

WEST SOMERSET COUNCIL

Minutes of Special Council held on 2 August 2017 at 4.30 pm

in the Council Chamber, Williton

Present:

Councillor B Heywood Chairman
Councillor R Woods Vice-Chairman

Councillor I Aldridge	Councillor A Behan
Councillor M J Chilcott	Councillor H J W Davies
Councillor M O A Dewdney	Councillor G S Dowding
Councillor A P Hadley	Councillor I Jones
Councillor A Kingston-James	Councillor B Maitland-Walker
Councillor C Morgan	Councillor P H Murphy
Councillor J Parbrook	Councillor P Pilkington
Councillor S Pugsley	Councillor R Thomas
Councillor N Thwaites	Councillor A H Trollope-Bellew
Councillor T Venner	Councillor D J Westcott

Officers in Attendance:

Assistant Chief Executive (B Lang)
Assistant Director - Place and Energy Infrastructure (A Goodchild)
Finance Manager (J Nacey)
Community and Housing Lead – Energy Infrastructure (L Redston)
Meeting Administrator (K Kowalewska)

C27 Apologies for Absence

Apologies for absence were received from Councillors R Clifford, S Goss, T Hall, R Lillis, K Mills and K Turner.

C28 Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:

Name	Minute No.	Member of	Action Taken
Cllr I Aldridge	All	Williton	Spoke and voted
Cllr M Chilcott	All	SCC	Spoke and voted
Cllr H Davies	All	SCC	Spoke and voted
Cllr A Kingston-James	All	Minehead	Spoke and voted
Cllr B Maitland-Walker	All	Carhampton	Spoke and voted
Cllr C Morgan	All	Stogursey	Spoke and voted
Cllr P H Murphy	All	Watchet	Spoke and voted
Cllr J Parbrook	All	Minehead	Spoke and voted
Cllr P Pilkington	All	Timberscombe	Spoke and voted

Cllr R Thomas	All	Minehead	Spoke and voted
Cllr N Thwaites	All	Dulverton	Spoke and voted
Cllr A H Trollope-Bellew	All	Crowcombe	Spoke and voted
Cllr T Venner	All	Minehead	Spoke and voted
Cllr D J Westcott	All	Watchet	Spoke and voted

In addition, Councillor R Thomas declared a personal interest in regards to Agenda Item 5 HPC Planning Obligations Board – Allocations of CIM Funding as Chairman of the Minehead Coastal Community Team.

C29 **Public Participation**

Agenda Item 5 – HPC Planning Obligations Board – Allocations of CIM Funding

Graham Sizer spoke on the Enterprising Minehead project and made reference to the Business Improvement District element. He advised that the results of a feasibility study undertaken indicated the vast majority of Minehead traders were in favour of the project and the funding would be welcomed to raise the town centre's profile and transform the area. He concluded by urging Members to support the project.

C30 **Revenue and Capital Outturn 2016/17**

(Report No. WSC 82/17, circulated with the Agenda.)

The purpose of the report was to provide Members with details of the Council's financial outturn position for both revenue and capital budgets, together with information regarding end of year reserve balances, for the financial year 2016/17.

The Lead Member for Resources and Central Support reported in detail on the key aspects contained within Report Nos. WSC 82/17 and WSC 83/17. She explained that changes to the Accounts presented at the meeting may possibly be made following the undertaking of the end of year audit. She advised that despite balancing the budget for 2017/18, the Council would experience a shortfall over the next five years. The Lead Member concluded by drawing Members' attention to the approaches being taken to close the budget gap.

The Lead Member proposed the recommendations which were duly seconded by Councillor M Dewdney.

Reference was made to one of the Scrutiny Committee comments within the report concerning West Somerset Hinkley Point money and of the consequences if the funds had not been spent by the time the new Council was created. The Lead Member for Resources and Central Support outlined the position on the ring fenced amounts within the Community Impact Mitigation fund, and the Assistant Director for Place and Energy Infrastructure advised that there was a reasonable chance that the West Somerset ring fenced monies would be spent by 2018. The contributions in relation to the Section 106 legal agreement for the site preparations works would not have to be returned to EDF and there were a range of plans identified in terms of making sure the money was put to good use. The Assistant Director informed that the spending of the CIM fund was governed by the agreement with EDF as well as the stipulated evaluation criteria, and could only be used on mitigating the impacts of the Hinkley development.

