, subscriptions and printing.
	Income	(60,963)	(54,883)	6,080	(71,660)	(71,660)	0	
Portfolio Holder : Cllr Jason Baker	TOTAL	459,986	453,072	(6,914)	643,840	636,340	(7,500)	
ENFORCEMENT	Expenditure	59,598	65,363	5,765	78,380	78,380	0	No budget variance anticipated.
	Income	(2,250)	(461)	1,789	(3,000)	(3,000)	0	
Portfolio Holder : Cllr Jason Baker	TOTAL	57,348	64,902	7,554	75,380	75,380	0	
TOTAL ENVIRONMENTAL HEALTH	Expenditure	727,127	704,726	(22,401)	989,320	964,320	(25,000)	
	Income	(113,800)	(124,631)	(10,831)	(142,110)	(139,610)	2,500	
	TOTAL	613,327	580,095	(33,232)	847,210	824,710	(22,500)	
BUILDING CONTROL								
Service Manager : Dave Durrant								
BUILDING CONTROL	Expenditure	328,933	415,686	86,753	601,240	721,910	120,670	Additional expenditure in respect of additional staff capacity. Fee income expected to be less than budget due to increased competition in the market
	Income	(382,857)	(308,847)	74,010	(661,240)	(558,470)	102,770	
Portfolio Holder : Cllr Nick Weeks	TOTAL	(53,924)	106,839	160,763	(60,000)	163,440	223,440	
TOTAL BUILDING CONTROL	Expenditure	328,933	415,686	86,753	601,240	721,910	120,670	
	Income	(382,857)	(308,847)	74,010	(661,240)	(558,470)	102,770	
	TOTAL	(53,924)	106,839	160,763	(60,000)	163,440	223,440	
LICENSING								
Service Manager : Nigel Marston								
LICENSING	Expenditure	161,888	184,351	22,463	215,850	240,000	24,150	Additional expenditure in respect of additional staff capacity. Income anticipated to exceed the annual budget.
	Income	(266,081)	(328,354)	(62,273)	(310,610)	(370,000)	(59,390)	
Portfolio Holder : Cllr Angie Singleton	TOTAL	(104,193)	(144,003)	(39,810)	(94,760)	(130,000)	(35,240)	
TOTAL LICENSING	Expenditure	161,888	184,351	22,463	215,850	240,000	24,150	
	Income	(266,081)	(328,354)	(62,273)	(310,610)	(370,000)	(59,390)	
	TOTAL	(104,193)	(144,003)	(39,810)	(94,760)	(130,000)	(35,240)	
HOUSING & WELFARE								
Service Manager: Alice Knight/Barbie Markey								
HOUSING	Expenditure	1,213,925	993,560	(220,365)	1,504,420	1,604,420	100,000	Additional funds spent on extra capacity needed as we go through a period of change to ensure that we can deliver resource needed to our vulnerable customers.
	Income	(696,375)	(529,236)	167,139	(759,480)	(759,480)	0	
Portfolio Holder : Cllr Sylvia Seal	TOTAL	517,550	464,324	(53,226)	744,940	844,940	100,000	
WELFARE	Expenditure	239,675	243,153	3,478	303,460	303,460	0	
	Income	(400,925)	(404,273)	(3,348)	(421,500)	(421,500)	0	
Portfolio Holder : Cllr Sylvia Seal	TOTAL	(161,250)	(161,120)	130	(118,040)	(118,040)	0	
TOTAL HOUSING & WELFARE	Expenditure	1,453,600	1,236,713	(216,887)	1,807,880	1,907,880	100,000	
	Income	(1,097,300)	(933,509)	163,791	(1,180,980)	(1,180,980)	0	
	TOTAL	356,300	303,204	(53,096)	626,900	726,900	100,000	
TOTAL DIRECTOR OF SERVICE DELIVERY	Expenditure	4,392,233	4,377,843	(14,390)	5,860,750	6,468,680	607,930	
	Income	(3,489,292)	(3,482,579)	6,713	(4,320,290)	(4,591,530)	(271,240)	
	TOTAL	902,941	895,264	(7,677)	1,540,460	1,877,150	336,690	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
COMMUNITIES, THIRD SECTOR & PARTNERSHIPS								
Service Manager : Jan Gamon								
CENTRAL COMMUNITIES TEAM	Expenditure	256,277	297,059	40,782	335,360	335,360	0	Expenditure expected to be on target for the year. Contribution to purchase of Grant Finder. No other income expected.
	Income	0	(2,500)	(2,500)	0	0	0	
Portfolio Holder : Cllr Val Keitch	TOTAL	256,277	294,559	38,282	335,360	335,360	0	
COMMUNITY SAFETY	Expenditure	45,052	9,136	(35,916)	57,140	13,986	(43,154)	Expenditure underspend due to Community Safety & Project Co-ordinator role being vacant all year.
	Income	0	0	0	0	0	0	
Portfolio Holder : Cllr Peter Gubbins	TOTAL	45,052	9,136	(35,916)	57,140	13,986	(43,154)	
TOTAL COMMUNITIES, THIRD SECTOR & PARTNERSHIPS	Expenditure	301,329	306,195	4,866	392,500	349,346	(43,154)	
	Income	0	(2,500)	(2,500)	0	0	0	
	TOTAL	301,329	303,695	2,366	392,500	349,346	(43,154)	
AREA EAST								
Service Manager : Tim Cook								
EAST AREA DEVELOPMENT	Expenditure	82,640	87,311	4,671	107,520	112,520	5,000	Current overspend due to salary/transformation changes. A slight overspend forecast because of this. Expected to be on target for the year.
	Income	(11,382)	(12,110)	(728)	(12,510)	(12,510)	0	
Area Chairman : Cllr Nick Weeks	TOTAL	71,258	75,201	3,943	95,010	100,010	5,000	
EAST GRANTS	Expenditure	38,570	14,640	(23,930)	44,650	44,650	0	To be fully allocated by year end.
	Income	0	0	0	0	0	0	
Area Chairman : Cllr Nick Weeks	TOTAL	38,570	14,640	(23,930)	44,650	44,650	0	
EAST PROJECTS	Expenditure	0	51,632	51,632	0	70,078	70,078	Heart of Rail Partnership project. This will have a nil variance at year-end. Heart of Rail Partnership project contributions.
	Income	0	(70,078)	(70,078)	0	(70,078)	(70,078)	
Area Chairman : Cllr Nick Weeks	TOTAL	0	(18,446)	(18,446)	0	0	0	
TOTAL AREA EAST	Expenditure	121,210	153,583	32,373	152,170	227,248	75,078	
	Income	(11,382)	(82,188)	(70,806)	(12,510)	(82,588)	(70,078)	
	TOTAL	109,828	71,395	(38,433)	139,660	144,660	5,000	
AREA NORTH								
Service Manager : Tim Cook								
NORTH AREA DEVELOPMENT	Expenditure	83,921	98,945	15,024	102,500	120,000	17,500	Current overspend due to salary/transformation changes. A forecast overspend because of this.
	Income	(18,090)	(18,094)	(4)	(18,090)	(18,090)	0	
Area Chairman : Cllr Graham Middleton	TOTAL	65,831	80,851	15,020	84,410	101,910	17,500	
NORTH GRANTS	Expenditure	8,010	5,968	(2,042)	10,680	10,680	0	To be fully allocated by year end.
	Income	0	0	0	0	0	0	
Area Chairman : Cllr Graham Middleton	TOTAL	8,010	5,968	(2,042)	10,680	10,680	0	
TOTAL AREA NORTH	Expenditure	91,931	104,913	12,982	113,180	130,680	17,500	
	Income	(18,090)	(18,094)	(4)	(18,090)	(18,090)	0	
	TOTAL	73,841	86,819	12,978	95,090	112,590	17,500	
AREA SOUTH								
Service Manager : Tim Cook								
SOUTH AREA DEVELOPMENT	Expenditure	140,280	140,179	(101)	185,450	185,450	0	Expected to be on budget at year end. Income expected to be achieved by year end.
	Income	(8,775)	(11,874)	(3,099)	(11,700)	(11,700)	0	
Area Chairman : Cllr Peter Gubbins	TOTAL	131,505	128,305	(3,200)	173,750	173,750	0	
SOUTH GRANTS	Expenditure	37,685	25,295	(12,390)	45,480	45,480	0	To be fully allocated by year end.
	Income	0	0	0	0	0	0	
Area Chairman : Cllr Peter Gubbins	TOTAL	37,685	25,295	(12,390)	45,480	45,480	0	
SOUTH PROJECTS	Expenditure	17,975	18,158	183	22,760	22,760	0	Expenditure currently on target, expected nil variance at year end. Income currently on target, expected nil variance at year end.
	Income	(22,760)	(22,762)	(2)	(22,760)	(22,760)	0	
Area Chairman : Cllr Peter Gubbins	TOTAL	(4,785)	(4,604)	181	0	0	0	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
TOTAL AREA SOUTH	Expenditure	195,940	183,632	(12,308)	253,690	253,690	0	
	Income	(31,535)	(34,636)	(3,101)	(34,460)	(34,460)	0	
	TOTAL	164,405	148,996	(15,409)	219,230	219,230	0	
AREA WEST								
Service Manager : Tim Cook								
WEST AREA DEVELOPMENT	Expenditure	98,558	129,204	30,646	131,410	166,410	35,000	Current overspend due to salary/transformation changes. A forecast overspend because of this. Income expected to over-achieve this year.
	Income	(2,633)	(6,208)	(3,575)	(3,510)	(8,277)	(4,767)	
Area Chairman : Jason Baker	TOTAL	95,925	122,996	27,071	127,900	158,133	30,233	
WEST GRANTS	Expenditure	38,390	21,136	(17,254)	44,950	44,950	0	To be fully allocated by year end.
	Income	0	0	0	0	0	0	
Area Chairman : Jason Baker	TOTAL	38,390	21,136	(17,254)	44,950	44,950	0	
WEST PROJECTS	Expenditure	16,310	26,964	10,654	21,950	34,950	13,000	Expenditure relates to the Market Towns Investment Group project - this is topped up from reserves at the end of the year. Loss of rental/room booking resulting in income loss.
	Income	(10,447)	847	11,294	(13,930)	0	13,930	
Area Chairman : Jason Baker	TOTAL	5,863	27,811	21,948	8,020	34,950	26,930	
TOTAL AREA WEST	Expenditure	153,258	177,304	24,046	198,310	246,310	48,000	
	Income	(13,080)	(5,361)	7,719	(17,440)	(8,277)	9,163	
	TOTAL	140,178	171,943	31,765	180,870	238,033	57,163	
TOTAL COMMUNITIES	Expenditure	863,668	925,627	61,959	1,109,850	1,207,274	97,424	
	Income	(74,087)	(142,779)	(68,692)	(82,500)	(143,415)	(60,915)	
	TOTAL	789,581	782,848	(6,733)	1,027,350	1,063,859	36,509	
ENGINEERING & PROPERTY SERVICES								
Service Manager : Robert Orrett								
ENGINEERING SERVICES	Expenditure	441,515	361,902	(79,613)	575,410	495,410	(80,000)	The repairs & maintenance budget in respect of Land Drainage unlikely to be spent before year end due to resources and weather. A refund payment may be required in respect of a dispute with an energy provider.
	Income	(63,540)	(62,747)	793	(84,720)	(83,720)	1,000	
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	377,975	299,155	(78,820)	490,690	411,690	(79,000)	
PROPERTY MANAGEMENT	Expenditure	903,438	894,151	(9,287)	1,136,140	1,123,757	(12,383)	Expenditure slightly less than expected for this point in the year, current spending indicates there will be a minor underspend at year-end. Income due from SCC service charges not yet received at Q3. Forecast outturn based on past year trends, with the addition of the Brympton Way Canteen, which is forecast to underachieve by £29k.
	Income	(467,177)	(391,607)	75,570	(614,490)	(546,626)	67,864	
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	436,261	502,544	66,283	521,650	577,131	55,481	
COMMERCIAL PROPERTY	Expenditure	28,538	27,565	(973)	47,240	47,240	0	Expenditure at the expected level for this point in the year. Rental income on target for the year. Income target expected to be achieved.
	Income	(60,485)	(58,783)	1,702	(61,130)	(61,130)	0	
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	(31,947)	(31,218)	729	(13,890)	(13,890)	0	
INVESTMENT PROPERTY	Expenditure	604,961	356,348	(248,613)	804,150	604,150	(200,000)	Anticipated savings at year end due to vacant posts within team throughout the year. Large part of variance related to accounting journal needed for MRP on investment purchases. Overall, the final variance will be dependent on investment schemes bought forward in the coming months. Timing of recent creates a small favourable variance against budget set. Also additional income in relation to recent completion added expected favourable year end forecast.
	Income	(908,271)	(1,044,897)	(136,626)	(1,142,510)	(1,214,128)	(71,618)	
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	(303,310)	(688,549)	(385,239)	(338,360)	(609,978)	(271,618)	
CAR PARKING	Expenditure	617,657	506,055	(111,602)	793,750	787,750	(6,000)	Underspend largely to outstanding service charge owed to Waitrose for both 2016/17 & 2017/18, which will have nil variance due to a year-end provision. Forecast underspend due to changing cash collection service provider.

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
	Income	(1,603,784)	(1,429,290)	174,494	(2,130,670)	(1,905,807)	224,863	Pay & Display income down £121k on target, Season Tickets down £32k and PCN income down £23k along with £10k of rental payments due. Year end forecast based on past year income trends.
Portfolio Holder : Cllrs Henry Hobhouse & Peter Seib	TOTAL	(986,127)	(923,235)	62,892	(1,336,920)	(1,118,057)	218,863	
TOTAL ENGINEERING & PROPERTY SERVICES	Expenditure	2,596,109	2,146,021	(450,088)	3,356,690	3,058,307	(298,383)	
	Income	(3,103,257)	(2,987,324)	115,933	(4,033,520)	(3,811,411)	222,109	
	TOTAL	(507,148)	(841,303)	(334,155)	(676,830)	(753,104)	(76,274)	
STREETSCENE								
Service Manager : Chris Cooper								
HORTICULTURE & GROUNDS MAINTENANCE	Expenditure	2,281,899	2,386,017	104,118	3,043,880	3,043,880	0	Expenditure is on target, we anticipate some fluctuations over December/January in line with profiling, however expenditure is being very closely controlled and expenditure will be in line with additional income to prevent overspending. Income is above profile, however this has been used to cover unforeseeable expenditure within budget, we expect the pattern of additional income to continue to the end of the financial year.
& STREETCLEANING	Income	(930,514)	(1,038,927)	(108,413)	(1,380,950)	(1,380,950)	0	
Portfolio Holder : Cllr Jo Roundell Greene	TOTAL	1,351,385	1,347,090	(4,295)	1,662,930	1,662,930	0	
TOTAL STREETSCENE	Expenditure	2,281,899	2,386,017	104,118	3,043,880	3,043,880	0	
	Income	(930,514)	(1,038,927)	(108,413)	(1,380,950)	(1,380,950)	0	
	TOTAL	1,351,385	1,347,090	(4,295)	1,662,930	1,662,930	0	
WASTE & RECYCLING								
Service Manager : Chris Cooper								
WASTE & RECYCLING	Expenditure	4,549,944	4,554,899	4,955	6,073,360	6,073,360	0	Expenditure is on target for the year Additional income anticipated in respect of Garden Waste Services
	Income	(1,384,948)	(1,402,755)	(17,807)	(1,616,360)	(1,736,360)	(120,000)	
Portfolio Holder : Cllr Jo Roundell Greene	TOTAL	3,164,996	3,152,144	(12,852)	4,457,000	4,337,000	(120,000)	
TOTAL WASTE COLLECTION	Expenditure	4,549,944	4,554,899	4,955	6,073,360	6,073,360	0	
	Income	(1,384,948)	(1,402,755)	(17,807)	(1,616,360)	(1,736,360)	(120,000)	
	TOTAL	3,164,996	3,152,144	(12,852)	4,457,000	4,337,000	(120,000)	
ARTS & ENTERTAINMENT								
Service Manager : Adam Burgan								
ARTS	Expenditure	1,643,618	1,647,266	3,648	2,156,320	2,210,275	53,955	A solid first nine months at the Octagon with higher ticket sales off-setting increased performance costs.
	Income	(1,435,375)	(1,786,621)	(351,246)	(1,888,770)	(1,941,168)	(52,398)	
Portfolio Holder : Cllr Sylvia Seal	TOTAL	208,243	(139,355)	(347,598)	267,550	269,107	1,557	
WESTLANDS LEISURE COMPLEX	Expenditure	978,189	966,865	(11,324)	1,388,350	1,234,595	(153,755)	Expenditure is due to come in under budget. There have been two years of rates charged to this financial year, reducing the expected underspend. The underspend is due to fewer events as the venue's reputation is built up. Income under-achieved due to fewer events as work is ongoing to build up the number of events and users of the venue.
	Income	(865,278)	(866,787)	(1,509)	(1,235,980)	(985,472)	250,508	
Portfolio Holder : Cllr Sylvia Seal	TOTAL	112,911	100,078	(12,833)	152,370	249,123	96,753	
TOTAL ARTS	Expenditure	2,621,807	2,614,131	(7,676)	3,544,670	3,444,870	(99,800)	
	Income	(2,300,653)	(2,653,408)	(352,755)	(3,124,750)	(2,926,640)	198,110	
	TOTAL	321,154	(39,277)	(360,431)	419,920	518,230	98,310	

Service with Elements		Year to date			Outturn Forecast			Budget Holders' Comments on Variances to Profiled Budgets & Outturn <i>Accountants' Comments in Italics</i>
		Budget to 31st December £	Actual to 31st December £	Variance to 31st December £	Annual Budget £	Expected Total by Year End £	Variance expected 31/03/19 £	
COMMUNITY HEALTH & LEISURE								
Service Manager : Katy Menday								
COMMUNITY HEALTH & LEISURE	Expenditure	604,343	718,088	113,745	777,540	947,540	170,000	Expenditure as expected for period. Yeovil Rec Centre overspends will be compensated for in last quarter as we invoice Yeovil College for the capital and annual contributions towards the new car parking area. Yeovil Artificial Grass Pitch (AGP) coming back on budget as the winter income from pitch bookings is generated. Income high on Yeovil AGP from pitch hire over the winter season. Income on GL509 from College to cover expenditure.
	Income	(195,529)	(349,547)	(154,018)	(263,930)	(433,930)	(170,000)	
Portfolio Holder : Cllr Sylvia Seal	TOTAL	408,814	368,541	(40,273)	513,610	513,610	0	
TOTAL COMMUNITY HEALTH & LEISURE	Expenditure	604,343	718,088	113,745	777,540	947,540	170,000	
	Income	(195,529)	(349,547)	(154,018)	(263,930)	(433,930)	(170,000)	
	TOTAL	408,814	368,541	(40,273)	513,610	513,610	0	
COUNTRYSIDE								
Service Manager : Katy Menday								
COUNTRYSIDE	Expenditure	433,330	522,438	89,108	579,900	696,584	116,684	There is expected to be an increase in expenditure in Ham Hill Country Park wages to cover a key member of staff who is on sick leave. Their absence needs to be temporarily covered to fulfil H&S obligations to other staff members working on site. There has also been an increased expenditure on Ham Hill Country Park due to repair work after the CCTV cables were vandalised after an attempted break in at the rangers centre. Income from Ninesprings cafe is expected to be above that of last year for periods 10-12 due to the introduction of parkrun which is boosting Saturday sales at a particularly quiet time of year. Both Yeovil Country Park and Ham Hill Country Park will have an increased income on log sales as the cutting season continues until end of period 12.
	Income	(196,462)	(302,207)	(105,745)	(284,970)	(402,943)	(117,973)	
Portfolio Holder : Cllr Sylvia Seal	TOTAL	236,868	220,231	(16,637)	294,930	293,641	(1,289)	
TOTAL COUNTRYSIDE	Expenditure	433,330	522,438	89,108	579,900	696,584	116,684	
	Income	(196,462)	(302,207)	(105,745)	(284,970)	(402,943)	(117,973)	
	TOTAL	236,868	220,231	(16,637)	294,930	293,641	(1,289)	
TOTAL DIRECTOR OF COMMERCIAL SERVICES & INCOME GENERATION	Expenditure	13,087,432	12,941,594	(145,838)	17,376,040	17,264,541	(111,499)	
	Income	(8,111,363)	(8,734,168)	(622,805)	(10,704,480)	(10,692,234)	12,246	
	TOTAL	4,976,069	4,207,426	(768,643)	6,671,560	6,572,307	(99,253)	
TOTAL SSDC	Expenditure	49,449,111	52,575,773	3,126,662	69,042,850	69,878,305	835,455	
	Income	(37,558,230)	(38,236,800)	(678,570)	(52,435,700)	(52,998,439)	(562,739)	
	TOTAL	11,890,881	14,338,973	2,448,092	16,607,150	16,879,866	272,716	

Appendix B

The following virements should be noted:

Value £	To	From	Description
10,910	Insurance	Postages	Movement of budget as part of Transformation programme.

Appendix C

AREA RESERVES Quarter 3 2018/19

Allocation of Reserves	Approval Date	Approved Allocation	Balance 2018/19	Transfer from Reserves during 2018/19
		£	£	£
Area East Balance B/fwd 1st April 2018			-49,190	
Community Planning - Project Spend	Apr-05	50,000	15,930	
Derelict Sites Castle Cary	Jun-05	4,000	4,000	
Rural Business Units	Nov-05	25,000	5,800	
Retail Support Initiative	May-09	10,000	10,000	
Wincanton Retail Support Initiative	Jul-14	10,000	10,000	
Totals			45,730	0
Balance of reserve Unallocated Balance 31st March 2019			-3,460	-49,190
Area North Balance B/fwd 1st April 2018			-23,900	
Support towards progressing affordable rural housing schemes	Mar-09	15,000	10,000	
Totals			10,000	0
Balance of reserve Unallocated Balance 31st March 2019			-13,900	-23,900
Area West Balance B/fwd 1st April 2018			-46,220	
Totals			0	0
Balance of reserve Unallocated Balance 31st March 2019			-46,220	-46,220

(Negative Figures = income, Positive figures = costs)

(Area South has no reserve remaining)

Appendix D Summary of Usable Reserves

The following table shows the current balance on each usable reserve and the movements since 1 April 2018

Reserves	Balance as at 01/04/2018	Movement	Balance as at 31/12/2018
	£'000	£'000	£'000
Usable Capital Receipts	-24,611	-647	-25,258
Internal Borrowing Reserve	-657	51	-606
Internal Borrowing Repayments	-59	-59	-118
Capital Reserve	-1,274	-63	-1,337
Cremator Replacement Capital Reserve	-549	0	-549
Election Reserve	-190	0	-190
Wincanton Sports Centre Reserve	-21	0	-21
Local Plan Enquiry Reserve	-71	0	-71
Yeovil Athletic Track Repairs Fund	-151	-18	-169
Planning Delivery Reserve	-16	0	-16
Bristol to Weymouth Rail Reserve	-26	0	-26
Local Authority Business Growth Initiative Reserve	-14	0	-14
Yeovil Refresh	-122	10	-112
IT Replacement Reserve	-10	0	-10
Insurance Fund	-50	0	-50
Transformation Reserve	-2,265	0	-2,265
Treasury Management Reserve	-100	-50	-150
Local Plan Implementation Fund	-125	0	-125
Revenue Grants Reserve	-788	97	-691
MTFP Support Fund	-6,012	0	-6,012
Council Tax/Housing Benefits Reserve	-625	-157	-782
Closed Churchyards Reserve	2	-14	-12
Health Inequalities	-31	0	-31
Deposit Guarantee Claims Reserve	-5	0	-5
Park Homes Replacement Reserve	-165	0	-165
Planning Obligations Admin Reserve	-35	0	-35
LSP	-8	8	0
Artificial Grass Pitch Reserve	-108	-15	-123
Business Support Scheme	-139	17	-122
Infrastructure Reserve	-803	149	-654
NNDR Volatility Reserve	-3,955	0	-3,955
Ticket Levy Reserve	-35	-61	-96
Waste Reserve	-215	0	-215
Community Housing Fund	-211	0	-211
Total Usable Reserves	-43,444	-752	-44,196

(Negative Figures = income, Positive figures = costs)

the list above excludes the reserves which are not usable by Members. These are the Capital Adjustment Account, Revaluation Reserve, Available for Sale Reserve, Financial Instrument Adjustment Account, Pensions Reserve and Collection Fund Adjustment Account

Agenda Item 12

2018/19 Capital Budget Monitoring Report for the Period Ending 31st December 2018

Executive Portfolio Holder: Peter Seib, Finance and Legal Services
Director: Netta Meadows, Strategy & Support Services
S151 Officer: Paul Fitzgerald, Section 151 Officer
Lead Specialist: Nicola Hix, Lead Specialist - Finance
Specialist: Ross Eaton, Specialist - Finance
Contact Details: ross.eaton@southsomerset.gov.uk or (01935) 462274

Purpose of the Report

1. The purpose of this report is to provide Members with an in-year projection in 2018/19 of the forecast spending ("outturn") against the Council's approved Capital Programme Budget, and to explain projected variations against individual projects and the Programme as a whole.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of February 2018.

Public Interest

3. This report gives an update on the forecast capital financial position and budgetary variations for the financial year 2018/19, as at 31st December 2018. Maintaining effective control over capital spending within approved budgets helps to ensure capital investment is affordable and meets agreed priorities.

Recommendations

4. That the District Executive:
 - a. Note the content of the report;
 - b. Approve the revised Capital Programme spend profile as detailed in paragraph 7, Table 1.
 - c. Approve the projects listed on Appendix B remain in the capital programme.

Background

5. Full Council approved the Capital Programme in February 2018. Monitoring of the agreed programme has been delegated to District Executive.

Capital Programmes

6. The revised gross Capital Programme for this financial year and beyond is attached in Appendix A. The forecast spend during 2018/19 has been revised from **£18.126 million** to **£24.043 million** as shown in Table 1 below. Additional information is included to show the various sources of planned funding for the Programme, shown on Table 2.

Table 1 – Revised Gross Capital Programme Q3 2018/19

	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Total £'000
Net Capital Programme for Q2 of 2018/19 onwards approved by DX in November 2018	18,126	5,559	3,548	7	1	27,241
Plus capital projects approved:						
Affordable Housing - Day Care Centre	2					2
Loan to Somerset Waste Partnership for Vehicles		1,500				
Plus S106 Projects Approved:						
Grants for Parishes with Play Area – Curry Rivel		1				1
Snowden Park Play Area Equipment, Chard		12				12
Manor Farm, Forton	98					1
Plus allocations to/from the reserve list:						
Investment in Property	9,047					9,047
Affordable Housing - Bought not built Allocation		-201				-201
Affordable Housing - Mortgage Rescue Contingency Fund		-277				-277
Plus area projects approved:						
Huish Episcopi Pool	25					25
Access review of Stoke Sports & Recreation Trust 5-year plan	12					12
Community Kids Playgroup Grant	2					2
Caryford Community Hall extension & refurbishment	13					13
Less area projects returned to reserves:						
Chilthorne Domer Recreational Trust Pavilion Alterations	-1					-1
RSI-Alex Appleton Jewellers	-1					-1
Castle Cary Market House	-5					-5
Loan Wincanton Memorial Hall Trustees-New heating & air con	-5					-5
Kingsdon Village Shop refurbishment	-2					-7
Hadspen Village Hall - Car Park Extension	-2					-2
Westfield Academy-New Bus Park Bay	-13					-13
Re-profiling of forecast spending between financial years	-3,253	6,757	-3,499	-5		0
Revised Gross Capital Programme for 2018/19 at 30th December 2018	24,043	13,351	49	2	1	37,446

7. As Table 1 shows the total planned capital investment in the approved programme 2018/19 to 2022/23 has increased from **£27.241 million** to **£37.446 million**. This is primarily due to the addition of Investment Property purchases, and an increase of the loan to Somerset Waste Partnership.
8. The detail of the Capital Programme showing all the projects included in the approved budget is shown in Appendix A.

Table 2 – Capital Programme Sources of Funding 2018/19

	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Total £'000
External Grants & Contributions - Assets	224	389	5	0	0	618
External Grants & Contributions – REFCUS*	2,309	96	0	0	0	2,405
Capital Receipts - Repayment of Loans	826	2,307	2,812	2,862	1,968	10,775
Capital Fund Earmarked Reserve	367	0	41	0	0	408
Unallocated Capital Reserve	2	0	0	0	0	2
Capital Receipts Reserve	1,428	7,408	-2,809	-2,860	-1,967	1,200
Borrowing	18,887	3,151	0	0	0	22,038
Total Capital Programme Financing	24,043	13,351	49	2	1	37,446

*REFCUS = Revenue Expenditure Financed as Capital Under Statute. This is for costs of a capital nature that do not create assets for the council e.g. capital grants to the other entities.

Progress on various schemes

9. Progress on individual schemes is attached on Appendix A. Appendix A also incorporates responsible officer comments on forecast spending profile between financial years and performance against targets. There are a small number of capital projects reporting minor variations to budget overall, which combined report a £25,000 underspend for the programme as a whole.
10. Within the current financial year £14.809 million has been spent up to the end of Q3, of the total of £24.043 million projected for the year. The most significant areas of spend so far this year include:
 - £11.2m acquiring investment properties, with the purpose of generating income to pay for council services.
 - £1.1m at the Yeovil Innovation Centre.
 - £0.75m on Transformation.
 - £0.52m on play areas, play equipment and other leisure schemes.
 - £0.44m on disabled facilities grants for adaptations in homes.
11. Schemes which are expected to be delayed this year and are more than £50,000 and have slipped to 2019/20 are shown on Table 3:

Table 3 – Capital Project over £50k delayed into 2019/20

Project	Date Funding Approved	Slippage to 2019/20 £'000	Reason for Delay
Affordable Housing - Rural exception, Misterton (Yarlington)	Oct 2015	198	Still awaiting planning permission. If not awarded by 5 th July 2019 this funding will be withdrawn.

Affordable Housing - Furnham Road Phase II/Jarman Way, Chard (LiveWest)	Oct 2015	100	This scheme has commenced and LiveWest will be requesting the agreed 50% start-on-site tranche imminently, with the remainder slipping into 2019/20.
Project	Date Funding Approved	Slippage to 2019/20 £'000	Reason for Delay
Affordable Housing - North Street, Crewkerne	Sep 2016	390	The scheme is likely to go ahead this financial year with the start-on-site tranche claimable as soon as works commence, but only part of the funding will be claimed in 2018/19, with the remainder slipping into 2019/20.
Affordable Housing - West End Close, South Petherton (Stonewater)	Nov 2017	398	The scheme is due to commence imminently, but only part of the funding will be claimed in 2018/19, with the remainder slipping into 2019/20.
Affordable Housing - 4 Properties Chard Working Mens Club (Stonewater)	May 2017	162	Scheme delayed - contamination on site, expecting to start-on-site this financial year but no claims to be made until next year.
Affordable Housing - Magna at South St, Crewkerne		175	Start-on-site tranche expected to be claimed in 2019/20. The current expectation is that some of this funding can be rescinded at some stage in the future.
New Car Parks (District-wide)	Feb 2008	232	Most of this programme has been delivered in previous years. With the final residual element there have been delays with obtaining planning consent and also releasing the legal covenant.
Enhancement to various SSDC Buildings	Feb 2016	139	Funding held pending review of all SSDC accommodation.
Confidential Scheme	Jul 2017	150	Tenders to be sought.
Disabled Facilities Grants	Mar 2018	350	Grants can only be processed following referral. Ongoing work with SCC to look at effective use of Better Care money for prevention work.
Purchase of Road Sweeper	Feb 2017	145	The vehicle is on order but is unlikely to be ready for collection before April, therefore expenditure will need to carry over to 2019/20.

(the figures shown above are included in the slippage figure at the bottom of the table in paragraph 6)

Capital Programme & Reserves

- The total capital reserve schemes approved in principle currently has a forecast gross spend of £60.935 million over the period 2019/20 to 2022/23, with a further £0.537 million across the Area capital reserves that are currently awaiting allocation. Detail of these reserve schemes can be found on page 4 of Appendix A.
- The total current capital programme, contingent liabilities and reserves allocates a total gross spend of some £98.918 million to various schemes over the next five years. This includes significant

approved funding commitments that are held in the “reserve schemes” list pending individual projects moving into the operational programme, including for example investment properties, regeneration schemes, affordable housing schemes. Further details are shown in Appendix A, and summarised below in Table 4.

Table 4 – Capital Programme and Reserve Schemes for 2018/19 - 2022/23

	£'000
Capital Programme (as detailed in paragraph 7)	37,446
Contingent Liabilities and Reserve Schemes	61,472
Total Programme to be Financed	98,918

Projects agreed at or before August 2014

14. Schemes that were agreed before May 2014 that have not yet completed are detailed on Appendix B. Appendix B also incorporates responsible officer comments on the reason for the delay, and the risks of not retaining the funding.

Additional Income

15. This section highlights any new S106 funding that has been received by the Council and added to the capital programme within the last quarter. It is recommended the capital programme budget is increased and funded by the amounts shown in the table below:

Table 5 – Additional Capital funding received Q3 2018/19

Project	Additional funding received £'000
Chard Swimming Pool	126
Huish Episcopi Swimming Pool	46
Manor farm, Forton	34
Milford Adventure park	5
Total	211

Flexible Use of Capital Receipts

16. Since the efficiency strategy was agreed, capital receipts that have been received so far from the sale of property that can be utilised for the revenue costs of the transformation programme, remains at £204,000. The strategy previously identified a funding requirement of £500,000 to be delivered through new capital receipts between 2016/17 and 2018/19 financial years. Without the income from asset sales, additional revenue resources will be needed to provide the necessary funding of transformation costs.

Disposals to Housing Associations

17. Since the last quarter there have been no further disposals of surplus/non-strategic land at less than best consideration to Housing Associations as agreed under the delegated authority awarded to the appropriate portfolio holder in conjunction with the S151 Officer. The total disposals/leases of this nature agreed, since the policy began, remains at £1.573 million.

Section 106 (S106) Deposits by Developers

18. S106 agreements are legal agreements between local authorities and developers that are linked to a planning permission. The total balance held is £3,630,782. This is purely a whole district South

Somerset District Council financial summary, more detail on S106's is given to Area Committees on an annual basis.

Wessex Home Improvement Loans (WHIL)

19. WHIL works in partnership with the Council to provide finance to homeowners for essential maintenance and improvement works to their property. Loans are increasingly replacing grants allowing the Council to re-circulate funds.
20. The District Executive previously agreed a loan (outside the original policy) for Wessex Home Improvement Loans (Wessex Resolutions CIC) to provide a loan of £200,000 to Somerset Care and Repair Ltd at a 4.5% fixed interest rate, with capital and interest being repayable over 15 years. This loan is to go towards completing the conversion of the Milford Inn, Yeovil into six flats, and to enable the building of three housing units in the grounds. All of the £200,000 has now been drawn-down and the conversion of Milford Inn has now been finished.
21. The Council has £672,988 of capital invested with WHIL. As at the end of September 2018 there was £504,014 on the loan book and £168,974 as available capital.

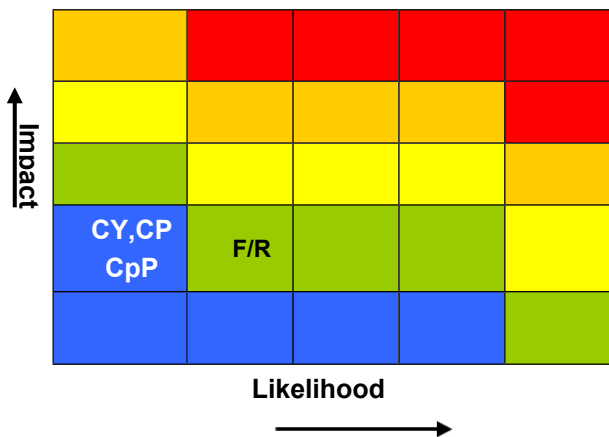
Financial Implications

22. These are contained in the body of the report.

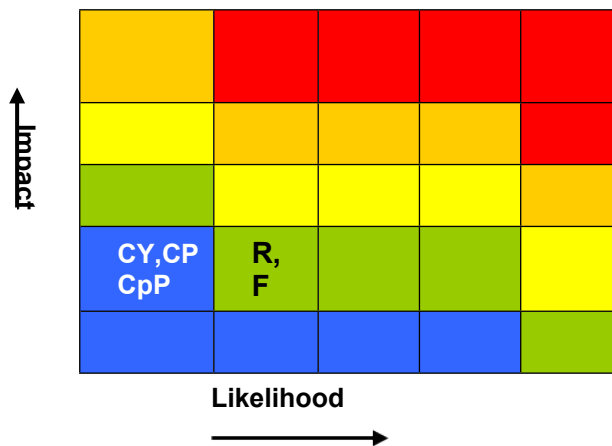
Risk Matrix

23. This matrix only identifies the risk associated with taking the decision as set out in the report as the recommendations. Should there be any proposal to amend the recommendations by either members or officers at the meeting then the impact on the matrix and the risks it identifies must be considered prior to the vote on the recommendations taking place.

