

South Somerset District Council

Minutes of a meeting of the **District Executive** held as a **Virtual Meeting using Zoom meeting software on Thursday 6 August 2020.**

(9.30 am - 10.35 am)

Present:

Councillor Val Keitch (Chairman)

Jason Baker
Mike Best
John Clark
Adam Dance

Sarah Dyke
Peter Gubbins
Tony Lock
Peter Seib



Also Present:

Robin Bastable
Sue Osborne
Crispin Raikes
Jeny Snell

Mike Stanton
Gina Seaton
Martin Wale
Linda Vijeh

Officers:

Alex Parmley
Netta Meadows
Martin Woods
Jo Nacey
Paul Matravers
Ross Eaton
Cath Temple
Stephanie Gold
Becky Sanders
Angela Cox
Jan Gamon
Richard Ward

Chief Executive
Director (Service Delivery)
Director (Place)
Section 151 Officer
Lead Specialist (Finance)
Specialist - Finance
Specialist (Performance)
Specialist (Scrutiny & Member Development)
Case Officer (Strategy & Commissioning)
Specialist (Democratic Services)
Lead Specialist (Strategic Planning)
Monitoring Officer

Note: All decisions were approved without dissent unless shown otherwise.

164. Minutes of Previous Meeting (Agenda Item 1)

The minutes of previous meeting held on 02 July 2020 were approved as a correct record and signed by the Chairman.

165. Apologies for Absence (Agenda Item 2)

An apology for absence was received from Councillor Henry Hobhouse and Clare Pestell, Director.

166. Declarations of Interest (Agenda Item 3)

There were no declarations of interest made by Committee Members.

167. Public Question Time (Agenda Item 4)

There were no members of the public present.

168. Chairman's Announcements (Agenda Item 5)

The Chairman welcomed all Councillors to the meeting and thanked both Councillors and staff for their work over the previous 4 months. She noted that the on-line meetings would probably continue for some time and was pleased that they attracted a greater audience which was welcomed.

169. Update Report on the Impact of Covid-19 on the Council (Agenda Item 6)

The Portfolio Holder for Protecting Core Services said the Covid-19 pandemic had impacted upon all the council services and staff had continued to deliver services to the community in exceptional circumstances. He noted that the public had also been very tolerant when contacting the council and councillors.

The Portfolio Holder for Finance and Legal Services noted that whilst council services had continued additional work had been undertaken like the Hub delivering food parcels to residents who were shielding, in hardship or vulnerable, supported children entitled to school meals, and, provided shelter to the homeless, administered £1.7m in discretionary grants to local businesses and £35m grants to businesses. He also noted the other partnership working which had progressed and the impact which the lockdown had on Council finances as income had fallen by £7,283k and costs had increased by £2,117k. However, the Council had contingency reserves put aside as required for their Prudential Reserve figure, to ensure essential services were provided when income was affected. Some of the additional work undertaken relating to the setting up of the Hub and assisting the homeless would be refunded by the Government but the overall impact was likely to be £7,396k.

During discussion the following points were made:-

- Thanks to the staff for their additional work during the Covid-19 crisis.
- Economic Development had been working with local businesses to re-open high streets safely.
- Although there was some lost rent on the Council's commercial investments it was less than initially thought by staff working with the tenants.
- The Council now had responsibility for pavement licensing to encourage businesses, particularly those serving food, to operate outside to help their recovery.

The Section 151 Officer confirmed that the Council had mitigating reserves to cover the loss of income and further Government funding was expected shortly.

The Chairman of the Scrutiny Committee advised that the Section 151 officer had attended their meeting earlier that week and answered their questions relating to Tourism, the Hub, Building Control income, the payment of Business Rates to Central Government, Bereavement Services, support for Town & Parish Councils, LED and Westlands and the Octagon Theatre.

At the conclusion of the debate, Members were content to note the contents of the report.

RESOLVED: That District Executive Members agreed to:-

- a. note the impact on Covid-19 on Council Services and Finances;
- b. note the additional services the Council is having to provide in response to the pandemic.

Reason: To note the impact Covid-19 has had on Council finances, service performance, the demand for services we provide and additional services set up in response to the pandemic.

