

## SWT Executive

Wednesday, 21st July, 2021,  
6.15 pm

The logo for Somerset West and Taunton, featuring the text "Somerset West and Taunton" in white on a teal background with a white swoosh at the bottom right.

The John Meikle Room - The Deane  
House

[SWT MEETING WEBCAST LINK](#)

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**Members:** Federica Smith-Roberts (Chair), Derek Perry (Vice-Chair),  
Chris Booth, Dixie Darch, Caroline Ellis, Ross Henley,  
Marcus Kravis, Mike Rigby, Francesca Smith and  
Andrew Sully

### Agenda

**1. Apologies**

To receive any apologies for absence.

**2. Minutes of the previous meeting of the Executive**

To approve the minutes of the previous meeting of the Committee.

(Pages 7 - 10)

**3. Declarations of Interest**

To receive and note any declarations of disclosable pecuniary or prejudicial or personal interests in respect of any matters included on the agenda for consideration at this meeting.

(The personal interests of Councillors and Clerks of Somerset County Council, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes.)

**4. Public Participation**

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue.

### **Temporary measures during the Coronavirus Pandemic**

Due to the temporary legislation (within the Coronavirus Act 2020, which allowed for use of virtual meetings) coming to an end on 6 May 2021, the council's committee meetings will now take place in the office buildings within the John Meikle Meeting Room at the Deane House, Belvedere Road, Taunton. Unfortunately due to capacity requirements, the Chamber at West Somerset House is not able to be used at this current moment.

Following the Government guidance on measures to reduce the transmission of coronavirus (COVID-19), the council meeting rooms will have very limited capacity. With this in mind, we will only be allowing those members of the public who have registered to speak to attend the meetings in person in the office buildings, if they wish (we will still be offering to those members of the public that are not comfortable in attending, for their statements to be read out by a Governance and Democracy Case Manager). Please can we urge all members of the public who are only interested in listening to the debate to view our live webcasts from the safety of their own home to help prevent the transmission of coronavirus (COVID-19).

#### **5. Executive Forward Plan**

(Pages 11 - 14)

To receive items and review the Forward Plan.

#### **6. Somerset West and Taunton Volunteering Policy and Procedure**

(Pages 15 - 82)

This matter is the responsibility of Executive Councillors for Corporate Resources, Councillor Ross Henley and Asset Management and Economic Development, Councillor Marcus Kravis.

The report seeks approval of a suite of policies and procedures that will allow for recruitment, management, and support of volunteers by SWT.

#### **7. Corporate Performance Report, Quarter 4 and Out-turn, 2020/21**

(Pages 83 - 98)

This matter is the responsibility of Executive Councillor for Corporate Resources, Councillor Ross Henley.

This paper provides an update on the council's performance for the 2020/21 financial year. The report includes information for a range of key performance indicators and also provides an update on progress against the council's annual plan commitments for the year.

**8. Access to Information - Exclusion of the Press and Public (Agenda Item 9, Appendix H ONLY)**

During discussion of the following item (Appendix H only) it may be necessary to pass the following resolution to exclude the press and public having reflected on Article 13 13.02(e) (a presumption in favour of openness) of the Constitution. This decision may be required because consideration of this matter in public may disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972. The Executive will need to decide whether, in all the circumstances of the case, the public interest in maintaining the exemption, outweighs the public interest in disclosing the information.

Recommend that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next item of business (Appendix H only) on the ground that it involves the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

**9. Financial Monitoring - Outturn Position 2020/21**

(Pages 99 - 152)

This matter is the responsibility of Executive Councillor for Corporate Resources, Councillor Ross Henley.

This report contains information related to Somerset West and Taunton Council's (SWT) financial performance for the 2020/21 financial year.

**10. Financial Strategy 2021/22 to 2022/23**

(Pages 153 - 178)

This matter is the responsibility of Executive Councillor for Corporate Resources, Councillor Ross Henley.

The Financial Strategy is presented for approval by the Executive. This sets out the approach and plans for ensuring the Council continues to operate in a financially sustainable way and allocates its resources in accordance with agreed priorities.

**11. Future of Flook House, Belvedere Road**

(Pages 179 - 186)

This matter is the responsibility of Councillor Marcus Kravis, Chair of Member Working Group.

The MWG was created by the Executive to consider options for Flook House and the surrounding area with a view to

concluding if investment should be made to retain the building or if demolition should be reconsidered.

A handwritten signature in cursive script, appearing to read "James Hassett".

**JAMES HASSETT**  
**CHIEF EXECUTIVE**

Please note that this meeting will be recorded. You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during the recording will be retained in accordance with the Council's policy. Therefore unless you are advised otherwise, by taking part in the Council Meeting during Public Participation you are consenting to being recorded and to the possible use of the sound recording for access via the website or for training purposes. If you have any queries regarding this please contact the officer as detailed above.

Following Government guidance on measures to reduce the transmission of coronavirus (COVID-19), we will be live webcasting our committee meetings and you are welcome to view and listen to the discussion. The link to each webcast will be available on the meeting webpage, but you can also access them on the [Somerset West and Taunton webcasting website](#).

If you would like to ask a question or speak at a meeting, you will need to submit your request to a member of the Governance Team in advance of the meeting. You can request to speak at a Council meeting by emailing your full name, the agenda item and your question to the Governance Team using [governance@somersetwestandtaunton.gov.uk](mailto:governance@somersetwestandtaunton.gov.uk)

Any requests need to be received by 4pm on the day that provides 2 clear working days before the meeting (excluding the day of the meeting itself). For example, if the meeting is due to take place on a Tuesday, requests need to be received by 4pm on the Thursday prior to the meeting.

The Governance and Democracy Case Manager will take the details of your question or speech and will distribute them to the Committee prior to the meeting. The Chair will then invite you to speak at the beginning of the meeting under the agenda item Public Question Time, but speaking is limited to three minutes per person in an overall period of 15 minutes and you can only speak to the Committee once. If there are a group of people attending to speak about a particular item then a representative should be chosen to speak on behalf of the group.

Please see below for Temporary Measures during Coronavirus Pandemic and the changes we are making to public participation:-

Due to the temporary legislation (within the Coronavirus Act 2020, which allowed for use of virtual meetings) coming to an end on 6 May 2021, the council's committee meetings will now take place in the office buildings within the John Meikle Meeting Room at the Deane House, Belvedere Road, Taunton. Unfortunately due to capacity requirements, the Chamber at West Somerset House is not able to be used at this current moment.

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Full Council, Executive, and Committee agendas, reports and minutes are available on our website: [www.somersetwestandtaunton.gov.uk](http://www.somersetwestandtaunton.gov.uk)

For further information about the meeting, please contact the Governance and Democracy Team via email: [governance@somersetwestandtaunton.gov.uk](mailto:governance@somersetwestandtaunton.gov.uk)

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**SWT Executive - 16 June 2021**

Present: Councillor Derek Perry (Vice Chair in the Chair)

Councillors Derek Perry, Chris Booth, Caroline Ellis, Marcus Kravis,  
Mike Rigby, Francesca Smith and Andrew Sully

Officers: James Hasset, Andrew Pritchard, Marcus Prouse, Amy Tregellas, Clare  
Rendell, Emily Collacott, Chris Hall and Joe Wharton

Also Present: Councillors Ian Aldridge, Norman Cavill, Dawn Johnson, Libby Lisgo,  
Janet Lloyd, Ray Tully, Sarah Wakefield, Brenda Weston, Loretta Whetlor  
and Gwil Wren (via Zoom)

(The meeting commenced at 6.15 pm)

9. **Apologies**

Apologies were received from Councillors F Smith-Roberts, D Darch and R  
Henley.

10. **Minutes of the previous meeting of the Executive**

(Minutes of the meeting of the Executive held on 26 May 2021 circulated with the  
agenda)

**Resolved** that the minutes of the Executive held on 26 May 2021 be confirmed  
as a correct record.

11. **Declarations of Interest**

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

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr C Booth	All Items	Wellington and Taunton Charter Trustee	Personal	Spoke and Voted
Cllr C Ellis	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr D Perry	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr M Rigby	All Items	SCC & Bishops Lydeard	Personal	Spoke and Voted
Cllr F Smith	All Items	Taunton Charter Trustee	Personal	Spoke and Voted

## 12. Public Participation

Mr Alan Debenham spoke and asked the following questions:-

Q (1) Ever since the Earth summit of 1992 and its subsequent Local Agenda 21, 3Rs and new thrust for Sustainability there has been decades of talk and action to save life on this planet from a fate worse than death AND yet here we are again repeating ourselves only with the hell on earth now much closer and its severity now much more devastating. Then and now ( very much substantiated by the recent War-on-Want's Minerals Transition Report ) the biggest essential to save us has been and still is REDUCTION IN CONSUMPTION AND ECONOMIC ACTIVITY especially in the UK's first world wealth status, so why is there so little in your expenditure and plans which relate to this only real life saver and why it's so important for us all to continue the present lockdown - or a lesser version - as long as possible and no real plans seem to have been made to set-up ward and street-led committees to deal with this enormous permanent change in lifestyle? (Same as asked at Community Scrutiny 3/6/21)

(Thanks to Dawn Adey and management team for the very detailed Corporate Investment Report which makes interesting reading of the Council's risky new multi-million pound role as Capitalist Commercial Property Investors to cover for this Tory government's decade long policy to withdraw the major part of central finance support.)

Q (2) In view of the Council's placing such vital importance in doing everything in line with combating the potential sixth extinction facing us all in the name of present and fast developing Climate and Environmental Emergencies, how is it that this report does not have at the prominent front of it a clear statement of ethical strategy and policies which SHOULD UNDERPIN all investments made e.g. policy not to invest in fossil fuel procurement or usage, to invest preferably to support local food production and local businesses, etc.?

Q (3) Would it not be preferable for this Council, particularly following the previous mantra of Liberal Democrats to follow the Layfield Commission Report of 1979 and vigorously demand local income and sales taxes to make local Councils more self-financing actual governing authorities, and therefore to go looking for things upon which charges could be raised or buying shares or ownership of profitable local well-needed businesses where good returns are certain?

Best wishes, Alan Debenham

The Portfolio Holder gave the following response:-

Q1 As a Council, our Carbon Neutrality Climate Resilience plan which was adopted recently was a broad combination of short and longer term actions, including Waste, Food and Farming, Natural Environment and Water as well as Energy, Transport and Industry. As a District, we were committed to growing our economy for the benefit of all in a sustainable manner – sustainable both in terms of the environment as well as innovative, climate aware economic growth. We were bound by National policies on lockdown, and would continue to work with local and regional partners to support recovery as identified in the Somerset Recovery and Growth plan.

Q2 The Commercial Investment strategy was one of multiple income generators for the council. The strategy encompasses many different target sectors, including renewable energy, which were assessed by our specialist team when

appraising and recommending acquisitions for the Council to consider. Projects within other programmes including Housing, Heritage and Regeneration included net carbon zero targets ensuring that they were designed with climate change impact from the outset. This included both in construction and in operation. These projects would create local jobs and support growth for local businesses, which would in turn support the local supply chain. The Coal Orchard development which would soon complete in Taunton town centre was targeting regional and local businesses for the commercial space and we looked forward to being able to reveal the first occupants soon.

Q3 Whilst we were subject to central government cuts as every district, we continued to be successful in applying for funding initiatives and thanks to the hard work of officers have been successful in receiving separate grant awards from Homes England, Department of Culture, Media and Sport, Ministry of Housing, Communities and Local Government and the Department of Transport which would help us to deliver projects in the district that support local business and climate change initiatives (Seaward Way, Coal Orchard, Toneworks, Norton Hillfort, Active Travel / East St pedestrianisation, EV charging point roll out).

13. **Executive Forward Plan**

(Copy of the Executive Forward Plan, circulated with the agenda).

Councillors were reminded that if they had an item they wanted to add to the agenda, that they should send their requests to the Governance Team.