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability

CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

24. The budget is closely linked to the Council Plan and any capital bids are scored accordingly.

Carbon Emissions and Climate Change Implications

25. There are no specific implications in these proposals.

Equality and Diversity Implications

26. There are no specific implications in these proposals.

Privacy Impact Assessment

27. There is no personal information included within this report.

Background Papers

28. Capital Programme Budget report to Council in February 2018.

CAPITAL PROGRAMME GROSS EXPENDITURE 2018/19 - 2022/23

Scheme	Original Approval Date	Current Approved Budget £000s	Spend in Previous Years £000s	2018/19 Estimated Spend £000s	2018/19 Actual Spend to Date £000s	2018/19 Projected Further Spend £000s	Future Years Estimated Spend £000s	Total Forecast Project Spend £000s	Forecast Underspend (-) / Overspend £000s	Forecast Underspend (-) / Overspend %	Project Officer	Comments
STRATEGIC MANAGEMENT												
Chief Executive - Alex Parmley												
Transformation	Mar-16	1,791	897	894	757	137	0	1,791	0	0%	C Starkey	Project continues to remain within profiled budget allocated. Close monitoring of budget will continue, ensuring the split between capital and revenue is correct for the project and spend remains as profiled.
Subtotal for Strategic Management		1,791	897	894	757	137	0	1,791	0			
STRATEGY & COMMISSIONING												
Director - Netta Meadows												
STRATEGIC PLANNING												
Service Manager - Jan Gamon												
STRATEGIC HOUSING												
Portfolio Holder - Cllr Val Keitch												
Affordable Housing - Rural exception, Misterton (Yarlington)	Oct-15	397	0	0	0	0	397	397	0	0%	J Gamon	Time limited allocation. DX agreed to withdraw the award of £397k grant to Yarlington for the proposed scheme in the event that suitable planning permission is not in place before 5th July 2019.
Affordable Housing - Furnham Road Phase II, Chard (Knightstone)	Oct-15	200	0	100	0	100	100	200	0	0%	J Gamon	This scheme has commenced and LiveWest will be requesting the agreed 50% start-on-site tranche imminently.
Affordable Housing - Bought not built Allocation	Sep-14	99	99	0	0	0	0	99	0	0%	J Gamon	Contingency funding now moved to a reserve until required.
Affordable Housing - Mortgage Rescue Contingency Fund	Sep-14	0	0	0	0	0	0	0	0	0%	J Gamon	Contingency funding now moved to a reserve until required.
Affordable Housing - North Street, Crewkerne	Sep-16	1,040	0	0	0	0	1,040	1,040	0	0%	J Gamon	The scheme is likely to go ahead this financial year with the start-on-site tranche claimable as soon as works commence. The scheme is underwritten and some or all of our funding may be rescinded if Stonewater are successful in securing funding through Homes England.
Affordable Housing - West End Close, South Petherton (Stonewater)	Nov-17	995	0	398	0	398	597	995	0	0%	J Gamon	The scheme is due to commence imminently - it is likely that all of the funding allocated will be required due to a low level of HE funding for the CLT units.
Affordable Housing - 4 Properties Chard Working Mens Club (Stonewater)	May-17	216	0	0	0	0	216	216	0	0%	J Gamon	Scheme delayed - contamination on site, expecting to start-on-site this financial year but no claims to be made until next year.
Affordable Housing - 5 Bought not Built (BCHA)	Jul-17	92	0	92	74	18	0	92	0	0%	J Gamon	This scheme is co-funded with the bulk being paid over by Homes England. It consists of 5 x individual bought not built properties of which three have been completed and two are yet to be purchased.
Affordable Housing - Magna at South St, Crewkerne		350	0	0	0	0	350	350	0	0%	J Gamon	Start-on-site tranche expected to be claimed in 2019/20. It remains possible that Magna will obtain Homes England funding but probably not to the full extent of the underwriting. The current expectation is that some of this funding can be rescinded at some stage in the future.
Affordable Housing - Day Care Centre		2	0	2	2	0	0	2	0	0%	J Gamon	Funded from the capital grants unapplied reserve. This will be repaid by SCC so will not remain on the Capital programme.
GOLDENSTONES												
Portfolio Holder - Cllr Sylvia Seal												
Goldenstones 10 Yr Plan Changing Rm's Refurbishment	Mar-17	285	228	15	0	15	42	285	0	0%	L Pincombe	Required to deliver planned preventative maintenance as per 2018 ten year plans and for repayment of changing room improvements. Property services are responsible for organising maintenance works. Some 2018/19 planned maintenance will slip into 2019/20.
SPORT FACILITIES												
Portfolio Holder - Cllr Sylvia Seal												
Wincanton Community Sports Centre 10 year plan	Sep-12	178	136	0	0	0	42	178	0	0%	L Pincombe	Required to deliver planned preventative maintenance as per 2018 ten year plans. Property services are responsible for organising maintenance works. All 2018/19 planned maintenance will slip into 2019/20.
WESTLANDS SPORT FACILITIES												
Portfolio Holder - Cllr Sylvia Seal												
Westlands Sports & Pavilion	Oct-15	1,284	1,262	22	1	21	0	1,284	0	0%	J Hannis	Capital maintenance delayed. Re-profiled into 2019/20.
SPATIAL POLICY												
Service manager: Jo Wilkins												
Portfolio Holder - Cllr Angie Singleton												
Lyde Road Pedestrian & Cycle Way, Yeovil	Feb-17	250	0	0	0	0	250	250	0	0%	P Paddon	SCC as the highway authority has now set up a Project Board, which includes SSDC officer representation, to progress the delivery of this scheme. The actual spend will now occur in 2019/20.
Subtotal for Strategy & Commissioning		5,388	1,725	629	77	552	3,034	5,388				

SUPPORT SERVICES												
Director - Netta Meadows												
FINANCIAL SERVICES												
Lead Specialist - Nicola Hix												
Portfolio Holder - Cllr Peter Seib												
Capital Salaries		2,946	2,921	25	0	25	0	2,946	0	0%	N Hix	Figure to be calculated the end of the financial year as dependant on officer time on projects.
Loan to Somerset Waste Partnership - Repayment (1)	Oct-14	0	0	0	0	0	0	0	0	0%	N Hix	Repayment plan anticipated as planned.
Loan to Somerset Waste Partnership for Vehicles (2)	Feb-17	5,000	0	0	0	0	5,000	5,000	0	0%	N Hix	Loan remains allocated as profiled for draw down in 2020/21.
Loan to Somerset Waste Partnership - Repayment (2)	Feb-17	0	0	0	0	0	0	0	0	0%	N Hix	Repayment plan anticipated as planned.
Loan to Hinton St George Shop - Repayment	Oct-15	0	0	0	0	0	0	0	0	0%	N Hix	Repayment plan anticipated as planned.
ICT SERVICES												
Lead Specialist - Dave Chubb												
Portfolio Holder - Cllr Henry Hobhouse												
ICT Infrastructure Replacement	Feb-17	171	167	4	6	-2	0	173	2	1%	D Chubb	Scheme completed.
Subtotal for Support Services		8,117	3,088	29	6	23	5,000	8,119				
SERVICE DELIVERY												
Director - Martin Woods												
ECONOMIC DEVELOPMENT												
Service manager: David Julian/Peter Paddon												
Portfolio Holder - Cllr Jo Roundell-Greene												
Yeovil Innovation Centre Phase II	Feb-16	1,747	515	1,194	1,141	53	38	1,747	0	0%	P Biggenden	Project completed. 2019/20 expenditure to be £37,375 retention from main contractor contract.
Yeovil Innovation Centre Photovoltaics		16	0	0	0	0	16	16	0	0%	P Biggenden	Works due to go ahead in 2019/20.
Purchase Land at Boden St, Chard	Dec-17	50	0	50	51	-1	0	51	1	2%	P Biggenden	Purchase of land completed at £51k.
ENVIRONMENTAL HEALTH												
Service Manager - Vicky Dawson												
Portfolio Holder - Cllr Val Keitch												
Disabled Facilities Grants		12,193	10,907	936	358	578	350	12,193	0	0%	V Dawson	Estimated slippage of £350K. Grants can only be processed following referral. Ongoing work with SCC to look at effective use of Better Care money for prevention work.
Empty Property Grants	Feb-17	1,304	1,239	40	29	11	25	1,304	0	0%	V Dawson	Estimated underspend of around £37k. £12k to be vired to Home repairs assistance to cover forecast overspend.
Home Repairs Assistance	Feb-17	1,412	1,350	62	44	18	0	1,412	0	0%	V Dawson	Current overspend predicted of around £12k, virement from Empty Property Grants to cover this.
HMO Grants	Feb-17	713	661	52	13	39	0	713	0	0%	V Dawson	Currently on target.
Subtotal for Service Delivery		17,435	14,672	2,334	1,636	698	429	17,436				
COMMERCIAL SERVICES & INCOME GENERATION												
Director - Clare Pestell												
COMMUNITIES												
Service Manager - Helen Rutter												
Portfolio Holder - Cllr Val Keitch												
Reckleford Gyrratory (Eastern Gateway) Yeovil	Feb-07	1,651	1,637	14	12	2	0	1,649	-2	0%	N Fortt	Retention now paid, so the project is complete.
Land Acquisition in Waterside Rd, Wincanton	Feb-08	4	4	0	0	0	0	4	0	0%	P Williams	Project completed.
Enhancements to Waterside Rd, Wincanton	Feb-08	31	0	31	0	31	0	31	0	0%	P Williams	Liaising about possible transfer to Wincanton Town Council, costing for tree management work received & follow-up due Jan 2019
Castle Cary Fairfield Project		2	0	2	2	-0	0	2	0	0%	P Williams	Opening event 01/09/18. Grant paid.
Area North Committee Allocation		135	50	85	27	58	0	135	0	0%	T Cook	Updates reported to Area Committee.
Area South Committee Allocation		114	0	114	17	97	0	114	0	0%	N Fortt	Updates reported to Area Committee.
Area East Committee Allocation		78	6	72	30	42	0	78	0	0%	P Williams	Updates reported to Area Committee.
Area West Committee Allocation		34	0	34	18	16	0	34	0	0%	T Cook	Updates reported to Area Committee.
ENGINEERING AND PROPERTY SERVICES												
Service Manager - Clare Pestell												
Portfolio Holder - Cllr Henry Hobhouse												
Investment in Property	Jul-17	30,810	11,923	18,887	11,201	7,686	0	30,810	0	0%	R Orrett	Following update report taken to DX in December 18, no further actual spend during Qtr 2 on new investment. Spend relates to allocation of funding to existing projects in line with original budget and/or increase of funding in line with urgent decision report to DX.
Car Park Enhancements	Feb-17	235	207	0	0	0	28	235	0	0%	R Orrett	Spend profiled to 2019/20 in line with programme.
New Car Parks	Feb-08	810	570	0	0	-0	240	810	0	0%	R Orrett	There have been delays with obtaining planning consent and also releasing the legal covenant. Re-profiled to 2019/20.
Enhanc to SSDC Bldgs	Feb-16	618	320	39	39	-0	259	618	0	0%	R Orrett	Remaining budget held pending accommodation review.
Transfer of Castle Cary Market House	Apr-16	45	20	25	0	25	0	45	0	0%	R Orrett	Still due to complete by year-end.
Lufton 2000, Yeovil - All Phases	May-16	1,280	1,280	0	0	0	0	1,280	0	0%	R Orrett	Various plots sold in year.
Yeovil Crematorium 5 year plan	Feb-16	686	626	36	36	0	24	686	0	0%	P Biggenden	Re-profiled all into 2019/20 as additional works aside from the refurbishment. Fire alarm upgrade planned for next year.

Confidential Projects	Jul-17	4,000	114	300	254	46	3,586	4,000	0	0%	P Bigginden	Tenders to be sought.
Petters Way Refurbishment	Jun-18	250	0	66	36	30	184	250	0	0%	P Bigginden	Phases 1 and 2 virtually complete – works to reception [south] starting end of February.
Manor Farm, Forton	Jul-18	98	0	98	76	22	0	98	0	0%	M Hicks	Funds expected to be paid out before the end of April.
STREETSCENE												
Service Manager - Chris Cooper												
Portfolio Holder - Cllr Jo Roundell Greene												
Access all Areas Footpaths on Open Spaces	Feb-16	127	116	11	0	11	0	127	0	0%	S Fox	Works will be carried out this financial year as weather conditions allow.
Purchase of Road Sweeper	Feb-17	145	0	0	0	0	145	145	0	0%	C Cooper	The vehicle is on order but is unlikely to be ready for collection before April, therefore expenditure will need to carry over to 2019/20.
Internal Lease for Isuzu Easyshift E6 Truck		51	51	0	0	0	0	51	0	0%	C Cooper	Funded through an internal loan which will be repaid from the revenue budget.
Lufton Depot Artillery Rd - MOT Centre, Yeovil		40	23	17	17	0	0	40	0	0%	C Cooper	No further spend in 2018/19.
ARTS AND ENTERTAINMENT									0	0%		
Service Manager - Adam Burgan									0	0%		
Portfolio Holder - Cllr Sylvia Seal									0	0%		
Octagon Dimmer Lighting	Feb-16	64	0	64	41	23	0	41	-23	-35%	A Burgan	The Dimmers have now been installed and work is complete.
Westland Entertainment Venue	Oct-15	2,407	2,859	-452	-21	-431	0	2,407	0	0%	A Burgan	Retention on site paid out during quarter one. Internal loan repayments being made in line with original agreement.
Yeovil Rec Centre	Feb-07	12	0	12	28	-16	0	12	0	0%	J Hannis	Project completed on time and on budget.
Upgrade Joanna France Building	Feb-16	27	0	27	0	27	0	27	0	0%	J Hannis	Need to complete new lease arrangements before progressing with building work. May slip into 2019/20.
COMMUNITY HEALTH AND LEISURE												
Service Manager - Katy Menday												
Portfolio Holder - Cllr Sylvia Seal												
Multi Use Games Area	Feb-08	457	370	87	90	-3	0	457	0	0%	R Parr	Projects completed.
Grants for Parishes with Play Area - Ilton	Feb-08	770	753	5	5	-0	12	770	0	0%	R Parr	Remaining funding earmarked for Ilton Playing Field Project which is under development.
Grants for Parishes with Play Area - Curry Rivel	S106	22	20	0	0	0	2	22	0	0%	R Parr	A retention sum of £2,174 has not yet been paid to Curry Rivel PC due to be paid in 2019/20.
Milford Adventure Park	S106	27	-1	28	26	2	0	27	0	0%	R Parr	Project Completed.
Grant to West Coker Recreation Ground Play Area	S106	10	11	-1	0	-1	0	10	0	0%	R Parr	Project Completed.
Grant for Stoke Sub Hamdon Recreational Ground	Qtr 3 14/15	10	0	0	0	0	10	10	0	0%	R Parr	Fundraising has been achieved for this project and mobilisation for construction is underway.
Grant for Youth Facilities	Qtr 3 14/15	5	0	0	0	0	5	5	0	0%	R Parr	Projects under development
Wyndham Park Play Area Equipment	S106	130	79	0	0	0	51	130	0	0%	R Parr	Location of MUGA awaiting wider planning decisions.
Cuckoo Hill Play Area Equipment	S106	55	54	1	0	1	0	55	0	0%	R Parr	Project Completed.
Jarman Way, Chard - Play Area Equipment	S106	42	14	0	0	0	28	42	0	0%	R Parr	Project under development.
Grass Royal Play Equipment	Feb-16	19	19	0	1	-1	0	19	0	0%	R Parr	Project Completed.
Snowden Park Play Area Equipment, Chard	S106	69	19	22	22	0	28	69	0	0%	R Parr	Last phase of construction due in 2019/20.
Harbin Fields, Yeovil - Play Area Equipment	S106	61	3	35	35	0	23	61	0	0%	R Parr	Play Area built and open to the public, final funds to be spent on minor upgrades.
Canal Way, Ilminster Play Area Equipment	S106	96	1	25	1	24	70	96	0	0%	R Parr	Construction work expected to start in March 2019.
Old Kelways Play Area, Langport	S106	54	22	19	19	-0	13	54	0	0%	R Parr	Project under development.
Flagship Play Area	Feb-18	142	0	4	4	-0	138	142	0	0%	R Parr	Final designs being produced with succesful tenderer.
Grant to Donald Pither Memorial Ground, Castle Cary	S106	11	0	11	11	0	0	11	0	0%	R Parr	Project Completed.
Grant for Merriott Rec Ground	S106	29	0	15	15	0	14	29	0	0%	R Parr	Remaining funding has not yet been received from developer to enable final payment to Parish Council.
Curry Mallet Play Area	S106	7	0	7	7	0	0	7	0	0%	R Parr	Project Completed.
Riverside Park Planting Scheme	S106	23	1	12	12	0	10	23	0	0%	R Whaites	Re-profiled spend for remaining years. Less spent in 2018/19 due to additional pressures on staff capacity.
Grant to Milborne Port Rec Changing Rooms	Mar-14	41	36	5	0	5	0	41	0	0%	L Pincombe	The PC is now working proactively with the new Locality team to prioritise use of this money and other unallocated S106 funding.
Dual Use Sport Centre Grants	Feb-05	263	258	5	0	5	0	263	0	0%	L Pincombe	Project is finished. Any remaining money here should be used for the pool project at Huish where we have outstanding money to pay.
Huish Episcopi Swimming Pool	Apr-16 /Aug-17	504	168	270	270	-0	66	504	0	0%	L Pincombe	Facility now complete and open to the public. Claims paid up to date. A final claim expected at the end of the retention period which will be paid as S106 funding becomes available.
Langport Memorial Ground New Changing Facilities	S106	7	3	0	0	0	4	7	0	0%	L Pincombe	Still at feasibility stage, the Locality team will be picking up this project in 2019/2020 with a view to moving it forward.
Forton Playing Pitches, Chard	S106	85	0	85	0	85	0	85	0	0%	L Pincombe	Conveyance of land nearly completed. Expected to be completed by year end providing some final points in respect of the conveyance can be agreed with SCC.
Babcary Playing Field	S106	4	0	4	4	-0	0	4	0	0%	L Pincombe	Project completed.
Holyrood Sports Pavilion	S106	14	0	14	0	14	0	14	0	0%	L Pincombe	Provisional funding offer made for sports hall improvements at Holyrood Academy. Money will not be released until community usage is assured and an agreement in place. (this may slip into next year).

Somerton Playing Field	S106	22	0	22	0	22	0	22	0	0%	L Pincombe	Claim submitted, still awaiting copies of invoices paid before payment can be released. New temporary changing has already been installed and is in use.
Chard Swimming Pool	S106	0	0	0	0	0	0	0	0	0%	L Pincombe	S106 money transferred to capital code.
Total for Commercial Services & Income Generation		46,733	21,636	20,157	12,334	7,823	4,940	46,708	-25			
Total Gross Capital Programme		79,464	42,018	24,043	14,809	9,233	13,403	79,442	-25			

CAPITAL PROGRAMME FUNDING 2018/19 - 2022/23

Scheme	2018/19 Est Funding £000s
External Grants & Contributions - Assets	224
External Grants & Contributions - REFCUS	2,309
Repayment Loans	826
Internal Borrowing Repayments	0
Capital Fund	367
Unallocated Capital Reserve	2
Internal Borrowing Reserve	0
Usable Capital Receipts	1,428
Internally Borrowed not Usable Capital Receipts	18,887
Total Capital Programme Financing	24,043

REFCUS = Revenue Expenditure Funded by Capital Under Statute. This is expenditure on assets not owned by the authority e.g. parish play areas funded through S106.

RESERVE SCHEMES APPROVED IN PRINCIPLE

Scheme	Original Date of Project Approval	Previous Year's Spend £000s	2018/19 Est Spend £000s	Actual Spend to 31 Dec 2018 £000s	Future Est Spend £000s
Yeovil Refresh		0	0	0	429
Wyndham Park Community Facilities	Mar-17	0	0	0	400
Market Towns Vision	Feb-06	377	0	0	355
Investment in Land, Property & Renewables		0	0	0	54,030
Gas Control System - Birchfield	Feb-13	130	0	0	485
Affordable Housing - Unallocated	Feb-14	0	0	0	558
Affordable Housing - Yeovil	Feb-14	0	0	0	72
Affordable Housing - Rural Contingency Fund	Sep-16	0	0	0	500
Investment in Market Housing	Feb-15	0	0	0	1,931
ICT Replacement		0	0	0	277
Transformation	Mar-16	0	0	0	459
Contingency for Plant Failure		0	0	0	199
Home Farm, Somerton		0	0	0	298
Lufton 2000, Yeovil - All Phases	Apr-99	1,280	0	0	240
Sports Zone	Feb-08	0	0	0	0
Gypsy & Traveller Acquisition Fund	Feb-09	17	0	0	133
Infrastructure & Park Homes Contingency	Sep-09	0	0	0	91
Total Reserve Schemes Approved in Principle		1,804	0	0	60,457

AREA RESERVE SCHEMES AWAITING ALLOCATION

Scheme	2018/19 Est Spend £000s	Actual Spend to 31 Dec 2018 £000s	Future Est Spend £000s
North	0	0	141
South	0	0	237
East	0	0	29
West	0	0	130
Total	0	0	537

Scheme	2018/19 Est Spend £000s	Actual Spend to 31 Dec 2018 £000s	Future Est Spend £000s	Total Est Spend £000s
Capital Programme	24,043	14,809	13,403	37,446
Contingent Liabilities and Reserve Schemes	0	0	60,994	60,994
Total Capital Programme to be Financed	24,043	14,809	74,397	98,440

Projects agreed before Aug 2014

The table below highlights the schemes agreed before Aug 2014, and provides a reason for the delay in their progression. Members need to confirm their approval for the project to stay in the capital programme.

Project	Date Funding Agreed	Original Budget £'000	Remaining Budget £'000	Reason for Delay (Update from Officer)	Risks of not retaining funding (Update from Officer)
Land Acquisition & Enhancement at Waterside Road	Feb 08	35	31	Land now acquired. Liaising about enhancement programme including car park improvements, tree management scheme and possible transfer to Wincanton Town Council.	Having acquired the land, a significant programme of tree management works is required to address the long-term decline of this amenity area. By minimising the likelihood of urgent, unplanned, un-budgeted works in the future it will reduce the liability for SSDC (or WTC if they accept the transfer of the land) going forward
New Car Parks	Feb 08	810	240	There have been delays with obtaining planning consent and also releasing the legal covenant. It is believed this is now resolved so we can progress to tender and construction next financial year.	There has been significant expenditure to purchase the land. This funding is required to finish construction of this car park. Without it the site would remain unusable.
Grant to Milborne Port Rec Changing Rooms	Mar 14	41	5	The PC is now working proactively with the new Locality team to prioritise use of this money and other unallocated S106 funding.	The funding was originally secured via a S106 Agreement and must be spent in accordance with that agreement or returned to the developer if no longer required.
Grants for Parishes with play area - Ilton	Feb 08	770	12	Remaining funds reallocated to Ilton Playing Field project, which is under development.	Ilton Parish Council would find they have a shortfall for any elements of their project that have assumed this funding would be forthcoming.
Wincanton Community Sports Centre 10 year plan	Sep 12	178	42	New 10 year plans for our sports facilities were completed during 2018 and highlight that this money is still required. It will be spent on the agreed maintenance programmes by the Property Service team.	If this budget were removed, then finance would not be available for planned preventative maintenance.

Agenda Item 13

2019/20 Draft Revenue and Capital Budgets and Medium Term Financial Plan

Executive Portfolio Holder: Councillor Peter Seib, Finance & Legal Services
Director: Netta Meadows, Strategy & Support Services
Lead Officers: Paul Fitzgerald, S151 Officer
Nicola Hix, Lead Specialist - Finance
Contact Details: Paul.fitzgerald@southsomerset.gov.uk (01935 462225)
Nicola.Hix@southsomerset.gov.uk (01935 462612)

Purpose of the Report

1. The purpose of this report is to set out the Draft Budget and proposed council tax for 2019/20 to enable Executive to recommend proposals to Full Council for approval. This report is based on the Medium Term Financial Plan (Revenue Budgets for 2019/20 to 2023/24) and also includes proposed additions to the Capital Programme.

Forward Plan

2. This report appeared on the District Executive Forward Plan for February 2019.

Public Interest

3. This report sets out the proposed budget for South Somerset District Council for 2019/20 and the estimated budgets for the following four years. It also asks members to approve capital schemes for funding in 2019/20.

Recommendations

4. That Executive:
 - (a) recommend that Full Council approves the Net Revenue Budget for 2019/20 of **£16,197,800**, as set out in the Revenue Account Summary (paragraph 46) and in detail in Appendix A for the District Executive and four Area Committees, subject to any final amendments;
 - (b) recommend to Full Council a 2019/20 Council tax annual increase of 2.85%, increasing the annual Band D rate by £4.63 to £167.11. Full Council to note this new annual rate comprises £165.26 for SSDC services, raising £9,959,571, and £1.85 on behalf of the Somerset Rivers Authority, raising £111,492.
 - (c) recommends to Full Council the reprioritisation of £2.5m from the MTFP support fund to Regeneration as detailed in paragraph 43.
 - (d) recommends that Full Council approves the additions to the Capital Programme for new capital bids of £1.7395m as shown in Appendix D;

Background

5. The General Fund Revenue Account is the Council's main fund and shows the income and expenditure relating to the provision of services which residents, visitors, and businesses all have access to including planning, environmental services, car parks, certain housing functions, community services and corporate services.

6. The Council directly charges individual consumers for some of its services through fees and charges, with the expenditure that remains mainly funded through a combination of sources including: local taxation, a proportion of business rates, and also grants from Central Government such as Revenue Sport Grant, New Homes Bonus and other non-ring-fenced and specific grants/subsidy.
7. Each year the Council sets an annual budget which details the resources needed to meet its operational requirements. The annual budget is prepared within the context of priorities identified by Members as part of the Council's current corporate plan.
8. The District Executive and Scrutiny Committee have received update reports on the draft 2019/20 budget, Financial Strategy and Medium Term Financial Plan. The drafts are subject to final amendments whilst awaiting clarity around Government grants and funding.

Financial Strategy

9. The financial strategy sets out to provide Members with options to respond to the ongoing and increasing financial challenges within the local government sector. This strategy builds on previous approaches agreed including the Efficiency Strategy agreed in 2016.
10. The Financial Strategy and Medium Term Financial Plan report approved by Executive in September 2018, summarised the key themes to the strategy as:
 - a) Challenging existing costs estimates and assumed "unavoidable" cost increases;
 - b) Ensuring clear service priorities that demonstrably align with corporate strategy and plans;
 - c) Maximising operational efficiency through transformation of services and ways of working;
 - d) Taking a more commercial approach and increasing income yield by 5% per year;
 - e) Increasing the income yield from financial investments as part of a prudent treasury management approach;
 - f) Investing in property, energy and new services to generate additional income that can be reinvested to maintain and improve services to our community.
 - g) Reduce reliance on government grants for the funding of ongoing services.
11. Government funding has been steadily reducing since the end of the last decade and with this trend continuing the Council previously forecast a projected budget shortfall of £5.2m by 2022/23. We have also planned for a risk of further pressure on funding over the medium term and set an annual savings target rising to £6m per year by 2022/23, thus mitigating the identified £5.2m and mitigating additional financial risk. The current draft MTFP forecast for 2023/24 shows that income and expenditure in that year are broadly matched therefore at this stage the £6m per year savings target remains appropriate, however this will need to be kept under review.
12. Progress in meeting this target within the draft 2019/20 budget and MTFP is shown later in this report.
13. The Financial Strategy agreed in September 2018 also set out the approach to resourcing including government grants, council tax and reserves.
14. Through the preparation of the 2019/20 estimates the Executive is able to propose a balanced budget for 2019/20 whilst maintaining services and making significant contributions to key priorities such as its major regeneration programmes. The updated MTFP shows a projected budget gap in subsequent years of the plan. The figures include

all estimates for pay awards, pension costs, council tax, business rates, Government grant, and inflation.

Efficiency Strategy

15. Members approved an Efficiency Strategy in 2016. This approved the use of up to £0.5 million in capital receipts received between 2016/17 and 2018/19 to be utilised partially to fund revenue costs of the Transformation project. Progress is reported regularly to Members through capital quarterly monitoring reports. To date £204K from the sale of properties has been allocated towards this three-year target.
16. Full Council may approve an update to the Efficiency Strategy at any time, and it is worth noting that through the Finance Settlement for 2019/20 the Government re-confirmed that this flexibility has been extended by a further three years to included receipts between 2016/17 and 2021/22. At this stage there are no proposals to increase the £0.5m target however this will be kept under review.

The Government Settlement

17. The Provisional Settlement for 2019/20 was received on 13th December 2018 but has not yet been finalised. The implications for the draft budget were reported to the Executive on 10th January 2019. The Final Settlement is due to be issued by the Government by the end of January.

Sources of Funding for Budget 2019/20 to 2023/24

Revenue Support Grant

18. SSDC's Efficiency Statement was approved by the DCLG in 2016. The result of this was a negative RSG payment in 19/20 of £327.3K, so effectively SSDC would be paying MCHLG instead of the other way around.
19. Negative RSG affected many other local authorities in 2017/18 and 2018/19. However, following representations from those affected local authorities the government removed negative RSG from the planned settlements in those years. The July 2018 technical consultation proposed also to remove negative RSG from the 2019-20 settlement, by means of a section 31 grant. This was confirmed by the provisional settlement documentation.

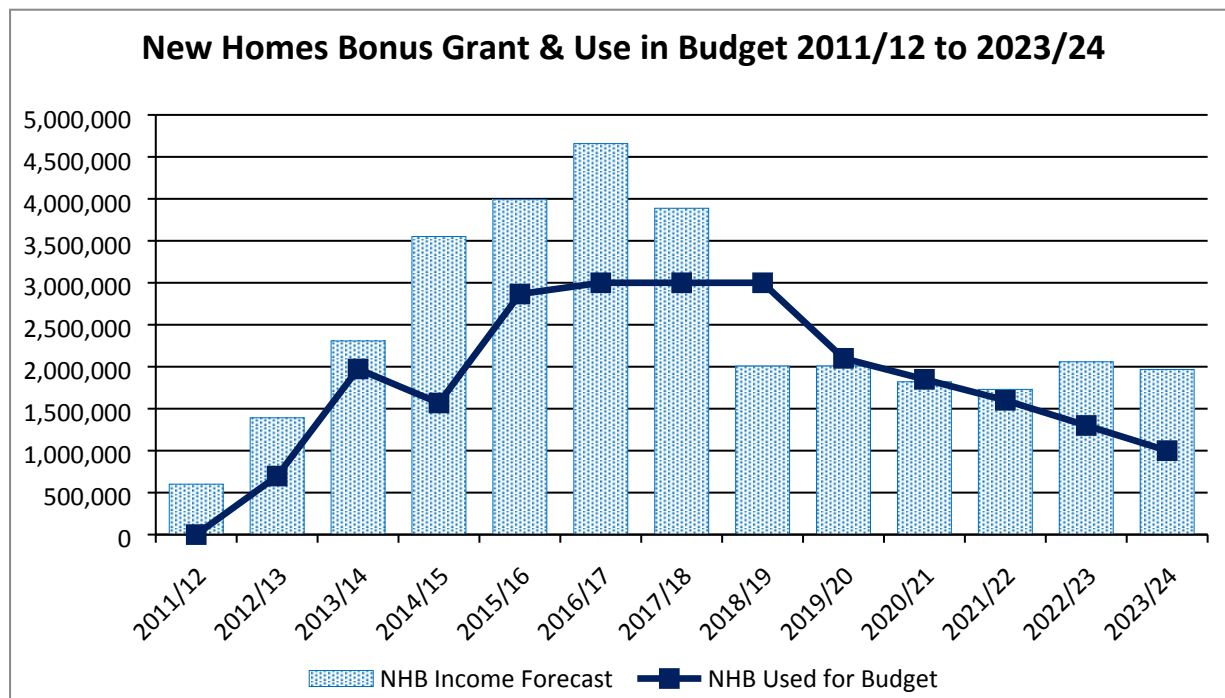
New Homes Bonus

20. The New Homes Bonus (NHB) is a non-ringfenced grant that incentivises and rewards housing growth. The Council's budget approach is to use all of its NHB funding towards the cost of day to day services, however it also defers some of this income and holds this in a MTFP Support Fund earmarked reserve to mitigate the impact of grant fluctuations.
21. The grant is calculated by measuring annual housing growth numbers, with each year's growth attracting grant for a 4-year rolling period. Since 2017/18 the Government has applied a growth baseline which acts as a top-slice, with no NHB awarded on the first 0.4% of growth. Following the Government's consultation in 2018 we had anticipated this baseline would increase to 0.5%, however the Provisional Settlement has confirmed this is held at 0.4% for 2019/20.
22. The grant amount for 2019/20 has been confirmed as £2.008m in the Provisional Settlement. This is virtually the same as the grant received in 2018/19.

23. The draft budget proposes a reduction in the planned use of NHB grant for the core budget, compared to last year's MTFP. Over the medium term this requirement is reduced to £1m per year, which goes some way to meeting the updated financial strategy (see 11g above). This also enables the Council to consider reallocating part of the MTFP Support Fund earmarked reserve as set out later in this report.
24. Government has indicated that it intends to consult during 2019 on possible changes to the NHB arrangements, introducing further risk to our estimates in this area and adding weight to the approach of reducing our reliance on this grant for recurring costs.

Table & graph 1 – Summarises the allocations of NHB and the MTFP forecast from 2016/17 up to 2023/24.

Year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
2011/12	601.1							
2012/13	790.3							
2013/14	915.9	915.9						
2014/15	1,243.7	1,243.7						
2015/16	440.1	440.1	440.1					
2016/17	667.1	667.1	667.1	667.1				
2017/18		621.1	621.1	621.1	621.1			
2018/19			278.9	278.9	278.9	278.9		
2019/20				441.1	441.1	441.1	441.1	
2020/21					479.3	479.3	479.3	479.3
2021/22						530.7	530.7	530.7
2022/23							607.6	607.6
2023/24								350.0
	4,658.2	3,887.9	2,007.2	2,008.2	1,820.4	1,729.9	2,058.7	1,967.6



Council Tax Rate

25. The Secretary of State has confirmed within the Provisional Settlement that Shire Districts are able to increase Council Tax by the greater of 2.99% or £5 (on a Band D) in 2019/20 without the need for a referendum.

26. The 2018/19 annual basic tax rate towards the cost of South Somerset District Council services, for the average Band D property, was £160.63, and the Council also included £1.85 in respect of the Somerset Rivers Authority (SRA), making the total Band D charge of £162.48.
27. The District Executive is minded to recommend to Full Council the option to increase Council tax by 2.85% which less that the 2.99% or £5 limit on a Band D property, and this is reflected in the draft budget figures for 2019/20. For the average Band D property this will set the annual tax rate at £167.11 – or £3.21p per week – for SSDC services.
28. The Somerset Rivers Authority (SRA) is currently unable to raise its own precept, and this is likely to remain the case in the next two years at least. In 2016/17 the government amended Somerset Council Tax levels to a notional amount to allow each of the Somerset authorities to raise 1.25% (£1.85 per band D for SSDC) interim funding for them.
29. This agreement will continue in 2019/20 with no uplift other than tax base growth and therefore the precept per Band D property will continue to be £1.85. This will raise £111k (rounded) of funding from this Council in 2019/20, which is passed on to the SRA to contribute to the 20-Year Flood Action Plan.

Council Tax Income

30. The tax base for 2019/20 is 60,266.07 Band D Equivalents, an increase of 277.79 (0.5%) compared to 2018/19. The draft budget estimate for Council Tax income for SSDC is therefore 60,266.07 x £165.26 = £9,959,571. This represents an increase of £323,653 compared to the previous year. The estimate is calculated as follows:

	£
Council Tax Income Budget 2018/19	9,635,918
Increased due to change in Tax Base (Band D equivalents)	44,621
Increased due to proposed 2.85% increase in Tax Base	279,032
Estimated Council Tax Income 2019/20	9,959,571

31. As billing authority, SSDC has to calculate a basic level of tax based on its own spending plans, to which is added the precepts from Somerset County Council, Devon and Somerset Fire Authority, Avon and Somerset Police Authority and any town/parish council.
32. The actual total of Council Tax for South Somerset residents will be calculated once all precepting authorities have notified SSDC of their proposals. The recommended total Council Tax will be submitted to Full Council on 26th February 2019 for consideration.

Estimates for Future Years Band D Council Tax

33. The current estimate within the Medium Term Financial Plan is that Council Tax levels will remain in line with expected Government increases of 2.99% for 2020/21 and 2021/22 onwards. For financial planning purposes, finance officers expect the Government to assume local authorities will maximise their council tax opportunities when assessing future finance settlements.

Business Rates Retention (Non-Domestic Rates)

34. Local authorities receive a significant proportion of their funding through the Business Rates Retention (BRR) system. The Council must set its business rates budget estimate by 31 January each year, and the Council has delegated responsibility for this to the S151

Officer because of the considerable time constraints in place. The Draft Budget includes the BRR estimate approved by the S151 Officer in January prior to competing this report.

35. SSDC will continue to operate within the Somerset Business Rates Pool in 2019/20. In addition, the Pool has applied successfully to be a Pilot area for 75% BRR (one of 16 pilots nationally in 2019/20). Being a Pilot area is expected to bring significant financial benefits in 2019/20 for Somerset as a whole with the County and each District council taking a share.
36. The overall BRR position has improved not only through the Pilot scheme, but also through closer alignment in key assumptions between the Pool authorities regarding appeals and refunds. It is evident that the new “Check, Challenge, Appeal” arrangements introduced by the Valuation Office in 2017 have significantly reduced appeal volumes. We are therefore able to reduce our provision for appeals, which in turns means a greater proportion of business rates collected can be distributed to the councils. This is considered an acceptable risk, particularly in view of the level of funds set aside in the Business Rates Volatility Reserve and General Reserves.
37. One of the implications of being in a Pilot is that Revenue Support Grant (£0 in 2019/20) and Rural Services Delivery Grant (£166,284 in 2019/20) are “rolled in” to the BRR system for the year with related adjustment to our Tariff.
38. In addition, the standard shares of business rates have been updated to reflect the distribution agreed by the Somerset councils within the Pilot application to Government.

BRR Standard Shares	2018/19 50% system	2019/20 75% system
Districts	40%	44%
County	9%	30%
Fire Authority	1%	1%
Government	50%	25%

39. The proposed BRR budget for 2019/20 is summarised below. This shows a large increase in standard share, tariff, S31 Grant and net retained funding under the pilot scheme. An indicative estimate is also included for the pooling gain – this was not included in the 2018/19 budget as it was the first year of pooling:

	2018/19 £k	2019/20 £k
Standard share of rating income (40% / 44%)	-16,640	-19,009
100% of business rates growth in renewable energy schemes	-274	-473
S31 grant compensation for Government-funded reliefs	-1,888	-2,651
Tariff payment (adjusted in 2019/20 for RSDG rolled in and increase in Standard Share to 44%)	13,336	15,200
Levy cost	985	1,273
Safety net income	0	0
Net Retained Business Rates Funding	-4,481	-5,660
Estimated Pooling Gain	Not budgeted	-900
Total BRR Funding Estimate	-4,481	-6,560

40. The Pilot is due to operate for one year only, therefore the estimates of BRR funding for 2020/21 onwards are currently projected under the 50% BRR system pending the anticipated reform of the business rates funding system from April 2020. The Executive

proposes to set aside a large proportion (£1.425m) of the pool and pilot gain in 2019/20 towards priority town centre regenerations schemes (covered later in this report).