Various questions and issues were raised in regards to the Sustainability Fund earmarked reserve which would be used to help fund opportunities such as invest to save.

It was felt that more money should be allocated to the Sustainability Fund reserve in the future to provide the resources to allow the council to generate further income; and questions were asked as to what other sustainability opportunities could be funded from the sustainability fund, and what had been achieved to date.

The Lead Member stated that the Sustainability Fund was important and the main issues deterring the Council from delivering more invest to save projects were staff and capacity. It was stressed that the Council would need to pay additional funds into the Smoothing Reserve in order to address the risk relating to Business Rates volatility. Examples of income generated projects recently accomplished included the Somerset Waste Partnership loan and the transfer of public conveniences.

Further discussion ensued on commercialism and income generation and the need to use the sustainability fund in a more proactive way, e.g. fund staff to actively research opportunities to work on business cases in order to predict a return on investment. It was noted that the Finance Team were currently working on a protocol to assess what organisations would qualify to borrow money and a request was made for this to be completed as a matter of urgency.

Councillor P Murphy proposed an amendment to the wording in resolution 2.2 (b) of Report No. WSC 82/17 so that '£70,000' be deleted and replaced with '£100,000'. The proposal was seconded by Councillor I Aldridge. The implication of the amendment meant that £30,000 would transfer out of the General Fund.

In response to the proposed amendment, the Leader confirmed that the objective of the sustainability fund was not to make money or about commercialising, but to save money. If additional funding was required in the Sustainability Fund, he explained that it would be more appropriate for the money to be transferred out of the General Fund at a later stage. It was acknowledged that the Council was looking to be more commercially minded but it would take time and resources.

In light of the Leader's comments, Councillor P Murphy withdrew his amendment and proposed an alternative amendment so that recommendation 2.2 (b) of Report No. WSC 82/17 be read as follows, "£100,000 to a new commercialism initiative to employ staff to develop income generating projects". The amendment was seconded by Councillor I Aldridge.

The Assistant Chief Executive provided information on the work of the Transformation Team who were, within existing staff resources, providing some focus on the issue of commercialism, and advised there would subsequently be an opportunity for further engagement with Councillors across both authorities on the subject.

On being put to the vote the amendment was declared LOST.

There was no further discussion and on being put to the vote the original motion was declared CARRIED.

RESOLVED (1) that the Council's reported General Fund Revenue Budget underspend of £270,890 for the financial year 2016/17, which takes into account proposed earmarked reserve transfers including budget carry forwards, be noted.

RESOLVED (2) that an allocation of £170,000 from the 2016/17 underspend be approved as follows:

- a) £100,000 to the Business Rates Smoothing Reserve to mitigate budget risk for reductions in business rates funding;
- b) £70,000 to the Sustainability Fund earmarked reserve to help fund opportunities such as "invest to save" plans to support the financial sustainability of the Council.

RESOLVED (3) that the net Earmarked Reserve transfers as set out in Table 4 and Appendix B of the report, including recommended Budget Carry Forward of 2016/17 underspends for specific service costs in 2017/18 totalling £247,189 be approved.

RESOLVED (4) that the proposed Capital Programme Budget Carry Forwards totalling £1,788,064 for general schemes to be funded using capital receipts, capital grant and S106 contributions (as set out in Appendix D of the report) be approved.

RESOLVED (5) that the proposed Capital Programme Budget Carry Forwards totalling £2,123,121 for Hinkley S106 funded schemes (as set out in Appendix D of the report) be approved.

RESOLVED (6) that the residual net overspend of £250 in relation to the Capital Programme for general schemes in 2016/17 be noted.

Note: With the agreement of the Chairman, Report Nos. WSC 82/17 and WSC 83/17 were taken and debated together for expediency.

C31 **Initial Medium Term Financial Plan 2018/19**

(Report No. WSC 83/17, circulated with the Agenda.)