**Resolved** that the Executive Forward Plan be noted.

14. **Access to Information - Exclusion of the Press and Public**

**Resolved** that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

15. **Future High Street Fund Grant**

**Resolved** that the Executive approved the recommendations within the confidential report.

16. **Revised Sale Price of Land**

**Resolved** that the Executive approved the recommendations within the confidential report.

(The Meeting ended at 7.20 pm)



**EXECUTIVE**

<b>Executive Meeting</b>	<b>Draft Agenda Items</b>	<b>Lead Officer</b>
<b>21 July 2021</b>	Belvedere Road Public Space	Chris Hall
<b>venue =</b>	2020/21 Financial Outturn	Emily Collacott
Exec RD = 9 July	Financial Strategy 2021-2023	Paul Fitzgerald
Informal Exec RD = 8 June	Corporate Performance Report	Malcolm Riches
SMT RD = 26 May	Corporate Volunteering Policy and Procedures	Lisa Redston
<b>18 August 2021</b>	Single Homeless accommodation strategy and delivery plan	Chris Brown/Mark Leeman
<b>venue =</b>	Employment Land Feasibility Study in West Somerset	Robert Downes
Exec RD = 6 August	Levelling Up Bid	Joe Wharton
Informal Exec RD = 6 July		
SMT RD = 23 June		
<b>15 September 2021</b>	Financial Performance 2021/22 Q1	Paul Fitzgerald
<b>venue =</b>	Corporate Performance Report	Malcolm Riches
Exec RD = 3 September	Longforth Masterplan	Sarah Povall
Informal Exec RD = 3 August	Firepool Design Guidance and Masterplan	Graeme Thompson/Tim Bacon
SMT RD = 21 July		
<b>20 October 2021</b>	Tower Street	Natalie Kirbyshire
<b>venue =</b>		
Exec RD = 8 October		
Informal Exec RD = 7 September		
SMT RD = 24 August		
<b>17 November 2021</b>	Voluntary and Community Sector Grants Review	Scott Weetch
<b>venue =</b>	General Fund 2022/23 Draft Budget Update	Paul Fitzgerald
Exec RD = 5 November	Housing Revenue Account 2022/23 Draft Budget Update	Paul Fitzgerald
Informal Exec RD = 5 October	Public Realm Design Guide for Taunton Garden Town – Feedback	Fiona Webb
SMT RD = 22 September	Somerset West and Taunton Districtwide Design Guide	Fiona Webb

<b>15 December 2021</b>	Financial Performance 2021/22 Q2	Paul Fitzgerald
<b>venue =</b>	Corporate Performance Report	Malcolm Riches
Exec RD = 3 December		
Informal Exec RD = 2 November		
SMT RD = 20 October		
<b>19 January 2022</b>	CCTV	Sally Parry/Scott Weetch
<b>venue =</b>		
Exec RD = 7 January		
Informal Exec RD = 30 November		
SMT RD = 17 November		
<b>Budget - 9 February 2022</b>	Housing Revenue Account 2022/23 Budget	Paul Fitzgerald
<b>venue =</b>	General Fund 2022/23 Budget	Paul Fitzgerald
Exec RD = 28 January		
Informal Exec RD = 4 January		
SMT RD = 8 December		
<b>16 February 2022</b>		
<b>venue =</b>		
Exec RD = 4 February		
Informal Exec RD = 4 January		
SMT RD = 8 December		
<b>16 March 2022</b>	Financial Performance 2021/22 Q3	Paul Fitzgerald
<b>venue =</b>	Capital, Investment and Treasury Strategy 2022/23	Paul Fitzgerald
Exec RD = 4 March	Corporate Performance Report	Malcolm Riches
Informal Exec RD = 1 February		
SMT RD = 19 January		
<b>20 April 2022</b>		
<b>venue =</b>		

Exec RD = 8 April		
Informal Exec RD = 8 March		
SMT RD = 23 February		



Report Number: SWT 52/21

# Somerset West and Taunton Council

## Executive – 21 July 2021

### Somerset West and Taunton Volunteering Policy and Procedure

**This matter is the responsibility of Executive Councillors Cllr Ross Henley and Cllr Marcus Kravis**

**Report Author: Lisa Redston – Economic Development Manager**

#### 1. Executive Summary / Purpose of the Report

- 1.1. The report seeks approval of a suite of policies and procedures that will allow for recruitment, management, and support of volunteers by SWT.
- 1.2. The report explains the requirements to formalise and adopt corporate policies and procedures to ensure robust governance procedures are in place that safeguard both volunteers and SWT, and to ensure volunteers are supported and managed effectively.
- 1.3. The report presents a suite of documents that have been drafted including:
  - Volunteer Handbook (Appendix A)
  - Volunteer Managers Handbook (Appendix B)
  - Data Protection and Client Confidentiality Policy (Appendix C)
  - Equality and Diversity Policy (Appendix D)
  - Safeguarding for Volunteers Policy (Appendix E)
  - Health and Safety Policy (Appendix F)
  - Lone Working Policy (Appendix G)
  - Bullying and Harassment Policy (Appendix H)
  - Volunteer Agreement (Appendix I)
  - Flow Chart for Volunteer Recruitment (Appendix J)
  - Volunteer Application Form (Appendix K)
- 1.4. Further documents will be produced to support the recruitment and management of volunteers including:
  - A Business Case Template and checklist for new volunteering schemes
  - Guidance on problems solving (e.g. Grievance and Disciplinary procedures)

#### 2. Recommendations

- 2.1. The Executive is asked to approve the adoption of the SWT Corporate Volunteering Policies and Procedures attached to this report.

### 3. Risk Assessment

- 3.1. The Somerset West and Taunton Volunteering Policies and Procedures have been prepared in response to creating a supportive, effective, and efficient team of volunteers.
- 3.2. A risk assessment has been carried out to assess any risk to volunteers, SWT or the wider community.
- 3.3. Potential risks have been addressed by the proposal to adopt Corporate Volunteering Policies and Procedures which will be underpinned by essential training for both staff and volunteers on policies, procedures and obligations and ongoing support for volunteers when delivering their role.
- 3.4. Insuring volunteers – Volunteers are covered by SWT current liability cover. Public Liability will cover third parties that are injured, or their property damaged due to a negligent act made by an employee or a volunteer working for the Council in connection with the business. SWT Employers Liability insurance also covers volunteers for work-related illness or injury. Volunteers are required to be working for the Council in connection with the business while under the Council's direct control or supervision with full training, support, and management of the volunteers in place. Training will cover health and safety to use their regular building and IT equipment.
- 3.5. Health and Safety - A risk assessment for each venue or location of activity will be completed before assigning work or tasks to volunteers. Volunteers will receive Health and Safety training and adherence to the Volunteer Health and Safety policy (Appendix F) will form part of the Volunteer Agreement (Appendix I) signed by the volunteer.
- 3.6. SWT IT equipment and software – If access to SWT IT equipment, software or email addresses are required for volunteers this will be considered as part of the Data Protection Assessment during development of the Business Case for each volunteering opportunity. SWT IT officers will be consulted on provision of resource, and risks associated with access to SWT shared systems, and data protection. Volunteers will be trained in and agree to the SWT Volunteer Data Protection and Client Confidentiality Policy (Appendix C)
- 3.7. GDPR data breach – A full Data Protection Assessment will be carried out as part of the Business Case for each volunteering opportunity. Volunteers will receive GDPR and client confidentiality training and adherence to the Volunteer Data Protection and Client Confidentiality Policy (Appendix C) will form part of the Volunteer Agreement signed by the volunteer.
- 3.8. Employment Hub data breach - Data relating to Employment Hub activity and case management will be stored on the externally procured Client Management System 'Makerable'. Data is stored on servers housed in secure data centres located in London, England. The data is encrypted at REST and stored in AWS S3 buckets. Please see the Makerable Data Storage Information (Appendix M). Volunteers will not be able to access all client data, access will be limited to the data stored relating to cases in the Hub they are assigned. SWT are considered Data Controllers and will have overall responsibility and liability for compliance with UK GDPR legislation.
- 3.9. Client confidentiality and Safeguarding – Client confidentiality will be considered when developing the Business Case for any volunteering opportunity. Where Volunteers will be handling sensitive or personal information in relation to individuals the volunteers will

be asked to sign a Data and Confidentiality Agreement as part of their Volunteer Agreement (Appendix I). In this scenario volunteers will also be required to volunteer to have an extended DBS check, which will form part of the Volunteer Agreement (Appendix I).

- 3.10. Nature of advice given – Depending on the volunteering role there is a risk that incorrect advice is given by volunteers to members of the public. Volunteers will receive full training to know the limits of their support role and when to signpost to an advice agency. Regular supervision sessions, training and best practice communication systems will support the volunteers to give accurate and quality support. These requirements are defined in the Volunteer Managers Handbook (Appendix B).
- 3.11. Volunteer welfare – All volunteer roles will receive regular 1-1 supervision as set out in the Volunteer Managers Handbook (Appendix B). In some cases, dependant on the nature of the volunteering role, volunteers may receive disclosures or information that could be distressing. In this case Volunteer Managers should provide regular ‘clinical supervision’.
- 3.12. Unable to recruit volunteers - Based on the experience of the WS Hubs, recruitment of volunteers is not considered to be a barrier. In addition, the recent COVID crisis has enabled many people to become volunteers for the first time and wish to continue in this capacity. SPARK Somerset will provide a pipeline of volunteers to SWT and support in the design of roles and volunteer job specifications.
- 3.13. Loss of external funding for Employment Hubs – If Volunteering Policies and Procedures are not adopted by SWT the Employment Hub scheme will be unable to meet delivery targets agreed with funders, potentially resulting in loss of remaining funds, and the claw back of funds already paid to SWT for the delivery of the Hubs.

#### **4. Background and full details of the report**

- 4.1. Background – Community Employment Hubs
- 4.2. The requirement for the adoption of corporate volunteering policies and procedures has been prompted by the SWT Economic Development Community Employment Hub project.
- 4.3. The Employment Hub project will provide an agile local service delivered by volunteers and managed by employed SWT staff (Employment Hub Co-ordinators already in post) that will:
  - Address the embedded worklessness within the most deprived areas of Somerset West and Taunton and the West Somerset Opportunity Area.
  - Deliver effective measures to make sure jobs and training are widely accessible to communities whose risk of exclusion has been increased during COVID-19.
  - Provide opportunities for people to develop skills via volunteering to increase their progressions toward employment.
  - Increase equality of access to employment information, advice, and guidance
  - Deliver proactive measures, through a holistic approach in partnership with key organisations such as the CAB, DWP, Mental Health and Disability Support Partners, Child Care providers, Employers and Education Providers to address barriers to access to employment and training opportunities.

- 4.4. Across the country around 12.7 per cent of workers are employed in low paid work and living in poverty and around 56 per cent of people living in poverty belong to a work household (Joseph Rowntree Foundation 2020) The majority of low paid workers are employed in 'poor-quality work' (i.e. low pay, part time or zero hour contracts etc) such as sales, leisure and tourism which form a large proportion of the employment opportunities across the Somerset West and Taunton district and are therefore most likely to be affected by COVID-19.
- 4.5. Community Employment Hubs are proven to be an effective delivery model for volunteer based delivery of support in local communities, working alongside key organisations such as the CAB, Mind and Job Centre Plus, as well as education and training providers and local employers to provide a holistic package of support to help people back into education, training or work, or to help those wanting to change career paths. In terms of effectiveness during 18 months of delivery of Community Employment Hubs in the former West Somerset area 564 people accessed and gained positive outcomes.
- 4.6. Given their location at the heart of each community the hubs, through their volunteers, can engage those hardest to reach, including those without qualifications, training, or experience and those with health conditions and disabilities. The issues behind the figures are often complex but the success of the employment hubs to date has been the holistic approach that the volunteers in the hubs are able to take to address individual need.