Regeneration Funding

41. The Council has approved gross and net budgets for the priority regeneration programmes in Yeovil and Chard. The net budget requirement for these programmes is £5.5m however this is not currently fully funded. As part of this year's proposed budget the Executive is minded to address this funding gap through a combination of a transfer from the MTFP Support Fund Reserve and business rates pooling / pilot gains.

Regeneration Funding Plan	£000
Existing approvals:	
Consolidation of previous Yeovil capital budgets – funded from existing capital receipts	424
Area South Capital Fund contribution – funded from existing capital receipts	151
Agreed allocation from commercial investment (Marlborough)	500
Agreed allocation from 2018/19 business rates pooling gain	500
Sub-total	1,575
Proposed allocation from Revenue Support Fund	2,500
Proposed first call on future unallocated business rates pooling gains (will need contingency plan if insufficient income received)	1,425
Total Funding for Net Budget Requirement	5,500

42. The business rates funding proposal is set out above in this report.
43. The MTFP Support Fund includes funds set aside from New Homes Bonus Grant income. The tables below show the current forecast for NHB and the MTFP Support Fund. Future projections are uncertain therefore it would be prudent to assume the reserve balance could be between the range £4.5m and £6m in 2023/24. This balance would be reduced by £2.5m if Council approves the proposal to reprioritise this sum for Regeneration.

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
NHB Forecast	2,008	1,820	1,730	2,059	1,968
NHB Requirement for MTFP	2,100	1,850	1,600	1,300	1,000

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
MTFP Support Fund Forecast	4,691	4,661	4,791	5,550	6,518

44. The strategy for funding the difference between Gross and Net Budget requirement would then include:
- Revolving Fund - Receipts generated from ring-fenced assets
 - Other existing and new capital receipts
 - Grants and contributions e.g. Future High Streets Fund
 - Borrowing to invest
 - Direct developer investment

The Medium Term Financial Plan

45. The Medium Term Financial Plan (MTFP) summarises our estimates of costs and funding, and the impact of the Council's plans for the medium to long-term. The MTFP for South Somerset summarised in this report covers a five-year period. The Plan links the resources required to deliver the Council Plan and the Council's strategies.

46. The table below summarises the Draft Budget for 2019/20 and MTFP projections for subsequent years:

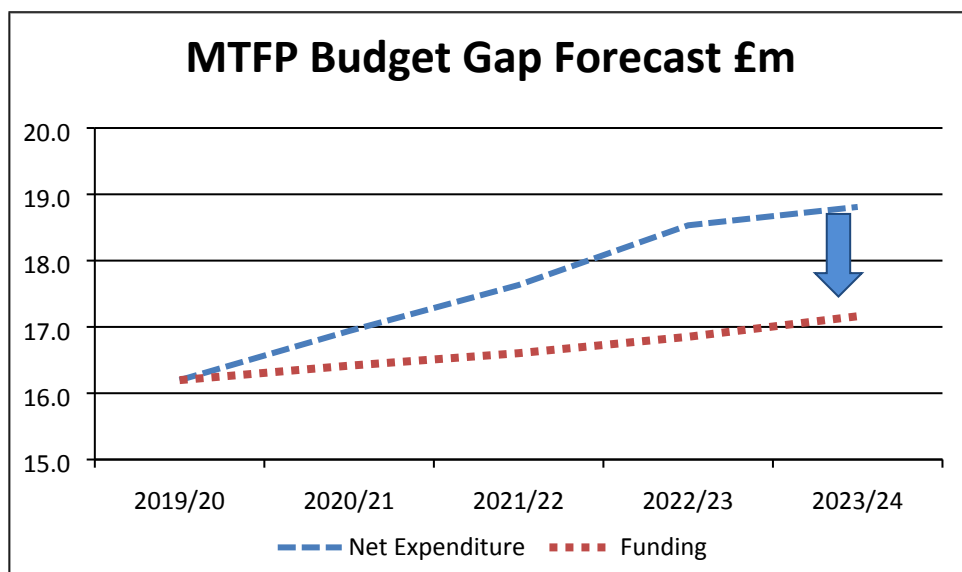
Table 2 – Draft Budget

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Base Budget B/F	16,483.5	16,197.8	16,938.5	17,632.3	18,532.5
<i>Incremental Changes:</i>					
Employment Cost Inflation	501.6	410.5	448.2	420.5	378.1
Inflation allowance on contracts	168.1	168.6	173.6	178.6	179.6
Unavoidable budget pressures	477.1	250.0	200.0	200.0	200.0
Planned savings	-1,016.8	-141.0	-90.1	-12.8	-148.6
Investment income	-728.5	63.2	100.8	100.8	-391.9
Revenue effects of capital programme	143.1	113.4	-23.1	13.1	60.1
Other	169.8	-124.0	-115.6	0.0	0.0
Total Budget Requirement	16,197.8	16,938.5	17,632.3	18,532.5	18,809.9

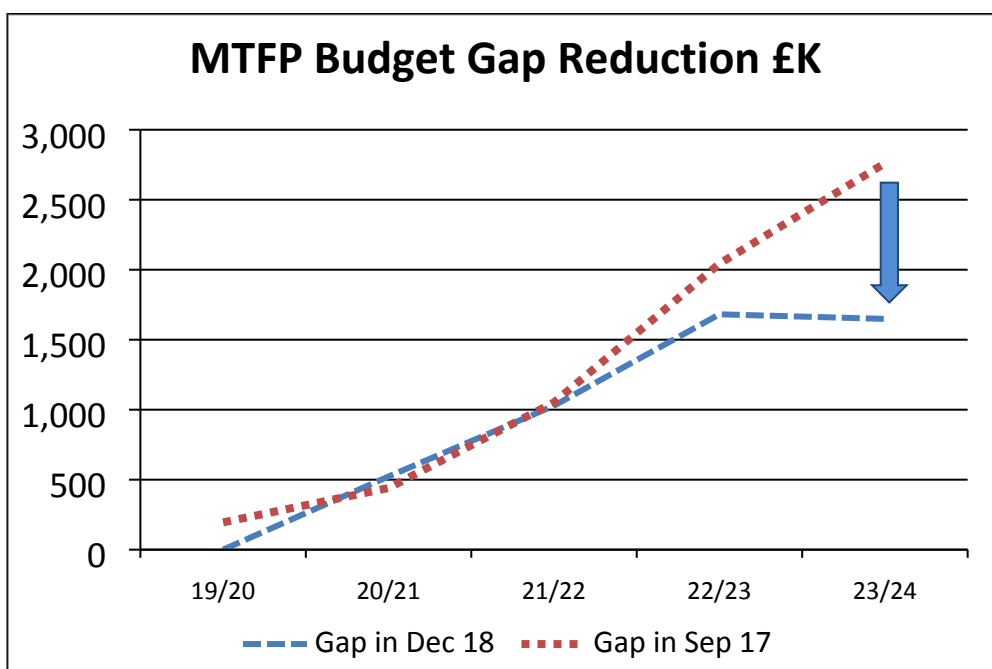
	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Total Budget Requirement (per Table 2a)	16,197.8	16,938.5	17,632.3	18,532.5	18,809.9
Funded By:					
Revenue Support Grant	0.0	327.3	327.3	327.3	327.3
Rural Services Delivery Grant	0.0	-166.3	-166.3	-166.3	-166.3
New Homes Bonus Grant	-2,008.2	-1,820.4	-1,729.9	-2,058.7	-1,967.6
Business Rates Retention	-6,594.1	-4,339.2	-4,374.6	-4,464.0	-4,553.5
Council Tax - SSDC	-9,959.6	-10,432.5	-10,897.3	-11,355.0	-11,875.8
Council Tax - SRA	-111.5	-113.4	-114.9	-116.3	-118.0
Less: Council Tax Paid to SRA	111.5	113.4	114.9	116.3	118.0
Collection Fund Deficit - Council Tax	35.6				
Sub-total: Funding	-18,526.3	-16,431.1	-16,840.9	-17,716.8	-18,235.8
Other Reserve Transfers					
MTFP Support Fund Reserve	-2,591.8	-29.6	129.9	758.7	967.6
Other Earmarked Reserves	4,920.3	45.3	107.0	107.0	107.0
Total Funding	-16,197.8	-16,415.4	-16,604.0	-16,851.1	-17,161.2
Budget Gap / (-)Surplus	0.0	523.0	1,028.4	1,681.4	1,648.6
Budget Gap Increase on Prior Year		523.0	505.4	653.1	-32.8

(Negative figures = income / cost reductions, positive figures = cost increases / income reductions)

47. A summary of the budget gap is shown in the graph below:



48. The graph below shows the reduction in the funding gap projected in the current MTFP to that identified in the Financial Strategy & MTFP report presented to Members in September 18.



Assumptions Made

49. Expenditure, income and funding estimates are based on a range of assumptions including:

	2019/20	2020/21	2021/22	Notes
Inflation	contractual obligations	contractual obligations	contractual obligations	Assumes average inflation 2%
Pay	2%	2%	2%	Assumes average annual pay award 2%; increments impact neutral.

	2019/20	2020/21	2021/22	Notes
Council Tax	2.85% per Band D	2.99% per Band D	2.99% per Band D	Assumes an additional 2.85% is added for the first year, and then increases to 2.99% the year after
Business Rates	75% BRR system	50% BRR system	50% BRR system	75% pilot one year only, therefore funding for 2020/21 onwards are currently projected under the 50% BRR system pending anticipated reform of the business rates funding system from April 2020.
Pensions	16.1% plus £1.66m lump sum	16.1% plus £1.69m lump sum	16.1% plus £1.76m lump sum	Assume employers contributions increases as per actuarial valuation
Investment Income	Base 0.75%	Base 0.75%	Base 0.75%	Assume no change to interest rates; increase in treasury investment yield through more strategic investments held for long term
Revenue Support Grant	£0	-£327K	£-327K	Provisional settlement confirmed negative RSG will be offset in 19/20 but no confirmation on future years' position.
New Homes Bonus	-£2.0m grant	-£1.8m grant	-£1.7m grant	Based on provisional figures for 19/20 and projected local housing development

(Negative figures = income increases / cost reductions, positive figures = increased costs / income reductions)

Revenue Budget 2019/20

50. Appendix A provides the detailed budgets for the four Area Committees and the District Executive. Once approved by Full Council, these represent the financial plans that the Executive will manage under their delegated authority and monitor in accordance with the Financial Procedure Rules.

Savings

51. Savings plans are outlined in Appendix B. It is proposed that significant variations between planned and achieved savings are reported as part of the budget monitoring process.

52. In April 2017 Members agreed the revised business case for Transformation which outlined the savings to be found over the life of the programme, totalling £7.448m. Part of this savings target was included in 2017/18, with further savings of £1,222.7k in 2018/19 and £696.2k in 2019/20 to be delivered as the programme of change is completed.

53. A review of fees and charges has been undertaken to ensure that they are keeping pace with inflation and generate additional revenue to meet income generation targets. Additional income totalling £75k has been included in the 2019/20 draft budget.

Unavoidable Budget Pressures and Spending Priorities

54. Unavoidable budget pressures are detailed in Appendix C. The pressures identified for 2019/20 total £477.1K, which is more than the initial provision of £250k allowed within the early draft of the MTFP. The main difference being the proposal to reduce the income budget for services that have showed an underachievement of the target income for the current year as well as in previous years.

55. The 2019/20 budget also includes the following once off allocations:

	2019/20 £'000	2020/21 £'000
Economic Development Strategy Delivery Plan *	164	54
Funding for Advice Bureau one-off 19/20 *	32	
Other additional income	8	
Total	204	54

*More details on this allocation are included within the separate reports on this agenda.

Earmarked Reserves

56. Earmarked Reserves are funds that have been approved for specific costs and contingencies but not yet spent. Examples can include things such as government grants received in one year that will go towards projects or service costs in subsequent financial year(s). A periodic review of reserves is good practice. In addition, one of the recommendations from the Corporate Peer Challenge and Review, undertaken in March 2017, was to review earmarked reserves in order to identify possible “quick wins” in support of the Council’s financial sustainability.
57. The total earmarked reserves balance as at December 2018 was £44.1m. This includes £27.7m of capital receipts together with an array of revenue reserves totalling £16.4m as detailed below.

Reserves	Balance as at 31/12/2018 £'000	Anticipated Movement £000	Expected Balance as at 31/3/19 £'000
Usable Capital Receipts	-25,258	7,886	-17,372
Internal Borrowing Reserve	-606		-606
Internal Borrowing Repayments	-118		-118
Capital Reserve	-1,337		-1,337
Cremator Replacement Capital Reserve	- 549		- 549
Election Reserve	-190		-190
Wincanton Sports Centre Reserve	- 21		- 21
Local Plan Enquiry Reserve	-71		-71
Yeovil Athletic Track Repairs Fund	-169		-169
Planning Delivery Reserve	- 16		- 16
Bristol to Weymouth Rail Reserve	- 26		- 26
Local Authority Business Growth Initiative Reserve	-14		-14
Yeovil Refresh	-112		-112
IT Replacement Reserve	-10		-10
Insurance Fund	- 50		- 50
Transformation Reserve	-2,265	2,265	-0
Treasury Management Reserve	-150		-150
Local Plan Implementation Fund	-125		-125
Revenue Grants Reserve	- 691		- 691
MTFP Support Fund	- 6,012	992	- 5,020
Council Tax/Housing Benefits Reserve	-782		-782
Closed Churchyards Reserve	- 12		- 12
Health Inequalities	-31		-31

Reserves	Balance as at 31/12/2018 £'000	Anticipated Movement £000	Expected Balance as at 31/3/19 £'000
Deposit Guarantee Claims Reserve	- 5		- 5
Park Homes Replacement Reserve	- 165		- 165
Planning Obligations Admin Reserve	- 35	-15	- 20
Artificial Grass Pitch Reserve	-123		-123
Business Support Scheme	- 122		- 122
Infrastructure Reserve	-654		-654
NNDR Volatility Reserve	- 3,955		- 3,955
Ticket Levy Reserve	- 96		- 96
Waste Reserve	- 215		- 215
Community Housing Fund	-211		-211
Total Usable Reserves	- 44,196	11,128	- 33,068

(Negative Figures = income, Positive figures = costs)

General Fund Balances

58. General Fund Balances represent accumulated revenue surpluses. Within the total, however, are amounts that have been earmarked by the District Executive for specific purposes. The table below shows the current position on the General Fund Balance compared to that previously reported:

	£'000
Balance at 1 April 2018	-4,361
Area & Economic Development Balances	121
2018/19 Carry Forwards	119
Cocklemoor Bridge	5
Commitments (including A303)	173
Current Estimated overspend in 2018/19	273
Unallocated General Fund Balance at 31st December 2018	-3,670

Business Rates Surplus/Deficit and Volatility Reserve

59. Experience shows that BRR Funding can be volatile from one year to the next, and it is prudent to hold adequate funds in the Volatility Reserve to mitigate this risk and avoid a large unplanned reduction in funding for services. In addition, there are accounting timing differences for different parts of the BRR system, which we 'smooth out' through this reserve.
60. The 2019/20 Draft Budget includes an estimated Collection Fund surplus of £593k from 2018/19. It is proposed to set this aside in the Volatility Reserve in 2019/20 to mitigate future income fluctuations and smooth out 2018/19 accounting timing differences which will be reported at the end of 2018/19 financial year. The proposed budget also utilises £200k of business rates surplus funding across 2019/20 and 2020/21 to fund planned spend on Economic Development Strategy initiatives.
61. The current balance on the Volatility Reserve is c£3m, and our financial strategy currently seeks to maintain this balance at or above £2.5m each year. The 2019/20 budget proposals are forecast to enable this strategy to be maintained.

Capital Strategy

62. The Capital Strategy outlines how SSDC will utilise its capital resources to deliver the Council Plan and key strategies. SSDC held £23.339m in capital receipts at the end of the 2017/18 financial year. However, the authority has a considerable requirement for capital resources through its Commercial Investment Strategy.
63. Each capital bid received requesting funding in 2019/20 was reviewed to assess the source of funding that may be appropriate, such as:
- The service paying for the asset - through internal loans, building up a replacement fund from revenue budgets, or similar;
 - Use of the New Homes Bonus – can we reduce reliance for the revenue budget, and direct funding towards infrastructure and regeneration investment;
 - Use capital reserves - for schemes that are true community benefit / social value schemes where there is no prospect of self-funding;
 - Investment properties – application of the commercial strategy as already agreed.
64. The Executive has delegated authority to approve the use of up to 5% of capital receipts in any one year (approx. £900k). Approvals beyond this sum must be agreed through full Council.
65. SSDC will utilise its own internal cash wherever possible to maximise its treasury management efficiency and minimise costs in the short to medium term. However, the Treasury Management Strategy currently allows borrowing of up to £124 million, reflecting plans for commercial investments.

Capital Programme 2019/20 to 2022/23

66. Members are requested to approve capital bids totalling £1.739m. Full details of the revised Capital Programme are shown in Appendix D; new schemes are shown in bold and italics type, with previously approved schemes in ordinary type. A summary of recommended schemes is included at Appendix E. Attached at Appendix F are the Capital Investment Appraisal forms for all new schemes.

Funding the Capital Programme for 2019/20 - 2020/21

67. The table below shows how the 2019/20 Capital Programme will be financed: -

	2019/20	2020/21
	£'000	£'000
Gross Capital Programme Spend	14,470	219
Gross Reserve Scheme Spend	19,304	21,200
Total Capital Programme to be Financed	33,774	24,919
Financed by:-		
Capital Grants, Contributions & Loan Repayments as detailed on Programme	4,050	2,817
Grants & Other Contributions in Reserves	3,151	41
Useable Capital Receipts / Borrowing	22,051	22,061
Total Financing	26,573	24,919

Robustness of the Budget and Adequacy of Reserves

68. Under Section 25 of the Local Government Act 2003 the S151 officer is required to report to Council on the robustness of the estimates made for the purpose of calculations of the budget and the adequacy of the proposed financial reserves.
69. The Draft Budget for 2019/20 has allowed for best estimates of expenditure and income including assumptions for increases and decreases due to trends and future influences such as inflation. It reflects commitments necessary to maintain service levels, and with demand-led budgets this inevitably entails a degree of judgement.
70. There has been a significant degree of scrutiny of the proposed budgets and savings by:
- The finance team – with several staff holding professional accountancy qualifications
 - Senior Leadership Team and Leadership group
 - Portfolio Holders
 - Scrutiny Committee
71. These examinations of the budgets have led to refinements and provide considerable assurance about the robustness of the estimates.
72. There remain some key risks within the budget and medium term forecasts that will be managed by officers and/or portfolio holders as summarised below:
- a) Transformation Savings: The proposed budget for 2019/20 incorporates the full financial savings of £2.484m per year. It will be important for the Leadership team to closely monitor and control costs during 2019/20 to ensure these financial benefits continue to be fully delivered in line with expectations. The General Reserves balance incorporates a contingency in respect of transformation, providing some resilience to one-off pressures in this respect if essential and unavoidable costs emerge. [Transformation Board / SLT]
- b) Transformation Costs and Funding: The implementation of the transformation programme is progressing well, and it is anticipated that the programme will be delivered within budget of £7.448m. The programme is fully funded with the only funding risk related to capital receipts income to meet the planned capital receipts flexibility. This risk is considered to be low. The General Reserves balance incorporates a contingency in respect of transformation, providing some resilience. [S151 Officer]
- c) Service Income: The financial strategy includes targets for increased service income. Proposed budgets for 2019/20 have been increased to reflect updated fees and charges – in line with the financial strategy target assumptions – and estimates of demand for services. Whilst the assumptions result in prudent income forecasts there is a risk of income volatility. The General Reserves balance provides some contingency in case of in year reductions in income. [Director – Commercial Services and Income Generation]
- d) Commercial Investment: The budget and medium term financial plan has been updated to reflect property acquisitions completed up to mid-January 2019. Future acquisitions when completed, in line with the agreed Commercial Strategy, will provide additional net income which will be added to budget estimates incrementally upon completion. As with any investment there is a risk of volatility, and the reserves strategy seeks to ensure adequate funds are held to mitigate this risk. [Director – Commercial Services and Income Generation]

- e) Treasury Investments: In line with the treasury strategy we are increasing the proportion of cash reserves held in strategic investments that we intend to hold for the long term and increase the total investment income received each year. As with any investment there is a risk of volatility. There is also a prospective change in accounting regulations in 2019/20 that will expose the General Fund to revaluation risk in the medium term for investments held, after a period of statutory override to 2021/22. It is proposed to set aside a proportion of increased yield into a Treasury Investment Volatility contingency reserve each year to provide resilience for such impacts. [S151 Officer]
- f) Borrowing: The capital programme for services and commercial investment will exceed capital reserves in the medium term, and thus require borrowing to support the priorities and ambitions of the council's plans. Currently the capital borrowing requirement is being supported through cash reserves without the need to take out any physical loans. As capital expenditure increases the council will need to raise funds through loans, and budget estimates incorporate the costs of borrowing based on projected PWLB interest rates. Financing will be managed in line with our treasury and capital strategies which follow the Prudential Code and good practice. [S151 Officer]
- g) Inflation: Cost estimates within the MTFP include assumptions for increases in pay, utilities, contracts and general prices for goods and service. The three largest elements are: (i) salaries, projected to increase by 2% per year, (ii) pension deficit contributions as set by the actuary with fixed annual contributions, (iii) the waste services contract. Volatility in inflation costs could impact on service costs, and will require careful monitoring to inform future budget setting and in-year monitoring. The MTFP assumes an average 2% inflation increase year on year which is considered a reasonable long term estimates, slightly below short term economic forecasts but in line the Government's long term target. Inflation at 3% rather than 2% would add around £85k to budgeted costs, and a 1% change in staff pay estimates would cost around £125k. [S151 Officer / Budget Holders]
- h) Housing Benefit Subsidy: is administered on behalf of Central Government by SSDC and a grant reimburses expenditure incurred. Approximately £33m in benefit is paid out and the grant normally accounts for 100% of this, however adjustments reducing the grant are made for local authority errors. A contingency for unfunded errors is included within earmarked reserves. [S151 Officer]
- i) Finance Settlement Funding: The Council agreed a four-year settlement in respect of certain Government Grants covering the period up to 2019/20. The current MTFP reflects this as updated for the Provisional Settlement However, there is significant uncertainty regarding the funding position for 2020/21 onwards, with the funding system due to be updated following the Spending Review, Fair Funding Review and Business Rates Retention reform – all due to be implemented from April 2020. [S151 Officer]
- j) Business Rates Retention (BRR): BRR Funding is based on the estimates complete in January each year. Estimates reflect anticipated growth, mandatory and discretionary discounts/reliefs and collection rates. Financial provisions are made for potential losses for appeals and other reductions, however experience shows that business rates funding can be volatile despite prudent estimates. There are also timing differences between financial years inherent in the required accounting arrangements. The Council seeks to mitigate the budget risk of reductions in funding by holding funds in a Business Rates Volatility Reserve. [S151 Officer]

- k) Business Rates Pooling and 75% BRR Pilot: The County and four Districts in Somerset form the Somerset Business Rates Pool, which will be a pilot area (for one year only) for 75% Retention in 2019/20. Pooling seeks to reduce the levy paid to Government on growth in business rates income above the funding baseline. The pool will distribute gains from levy savings in the form of a 'dividend' at the end of each financial year. Being in a pool increases risk with a lower safety net, although the safety is more beneficial under the 75% scheme (95% of baseline as opposed to 92.5%) for the Pool. In mitigation the Pool plans to cover individual authority safety net costs from pooling gains before any dividend is issued however there is no guarantee the gains will be sufficient to cover large scale losses. The risk is considered to be low in this respect, but will be carefully monitored. The proposed budget for 2019/20 includes a reasonable estimate of the pooling and pilot gain, with the funding to be set aside in the Regeneration Fund. The nature of the Regeneration Programmes is such that schemes will take some time to plan and deliver, reducing the risk of needing the funding before it is received. [S151 Officer]
- l) Brexit: A downturn in the economy for example through Brexit would impact on our key income streams including business rates. A 5% reduction in development control, car parking, and building control alone would result in a loss in excess of £160k per annum. [S151 Officer]

- 73. The Council holds resources in both revenue and capital reserves.
- 74. General reserves remain comfortably above the required minimum balance, and the proposed budget for 2019/20 does not rely on general reserves to cover service costs. The Reserves balance is projected to remain above the recommended minimum, provided the financial strategy income targets are met on a timely basis.
- 75. Existing earmarked reserves have not been reviewed in detail this year, with resources prioritised towards implementing changes required under transformation. However, the draft budget includes proposed transfers to treasury and commercial risk management reserves to build financial resilience in these areas. We are also growing fund balances to pay for planned investment in Regeneration Programmes. Capital reserves are sufficient to fund the general capital programme, with acquisition of investment properties likely to be fully funded from borrowing. The approach of using investment yield to cover borrowing provides means the revenue impact of capital acquisitions is affordable.

S151 Officer Conclusion:

- 76. In conclusion the process for the formulation of budgets, together with the level of challenge and sensitivity analysis undertaken provides a reasonable assurance of the robustness of the budget as presented. The Council has made good progress in meeting the savings targets within the Financial Strategy, and I am confident the transformation savings will be delivered in full in 2019/20. We have restructured the Budget cost centres to reflect the new operating model, and I am confident these provide reasonable estimates of costs and income. To further strengthen this confidence, a detailed 'zero-based' budgeting review will be undertaken during 2019/20, and it is anticipated this will identify the further non-staff savings from our transformed ways of working. The Council is able to set a balanced budget for 2019/20 included prudently boosting reserves for specific financial risks.
- 77. Despite the excellent progress towards meeting the savings requirement, the medium term outlook remains a concern with a Budget Gap rising from £0.5m in 2020/21 to an estimated £1.6m by 2023/24. The Financial Strategy seeks to more than offset this residual Gap deliver through income generation and the base budget review, and it is essential that the Leadership Team and Councillors continue to drive forward this

approach in order to secure long-term financial sustainability and avoid the need for other measures such as service cuts. It has been well publicised that CIPFA and the Government are closely monitoring the growth in commercial investment activity by local authorities, and will be releasing further guidance on this matter in the near future. If new controls are introduced that altogether prohibit commercial investment activity this would have a significant adverse effect on the financial strategy.

78. The level of reserves and balances have been reviewed in light of the risks outlined in this report and are currently predicted to remain at the required level.
79. 2019 is an important year in respect of local authority funding, and the impact of the Spending Review, Fair Funding Review and Business Rates funding reform will be carefully assessed. Of course, Brexit also brings significant uncertainty at the time of writing this report. It will be necessary to review the Financial Strategy in light of the outcomes of these important changes.

Corporate Priority Implications

80. The budget is aligned to the current Council Plan. There needs to be a clearer focus on priorities as the Council moves forward and radical reduction in dependency on central Government funding as it moves forward.

Carbon Emissions and Climate Change Implications

81. The budget is aligned to the Carbon Reduction Strategy and new capital projects to deliver the strategy will be included in the Capital programme once approved.

Appendices:

- Appendix A – Draft Detailed Budgets for 2019/20
- Appendix B – Savings for 2019/20
- Appendix C - Budget Pressures for 2019/20
- Appendix D – Revised Capital Programme for 19/20 onwards
- Appendix E – Recommended Schemes
- Appendix F – Capital Investment Appraisal Forms

Background Papers:

- DX Outturn Report July 2018
- DX Financial Strategy and Initial MTFP September 2018
- DX 2019/20 Draft Budget and Medium Term Financial Plan Update January 2019

2019-20 Budget Detail

APPENDIX A

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
STRATEGIC MANAGEMENT													
Chief Executive : Alex Parmley													
MANAGEMENT BOARD	Expenditure	1,023,120	10,200	0	0	(441,970)	0	100,000	0	0	0	0	691,350
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Val Keitch	TOTAL	1,023,120	10,200	0	0	(441,970)	0	100,000	0	0	0	0	691,350
TRANSFORMATION	Expenditure	(1,487,260)	(57,320)	0	0	1,544,580	0	(50,000)	0	0	0	0	(50,000)
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Val Keitch	TOTAL	(1,487,260)	(57,320)	0	0	1,544,580	0	(50,000)	0	0	0	0	(50,000)
TOTAL STRATEGIC MANAGEMENT	Expenditure	(464,140)	(47,120)	0	0	1,102,610	0	50,000	0	0	0	0	641,350
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	(464,140)	(47,120)	0	0	1,102,610	0	50,000	0	0	0	0	641,350
TOTAL CHIEF EXECUTIVE	Expenditure	(464,140)	(47,120)	0	0	1,102,610	0	50,000	0	0	0	0	641,350
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	(464,140)	(47,120)	0	0	1,102,610	0	50,000	0	0	0	0	641,350
STRATEGY & COMMISSIONING													
Director : Netta Meadows													
STRATEGIC PLANNING													
Service Manager : Jan Gamon													
PROCUREMENT, CONTRACT & RISK MANAGEMENT	Expenditure	63,270	51,760	0	0	(56,680)	0	0	0	0	0	0	58,350
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Peter Seib	TOTAL	63,270	51,760	0	0	(56,680)	0	0	0	0	0	0	58,350
CIVIL CONTINGENCIES & HEALTH & SAFETY	Expenditure	140,410	(24,600)	0	0	(25,150)	0	0	0	0	0	0	90,660
	Income	(6,110)	0	0	0	0	0	0	0	0	0	0	(6,110)
Portfolio Holder : Cllr Nick Weeks	TOTAL	134,300	(24,600)	0	0	(25,150)	0	0	0	0	0	0	84,550
PLANNING POLICY	Expenditure	31,840	(21,880)	0	0	(7,190)	(2,010)	0	0	0	0	0	760
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Angie Singleton	TOTAL	31,840	(21,880)	0	0	(7,190)	(2,010)	0	0	0	0	0	760

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
TRANSPORT	Expenditure	41,870	(28,710)	0	0	(11,610)	0	0	0	0	0	0	1,550
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	41,870	(28,710)	0	0	(11,610)	0	0	0	0	0	0	1,550
PLACE PLANNING	Expenditure	447,800	(150,790)	0	0	74,990	2,010	0	0	0	0	0	374,010
	Income	(2,560)	0	0	0	0	0	0	0	0	0	0	(2,560)
Portfolio Holder : Cllr Ric Pallister	TOTAL	445,240	(150,790)	0	0	74,990	2,010	0	0	0	0	0	371,450
VOLUNTARY, COMMUNITY & SOCIAL ENTERPRISE	Expenditure	340,500	(103,700)	0	0	17,700	0	0	0	0	0	32,000	286,500
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Ric Pallister	TOTAL	340,500	(103,700)	0	0	17,700	0	0	0	0	0	32,000	286,500
SPORT FACILITIES	Expenditure	481,070	0	800	0	(5,000)	0	0	0	0	0	0	476,870
	Income	(239,860)	0	0	0	0	0	0	0	0	0	0	(239,860)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	241,210	0	800	0	(5,000)	0	0	0	0	0	0	237,010
TOTAL STRATEGIC PLANNING	Expenditure	1,546,760	(277,920)	800	0	(12,940)	0	0	0	0	0	32,000	1,288,700
	Income	(248,530)	0	0	0	0	0	0	0	0	0	0	(248,530)
	TOTAL	1,298,230	(277,920)	800	0	(12,940)	0	0	0	0	0	32,000	1,040,170
PERFORMANCE, PEOPLE & CHANGE													
Service Manager : Charlotte Jones													
PERFORMANCE, PEOPLE & CHANGE	Expenditure	148,260	16,720	0	0	1,260	0	0	0	0	0	0	166,240
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Ric Pallister	TOTAL	148,260	16,720	0	0	1,260	0	0	0	0	0	0	166,240
TOTAL PERFORMANCE, PEOPLE & CHANGE	Expenditure	148,260	16,720	0	0	1,260	0	0	0	0	0	0	166,240
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	148,260	16,720	0	0	1,260	0	0	0	0	0	0	166,240
COMMUNICATIONS, MARKETING & MEDIA													
Service Manager : Richard Birch													
COMMUNICATIONS	Expenditure	93,160	(2,030)	0	0	(120)	0	0	0	0	0	0	91,010
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Peter Seib	TOTAL	93,160	(2,030)	0	0	(120)	0	0	0	0	0	0	91,010
TOTAL COMMUNICATIONS, MARKETING & MEDIA	Expenditure	93,160	(2,030)	0	0	(120)	0	0	0	0	0	0	91,010
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	93,160	(2,030)	0	0	(120)	0	0	0	0	0	0	91,010

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£			£	£	£	£	£
STRATEGY & COMMISSIONING - LEAD SPECIALISTS													
Service Manager : Netta Meadows													
STRATEGY & COMMISSIONING - LEAD SPECIALISTS	Expenditure	0	200,740	0	0	0	0	0	0	0	0	0	200,740
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ??	TOTAL	0	200,740	0	0	0	0	0	0	0	0	0	200,740
TOTAL STRATEGY & COMMISSIONING - LEAD SPECIALISTS	Expenditure	0	200,740	0	0	0	0	0	0	0	0	0	200,740
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	200,740	0	0	0	0	0	0	0	0	0	200,740
STRATEGY & COMMISSIONING - CASE OFFICERS													
Service Manager : ??													
STRATEGY & COMMISSIONING - CASE OFFICERS	Expenditure	0	222,260	0	0	0	0	0	0	0	0	0	222,260
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ??	TOTAL	0	222,260	0	0	0	0	0	0	0	0	0	222,260
TOTAL STRATEGY & COMMISSIONING - CASE OFFICERS	Expenditure	0	222,260	0	0	0	0	0	0	0	0	0	222,260
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	222,260	0	0	0	0	0	0	0	0	0	222,260
TOTAL STRATEGY & COMMISSIONING	Expenditure	1,788,180	159,770	800	0	(11,800)	0	0	0	0	0	32,000	1,968,950
	Income	(248,530)	0	0	0	0	0	0	0	0	0	0	(248,530)
	TOTAL	1,539,650	159,770	800	0	(11,800)	0	0	0	0	0	32,000	1,720,420
SUPPORT SERVICES													
Director: Netta Meadows													
SUPPORT SERVICES - CASE													
Service Manager : Sara Kelly													
SUPPORT SERVICES - CASE OFFICERS	Expenditure	0	49,980	0	0	918,270	0	0	0	0	0	0	968,250
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	49,980	0	0	918,270	0	0	0	0	0	0	968,250
SUPPORT SERVICES - CASE WORK	Expenditure	268,870	0	0	0	92,420	0	0	0	0	0	0	361,290
	Income	(113,470)	0	0	18,000	0	0	0	0	0	0	0	(95,470)
	TOTAL	155,400	0	0	18,000	92,420	0	0	0	0	0	0	265,820
TOTAL SUPPORT SERVICES - CASE	Expenditure	268,870	49,980	0	0	1,010,690	0	0	0	0	0	0	1,329,540
	Income	(113,470)	0	0	18,000	0	0	0	0	0	0	0	(95,470)
	TOTAL	155,400	49,980	0	18,000	1,010,690	0	0	0	0	0	0	1,234,070

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£			£	£	£	£	£
SUPPORT SERVICES - LEAD SPECIALISTS													
Service Manager : Netta Meadows													
SUPPORT SERVICES - LEAD SPECIALISTS	Expenditure	0	10,100	0	0	361,680	0	0	0	0	0	0	371,780
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	10,100	0	0	361,680	0	0	0	0	0	0	371,780
TOTAL SUPPORT SERVICES - LEAD SPECIALISTS	Expenditure	0	10,100	0	0	361,680	0	0	0	0	0	0	371,780
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	10,100	0	0	361,680	0	0	0	0	0	0	371,780
SUPPORT SERVICES - SPECIALISTS													
Service Manager : Lisa Davis													
SUPPORT SERVICES SPECIALISTS	Expenditure	0	(23,340)	0	0	918,260	0	0	0	0	0	0	894,920
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	(23,340)	0	0	918,260	0	0	0	0	0	0	894,920
TOTAL SUPPORT SERVICES - SPECIALISTS	Expenditure	0	(23,340)	0	0	918,260	0	0	0	0	0	0	894,920
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	(23,340)	0	0	918,260	0	0	0	0	0	0	894,920
SUPPORT SERVICES - FUNCTIONS													
Service Manager : Lisa Davis													
PEOPLE SERVICES	Expenditure	245,890	0	0	0	(190,980)	0	0	0	0	0	0	54,910
	Income	(12,870)	0	0	0	0	0	0	0	0	0	0	(12,870)
	TOTAL	233,020	0	0	0	(190,980)	0	0	0	0	0	0	42,040
FINANCE	Expenditure	585,450	0	0	0	(490,480)	0	0	0	0	0	0	94,970
	Income	(18,330)	0	0	0	0	0	0	0	0	0	0	(18,330)
	TOTAL	567,120	0	0	0	(490,480)	0	0	0	0	0	0	76,640
FINANCE CORPORATE COSTS	Expenditure	2,510,890	37,800	6,230	55,100	(14,520)	0	0	20,000	0	164,500	(50,000)	2,730,000
	Income	(1,260,160)	0	0	13,000	13,910	0	0	22,000	0	(667,400)	0	(1,878,650)
	TOTAL	1,250,730	37,800	6,230	68,100	(610)	0	0	42,000	0	(502,900)	(50,000)	851,350
INFORMATION TECHNOLOGY	Expenditure	1,126,300	0	0	0	(640,370)	0	(24,000)	0	0	0	0	461,930
	Income	(16,770)	0	0	0	0	0	0	0	0	0	0	(16,770)
	TOTAL	1,109,530	0	0	0	(640,370)	0	(24,000)	0	0	0	0	445,160
LEGAL	Expenditure	433,840	0	0	0	(342,090)	0	0	0	0	0	0	91,750
	Income	(73,880)	0	0	0	0	0	0	0	0	0	0	(73,880)
	TOTAL	359,960	0	0	0	(342,090)	0	0	0	0	0	0	17,870