170. **SSDC Financial Strategy 2020/21 - Revised (Agenda Item 7)**

The Portfolio Holder for Finance and Legal Services advised that the Council's income had changed dramatically and the extent of the Government support was not yet known although the Council had reserves to cover this. He noted that the summary at Table 1, point 8 listed the changes as lost income and additional expenditure. He also noted that Table 5 at paragraph 16 had two typographical errors which had been corrected. He said that officers were working to close the budget gap for 2021/22 which was due to the drop in Council income.

The Section 151 Officer reminded Members that the figures had been updated since those presented at the July meeting. She also noted the predicted future assumptions of income per service at point 14 and said that unlike many other councils, SSDC was not having to consider a S.114 notice.

The Scrutiny Chairman thanked the Section 151 Officer for attending their meeting earlier in the week and answering Members questions regarding the report. She had clarified that details of the Governments financial settlement for Councils during the pandemic was not yet known and there were sufficient reserves to cover the shortfall without reducing them to zero. Business Rates pooling arrangements were not yet clear for future years.

Members thanked the Section 151 Officer and her staff for maintaining the budget during the Covid-19 pandemic

At the conclusion of the debate, Members were content to note the recommendations of the report.

RESOLVED: That District Executive agreed to:-

- a. note the updated Medium Term Financial Plan estimates;
- b. note and support the updated Financial Strategy as a result of updated forecasts of estimated available resources;
- c. note the anticipated need for the use of earmarked reserves to mitigate temporary falls in income;
- d. note the intention to revisit the funding of the regeneration schemes and report back to District Executive with revised forecasts and recommendations.

Reason: To provide Members with an updated Financial Strategy for 2020/21 onwards and provide information regarding the initial Medium Term Financial Plan (MTFP) estimates for the period 2021/22 to 2024/25 incorporating the forecast impact of the Covid-19 pandemic.

171. Capital Outturn Report for 2019/20 (Agenda Item 8)

The Portfolio Holder for Finance and Legal Services introduced the report of the capital finance of the Council for 2019/20. He noted the schemes and projects listed at point 7 and the increased spending in 2019/20 as part of the Council's commercial strategy to generate income. He proposed that the report be noted and the the revised Capital Programme be approved.

During discussion it was noted that the Transformation Implementation costs had already been allocated and the report detailed the release of the capital funding into the programme. The Transformation Programme delivered £2.2m in savings each year.

It was noted that the Scrutiny Committee had no questions on the report.

At the conclusion of the debate, Members were content to note and approve the revised Capital Programme for 2019/20.

RESOLVED: That District Executive agreed to:-

- a. note the content of the report including the total spend of **£65.482m** on capital schemes during 2019/20; and small variance of **£13k** underspent across 57 completed schemes;
- b. approve the revised Capital Programme spend as detailed in paragraph 10.

Reason: To inform Members of the outturn of the capital programme of the Council for 2019/20.

172. Revenue Outturn Report for 2019/20 (Agenda Item 9)

The Portfolio Holder for Finance and Legal Services advised that the report summarised the income and expenditure during 2019/20. He drew Members attention to Table 2 which listed service variances and noted that IT maintenance costs had been centralised which had resulted in some adverse variances in some budgets which would be corrected during 2020/21. He proposed that the recommendations be approved.

The Portfolio Holder for Economic Development thanked the commercial development team for achieving £880k in additional rental income due to the progress of the Commercial Strategy. He said this would be used to protect Council services. Members joined him in thanking the team for achieving this additional income.

It was noted that the Scrutiny Committee had not raised any questions regarding the report.

At the conclusion of the debate, Members unanimously confirmed the recommendations of the report.

RESOLVED: That District Executive agreed to:-

- a. note the net spending for the year of £16,357,133, an underspend of £834,349 (4.85%) compared to final budget, and explanations of variances from budget holders for the 2019/20 financial year as shown in paragraphs 7-10;
- b. approve budget carry forwards of £340,670 into the 2020/21 budget (as shown in Appendix B);
- c. approve individual service overspends are funded from general balances and the net underspend of £493,679 after carry forwards is returned to general balances;
- d. approve the budget virements in paragraph 38, table 7;
- e. note the virements in Appendix E;
- f. note the use of the specific reserves in paragraph 31 and the transfers to and from balances outlined in the General Fund table paragraph 32, table 5;
- g. note the position of the Area Committee balances in paragraph 35.

Reason: To inform Members and confirm the actual spend against budgets for the 2019/20 financial year.