**4.7. A summary of the economic context and impact of COVID 19 on local economies and issues of unemployment:**

- Oxford Economics were commissioned in July to produce a report based on the economic impact in Somerset. The following scenarios do not take into account the November 2020 or January 2021 lockdowns:
- Oxford Economics has forecast the impact of the pandemic and associated lockdown measures on the Somerset economy. The baseline scenario finds that by 2025 GVA will be 1.8% lower than pre- pandemic forecasts. This outcome is based on an 8% decline in 2020 followed by a 7.4% increase in 2021 and continuing growth (albeit at a slower pace) up to 2025.
- Under the baseline scenario it is estimated that there will be over 10,000 jobs lost in 2020, with the unemployment rate increasing to 5% (from 3% in 2019). The unemployment rate is forecast to fall from this 2020 peak year-on year up to 2025 with a return to pre-pandemic levels by 2022. The claimant counts in Somerset rose significantly between March and August of 2020. As changes are introduced to the Coronavirus Job Retention Scheme and Self Employment Income Support Scheme throughout the summer it is likely that fewer workers will be furloughed, and whilst some will go back to work, this is likely to lead to an increase in claimants. However, the extension of the UK furlough scheme to March 2021 could delay a more significant drop in employment.

**4.8. Requirement for Corporate Volunteering Policies and Procedures**

To enable a range of volunteering opportunities to be offered by SWT and to ensure robust governance is in place that safeguards volunteers and SWT, it is important that policies and procedures are adopted corporately.

**4.9. Benefits of offering Volunteering opportunities**

- Provides opportunities for people to develop skills via volunteering to increase their progressions toward employment. The Policy and Procedures ensure volunteers are provided with valuable training to complete their role, work experience and references to go on to apply for a variety of roles within the job market.
- Provides volunteering opportunities for people that improve their mental and physical health and enable them to be an active contributor to their community.
- Ensures the community can benefit from a range of services provided by volunteers and expand SWT services beyond those provided by SWT employees.

## **5. Links to Corporate Strategy**

- 5.1. The adoption of Corporate Volunteering Policies and Procedures will support delivery of the following Corporate Objective in particular:

Our Environment and Economy - Encourage wealth creation and economic growth throughout the District by attracting inward investment, enabling research and innovation, improving the skills of the local workforce and seeking to ensure the provision of adequate and affordable employment land to meet different business needs.

- 5.2. The provision of volunteering opportunities by SWT will support the delivery of Corporate and Operational objectives across the organisation through the expansion of SWT services and project delivery.
- 5.3. The Corporate Volunteering Policies and Procedures will enable delivery of the Community Employment Hubs that form part of the SWT Economic Recovery and Growth Plan.

## **6. Finance / Resource Implications**

- 6.1. The policy states that the financial impacts including any internal resource requirements, of any volunteering scheme should be found via current departmental budgets, or through external funding opportunities.
- 6.2. A business case for each volunteering opportunity will be prepared by the SWT department looking to host volunteers. The business case template will provide a checklist of all elements to be considered before recruiting volunteers. This will include the financial impacts or risk of any volunteering scheme.
- 6.3. There are some Public Liability and Employee Liability Insurance implications from the adoption of the Corporate Volunteering Policies and Procedures. The Councils current policies will require amendment (see 3.4). Any additional costs are being explored and will be presented in the Council report. The adoption of clear policies and procedures, and training programmes for volunteers will help to reduce any increased costs.
- 6.4. Volunteer expenses are covered in the Volunteering Policy and Managers handbook.
- 6.4.1. In the business case for each volunteering opportunity the financial impacts of the potential for volunteers to claim expenses will be considered. Expenses will not be claimed via the itrent system but paid directly as a BACs payment.

- 6.4.2. Expenses will be monitored by the SWT employee managing the volunteers and approved following the E5 Finance system approval scheme of delegation.
- 6.4.3. The policy suggests, in line with other LA volunteering policies, that mileage could be claimed by the volunteer at the rate of 45p per mile, if the volunteers home address is more than 2 miles from their home address. If volunteers have limited mobility or other accessibility requirements this will be assessed at point of recruitment on a case by case basis, with any additional expenses factored into the business case.
- 6.5. In the business case for each volunteering opportunity the requirement for use of IT and mobile phone equipment must be considered. In some cases, IT equipment and support resource could be provided via the SWT IT department. Alternatively, equipment and IT support could be procured externally, or provided via donations to the project.
- 6.6. The following financial considerations will be factored into the business case for any volunteering opportunity.
- Any requirement for DBS checks and any costs associated.
  - Any requirement for PPE and costs associated.
  - Any requirement for SWT employed staff management, supervision, and administration.
  - Any costs associated with training for required for volunteers – such as IT, confidentiality and GDPR, equality and diversity, use of equipment and health and safety.
- 6.7. There are financial implications if the Corporate Policy and Procedures are not adopted in relation to the Community Employment Hubs project. The project is fully funded via the DWP, Business Rates Retention and HPC Employment and Skills s106 funds. The funding has been awarded based on a volunteer model of delivery and co-ordinator support. Targets of client numbers have been agreed in relation to the funding and if volunteers are unable to be recruited and the targets met, this will have consequences on the funding agreed and the funding for the SWT employed co-ordinator's posts.

## **7. Legal Implications**

- 7.1. All documents are being reviewed by SHAPE legal to ensure that any risks relating to Employment Law are removed or mitigated.
- 7.2. UNISON are being consulted on the draft policy and procedures the drafts will be presented to UNISON on 15th June. Initial feedback from UNISON will be fed into the policy and report to Members. The JNCB will meet on 20th July at which point the Policy and Procedures can be formally agreed. This is one day prior to the Executive meeting, therefore the decision made by UNISON will be provided as a verbal update at the Executive meeting.

## **8. Climate and Sustainability Implications**

- 8.1. SWT's aim through adopting the Volunteer Policy and Procedures is to achieve a more connected service with the local community whilst providing experience and training to members of the community.
- 8.2. The Volunteer policies and procedures will ensure that Volunteers are allocated work their nearest volunteering opportunity avoiding undue travel to help reduce carbon emissions. Volunteers will be encouraged to use public transport or walk to their place of activity.
- 8.3. Use of volunteer models to deliver blended access to services including face to face and online/telephone client discussions will reduce unnecessary travel by clients.
- 8.4. Volunteering opportunities provided by SWT can help to expand SWT services that improve the environment, and could be used to support tree planting, litter picking and wild meadow maintenance.

## **9. Safeguarding and/or Community Safety Implications**

- 9.1. Client confidentiality will be considered when developing the Business Case for any volunteering opportunity. Where Volunteers will be handling sensitive or personal information in relation to individuals the volunteers will be asked to sign a Data and Confidentiality Agreement as part of their Volunteer Agreement. In this scenario volunteers will also be required to volunteer to have an extended DBS check, which will form part of the Volunteer Agreement (see Appendix C and E).

## **10. Equality and Diversity Implications**

- 10.1. An Equality Impact Assessment has been drafted and will be submitted in full with the report to the Executive/Full Council. See Appendix L
- 10.2. The evidence supporting the report indicates that the more vulnerable sections of our communities have been disproportionately impacted by the pandemic and that the increase in unemployment, expected rise in homelessness and business closures will see further impacts. By adopting the Corporate Volunteering Policies and Procedures SWT will provide opportunities for those who have been impacted by the Covid 19 pandemic to access new opportunities.

## **11. Social Value Implications**

- 11.1. By adopting the Volunteer policies and procedures and creating volunteer opportunities address some of the key underlying challenges around social mobility and inclusion. The benefits of volunteering are widely reported including improving skills and therefore supporting improved social mobility, helping people into jobs, supporting business growth and job creation, improving digital and physical access to learning and employment, and delivering affordable housing.

## **12. Partnership Implications**

- 12.1. SWT officers have worked in partnership with SPARK to design and deliver the suite of Volunteering policies and procedures to ensure they are robust in terms of governance and provide the necessary support for volunteers to carry out their roles safely and effectively and feel a welcome part of SWT service delivery.

- 12.2. SWT will continue to work with SPARK who will provide a pipeline of volunteers to SWT and advertise opportunities on behalf of SWT.

### **13. Health and Wellbeing Implications**

- 13.1. The Volunteer Policies and Procedures include guidance for Volunteer Managers and Volunteers to be supported within their role. This is intended to have a positive influence on the quality of life and health and wellbeing of volunteers, staff and therefore the service users including residents and businesses.
- 13.2. Volunteering and helping others can help reduce stress, combat depression, give mental stimulation also achieving workplace experience, increased network links, personal satisfaction and importantly build confidence and self-esteem.
- 13.3. The main outcome of epidemiological research undertaken by the British Medical Journal regarding the association between volunteering and mental wellbeing found that those participants who engaged in volunteering regularly appeared to experience higher levels of mental wellbeing. <https://bmjopen.bmj.com/content/6/8/e011327>

### **14. Asset Management Implications**

- 14.1. There are no asset management implications that relate directly to this report.

### **15. Data Protection Implications**

- 15.1. Where information has been obtained through consultation with individuals or organisations we have:
- only collected the data necessary to produce the Volunteer Policies and Procedures
  - secured permission to use the information and opinions
  - acted in accordance with the General Data Protection Regulations 2018
- 15.2. SWT IT equipment and software – If access to SWT IT equipment, software or email addresses are required for volunteers this will be considered as part of the Data Protection Assessment during development of the Business Case for each volunteering opportunity. SWT IT officers will be consulted on provision of resource, and risks associated with access to SWT shared systems, and data protection.
- 15.3. GDPR data breach – A full Data Protection Assessment will be carried out as part of the Business Case for each volunteering opportunity. Volunteers will receive GDPR and client confidentiality training and adherence to the Volunteer Data Protection and Client Confidentiality Policy will form part of the Volunteer Agreement signed by the volunteer.
- 15.4. Client confidentiality and Safeguarding – Client confidentiality will be considered when developing the Business Case for any volunteering opportunity. Where Volunteers will be handling sensitive or personal information in relation to individuals the volunteers will be asked to sign a Data and Confidentiality Agreement as part of their Volunteer Agreement. In this scenario volunteers will also be required to volunteer to have an extended DBS check, which will form part of the Volunteer Agreement.

### **16. Consultation Implications**

- 16.1. SWT officers have consulted extensively with SPARK Somerset and Volunteers that have worked within the West Somerset Employment Hubs prior to the Covid 19 pandemic to understand the needs of volunteers, along with the requirements of organisations that host and manage volunteers. Officers have also consulted with other neighbouring local authorities to understand any best practise that could be adopted by SWT.
- 16.2. As per 7.2 consultation with UNISON will begin on 15th June 2021.
- 16.3. The adoption of Corporate Volunteering Policies and Procedures will not require any wider public consultation.

## 17. Scrutiny/Executive Comments / Recommendation(s)

17.1. Not applicable at this time.

### Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – If requested**
- **Cabinet/Executive – Yes**
- **Full Council – No**

**Reporting Frequency:** Ad-hoc

### List of Appendices (delete if not applicable)

Appendix A	SWT Volunteer Handbook
Appendix B	SWT Volunteer Managers Handbook – to follow
Appendix C	SWT Data Protection and Client Confidentiality Policy
Appendix D	SWT Equality and Diversity Policy
Appendix E	SWT Safeguarding for Volunteers Policy
Appendix F	SWT Health and Safety Policy
Appendix G	SWT Lone Working Policy
Appendix H	SWT Volunteer Bullying and Harassment Policy
Appendix I	SWT Volunteer Agreement
Appendix J	SWT Volunteer Recruitment Flow Chart
Appendix K	SWT Application Form
Appendix L	Equality and Diversity Impact Assessment
Appendix M	Data Security for App based Client Management System Makerable

### Contact Officers

Name	Lisa Redston
Direct Dial	07881 218666
Email	l.redston@somersetwestandtaunton.gov.uk



## Somerset West and Taunton

[insert volunteer project or opportunity name here]

### Volunteer Handbook

#### Welcome

Hello, from [insert volunteer project team name or individual volunteer manager names here]! We're delighted to welcome you to [insert volunteer project or opportunity name here].