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
DEMOCRATIC SERVICES	Expenditure	768,750	0	0	30,000	(179,000)	0	0	0	0	0	0	619,750
	Income	(1,400)	0	0	0	0	0	0	0	0	0	0	(1,400)
	TOTAL	767,350	0	0	30,000	(179,000)	0	0	0	0	0	0	618,350
ELECTIONS	Expenditure	214,340	0	0	0	(46,510)	0	0	0	0	0	0	167,830
	Income	(8,020)	0	0	0	0	0	0	0	0	0	0	(8,020)
	TOTAL	206,320	0	0	0	(46,510)	0	0	0	0	0	0	159,810
TOTAL SUPPORT SERVICE - FUNCTIONS	Expenditure	5,885,460	37,800	6,230	85,100	(1,903,950)	0	(24,000)	20,000	0	164,500	(50,000)	4,221,140
	Income	(1,391,430)	0	0	13,000	13,910	0	0	22,000	0	(667,400)	0	(2,009,920)
	TOTAL	4,494,030	37,800	6,230	98,100	(1,890,040)	0	(24,000)	42,000	0	(502,900)	(50,000)	2,211,220
TOTAL SUPPORT SERVICES	Expenditure	6,154,330	74,540	6,230	85,100	386,680	0	(24,000)	20,000	0	164,500	(50,000)	6,817,380
	Income	(1,504,900)	0	0	31,000	13,910	0	0	22,000	0	(667,400)	0	(2,105,390)
	TOTAL	4,649,430	74,540	6,230	116,100	400,590	0	(24,000)	42,000	0	(502,900)	(50,000)	4,711,990
TOTAL DIRECTOR OF STRATEGY & SUPPORT SERVICES	Expenditure	7,942,510	234,310	7,030	85,100	374,880	0	(24,000)	20,000	0	164,500	(18,000)	8,786,330
	Income	(1,753,430)	0	0	31,000	13,910	0	0	22,000	0	(667,400)	0	(2,353,920)
	TOTAL	6,189,080	234,310	7,030	116,100	388,790	0	(24,000)	42,000	0	(502,900)	(18,000)	6,432,410
COMMERCIAL SERVICES & INCOME GENERATION													
Director: Clare Pestell													
ENVIRONMENTAL SERVICES													
Service Manager: Chris Cooper													
WASTE & RECYCLING	Expenditure	6,080,170	0	302,000	21,300	(6,810)	0	0	0	0	0	0	6,396,660
	Income	(1,616,360)	0	(147,100)	0	0	0	(21,820)	0	0	0	0	(1,785,280)
	TOTAL	4,463,810	0	154,900	21,300	(6,810)	0	(21,820)	0	0	0	0	4,611,380
Portfolio Holder : Cllr Jo Roundell Greene & Cllr Derek Yeomans													
STREETSCENE	Expenditure	3,031,770	43,700	1,400	0	(9,840)	0	0	0	0	0	0	3,067,030
	Income	(1,359,000)	(3,600)	0	0	0	4,400	0	0	0	0	0	(1,358,200)
	TOTAL	1,672,770	40,100	1,400	0	(9,840)	4,400	0	0	0	0	0	1,708,830
Portfolio Holder : Cllr Jo Roundell Greene													
TOTAL ENVIRONMENTAL SERVICES	Expenditure	9,111,940	43,700	303,400	21,300	(16,650)	0	0	0	0	0	0	9,463,690
	Income	(2,975,360)	(3,600)	(147,100)	0	0	4,400	(21,820)	0	0	0	0	(3,143,480)
	TOTAL	6,136,580	40,100	156,300	21,300	(16,650)	4,400	(21,820)	0	0	0	0	6,320,210
ARTS & ENTERTAINMENT													
Service Manager : Adam Burgan													
OCTAGON	Expenditure	2,074,950	26,700	1,800	0	6,980	0	0	0	0	0	0	2,110,430
	Income	(1,814,380)	0	0	0	0	0	(5,470)	0	0	0	(2,750)	(1,822,600)

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Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
Portfolio Holder : Cllr Sylvia Seal	TOTAL	260,570	26,700	1,800	0	6,980	0	(5,470)	0	0	0	(2,750)	287,830
WESTLANDS	Expenditure	1,362,180	7,840	0	0	3,450	0	0	0	0	0	0	1,373,470
	Income	(1,213,260)	0	0	0	0	0	0	0	0	0	(2,750)	(1,216,010)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	148,920	7,840	0	0	3,450	0	0	0	0	0	(2,750)	157,460
TOTAL ARTS & ENTERTAINMENT	Expenditure	3,437,130	34,540	1,800	0	10,430	0	0	0	0	0	0	3,483,900
	Income	(3,027,640)	0	0	0	0	0	(5,470)	0	0	0	(5,500)	(3,038,610)
	TOTAL	409,490	34,540	1,800	0	10,430	0	(5,470)	0	0	0	(5,500)	445,290
LEISURE, RECREATION & TOURISM													
Service Manager : Katy Menday													
COUNTRYSIDE	Expenditure	533,960	35,750	600	0	45,940	0	0	0	0	0	(8,180)	608,070
	Income	(284,970)	0	0	0	0	0	(11,040)	0	0	0	(5,600)	(301,610)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	248,990	35,750	600	0	45,940	0	(11,040)	0	0	0	(13,780)	306,460
TOURISM AND HERITAGE	Expenditure	259,270	21,600	0	0	(6,360)	0	0	0	0	0	(3,620)	270,890
	Income	(87,170)	0	0	0	0	0	0	0	0	0	(9,500)	(96,670)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	172,100	21,600	0	0	(6,360)	0	0	0	0	0	(13,120)	174,220
YEOVIL RECREATION CENTRE	Expenditure	276,340	6,770	200	0	(740)	0	0	0	0	0	24,210	306,780
	Income	(125,580)	0	0	0	0	0	0	0	0	0	0	(125,580)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	150,760	6,770	200	0	(740)	0	0	0	0	0	24,210	181,200
TOTAL LEISURE, RECREATION & TOURISM	Expenditure	1,069,570	64,120	800	0	38,840	0	0	0	0	0	12,410	1,185,740
	Income	(497,720)	0	0	0	0	0	(11,040)	0	0	0	(15,100)	(523,860)
	TOTAL	571,850	64,120	800	0	38,840	0	(11,040)	0	0	0	(2,690)	661,880
INCOME & OPPORTUNITIES DEVELOPMENT													
Service Manager : James Divall													
INCOME & OPPORTUNITIES DEVELOPMENT	Expenditure	306,000	21,670	0	0	102,630	0	0	0	0	0	0	430,300
	Income	(376,000)	(34,860)	0	0	(102,630)	0	0	(35,300)	0	0	0	(548,790)
Portfolio Holder : ??	TOTAL	(70,000)	(13,190)	0	0	0	0	0	(35,300)	0	0	0	(118,490)
TOTAL INCOME & OPPORTUNITIES DEVELOPMENT	Expenditure	306,000	21,670	0	0	102,630	0	0	0	0	0	0	430,300
	Income	(376,000)	(34,860)	0	0	(102,630)	0	0	(35,300)	0	0	0	(548,790)
	TOTAL	(70,000)	(13,190)	0	0	0	0	0	(35,300)	0	0	0	(118,490)
PROPERTY, LAND AND DEVELOPMENT													
Service Manager : Robert Orrett													
OPERATIONAL PROPERTIES	Expenditure	1,079,460	28,840	2,200	0	(70)	0	(10,640)	0	0	0	0	1,099,790
	Income	(532,700)	0	0	0	0	0	0	0	0	0	0	(532,700)
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	546,760	28,840	2,200	0	(70)	0	(10,640)	0	0	0	0	567,090

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
COMMERCIAL INVESTMENTS	Expenditure	752,700	0	0	0	51,450	0	0	136,350	0	9,000	0	949,500
	Income	(926,000)	0	0	0	(216,510)	0	0	0	0	(234,630)	0	(1,377,140)
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	(173,300)	0	0	0	(165,060)	0	0	136,350	0	(225,630)	0	(427,640)
CAR PARKING	Expenditure	810,430	(12,390)	0	0	(16,680)	0	0	0	0	0	0	781,360
	Income	(2,130,670)	0	0	210,000	0	0	(135,000)	0	0	0	0	(2,055,670)
Portfolio Holder : Cllrs Henry Hobhouse & Peter Seib	TOTAL	(1,320,240)	(12,390)	0	210,000	(16,680)	0	(135,000)	0	0	0	0	(1,274,310)
BIRCHFIELD	Expenditure	64,590	0	0	0	(300)	0	0	0	0	0	0	64,290
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllrs Henry Hobhouse	TOTAL	64,590	0	0	0	(300)	0	0	0	0	0	0	64,290
LAND DRAINAGE	Expenditure	72,000	0	0	0	0	0	0	0	0	0	0	72,000
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllrs Henry Hobhouse	TOTAL	72,000	0	0	0	0	0	0	0	0	0	0	72,000
COMMERCIAL PROPERTY	Expenditure	145,160	0	0	0	(47,950)	0	0	0	0	0	0	97,210
	Income	(398,200)	0	0	0	214,510	0	0	0	0	0	0	(183,690)
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	(253,040)	0	0	0	166,560	0	0	0	0	0	0	(86,480)
PROPERTY, LAND & DEVELOPMENT - SPECIALISTS	Expenditure	0	133,640	0	0	0	0	0	0	0	0	0	133,640
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	0	133,640	0	0	0	0	0	0	0	0	0	133,640
PROPERTY, LAND & DEVELOPMENT - CASE OFFICERS	Expenditure	0	276,150	0	0	0	0	0	0	0	0	0	276,150
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	0	276,150	0	0	0	0	0	0	0	0	0	276,150
ENGINEERING & PROPERTY SERVICES	Expenditure	594,790	(385,660)	0	0	(166,760)	0	0	0	0	0	0	42,370
	Income	(13,910)	0	0	0	2,000	0	0	0	0	0	0	(11,910)
Portfolio Holder : Cllr Henry Hobhouse	TOTAL	580,880	(385,660)	0	0	(164,760)	0	0	0	0	0	0	30,460
TOTAL PROPERTY, LAND & DEVELOPMENT	Expenditure	3,519,130	40,580	2,200	0	(180,310)	0	(10,640)	136,350	0	9,000	0	3,516,310
	Income	(4,001,480)	0	0	210,000	0	0	(135,000)	0	0	(234,630)	0	(4,161,110)
	TOTAL	(482,350)	40,580	2,200	210,000	(180,310)	0	(145,640)	136,350	0	(225,630)	0	(644,800)
TOTAL DIRECTOR OF COMMERCIAL SERVICES & INCOME GENERATION	Expenditure	17,443,770	204,610	308,200	21,300	(45,060)	0	(10,640)	136,350	0	9,000	12,410	18,079,940
	Income	(10,878,200)	(38,460)	(147,100)	210,000	(102,630)	4,400	(173,330)	(35,300)	0	(234,630)	(20,600)	(11,415,850)
	TOTAL	6,565,570	166,150	161,100	231,300	(147,690)	4,400	(183,970)	101,050	0	(225,630)	(8,190)	6,664,090

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£			£	£	£	£	£
SERVICE DELIVERY													
Director: Martin Woods													
CUSTOMER FOCUS													
Service Manager : Sharon Jones													
CUSTOMER FOCUS TEAM	Expenditure	427,930	247,760	0	0	(21,440)	(4,400)	0	0	0	0	0	649,850
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Ric Pallister	TOTAL	427,930	247,760	0	0	(21,440)	(4,400)	0	0	0	0	0	649,850
TOTAL CUSTOMER FOCUS	Expenditure	427,930	247,760	0	0	(21,440)	(4,400)	0	0	0	0	0	649,850
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	427,930	247,760	0	0	(21,440)	(4,400)	0	0	0	0	0	649,850
CASE TEAM													
Service Manager : Kirsty Larkins													
CASE TEAM	Expenditure	0	1,490,790	0	0	0	0	0	0	0	0	0	1,490,790
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ???	TOTAL	0	1,490,790	0	0	0	0	0	0	0	0	0	1,490,790
TOTAL CASE TEAM	Expenditure	0	1,490,790	0	0	0	0	0	0	0	0	0	1,490,790
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	1,490,790	0	0	0	0	0	0	0	0	0	1,490,790
SERVICE DELIVERY - LEAD SPECIALISTS													
Service Manager : Martin Woods													
SERVICE DELIVERY - LEAD SPECIALISTS	Expenditure	0	248,150	0	0	0	0	0	0	0	0	0	248,150
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ???	TOTAL	0	248,150	0	0	0	0	0	0	0	0	0	248,150
TOTAL SERVICE DELIVERY - LEAD SPECIALISTS	Expenditure	0	248,150	0	0	0	0	0	0	0	0	0	248,150
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	248,150	0	0	0	0	0	0	0	0	0	248,150

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£			£	£	£	£	£
SERVICE DELIVERY - MANAGERS													
Service Manager : Martin Woods													
SERVICE DELIVERY - MANAGERS	Expenditure	0	240,280	0	0	0	0	0	0	0	0	0	240,280
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ???	TOTAL	0	240,280	0	0	0	0	0	0	0	0	0	240,280
TOTAL SERVICE DELIVERY - MANAGERS	Expenditure	0	240,280	0	0	0	0	0	0	0	0	0	240,280
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	240,280	0	0	0	0	0	0	0	0	0	240,280
LOCALITY													
Service Manager : Tim Cook													
LOCALITY TEAM	Expenditure	0	515,180	0	0	0	0	0	0	0	0	0	515,180
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ???	TOTAL	0	515,180	0	0	0	0	0	0	0	0	0	515,180
PLAY, HEALTH & WELLBEING	Expenditure	463,600	(290,060)	0	0	(19,860)	0	0	0	0	0	0	153,680
	Income	(65,980)	0	0	0	0	0	0	0	0	0	0	(65,980)
Portfolio Holder : ???	TOTAL	397,620	(290,060)	0	0	(19,860)	0	0	0	0	0	0	87,700
COMMUNITY SAFETY	Expenditure	49,280	(43,150)	0	0	(930)	0	0	0	0	0	0	5,200
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Peter Gubbins	TOTAL	49,280	(43,150)	0	0	(930)	0	0	0	0	0	0	5,200
AREA EAST	Expenditure	211,630	(115,810)	0	0	(57,850)	0	0	0	0	0	0	37,970
	Income	(4,510)	0	0	0	0	0	0	0	0	0	0	(4,510)
Area Chairman : Cllr Nick Weeks	TOTAL	207,120	(115,810)	0	0	(57,850)	0	0	0	0	0	0	33,460
AREA NORTH	Expenditure	182,730	(79,270)	0	0	(72,280)	0	0	0	0	0	0	31,180
	Income	0	0	0	0	(5,080)	0	0	0	0	0	0	(5,080)
Area Chairman : Cllr Derek Yeomans	TOTAL	182,730	(79,270)	0	0	(77,360)	0	0	0	0	0	0	26,100
AREA SOUTH	Expenditure	296,500	(117,930)	0	(20,000)	(79,870)	0	0	0	0	0	0	78,700
	Income	(11,700)	0	0	0	0	0	0	0	0	0	0	(11,700)
Area Chairman : Cllr Peter Gubbins	TOTAL	284,800	(117,930)	0	(20,000)	(79,870)	0	0	0	0	0	0	67,000
AREA WEST	Expenditure	274,840	(123,760)	0	0	(95,240)	0	0	0	0	0	0	55,840
	Income	(17,440)	0	0	0	0	0	0	0	0	0	0	(17,440)
Area Chairman : Cllr Val Keitch	TOTAL	257,400	(123,760)	0	0	(95,240)	0	0	0	0	0	0	38,400
TOTAL LOCALITY	Expenditure	1,478,580	(254,800)	0	(20,000)	(326,030)	0	0	0	0	0	0	877,750
	Income	(99,630)	0	0	0	(5,080)	0	0	0	0	0	0	(104,710)
	TOTAL	1,378,950	(254,800)	0	(20,000)	(331,110)	0	0	0	0	0	0	773,040

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
REGENERATION													
Service Manager : Martin Woods													
REGENERATION	Expenditure	0	0	0	0	61,600	0	0	0	0	0	0	61,600
	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Jo Roundell-Greene	TOTAL	0	0	0	0	61,600	0	0	0	0	0	0	61,600
TOTAL REGENERATION	Expenditure	0	0	0	0	61,600	0	0	0	0	0	0	61,600
	Income	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	61,600	0	0	0	0	0	0	61,600
SERVICE DELIVERY FUNCTIONS													
Service Manager : Nigel Marston													
DEVELOPMENT CONTROL	Expenditure	1,439,650	(543,410)	0	0	(223,580)	0	0	0	0	0	0	672,660
Service Manager : Simon Fox	Income	(1,391,950)	0	0	0	0	0	(15,000)	0	0	0	0	(1,406,950)
Portfolio Holder : Cllr Angie Singleton	TOTAL	47,700	(543,410)	0	0	(223,580)	0	(15,000)	0	0	0	0	(734,290)
BUILDING CONTROL	Expenditure	654,480	(154,860)	0	0	(53,240)	0	0	0	0	0	0	446,380
Service Manager : ??	Income	(661,240)	0	0	100,000	0	0	0	0	0	0	0	(561,240)
Portfolio Holder : Cllr Nick Weeks	TOTAL	(6,760)	(154,860)	0	100,000	(53,240)	0	0	0	0	0	0	(114,860)
ENFORCEMENT & COMPLIANCE	Expenditure	0	45,120	0	0	0	0	0	0	0	0	0	45,120
Service Manager : ??	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : ??	TOTAL	0	45,120	0	0	0	0	0	0	0	0	0	45,120
ECONOMIC DEVELOPMENT	Expenditure	286,900	(101,670)	0	0	(47,250)	0	0	0	0	0	146,000	283,980
Service Manager : Peter Paddon	Income	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio Holder : Cllr Jo Roundell-Greene	TOTAL	286,900	(101,670)	0	0	(47,250)	0	0	0	0	0	146,000	283,980
HOUSING STANDARDS	Expenditure	239,830	(83,300)	0	0	(44,390)	0	0	0	0	0	0	112,140
Service Manager : Vicki Dawson	Income	(67,450)	0	0	0	0	0	0	0	0	0	0	(67,450)
Portfolio Holder : Cllr Val Keitch	TOTAL	172,380	(83,300)	0	0	(44,390)	0	0	0	0	0	0	44,690
ENVIRONMENTAL HEALTH & COMMUNITY PROTECTION	Expenditure	829,110	(293,820)	0	0	(86,170)	0	0	0	0	0	0	449,120
Service Manager : Vicki Dawson	Income	(71,660)	0	0	0	0	0	0	0	0	0	0	(71,660)
Portfolio Holder : Cllr Val Keitch	TOTAL	757,450	(293,820)	0	0	(86,170)	0	0	0	0	0	0	377,460
ENFORCEMENT	Expenditure	121,900	(46,940)	0	0	(43,520)	0	0	0	0	0	0	31,440
Service Manager : Vicki Dawson	Income	(3,000)	0	0	0	0	0	0	0	0	0	0	(3,000)
Portfolio Holder : Cllr Val Keitch	TOTAL	118,900	(46,940)	0	0	(43,520)	0	0	0	0	0	0	28,440
LICENSING	Expenditure	251,790	(102,220)	0	0	(35,940)	0	0	0	0	0	0	113,630
Service Manager : Nigel Marston	Income	(310,610)	0	0	0	0	0	(9,320)	0	0	0	0	(319,930)
Portfolio Holder : Cllr Angie Singleton	TOTAL	(58,820)	(102,220)	0	0	(35,940)	0	(9,320)	0	0	0	0	(206,300)
HOUSING	Expenditure	1,101,410	(189,780)	0	21,200	(129,050)	0	0	0	0	0	0	803,780

Service with Elements		18/19 Original Budget	Pay Inflation	General Inflation	Inescapables	Virements	Virements 05 Structure	Savings	Revenue Effects of Capital	Growth Bids	Investment Income	Approved One Off/Other	19/20 Original Budget
		£	£	£	£	£		£	£	£	£	£	£
Service Manager : ??	Income	(252,420)	0	0	0	0	0	0	0	0	0	0	(252,420)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	848,990	(189,780)	0	21,200	(129,050)	0	0	0	0	0	0	551,360
REVENUES & BENEFITS	Expenditure	1,682,070	(964,530)	0	25,000	(296,910)	0	0	0	0	0	0	445,630
Service Manager : Ian Potter	Income	(478,470)	0	0	0	0	0	0	0	0	0	0	(478,470)
Portfolio Holder : Cllr Peter Seib	TOTAL	1,203,600	(964,530)	0	25,000	(296,910)	0	0	0	0	0	0	(32,840)
HOUSING BENEFIT SUBSIDY	Expenditure	40,234,820	0	0	0	(6,477,850)	0	0	0	0	0	0	33,756,970
Service Manager : Ian Potter	Income	(40,809,280)	0	0	3,500	6,477,850	0	0	0	0	0	0	(34,327,930)
Portfolio Holder : Cllr Peter Seib	TOTAL	(574,460)	0	0	3,500	0	0	0	0	0	0	0	(570,960)
CARELINE & WELFARE BENEFITS	Expenditure	344,390	(130,880)	0	0	(50,930)	0	0	0	0	0	0	162,580
Service Manager : ??	Income	(411,500)	0	0	0	0	0	(12,350)	0	0	0	0	(423,850)
Portfolio Holder : Cllr Sylvia Seal	TOTAL	(67,110)	(130,880)	0	0	(50,930)	0	(12,350)	0	0	0	0	(261,270)
RIGHTS OF WAY	Expenditure	35,390	0	0	0	(31,500)	0	0	0	0	0	0	3,890
	Income	(16,500)	0	0	0	0	0	0	0	0	0	0	(16,500)
Portfolio Holder : Cllr Peter Seib	TOTAL	18,890	0	0	0	(31,500)	0	0	0	0	0	0	(12,610)
LAND CHARGES	Expenditure	90,790	(29,850)	0	0	(10,280)	0	0	0	0	0	0	50,660
	Income	(438,170)	0	0	0	0	0	0	0	0	0	0	(438,170)
Portfolio Holder : Cllr Peter Seib	TOTAL	(347,380)	(29,850)	0	0	(10,280)	0	0	0	0	0	0	(387,510)
STREET NAMING AND NUMBERING	Expenditure	10,010	0	0	0	0	0	0	0	0	0	0	10,010
	Income	(24,180)	0	0	0	0	0	0	0	0	0	0	(24,180)
Portfolio Holder : ??	TOTAL	(14,170)	0	0	0	0	0	0	0	0	0	0	(14,170)
TOTAL SERVICE DELIVERY FUNCTIONS	Expenditure	47,322,540	(2,596,140)	0	46,200	(7,530,610)	0	0	0	0	0	146,000	37,387,990
	Income	(44,936,430)	0	0	103,500	6,477,850	0	(36,670)	0	0	0	0	(38,391,750)
	TOTAL	2,386,110	(2,596,140)	0	149,700	(1,052,760)	0	(36,670)	0	0	0	146,000	(1,003,760)
TOTAL DIRECTOR OF SERVICE DELIVERY	Expenditure	49,229,050	(623,960)	0	26,200	(7,816,480)	(4,400)	0	0	0	0	146,000	40,956,410
	Income	(45,036,060)	0	0	103,500	6,472,770	0	(36,670)	0	0	0	0	(38,496,460)
	TOTAL	4,192,990	(623,960)	0	129,700	(1,343,710)	(4,400)	(36,670)	0	0	0	146,000	2,459,950
TOTAL SSDC	Expenditure	74,151,190	(232,160)	315,230	132,600	(6,384,050)	(4,400)	15,360	156,350	0	173,500	140,410	68,464,030
	Income	(57,667,690)	(38,460)	(147,100)	344,500	6,384,050	4,400	(210,000)	(13,300)	0	(902,030)	(20,600)	(52,266,230)
	TOTAL	16,483,500	(270,620)	168,130	477,100	0	0	(194,640)	143,050	0	(728,530)	119,810	16,197,800
Transformation Savings			772,200					(772,200)					
MTFP 2018/19		16,483,500	501,580	168,130	477,100	0	0	(966,840)	143,050	0	(728,530)	119,810	16,197,800

Savings

Appendix B

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Transformation					
Transformation-blueprint savings - Staff	-772.2				
Transformation-blueprint savings - IT	76.0				
Transformation Non Pay Savings	-50.0				
Bridge Barns Offices	-10.6				
Income					
Sales, Fees and Charges - Future years target		-75	-75		
Sales, Fees and Charges - Arts	-5.4				
Sales, Fees and Charges - Planning	-15.0				
Sales, Fees and Charges - Licensing	-9.3				
Sales, Fees and Charges - Welfare/Careline	-12.4				
Sales, Fees and Charges - Horticulture/Grounds - Compost Waste Bins	-21.8				
Sales, Fees and Charges - Countryside	-11.0				
Parking Fee Income	-135.0				
Countryside - Ninespring and Yeovil Rec		-21	-15	-12.7	-13.6
Insurance Premiums procurement saving	-50.0				
	-1016.7	-96.0	-90.0	-12.7	-13.6

Budget Pressures

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Details
Allowance for other new inescapables	250.0	250.0	200.0	200.0	200.0	
Already Approved						
Waste additional properties	21.3	21.3	21.3	21.3		
Somerset Drainage Board	5.1					
P4A Funding post withdrawal of funding from SCC	-138.8					Added as two-year funding 2017/18 and 2018/19 therefore not included in 2019/20
Direct Hostel Provision, Move on Accommodation Support	160.0					
Area South - Markets budget pressure	-20.0					Initially estimated £14.8k but Area South Ctte wish to remove income but retain spend for one year as new arrangements bed in
YIC Income Void Rate		-25.0				
New Unavoidables						
Members training and Development (post-election)	30.0	-30.0				
Removal of mobile phone rebate income budget	18.0					Income budget no longer achievable
Parking income base budget realignment	210.0					Reduction in income target
Reduction in advertising budget	13.0					Income budget no longer achievable
Apprenticeship levy budget	50.0					Creation of new budget
Reduction in 2019/20 'Local Council Tx Support Admin Subsidy Grant'	3.5					Notification received on reduced level of grant to be received.
S13a Discretionary Discounts - Care Leavers	25.0					Agreed by DX on 10.1.2019
Building control base budget update	100.0					Reduction in income target
Total Commitments	477.1	-33.7	21.3	21.3	0.0	
Total Unavoidable Commitments Remaining	-227.1	283.7	178.7	178.7	200.0	

Revised Capital Programme 2018/19 - 2022/23

Appendix D

Scheme	2018/19 Est Spend £000s	2019/20 Est Spend £000s	2020/21 Est Spend £000s	2021/22 Est Spend £000s	2022/23 Est Spend £000s	Project Officer	Project Sponsor
STRATEGIC MANAGEMENT							
Chief Executive - Alex Parmley							
Transformation - IT Hardware						N Meadows / M Woods	A Parmley
Transformation - Phase1 Surface Pro's						N Meadows / M Woods	A Parmley
Transformation - IT Software						N Meadows / M Woods	A Parmley
Transformation - Furniture @BW Phase 1 Tran						N Meadows / M Woods	A Parmley
Transformation - Furniture @BW Phase 2 Tran						N Meadows / M Woods	A Parmley
Transformation - SSDC Offices Brympton Way						N Meadows / M Woods	A Parmley
Subtotal for Strategic Management	894	0	0	0	0		
STRATEGY & COMMISSIONING							
Director - Netta Meadows							
STRATEGIC PLANNING							
Service Manager - Jan Gamon							
Portfolio Holder - Cllr Val Keitch / Sylvia Seal							
Affordable Housing - Rural exception, Misterton (Yarlington)		397				J Gamon	N Meadows
Affordable Housing - Furnham Road Phase II/Jarman Way, Chard (Knightstone)	100	100				J Gamon	J
Affordable Housing - North Street, Crewkerne		1,040				J Gamon	N Meadows
Affordable Housing - West End Close, South Petherton (Stonewater)	398	597				J Gamon	N Meadows
Affordable Housing - 4 Properties Chard Working Mens Club (Stonewater)		216				J Gamon	N Meadows
Affordable Housing - 5 Bought not Built (BCHA)	92					J Gamon	N Meadows
Affordable Housing - Magna at South St, Crewkerne		350				J Gamon	N Meadows
Affordable Housing - Day Care Centre	2					J Gamon	N Meadows
Goldenstones 10 Yr Plan Changing Rm's Refurbishment	15	42				L Pincombe	J Gamon
Wincanton Community Sports Centre 10 year plan		42				L Pincombe	J Gamon
Goldenstones & Wincanton Sports Centres		526	70	230	70	L Pincombe	J Gamon
WESTLANDS SPORT FACILITIES							
Portfolio Holder - Cllr Sylvia Seal							
Westlands Sports & Pavilion	22					J Hannis	T Cook
Lyde Road Pedestrian & Cycle Way, Yeovil		250				L Pincombe	J Gamon
Subtotal for Strategy & Commissioning	629	3,560	70	230	70		
SUPPORT SERVICES							
Director - Netta Meadows							
FINANCIAL SERVICES							
Lead Specialist - Nicola Hix							
Portfolio Holder - Cllr Peter Seib							
Capital Salaries	25					N Hix	P Fitzgerald
Loan to Somerset Waste Partnership - Repayment (1)						N Hix	P Fitzgerald
Loan to Somerset Waste Partnership for Vehicles (2)		5,000				N Hix	P Fitzgerald

ICT SERVICES							
Lead Specialist - Dave Chubb							
Portfolio Holder - Cllr Henry Hobhouse							
ICT Infrastructure Replacement	4					D Chubb	N Meadows
E5 Upgrade		30				D Chubb	N Meadows
Mobile Devices for Council Members		33				D Chubb	N Meadows
Corporate Firewall		25			25	D Chubb	N Meadows
Subtotal for Support Services	29	5,088	0	0	25		
SERVICE DELIVERY							
Director - Martin Woods							
ECONOMIC DEVELOPMENT							
Service manager: Peter Paddon							
Portfolio Holder - Cllr Jo Roundell-Greene							
Yeovil Innovation Centre Phase II	1,194	38				P Biggenden	C Pestell
Yeovil Innovation Centre Photovoltaics		16				P Biggenden	C Pestell
Purchase Land at Boden St, Chard	50					P Biggenden	C Pestell
ENVIRONMENTAL HEALTH							
Service Manager - Vicky Dawson							
Portfolio Holder - Cllr Val Keitch							
Disabled Facilities Grants	936	350				V Dawson	M Woods
Empty Property Grants	40	25				V Dawson	M Woods
Home Repairs Assistance	62					V Dawson	M Woods
HMO Grants	52					V Dawson	M Woods
Private sector housing grants		180				V Dawson	M Woods
LOCALITIES							
Service Manager - Helen Rutter							
Portfolio Holder - Cllr Val Keitch							
Reckleford Gyrotory (Eastern Gateway) Yeovil	14					T Cook	M Woods
Enhancements to Waterside Rd, Wincanton	31					T Cook	M Woods
Castle Cary Fairfield Project	2						
Multi Use Games Area	87					T Cook	M Woods
Grants for Parishes with Play Area - Ilton	5	12				T Cook	M Woods
Grants for Parishes with Play Area - Curry Rivel		2				T Cook	M Woods
Milford Adventure Park	28					T Cook	M Woods
Grant to West Coker Recreation Ground Play Area	-1					T Cook	M Woods
Grant for Stoke Sub Hamdon Recreational Ground		10				T Cook	M Woods
Grant for Youth Facilities		5				T Cook	M Woods
Wyndham Park Play Area Equipment		51				T Cook	M Woods
Cuckoo Hill Play Area Equipment	1					T Cook	M Woods
Jarman Way, Chard - Play Area Equipment		28				T Cook	M Woods
Snowden Park Play Area Equipment, Chard	22	28				T Cook	M Woods
Harbin Fields, Yeovil - Play Area Equipment	35	23				T Cook	M Woods
Canal Way, Ilminster Play Area Equipment	25	70				T Cook	M Woods
Old Kelways Play Area, Langport	19	13				T Cook	M Woods
Flagship Play Area	4	138				T Cook	M Woods
Grant to Donald Pither Memorial Ground, Castle Cary	11					T Cook	M Woods
Grant for Merriott Rec Ground	15	14				T Cook	M Woods
Curry Mallet Play Area	7					T Cook	M Woods
Grant to Milborne Port Rec Changing Rooms	5					T Cook	M Woods
Dual Use Sport Centre Grants	5					T Cook	M Woods
Huish Episcopi Swimming Pool	270	66				T Cook	M Woods
Langport Memorial Ground New Changing Facilities		4				T Cook	M Woods

Forton Playing Pitches, Chard	85					T Cook	M Woods
Babcary Playing Field	4					T Cook	M Woods
Holyrood Sports Pavilion	14					T Cook	M Woods
Somerton Playing Field	22					T Cook	M Woods
AREA NORTH							
Service Manager - Tim Cook							
Area Chairman - Cllr Graham Middleton							
Access to Riverside Walks	8					T Cook	M Woods
Support of Economic Vitality in Area North (Signage for marketing programme)	8					T Cook	M Woods
High Ham Recreation Ground - Youth Park	1					T Cook	M Woods
New Accessible Footpaths at Seavington Playing Field	2					T Cook	M Woods
Village Hall Grant Kingsbury Episcopi Church Rooms	4					T Cook	M Woods
Long Load Village Hall Mgt Committee	5					T Cook	M Woods
Compdon Dundon Parish Council Bus Shelter Improvements	4					T Cook	M Woods
Refurbishment of William Blake Mem Hall, South Petherton	5					T Cook	M Woods
Purchase of Fitness Equipment for Recreation Ground next to Barrington Village Hall	2					T Cook	M Woods
Purchase of a section of Langport Cycleway	10					T Cook	M Woods
Huish Episcopi Pool	25					T Cook	M Woods
Access review of Stoke Sports & Recreation Trust 5-year plan	12					T Cook	M Woods
AREA SOUTH							
Service Manager - Natalie Ross							
Area Chairman - Cllr Peter Gubbins							
Yeovil to Ilchester Multi User Pathway-Feasibility	2					T Cook	M Woods
Barwick and Stoford PC - New play equipment.	5					T Cook	M Woods
Grant to Westfield Community Centre	95					T Cook	M Woods
Radio Ninesprings - contribution to set up costs	12					T Cook	M Woods
AREA EAST							
Service Manager - Tim Cook							
Area Chairman - Cllr Nick Weeks							
Wincanton-Pedestrian/Cycle Link Common Lane	5					T Cook	M Woods
Retail Support Initiative Schemes	1					T Cook	M Woods
Award to A Bishop Electricals, Castle Cary	2					T Cook	T Cook
Parish Infrastructure Fund	4					T Cook	T Cook
Upgrade of Cucklington Village Hall Car Park	6					T Cook	T Cook
Henstridge-Village hall furniture	1					T Cook	T Cook
Milborne Port PC-Stair lift Market House	3					T Cook	T Cook
Bruton TC-New MUGA	5					T Cook	T Cook
Horsington PC - Installation of new play equipment	5					T Cook	T Cook
Blackford & Compton Parish Mtg - Superfast Broadband Installation	8					T Cook	T Cook
Hadspen Village Hall - Car Park Extension	1					T Cook	T Cook
Ansford & Castle Cary TC's - Phase 3 Outdoor Gym Equipment	8					T Cook	T Cook
Upgrade of Milborne Port Village Hall Car Park	4					T Cook	T Cook
Purchase of Allotment Area in Ilchester	7					T Cook	T Cook
Community Kids Playgroup Grant	2					T Cook	T Cook
Caryford Community Hall extension & refurbishment	13					T Cook	T Cook

AREA WEST							
Service Manager - Tim Cook							
Area Chairman - Cllr Jason Baker							
Merriott PC Phase 2 Rec Ground	5					T Cook	T Cook
Illminster Warehouse Theatre	13					T Cook	T Cook
Avishayes Junior Football Club	4					T Cook	T Cook
Speedwell Hall, Crewkerne	13					T Cook	T Cook
Subtotal for Service Delivery	3,348	1,073	0	0	0		
COMMERCIAL SERVICES & INCOME GENERATION							
Director - Clare Pestell							
ENGINEERING AND PROPERTY SERVICES							
Service Manager - Robert Orrett							
Portfolio Holder - Cllr Henry Hobhouse							
Investment in Properties	18,887					R Orrett	C Pestell
Car Park Enhancements		28				R Orrett	C Pestell
New Car Parks		240				R Orrett	C Pestell
Enhanc to SSDC Bldgs	39	259				R Orrett	C Pestell
Essential works to the Council's portfolio		89				R Orrett	C Pestell
Capital works to the Council's portfolio		50				R Orrett	C Pestell
Transfer of Castle Cary Market House	25					R Orrett	C Pestell
Yeovil Crematorium 5 year plan	36	24				P Biggenden	R Orrett
Confidential Projects	300	3,540	46			P Biggenden	R Orrett
Petters Way Refurbishment	66	184				P Biggenden	R Orrett
Manor farm, Forton	98					R Orrett	C Pestell
STREETSCENE							
Service Manager - Chris Cooper							
Portfolio Holder - Cllr Jo Roundell Greene							
Access all Areas Footpaths on Open Spaces	11					S Fox	C Cooper
Purchase of Road Sweeper		145				C Cooper	C Pestell
Lufton Depot Artillery Rd - MOT Centre, Yeovil	17					C Cooper	C Pestell
ARTS AND ENTERTAINMENT							
Service Manager - Adam Burgen							
Portfolio Holder - Cllr Sylvia Seal							
Octagon Dimmer Lighting	64					A Burgen	C Pestell
Electricity upgrade and air cooling for The Octagon Auditorium		86				A Burgen	C Pestell
Westland Entertainment Venue	-452					A Burgen	C Pestell
Yeovil Rec Centre	12					J Hannis	L Pincombe
Upgrade Joanna France Building	27					J Hannis	L Pincombe
COMMUNITY HEALTH AND LEISURE							
Service Manager - Katy Menday							
Portfolio Holder - Cllr Sylvia Seal							
Riverside Park Planting Scheme	12	4	3	2	1	R Whaites	K Menday
Commercial Outlet Improvements - Leisure & Recreation		100	100			K Menday	C Pestell
Total for Commercial Services & Income Generation	19,142	4,749	149	2	1		
Total Gross Capital Programme	24,042	14,470	219	232	96		

RESERVE SCHEMES APPROVED IN PRINCIPLE					
Yeovil Refresh		429			
Wyndham Park Community Facilities		400			
Market Towns Vision		355			
Investment in Land, Property & Renewables		13,540	20,000	20,490	
Gas Control System - Birchfield		485			
Affordable Housing - Unallocated		558			
Affordable Housing - Yeovil		72			
Affordable Housing - Rural Contingency Fund		500			
Investment in Market Housing		731	1,200		
ICT Replacement		277			
Transformation		459			
Contingency for Plant Failure		199			
Home Farm, Somerton		298			
Lufton 2000, Yeovil - All Phases		240			
Sports Zone		0			
Gypsy & Traveller Acquisition Fund		133			
Infrastructure & Park Homes Contingency		91			
Total Reserve Schemes Approved in Principle		18,767	21,200	20,490	0

AREA RESERVE SCHEMES AWAITING ALLOCATION					
North					
Local Priority Projects - enhancing facilities and services		141			S Kelly
South					
Unallocated Programme		222			N Forte
Play Area Refurbishment- District Allocation		15			N Forte
East					
Unallocated Capital Reserve		27			T Cook
Parish Infrastructure Fund		0			T Cook
Community & Leisure Grants		3			T Cook
West					
Area West Markets Improvement Group (Nov 2010 committee)		6			
Unallocated Programme		124			
Total		537	0	0	0

Capital Programme	24,042	14,470	219	232	96
Contingent Liabilities and Reserve Schemes	0	19,304	21,200	20,490	0
Total Programme to be Financed	24,042	33,774	21,419	20,722	96

Summary of Recommended Schemes (with Interest)

APPENDIX E

Bid No.	Scheme Name	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
SSDC Assets - IT							
2019-04	E5 Upgrade	30.0					30.0
2019-07	Mobile Devices for Council Members	33.0					33.0
2018-05	Flagship Play Area	25.0			25.0		50.0
		88.0	0.0	0.0	25.0	0.0	113.0
SSDC Assets -Essential							
2019-03	Essential Works to the Council's Portfolio:	89.0					89.0
2019-05	Goldenstones and Wincanton Sports Centres	475.0	70.0	230.0	70.0	25.0	870.0
		564.0	70.0	230.0	70.0	25.0	959.0
Other Schemes							
2019-01	Private Sector Housing Grants	180.0					180.0
2019-02	Electricity Upgrade and Air Cooling for The Octagon Theatre Auditorium	86.0					86.0
2019-03	Capital Works to the Council's Portfolio:	50.5					50.5
2019-05	Goldenstones and Wincanton Sports Centres	51.0					51.0
2019-06	Commercial Outlet Improvements - Leisure & Recreation	100.0	100.0				200.0
		467.5	100.0	0.0	0.0	0.0	567.5
Non-Scoring							
	Top up to Area Capital	100.0					100.0
Total of All New Capital Bids		1,219.5	170.0	230.0	95.0	25.0	1,739.5

Lost interest at 2.0% 2019/20 £'000	Lost interest at 2.0% 2020/21 £'000	Lost interest at 2.0% 2021/22 £'000	Lost interest at 2.0% 2022/23 £'000	Lost interest at 2.0% 2023/24 £'000	Total loss of interest at 2.0% £'000
0.6					0.6
0.7					0.7
0.5			0.5		1.0
1.8	0.0	0.0	0.5	0.0	2.3
1.8					1.8
9.5	1.4	4.6	1.4	0.5	17.4
11.3	1.4	4.6	1.4	0.5	19.2
3.6					3.6
1.7					1.7
1.0					1.0
1.0					1.0
2.0	2.0				4.0
7.4	0.0	0.0	0.0	0.0	7.4
2.0					2.0
22.4	1.4	4.6	1.9	0.5	30.8



South Somerset District Council Request for Capital

Capital Request No: 2019-01

Capital Name: Private Sector Housing Grants

Date Created 20.11.2018
Document Version: 1.0
Author: Vicki Dawson

1 Purpose of Request

To seek funding of £180,000 to continue to provide Private Sector Housing Grants in 2019/20 across the district.