173. 2020/21 Capital Budget Monitoring Report for the Period Ending 30th June 2020 (Agenda Item 10)

The Portfolio Holder for Finance and Legal Services introduced the report and advised that in response to a question from the Scrutiny Committee regarding funding for the OPIUM battery storage project, the figure of £100k in Table 1 was part of funding already

set aside for the project and not additional funding. He proposed that the recommendations be agreed by Members.

During discussion it was noted that some of the Portfolios and Service Managers in Appendix 1 were incorrect and should be corrected by the next quarterly report.

At the conclusion of the debate, Members unanimously confirmed the recommendations of the report.

RESOLVED: That District Executive agreed to:-

- 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.

Reason: To provide Members with an in-year projection in 2020/21 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.

174. 2020/21 Revenue Budget Monitoring Report for the Period Ending 30th June 2020 (Agenda Item 11)

The Portfolio Holder for Finance and Legal Services introduced the report and drew Members attention to Table 1, which detailed the lost income and expenditure and the current budget deficit of £6.243m. Additional services provided during the Covid-19 pandemic were estimated to have cost 1.953m and Government funding of £2.140m had been received. The Government had been approached to assist with funding the lost income. He proposed that the recommendations be agreed by Members.

It was noted that the Scrutiny Committee had not raised any questions regarding the report and the Scrutiny Chairman thanked the Finance staff for compiling the reports whilst coping with additional work during the Covid-19 pandemic.

At the conclusion of the debate, Members were content to note the recommendations of the report.

RESOLVED: That District Executive agreed to:-

- a. note the current 2020/21 financial position of the Council;
- b. note the predicted variance to approved Directorate Budgets as detailed in paragraph 9, Table 1;
- c. note the transfers made to and from reserves outlined in paragraph 28 Table 3, the Area Reserves as detailed in Appendix B, and the

Corporate Reserves as detailed in Appendix C.

Reason: 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.

175. SSDC Annual Achievements Report 2019-20 (Agenda Item 12)

The Chairman said the Council had achieved a great deal during the year which was a credit to the authority and the staff. She said that achieving a balanced budget with no cuts to services was to be commended together with the launch of the regeneration programmes in Yeovil, Chard and Wincanton. The Economic Development Strategy and the move to becoming a more commercial organisation were helping to fund council services. Customers services would be improved with advanced technology. She noted that the Council had been shortlisted for a number of awards for their work, including the Chief Executive as Chief Executive of the Year. The awards would be presented at a virtual ceremony in October. She said she was very proud of the authority and what it had achieved.

The Director for Service Delivery thanked officers and Councillors for their contributions towards the report.

During discussion the following points were made:-

- Further achievements would be added before the report was presented to council for Economy, Business and Growth, Broadband and mobile connectivity and tourism.
- Thanks to the Chairman for her leadership during the year.
- A fuller timetable for Members on the refresh of the Local Plan would be appreciated.

It was noted that Scrutiny Committee had not raised any questions on the report.

At the conclusion of the debate, Members were content to propose the report (with updates) to Council for approval.

RESOLVED: That District Executive agreed to:-

- a. note and comment on the End of Year Achievements report at Appendix A;
- b. recommend to Council to approve the 2019/20 End of Year Achievements report for publication.

Reason: To present a summary of outcomes achieved against the Council Plan Annual Action Plan for the year April 2019 to March 2020.

176. District Executive Forward Plan (Agenda Item 13)

The following additions and amendments to the Forward Plan were noted:

- The Somerset Climate Emergency Strategy – moved to November 2020.
- Supporting Families & Improving Life Chances Project Update – December 2020.
- Correct Portfolio Holder for the Queen Camel Neighbourhood Plan Referendum.

In response to questions from the Scrutiny Committee, the Chairman said it was not yet possible to estimate when the District Council's proposals for the future governance of Somerset would be ready.

RESOLVED: That the District Executive:-

1. approved the updated Executive Forward Plan for publication as attached at Appendix A, with the following amendments;
 - The Somerset Climate Emergency Strategy – moved to November 2020.
 - Supporting Families & Improving Life Chances Project Update – December 2020
2. noted the contents of the Consultation Database as shown at Appendix B, with the following addition:-
 - Developing a tree strategy for England

Reason: The Forward Plan is a statutory document.

177. Date of Next Meeting (Agenda Item 14)

Members noted that the next scheduled meeting of the District Executive would take place on Thursday 3rd September 2020 as a virtual meeting via Zoom meeting software commencing at 9.30am.

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Chairman

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Date