Our amazing volunteers have helped make the service the success it is. You're joining a community of friendly, dedicated, and passionate people who have loads of experience to share with you.

This handbook will help you get off to the best start on your volunteering journey and will act as a useful guide during your time at a [insert volunteer project or opportunity name here]. You can read about how your role is vital to support people getting back into employment and the impact you will have on people's lives.

You'll find out how we will support you with your volunteering and how you can contact us if you need anything.

We hope you will love volunteering at a [insert volunteer project or opportunity name here] and stay with us for a long time.

Thank you for volunteering!

From [insert volunteer project team name or individual names here]

#### About Us

The [insert volunteer project or opportunity name here] provides [explain what project does] for people across West Somerset and Taunton

[give a bit more detail on what the project does for the community]

We know that those who attend the [insert volunteer project or opportunity name here] benefit massively from increased confidence, self-esteem, social interaction, and health and well-being.

We can't make this happen without our amazing volunteers. People like you make it possible to [insert what volunteer help will achieve here]

We take every step possible to make sure your experience with the [insert volunteer project or opportunity name here] and Somerset West and Taunton council is as rewarding and enjoyable as possible.

## **Impact of our work**

[insert some facts, figures and infographs or even photographs of what has been achieved with volunteers so far]

## **What you can expect from us**

We will:

- always treat you with respect, consideration and appreciation
- make sure you have the best possible experience
- tell you about the responsibilities of your role and our policies so you know where you stand and have what you need to deliver your best
- give you appropriate training for your role and opportunities to develop your skills
- support you by holding regular meetings and informal discussions
- provide fair, honest and timely feedback regarding any concerns with performance and/or conduct
- update you on how your contribution makes a difference to people looking for work
- create a safe and respectable environment
- never forget the enormous contribution you make.

## **The role volunteers play.**

There are so many ways you can volunteer for [insert volunteer project or opportunity name here]. Whatever you're good at is great with us. We can't wait to make the most of your skills and experience. Because we can see the huge difference volunteers like you make to people.

- [outline a few bullet points of what types of tasks the volunteer could be involved with here]

All of our roles vary in levels of experience, time commitment, and flexibility. If your commitment or the way you volunteer changes, then we can work with you to find something suitable.

You'll get great work and life experience as a volunteer.

We welcome all ages, backgrounds and experiences. What makes you special will help us reach more people in communities that [insert volunteer project name or volunteering opportunity here] haven't reached yet.

## **Being a volunteer**

When volunteering for us we expect you to uphold our values and give a great experience to everyone you meet.

In particular, we ask that you:

- Treat staff, service users, and fellow volunteers with respect, consideration and appreciation.
- Ensure the [insert volunteer project name or volunteering opportunity here] stay on the right side of the law and maintain our reputation by following all appropriate policies.
- Make sure you understand your role, and the standards of performance and conduct required of you.
- Bring any support or feedback to your Volunteer Manager.
- Let your Volunteer Manager know if you'll be unavailable for certain dates or if your circumstances change.
- Do not do anything that might bring the [insert volunteer project name or volunteering opportunity here] or Somerset West and Taunton Council into disrepute.

### **Guidance and procedures**

While you are volunteering with us, we need to you follow our core procedures. This is to ensure that volunteering is safe, legal, and consistent with the values of Somerset West and Taunton Council.

You should be familiar with our guidance on:

- expenses
- health and safety including lone working
- equality, diversity, and inclusion
- keeping data safe
- safeguarding
- problem solving

Your Volunteer Manager will help you identify which procedures apply to your role. They're also there to offer help so do get in touch if you have any questions.

### **Expenses**

We reimburse volunteers' reasonable out-of-pocket travel expenses in line with our volunteer expenses policy. Your Volunteer Manager will go through the Volunteer Expenses Policy with you to explain what is included.

Your Volunteer Manager can help you make a claim.

Please make sure you keep hold of all tickets and receipts as you will need these to reclaim your money. Please note that we'll only reimburse the amount that you have spent as a result of your volunteering, up to agreed maximum levels.

### **Health and Safety including lone working**

Health and safety are everyone's responsibility; we all have a role to play in identifying risks and minimising harm to others.

We have a 'duty of care' requirement to protect the health, safety and wellbeing of anyone that deals with a [insert volunteer project name or volunteering opportunity here]; this includes volunteers, employees, and the general public. We are committed to protecting the health, safety and welfare of our volunteers.

We want you to feel safe while you volunteer at a [insert volunteer project name or volunteering opportunity here], and we want the public to feel safe using a [insert volunteer project name or volunteering opportunity here] too.

We will give you the necessary information and training to make sure you feel safe and know how to report any concerns.

Your Volunteer Manager will make sure you understand health and safety and is there if you have any concerns.

### **Equality, Diversity and Inclusion**

The [insert volunteer project name or volunteering opportunity here] are committed to equal opportunities in delivery of its service. An important part of our values is that everyone should feel respected and valued and able to achieve their full potential. It's important to us that our volunteers embrace these values and act accordingly.

#### **Equality<sup>i</sup>**

Equality is about fairness, it is not about treating everyone in the same way, but it recognises that everyone's needs are met in different ways. It is based on the legal obligation to comply with anti-discrimination legislation. Equality protects people from being discriminated against on the grounds of the protected characteristics.

#### **Diversity**

Diversity is about valuing all visible and non-visible differences and recognising and accepting that harnessing these differences creates an environment where everyone feels valued. A diverse approach aims to recognise value and manage differences to enable all employees to contribute and realise their full potential.

#### **Inclusion**

Inclusion is about positively striving to meet the needs of different people and taking deliberate action to create environments where everyone feels respected and able to achieve their full potential.

### **Keeping data safe**

It's so important that people feel they can trust us to do the right thing by them.

A huge part of this is making sure we keep private details private. There are laws about privacy that you'll have to follow, especially when it comes to sharing and keeping information about people that could be used to identify them. Put yourself in their shoes and you'll see why this sort of protection is needed.

We all feel differently about our personal data being used in each way, so it's really important that people are fully informed about and agree to how we will use their data. It all boils down to a few simple things you need to be aware of when you collect, use and store data like names and addresses. Your role might involve you having access to sensitive personal data.

Here are six easy steps to handling people's personal data:

1. Collecting data - We should only collect what we need and be clear with people about why we are collecting it and what we'll do with it.
2. Using data - We can only use data for the specific reasons we have collected it for and not for any other reasons that we think of later.
3. Recording data - We need to make sure information is recorded in the right place, and that it is correct and up to date.
4. Storing data - We need to make sure we store data somewhere secure.
5. Sharing data - We should not share data with anyone outside of the [insert volunteer project name or volunteering opportunity here] unless we have a formal agreement in place with the person and organisation involved.
6. Getting rid of data - We need to dispose of data securely whenever we no longer need the information for the reasons we collected it.

If we ask you to do a role that involves collecting, using, recording, or storing people's personal data, we will make sure you get appropriate training before you start, so you feel confident that you are getting it right.

### **Keeping everyone safe**

Volunteering with us should be safe and enjoyable.

As a volunteer you are expected to follow some simple rules while volunteering with us and we have a duty to make sure you have the right information, training, and support to carry out your role safely.

Keeping volunteers, staff, people who use our services and the public safe from harm is our number one priority.

People who are out of work can be more vulnerable because of their financial situation and other considerations. The people we support trust us and may share aspects of their lives which concern us. It's worth bearing in mind that any adult can become vulnerable.

Your Volunteer Manager is there to offer advice and support if at any time you're emotionally challenged by something in your volunteering role or experiencing difficulties. Your health and wellbeing are very important to us.

If you're worried about someone, you must act:

- If the situation is not life threatening, contact your Volunteer Manager. They are your first point of contact. They will record and report it appropriately and make the
- Somerset County Council is the lead organisation for any concerns for the welfare of children and vulnerable adults in the Somerset area. If you are worried about a child, a young person under the age of 18, or a vulnerable adult you can contact Somerset County Council on 0300 123 2224. Then contact your Volunteer Manager.
- In any situation where someone's life is in danger, always call 999

## **How we support you**

Your Volunteer Manager is there to provide you with support and guidance, answer any questions you have, and to help you get the best from your time at a [insert volunteer project name or volunteering opportunity here]. We'll support you from the moment you start volunteering with us, to when you decide to finish.

All our volunteers get a welcome and induction from their Volunteer Manager. An induction helps you settle into your role and feel comfortable at a [insert volunteer project name or volunteering opportunity here]. You'll get to meet everyone and ask any questions you have.

There is some basic training which all of our volunteers get, it might be done in person or remotely. In person training is often best delivered in groups, which might mean a short wait for it to be available. Induction Training is offered on a quarterly basis, we will make sure you get it as soon as possible. Your Volunteer Manager will let you know what's needed and how it can happen.

There's a bit of admin we need to do to get you set up. Depending on your role, this might mean we do background checks (known as a DBS check), ask for references or ask you to do a bit more paperwork. We may also give you an ID badge so you can identify yourself to people we help when you're volunteering. Please help us by providing information or returning forms as soon as you can – it means we we'll be able to get you up and running quicker.

Your Volunteer Manager will make sure you can regularly talk about what you're up to in your role and raise any issues or difficulties. Volunteering at a [insert volunteer project name or volunteering opportunity here] is very much a two-way street, and we are always ready to listen and chat things through. If you have ideas on how to make it better, tell us about it.

## **Working through any difficulties**

For most people, volunteering at a [insert volunteer project name or volunteering opportunity here] is an enjoyable and rewarding experience, but occasionally, problems can happen.

It could be an issue with another volunteer, or a difficulty you have in carrying out your role. Whatever it is, we use a standard approach to make sure that we can sort things out as quickly and as fairly as possible.

We call this our Volunteer Problem Solving Policy. It has three stages:

#### Stage 1 – Informal

Wherever possible, we try to resolve problems informally. This means we expect people to talk to one another and try to sort issues out between themselves. Your Volunteer Manager will usually be the person to help do this unless your problem involves them directly.

#### Stage 2 – Formal

If it's not possible to resolve a problem informally or if it's serious then we use a formal process to properly investigate and decide what to do about it. If it's being dealt with formally, we will provide you with support and information so you can prepare properly.

#### Stage 3 – Appeal

Following a formal process, volunteers can appeal the decision reached if they believe that the procedure has not been followed properly or the outcome is unreasonable. An appeal is decided by a group involving senior staff.

### **Other helpful information**

Remember, your Volunteer Manager is your first port of call for support and information while you're volunteering with us. You can always go to them with any questions, problems, or issues you might have.

### **Volunteer Manager Name and Contact Details**

Name:

Phone number:

Email:

[insert volunteer project name or volunteering opportunity here] are located at:

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<sup>i</sup> Definitions from Victim Support: [https://www.victimsupport.org.uk/wp-content/uploads/2021/04/EDI\\_Policy\\_August\\_2020.pdf](https://www.victimsupport.org.uk/wp-content/uploads/2021/04/EDI_Policy_August_2020.pdf)



## Somerset West and Taunton Volunteer Data Protection Policy

### Introduction

Somerset West and Taunton Council collect, hold and use personal data in order to conduct its business. The Council has a statutory duty under UK law to safeguard this information.

This policy aims to reduce the likelihood and impact of any data breaches. There are a variety of risks, some of which can result in the Information Commissioner's Office (ICO) imposing significant fines.

### You and Data Protection

You must only access personal data, client records, files and folders for the reason that it was given (the purpose) or for statutory requirements. Unauthorised access is a criminal offence. Your Volunteer Manager will make sure you are aware of the information you should be accessing and how to use it for your role. You should not be given access to information outside the remit of your role.

Releasing information to safeguard people at immediate risk of harm is allowed under Data Protection.

All members of the public and employees, as data subjects, have statutory rights including the right to know what information we hold and the right to be forgotten where a data subject can request that we delete records we hold about them unless it is required to be kept by law.