The provision of Private Sector Housing Grants has comprised part of the council's capital programme for many years and this bid is made in order to continue to fund this vital work. If funding is agreed, £60,000 will go to expenditure on Home Repair Grants, £60,000 towards expenditure on Houses in Multiple Occupation (HMO) Grants, and £60,000 towards Empty Property Grants. This is an increase of £30,000 from the funding provided for 2018/19 due to increased demand. Grants are provided under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

2 Objectives

The aims in providing grant assistance are to help ensure decent housing standards across South Somerset, and to improve poor housing conditions in order to improve the health of local residents. This aligns directly with one of the priorities of the Draft Somerset Strategic Housing Framework 2018 – 2022 which is to achieve:

- A healthy living environment with secure and decent homes that fosters independent living within strong communities

This work also strongly supports the Council Plan 2016– 21 Area of Focus on Homes. In particular, the following activities identified under this area, which are:

- Work with the private rented sector to improve the standard and availability of rented accommodation
- Tackle fuel poverty
- Enable people to live independently for as long as they are able

3 Constraints and Decisions

These grants have been provided for many years, and the infrastructure, resources and expertise to deliver them is in place. 2018-19 has seen increased demand in particular for HMO grants and Home repair grants, mainly due to legislative changes

4 Interfaces

A change in legislation in Oct 2018 required increased numbers of HMO landlords to apply for a licence. Once a licence is granted, landlords must comply with the conditions of a licence. Officers are continuing to work with landlords to ensure properties are up to the requisite standard, and the ability to provide some grant aid has assisted this process. Further funding will ensure this support can continue and the standards of HMO's across the district will improve as a result.

When empty property grants are awarded the Council secures nomination rights for the property in order to house tenants from our waiting list in the refurbished homes. This supports work under the Homelessness Reduction Act which came into force earlier this year

5 Measures of Success

Success will be measured by the number of properties improved as result of grant funding, and the amount spent of the funding awarded. It is difficult to state the number of expected improved properties as the level of grant varies depending on works required, however based on maximum grant allowance if the grant allocation is all spent then 44 properties would be improved. In reality this figure will be higher as most grants awarded are not for the maximum amount

6 Anticipated Benefits

Providing funding for Private Sector Housing Grants has been successful in helping deliver the Councils housing priorities and supporting the regulatory work of the private sector housing team over many years.

- **Home Repair Grants - £60,000**

Home Repair Grants provide for essential wind and weatherproofing and home insulation which prevents properties falling into further disrepair and residents becoming ill as a result. The grants are means tested ensuring they are targeted at those in most financial need.

- **Houses in Multiple Occupation Grants (HMOs) - £60,000**

HMOs provide an essential and affordable form of housing, often to young and immigrant communities. It has traditionally been a tenure of housing that suffers poorer standards. HMO grants ensure basic safety and amenity standards are met. Any grant will only cover a proportion of the cost of any works required and thus act as an incentive to encourage landlords to bring properties in the sector up to a decent standard. It can be argued that as landlords are businessmen, they should pay all the costs of upgrading their HMOs themselves. However, in South Somerset we have always found that by providing small HMO grants landlords are encouraged to come forward and bring their properties up to standard. Offering these grants does not undermine the regulation of these properties and enforcement action will continue be taken wherever necessary.

- **Empty Property Grants - £60,000**

Bringing empty properties back into use is an important part of strategic housing work. The provision of a grant towards renovation or creation of flats from empty or derelict properties can encourage property owners to bring them back into use providing additional and much needed essential housing for South Somerset residents. Where grants are offered the council secures nomination rights on the property for 5 years and the property is let at Local Housing Allowance (LHA) rates. In addition, bringing empty properties back into use generates New Homes Bonus and increases council tax revenue.

7 Options Discounted

There is no other option to source funding for these grants. They are not mandatory, but have been provided for many years to deliver the priorities of the council and support the work of the Somerset Strategic Housing Partnership. Without grants many properties would remain below a decent homes standard. Regulation of the private rented sector would still continue, however, improvement of empty properties and owner occupied properties of vulnerable people would not be supported.

8 Key Information Summary

8.1	Expected Duration Of Work	
	Start Date:	April 2019
	Other Key Milestones with Dates:	
	Expected Completion Date:	March 2020

8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Lead Specialist EH Specialist EH Case officer service delivery	Split between all the officers 2.0 FTE	Y Y Y	N/A N/A N/A
	Are there any impacts on property?	N/A		
	Are there any impacts on IT systems?	N/A		
	Are there any environmental impacts?	Many of the grant works will serve to improve energy efficiency and hence reduce energy usage. Where possible environmentally aware contractors will be used.		
	Have you appropriately considered all Equality issues?	Poor quality accommodation particularly in relation to shared HMO properties can significantly impact on those from protected characteristic groups Improving substandard housing will improve conditions for all, but especially for the most vulnerable		
8.3	Risk Assessment			
	Risk	Steps taken to mitigate Risk		
	The only real risk associated with this area of expenditure is that the building contractors fail to finish the work on time and the funding allocated is not spent as planned. This has been a problem in the past.	All schemes are closely monitored to try and ensure that this does not happen.		

9 Financial Investment

9.1	Total Costs and Funding					
		Funding Body			£' 000	
	SSDC Capital: -	District Executive			180	
	Other Sources: - - Grants					
	Total Capital Cost				180	
9.2	Breakdown of main areas of cost					
		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Home Repair Grants	60				
	HMO Grants	60				
	Empty property Grants	60				
	Totals	180				

9.3 External funds to be received							
		Secured? Y/N	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	N/A		0				
	Totals		0				
9.4 Revenue Implications of Capital scheme							
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%	FT922	3.6				
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		3.6				
	Cumulative						
9.5 Whole Life Costing							
	Estimated useful life of asset (years)	N/A					
	Total Revenue Costs Year 1 to 5	N/A					
	Annual Revenue Cost after year 5	N/A					
	Total cost over whole life of asset	N/A					
9.6 VAT Implications							
	Based on the current information provided to us, the VAT is recoverable on this project as the future activity is non business.						



South Somerset District Council Request for Capital

Capital Request No: 2019-02

Capital Name: Electricity Upgrade and Air Cooling for
The Octagon Theatre Auditorium

Date Created 22/11/2018
Document Version: 1.0
Author: Adam Burgan

1 Purpose of Request

This document sets out capital resources required to support upgrading the power supply to The Octagon Theatre to enable installation of air cooling to the existing air handling system in the main auditorium of The Octagon Theatre. The power supply that exists to the theatre is no longer fit for purpose and does restrict the type of shows that can be staged at the theatre (for the ice shows a power generator had to be brought in and this additional cost made it prohibitive for the promoter). The biggest complaint received at the theatre is the lack of air conditioning throughout the building. Through the summer months this is particularly problematic and customers are vocal in their expectation that a venue with such a high profile should have air conditioning and that the current lack does put some audiences off booking during the summer months.

2 Objectives

- Protect core services to the public by reducing costs and seeking income generation
- To enhance the facilities in order to reduce the risk of any loss of income to the Council due to premises failure
- To improve the experience of visiting 'The Octagon' to improve attendance at the venue

3 Constraints and Decisions

Contracted Octagon Programme: Works to be undertaken around our existing programme.

4 Interfaces

BMS system at The Octagon

5 Measures of Success

Upgraded power and ability to reduce the temperature of the Octagon Auditorium.

6 Anticipated Benefits

- Enhance customer experience of using facilities.
- Minimise the likelihood of loss of income to the Council due to falling standards at The Octagon.
- Protect the Councils Service and Property investment.

7 Options Discounted

None.

8 Key Information Summary

8.1	Expected Duration Of Work	
	Start Date:	1st April 2019
	Other Key Milestones with Dates:	
	Expected Completion Date:	15 th April 2019

8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Arts and Entertainment Venues Manager	4 hrs	Y	Y
	Operations Manager	4 hrs	Y	Y
	Property Services	30 hrs	Y	Y
	Are there any impacts on property?	The property department will be required to manage the two elements of the project e.g. upgraded electricity supply and cooling. These are technically challenging projects so will require a high level of input to ensure the success of the project.		
	Are there any impacts on IT systems?	None		
	Are there any environmental impacts?	The nature of the project is such that there will be a degree of environmental impact but the intention will be to limit this impact by the use of energy efficient equipment and materials where possible.		
	Have you appropriately considered all Equality issues?	Yes.		
8.3	Risk Assessment			
	Risk	Steps taken to mitigate Risk		
	Cost of project increases	Budget cost based quotes from suppliers for the project.		
	Contractor fails to complete works to required standard	Use prudent programme for works, and tight programme management.		
	Contractor fails to complete works to required standard.	Use of approved contractors with references taken up, and tight contractual framework.		

9 Financial Investment

9.1	Total Costs and Funding		
		Funding Body	£' 000
	SSDC Capital: -	District Executive	86.32
	Other Sources: - - Grants	S106	30.68
	Total Capital Cost		117

9.2 Breakdown of main areas of cost							
			2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	1: Introduction of cooling into the main auditorium via the use of the existing AHU cooling coil to cool the air input system into the auditorium.		72				
	2: The upgrading of the main electricity supply into the theatre to accommodate the additional power required for the new cooling system and enable the theatre to accommodate shows/performances that require an increasing level of power through lighting and stage effects.		45				
	Totals		117				
9.3 External funds to be received							
		Secured? Y/N	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	N/A		N/A				
	Totals						
9.4 Revenue Implications of Capital scheme							
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%	FT922	1.726				
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		1.726				
	Cumulative						
9.5 Whole Life Costing							
	Estimated useful life of asset (years)	Perpetuity					
	Total Revenue Costs Year 1 to 5						
	Annual Revenue Cost after year 5						
	Total cost over whole life of asset						
9.6 VAT Implications							
	Based on the current information provided, VAT should be able to reclaimed on this project in line with the Council's overall partial exemption calculation.						



South Somerset District Council

Request for Capital

Capital Request No: 2019-03

Capital Name: Capital and Essential Works to the Council's Property Portfolio

Date Created 13/11/2018
Document Version: 1.0
Author: Robert Orrett

1 Purpose of Request

To ensure the continuance of funding for specific items planned capital and essential repair work to Council owned buildings, to ensure that 'fully serviced' buildings are provided in accordance with the Service Plan and Corporate Objectives.

2 Objectives

The project objectives link to the following Council Plan Priorities:

Environment,

- Promote a high quality built environment to live in

High quality cost effective services

- Actively manage assets and resources to ensure the best financial or community return.

Economy

- Capitalise on our high quality culture, leisure and tourism opportunities to bring people to South Somerset

In addition the project will combine with other objectives as listed below;

Service Plan Objectives:

- To deliver the process for planned maintenance as listed in the Property and Engineering Services Service Plan

Asset Management Plan:

- To deliver the process for planned maintenance as listed in the Corporate Strategy.

Audit Recommendation:

- To ensure delivery of planned maintenance to ensure compliance with District Audit.

To continue to provide fully serviced buildings for service managers and commercial and public users. This bid, if successful, is to enable continuation of the enhancement programme and enable essential maintenance thereby maintain asset value.

3 Constraints and Decisions

These would fall into the following categories:

- Inability to resource programme due to other commitments and staff changes arising out of the transformation programme.
- Need to programme the works within Service Manager Commitments, and around the use of individual buildings.
- Contractors and materials availability.
- Legislative requirement e.g. Planning Permission, Listed Building Consent or Building Regulation Requirements.

4 Interfaces

These would arise from any change to the Property Portfolio, any change in building features or any change in policy:

- Disposal of Property
- Acquisition of Property
- Major refurbishment of a property including carbon reduction measures.

- Accommodation or Building function Reviews

Any one of these would cause a review of the items listed for Improvement or change in the rolling programme of work.

5 Measures of Success

Success can be measured by:

- The maintaining or improving of the asset value.
- The improvement of the customer experience gauged via general feedback, level of customer complaints.
- Tenant satisfaction enabling rental values to be maintained.
- The continuation of statutory compliance.

6 Anticipated Benefits

The carrying out these projects this will result in the following benefits and outcomes:

- Health and Safety Standards are maintained for Staff, Tenants and the Public.
- Buildings are well maintained and remain capable of securing market/rental value.
- Buildings are available for public access for the published opening hours.
- Expenditure is levelled out to improve budgeting.
- Continued compliance with regard to disability access and data protection regulations.
- Allows for continued funding to address items identified within the five-year maintenance programme as requiring action for 2019.
- Adequate funding to ensure a 75% -25% split in expenditure is achieved for planned maintenance v's reactive maintenance in accordance with District Audit best practice recommendations.
- Replace obsolete equipment no longer supported by manufacturer so unable to be effectively maintained.

To ensure the continued effectiveness of the maintenance programmed works there will be:

- Consultations with service providers / end users to ensure buildings continue to meet their requirements for service delivery
- Property Valuations can reflect the Councils investment in planned capital works.
- No adverse reports from Regulatory Bodies on Health and Safety
Fire Risk or similar issues as a consequence of lack of building or system upgrades
- Less likelihood of public or employee liability claims arising through lack of building or system enhancements

7 Options Discounted

Options considered but discounted:

- Do nothing for an extended period but this will result in further and increased degradation of building fabric resulting in a decrease in value and potential health and safety issues and/or non-compliance.
- Delay the works until next year but this will result also potentially result in a degree of further degradation and adding to the cost of future works, potential non-compliance, closure of some public toilets due to failure of obsolete equipment.

8 Key Information Summary

8.1	Expected Duration Of Work			
	Start Date:	April 2019		
	Other Key Milestones with Dates:	Approval of funding – Feb 2019 Consultation with interested parties April/May 2019. Prepare programme of works May 2019 Review progress December 2019		
	Expected Completion Date:	March 2020		
8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Commercial Land & Property Manager	3+ per month	Yes	Yes
	Property Specialist	12+ per month	Yes	Yes
	Case Worker	12+ per month	Yes	Yes
	Are there any impacts on property?	Commercial Land & Property project and there are adequate resources to develop these projects.		
	Are there any impacts on IT systems?	No significant impact on IT systems is anticipated.		
	Are there any environmental impacts?	It is anticipated that any environmental impact will be minimised by the use of sustainable materials (where possible) <ul style="list-style-type: none"> • Paints • Locally sourced materials • Use of FSC sourced softwoods and hardwoods. Where possible redundant materials will be recycled. Where possible energy consumption will be reduced by using: <ul style="list-style-type: none"> • LED Lighting • Modern energy efficient electrical items. 		
	Have you appropriately considered all Equality issues?	Elements of this project will assist with meeting the ongoing equality compliance needs of the organisation.		
8.3	Risk Assessment			
	Risk	Steps taken to mitigate Risk		

	<p>Unable to deliver programmed works due to rising cost of materials</p> <p>Major system or building failures result in funds being switched</p> <p>Unable to deliver programme because of staff/resources shortfall</p> <p>Unable to deliver programme because of Contractor difficulties or market forces</p> <p>Increase in property portfolio without the additional funds</p> <p>Cost over-runs on individual contracts</p> <p>Restriction on all maintenance back to urgent works only may have Corporate liability issues if problems arise</p> <p>Reputational risk of building fabrics not being updated for customers and staff</p> <p>Reduced business continuity plan for building portfolio by reducing planned enhancements and essential works.</p>	<p>Ensure that competitive or negotiated tender for works to achieve best value are employed.</p> <p>Review programme of works based on priority and overall impact if not undertaken.</p> <p>Able to employ Consultant employed on a schedule of rates if necessary or negotiated terms if necessary.</p> <p>Use of fully accredited companies to ensure Technical, financial and H & S compliance.</p> <p>Seek adequate funding from DX before Purchase.</p> <p>Effective Project management by Property Services or use of Consultants.</p> <p>Ensure monitoring/maintenance of buildings is ongoing to identify any changes to the status of repairs and advise accordingly.</p> <p>Ensure monitoring/maintenance of buildings is ongoing to identify unexpected necessary repairs and action.</p> <p>Ensure monitoring/maintenance of buildings is ongoing to identify unexpected necessary repairs and action. Seek additional funding from DX</p>
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9 Financial Investment

9.1	Total Costs and Funding						
		Funding Body			£' 000		
	SSDC Capital: -	District Executive			139		
	Total Capital Cost				139		
9.2	Breakdown of main areas of cost						
		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	
	See attached spreadsheet	139					
	Totals	139					
9.3	External funds to be received						
		Secured? Y/N	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	N/A						

	Totals						
9.4	Revenue Implications of Capital scheme						
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%	FT922	2.78				
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		2.78				
	Cumulative						
9.5	Whole Life Costing						
	Estimated useful life of asset (years)		Perpetuity				
	Total Revenue Costs Year 1 to 5		Costs met from within existing revenue budgets				
	Annual Revenue Cost after year 5		Costs met from within revenue budgets				
	Total cost over whole life of asset		N/A (at present)				
9.6	VAT Implications						
	Based on the current information provided to us there are no VAT implications.						



South Somerset District Council Request for Capital

Capital Request No: 2019-04

Capital Name: Upgrade of E5 Financial Systems

Date Created 29/11/2018
Document Version: 1.0
Author: David Chubb

1 Purpose of Request

To upgrade the corporate Financial Management System (E5) due to support terminating for SSDC's current version and additional functionality available in the latest version.

2 Objectives

- To seamlessly upgrade E5
- To utilise efficiently the new functionality that version 5.5 offers
- To ensure that existing financial data is accessible
- To ensure that the system provides quality management information when and as required
- To ensure that all income and expenditure is correctly accounted for

This project will contribute to our corporate aim:

“to deliver well managed, cost effective service, valued by our customer.”

This project will also enhance the current asset that is owned by SSDC. Ownership will continue for as long as we continue to pay on-going maintenance.

3 Constraints and Decisions

- **Officer Time:** It is vital to have adequate staff resources. The project team is small and therefore additional consultancy will need to be purchased from the software supplier Advanced Business Solutions (ABS) The cost of this has been included.
- **Changes to Procedure:** There may be times when influencing users into new ways of working will be of benefit. Users will be consulted as required.
- **Price:** The cost of the upgrade has been quoted.

4 Interfaces

- E5 have a range of systems that interface with it, both input and output.
- **General Ledger Interfaces:**
 - Cash Receipting System
 - Procurement cards
 - Bank reconciliation
 - Payroll (Staff and Councillors)
- **Purchase Ledger Interfaces:**
 - Housing Benefits
 - Council Tax
 - Business Rates

5 Measures of Success

The Financial System is upgraded to the next supported version of the software with minimal impact to users.

The system continues to provide the functionality required by the organisation.

The upgrade is completed within the budget and timescales set out within this bid.

6 Anticipated Benefits

In addition to the protection that system support will give, there are a number of enhancements available in an upgraded e5 system that would be of immediate benefit. The main changes are categorised:

- **General ease of use** – There will be substantial User interface improvements. The user interface (UI) is the means by which users view and interact with the system
- **System maintenance and security** – New features available in e5.5 streamline many aspects of system security, particularly in the area of assigning user privileges and will help to ensure SSDC continues to maintain a flexible but robust financial system.

7 Options Discounted

- SSDC could purchase a different Financial Management System, however, the costs are quite significant (a recent quote was in the region of £400,000) and the time to implement a new system could take up to 18 months. There would also be the additional costs of retraining all users.

8 Key Information Summary

8.1	Expected Duration Of Work			
	Start Date:	01 August 2019		
	Other Key Milestones with Dates:	Testing complete 01 December 2019		
	Expected Completion Date:	31 January 2020		
8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Support Services Case Officer	480	Yes	Yes
	Lead Specialist Finance	74	Yes	Yes
	ICT Support	350	Yes	Yes
	Creditors/Debtors Input/Advice	74	Yes	Yes
	Accountancy Input/Advice	74	Yes	Yes
	Are there any impacts on property?	N/A		

	Are there any impacts on IT systems?	<p>This upgrade will align the E5 system to the ICT strategy.</p> <p>The use of the HTML5 interface is recommend as it will remove the patching burden and complexity of the existing client software.</p>
8.3 Risk Assessment		
	Risk	Steps taken to mitigate Risk
	Key staff not available because of other priorities.	Lead Specialists for Finance and IT will monitor this along with the Support Services Case Team Manager.
	Unforeseen technical difficulties	Draw on support from ABS and IT for advice
	Project not completed within required timescales	Lead Specialists for Finance and IT will monitor progress alongside plan and redirect resources if necessary. ABS will be project managing.

9 Financial Investment

9.1	Total Costs and Funding						
		Funding Body		£' 000			
	SSDC Capital: -	District Executive		30			
	Other Sources: - - Grants						
	Total Capital Cost			30			
9.2	Breakdown of main areas of cost						
		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	
	E5 Upgrade	30					
	Totals	30					
9.3	External funds to be received						
		Secured? Y/N	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	N/A						
	Totals						

9.4 Revenue Implications of Capital scheme							
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%	FT922	0.6				
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		0.6				
	Cumulative						
9.5 Whole Life Costing							
	Estimated useful life of asset (years)						
	Total Revenue Costs Year 1 to 5						
	Annual Revenue Cost after year 5 .						
	Total cost over whole life of asset						
9.6 VAT Implications							
	Based on the current information provided to us there are no VAT implications						



South Somerset District Council

Request for Capital

Capital Request No: 2019-05

Capital Name: Goldenstones and Wincanton Community Sports Centre

Date Created 21/11/2018
Document Version: 1.1
Author: Lynda Pincombe

1 Purpose of Request

To approve capital funding to replace essential systems and components of plant at Goldenstones and Wincanton Community Sports Centre as identified by external consultants in maintenance review.

2 Objectives

Goldenstones was built in 1992 and is now 26 years old. Wincanton Community Sports Centre was completed around 1999 and is about 19 years old. As facilities age, it becomes essential to replace major systems and components within pool facilities in order to keep them operating safely and effectively and to avoid forced closure due to plant failure.

Both facilities are currently operated by LED Leisure but the maintenance liability for maintenance of most facility infrastructure lies with SSDC. The 2018 strategic review of the maintenance requirements for Goldenstones and Wincanton showed that both facilities have been maintained effectively to date, but identify some major items that should be prioritised for replacement in the next 1-2 years. The report also identifies some highly desirable maintenance.

In summary, the key objectives of this funding are therefore:

- To invest in the replacement of the essential mechanical and electrical components at SSDC owned sports centres in order to maximise the lifespan of these facilities.
- To avoid major plant failure resulting in forced closure, loss of income and customer dissatisfaction.
- To ensure that health and safety standards are maintained to a high standard.
- To maintain asset value.

Links to Council Objectives

Health and Communities is an area of focus with the Council Plan. This project would specifically support the Council's objectives to:

- Help people to live well by enabling quality cultural, leisure, play, sport & healthy lifestyle facilities & activities
- Actively manage assets and resources to ensure the best financial or community return.

3 Constraints and Decisions

The delivery of the programmed maintenance will rest with the Engineering and Property Service Specialists. The Council's recent transformation programme may have some impact on the team's capacity in the short term which could lead to some slippage in expenditure at year end.

Delivery may also be delayed by the availability and capacity of external contractors.

Elements of the proposed works are related to critical operational elements of the centres such as boiler, water heater replacements, control works, ventilation works. The intention will be to programme works in such a way as to minimise the effects of any shutdowns however short term closures during the course of the works will be inevitable but necessary to ensure the ongoing function of the centres.

4 Interfaces

Not applicable.

5 Measures of Success

Delivery of the proposed maintenance schedule against identified timescales and within budget.

6 Anticipated Benefits

- Health and Safety Standards are maintained for our operator, their staff and the public.
- Buildings are available for public access for the published opening hours.

- Routine replacement of mechanical and electrical items before breakdown is more cost effective and efficient and helps to avoid major plant failure and compensation payments to the operator.
- Replace obsolete equipment no longer supported by manufacturer so unable to be effectively maintained.
- Allows for continued funding to address items identified within the ten-year maintenance programme requiring action for 2019/2020.

7 Options Discounted

Options considered but discounted:

- Do nothing, but this will result in further and increased degradation of the assets resulting in a decrease in value and potential health and safety issues and/or non-compliance.
- Delay the works until next year but this will also potentially result in a degree of further degradation and adding to the cost of future works, potential non-compliance and closure due to failure of obsolete equipment.

8 Key Information Summary

8.1	Expected Duration Of Work			
	Start Date:	April 2019		
	Other Key Milestones with Dates:	Approval of funding February 2019 Review of expenditure between the Property Specialist and Specialist (Strategic Planning) each quarter at or just prior to contract monitoring meetings.		
	Expected Completion Date:	March 2020		
8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Commercial Land & Property Manager	6+ per month	Yes	Yes
	Property Specialist	18+ per month	Yes	Yes
	Case Worker	20+ per month	Yes	Yes
	Are there any impacts on property?	These works work require significant input from the property team. Changes within the team will mean that the impact will be significant so early planning and phasing of the works programme will be essential.		
	Are there any impacts on IT systems?	No significant impact on IT systems is anticipated.		
	Are there any environmental impacts?	It is anticipated that any environmental impact will be minimised by the use of sustainable materials (where possible) <ul style="list-style-type: none"> • Locally sourced materials Where possible redundant materials will be recycled. Where possible energy consumption will be reduced by using: <ul style="list-style-type: none"> • LED Lighting • Modern energy efficient electrical items. 		
	Have you appropriately considered all Equality issues?	Maintenance of these facilities will maintain access to leisure facilities for all sectors of the population.		

8.3 Risk Assessment		
	Risk	Steps taken to mitigate Risk
	Unable to deliver programmed works due to rising cost of materials	Ensure that competitive or negotiated tender for works to achieve best value are employed.
	Major system or building failures result in funds being switched	Review programme of works based on priority and overall impact if not undertaken.
	Unable to deliver programme because of staff/resources shortfall	Able to employ Consultant employed on a schedule of rates if necessary or negotiated terms if necessary.
	Unable to deliver programme because of Contractor difficulties or market forces	Use of fully accredited companies to ensure Technical, financial and H & S compliance.
	Cost over-runs on individual contracts	Effective Project management by Property Services or use of Consultants.
	Restriction on all maintenance back to urgent works only may have Corporate liability issues if problems arise	Ensure monitoring/maintenance of buildings is ongoing to identify any changes to the status of repairs and advise accordingly.
	Reputational risk of building fabrics not being updated for customers and staff	Ensure monitoring/maintenance of buildings is ongoing to identify unexpected necessary repairs and action.
	Facility closure resulting in a contractor compensation event.	Programme works to minimise disruption to the operator and public. Plan out of hours work as necessary to minimise disruption.

9 Financial Investment

9.1 Total Costs and Funding			
		Funding Body	£' 000
	SSDC Capital: Goldenstones Wincanton CSC	District Executive	440 480.5
	Other Sources: - Wincanton Sports Centre Reserve (X8212) Existing capital...		20
	Total Capital Cost -		940.5

9.2 Breakdown of main areas of cost						
		2019/20 £'000	2020/ 21 £'000	2021/ 2022 £'000	2022/ 23 £'000	2023/ 24 £'000
	Goldenstones					
	1. Upgrade control panel to BMS standard & heating pressurisation system	20				
	2. Replace underground submersible pumps	15				
	3. Upgrade pool circulation plant control panel (add to BMS)	15*				
	4. Replace gas boilers, water heaters, pumps and control system	170				
	5. Enhance hot water generation to use plate heat exchangers with storage cylinders	40				
	6. Replace Lennox Unit or install DX in AHU (fitness suite)		25			
	7. Upgrade control system (fitness suite).		20			
	8. Upgrade alarm systems including Fire Alarm.		5			
	9. Replace cold water pressure booster pump.			10		
	10. Replace and enhance CV equipment.			80		
	11. Renew grouting of pool tiles.			15		
	12. Replace and enhance resistance equipment.				25	
	Wincanton Community Sports Centre					
	13. Upgrade Barr and Wray control panel to BMS and upgrade pool water quality sensors & connect to BMS	12.5*				
	14. Replace boilers in plant room	180				
	15. Upgrade control system to modern BMS and connect to SSDC network	50				
	16. Replace Hydromag in plant room, upgrade control system within pool AHU and replace attenuator.	13*				
	17. Improve ventilation in changing rooms	10*				
	18. Install harmonic filters	20**				
	19. Replace heating F+E tank with variable pressure expansion vessel		10			
	20. General upgrade to changing rooms		10			
	21. Replace and enhance resistance equipment (fitness suite)			25		
	22. Replace and enhance resistance equipment (dance studio)			25		
	23. Refurbish pool rising floor and gantry			25		
	24. Sports Hall lighting upgrade			30		
	25. Dance Studio lighting upgrade			10		
	26. Fitness Suite lighting upgrade			10		
	27. Renew grouting of pool tiles				15	
	28. Upgrade pool side shower room and toilets				20	
	29. External lighting upgrade				10	
	30. Renewal of fitness suite flooring					25
	Totals	545.5	70	230	70	25
<p>* Could be deferred until 2020/21 if necessary ** Can be funded through the available reserve</p>						

9.3 External funds to be received							
		Secured? Y/N	2019/20 £'000	2020/ 21 £'000	2021/ 2022 £'000	2022/ 23 £'000	2023/ 24 £'000
	None identified.						
	Totals						
9.4 Revenue Implications of Capital scheme							
		Cost Centre	2019/20 £'000	2020/ 21 £'000	2021/ 2022 £'000	2022/ 23 £'000	2023/ 24 £'000
	Loss of interest @ 2.0%	FT922	12.3	1.4	4.6	1.4	0.5
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		12.3	1.4	4.6	1.4	0.5
	Cumulative			13.7	18.3	19.7	20.2
9.5 Whole Life Costing							
	Estimated useful life of asset (years)	20 years					
	Total Revenue Costs Year 1 to 5	Costs met from within existing revenue budgets.					
	Annual Revenue Cost after year 5	Costs met from within existing revenue budgets.					
	Total cost over whole life of asset	N/A					
9.6 VAT Implications							
	Based on the current information provided to us there are no VAT implications.						



South Somerset District Council

Request for Capital

Capital Request No: 2019-06

Capital Name: Commercial Outlet Improvements - Leisure & Recreation

Date Created 30 November 2018

Document Version: 1

Author: Katy Menday

1 Purpose of Request

This application seeks funding to deliver two building enhancement projects at Ninesprings and Yeovil Recreation Centre. The 2018-2021 Leisure and Recreation business plan identifies two projects that through delivering improvements to existing buildings we can improve the health and wellbeing benefits to residents and visitors, whilst also generating increased income. There is a need for this project to enable the service to meet its 5% yield improvements, further cost cutting is not viable, but there are identified opportunities at the two locations to generate greater income providing for a more sustainable future.

The application is for £200K of capital towards a £380K overall project cost. Project delivery is proposed across two years, and enables the realisation of a range of improvements at the two strategic Leisure and Recreation locations.

The Leisure and Recreation business plan identifies both Yeovil Recreation Centre and Ninesprings as centres where income generation should be enhanced through diversification of opportunities including generating increased café income, introduction of new retail elements and the provision of new chargeable fitness / sport, forest school and healthy lifestyle activities. By improving our facilities, we encourage customers to visit frequently, stay longer and spend more on a variety of sessions or other secondary spend items, building a sustainable future for the sites.

2 Objectives

Extend the existing Ninesprings building by 50m². Create extra flexible space as an extension to the existing café seating area that provides an increase from 40 café covers to 55. The space will provide a new and appropriate home for the Yeovil Tourist Information Centre, it will also include heritage display space for the Community Heritage Access Centre (CHAC) and enable the sale of bespoke and local retail elements plus storage. The increased space would enable the new Case Officer (Community Heritage) to increase the regularity (and seasonality) of chargeable sessions including educational and public events.

At Yeovil Recreation Centre the proposal is to reduce the number of changing rooms by three (currently 12, plus two for officials) and reconfigure the internal space to create a new, high quality, indoor café space, plus a new multi-disciplinary studio space. The current John O'Donnell pavilion building is primarily made up of changing rooms which are under used. Over the past five years a reduction in football teams playing fixtures on site and decreasing demand for changing spaces (players come and go in their kit) has led to under use of the pavilion which needs to be addressed. By making the proposed alterations to the existing indoor space we will diversify use of the building and also the wider recreational greenspace. The new studio space would be for sports clubs, groups and for the new Case Officer (Activities) to deliver a range of chargeable or free grant funded sessions. Building on the seasonal success of the Galley hatch outlet the new café would also include appropriate retail elements e.g. sports equipment and be the point of hire for golf and tennis equipment.

Both builds and all three new spaces would deliver increased income and serve to reduce the overall running cost of each facility in line with the adopted Commercial Strategy.

The building improvements would enable the two new Case Officers (Activities and Community Heritage) to develop broad activity programmes that target hard to reach and at risk groups. By providing safe, indoor flexible spaces you increase the type and range of sessions that can be delivered.

The projects link to the Council Plan across four themes: High quality cost effective services; as we strive to actively manage the assets to ensure the best financial and community return.

Economy; as we capitalise on our high quality leisure, culture and tourism opportunities to encourage more visits to South Somerset. Environment; as we maintain our country parks to promote good mental and physical health. Health and Communities; where the proposed work at Yeovil Recreation Centre would deliver against a number of the elements enabling our communities to live well.

The projects feature in the approved Leisure and Recreation business plan and have a clear fit with the new Area Chapters for Area South, across priorities in Economy, Environment and Health.

3 Constraints and Decisions

Both projects will require planning permission to progress, these will be sought at the earliest opportunity to prevent any delays. The Ninesprings extension application is submitted, with an anticipated decision date of February 2019. The permission for Yeovil Recreation Centre will be submitted in Spring 2019.

The overall project seeks to secure £180K of external grant income from a variety of external funding sources. Applications can be lengthy to complete and may be delayed by mandatory application assessment rounds. Work has started to ensure a timely submission of applications and will include applications to a range of funders to ensure sufficient grant offers are received.

4 Interfaces

There are links to the new SSDC website, the Yeovil Recreation Centre website and the South Somerset Countryside website. As book and pay online comes forward and the variety of sessions available at the sites broadens, the interfaces will become more complex, but these interfaces have already been mapped through process re-design.

5 Measures of Success

The measures of success are broad from both health and wellbeing outcomes through to income generation.