The purpose of the report was to present Councillors with the proposed Medium Term Financial Strategy (MTFS) for 2018/19 onwards, including an updated set of estimates and assumptions contained with the initial draft of the Council's Medium Term Financial Plan (MTFP).

The Lead Member for Resources and Central Support presented the item and highlighted the key points from report. The Lead Member proposed the recommendations which were duly seconded by Councillor A Hadley.

RESOLVED (1) that the revised estimates, and in particular the ongoing risks and uncertainty, within the Medium Term Financial Plan be noted and the proposed financial strategy that seeks to deliver a balanced budget prior to the formation of a new council be supported.

RESOLVED (2) that a Revised Budget for 2017/18 be approved with the following changes:

- a) Revise the Collection Fund Business Rates Surplus/Deficit budget from a deficit of £223,546 to a surplus of £480,635 – a net increase in funding of £704,181.
- b) A transfer to the Business Rates Smoothing Reserve of £704,181 to mitigate budget risk from business rates funding volatility.
- c) Revise the 2017/18 Business Rates Retention estimates by an additional £30,700 in respect of S31 Grant, with a related transfer to General Reserves.

RESOLVED (3) that a further transfer to the Business Rates Smoothing Reserve in 2018/19 to mitigate the increased budget risk in respect of business rates funding volatility as reflected in the updated MTFP estimates be agreed in principle.

Note: With the agreement of the Chairman, Report Nos. WSC 82/17 and WSC 83/17 were taken and debated together for expediency.

C32 **HPC Planning Obligations Board – Allocations of CIM Funding**

(Report No. WSC 81/17, circulated with the Agenda.)

The purpose of the report was to present the recommendations of the Hinkley Point C Planning Obligations Board and West Somerset Council Cabinet for the allocation of monies from the Community Impact Mitigation (CIM) Fund secured through the Section 106 legal agreement for the Site Preparation Works at Hinkley Point; and to propose a change to the organisation that will receive the grant for the Williton War Memorial Ground Pavilion project.

The Lead Member for Resources and Central Support outlined the details of the report. She provided further information on the projects and highlighted the amendment to a previous Council decision concerning the grant awarded to the Williton War Memorial Ground Pavilion project. The Lead Member went on to propose the recommendation of the report which was seconded by Councillor J Parbrook.

The benefits to the West Somerset area as well as the tourism and economic opportunities that the Enterprising Minehead project would offer were recognised. Members congratulated the Economic Development Team for their hard work on the project, as well as acknowledging the partners who had worked closely together on the bid.

The Williton War Memorial Ground Pavilion project was also supported and commended.

A general question was raised in regard to what information was expected to be included in an application for CIM Funding. The Lead Member explained that the Community and Housing Lead Officer – Energy Infrastructure provided excellent advice to applicants prior to submission, however there were occasions when information was not always provided or available. It was appreciated that a lot of time and effort went in to preparing a bid, and feedback and suggestions were given by the officer to applicants to help them submit a stronger application for reconsideration by the Planning Obligations Board.

The recommendations contained in the report were put to the vote separately.

RESOLVED (1) that the release of £19,745 from the 1st Annual Payment to the Salvation Army (Bridgwater) for the Youth Space project, with the condition that the requirement to monitor outcomes for young people are included in the terms and conditions of the grant, be approved.

RESOLVED (2) that the application from Lower Lakes CIC for the Bridgwater Oasis project not be approved as it did not sufficiently meet the funding criteria.

RESOLVED (3) that £501,688 be released from the CIM fund ring-fenced for West Somerset to West Somerset Council for the Enterprising Minehead project.

RESOLVED (4) that the decision made by West Somerset Full Council on 17th June 2015 'to award funding of £250,000 from the CIM Fund to Williton Parish Council to deliver the Williton Pavilion Project subject to the agreement of a spending and payment schedule and the securing of match funding to meet the full costs of the project' be amended to 'to award funding of £250,000 from the CIM Fund to Williton War Memorial Ground Charity No 211212 to deliver the Williton Pavilion Project subject to agreement of a spending and payment schedule and the securing of match funding to meet the full costs of the project'.

The meeting closed at 6.34 pm.