Depending on your role, you must complete the Data Protection E-Learning modules and any ongoing Data Protection training as required.

### Reporting

If you are aware that you, or someone else, has disclosed personal or sensitive data, to someone who did not have permission or authority to receive that information, you must report it immediately to your Volunteer Manager or other Council staff member.

Any loss or theft of data should also be immediately reported.

Your Volunteer Manager must report it to the Data Protection Officer as soon as possible as there is a **72 hour** deadline to disclose reportable breaches to the ICO.

### Technology

The Council must protect personal data across a wide range of technologies and in a variety of environments.

Volunteer Data Protection Policy May 2021

If you have been provided a Corporate device for use outside the [[insert volunteer project or opportunity name here] (for example if you are providing assistance remotely), all the personal data held by it will be encrypted. You will be trained to ensure that data is kept securely and that your use of the device is appropriate and secure.

## **Phone calls (including mobile) and virtual telephony service (I.e Microsoft teams)**

When making a phone call or using other virtual telephony services for calls of a personal and sensitive nature:

- Ensure you cannot be overheard by anyone not directly concerned with the call.
- Before sharing personal data ensure the other party is a trusted individual, if necessary, call them back to confirm their identity.
- Don't leave voice or answer machine messages in case they are picked up by someone other than the intended person
- Outside the office ensure you cannot be overheard by anyone, where this is not possible use only first names and try and avoid discussing personal and sensitive issues.

## **Video Recordings and photographs**

Video recordings and photographs that can be identified as individuals are defined as personal data. Ensure that any service users, volunteers, or employees are fully informed if you are taking photographs or making videos.

The data subjects must be told what the information will be used for, why it has been collected, if it will be shared with anyone and how it will be kept before it is destroyed.

## **Policy Compliance**

If you are found to have breached this policy, you may no longer be able to volunteer at a [insert volunteer project or opportunity name here] or any other Council service

Where it is considered that a criminal offence has potentially been committed, the Council will consider the need to refer the matter to the police.

If you do not understand the implications of this policy or how it may apply to you, seek advice from your Volunteer Manager.

**The council's full Data Protection Policy can be accessed via...**

## **Somerset West and Taunton Volunteer Equality Policy**

### **Introduction**

The [insert volunteer project or opportunity name here] are committed to equal opportunities in delivery of its service. An important part of our values is that everyone should feel respected and valued and able to achieve their full potential. It's important to us that our volunteers embrace these values and act accordingly.

The [insert volunteer project or opportunity name here] are run by Somerset West and Taunton Council.

The Council will take every possible step to ensure that no person working with the organisation or anyone using our services; will receive less favourable treatment or will be disadvantaged by requirements or conditions that cannot be shown to be justifiable on the grounds of their age, disability (including mental health), gender identity, gender expression, trans status, marriage or civil partnership status, pregnancy or maternity, race, colour, ethnic origin, religion or belief, sex or sexual orientation. We will also not discriminate on the grounds of trade union membership or political activities, socio-economic status, responsibility for dependents, or any other reason which cannot be shown to be justified.

### **Equality<sup>1</sup>**

Equality is about fairness, it is not about treating everyone in the same way, but it recognises that everyone's needs are met in different ways. It is based on the legal obligation to comply with anti-discrimination legislation. Equality protects people from being discriminated against on the grounds of the protected characteristics.

### **Diversity**

Diversity is about valuing all visible and non-visible differences and recognising and accepting that harnessing these differences creates an environment where everyone feels valued. A diverse approach aims to recognise value and manage differences to enable all employees to contribute and realise their full potential.

### **Inclusion**

Inclusion is about positively striving to meet the needs of different people and taking deliberate action to create environments where everyone feels respected and able to achieve their full potential.

### **The Council's Responsibilities**

The Council is committed to supporting and promoting Equality, Diversity and Inclusion. This includes tackling all forms of discrimination and inequality in both the workplace and the services the organisation provides. This commitment is embraced by our Elected Members and informs all of our activities and their impact on our service users, employees, volunteers and other stakeholders.

The Council will:

- Provide information and training to help volunteers understand equality, diversity and inclusion in the [insert volunteer project or opportunity name here]
- Provide supervision from a Volunteer Manager
- Introduce and update appropriate working practices

### **Your Responsibilities**

As a volunteer, we would expect that you will:

- Complete all relevant training in relation to equality, diversity, and inclusion
- Follow the appropriate working practices
- Work with your Volunteer Manager to ensure that you feel confident in working within this environment and have the knowledge and skills to carry out your tasks in this context.
- Report any concerns to your Volunteer Manager

**The Council's full Equality, Diversity, and Inclusion Policy can be accessed via...**

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<sup>i</sup> Definitions from Victim Support: [https://www.victimsupport.org.uk/wp-content/uploads/2021/04/EDI\\_Policy\\_August\\_2020.pdf](https://www.victimsupport.org.uk/wp-content/uploads/2021/04/EDI_Policy_August_2020.pdf)

## **Somerset West and Taunton Volunteer Safeguarding Policy**

### **Introduction**

Safeguarding children and adults with care and support needs is everyone's responsibility; everyone who comes into contact with them has a role to play in identifying concerns, sharing information and taking prompt action. This document provides guidelines on what you should do to keep children and adults with care and support needs safe from abuse and neglect.

As a volunteer you might observe signs of abuse or neglect, or changes in behaviour which may indicate they are being abused or neglected. It is important that you are aware of what to look for and what to do if you are concerned that a child or vulnerable adult is at risk.

### **The Council's Responsibilities**

The [insert volunteering project or opportunity here] are run by Somerset West and Taunton Council.

The Council believes that all children, young people and adults have the right to be safe, happy and healthy and deserve protection from abuse.

The Council is committed to safeguarding from harm all children, young people and adults with care and support needs using any council services and involved in any of their activities, and to treat them with respect during their dealings with the Council, which includes the [insert volunteering project or opportunity here].

It is important to note that it is not the responsibility of the Council to decide whether or not abuse has taken place.

### **Your Responsibilities**

All individuals within the Council, including volunteers, have a responsibility to take action by reporting their concerns in accordance with this Policy.

As a volunteer, you should:

- Complete all relevant training in relation to safeguarding
- Recognise, identify, and report signs of abuse, neglect, disclosures and other safeguarding concerns relating to children and adults with care and support needs.

- Be familiar with and understand the policies and procedures relating to your work with or in the vicinity of children and adults with care and support needs.
- Work with your Volunteer Manager to ensure that you feel confident in working within this environment and have the knowledge and skills to carry out your tasks in this context.
- Treat all those children and adults who you encounter equally and with respect.

## Reporting

If you have a safeguarding concern about a service user, another volunteer, or member of staff, you should discuss it with your Volunteer Manager. They will refer it to a Somerset West and Taunton council Safeguarding Representative, or the relevant Somerset County Council service, who will decide whether to refer the matter to the appropriate external organisation, according to Council policies.

It is NOT your responsibility to assess the accuracy of an allegation, but you must gather and pass on any information to your Volunteer Manager. Keep the information confidential between you and your Volunteer Manager. Somerset West and Taunton Council has a duty to record and report incidents.

If you are not able to contact your Volunteer Manager, then you can report a concern to Somerset County Council, they are the lead organisation for any concerns for the welfare of children and vulnerable adults in the Somerset area. If you are worried about a child, a young person under the age of 18, or a vulnerable adult you can contact Somerset County Council on 0300 123 2224. You must tell your Volunteer Manager that you have done this as soon as possible.

**You are not personally responsible for providing any form of protection or respite from an abusive or potentially abusive situation. Volunteers must not put themselves into a position of unnecessary risk.**

If you are emotionally challenged by something in your volunteering role or experiencing difficulties, you should discuss it with your Volunteer Manager who will provide you with appropriate support.

If you are directly involved in a safeguarding case, you will be offered extra support.

Failure to report a concern could result in you no longer being a volunteer at a [insert volunteer project or opportunity here] or for any council service.

## DBS Checks

Your role may require you have a Disclosure & Barring Service (DBS) disclosure. This will be explained to you clearly and must be in place before you can start the role. DBS checks are free to volunteers.

Your DBS is a certificate that shows cautions, warnings or convictions. It may show spent convictions and also unspent convictions and an enhanced check will also

show information that a police force deems relevant to disclose based on the nature of the role that you will be doing.

If your DBS shows any cautions, warning, convictions or other relevant information, the Council will use a positive DBS Disclosure Decision Sheet to make an assessment about your suitability to become a volunteer at a [insert volunteer project or volunteer opportunity here]. Having a criminal record does not automatically mean you cannot volunteer.

**Somerset West and Taunton's full Safeguarding Policy can be accessed via...**



## Somerset West and Taunton Volunteer Health and Safety Policy

### Introduction

Health and safety are everyone's responsibility; we all have a role to play in identifying risks and minimising harm to others.

The [insert volunteer project or opportunity name here] are run by Somerset West and Taunton Council.

We have a 'duty of care' requirement to protect the health, safety and wellbeing of anyone that deals with a [insert volunteer project or opportunity name here]; this includes volunteers, employees, and the general public. We are committed to protecting the health, safety and welfare of our volunteers.

We want you to feel safe while you volunteer at a [insert volunteer project or opportunity name here], and we want the public to feel safe using a [insert volunteer project or opportunity name here] too.

### The Council's Responsibilities

Risks can be minimised in a number of ways, depending on the hazard being faced. The Council will:

- Carry out risk assessments and make volunteers aware of relevant working practices
- Provide information and training to help volunteers understand how to keep themselves and others safe in the [insert volunteer project or opportunity name here]
- Provide supervision from a Volunteer Manager
- Introduce and update safe working practices
- Provide protective clothing and equipment where appropriate.
- Provide insurance cover for volunteers under the Council's Employer Liability and Public Liability insurance.

### Your Responsibilities

All individuals, including volunteers, have a responsibility to look after their own health and safety and report concerns in accordance with this Policy.

As a volunteer, we would expect that you will:

- Complete all relevant training in relation to health and safety
- Follow the safe working practices

Volunteer Health and Safety Policy May 21

- Be familiar with and understand the health and safety policies and procedures relating to your work.
- Work with your Volunteer Manager to ensure that you feel confident in working within this environment and have the knowledge and skills to carry out your tasks in this context.
- Report any health and safety concerns to your Volunteer Manager

**The Council's full Health and Safety Policy can be accessed via...**

## **Somerset West and Taunton Volunteer Lone Working Policy**

### **Introduction**

Some volunteer roles may mean that you have to work alone. We want you to feel safe while you volunteer for a [insert volunteer project or opportunity name here].

The [insert volunteer project or opportunity name here] are run by Somerset West and Taunton Council.

The Council is committed to ensuring the safety of volunteers working within the Council's sites, and whilst on business for the Council, including when working alone.

Working alone could be working in a [insert volunteer project or opportunity name here] by yourself, working remotely, visiting other premises, or travelling as part of your volunteering.

### **The Council's Responsibilities**

The Council will:

- Carry out risk assessments and make volunteers aware of relevant working practices
- Provide information and training to help volunteers understand how to keep themselves safe
- Provide supervision from a Volunteer Manager
- Introduce and update safe working practices
- Ensure that any equipment and communications systems designed to protect lone workers or provide effective supervision are correctly installed and used, maintained in good working order, and regularly tested to ensure they are working properly.

### **Your Responsibilities**

As a volunteer, we would expect that you will:

- Take reasonable care of your own safety and that of others and not put yourself in danger
- Use any safety/communication equipment appropriately
- Report unsafe activities or faulty equipment to your Volunteer Manager,
- Report new or previously unidentified lone working situations to your Volunteer Manager

**The Council's full Lone Working Policy can be accessed via...**



## **Somerset West and Taunton Volunteer Bullying & Harassment Policy**

### **Introduction**

All volunteers have the right to work in an environment where they are treated with dignity and respect.