- There is increased customer use of both facilities; on sports pitches, visiting the country park and attending events. Both sites demonstrate increased customer spend per visit.
- Residents and visitors demonstrate improved health and wellbeing through an increased level of participation in activities.
- Incidents of vandalism are reduced at Yeovil Recreation Centre.
- Ninesprings Café extension is constructed and profit from the Café is increased by £5%.
- Public events, activities and sessions are increased through use of the flexible space by 2000 attendees per annum.
- Income generated by the Case Officer (Community Heritage) is £8K in year one.
- At Yeovil Recreation Centre (YRC) the studio space is constructed and new sessions introduced with new groups and clubs regularly using it.
- At Yeovil Recreation Centre, a new community support group is established.
- The Case Officer (Activities) reaches 500 new customers for healthy lifestyle activities or sessions.
- The Case Officer (Activities) generates £8K of income in year one through new sessions and use of the space.
- The Café at YRC is completed and opened and generates increased profit of £5,000 in year one.
- The Yeovil Tourist Information Centre has a higher profile, delivers information to a greater number of customers raising the profile of Yeovil and wider South Somerset. It delivers enhanced ticket and retail sales, increasing income.

6 Anticipated Benefits

There are a huge range of anticipated benefits expected from delivery of these improvements.

Ninesprings

- Will improve customer satisfaction statistics for the existing café and wider County Park. In summer 2018 a survey evaluated customer opinion on the café and country park. Of 279 respondents 21 requested better access to seating both indoors and out. Around half of respondents had attended events and found them to be very satisfactory but comments requested more and continued events in the Country Park programme going forward. The survey specifically records 80% of respondents supporting the idea of local products for sale, 85% supporting a local and tourist information service and 82 % support for heritage displays.
- Creating space to provide a Tourist Information Service (TIC) will attract visitors to the site and to Yeovil. Staff will be able to upsell South Somerset as destination. Ninesprings has already proved itself as a new visitor hub for the town and provision of high quality destination information will enhance that offer. It will attract visitors from Dorset to find information on attractions in South Somerset and improve the visitor economy. Secondary spend through the café will improve income generation for the site. TIC staff will be able to sell products supporting local trades and crafts.
- At SSDC's Community Heritage Access Centre (CHAC) around 30,000 objects and 6,000 photos are professionally cared for, but continue to be difficult to access for the public. By providing a new front of house display case for the service a greater range of visitors and residents will be able to see the exhibits and understand the history of the local area. Events linked to local history and talks would be delivered in the flexible space. An area of increasing interest from overseas visitors is family research and by linking heritage and tourism advice, near to the family research centre in town, packages could be made available to attract visitors.
- An extension to the café would increase covers from 40 to 55 and therefore increase café profits. The café's trade is seasonal and weather dependent. By increasing the amount of indoor seating you build resilience for periods of bad weather, when customers will be more assured that they will be able to get a seat.
- The Case Officer (Community Heritage) would have access to indoor space to run a variety of new sessions to increase income generation. These include public events and session's but also diversify to birthday parties and corporate team building sessions. Other groups would have access to the flexible space to have talk's e.g. wildlife groups or to run events e.g. sporting events. This networking with groups improves engagement and community cohesion across the Country Park and wider town.
- Forecasts for the Ninesprings Café before and after the proposed extension is completed have been drawn up. In summary, the figures are based on the actual takings after four years of trading from the current building. At the end of year two we saw a 25% increase in turnover and year three a 10%. The end of this current financial year is only likely to see a 4% increase due to the limitations imposed by the building at peak times. Total café operating costs are a combination of salaries, wages, provisions (coffee, cake, sandwiches, milk), utilities, NNDR, equipment servicing and replacement costs, security, safety testing and other property costs, waste handling, cash collections & bank charges.

Turnover and ultimately the net contribution, will be improved by:

- increasing cafe covers from 40 to 55

- introducing appropriate retail sales
- rehousing the TIC to Ninesprings to handle the retail sales and enhanced event and travel ticket sales
- through the work of the Case Officer Community Heritage to increase park events, particularly focusing on those that compliment cafe business e.g. activities during quiet periods.

It should be noted that the staff salaries line will increase from April 2019 after the outcome of job evaluation for the salaried permanent café staff.

Yeovil Recreation Centre

- Will deliver significant improvements to the existing Galley hatch refreshment outlet that is currently operating by creating a new, high quality indoor café space with views across the Recreation Ground and its facilities. This responds to demand for indoor seating to enable greater and year round use of the wider sporting facility. Better access for all would also be provided through well designed indoor space. Café income would be increased and move the site towards a more sustainable financial future.
- The café at Ninesprings has created its own community and on a daily basis individuals meet there for company and chat. With loneliness and social isolation an increasing issue provision of a community focused café would enable the team to roll out the model from Ninesprings to reach a greater number of customers at a new location. The new Café Outlet Manager post will manage both locations and be able to train staff in the exceptional customer service and visitor welcome that has made the Ninesprings café such a success.
- Creation of a multi use studio space (club house) would enable existing sporting clubs to stay on site after fixtures to meet and socialise. Access to this room would encourage clubs to return to the site, as home teams, as overall use by football clubs has significantly declined. Improved club liaison through the new Case Officer (Activities) will increase club membership and engage more, and a wider range of, people with sport and activities.
- A studio space would be used by instructors and the Case Officer (Activities) to deliver a range of new classes and activities for all age groups. From women only sessions to entry level fitness classes, hard to reach and at risk groups could start engaging with activity in a welcoming and secure environment.
- The Case Officer (Activities) would also use the studio space to deliver income generating sessions like sport themed birthday parties.
- The Case Officer (Activities) enables increased participation and use of the site by local and regional educational establishments e.g. college games, championships, inter school competitions.
- The service works towards increased engagement with national sporting and heritage organisations.
- Links to local and national charities would be improved as the Recreational Ground would be able to become a venue for large events like Race for Life.
- YRC is a regionally important sporting destination. With top class athletics provision, all weather pitches and a nationally commended grounds team however the site requires an indoor space and a high quality refreshment provision to finalise its offer.
- Forecasts before and after the completion of the two proposed building elements at Yeovil Recreation Centre have also been drawn up. The actual figures are from the existing

Galley hatch outlet and are revised (using knowledge from the Ninesprings café business plan and actual performance) once the newly created café space and studio open. Turnover and net contribution will be improved by:

- Upgrading the hatch outlet to a high quality café with indoor seating of c. 50 covers.
- Having one café manager across the two café outlets, providing professional outlet management and using the experience from setting up Ninesprings. Driving down costs by having greater buying power from suppliers.
- Introducing appropriate retail sales.
- Through the work of the Case Officer Activities increasing general use across the Recreation Ground to capture greater secondary spend in the Café.
- Through the hire of the studio space to clubs and instructors, and through the delivery of events and sessions by the Case Officer Activities in the studio space.

Overall

- Both locations will deliver against the Leisure and Recreation business plan targets including a minimum 5% improvement in yield in line with the Commercial Strategy. Putting both locations on the journey to a more sustainable financial future. Income will grow year on year.
- Solar panels are designed into both builds to reduce utility costs.
- Both projects are considered feasible through work with experienced officers who managed the Ninesprings Café project from the outset. The existing café has consistently outperformed its business plan since opening in 2014. With turnover and profit growth now slowed due to the physical constraints of the space at peak times.
- At YRC the Galley (hatch refreshments) performs well in summer holiday months but a lack of indoor space restricts year round and therefore optimal income generation. With both regular (local) and visiting (away clubs and schools) site users and a real need for a community focus on site (as per the Ninesprings model) provision of a high quality space and associated greenspace (with a bespoke events programme) is a sound decision.
- Both locations and facilities are important community spaces for both formal and informal use. Particularly at Yeovil Recreation Centre there is a lack of facilities to enable individuals and groups to come together. By providing the space and services, we improve opportunities for sporting and social engagements. Creating destinations that people will travel to visit to meet family and friends and enjoy activities.
- Both locations, but particularly at Ninesprings, via the Tourist Information point the project would enhance the image and provide the opportunity to disseminate, important resident information from the Council. It will provide a natural opportunity to promote SSDC services and products and pick up information.

Value for money will be secured by

- Working closely with expert property services officers and managers throughout.
- Learning from experience in the original 2014 café build project and kit out.
- Making use of existing café suppliers with whom competitive rates can be negotiated where appropriate.
- Working with Locality and Specialist officers in creating flexible but appropriate group and sporting spaces.
- Appointing a café manager across the two outlets to drive Value for Money, profitability and a five-star business.
- Seeking grant funding where at all possible to match fund the SSDC capital grant.

- Working with the Ninesprings community and Friends of Group and volunteers to fundraise for the building.

7 Options Discounted

Option 1 is proposed – progress improvements as detailed and generate increased income with concurrent health and wellbeing improvements delivered.

Option 2 was discounted– leave the buildings and facilities to function as they are, failing to realise extra income, sites are less sustainable for the future and communities do not experience learning and wellbeing benefits.

8 Key Information Summary

8.1	Expected Duration Of Work			
	Start Date:	April 2019- planning permission YRC submitted. Ninesprings submitted December 2018.		
	Other Key Milestones with Dates:	April 2019 – grant funding submitted YRC		
	Other Key Milestones with Dates:	August 2019 – grant funding submitted & ongoing Ninesprings		
	Other Key Milestones with Dates:	Winter 2019 – building renovations YRC		
	Other Key Milestones with Dates:	March 2020 – YRC cafe and studio opens		
	Other Key Milestones with Dates:	Autumn 2020 – building Ninesprings		
	Expected Completion Date:	Winter 2021		
8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Leisure and Recreation Manager	120	Y	Y
	Countryside Manager	90	Y	Y
	Income & Opportunities Manager	10	Y	Y
	Case Officer (Activities)	100	Y	Y
	Case Officer (Community Heritage)	100	Y	Y
	Café Outlet Manager	120	Y	Y
	Senior Building Surveyor	90	Y	Y
	Are there any impacts on property?	There are significant implications for two existing properties. Plans have already been created by the Senior Building Surveyor to enable cost estimates to be submitted for this bid.		
	Are there any impacts on IT systems?	IT support will be required to install two existing EPOS tills, one at Ninesprings and one at YRC. A new small office set up with a thin client will be required at YRC and WiFi will be required at YRC although the main system is already in place in the building.		

Are there any environmental impacts?	The Countryside Manager will work with property services throughout the project to carry out any research required on environmental credentials of products including paint and FSC ratings of timber. Solar panels are proposed as part of both builds. There is no proposed loss of trees at either site. At both locations the impact of the extension on any outside hard landscaping is into poor quality amenity grassland and so no impact on valuable habitats or protected species.
Have you appropriately considered all Equality issues?	It is considered that this project will improve access for all at both locations, but to the greater extent at YRC. Sporting facilities will become more accessible and so people can visit for longer and feel encouraged to try a greater range of activities. Outside and inside seating will be carefully considered to ensure that there are appropriate options for everyone, lessons from the original Ninesprings development will be considered.

8.3	Risk Assessment
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	Risk	Steps taken to mitigate Risk
	Anticipated grant income not secured	<ul style="list-style-type: none"> • <i>Multiple applications progressed and submitted to accommodate any unsuccessful bids.</i> • <i>Community groups and sports clubs engaged to help with fundraising.</i>
	Revenue shortfall post completion	<i>Appropriate contingency built into project costings. Costs managed throughout.</i>
	Project management risk	<i>Officers engaged early with the project and time required factored into work plans.</i>
	Planning risk	<i>Public consultation, including planning exposes unforeseen issues – work started early to build time to manage and fund any unforeseen issues. Relationship with Football Foundation maintained to ensure permissions required are granted early. Planning does not success or onerous conditions applied – pre application advice sought.</i>
	Construction risk (site or weather constraints under construction)	<i>Failure or under performance of main contractor – managed by Property Services. Realistic construction timelines developed.</i>

	Competency to deliver the project – build and delivery elements	<p><i>A risk register will be developed working with property services and will form a permanent agenda item for all meetings between the Leisure, property and contractors. Likelihood and impact of each risk will be monitored though the project and updated. The risk register will allocate ownership for all identified risks.</i></p> <p><i>Both Property Services and Leisure and Recreation have extensive experience of managing similar projects and the experience of the Ninesprings café will be used for the Yeovil Recreation Centre Cafe. Experienced Officers have been recruited and appointed to deliver on café management, activity delivery and heritage development to protect the long term future of the facilities developed.</i></p>
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9 Financial Investment

9.1 Total Costs and Funding		Funding Body		£' 000			
	SSDC Capital: -	District Executive		200			
	Other Sources: - - Grants	Sport England		100			
		Viridor		40			
		Friends of Yeovil Country Park		5			
		Clarks Foundation		5			
		Hinkley Tourism Fund		10			
		Others (e.g. Tesco, Coop)		10			
	Total Capital Cost			380			
9.2 Breakdown of main areas of cost		2019/20	2020/21	2021/22	2022/23	2023/24	
		£'000	£'000	£'000	£'000	£'000	
	Build at YRC; café and Studio Extension at Ninesprings	240	140				
	Totals	240	140				
9.3 External funds to be received		Secured? Y/N	2019/20	2020/21	2021/22	2022/23	2023/24
			£'000	£'000	£'000	£'000	£'000
	Sport England	N	100				
	Viridor		40				
	Hinkley Tourism Fund			10			
	Friends of Yeovil Country Park			10			
	Clarks Foundation			5			
	Others (e.g. Tesco)			5			
				10			

	Totals		140	40			
9.4	Revenue Implications of Capital scheme						
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%	FT922	2	2			
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)	GC167		13.0	2.0	2.0	3.0
		GL509		61.4	2.9	4.0	3.0
	Revenue Income	GC167		-18.0	-6.0	-4.5	-5.5
		GL509		-77.4	-14.0	-14.2	-14.1
	Total Revenue Expenditure / -Revenue			-19.0	-15.1	-12.7	-13.6
	Cumulative			-19.0	-34.1	-46.8	-60.4
9.5	Whole Life Costing						
	Estimated useful life of asset (years)	50 years					
	Total Revenue Costs Year 1 to 5	£1,000					
	Annual Revenue Cost after year 5	£350					
	Total cost over whole life of asset	£18,500					
9.6	VAT Implications						
	<p>The future activity/use has some exempt supplies and will have an adverse effect on the Council's partial exemption calculation.</p> <p>A breakdown of the cost for each site and more detail in regards to expected income streams for each site, will help to establish whether the project can be accommodated within the Council's partial exemption limit and VAT can be fully recoverable.</p> <p>I would expect that once the analysis of cost/income at both sites is completed, due to the expected small percentage of exempt income and size of project, we would establish that we will be able to recover the VAT.</p>						

Appendices

Due to the size of the files – it has not been possible to insert these appendices into the document, but they are available on request and a hard copy will be available at the meeting.

Appendix 1 - Ninesprings plans

Appendix 2 – John O'Donnell pavilion plans (Yeovil Recreation Centre)



South Somerset District Council Request for Capital

Capital Request No: 2019-07

Capital Name: Mobile Devices for Council Members

Date Created 29/11/2018
Document Version: 1.0
Author: David Chubb

1 Purpose of Request

To provide the Members of the Council with a mobile device following the election in May 2019.

2 Objectives

- To provide Members with a SSDC owned and managed device.
- To improve the ICT support offered to Members.
- To provide a device that supports the new ways of working post the Transformation Programme.
- To provide a device that meets the needs of the user.

This project will contribute to our corporate aim:

“to deliver well managed, cost effective service, valued by our customer.”

3 Constraints and Decisions

The final decision on the devices will be made after an evaluation with Members. It is anticipated that a small selection of devices will be chosen.

- **Price:** The budget for each device is £550

4 Interfaces

It is vital that this project interfaces with the Members' Working group regularly to ensure Members are fully involved.

5 Measures of Success

Success will be measured by seeking user feedback

6 Anticipated Benefits

- **Improved ICT Support** – The ICT support team (Helpdesk) will be better able to support Members because they will have knowledge and experience of the devices. ICT will hold spare devices so that a faulty device can be swapped out quickly to minimise disruption to the user.
- **System maintenance and security** – All the devices will be managed in a standard way which includes virus and malware protection, security patches and updates as well as drive encryption.
- **Members' Access to Systems** - Using a managed device, members will be able to access the SSDC network which will enable for example access to iTrent to submit expenses claims.

7 Options Discounted

- To provide Members with an allowance to purchase their own device. This has been discounted because of feedback from the Members' working group and will not provide the benefits set out in section 6.

8 Key Information Summary

8.1	Expected Duration Of Work			
	Start Date:	March 2019		
	Other Key Milestones with Dates:	Complete evaluation of and select devices 29 th March 2019		
	Expected Completion Date:	31 May 2019		
8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Support Services Case Officer Specialist ICT	148 74	Yes Yes	Yes Yes
	Are there any impacts on property?	N/A		
	Are there any impacts on IT systems?	Yes, these have been factored into the bid.		
	Are there any environmental impacts?	No		
	Have you appropriately considered all Equality issues?	This will form part of the device evaluation and selection		
8.3	Risk Assessment			
	Risk	Steps taken to mitigate Risk		
	The devices do not meet the requirements of the users.	Carry out an evaluation of a number of different devices and provide a choice of devices.		
	Unforeseen technical difficulties	Ensure ICT Specialist is available to assist if required.		
	Project not completed within required timescales	Lead Specialists for IT will monitor progress alongside plan and redirect resources if necessary		

9 Financial Investment

9.1	Total Costs and Funding	
	Funding Body	£' 000

	SSDC Capital: -		District Executive Area Committees	33			
	Other Sources: - - Grants						
	Total Capital Cost			33			
9.2	Breakdown of main areas of cost						
			2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Purchase of devices		33				
	Totals		33				
9.3	External funds to be received						
		Secured? Y/N	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	N/A						
	Totals						
9.4	Revenue Implications of Capital scheme						
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%		0.66				
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		0.66				
	Cumulative						
9.5	Whole Life Costing						
	Estimated useful life of asset (years)			4			
	Total Revenue Costs Year 1 to 5						
	Annual Revenue Cost after year 5 .						
	Total cost over whole life of asset						
9.6	VAT Implications						
	Based on the current information provided to us there are no VAT implications.						



South Somerset District Council

Request for Capital

Capital Request No: 2019-08

Capital Name: Replacement of Corporate Firewall

Date Created 29/11/2018
Document Version: 1.0
Author: David Chubb

1 Purpose of Request

To replace the existing Corporate Firewalls which are now five years old and have reached the end of their useful life. The Corporate Firewalls sit between the SSDC network and the Internet.

2 Objectives

- To update / increase the level of security protection between the SSDC network and other third party networks such as the Internet.
- To provide reliant protection with no single point of failure.
- To increase the monitoring and alerting of security threats.

This project will contribute to our corporate aim:

“to deliver well managed, cost effective service, valued by our customers.”

3 Constraints and Decisions

The decision of which Firewalls to purchase will be made closer to the time of purchase. External security consultants will be engaged to insure we make the best possible decision at the time.

- **Price:** A budget of £25,000 is requested following soft market engagement.

4 Interfaces

It is vital that this project interfaces with the Members' Working group regularly to ensure Members are fully involved.

5 Measures of Success

The main measures of success are:

- During the implementation there is minimal disruption to users and the customers.
- The SSDC network remains protected.

6 Anticipated Benefits

- **Improved Security Protection** – The new Firewalls will be a further generation forward compared to the existing ones and will endeavour to protect against emerging new threats.
- **Monitoring and Alerting** – This will crease the visibility of security threats and improve pro-active security management.

7 Options Discounted

- To continue to maintain the existing firewalls. This has been discounted because of the number of risks that would be associated with this course of action.

8 Key Information Summary

8.1	Expected Duration Of Work			
	Start Date:	June 2019		
	Other Key Milestones with Dates:	Testing complete 12 July 2019		
	Expected Completion Date:	31 July 2019		
8.2	Estimate of Officer Time Required: -			
	Officer's Name	Estimate of Officer hrs	Officer available? Y/N	Agreement of Officer? Y/N
	Lead Specialist ICT	20	Yes	Yes
	Specialist ICT	74	Yes	Yes
	Are there any impacts on property?	N/A		
	Are there any impacts on IT systems?	Yes, these have been factored into the bid.		
	Are there any environmental impacts?	No		
	Have you appropriately considered all Equality issues?	Yes		
8.3	Risk Assessment			
	Risk	Steps taken to mitigate Risk		
	Unforeseen technical difficulties	Ensure ICT Specialist is available to assist if required along with external expertise.		
	Project not completed within required timescales	Lead Specialists for IT will monitor progress alongside plan and redirect resources if necessary		

9 Financial Investment

9.1	Total Costs and Funding					
		Funding Body			£' 000	
	SSDC Capital: -	District Executive			25	
	Total Capital Cost				25	
9.2	Breakdown of main areas of cost					
		2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Purchase of devices	25			25	
	Totals	25			25	

9.3 External funds to be received							
		Secured? Y/N	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	N/A						
	Totals						
9.4 Revenue Implications of Capital scheme							
		Cost Centre	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
	Loss of interest @ 2.0%	FT922	0.5				
	(Savings in expenditure)						
	Revenue Costs by Individual Budget: (List)						
	Revenue Income						
	Total Revenue Expenditure / (Net saving)		0.5	0.0	0.0	0.5	
	Cumulative			0.5	0.5	1.0	
9.5 Whole Life Costing							
	Estimated useful life of asset (years)			3			
	Total Revenue Costs Year 1 to 5						
	Annual Revenue Cost after year 5 .						
	Total cost over whole life of asset						
9.6 VAT Implications							
	Based on the current information provided to us there are no VAT implications.						

Agenda Item 14

SSDC Capital Strategy 2019/20

Executive Portfolio Holder: Councillor Peter Seib, Finance & Legal Services
Director: Netta Meadows, Strategy & Support Services
Lead Officers: Paul Fitzgerald, S151 Officer
Paul Matravers, Specialist - Finance
Contact Details: Paul.fitzgerald@southsomerset.gov.uk or (01935) 462226
Paul.matravers@southsomerset.gov.uk or (01935) 462275

Purpose of the Report

1. The purpose of the report is to inform Members of the recommended capital strategy for 2019/20. The capital strategy is an annual report which must be approved by Full Council before the start of the financial year in line with the revised CIPFA Prudential Code.

Recommendation

2. The Executive are asked to review and recommend the capital strategy and the borrowing and investment limits for approval to Council.

Introduction

3. The capital strategy is a new report for 2019/20, which is a mandatory requirement of the revised CIPFA Prudential Code (revised December 2017).
4. The revised code states that the council will ensure that *'all investments are covered in the capital strategy, investment strategy or equivalent, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.'*

Background

5. The capital strategy provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services.
6. It also includes an overview of how the associated risk is managed, the implications for future financial sustainability and information on how stewardship, value for money, prudence, sustainability and affordability will be secured.
7. The strategy sets out the long-term context in which both capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

Financial Implications

8. The proposed capital strategy aligns with the 2019/20 Capital Programme and the updated Medium Term Financial Plan, those reports seek to establish approval of spending and funding requirements to meet the Council's priorities. This report establishes the borrowing and investment limits that are considered to prudent and affordable in meeting those plans.

Background Papers: CIPFA Prudential Code (revised December 2018)
Treasury Management Strategy Statement 2019/20
Statutory guidance on Local Government Investments (revised February 2018)

South Somerset District Council

Capital Strategy 2019/20

Introduction

This capital strategy is a new report for 2019/20, giving a high-level overview of:

- how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services
- how associated risk is managed and;
- the implications for future financial sustainability.

Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

In 2019/20, the Council is planning capital expenditure of £28.1m as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure and financing in £ millions

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
Capital Expenditure	17.9	24.0	28.1	24.7	20.5
Financed by:					
External sources	1.0	2.5	1.7	0	0
Own resources	16.9	2.6	12.9	3.5	0
Debt	0	18.9	13.5	21.2	20.5
Total Financing	17.9	24.0	28.1	24.7	20.5

Service managers bid October to include projects in the Council's capital programme. Bids are collated by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). The Strategic Leadership Team appraises all bids based on a comparison of service priorities against financing costs and makes recommendations to District Executive. The final capital programme is then presented to District Executive in January and to Council in February each year.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is included in table 1.

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). The Council is required to make an annual MRP statement which is submitted to Full Council for approval. The planned MRP payments are as follows:

Table 3: MRP Payments in £ millions

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
MRP	0.169	0.186	0.401	0.440	0.430

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £22m during 2019/20. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 budget	31.3.2022 budget
CFR	17.44	39.18	61.73	84.11	104.60

Asset management: To ensure that capital assets continue to be of long-term use, the Council has an asset management plan which is incorporated in the Council's Commercial Strategy and an Asset Disposal and Community Asset Transfer Policy.

This Asset Disposal and Community Asset Transfer Policy provides a transparent, robust and strategic framework to enable Asset Disposal and Community Asset Transfer decisions to be made, together with a clear process for both SSDC and community organisations to progress with transfers/disposals, with long term sustainable benefits both to the Council and the community.

The Disposals element of the policy refers to Council owned assets that are sold on the open market for a financial consideration or otherwise transferred out of Council ownership. The aim is to enable SSDC to retain only sound assets that support the effective and efficient delivery of services, achieve corporate priorities or produce a healthy financial return each year in accordance with the Commercial Land and Property Strategy.

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive £3.78 million of capital receipts in the coming financial year as follows:

Table 5: Capital receipts in £ millions

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 forecast	2021/22 forecast
Asset sales	0.13	0.60	0.18	0.15	0.15
Loans repaid	0.21	0.25	3.60	2.71	2.36
TOTAL	0.34	0.85	3.78	2.86	2.51

Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

The Council held a short-term loan of £1.5million at 31 December 2018. This loan was required for working capital cash flow purposes and was for a period of only 13 days. The loan was repaid on 2 January 2019, there has been no borrowing requirement since this date.

Borrowing strategy: The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.75%) and long-term fixed rate loans where the future cost is known but higher (currently 2.0 to 3.0%).

Projected levels of the Council's total outstanding debt (which comprises borrowing, liabilities, leases are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 forecast	31.3.2022 forecast
Debt (incl. leases)	0.10	30.10	52.60	75.00	95.50
Capital Financing Requirement	17.44	39.18	61.73	84.11	104.60

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 7: Prudential Indicators: Authorised limit and operational boundary for external debt in £m

	2018/19 limit	2019/20 limit	2020/21 limit	2021/22 limit
Authorised limit – borrowing	124.0	124.0	124.0	124.0
Authorised limit – leases	1.0	1.0	1.0	1.0
Authorised limit – total external debt	125.0	125.0	125.0	125.0
Operational boundary – borrowing	30.0	50.0	75.0	95.5
Operational boundary – leases	0.8	0.8	0.8	0.8
Operational boundary – total external debt	30.8	50.8	75.8	96.3

- Further details on borrowing are included in the 2019/20 treasury management strategy.

Investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Table 8: Treasury management investments in £millions

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 budget	31.3.2022 budget
Near-term investments	27.88	3.00	3.00	3.00	2.00
Longer-term investments	7.16	32.00	30.00	30.00	30.00
TOTAL	35.04	35.00	33.00	33.00	32.00

- Further details on treasury investments are included in the 2019/20 treasury management strategy.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated by the S151 Officer to specified staff members, who must act in line with the treasury management strategy approved by Full Council in February 2019. A mid-year update report on treasury management activity is presented to Audit Committee and Full Council every October. The audit committee is responsible for scrutinising treasury management decisions.

Investments for Service Purposes

The Council can make service investments; service investments can be in the form of a loan to an organisation or the purchase of shares in organisations. The purpose of service investments is to support local public services and to stimulate local economic growth.

In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break even after all costs.

Governance: Decisions on service investments are presented to Strategic Leadership Team which includes the Section 151 Officer. Investments must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

Commercial Activities

The commercial property investment portfolio is an integral part of the Council's medium term financial plan and contributes towards the overall income generation target that is needed to mitigate the significant reduction in government funding, enable the Council to maintain and improve services and service standards, and meet our priorities and objectives. The Commercial Strategy details the Council's approach to commercialisation. One of the aims of the strategy is to align with and support the Council Plan and ensure that the Council is the partner of choice for the community and commercial sectors by demonstrating its commercial awareness and effective delivery of services.

The value of the property held for investment purposes was £17,632,682 as at 31 March 2018 and is anticipated to be £25,596,322 at 31 March 2019, the forecast rate of return is anticipated to be in the region of 3.6%

With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments. It has a robust risk assessment process in place which includes assessing the risk of loss before entering into and whilst holding service investments.

This increased risk is balanced with an efficient and proportional regard to governance, policy, management, processes and systems to ensure robust decision-making, performance and success of new commercial enterprises, contracts and partnerships. All of which will continue to evolve and be refined over time to ensure that the Council adheres to its statutory responsibilities and that public money continues to be appropriately invested, used and accounted for.

In considering investment opportunities, a predetermined set of assessment criteria for each proposed investment is used and a business case is completed to ensure transparency, due diligence, governance and consistency to aid achievement of the investment objectives.

In order that commercial investments remain proportionate to the size of the authority, these are subject to an overall maximum investment limit of £75m.

If the returns on investments are not maintained at the required levels contingency plans to continue to provide services in place. The contingency plan includes holding adequate general reserves and a specific investment risk earmarked reserve.

Governance: Decisions on commercial investments are made in line with the criteria and limits approved by council in the 2019/20 investment strategy. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

- Further details on commercial investments and limits are included in the investment strategy

Liabilities

In addition to debt detailed above, the Council is committed to making future payments to cover its pension fund deficit should it arise. The Council is also at risk of having to pay for its contingent liabilities, such liabilities arise where an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the Council's control.

Governance: Decisions on incurring new discretionary liabilities are taken by the Senior Leadership Team which includes the Section 151 Officer. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported to committee. New liabilities are reported to full council for approval/notification as appropriate.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 9: Prudential Indicator: Proportion of financing costs to net revenue stream

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
Proportion of net revenue stream	(2.8%)	(1.2%)	(6.6%)	(5.8%)	(5.2%)

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to

50 years into the future. The Section 151 Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable.

Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Section 151 Officer is a qualified accountant, and the Director of Commercial Services and Income Generation is highly experienced in the commercial property field. The Council pays for staff to study towards relevant professional qualifications including CIPFA.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers, and utilises services of property consultants who provide a diligent assessment of the market and assists in preparing a bid, acting as the sounding board for the in house Investment Surveyor. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Agenda Item 15

SSDC Investment Strategy 2019/20

Executive Portfolio Holder: Councillor Peter Seib, Finance & Legal Services
Director: Netta Meadows, Strategy & Support Services
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Purpose of the Report

1. The purpose of the report is to inform Members of the recommended Investment Strategy for 2019/20. The investment strategy must be approved by Full Council by 31 March each year in line with regulations.

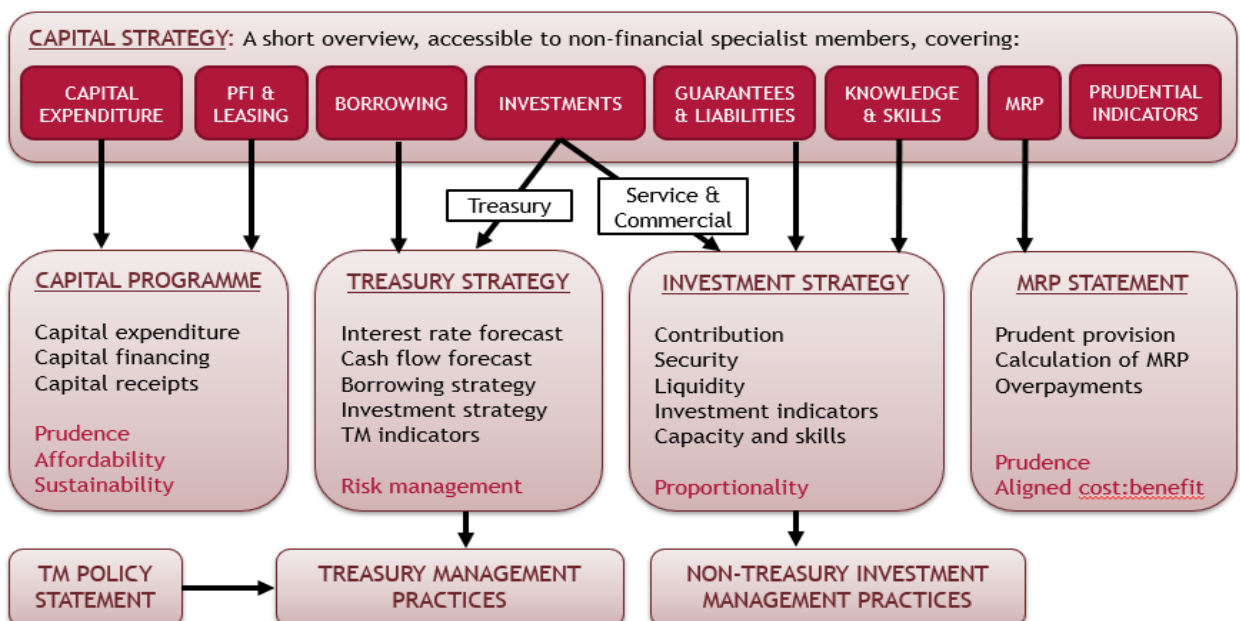
Recommendation

2. The Executive are asked to review and recommend that the Full Council approve the Investment Strategy for 2019/20.

Introduction

3. The investment strategy is a new report for 2019/20, which is a mandatory requirement of the revised Statutory Guidance on Local Government Investments (3rd edition) issued by the Ministry of Housing, Communities and Local Government 2 February 2018.
4. In addition to the investment strategy there is an additional requirement to produce a Capital Strategy. This strategy provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services.
5. The flowchart below provides a visual picture of the requirements and contents of the various strategies that are required on an annual basis.

Strategy Reports: England



6. The updated guidance contains a number of provisions requiring local authorities to have a transparent financial strategy. The investment strategy in Appendix A addresses the provisions and the regulatory requirements in the updated statutory guidance.
7. The guidance is issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003. Under that section local authorities are required to “have regard” to “such guidance as the Secretary of State may issue”. The legal requirement to “have regard” to guidance is not the same as a requirement to fully comply with the guidance.
8. The updated guidance can be accessed at the link below:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/678866/Guidance_on_local_government_investments.pdf

Background

9. The Statutory Guidance on Local Government Investments requires the Council to prepare an investment strategy annually (or include the required details in their treasury management strategy) and explain how investments made (including commercial property portfolios) relate to the Council's core purposes.
10. The investment strategy was previously included as part of the treasury management strategy required by CIPFA, the Council's treasury management advisors' advice is to create two separate strategy reports to cover the two different areas and not include the investment strategy as part of the treasury management report.
11. The new investment strategy focuses on two types of investments which are:
 - Investments made to support local public services by lending to or buying shares in other organisations, known as **service investments**.
 - Investments made to earn investment income known as **commercial investments**.
12. The strategy provides detailed information on the policies and procedures that the Council has in place to address the fundamental concepts that are associated with each investment type, which are risk, security and liquidity.
13. The strategy also deals with the concept of proportionality and the Council's reliance on investment income to fund services in the immediate and long-term and the concept of 'borrowing in advance of need' on which a statement of the Council's position is required.
14. The issue of capacity, skills and culture is included in the strategy with a disclosure requirement on the steps taken to ensure that elected members and officers involved in the investment decision making process have appropriate capacity, skills and information to enable them to:
 - Take informed decisions as to whether to enter into a specific investment
 - To assess individual assessments in the context of the strategic objectives and risk profile of the Council.
 - To enable them to understand how the quantum of these decisions have changed the overall risk exposure of the Council.

15. Further information is included in respect of corporate governance arrangements and investment indicators that ensure elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Financial Implications

16. The budget in respect of commercial investment income in 2019/20 is £1.16 million, based on an investment portfolio of £25.6 million and a projected net yield of 3.6%. This figure will be exceeded if further investments are completed between the drafting of this report and the end of the next financial year.
17. Income from service level investments in 2019/20 is estimated to be £328,000 which relates entirely to loans in respect of waste services, renewable energy and community services.

Background Papers: *Statutory guidance on Local Government Investments (revised February 2018)*

South Somerset District Council

Investment Strategy 2019/20

Introduction

The Council invests its money for three broad purposes:

- to provide safe and financially efficient custody for cash received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy is a new report for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018.

Treasury Management Investments

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government.

These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £35m and £50m during the 2019/20 financial year.

The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

Full details of the Council's policies and its plan for 2019/20 for treasury management investments are covered in the treasury management strategy, which is available on request/on the council's website at [South Somerset District Council - Finance](#).

Service Investments

The Council can make service investments; service investments can be in the form of a loan to an organisation or the purchase of shares in organisations. The purpose of service investments is to support local public services and to stimulate local economic growth.

A summary of the loans made and shares purchased (by category) are included in table 1 below.

Risk Assessment

It is accepted that the Council will need to take more risk than in previous years in order to achieve its ambitions and commercial success. It has a robust risk assessment process in place which includes assessing the risk of loss before entering into and whilst holding service investments.

This increased risk is balanced with an efficient and proportional regard to governance, policy, management, processes and systems to ensure robust decision-making, performance and success of new commercial enterprises, contracts and partnerships. All of which will continue to evolve and be refined over time to ensure that the Council adheres to its statutory responsibilities and that public money continues to be appropriately invested, used and accounted for.

The Investment Assessment Group (IAG) comprising members and senior officers have distinct roles in the assessment of risk. The purpose of the IAG is to assess the investment proposals; and this group is integral to the Council's risk assessment processes in respect of investments.

In considering investment opportunities, a predetermined set of assessment criteria for each proposed investment is used and a business case is completed to ensure transparency, due diligence, governance and consistency to aid achievement of the investment objectives.

The investment proposals are measured against agreed assessment criteria, in order to ensure it meets the required returns/objectives and so that investment of public money is applied with proportionate and efficient regard to procurement and governance procedures. This process is undertaken prior to the formal decision making process to ensure that only valid projects or investment proposals are taken forward.