The [insert volunteer project or opportunity here] are run by Somerset West and Taunton Council.

The Council supports a working environment and culture where bullying, harassment, discrimination and victimisation are not tolerated.

Harassment is unwanted and offensive conduct affecting the dignity of an individual or group of individuals in the workplace and causes them to feel threatened, humiliated or patronised.

Bullying is the persistent abuse of power to criticise, offend, intimidate, insult or undermine with the intention of making the recipient, either an individual or group of people, feel hurt, humiliated or vulnerable.

### **The Council's Responsibilities**

The Council will not tolerate bullying or harassment. Neither will it tolerate the making of malicious or vexatious allegations. Doing so could result in you no longer being a volunteer at [insert volunteer project or opportunity name here] or for any council service.

The Council will take all reasonable steps to prevent harassment of volunteers by a third party e.g. service users, employee, members of the public or an employee from a partner organisation.

The Council will:

- Promote a working environment and culture where harassment or bullying is unacceptable
- Provide supervision and support from a Volunteer Manager
- Introduce and update appropriate working practices

### **Your Responsibilities**

You have the right to put your own health and safety first and withdraw from any situation where you are being harassed or bullied.

As a volunteer, we would expect that you will:

- Help set standards and create a working environment where harassment or bullying behaviour is considered unacceptable.
- Complete all relevant training in relation to bullying and harassment
- Follow the appropriate working practices

- Report any concerns to your Volunteer Manager using the Volunteer Problem Solving Policy as outlined in the Volunteer Handbook.

**The Somerset West and Taunton Council's full Bullying & Harassment Policy can be accessed via...**

[Type here]

[Type here]

# SWT Volunteer Agreement

Volunteers are an important and valued part of the *[insert SWT project name or department here]* and our amazing volunteers have helped make the service the success it is. We will do our best to make your volunteer experience enjoyable and rewarding.

Within this volunteer agreement and your Welcome Pack we have set out what you can expect as a volunteer with the *[insert SWT project name or department here]*

Please contact *[insert SWT staff name, role title here]* regarding any questions or feedback about volunteering with us and/or your volunteer role. They are assigned to you as your Volunteer Manager whilst you are volunteering with us. Their contact details can be found in your Welcome Pack.

## **What you can expect from us** *[insert SWT project name or department here]*

We will:

- always treat you with respect, consideration and appreciation
- make sure you have the best possible experience
- tell you about the responsibilities of your role and our policies so you know where you stand and have what you need to deliver your best
- give you appropriate training for your role and opportunities to develop your skills
- support you by holding regular meetings and informal discussions
- provide fair, honest and timely feedback regarding any concerns with performance and/or conduct
- reimburse reasonable out-of-pocket travel expenses in line with our volunteer expenses policy. Our current expenses policy will reimburse any travel to your main hub location after the first 2 miles of your regular starting point. If you are asked and able to attend a different hub or training location then all miles will be covered.
- update you on how your contribution makes a difference to people looking for work
- create a safe and respectable environment
- never forget the enormous contribution you make.

## **Being a volunteer with the** *[insert SWT project name or department here]*.

When volunteering for us we expect you to uphold our values and give a great experience to everyone you meet.

In particular, we ask that you:

- Treat staff, service users, and fellow volunteers with respect, consideration and appreciation.
- Ensure the *[insert SWT project name or department here]* stay on the right side of the law and maintain our reputation by following all appropriate policies.

[Type here]

[Type here]

- Make sure you understand your role, and the standards of performance and conduct required of you.
- Follow SWT policy and procedure to appropriately handle and store sensitive and confidential information.
- Bring any support or feedback to your Volunteer Manager.
- Let your Volunteer Manager know if you'll be unavailable for certain dates or if your circumstances change.
- Do not do anything that might bring the *[insert SWT project name or department here]* into disrepute.

There's a bit of admin we need to do to get you set up. Depending on your role, this might mean we do background checks (known as a DBS check), ask for references, or ask you to do a bit more paperwork. We may also give you an ID badge so you can identify yourself to people we help when you're volunteering. Please help us by providing information or returning forms as soon as you can – it means we we'll be able to get you up and running quicker.

Application form – for DBS checks proof

When we have completed the application process together we can start you on the induction training for your role of ..... At this point you will be given the Volunteer Handbook which is your copy of all the support in place for you and SWT in the form of policies and procedures.

**Referees**

We require you to provide two referees. You will also be required to be checked by the Disclosure and Barring Service/Disclosure Scotland.

**aSigned**

This agreement is in honour only. It is not intended to be a legally binding contract and either [ORGANISATION] or the volunteer can end the agreement at any time.

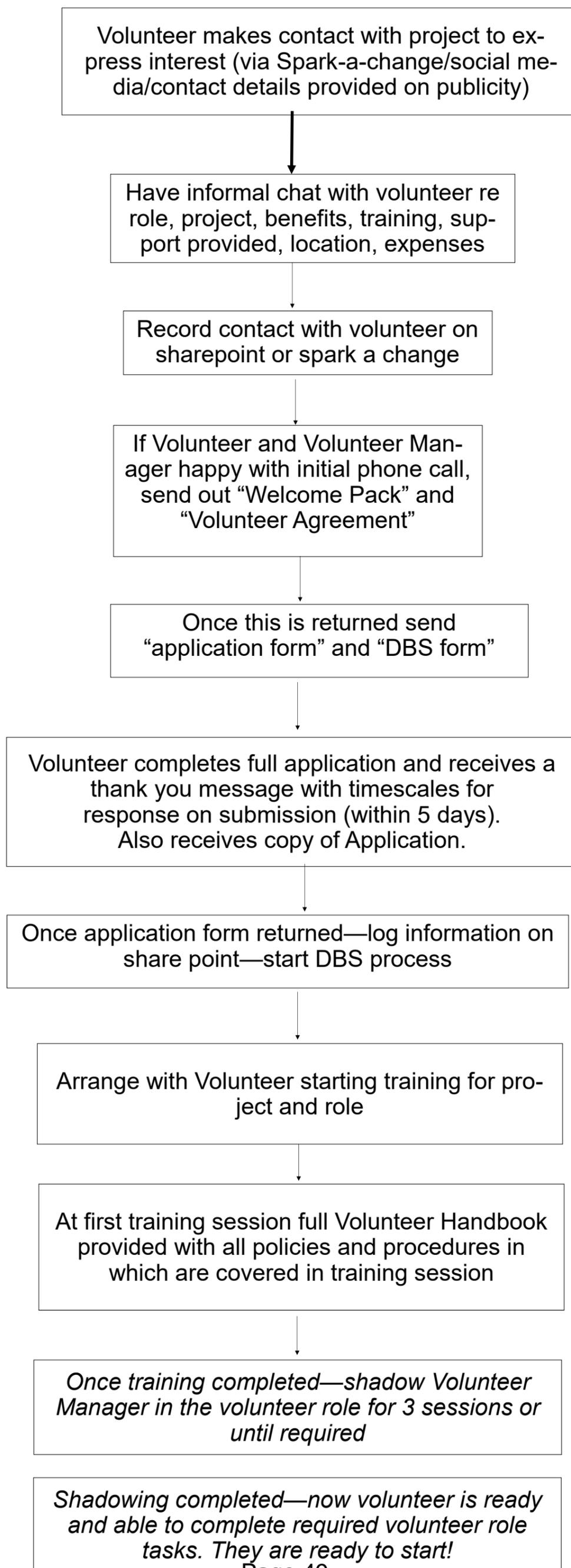
Signed .....

Print name.....Date.....

Signed on behalf of [ORGANISATION] .....

Print name.....Date.....

# SWT Volunteer Recruitment





**Somerset West and Taunton Community Employment  
Hubs - Volunteer Application**



**Part 1 - Contact Details:**

Title: Mr Mrs Miss Ms

Forenames: ..... Surname: .....

Date of Birth: .....

Your Address: .....

.....

.....

Post Code: .....

Telephone Number/s:

Home: .....

Work (if this is convenient for us to use): .....

Mobile: .....

Email: .....

How would you prefer us to contact you?

Telephone: Work  Home  Mobile  Email

## Part 2 - Volunteering

If you are responding to a particular opportunity you have seen advertised, please state which one:

.....

**Please state:**

○

**When would you like to volunteer? Days of the week?**

Comments if any: .....

**Please state:**

○

**Where you would you like to volunteer? Location?**

[enter volunteering project locations here]

### SOMERSET WEST AND TAUNTON VOLUNTEERING

If you interested in volunteering within the Community Employment Hubs please indicate below the role and service in which you would like to volunteer (you can be a volunteer in more than one role and in more than one location).

- |          |                             |                          |
|----------|-----------------------------|--------------------------|
| <b>A</b> | <b>One to one support:</b>  | <input type="checkbox"/> |
| <b>B</b> | <b>Admin support</b>        | <input type="checkbox"/> |
| <b>C</b> | <b>Refreshments</b>         | <input type="checkbox"/> |
| <b>D</b> | <b>Meet and greet</b>       | <input type="checkbox"/> |
| <b>E</b> | <b>IT Support volunteer</b> | <input type="checkbox"/> |

## Your personal statement

Please explain in a few words why you would like to volunteer:

.....  
.....  
.....  
.....  
.....  
.....

and what interests, hobbies, skills or experience you think might be helpful in your volunteering work:

.....  
.....  
.....  
.....  
.....

## References

Being a [insert volunteering opportunity here] brings you into contact with vulnerable people and we have a responsibility to provide a safe environment for you and others. Please provide the names of two people who are not related to you and who have agreed to support your application as a volunteer.

### Referee 1

Name: .....

Address: .....

.....

Postcode: ..... Tel: ..... Email: .....

### Referee 2

Name: .....

Address: .....

.....

Postcode: ..... Tel: ..... Email: .....

## DBS (Disclosure & Barring Service) and Somerset West and Taunton Services checks

We will undertake the appropriate DBS checks for volunteering if relevant for your role.

**Please note:** It is not automatic that a disclosure would prevent you from becoming a volunteer.

In strict confidence will you please give details of any unspent convictions cautions and warnings recorded against you:

.....  
.....  
.....  
.....  
.....

### how did you hear about us?

Volunteer Centre

Job Centre Plus

careers advisor

Website

Poster/leaflet

Other (please state)

### Image Release and Data Protection:

I understand that the [insert volunteering project or opportunity here] take photos, recordings and video footage to help show off my volunteering and to help raise awareness for other volunteers. My image **may / may not** be used in promotions (please delete).

I agree to [insert Volunteering project name here] and SWT sharing any relevant information that involves my volunteering.

Signed ..... Date.....

Print Name: .....

Thank you for completing this form

Please return your completed form to us at: [enter project contact details here]

Please call us on [enter project contact details here] if you would like more information or help with completing this form.

## **Draft Equality Impact Assessment – SWT Volunteer Policies and Procedures.**

### What is the EIA based on?

The adoption of Policies and Procedures to enable SWT to recruit and manage volunteers.

The ability for SWT to recruit and manage volunteers in the community will:

provide opportunities for people to develop skills via volunteering to increase their progressions toward employment  
provide opportunities for people that improve their mental and physical health.  
Ensure the community can benefit from a range of services provided by volunteers and expand SWT services to support those provided by employed staff.

### Age:

We consider that the scheme will overall have a positive impact on this characteristic by providing opportunities for individuals to volunteer in the community and share their knowledge and experience.

The draft policy suggests that SWT can provide opportunities for volunteers over the age of 18.

If a young person approaches SWT to apply for a volunteering post, SWT staff will support the young person by signposting them to SPARK in Somerset to find alternative volunteering opportunities.

The opportunity to volunteer will help to increase people's employability and work skills making them more attractive to future employers, maximising their readiness to make successful transitions into employment or by supporting those that are retired to continue to make active contributions to their community.

### Disability:

We consider that the scheme will have a positive impact on this characteristic.