The Council's Property, Land and Development Team have an operational investment brief which sits under the formally approved Commercial Strategy and includes comprehensive information on the Council's competitors, where to invest, what to invest in and an indicative budget per portfolio element (ie industrial, retail office etc). Further details are provided on the barriers to entry, the barriers to entry are continually monitored and updated as market conditions change.

External Advisors – Treasury

Arlingclose are contracted to provide the treasury advisory service for the council; the contract specification includes risk assessment of investments. If the council plan to undertake an investment for service purposes, if required, the advisors will be provided with details of the investment with a remit of reviewing the proposal and provide feedback on issues with the proposal.

The advisors are also used to:

- Provide technical advice, including interpretation, advice and guidance on legislation and regulation changes that impact on investments.
- Provide guidance on governance issues
- Provide training/briefings for elected members.

Monitoring and maintaining the quality of advice provided by the external advisors is undertaken by:

- Reviewing the returns on investment that have been advised by the advisors on a quarterly basis.
- Quarterly meetings are held with the advisors at which benchmarking data is provided on the return on investments.
- General discussions are held with the advisors on an ongoing basis in order to ensure that any issues that arise on the provision of advice are resolved immediately.

External Advisors - Property

In line with the conventions of the market, the Council will, from time to time, be introduced to property by an Investment Surveyor, who is typically paid a fee totalling one percent of the purchase price. The surveyor provides a diligent assessment of the market and assists in preparing a bid, acting as the sounding board for the in house Investment Surveyor. The Council has attempted to implement a policy of reducing the fee payable to the Investment Surveyor to take into account the cost of third party Building Surveying and RICS 'Red Book' Valuation. The Council has historically employed the services of Mssrs. Alder King, JLL, Charters, and Altitude Asset Management.

No property is acquired without Building Survey or 'Red Book' Valuation. These are obtained to show that the Council is achieving best value. The Council have historically employed Mssrs. Alder King, JLL and Lambert Smith Hampton to provide third party Valuations and Mssrs. Lambert Smith Hampton and Kirkham Board to provide third party Building Surveys.

Monitoring the quality of external advisor's advice

The commercial property industry is well regulated with Chartered Members of the RICS required to undertake a minimum of 20 hours of continuing professional development annually. The investment market is financially lucrative and fast paced; any business or operative failing to stay abreast of the pace of the market finds themselves without prospective clients or properties with which to suit their needs. It is incumbent upon any advisor to maintain consistent quality advice.

Registered Valuers are the only Members of the RICS permitted to undertake 'Red Book' valuations. Registered Valuers undertake a further annual return ensuring that they remain fit to practice. The Council undertake internal 'Red Book' valuations, signed by two Registered Valuers, for each proposed acquisition to ensure comparable quality of the third party and our own reports.

Risk Assessment and Credit Ratings

The commercial property industry uses Dun & Bradstreet credit rating as a standard. In addition, the Council used Co-Credo credit scoring to assess credit limit, risk rating and filing history. The principle body of each Co-Credo report contains circa 10 A4 pages of financial information which is used to help ascertain covenant strength of any tenant with a property the Council proposes to acquire. Should the council go on to acquire a property the tenant is added to a monitoring list, managed by an in house credit specialist.

Monitoring Credit Ratings

Credit ratings for treasury investments are obtained and monitored by the Council's treasury advisors, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected organisation.

In addition, the Council monitors the credit ratings by:

- having an alert on any change to the credit rating, with a minimum review of once a quarter.
- for the properties that the Council are in the process of acquiring, a significant alteration in credit score may prompt a reassessment of the value of the property and reduce or retract the bid.
- a significant alteration in credit score may prompt the expelling of the tenant at the end of the lease if a suitable alternative can be found. This is in respect of tenanted properties outside the provisions of S24-28 of the Landlord and Tenant Act reaching the end of the lease.

No risk assessment should be solely based on credit ratings however, and the Council Investment Surveyor will always seek to meet with representatives of any tenant, search for news articles and consider any macro or micro-economic phenomena likely to have an impact on the covenant prior to completing an acquisition.

As part of the Commercial Services and Income Generation Strategy it is necessary to ensure the assets are reviewed against Performance Management Indicators that identify the performance of each asset. Assets which are performing poorly against the PMI's will be reviewed and the appropriate remedial actions will be taken.

Service Investments: Loans

The Council lends money to its subsidiaries, its suppliers, local businesses, local charities, housing associations, local residents and its employees.

The Council provides small loans to community groups, local councils, registered charities and not for profit organisations for purposes that meet the Council's objectives and where alternative forms of borrowing are not available.

The Council will also issue other service loans to support projects that benefit the local economy and regeneration objectives and to partners in meeting service objectives.

The main risk when making a service loan is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council.

Upper limits on the outstanding loans to each category of borrower have been set for 2019/20 and are also detailed in table 1.

Table 1: Loans for service purposes in £ millions

Category of borrower	31.3.2018 actual			2019/20
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Local Authorities	1.24	-	1.24	6.25
Local businesses	0.16	-	0.16	0.17
Community (small) Loans	0	-	0	1.00
Employees	0.06	-	0.06	0.10
TOTAL	1.46	-	1.46	7.52

Accounting standards require a loss allowance for loans to be set aside, reflecting the likelihood of non-payment. From 2018/19, the figure for loans in the Council's statement of accounts will be shown net of the loss allowance.

However, the Council makes every effort to collect the full sum lent and has a policy which details the general principles that apply to debt management across all Council services.

Liquidity:

For financial investments that are not treasury management investments or loans.

The Council has no current plans to use financial investments that are not treasury management investments or loans. If this position changes, procedures for determining the maximum periods for which funds may prudently be committed, what maximum periods are, and how the Council will stay within its investment limits will be produced.

Non-specified Investments: Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments. The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

Commercial Investments: Property

The Council is aware that the commercial property market has been improving since 2009, and is considered by many to be near its peak. Therefore, any investment needs to show potential for improvement to allow values to be maintained should there be a downturn.

The Council's Commercial Strategy allows for investment nationally, but to date it has focussed on investment in the South West as appropriate opportunities have arisen. These have been within three hours travelling time of Yeovil, to allow for hands on management, with particular consideration given to opportunities within the Council's area. The portfolio is currently retail and alternative energy focused, and the requirement is to now balance the portfolio across industrial and office markets. The Council has set a target rate of return for the portfolio within the confidential commercial strategy which was approved by Council in

august 2017. Achieving the target maybe influenced by the market and other factors and therefore choice of investment is very selective to try and ensure that the target rate across the portfolio is maintained, as some investments will meet all other criteria but be above or below the target rate of return.

The aim is to develop a diverse portfolio in terms of location, sector and tenant. The Council notes that many other local authorities are currently investing in similar portfolios and have made it a point of principle to engage the local authority within which any proposed acquisition lies, to ensure public funds will not be used to bid against another local authority.

The Council's intention is to use capital expenditure by the tenant within the property, for infrastructural improvements locally, and development potential within the site, to raise Market Values.

The commercial property investment portfolio is an integral part of the Council's medium term financial plan and contributes towards the overall income generation target that is needed to mitigate the significant reduction in government funding, enabling the Council to maintain and improve services and service standards, and to meet our priorities and objectives. The Commercial Strategy details the Council's approach to commercialisation. One of the aims of the strategy is to align with and support the Council Plan and ensure that the Council is the partner of choice for the community and commercial sectors by demonstrating its commercial awareness and effective delivery of services.

The value of the property held for investment purposes was £17.6 million as at 31 March 2018 and is anticipated to be £25.6 million at 31 March 2019. Table 3 provides details of the property portfolio as at the above dates.

Property Investments

The Council has a number of property investments, details of 2 recent investments are detailed below.

Building A, Somerset - With some prime investments in the vicinity achieving yields in the 4-5% range, Building A is self-evidently secondary achieving a higher yield to its comparable investments. Physically, this is due to the age of construction and low eaves heights for such a substantial unit. It is also because the current tenant has mentioned that they intend to leave at the end of the current tenancy. However, we believe that the market has priced in this tenant uncertainty harshly and our initial exchanges have suggested that the tenant may indeed be amenable to staying at the premises. The infrastructure changes likely to be brought about by the Hinkley Point C development will lead to investment and job creation in the local area, which will in turn drive up rents and secure tenants for longer terms, from the mid-2020's. We are of the opinion that the unit can easily be subdivided to provide three units of circa 12,000 square feet, with the further potential for development of a detached unit to the north of the site. The likely running yield of approximately 7.5% contributes to the council meeting its target yield for the portfolio.

- **Building B, Devon** – Currently under offer and reflecting a net initial yield that is above target. The net initial yield is keener than a number of recent transactions, however we are of the opinion that this doesn't take into account the fact the property is currently

underlet at a rent equating to £6.25psf, when we assess Market Rent to be c£9.00psf. This underletting is to take into account the £6,000,000 capital expenditure of the tenant. On reversion we would expect a significant reversionary yield of approximately 10%. The tenant, the University of Plymouth, is a strong covenant and is likely to be in situ for seven years (subject to a break option after five years). We are of the opinion that the capital expenditure will significantly improve the building and we also bear in mind the potential for developing the west part of the site under an option, which would improve the investment value. The net initial yield provides an annual income, net of borrowing, of £147,000, towards the funding requirement of the Council's services and priorities.

Table 3: Property held for investment purposes in £ millions

Property	Actual	31.3.2018 actual		31.3.2019 expected	
	Purchase cost	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Retail	12.3	-0.6	11.7	-0.6	11.7
Industrial	5.7	-0.1	5.7	-0.1	13.7
Energy	0.0	0.0	0.0	0.0	0.0
Office	0.3	0.0	0.2	0.0	0.2
TOTAL	18.3	-0.7	17.6	-0.7	25.6

Security of investment is a primary consideration, in accordance with government guidance, and the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Council's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment.

Should the 2018/19 year end accounts preparation and audit process value these properties below their purchase cost, then an updated investment strategy will be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising.

Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions.

The Council's asset disposal policy includes the approved process for asset disposal and performance indicators (property management indicators) which provide the information on the performance of each property. The performance indicators provide information on assets which are not yielding the level of return required by the Commercial Strategy.

The Council uses Argus Enterprise software, the industry standard, to track the performance of its investment portfolio. This software is capable of monitoring running yields asset by asset and across the portfolio, and adopting multiple scenarios. By continually reviewing the market,

the tenant covenant and unexpired lease term of each property, the Council is able to find the optimum time to dispose of assets.

Upon disposal, the Council will appoint two agents, one regional and one national, to market the property to the investment market, ensuring Market Value is achieved. In the current market a sale is typically achievable within six months.

Other Categories of Investment

Special Purpose Vehicles (SPV)

The Council has recently setup SSDC Opium Power Ltd which is a special purpose vehicle (SPV) setup to deliver a renewable energy project. This is the Council's first step into ownership and development of renewable energy which will provide essential support to the National Grid for balancing power demand and storing renewable energy.

The company is 50:50 owned between the Council and Opium Power Limited, with the Council providing a secured term loan facility to the SPV. The agreed rate of interest on the loan is 5% per annum. A repayment schedule has been agreed with the SPV as part of the loan conditions.

Green Technology and Renewable Energy

Renewable energy investments not only assist with the Council's income generation needs and contributes towards the objectives of the commercial strategy, they also meet the Council Plan commitment to promote the use of green technology.

Renewable energy measures and investments are continually sought to ensure that the Council's existing and future energy costs and requirements on our own operational property are considered.

Community Benefit

Other investments that do not meet the internal rate of return target, but do provide some financial return and also bring collective benefit to the community in accordance with the wider Corporate Plan objectives are considered with a different form of assessment criteria but similar decision making process.

The primary objective may not be to generate income but to deliver a service of community benefit i.e. economic development, jobs, health, welfare, leisure, housing need etc.

Regeneration Schemes

Major investment in Regeneration Schemes are planned or are in progress, such as the Chard Regeneration Scheme and the Yeovil Refresh, and these are projects with their own strategies and plans for delivery, but they link to the Commercial Strategy objectives in the longer term and the same principles apply in executing these projects. Therefore, the council will progress, consider and assess Regeneration proposals, using an investment based approach that seeks to create viable regeneration schemes that not only pay for themselves but generate a return on the investment over the longer term where possible.

Regeneration delivers both tangible commercial and community objectives resulting in income generation for the wider district in the medium to long-term, as well as directly to the Council through business rates or council tax, for example.

Loan Commitments and Financial Guarantees

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness.

There is a potential environmental risk in the Birchfield Park area as part of the land is an old landfill site. There is a bond in place with the developer to meet any liabilities resulting from the development of the road. However, there remains a residual liability of £311k that falls on the Council. A specific working group manages any risks within existing revenue and capital budgets.

In transferring employees to the Somerset Waste Partnership (SWP) South Somerset agreed a guarantee of last resort to the Somerset County Council Pension Fund for those employees transferred to Kier. The actuarial valuation at the time assessed the maximum liability at £748k. However, unlikely that this will ever be required as the SWP has the right over vehicles and depots and the staff would transfer back to the authority.

South West Audit Partnership became a company limited by guarantee on 1st April 2013. SSDC has guaranteed the Somerset County Council Pension fund deficit relating to ex-employees to a value of £149k. The nursery that was run by South Somerset District Council has now transferred to Mama Bears. The Council has guaranteed £36k to the Somerset County Council Pension fund.

Proportionality

The income from investment activity contributes to the achievement of funding needed to maintain services and meet Council priorities and objectives. Table 4 shows the proportion of expenditure on delivery of service objectives that is funded from investment income, this is shown year by year over the lifecycle of the Medium Term Financial Plan.

If the investment income is anticipated to drop below amount included in table 4 the Council's contingency plans for continuing to provide these services are supported by holding adequate general reserves and a specific investment risk earmarked reserve.

Table 4: Proportionality of Investments

	2017/18 Actual	2018/19 Forecast	2019/20 Budget	2020/21 Budget	2021/22 Budget
Gross service expenditure	76,505,204	66,612,101	67,582,350	65,048,694	68,576,710
Investment income	1,185,388	2,149,940	2,391,345	2,337,302	2,245,899
Proportion	1.55%	3.23%	3.54%	3.59%	3.28%

Borrowing in Advance of Need

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Council has chosen not to follow this guidance and plans to borrow for this purpose because its financial strategy requires significant additional income to replace reductions in government grant and provide essential resources to maintain and improve services to the local community.

Large efficiency savings have been delivered through transformation savings, however this is not enough on its own to result in affordable, sustainable services and avoid major cuts to local services. Additional income is needed to meet the Council's priority of maintaining and improving services.

Capacity, Skills and Culture

Elected members and statutory officers:

The Council have enterprising staff, partners and members, their skills and ideas need to be clearly and effectively communicated and harnessed to help achieve our Commercial Strategy. The Council have invested in staff training to enhance staff and member skills and raise the level of commercial expertise across the Council.

Staff training is a continuing priority in this area with continuing professional development being an integral part of this.

The Council has recruited a highly experienced commercial director and qualified property specialists, which ensures that the necessary skills and knowledge are in place to achieve the aims of the Commercial Strategy and ensures that the risks involved in commercial investments are fully understood.

In addition, the Council has qualified accountants and solicitors who provide the required legal and financial advice. A significant budget is available to buy in the required expertise and advice if required.

Officers involved in the identification of investment opportunities are continually developing and enhancing their knowledge and skills by attending training events and seminars on a regular basis. This ensures that developments in the market are understood which is essential when considering and assessing potential investment opportunities.

Reporting to members on a regular basis on the performance on current investments, and on potential new investments is an integral part of the Commercial Strategy, the continual reporting ensures that elected members have the information needed to assess the risks and rewards that are associated in this area.

In considering investment opportunities, a predetermined set of assessment criteria for each proposed investment is used and a business case is completed to ensure transparency, due diligence, governance and consistency to aid achievement of the investment objectives.

Commercial deals:

Officers who are tasked with negotiating commercial deals have been provided with the necessary training and information and are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.

- Briefings and guidance provided to, and discussed with the senior leadership team and officers involved in commercial deals.
- There is a requirement for continuing professional development for qualified professionals who are part of the decision making process for commercial deals.

Corporate governance:

The Council has robust governance arrangements in place, the Commercial Strategy (2017-2021) sets out the arrangements which:

- Sets out the approved budget for the financial years that the strategy covers, the authority to manage the budget of either borrowings or reserves is delegated to the S151 officer in consultation with the Investment Assessment Group.
- An Investment Assessment Group established who undertake due diligence, report on performance and recommend investments to acquire, or assets to dispose of, to the CEO that meet required criteria set out in the Commercial Strategy
- The IAG comprises of the Property, Land and Development Manager, Director of Commercial Services & Income Generation, S151 Officer, Monitoring Officer, and Portfolio Holder.
- Delegation of individual investment / acquisition approvals up to a value of £10 Million for any single transaction to the Chief Executive Officer in consultation with the Leader.
- In considering opportunities, a predetermined set of assessment criteria for each proposed investment project is used.
- A business case is completed in each case to ensure transparency, due diligence, governance and consistency to aid achievement of the Commercial Strategy and the Corporate Plan objectives.
- Where the criteria are met, there is a schedule of delegation agreed that enables positive decisions to be made that respect market requirements for swift action and confidentiality.
- If a unanimous recommendation to proceed is made by the IAG, the proposal will be recommended to the Chief Executive Officer for a final decision in consultation with the Council Leader.
- There is regular performance monitoring to demonstrate how investments are performing over time, and to enable portfolio review to take place to maximise benefit over time.

In line with feedback from the Peer Review team in 2018, the intent is to update the governance arrangements of commercial investments in future, for example to ensure that the Finance and Legal Portfolio Holder is appraised of planned investments and is satisfied that financial and risk aspects are fully covered in the decisions process.

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third party loans.

Table 5: Total investment exposure in £millions

Total investment exposure	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Treasury management investments	34.2	32.1	29.8
Service investments: Loans	1.5	1.3	3.0
Commercial investments: Property	11.9	18.9	13.5
Other investments: SPV	0.0	9.8	7.4
TOTAL INVESTMENTS	47.6	62.1	53.7
Commitments to lend			
Guarantees issued on loans			
TOTAL EXPOSURE	47.6	62.1	53.7

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

Table 6: Investments funded by borrowing in £millions

Investments funded by borrowing	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Treasury management investments	0.0	0.0	0.0
Service investments: Loans	0.0	5.0	4.5
Commercial investments: Property	0.0	30.0	50.0
Other investments: SPV	0.0	9.8	7.3
TOTAL FUNDED BY BORROWING	0.0	44.8	61.8

Rate of return received: This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 7: Investment rate of return (net of all costs)

Investments net rate of return	2017/18 Actual	2018/19 Forecast	2019/20 Forecast
Treasury management investments	1.82%	1.94%	1.86%
Service investments: Loans	2.49%	2.49%	2.49%
Commercial investments: Property	3.27%	3.62%	3.50%
Other investments: SPV		5.00%	5.00%
ALL INVESTMENTS	2.53%	3.26%	3.21%

The Commercial Strategy for commercial investments includes a benchmark Internal Rate of Return. We also measure investment returns for budgeting purposes taking into the full cost of acquisition including any costs of borrowing (principal repayments and interest), sinking funds and void risk.

Also the sinking fund provisions are ring fenced within the council from the revenue so that future capital bids should reduce/or not be needed for future maintenance and repair of these assets. All of these actions mean that the Commercial Strategy objectives are being met and appropriate prudent financial management of the assets for now and the future is being undertaken.

Other Investment Indicators: The MHCLG guidance lists a number of additional indicators which are included in order to enhance understandability and transparency.

Table 8 includes a selection of additional indicators which aim to allow members and other interested parties to understand the total exposure from borrowing and investment decisions. The indicators cover both the Council's current position and the expected position assuming all planned investments for the following year are completed.

Table 8: Other investment indicators in £millions

Commercial Income to net service expenditure ratio: The indicator measures the dependence on non-fees and charges income to deliver core services

	2017/18 Actual £million	2018/19 Forecast £million	2019/20 Forecast £million
Commercial Income	0.58	1.12	1.16
Net Service Expenditure	18.57	18.00	17.17
	3.11%	6.23%	6.67%

Interest cover ratio: The indicator measures the total net income from property investments, compared to the interest expense.

	2017/18 Actual £million	2018/19 Forecast £million	2019/20 Forecast £million
Income from Property Investments	0.58	1.12	1.16
Interest Expense	0	0.20	0.41
		5.5	2.9

Loan to value ratio: The indicator details the amount of debt compared to the total asset value.

	2017/18 Actual £million	2018/19 Forecast £million	2019/20 Forecast £million
Debt	0.00	30.00	50.00
Total Asset Value	17.44	39.18	61.73
	0.00%	76.57%	80.99%

Gross and net income: Compares the income received from the investment portfolio at a gross level and net level (less costs of Property Team).

	2017/18 Actual £million	2018/19 Forecast £million	2019/20 Forecast £million
Gross Income from Property Investments	0.58	1.12	1.16
Less Property Team Cost	(0.45)	(0.45)	(0.46)
Net Income from Property Investments	(0.13)	0.67	0.70

Agenda Item 16

Council Tax Discount Review

Executive Portfolio Holder: Peter Seib, Finance and Legal Services
Director: Martin Woods, Director – Service Delivery
Service Manager: Ian Potter, Lead Specialist Vulnerable People – Service Delivery
Lead Officer: Helen Morris, Revenues Specialist – Service Delivery
Contact Details: Helen.morris@southsomerset.gov.uk or 01935 462033

Purpose of the Report

1. To request that the District Executive approve an increase to the Empty Home Premium charged on properties that have been empty for 2 years or more, in accordance with the Rating (property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of January 2019. Part of the report relating to Empty Home Premium was deferred for further discussion.

Public Interest

3. This report gives an overview of the changes in the legislation enabling Local Authorities to increase the percentage of Empty Home Premium from 1 April 2019.

Recommendations

4. That the District Executive:
 - a. Approve the increase in the Empty Home Premium on empty properties to the maximum percentage, as detailed in the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.

Background

5. Since 1 April 2013 Local Authorities have been able to raise a premium of up to 50% of the annual Council Tax charge, on long term (over 2 years) empty properties, this was to encourage properties which had been sat empty to be brought back into use and also help with the shortage of housing. South Somerset District have been adding a 50% premium to all properties that have been empty over 2 years or more since this date.

Empty Home Premium

6. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 received royal assent on the 1 November 2018. Section 11 B of the Local Government Finance act 1992 (higher amount for long term empty dwellings: England) has been amended as follows:

From 1 April 2019, dwellings that have been empty for more than two years a premium of up to 100% of the charge could be added. (This previously was 50%)

From 1 April 2020, dwellings that have been empty for less than five years a premium of up to 100% of the charge could be added.

From 1 April 2020, dwellings that have been empty for more than five years a premium of up to 200% of the charge could be added.

From the 1 April 2021 dwellings that have been empty for less than five years a premium of up to 100% of the charge could be added.

From the 1 April 2021 dwellings that have been empty for at least five years but less than ten years, a premium of up to 200% of the charge could be added.

From the 1 April 2021 dwellings that have been empty for at least ten years, a premium of up to 300% could be added.

Financial Year	2 – 5 years empty	5 – 10 years empty	10 years or more
1 April 2019	100% premium	100% premium	100% premium
1 April 2020	100% premium	200% premium	200% premium
1 April 2021	100% premium	200% premium	300% premium

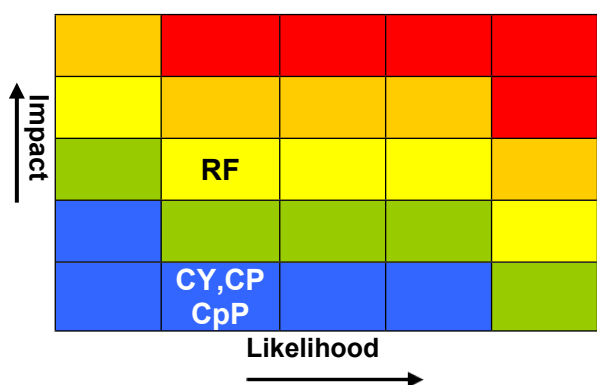
7. Within South Somerset we currently have 196 dwellings that have been empty for two years or more and currently have the Empty Home Premium applied. Of which 26 dwellings have been empty for five years or more and 41 dwellings have been empty for 10 years or more.
8. We do not propose to add any exclusions where the Empty Home Premium would not apply. However, we will continue to work with our specialists in Environmental Health to help enable customers to bring their dwellings back into use.
9. All customers will be advised of the changes to the Empty Home Premium in writing, information will also be available of the Council’s website.

Financial Implications

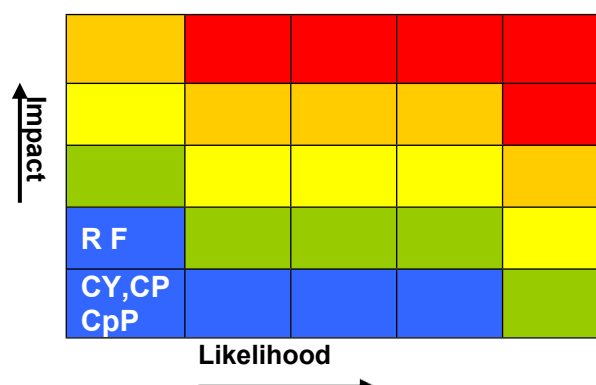
10. Based on the 2018/19 Council Tax charge, the 196 properties that have been empty for two years or more would raise approximately an additional £309,000 in 2019/20. To be accounted for in the collection fund. The proportion South Somerset would receive of this is circa £30,000.

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

11. This recommendation supports the values and aims in Council Plan.

Carbon Emissions and Climate Change Implications

12. There are none associated with this report.

Equality and Diversity Implications

13. There are none associated with this report.

Privacy Impact Assessment

14. There are no privacy risks identified with these proposals.

Background Papers

15. The following background papers can be viewed on the council website www.southsomerset.gov.uk
- Report to District Executive – December 2012 – item 12
 - Report to District Executive – January 2019 – item 11
-

Agenda Item 17

Corporate Performance Report 2018-19: 3rd Quarter

<i>Executive Portfolio Holder:</i>	<i>Val Keitch, Strategy and Policy</i>
<i>Director:</i>	<i>Netta Meadows, Director of Strategy and Support Services</i>
<i>Lead Specialist:</i>	<i>Charlotte Jones, People, Performance and Change lead</i>
<i>Lead Officer:</i>	<i>Cath Temple, Specialist - Performance</i>
<i>Contact Details:</i>	<i>Cath.temple@southsomerset.gov.uk or (01935) 462587</i>

Purpose of the Report

1. This report sets out the current position of the council's agreed key performance indicators and covers the period from October to December 2018 (Q3).

Forward Plan (for District Executive reports only)

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of February 2019.

Public Interest

3. The council is accountable to the local community for its performance. We publish performance monitoring information to demonstrate outcomes and to highlight opportunities to learn and improve for the future.

Recommendation

4. The District Executive is asked to note and comment on the report.

Background

5. The Council monitors a set of key performance indicators (KPIs) which are published on our website www.southsomerset.gov.uk on a quarterly basis. We are continuing to develop a framework for performance management as part of the Transformation Programme and therefore our current approach to corporate performance management is in transition. We propose to further develop these reports during the year alongside other elements of the new performance framework, and we welcome feedback.

Quarter 3 performance

6. The attached report includes our performance from October to December 2018 measured against 22 KPIs.
7. The last two years has seen significant activity and change across the whole of South Somerset District Council (SSDC). We have delivered many key parts of our Transformation programme, at pace and with significant staff changes, whilst ensuring that our key business areas continue to deliver for the communities we serve. This has not been without its challenges, but we are on schedule to deliver not only the financial benefits required, but also new ways of working (in terms of processes and systems) within a completely new organisational model.
8. We have a committed group of leaders, managers and staff who are working hard to deliver services to our residents whilst also transforming what we do. We are now in the transition phase of the

Transformation Programme looking forward to our new ways of working, and are continuing to support staff into their new roles. Transition presents some challenges, yet our teams have demonstrated commendable professionalism, dedication and hard work, and should be justifiably proud of all we have achieved over the past months.

9. The changes we have to make are not yet complete and we have a good awareness of the considerable work that remains ahead for us as an organisation. This includes completing the redesign of our services and supporting our customers to take up new digital channels, together with embedding new ways of working within the 'One Team'.
10. We continue to monitor the delivery of services and the impact of transformation and whilst we have noticed some dips in performance, which we expected and have responded to mitigate, the attached report shows that overall our key areas are still delivering, and improving in their direction of travel – 17 out of 22 KPIs are either showing a steady position or are improving. 9 out of 14 of our KPIs with targets set are either on or above target. We will continue to monitor these closely and take action as appropriate.

Financial Implications

11. There are no direct financial implications related to this report.

Risk Matrix – this report is for information only – no risk profile.

Council Plan Implications

12. This report is consistent with the Council Plan 2016 – 2021

Carbon Emissions and Climate Change Implications

13. There are no direct implications

Equality and Diversity Implications

14. There are no direct implications

Privacy Impact Assessment

15. There are no direct implications

Background Papers

Council Plan 2016-2021 & Annual Action Plan 2018/19

Corporate Performance Report

Q3 2018/19

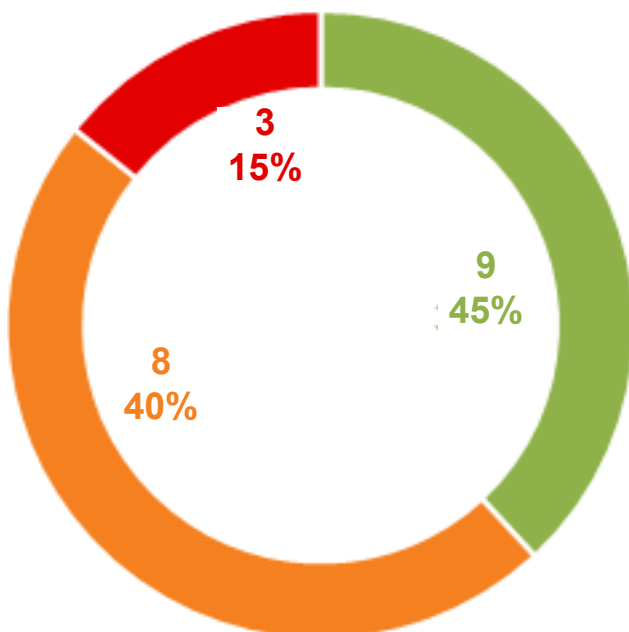
There are two sets of comparisons for the data. One is compared against a target the other compares the current result with past performance to give a direction of travel.

For direction of travel – there has been an overall improvement in the direction of travel for this quarter. We are hopeful that the review being undertaken by Somerset Waste Partnership into their reporting will improve our metrics in those relevant areas.

For targets - red means we are significantly below target, amber means on target, and green means we are ahead of the target. 11 of our 14 KPIs were either below or above target this quarter. We attribute this to there being no formal target-setting process in place at the start of this year. Some of the targets within this report will need consideration when the new performance management framework is in place during 2019.

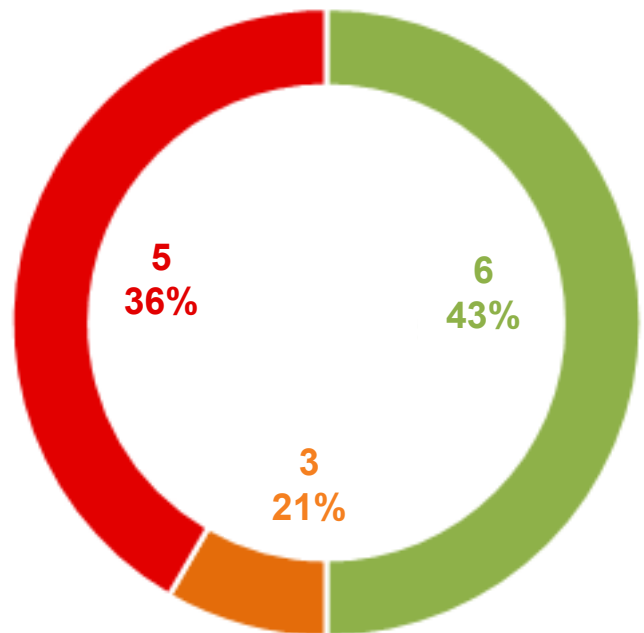
The summary is as follows:

Direction of travel:



Improved Constant Worse

Performance against targets:



Improved Constant Worse

Corporate Performance Report

Q3 2018/19

Methodology

We typically use 2 methods to assess how we're doing: we compare our performance with our target, and with our past performance. Sometimes this means that a KPI has 2 different colours. This might mean, for instance, that although we're above target, we have not improved.

Throughout this report for quarter 2, many KPIs show "no significant change". This highlights "green" KPIs as genuine successes and improvements.

Direction of travel

This compares the quarter's performance with our performance over recent quarters.

- We use a statistical test to compare whether the KPI value for this quarter was significantly better or worse than the past performance.
- Where possible, we use tests that compare the dataset for the quarter with a dataset of all recent data points. This prevents unusual recent values from skewing the results.
- We apply a RAG (red, amber, green) icon to the data, to indicate both the direction of travel, and whether it is better, worse, or not significantly different:



	Better	No significant Change	Worse
Increase			
Decrease			

Targets

We compare each KPI with a performance target. Targets have not been set for some KPIs, but we will be working with service leads to develop these.

- When the quarter ends, we use a statistical test to compare whether this quarter was significantly better or worse than the target.
- We apply a RAG (red, amber, green) icon to the data, to indicate whether it is above target, on target, or below target



Above target	On Target	Below Target



High quality cost effective services

Q3 2018/19

Direction of Travel



Our Target



1 Council Tax collection rates (%)

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
83.72	97.80	28.68	56.7	97

The amount of Council Tax collected from the start of the year to the end of the quarter, as a percentage of the estimated amount that would be collected by the end of the year if everyone liable paid what they were supposed to.

2 NNDR (business rates) collection rates (%)

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
82.4	97.87	33.49	58.3	98

The amount of business rates collected from the start of the year to the end of the quarter, as a percentage of the estimated amount that would be collected by the end of the year if everyone liable paid what they were supposed to.

3 Calls to Customer Focussed Team answered within 120 seconds (%)

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
75.9	82.1	59.5	61.4	80

The number of calls answered within 120 seconds, as a percentage of all calls answered.

The Q3 figure shows the improvements made by the team in terms of cross training ahead of the new technology being in place. In addition, the use of messages updating customers of being able to do more online and their ability to leave a message have helped improve



High quality cost effective services

Q3 2018/19

4 Calls to Customer Focussed Team abandoned by customer (%)

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	9.2	5	10.2	9.5

The number of customers ending their call before it is connected, expressed as a percentage of total calls.



5 Speed of processing of new Housing Benefit claims

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	27	26	33	28

The (mean) average number of days between receipt of the claim and the decision, for all new housing benefit claims decided during the quarter.



Please see comment for Number 8.

6 Speed of processing of Housing Benefit changes of circumstances

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	5	1	5	6

The (mean) average number of days between validation and decision for new housing benefit claims that were decided during the quarter.



7 Speed of processing of new Council Tax Support claims

Q3	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	45	35	41	47



The (mean) average number of days between validation and decision for new Council Tax Support claims that were decided during the quarter.



Please see comment for Number 8.



8 Speed of processing of Council Tax Support changes of circumstances



Q3 11 	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	6	7	9	

The (mean) average number of days between validation and decision for change of circumstances notifications about Council Tax Support claimants that were decided during the quarter.

An increase in the volume of changes in circumstances for customers claiming Universal Credit has led to an increase in the time to process change of circumstances for council tax support.



Performance for all 4 KPIs relating to benefits (5,6,7,8) is being closely monitored, for example as part of new ways of working the Customer Focussed Team are handling all calls for part of the week to allow the case team and specialists to focus on decisions and complex cases. As part of new ways of working there is also the need for additional training, which will increase the team's capacity to focus on these areas.

9 Major planning applications determined within target time (%)

Q3 93.8 	Past Performance %			Our Target**
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	95	88	91.3	

The percentage of all valid major* applications (determined in the quarter) that were determined within 13 weeks or within a period agreed with the developer.
 *'Majors' have a building footprint over 1000 m² at least 10 dwellings, 10 or more gypsy/traveller pitches, or a site area over 1 hectare (half an acre for dwellings).
 **Our target is the national minimum service level

10 Minor planning applications determined within target time (%)

Q3 97.6 	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	92	88	90.2	



The percentage of all valid minor* applications (determined in the quarter) that were determined within 8 weeks or within a period agreed with the developer.
 **Minors' do not meet the definition of major, but are for new dwellings or gypsy or traveller pitches, or relate to industrial or retail sites.



High quality cost effective services

Q3 2018/19

11 Speed of processing – % of ‘other’ planning applications determined within target time

Q3 85.5 	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	80
	95	93	95.4	

The percentage of all valid ‘other’* applications (determined in the quarter) that were determined within 8 weeks or within a period agreed with the developer.

*‘Others’ do not meet the definition of major or minor. They include householder applications (eg extensions), changes of use, listed building alterations, etc.

Overall our planning performance is way above the Government targets. The Q3 figure is above target however has dropped slightly. Further investigation into this metric is taking place.


12 Household waste & recycling – missed collections

Current Performance (Q3) -	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	881	1122	-	

Number of times a household legitimately reported a missed bin collection, per million collections.

SWP are undertaking a review of their reporting therefore Q2 figures have not been supplied

13 % of SSDC owned properties with a performance assessment in place

Q3 34 	Past Performance %			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	n/a	34	34	Target not set

A complete performance assessment for a property is made up of a number of factors, such as income and energy efficiency. These assessments will be kept up to date and used to make decisions about properties, such as disposal.

Currently the system used by the Property team lists all land and property together (over 700 records). All assets will be assessed during 2019



14 Annual average income yield increase of business services

The additional net income (yield) across all income generating services, compared to the previous quarter. Targets will be set for specific services as part of monitoring arrangements for the Commercial Strategy.

Finance will be supplying an annual report at the end of Q4

15 Take up of digital services (%)

This is measured in 2 ways:

- i) availability - services available through digital platform(s), expressed as a percentage of all services that can be delivered digitally
- ii) take up - the number of service requests submitted digitally, as a percentage of all service requests (by any channel)

This will be measured from January 2019 when our new on-line services become available.