- Some volunteers may have restricted access to volunteering opportunities due to disabilities. The additional volunteering opportunities offered by SWT will broaden the range of options for those with disabilities.
- Risk Assessments and Accessibility Assessments will be completed with each volunteer at the recruitment stage. These will identify whether any additional provision will need to be made to support the volunteer to take up a volunteering role.
- The model of using volunteers will increase opportunity by delivering support in their locality and/or remotely via digital connection.
- Evidence shows an increase in poor mental health. The ability for SWT to provide volunteering opportunities will enable people to be an active part of their community, to increase their social interaction and to increase their physical activity.
- The Volunteering policy states that where venues are required to deliver services only those that are fully accessible to those with disabilities or mobility restrictions will be considered.

- For many people volunteering is the first step towards engagement and building of confidence to progress towards improving communication skills, employment, and economic independence. Providing a supportive volunteering environment encourages participation and the increased development of responsibility.

Gender reassignment and Sexual orientation:

We have considered this and do not consider there to be a disproportionate impact on this characteristic and that the scheme will have a neutral impact

- Accessibility assessments during the recruitment process will consider a choice of access to toilet and changing facilities to accommodate requirements.

Other, e.g. carers, veterans, homeless, low income, rurality/isolation, etc.

We consider that the scheme will have a positive impact on this characteristic.

- The scheme will reduce barriers to volunteering opportunities for people living in rural isolated areas.
- People on low income will be able to access local volunteering opportunities without incurring transport costs.
- For many people volunteering is the first step towards engagement and building of confidence to progress towards improving communication skills, employment, and economic independence. Providing a supportive volunteering environment encourages participation and the increased development of responsibility.

We have considered the characteristics of marriage and civil partnership; Religion or belief; Sex; Race and ethnicity and do not consider there to be a disproportionate impact on these characteristics and that the project will have a positive or neutral impact.

Recruiting volunteers from a range of backgrounds is beneficial to the project as it will encourage and support more members of the community to ask for support from the project.

## GDPR Compliance

At Makerble we give you the tools to comply with GDPR. In relation to your clients' personal data, Makerble is the data processor and your organisation is the data controller.

### 1. CONSENT

- The General Data Protection Regulation requires that you get consent from the people whose data you store.
- When you store a person's information on Makerble, they are stored as a **Contact**.
- One of the fields within the Contact form is called Consent and it allows you to record **whether you have obtained that person's consent**. Heres how it works in practice:
  - If you ask people to sign a paper consent form, you can **upload that signed form** to their Contact record on Makerble
  - Using the **Date of Consent** field on Makerble, you can record the date that consent was granted
  - Using the **Who Consent was Granted by** field on Makerble, you can record whether it was the person themselves, a parent, guardian or someone else who gave that consent.
  - You can easily **add additional consent fields** to your Contact forms.

### 2. RESTRICTED ACCESS TO SENSITIVE PERSONAL DATA

- The GDPR requires that organisations restrict access to people's Personal Data.
- On Makerble, you can customise the level of access that each user has to each beneficiary, client, service user and person you work with.

### 3. DATA STORAGE

- When you use Makerble, your data is stored on servers housed in secure data centres located in London, England.
- The data is encrypted at REST and stored in AWS S3 buckets.
- Your data is never sold.

### 4. DATA RIGHTS

- Under the GDPR, people have rights related to the data you store about them. Among those rights are the right to request that you delete all data you store about them, show them the data you store about and move the data that you store about them to another organisation.
- Makerble gives you the tools to comply with these regulations.
  - Deletion: in the event that one of your beneficiaries requests that you delete the data you store about them, you can easily do this on Makerble by pressing the **Delete** Contact button.
  - Access: in the event that one of your beneficiaries requests that you give them access to the data you store about them, you can **print** their beneficiary record from the Contact profile page.
  - Portability: in the event that one of your beneficiaries requests that you move the data you have about them to another organisation, you can give that organisation **access** to the Contact profile of that beneficiary.

## 5. LEGAL BASIS

- Under the GDPR you must record the legal basis for which you are processing someone's personal data.
- On Makerble we support you to do this by enabling you to select the legal basis on which you are storing information about the beneficiaries you work with. In many cases it will be Consent or Legitimate Interest.
- There are six possible legal bases on which you can process someone's personal data.
  - **(a) Consent:** the individual has given clear consent for you to process their personal data for a specific purpose.
  - **(b) Contract:** the processing is necessary for a contract you have with the individual, or because they have asked you to take specific steps before entering into a contract.
  - **(c) Legal obligation:** the processing is necessary for you to comply with the law (not including contractual obligations).
  - **(d) Vital interests:** the processing is necessary to protect someone's life.
  - **(e) Public task:** the processing is necessary for you to perform a task in the public interest or for your official functions, and the task or function has a clear basis in law.
  - **(f) Legitimate interests:** the processing is necessary for your legitimate interests or the legitimate interests of a third party unless there is a good reason to protect the individual's personal data which overrides those legitimate interests. (This cannot apply if you are a public authority processing data to perform your official tasks.)

For additional guidance on how to adhere with the General Data Protection Regulations, contact our Data Protection Officer by email:

dataprotection@makerble.com. Additional resources are available from The Information Commissioner’s Office: <https://ico.org.uk/>

## PRIVACY POLICY

**Makerble acts as a Data Processor in some instances and as a Data Controller in others. Read on to find out how Makerble is responsible for your data and how we treat it.**

	<b>If you are an Organisation</b>	<b>If you receive help from an Organisation that uses Makerble</b> E.g. you are a Participant / Beneficiary / Client of an Organisation	<b>If you are have your own personal Makerble account</b>
<b>Our role</b>	Makerble is your Data Processor	The organisation that helps you is your Data Controller	Makerble is your Data Controller

### **If you receive help from an organisation that uses Makerble**

Makerble has been designed to make it easier for organisations that help groups of people (charities, nonprofits, NGOs, social enterprises, providers of social services, schools and other bodies) to create a bigger difference in the world. Makerble does this by enabling those organisations to record the difference that they are making on each of their projects and keep track of whether the work they do is having a positive impact on the lives of people like you who they are set up to help. As a result, those organisations need to store information about you and the projects that they are involving you in. This section of the Makerble privacy policy outlines how that information is stored

If you do not have a personal account on Makerble

**The role of Makerble:** If you do not have your own personal account on Makerble, Makerble is not your data controller. The organisation whose projects you are involved with is your data controller. This means that you need to contact them to find out how they store your information. Makerble simply acts as the Data Processor for that organisation which means that they use our system to store and process the data they collect. That being said, there is some information which we can give you as an overview of what information the organisation is likely to be storing.

	<b>Information collected</b>	<b>How and why it is collected</b>
<b>Information that the organisations helping you are able to collect about you</b>	Your Name will usually be recorded The organisation helping you has the ability to collect additional information about you which is stored on your Contact Record	It is likely that the organisation is collecting this information about you so that they can improve the quality of the services that they provide to you.

If you do have a personal account on Makerble

If you receive help from an organisation and you do have a personal account on Makerble, Welcome! Because you have a personal account on Makerble there are two sets of information that are stored about you; in summary, the information that is for each of the Organisations whose projects you are involved with and separately, the information that enables Makerble to provide you with a great experience of the platform. We refer to people who receive help from an organisation while having their own personal account on Makerble, “Active Participants”.

Scenarios	Who your Data Controller is in each scenario	
	The organisation whose projects you are involved with is the Data Controller	Makerble is the Data Controller
<p>When you sign up for Makerble and create your own profile, you are asked to enter the following information:</p> <ul style="list-style-type: none"> <li>Your Name</li> <li>Email Address</li> </ul> <p>And you can optionally add in</p> <ul style="list-style-type: none"> <li>Date of Birth</li> <li>Profile Picture</li> <li>Gender</li> <li>Occupation</li> </ul> <p>This information is used to give you a personalised experience of the platform, for example, displaying your name and profile picture to you when you login.</p>	No	Yes
<p>When you link your Makerble Account to each of the organisations whose projects and services you are involved in, it means that you can now create stories and survey responses related to the projects of theirs that you are involved with. Information that is collected in your stories and survey responses can include:</p> <ul style="list-style-type: none"> <li>Text that you add</li> <li>Your choice of pictures and attachments</li> <li>Your answers to each organisation's questions</li> <li>Location of where the story was written</li> </ul> <p>The organisation whose projects you are involved with is the Data Controller in this case and can provide with you more information on how and why they use this data.</p>	Yes	No
<p>Makerble collects usage data from all of its users. This includes:</p> <ul style="list-style-type: none"> <li>how often people sign in, when they sign in, which type of devices they sign in from, the pages people get stuck on</li> </ul> <p>This information is collected so that Makerble can understand how we can improve the platform. For example if we can see a trend that people are having problems with a certain page, our engineers can then fix that page. The organisation that supports you will also find this information useful.</p>	Yes	Yes

## MAKERBLE AS A DATA CONTROLLER

### If you are someone with a personal account on Makerble

Makerble is a tool that has been designed to make it easier for you to make a positive difference in the world, whether that is through the organisation you work or volunteer for, the organisations you donate to, sign petitions for, create stories for or donate to. Dependent on how the organisation has setup their Makerble account, that organisation will also act as your Data Controller as well as Makerble.

- **Introduction to the Privacy Policy (updated in line with The General Data Protection Regulations)**

Make Worldwide Limited (“**Makerble**”, “**we**” and “**us**”) is committed to protecting your privacy when you are using [www.makerble.com](http://www.makerble.com), the Makerble app or any other services provided to you by us (the “**Services**”). This Privacy Policy explains the following:

- what information we may collect about you;
- how we use the information we collect about you;
- whether we will share your details with anyone else;
- how you can instruct us if you prefer to limit the use of that information;
- the procedures that we have in place to safeguard your privacy; and
- the use of cookies on the Services and how you can reject those cookies.

By using the Services or by submitting information to us, you signify your consent to the collection, use and sharing of your personal information in accordance with this Privacy Policy.

If you have any requests concerning your personal information or any queries with regard to these practices please contact us using the contact details at the end of this Privacy Policy.

At Makerble we have adopted a Privacy by Design approach which means that we have built privacy controls into Makerble itself to give you as much control over your data as possible.

***If you do not agree with this Privacy Policy, you must not use the Services or submit any information to us.***

- **What information will we collect?**

When you download, access, visit or use the Services we may receive and collect personal information about you. This is information that relates to and identifies you and may include (but is not limited to): your name, postal address, e-mail address, telephone number, details of payment cards used, Facebook and/or Twitter profile picture, gender, and usernames that you provide as part of you linking any of your Facebook and Twitter accounts to your use of the Services.

By submitting these details you enable us to provide you with the services, activities or online content you select.

We also use cookies and collect IP addresses (this is a number that can uniquely identify a specific computer or other device on the internet) from all visitors to the Services.

The data is retained for as long as you have an account with us.

- **How do we use the information we collect?**

The primary legal basis for which we will use your personal information is that processing is necessary for the purposes of the legitimate interests pursued by Makerble as the controller or by a third party, except where such interests are overridden by the interests or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child.

Here are some of the specific ways in which we use your data:

- providing and personalising our services;
- dealing with your enquiries and requests;
- compiling your membership profile;
- to personalise the way the Services are presented to you;
- providing you with information about our services, activities and online content;
- to analyse and improve your use of the Services;
- for “service administration purposes” so we may contact you for reasons related to the Services you have signed up for; and

- for marketing purposes.

We may also gather information and statistics for the purpose of monitoring usage of the Services and may provide such aggregate information to third parties. These statistics will not include information that can be used to identify you.

If you choose to post messages in one of the forums or other message areas, we may collect the information you provide to us and retain this information to resolve disputes, for research purposes, to provide customer support and troubleshoot problems, as permitted by law.

If you stop using the Services or your permission to use the Services is terminated, we may continue to use and disclose your personal information in accordance with this Privacy Policy (as amended from time to time) and as permitted by law.