16 Calls to Customer Focussed Team resolved at the first point of contact (%)

- i) Resolved on the line – the user need is met during the phone call
 - ii) Resolved without 2nd contact – without the customer calling back
- A representative random sample will be taken across the quarter.

We are developing methods to measure this indicator.



17 Working age population claiming unemployment benefits (%)

Q3 1.80 	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
	1.58	1.85	1.78	Target not set

The percentage of the working age population (15 to 64 years) claiming benefits mainly because they are unemployed. (Seasonally adjusted by the Office for National Statistics)

As we mentioned last quarter, the rollout of Universal Credit has caused this metric to rise because more claimants are required to seek work than under Job Seeker's Allowance

18 Working age population in employment (%)

The percentage of the working age population (15 to 64 years) in employment

This has now moved to an annual measure



19 Fly-tips cleared within 5 days (%)

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
94	-	100	95.35	90

The number of reported fly-tips cleared within 5 days, expressed as a percentage of all fly-tips.

Past performance is not available before Q1. Previously we measured the (mean) average time taken to clear fly-tips.

20 Number of fly-tips reported

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
179	232	249	215	Target not set

The number of unique reports of fly-tips in the District.

21 Household recycling rates

Current Performance (Q2)	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
54.1	53.6	52.85	55.1	Target not set

The weight of household waste sent for reuse, recycling, composting or anaerobic digestion, expressed as a percentage of the weight of all waste collected. The data for this metric is for the whole county because Somerset Waste Partnership cannot derive this data at the district level.

This data relates to Q2. The indicator currently lags a quarter behind due to Somerset Waste Partnership's reporting schedule.



22 Number of households in temporary accommodation

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
34	57	24	42	Target not set

The number of households who we have placed in hostels, registered social landlord properties or bed and breakfasts, to discharge our homelessness duties, and who were living there on the last day in the quarter.

23 Average length of stay in temporary accommodation (days)

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
9	6	7	2	7

The (mean) average total amount of time (in days) spent in bed and breakfasts by households who we placed there to discharge our homelessness duties, and who left that accommodation during the quarter.

The increase this quarter is due to receiving more complex cases and providing suitable and safe emergency accommodation can be challenging. We have been pleased to house families in less than the current average of 9 days.

24 Assessment of applications to join Somerset Homefinder (%)

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
72	51	52	71	21

The percentage of valid Homefinder applications made by South Somerset residents, that received a banding decision within 21 days.



Homes

Q3 2018-19

25

Number of cases of homelessness helped or prevented

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
75	47	39	61	10% annual increase

The total number of households who either:

- thought they were at risk of homelessness, but were able to stay in their home for at least 6 more months
- were homeless, but secured accommodation

And where, in either case, the council took positive action to improve the situation.



Health and Communities

Q3 2018-19

26

Number of reports of anti-social behaviour

Q3	Past Performance			Our Target
	Q4 (17-18)	Q1 (18-19)	Q2 (18-19)	
384	548	491	566	Target not set

Includes abandoned vehicles, noise, littering, dog complaints, smoke, dangerous waste and fly posts, but not fly tips or dead animals.

Annual key performance indicators

These indicators are reported after the 4th quarter

1.03 Customer satisfaction (all channels) (%)

The percentage of participants who agree or strongly agree with factors that make up satisfaction.

2.03 Town centre health checks (a mix of indicators)

Definition to be determined. Various indicators combined to establish consistent measure for town centres, eg vacancies, footfall, employment

2.04 Small Medium Enterprises demographics

New registrations for VAT and PAYE (births), cessation of trading (deaths), and duration of trading (lifetimes).

2.05 Measure of productivity

The ratio of output (such as gross value added) divided by the labour input used to create it.

2.06 % coverage broadband services

Expressed as the number of premises with access to broadband speeds of at least 24Mbps, as a percentage of the total number of premises.

3.04 Quality of decision making (planning) - appeals lost as a % of all decisions.

The number of refusal of planning permission overturned by the Planning Inspectorate at appeal, expressed as a percentage of all decisions made.

4.05 % affordable homes completed on qualifying sites

Affordable homes completed (for occupation) as a % of all new housing completions on all sites with 11 or more dwellings, or a combined internal floor area over 1000m².

4.06 Number of additional affordable homes

Number of additional affordable homes through enabling work.

4.07 % of new dwellings completed against targets in the Local Plan

Expressed as a % of homes completed, compared with targets set in the Local Plan

4.08 Number of vacant dwellings returned to occupation

The number of dwelling that returned to occupation during the year, after being empty for 6 months.

5.01 Measure of financial inclusion in South Somerset

This measure lacks definition at present.

5.02 Resident satisfaction – local facilities / neighbourhood environment - %

The percentage of participants who agree or strongly agree with factors contributing to satisfaction.

Agenda Item 18

Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance

Executive Portfolio Holder: Jason Baker, Private Sector Housing
Director: Martin Woods, Service Delivery Director
Service Manager: Nigel Marston, Specialist Team Manager
Lead Officer: Vicki Dawson, Lead Specialist, Environmental Health
Contact Details: vicki.dawson1@southsomerset.gov.uk or 01935 462546

Purpose of the Report

1. For members to consider and adopt the Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance in Appendix 1 of this report.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of 7th February 2019

Public Interest

3. With increased housing pressures the Government continues to see working with the private sector as being increasingly important in order for local authorities to meet their statutory responsibilities to deal with empty properties, disrepair, homelessness, overcrowding and other related housing matters. The provision of financial assistance is considered an integral part of any strategy to improve housing conditions. Likewise there is a clear link between poor housing and ill health and the Government is keen to see action taken to prevent poor housing and ill health. In addition there is a need to save money to the NHS/Social services by helping disabled people to continue living in their homes and by accelerating hospital discharge.

Recommendation

4. That the Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance in Appendix 1 concerning the provision of financial assistance for private sector housing and associated matters, including disabled facilities grants be adopted as the future policy of the Council.

Background

5. This is a revised version of the previously agreed policy and whilst much of it remains the same there are some changes to the sections on:
 - a. Prevention Grants following a review of spend in previous years
 - b. HMO grants to change to use an agreed schedule of rates and reduce the maximum.
 - c. Better care funding to clarify the wording to better reflect the use of this money for prevention work alongside colleagues in the other Somerset Districts and Adult Social Care at Somerset County Council.

The new policy is produced in Appendix 1 and changes are highlighted in yellow for ease of reference. The adoption of this policy does not commit nor imply that any funds will be available to be spent on the grants, loans or other financial assistance outlined

but rather sets out the criteria which will be applied when providing such financial assistance if and when funds are available.

6. The last Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance was adopted in January 2017. This followed significant changes concerning the funding for Disabled Facilities Grants which make up the majority of spending in this area. Funding for DFGs was incorporated by DCLG into the Better Care Fund held by SCC. SSDCs allocation must be forwarded subject to agreement on a proportion being used for prevention work to support the aims of Somerset Clinical Commissioning Group to reduce costs to the NHS/Social Services by accelerating hospital discharge and by reducing the need for more expensive care packages. This is covered in grant policy 2.1
7. Other changes have been made to remove the hard to treat grants as following a review of this spend there was little uptake and it was felt the allocation would be better targeted to low income households under the remaining policy for repairs grants. Grants can still be made for energy efficiency works under this policy. Changes have also been made to the HMO policy following a review grant spend. This change is introducing a fixed schedule of work and rates to target spend to the most essential elements. In addition the maximum amount is reduced to allow a better allocation across the sector.
8. The policy has also been updated to reflect changes to the HMO licensing regime and the current removal of the landlord accreditation scheme.
9. The rest of the policy remains largely unchanged from previous versions
10. Vicki Dawson, Lead Specialist for Environmental Health, Nigel Marston, Specialist Team Manager, Service Delivery have delegated authority to approve all grants, loans and payments under this policy.

Consultation

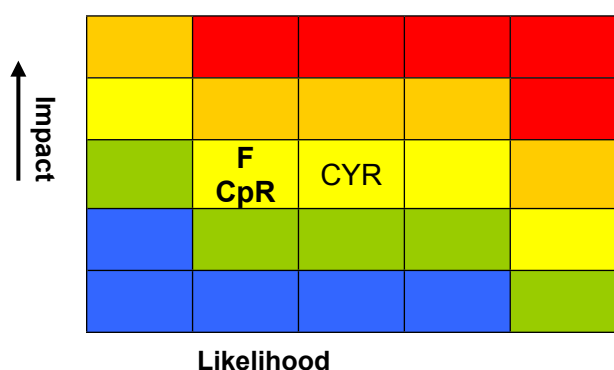
11. Consultation discussions have taken place with Wessex Resolutions who administer the loans. They have actively encouraged these changes to encourage more uptake of the loans and to bring our policy more in line with many others in the scheme.
12. The changes relating to use of DFG funding are mainly to clarify what is already in place. Discussions have been held with relevant people within the Clinical Commissioning Group at SCC and other districts in terms of how the Better Care funding is spent across our services for prevention works. This includes an Occupational Therapist representative.
13. The change to HMO grants is to reduce the maximum grant award and allocate grants in accordance with an agreed schedule of rates. This has not been consulted on however, it is a discretionary grant and we are entitled to set policy at our discretion. The changes are designed to allow better targeting of the resources available.

Financial Implications

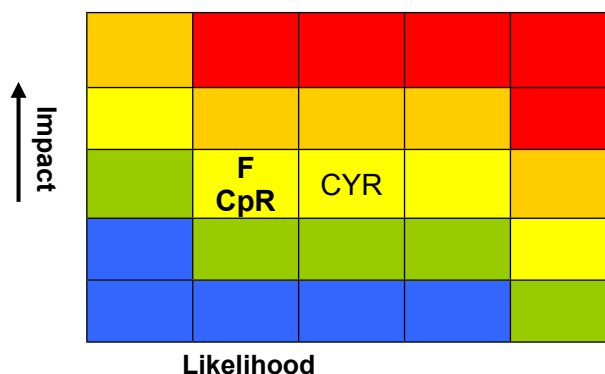
14. All capital spending associated with this updated policy are subject to the usual capital bidding process. No new money is being asked for at this time.

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

15. This revised policy clearly supports the Council Plan priority on Homes that is to;
- To work with partners to enable the provision of housing that meets the future and existing needs of residents and employers we will:
 - Minimise homelessness and rough sleeping.
 - Work with the private rented sector to improve the standard and availability of rented accommodation.
 - Tackle fuel poverty.
 - Enable people to live independently for as long as they are able.

Carbon Emissions & Climate Change Implications

16. The adoption of this policy will have clear implications for the climate change agenda. All grant aided works will meet the latest building Regulation requirements to reduce carbon emissions. Energy efficiency work will also reduce the need for heating and hence reduce fossil fuel use.

Equality and Diversity Implications

17. A stage 1 Equality Analysis (EqA) has previously been completed and as this report does not pose any significant change that would impact on any of the protected characteristics a further impact analysis is not required.

Privacy Impact Assessment

18. The policy which is the subject of this report does not in itself involve the processing or handing of personal data. The provision of specific grants and loans in accordance with this policy would involve the handling of personal data a privacy impact assessment is being carried out on the procedures and service design of this service.

Background Papers

- 19. Private Sector Housing Strategy 2015-19
- 20. Empty Homes Strategy

APPENDIX 1

Policy for Awarding Private Sector Housing Grants/Loans and other Financial Assistance

Introduction

This policy document describes the purpose for which grants, loans and other financial assistance will be provided by South Somerset District Council for private sector housing. This is to meet both targets set down in the corporate plan, the Housing Strategy Implementation Plan, legal requirements as well as the wishes of the Joint Commissioning Board (JCB) of the Somerset Clinical Commissioning Group. Such grants, loans and other financial assistance are awarded under the provision of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and in accordance with the Housing Grants, Construction and Regeneration Act 1996 and other relevant legislation. Grant aid will be available for the provision of Disabled Facilities Grants (DFGs), Home Repair Grants, Empty Property Grants and HMO Grants. Loans will also be available for similar purposes. Wherever possible loans will be used in preference to grants as it is clearly more cost effective to do so. All grants awarded are discretionary, with the exception of DFGs, and will only be awarded subject to the funds available within the capital programme.

Home Loans

The Council has been running the Home Loan Scheme in partnership with Wessex Resolutions (now operating as Wessex Resolutions CIC) since 2006. A variety of loan products are available at a 4% fixed interest rate. Under the contractual arrangements, Wessex Home Loans will only provide loans to clients referred by SSDC. Under the scheme Wessex Home Loans provide low cost loans using capital provided by SSDC. The Government is very keen to promote loan schemes and in effect replace grants with loans where possible so as to recycle available funding. It is recognised however that grant aid in some form or other will always be needed as a safety net for vulnerable people where loans are not an appropriate option and as an incentive for various types of work. In certain cases a combination of grants and loans may be awarded. The following forms of loans will be available:

Loan Policy 1: Loans for homeowners

Loans will be available to homeowners for the following purposes:

- 1) To bring privately owned properties up to the Decent Homes standard (see definition at end of report) or to work towards the Decent Homes standard ensuring all Category 1 Hazards are dealt with under the Housing Health & Safety Rating System (HHSRS).
- 2) To bring homes purchased by first time buyers up to the decent homes standard or to work towards the Decent Homes standard ensuring that all Category 1 Hazards (under HHSRS) are remedied.
- 3) To improve energy efficiency measures and assist in carbon reduction measures within the home environment, including the provision of energy efficient heating measures and renewable energy products.
- 4) To top up Disabled Facilities Grants (DFGs) where the cost of works exceed the combined maximum and discretionary grant limit (currently £40,000), to fund discretionary DFG work or to help pay for the clients contribution towards the overall cost of the works.

- 5) To improve the condition of mobile/park homes on permanent licensed residential sites including energy efficiency measures.
- 6) To assist in the purchase of mobile homes for local residents on permanent residential sites.

Where loans are provided in conjunction with other SSDC grants, they shall be provided to meet the purposes of the grant in question.

Loans will be available where the following criteria are met:

- 1) The applicants must own and occupy the property/land as their sole residence and as their only or principal home and must be over 18.
- 2) The applicants must have sufficient disposable income to cover the loan repayments and must have sufficient equity in their property to secure the loan.
- 3) Homeowners assisted by this scheme should normally be considered to be vulnerable by virtue of age, disability or financial circumstances. The ability of the householder to secure a commercial loan will be a factor in considering eligibility for a loan from the Council.
- 4) The applicants must be living in non-decent accommodation or in the case of mobile homes must be in similar substandard accommodation.
The criteria defining decency require of a home that:
 - a) It meets the current statutory minimum standard for housing (HHSRS);
 - b) It is in a reasonable state of repair;
 - c) It has reasonably modern facilities and services; and
 - d) It provides a reasonable degree of thermal comfort.
- 5) In the case of 2 above, provided the applicants are vulnerable they need not have an equity stake in the property. In such cases the Council may underwrite the loan. If the criteria in 2 above cannot be met zero percent loans may be available. In all other cases a 4% interest loan product will be offered.
- 6) Loans will only be offered in cases where the applicant have no known serious disputes or outstanding debt owing to the Council or any other Local Authority.

The maximum loan available will be £15,000, or £10,000 for a Park Home the minimum loan will be £1,000.

It is not intended that the loans scheme available from the Councils should be used as a cheap alternative to a commercial loan, and evidence of non-availability of finance from a commercial provider may be required before a referral can be made to WRCIC.

Loan Policy 2: Loans for landlords

Loans will be available to landlords for the following purposes:

- 1) To bring rented accommodation up to the Decent Homes standard.
- 2) To enlarge property to create extra living space where there is overcrowding.
- 3) To improve conditions in houses in multiple occupation (HMO's) to meet statutory requirements and SSDC standards regarding amenities and minimising or eliminating Category One hazards.
- 4) To improve the energy efficiency of the property.

- 5) To bring empty property back into use or to convert under-utilised property into units of accommodation.

Loans will only be available where the landlord:

- a) Has sufficient disposable income to cover loan repayments and has sufficient equity in the property to secure the loan.
- b) Will or intends to charge rent at the Local Housing Allowance (LHA) rate.
- c) Will be expected to provide nomination rights in most cases (as per Grant Policy 3, Empty Property Grants, item 4)

The maximum loan available will be £15,000 and the minimum loan £1,000.

Landlord loans will only be available at a 4% fixed interest rate.

Loan Policy 3: Loans for Gypsies and Travellers

1) Loans will be made available to Gypsies or Travellers to either provide services to their land (e.g. mains water, electricity or sewage connections), to assist in the purchase of land with planning permission or to purchase mobile homes.

2) Loans will only be offered in cases where the Gypsies or Travellers have no known serious disputes or outstanding debt owing to the Council or any other Local Authority.

3) Loans of up to £15,000 may be offered to Gypsies or Travellers in cases where the loan can be secured against their land.

4) Loans of up to £5000 only will be offered in situations where the loan cannot be secured against land. This situation will normally apply where SSDC owns the site and will usually only be for the purchase of mobile homes. The loan offered to assist with the purchase of a mobile home will be secured, in principle, against the value of the mobile home in question.

5) It is agreed that SSDC will underwrite all such loans and will meet any outstanding payments should the Gypsies or Travellers default on their loans (otherwise Wessex Home Improvement Loans (WHIL) will not be prepared to offer loans). Recovery of these amounts will be treated as a civil debt. In all cases the provision of unsecured loans will be at the discretion of the appropriate Director and Portfolio Holder.

6) In order to restrict potential losses to SSDC, in the event of default on loans by Gypsies or Travellers, no more than £45,000 worth of unsecured loans in total is to be agreed by SSDC.

Grant Policy 1: Prevention Grants - Dealing With Essential Repairs

Prevention Grants, previously known as Home Repair Assistance Grants will be available to prevent poor housing conditions having an adverse effect on people's health. They will be provided to enable vulnerable people keep their homes weatherproof, minimise or eliminate Category One hazards and meet the "Decent Homes" standard.

To be eligible for this type of assistance an applicant must:

- 1) Be an owner or legal tenant of a dwelling who lives in the dwelling as his/her only or main residence.
- 2) Be aged 18 or over on the date of application
- 3) Have an owner's interest in the dwelling, alone or jointly with others, or be occupying the dwelling under a right of exclusive occupation granted for life with at least five years to run.
- 4) Have a legal duty or power to carry out the works in question
- 5) Be in receipt of one of the following income related benefits; income support, income based Job Seekers Allowance, Working Tax Credits with a total annual income of less than £16,040 (this figure subject to periodic review) or equivalent, housing benefit, Council Tax Reduction, Disabled Persons Tax Credits, **Employment & Support Allowance income related, Universal Credit or Guaranteed Pension Credit.**
- 6) As an alternative to 3) above, an applicant may be an occupier of a mobile/park home who is presently living on a permanent licensed residential site and is liable to pay Council tax.

The purposes for which Prevention Grants can be used are outlined below. All applications would be prioritised with those with the most pressing needs being dealt with first.

- a) General Repairs - for urgent and essential repairs to make sure properties are weatherproof and prevent them being a danger to the occupant. To deal with other repairs and improvements concerning matters that could adversely affect the safety and health of the occupant such as Category One and high Category Two hazards e.g. inadequate heating, penetrating dampness, dangerous electrics and gas fittings or missing standard amenities.
- b) Radon Remediation-for works to reduce radon levels in domestic property where it exceeds the radon action level (200 Bqm³).
- c) Energy Efficiency - to contribute towards the making of properties more energy efficient where cost effective in situations where full funding from other sources is not available. This form of grant aid would allow people to apply for the cost of gas condensing and other energy efficient boilers, cavity fill, double glazing as well as more usual things, such as loft insulation, lagging of cylinder tanks, thermostatic radiator controls and energy saving light bulbs, etc.
- d) Home Security -to pay for works to improve the security of homes not covered by other Home Security Schemes. This could include items such as deadlocks to front and rear doors, patio door locks, window locks, security spy holes, the toughening up of substandard doors and the installation of smoke alarms.

The amount of Grant awarded will be as follows:

The maximum amount of Prevention Grant awarded will be of £5,000 in any three-year period. This grant will be entered as a charge on the Land Charge Register. The grant shall be repaid in full if the house/mobile home is sold within ten years. These grants are subject to means testing and are only available to people on income related benefit and the Council Tax Reduction scheme. When offering grant aid an initial grant offer of only £2,000 will be made. The client will be offered a loan to pay for any outstanding work costing more than this. In emergency situations however a full £5,000 grant may be offered.

'Hard to Treat' grants removed

Where energy efficiency grants are given through third parties such as the Centre for Sustainable Energy (CSE) in Bristol, the eligibility criteria shall be that which pertains to

their scheme at the time. Payment into such schemes will usually be made from funds taken from the Prevention Grant budget.

Grant Policy 2: Disabled Facilities Grants – Helping Disabled People In Need

Disabled Facilities Grants (DFGs) are awarded to disabled applicants to provide specialist facilities to enable them to remain in their homes. Typically these include stair lifts, handrails, bathroom/kitchen adaptations and heating as well as larger scale extensions for more complex needs.

Increased funding for Disabled Facilities Grants (DFGs) has continued over the last few years through the Better Care Fund (BCF), introduced in 2014. The BCF is a programme spanning both the NHS and local government. DFGs are the main source of funding for home adaptations and increasingly are being used more flexibly to meet local needs; for instance, fast-tracking adaptations to make a house safer to return to. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, sets out how a local housing authority may provide assistance for the purpose of meeting local needs. Those powers are pretty flexible provided the local housing authority has adopted and published a policy for the provision of assistance as is the case here.

The Care Act 2014 recognises the interdependence between health, housing and care/support needs describing Housing as “a crucial health related service which is to be integrated with care, support and health services to promote the wellbeing of adults and carers in order to improve the quality of services offered” The accessibility of the home is recognised as important for successful hospital discharge, to enable care to take place at home, and to allow people to live independent lives.

Many grants tend to be awarded to elderly people who, due to general infirmity associated with old age can no longer use their baths or climb stairs and consequently have a need for replacement showers or stair-lifts. In all cases we act upon the recommendations of Occupational Therapists from Somerset Social Services. It is recognised that by providing such facilities the need for re-housing is reduced, as is the need for lengthy hospital stays or more complex care packages.

We enjoy a good working relationship with the Occupational Therapist Service of Somerset Social Services who provide the statutory referrals for all DFG work. DFGs continue to be mandatory for approved works and mean testing procedures continue to apply. Currently the limit for mandatory DFGs is £30,000.

Whilst most of the conditions that apply to DFGs are statutory, the following additional policy will apply:

- 1) Mandatory DFGs of up to £30,000 will be awarded with the discretion to pay grant aid up to £40,000 on six separate occasions. Any requests for funding other than this will be referred to the Exceptions and Appeals Panel but it has to be recognised that construction costs have increased since the original upper limit was originally set.
- 2) DFGs will be available to the occupants of mobile homes as well as traditional houses.
- 3) DFGs will be available to adapt a dwelling to enable a disabled person who lives or proposes to live in the dwelling as his or her only or main residence to be cared for (this allows for a situation where someone wishes to bring an elderly disabled relative to come and live with them).

- 4) Relocation Grants - funding of up to £5,000 will be provided to assist with the cost of moving house if this is the most cost efficient option for the Council. This is in the case of properties that cannot easily be adapted for disabled people. This could also include the cost of providing temporary mobile home accommodation in situations where someone's house was beyond the cost of economic repair.

Note: Extra DFG funding is available for certain Ex Service personnel.

Grant policy 2.1: Other use of DFG funding agreed with the Joint Commissioning Board (JCB)

In addition to the purposes described above it has also been agreed with the JCB and the other district councils in Somerset that DFG funding can be used for the purposes outlined below. The DFG allocation for 2018/19 was £1147K and assuming it remains at a similar level each year it is intended to use up to £110K of this sum for these purposes. This will allow sufficient funding to pay for the rest of the mainstream DFGs. This policy is based on the assumption, as mentioned, that in addition to the amount of funding for DFGs remaining the same that demand for services will remain at a similar level for the next year or so. If there are changes then this policy will be reviewed.

2.1.1 Minor adaptations – Up to £1,000 grant, non-means tested, designed to assist a vulnerable person with minor adaptations and/or adjustments to their home to assist with hospital discharge or generally maintaining independent living. This may be for a grab rail, specialist equipment or minor alterations to the framework of the building to enable wheel chair access. This funding could also be used for clearing cluttered rooms to allow access to facilitate rapid hospital discharge. The list is not exhaustive. Eligibility is based upon an assessment and recommendation by an Occupational Therapist from Somerset County Council or from the hospital. Funding will be provided, following prior agreement, to the Joint Community Equipment Service managed by Somerset Social Services using Trusted Assessors who work with the Occupational Therapists.

2.1.2 Disabled equipment – ramps and stair lifts

Funding will continue to be available from the Better Care Fund for the provision of services and equipment that will help facilitate early release from hospital or prevent admission to hospital where a need is identified.

a) Ramps

Where a request for a ramp is received via an Occupational Therapist, in the first instance modular ramping is the preferred method. All ramping requests will be agreed by the duly appointed officer and Quality Assurance Officers at Somerset County Council. Concrete ramps will only be considered where it is not practicable to install modular ramps. Adequate funding will be provided to conjointly procure modular ramping with Somerset County Council as part of the Community Equipment Service. We will fund up to £1,500 towards the ramp.

b) Stair lifts

Any urgent request (hospital discharge etc.) for a straight run stair lift via an Occupational Therapist will be supplied by an agreed provider to ensure prompt installation to meet the urgent need. This will not be subject to means-testing. The stair lift will be sourced from recycled stock where available, or failing that, a new one will be provided. A curved or non-urgent stair lift will be subject to the full DFG process. Approximately £5000 will be made available for this purpose.

2.1.4 Discretionary funding to Wessex Resolutions

It is proposed to provide Wessex Resolutions with funding from the Better Care Fund to increase the ability for some applicants to be able to afford repayments on loan packages who otherwise would not be able. If for instance an applicant could only afford to service a loan for £5,000 and the works cost £6,000 then a top up grant of this amount could be given. It is intended to allocate £10,000 for this purpose.

2.1.5 Funding to pay for Housing Occupational Therapists (OTs)

One of the matters causing delays in hospital discharge in the past has been the lack of OTs to organise and stipulate the care packages and equipment required. To address this problem it has been agreed to allocate £40,000 to assist the funding of a Housing OT to help assess applicants for DFGs and speed up the DFG process. This Housing OT would only be working in South Somerset to assist our local residents. Further funding may be allocated subject to availability.

2.1.6 Funding to provide a subsidised handyman service

It is intended to allocate £10,000 from the Better Care funding to help provide a subsidised handyman service to elderly and vulnerable people. The aim is to provide elderly/vulnerable people with an affordable service to deal with small maintenance items. Investigations will take place to identify a suitable provider as the service provided by Aster housing Group is no longer available.

Grant Policy 3: Empty Property Grants – Creating Affordable Accommodation

All empty properties brought back into use currently attract New Homes Bonus of approximately £8,000 per property. It is therefore recommended that the existing scheme be continued and that grant aid of up to £12,000 per unit be awarded to create flats or other accommodation in property that has been standing empty for at least six months. To be eligible for an empty property grant the landlord will be required to give the Council nomination rights for five years to re-house tenants from the South Somerset Housing Register. The property will also have to be let at the LHA rent level.

The maximum figure of £12,000 will only be available for a full-sized two bedroom flat or similar and lower figures will be negotiated for smaller units of accommodation. This maximum grant figure will comprise of an £11,000 grant for repair and refurbishment and an extra £1,000 allocated for energy efficiency work. Higher rates of grant may be available in exceptional circumstances in exchange for longer nomination rights.

Empty Property Grants of up to £12,000 will therefore be offered to owners of empty properties for renovation and/or conversions, subject to:

- 1) The amount of grant, being based on a percentage, of the actual cost of the works. A grant of 80% of the cost of the agreed works will be awarded until the maximum amount is reached.
- 2) Prior to the making of the grant application, it can be clearly demonstrated that the property has been stood empty for at least 6 months. Where property has been empty for less than 6 months applications can be referred to the Exceptions and Appeals Panel where they will be considered.
- 3) Agreement that rents charged during the five-year letting period would not exceed the Local Housing Allowance (LHA) rate.

- 4) That the property is let to tenant(s) nominated by the Council from the South Somerset Housing Needs Register for five years from the certified completion date of the grant.
- 5) That all of the other regulations in the Department of the Environment circular 17/96, that apply to renovation grants hereby apply to Empty Property Grants.
- 6) That in addition to this grant being awarded in 1 above, up to an extra £1,000 can be awarded for energy efficiency measures.
- 7) Empty property grants will also be available where an empty property is demolished and replaced with a new building.

Grant Policy 4: HMO Grants – Improving Rented Accommodation

HMO Grants are grants designed to upgrade facilities, deal with disrepair and upgrade the means of escape in case of fire in houses in multiple occupation. HMOs are key providers of rented accommodation for single people, often housing the young and vulnerable.

With recent changes in housing benefit regulations they will continue to meet an essential and increasing need. HMOs are in fact the main type of accommodation used to deal with single person housing need, and the rent deposit scheme has been used to help young people gain access to HMO accommodation. With the 'bedroom tax' and the single room allowance restricted to persons under 35 years of age, demand for HMOs has continued to increase.

Recent surveys of HMOs have shown that they tend to be the poorest form of any housing tenure. The Council has a published HMO Policy that outlines the standards expected and the steps being taken to upgrade HMOs. The Housing Act 2004 also introduced the licensing of HMOs over three or more storeys with five or more residents. This requirement was extended in October 2018 to all HMOs with five or more residents in two or more households regardless of the number of storeys.

Experience has shown that when trying to upgrade substandard HMOs, it is best to have a policy of coupling firm enforcement action with the provision of grant aid where appropriate. It is therefore proposed that our existing policy be continued whereby the Council gives HMO Grants as an incentive to assist good landlords to improve substandard HMOs.

HMO Grant levels.

To enable the upgrading of HMOs the following grant policy will apply. The grant aid offered will enable the upgrading of existing HMOs but could also be used towards the creation of new HMOs. The policy will be that:

- 1) Grant aid will be available up to a maximum of £7000 in accordance with the agreed schedule of rates in Appendix 2. Any items not on the agreed schedule will not be eligible for grant aid.
- 2) Grant aid will only be available if the HMO is licensed, where required, has planning permission or building regulation approval, where appropriate.
- 3) HMO landlords can also apply for loans on top of an HMO grant.

Grant Policy 5: Exceptions and Appeals Panel

In framing any grant policy there will inevitably be exceptions to the rules and it is likely that there will be appeals made against officer's decisions concerning grants. It is proposed that the **Leader, Portfolio Holder for Private Sector Housing and Service Delivery Director** make up the Exception and Appeals panel and be given delegated authority to deal with any exceptions to the agreed policy and deal with any appeals concerning grants made by the public. It is also recommended that the Leader be given delegated authority to select new members for the Exception and Appeals Panel as and when members retire from the panel.

Whilst the Council will have an agreed policy in place, it is suggested that the Exceptions and Appeals Panel be given the authority to consider any grant applications that falls broadly in line with the policy. This would allow financial and other assistance to be given in exceptional circumstances where it is clearly to the benefit of the Council and the applicant to do so.

Grant Policy 6: Repayment of Grant

The Council currently has a policy of demanding the repayment of grants where the future occupation and/or associated conditions of the grant are breached. It is intended that this policy should generally continue with any requests for the waiving of repayment conditions being referred to the Exceptions and Appeals Panel. The agreement to waive such conditions only being given in exceptional circumstances.

Grant Policy 7: Return of Equipment

Where grant aid is provided for specialist medical equipment (e.g. stair lifts etc.) and it becomes surplus to the needs of the client during the clawback period the council will exercise its right to reclaim the equipment and allocate it for the use of another individual with similar needs.

Grant Policy 8: Fees

Fees-The council will pay fees of up to 12% for home improvement agency or other professional fees (architects, surveys etc.) for the preparation of grant/loan applications.

Grant Policy 9: Grant processing

The processing of all grants should comply with the guidance in DoE Circular 17/96 where not covered elsewhere in this policy

APPENDIX 2

Schedule of rates for HMO grants

Item	Fixed grant contribution	Certificates to be provided
LD2 Grade A	£650.00	commissioning certificate
LD2 Grade D	£550.00	commissioning certificate
Emergency Lighting	£350.00	commissioning certificate
FD30 plus frame each	£150.00	
30 minute stud per m2	£40.00	
Thumb turns only each	£30.00	
Sprinkler system	£3,000.00	commissioning certificate
Shower	£100.00	electrical certificate
Shower cubicle	£180.00	
Bath and fittings	£150.00	
WC and fittings	£100.00	
WHB and fittings	£80.00	
new boiler	£800.00	commissioning certificate
heating system inc boiler	£1,500.00	commissioning certificate
Electric heating per heater	£300.00	electrical certificate
bathroom heater	£20.00	electrical certificate
PVR each	£30.00	
loft insulation to BR per m2	£30.00	commissioning certificate

Agenda Item 19

District Executive Forward Plan

Executive Portfolio Holder: Val Keitch, Leader, Strategy and Policy
Lead Officer: Angela Cox, Democratic Services Specialist
Contact Details: angela.cox@southsomerset.gov.uk or (01935) 462148

1. Purpose of the Report

1.1 This report informs Members of the current Executive Forward Plan, provides information on Portfolio Holder decisions and on consultation documents received by the Council that have been logged on the consultation database.

2. Public Interest

2.1 The District Executive Forward Plan lists the reports due to be discussed and decisions due to be made by the Committee within the next few months. The Consultation Database is a list of topics which the Council's view is currently being consulted upon by various outside organisations.

3. Recommendations

3.1 The District Executive is asked to:-

- I. approve the updated Executive Forward Plan for publication as attached at Appendix A;
- II. note the contents of the Consultation Database as shown at Appendix B.

4. Executive Forward Plan

4.1 The latest Forward Plan is attached at Appendix A. The timings given for reports to come forward are indicative only, and occasionally may be re scheduled and new items added as new circumstances arise.

5. Consultation Database

5.1 The Council has agreed a protocol for processing consultation documents received by the Council. This requires consultation documents received to be logged and the current consultation documents are attached at Appendix B.

6. Background Papers

6.1 None.

Appendix A - SSDC Executive Forward Plan – February 2019

Date of Decision	Decision	Portfolio	Service Director	Contact	Committee(s)
March 2019 March 2019	Adoption of new Equality Policy and Objectives	Portfolio Holder for Strategy and Policy	Director Strategy and Support Services	David Crisfield, Third Sector and Equalities Co-ordinator	District Executive South Somerset District Council
March 2019	Local Plan Review	Portfolio Holder for Strategic Planning (Place Making)	Director Service Delivery	Jo Wilkins, Acting Principal Spatial Planner	District Executive
March 2019 March 2019	Loan to Queen Camel Community Land Trust for the purchase of the Old School site, Queen Camel	Portfolio Holder for Finance and Legal Services	Director Strategy and Support Services	Paul Fitzgerald, Section 151 Officer	District Executive South Somerset District Council
March 2019	Final Built Leisure Facility Strategy	Portfolio Holder Leisure & Culture	Director Support Services	Lynda Pincombe, Specialist - Strategic Planning	District Executive
March 2019 March 2019	Statutory Pay Policy for Senior Officers	Portfolio Holder for Strategy and Policy	Director Strategy and Support Services	Jenny Clayton, Lead Specialist - People	District Executive South Somerset District Council
March 2019	Progress report on the SSDC Holding & Trading Company	Portfolio Holder for Property & Climate Change and Income Generation	Director Commercial Services & Income Generation	James Divall, Income Opportunity Development Manager	District Executive

Date of Decision	Decision	Portfolio	Service Director	Contact	Committee(s)
June 2019	Annual review of the Regulation of Investigatory Powers Act 2000 (RIPA)	Portfolio Holder for Finance and Legal Services	Director Strategy and Support Services	Paula Goddard, Legal Specialist	District Executive
June 2019	Review of Car Parking Strategy	Portfolio Holder for Property & Climate Change and Income Generation	Director Commercial Services & Income Generation	Ian Case, Principal Engineer	District Executive
July 2019	Capital & Revenue Budget out-turn reports 2018/19	Portfolio Holder for Finance and Legal Services	Director Strategy and Support Services	Paul Fitzgerald, Section 151 Officer	District Executive
July 2019 July 2019	SSDC Annual Performance Report 2018/19	Portfolio Holder for Strategy and Policy	Director Strategy and Support Services	Cath Temple, Specialist - Performance	District Executive South Somerset District Council
July 2019	Transformation Project Progress Report	Portfolio Holder for Strategy and Policy	Chief Executive		District Executive
Meeting Date	Leisure Contracts	Portfolio Holder Leisure & Culture	Director Service Delivery	Lynda Pincombe, Specialist - Strategic Planning	District Executive
Meeting Date	Dualling of A303 from Sparkford to Ilchester	Portfolio Holder for Strategic Planning (Place Making)	Director Strategy and Support Services	Jo Manley, Specialist (Strategic Planning)	District Executive

APPENDIX B - Current Consultations – February 2019

Purpose of Document	Portfolio	Director	Response to be agreed by	Contact	Deadline for response
<p>Review of local authorities’ relative needs and resources</p> <p>This consultation seeks views on the approach to measuring the relative needs and resources of local authorities, which will determine new baseline funding allocations for local authorities in England in 2020-21.</p> <p>This consultation:</p> <ul style="list-style-type: none"> • proposes to simplify the assessment of local authorities’ relative needs • considers the type of adjustment that will be made to an authority’s relative needs assessment to take account of the relative resources available to them to fund local services • proposes a set of principles that will be used to design potential transitional arrangements and examines how the baseline for the purposes of transition should be established. <p>https://www.gov.uk/government/consultations/review-of-local-authorities-relative-needs-and-resources?utm_source=b8314d99-0434-4782-b68f-b0325166b085&utm_medium=email&utm_campaign=govuk-notifications&utm_content=daily</p>	<p>Finance and Legal Services</p>	<p>Director – Strategy and Support Services</p>	<p>Officers in consultation with Portfolio Holder</p>	<p>Nicola Hix</p>	<p>21 February 2019</p>

Agenda Item 20

Date of Next Meeting

Members are asked to note that the next scheduled meeting of the District Executive will take place on **Thursday, 7th March 2019** in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.