If you wish us to stop contacting you with information in connection with the Services, please send us an email using the contact details at the end of this Privacy Policy.

- **Will we share information with anyone else?**

We will keep your information confidential except where we are required or permitted to disclose it by law (for example to government bodies and law enforcement agencies or in response to other legal or regulatory requests).

We may also share your information with the following people for the purpose of processing your information:

- our employees;
- our affiliates and the charities we work with;
- our group companies and their employees;
- successors in title to our business;
- third party consultants, contractors or other service providers who may access your personal information when providing services to us (for example, advertisers); and
- auditors or contractors or other advisers auditing, assisting with or advising on any of our business purposes.

We will require these third parties to comply strictly with our instructions and request that they do not use your personal information for their own business purposes (unless you have specifically consented to this).

- **What rights do you have to see what information we collect about you?**

Under the Data Protection Act and the General Data Protection Regulation you have the right to request a copy of the personal information we hold about you and to have any inaccuracies corrected.

Before responding to any request, we will require proof of your identity.

Please send all requests for information to the contact details provided at the end of this Privacy Policy.

You have the right to withdraw your consent at any time.

You have the right to lodge a complaint with a supervisory authority, for example with the Information Commissioners Office in the United Kingdom.

If information which we have about you is incorrect, you have the right for it to be corrected. You also have the right for information about you to be deleted. In summary, you have all of these rights:

- **To be informed**
- **Of access** – you have the right to access any data we've processed of yours
- **Of rectification** – you can rectify incomplete or inaccurate data

- **To erasure** – you can request that we delete your data
- **To restrict processing** – you can block the processing of your data
- **To data portability** – you can reuse your data for other services
- **To object** – you can object to the processing of your data
- **In relation to automation** – you can object from automated decision-making being done based on your data
- **Will you be contacted for marketing purposes?**

We will only contact you for marketing purposes, or to promote new services, activities or online content if you have consented to this by “opting-in”.

You can opt-out of receiving any communications by contacting us using the contact details at the end of this Privacy Policy.

- **Cookie Policy**

- What is a cookie?

A cookie is a small piece of information sent by a web server to a web browser, which enables information about your browsing patterns to be collected. This then allows us to tailor the Services to your interests. Cookies are widely used in order to make websites work, as well as to provide business and marketing information to the owners of the site.

<http://www.allaboutcookies.org> is a good site to visit if you want to find out more about the use of cookies.

- How do we use cookies on the Services?

We use cookies on the Services for the following purposes:

- Technical reasons, for example to balance website traffic to ensure that you receive a consistent and reliable service.
- To enhance the ease of use of the Services users, for example remembering your preferences or login details.
- Gathering statistics on how users access and use the Services.
- Marketing, for example, to allow advertisers to display appropriate advertising and track its effectiveness. You can opt-out of receiving any marketing communications by contacting us using the contact details at the end of this Privacy Policy.
- Other cookies.

We may sometimes embed links to other websites or photos and video content from websites such as YouTube and Flickr. As a result, when you visit a page containing such content, you may be presented with cookies from these websites. We do not control the dissemination of these cookies and you should check the relevant third party's website for more information.

- Can you turn off these cookies?

You can change your browser settings to turn off cookies. However, if you do change your settings and block certain cookies, this means that certain personalised features cannot be provided to you and you may not be able to have the full advantages of the Services' features.

- **What if you are accessing other websites through the Services?**

The Services may contain hyperlinks to other websites owned and operated by third parties. These third party websites will have their own privacy policies, and are also likely to use cookies, so we recommend you look at these policies before using the third party website. As these websites are outside of our control we cannot accept any responsibility or liability for the privacy practices used by the third parties and the use of these websites is at your own risk.

- **How secure is your information?**

Please be aware that communications over a network are not secure unless they have been encrypted and your communications may route through a number of countries before being delivered. We cannot accept responsibility for any unauthorised access or loss or personal information that is beyond our control.

We believe that we have appropriate policies, rules and technical measures in place to protect your personal information that is under our control from unauthorised access, improper use or disclosure, unauthorised modification, unlawful destruction or accidental loss. All of our employees and data processors that have access to, or are associated with, the processing of your personal information are obliged to respect the confidentiality of the information.

Owing to the global nature of the Internet, the information you provide may be transferred in transit to countries outside of the European Economic Area. By using the Services you accept that your information may be transferred outside of the EEA and consent to this. Although some countries outside of the EEA may not have similar privacy protections in place, we will take adequate steps to ensure the security of your information should it be transferred outside of the EEA.

- **How do you give consent to the use of your information under this Privacy Policy?**

By submitting any personal information to us you consent to the use of the information as set out in this Privacy Policy.

We reserve the right to amend or modify this Privacy Policy and if we do so we will post the changes on this page. You will need to check this Privacy Policy every time you submit information to us to ensure you are aware of any changes made. Subsequent use of the Services will signify that you agree to the changes.

- **Can you give consent if you are a user who is aged 16 or under?**

If you are aged 16 or under you will need to get your parent/guardian's permission before you provide us with any personal information. If you do not have this permission, you are not allowed to provide us with any personal information.

- **How do you contact us?**

If you have any questions or queries about this Privacy Policy or would like to request a copy of your personal information please contact [hello@makeworldwide.com](mailto:hello@makeworldwide.com)

The data protection officer is Matt Kepple who can be contacted on [matt@makeworldwide.com](mailto:matt@makeworldwide.com) or by post at 83 Ducie Street, Manchester, M1 2LQ, England. The data controller when you create a personal account on Makerble is Makerble and you can contact Makerble at 83 Ducie Street, Manchester, M1 2LQ, England.

- **Third Parties**

Any Personal Data that we collect from you will be stored at a secure cloud data centre hosted by Amazon and located outside the European Economic Area. By submitting the Personal Data, you agree to this storing. We may share your Personal Data with other third party service providers whom we employ to perform tasks on our behalf, but these service providers do not have any right to use the Personal Data that we share with them in a manner other than that necessary to assist us. These service providers include CRM solution providers (such as HubSpot), payment processing providers (such as Stripe), email service providers (such as Mailchimp), website analytics providers (such as Google Analytics), and other service providers from time to time. Some of these service providers may process your Personal Data outside the European Economic Area. We will take all steps reasonably necessary to ensure that your Personal Data is treated securely and in accordance with these Terms

and with the requirements for international data transfers under EU law, and by submitting the Personal Data, you agree to such sharing.

- **If you use the Makerble Marketplace**

We created the Makerble Marketplace ([www.makerble.com/explore](http://www.makerble.com/explore)) to give you a way to make a difference in the world without having to be worried that your data would be used to send you marketing and fundraising materials without your consent. Organisations that are changing the world (charities, social enterprises, nonprofits, NGOs, etc) often rely on donations to stay afloat, but we recognise that you as an individual only want to be contacted by the organisations whom you have explicitly asked to be contacted by.

For this reason, if you use the Makerble Marketplace as a way to find **new** organisations to support, you can be confident that those organisations will not contact you without your permission. That is the freedom that the Makerble Marketplace gives you. You can follow, fund, comment on stories and sign the petitions of projects and you will not be contacted independently by the organisations running those projects.

On Makerble you control the notifications you receive. You can control them from your Notification Settings page once you are signed in.

<b>Communications you can receive within Makerble.</b> You can also control whether you receive some of these notifications.	<b>Communications independent of Makerble</b>
<p>When we say notifications we are referring to Emails, Web Notifications, Chrome Notifications and/or Push Notifications</p> <ul style="list-style-type: none"> <li>• Notification when a new story has been written by a project you follow or donate to</li> <li>• Notification when an impact milestone has been reached</li> <li>• Notification when you receive a private message from another user on Makerble. (Technically it is possible for employees of Organisations on Makerble could use this system to proactively message you. If you find that this is happening too much, please report it to us as we do not want to restrict communications but we also do not want people to be contacted by lots of people they do not know.</li> <li>• Notification when someone comments on a story you wrote or a story you previously commented on</li> </ul>	<p>For example a newsletter from a charity's email address.</p> <p>This will <b>not</b> happen when you are using Makerble Marketplace unless you specifically opt-in to receive additional communications from that charity</p>

When you use Makerble Marketplace, Makerble is the Data Controller

<b>Information collected and how as well as why it is used</b>	<b>The organisation whose projects you support by</b>	<b>Makerble is the Data Controller</b>
	<ul style="list-style-type: none"> <li>• <b>donating,</b></li> <li>• <b>following,</b></li> <li>• <b>signing petitions</b></li> <li>• <b>commenting on</b></li> </ul> <p><b>is the Data Controller</b></p>	

<p>When you use the Makerble and create your own profile you are asked to enter the following information:</p> <ul style="list-style-type: none"> <li>• Your Name</li> <li>• Email Address</li> </ul> <p>And you can optionally add in</p> <ul style="list-style-type: none"> <li>• Date of Birth</li> <li>• Profile Picture</li> <li>• Gender</li> <li>• Occupation</li> </ul> <p>This information is used to give you a personalised experience of the platform, for example, displaying your name and profile picture to you when you login.</p>	No	Yes
<p>When you donate, the amount of money that you donate is stored. Makerble also records the causes that you are interested in. This is so that the Makerble algorithm can optimise your experience of the platform to show you projects, people, stories and opportunities from causes and interests that we think you will enjoy</p>	No	Yes

## MAKERBLE AS A DATA PROCESSOR

### Makerble’s Agreement with Data Controllers

This Makerble Agreement with Data Controllers (“ADC”), that includes the Standard Contractual Clauses adopted by the European Commission, as applicable, reflects the parties’ agreement with respect to the terms governing the Processing of Personal Data under the Makerble Terms of Service for [Organisations](#) and for [Users](#).

The term of this ADC shall follow the term of the Terms and Conditions. Terms not otherwise defined herein shall have the meaning as set forth in the Terms and Conditions.

THIS ADC INCLUDES:

- (i) Standard Contractual Clauses, attached hereto as EXHIBIT 1.
  - (a) Appendix 1 to the Standard Contractual Clauses, which includes specifics on the Personal Data transferred by the data exporter to the data importer.
  - (b) Appendix 2 to the Standard Contractual Clauses, which includes a description of the technical and organizational security measures implemented by the data importer as referenced.
- (ii) List of Sub-Processors, attached hereto as EXHIBIT 2.

### 1. Definitions

“Controller” means the natural or legal person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the Processing of Personal Data.

“Data Protection Law” means all applicable legislation relating to data protection and privacy including without limitation the EU Data Protection Directive 95/46/EC and all local laws and regulations which amend or replace any of them, including the GDPR, together with any national implementing laws in any Member State of the European Union or, to the extent applicable, in any other country, as amended, repealed, consolidated or replaced from time to time. The terms “process”, “processes” and “processed” will be construed accordingly.

“Data Subject” means the individual to whom Personal Data relates.

“GDPR” means the General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.

“Instruction” means the written, documented instruction, issued by Controller to Processor, and directing the same to perform a specific action with regard to Personal Data (including, but not limited to, depersonalizing, blocking, deletion, making available).

“Personal Data” means any information relating to an identified or identifiable individual where such information is contained within Customer Data and is protected similarly as personal data or personally identifiable information under applicable Data Protection Law

“Personal Data Breach” means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Data transmitted, stored or otherwise processed.

“Processing” means any operation or set of operations which is performed on Personal Data, encompassing the collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction or erasure of Personal Data.

“Processor” means a natural or legal person, public authority, agency or other body which processes Personal Data on behalf of the Controller.

“Standard Contractual Clauses” means the clauses attached hereto as Exhibit 1 pursuant to the European Commission’s decision (C(2010)593) of 5 February 2010 on Standard Contractual Clauses for the transfer of personal data to processors established in third countries which do not ensure an adequate level of data protection.

## **2. Details of the Processing**

a. Categories of Data Subjects. Controller’s Contacts and other end users including Controller’s employees, contractors, collaborators, customers, prospects, suppliers and subcontractors. Data Subjects also include individuals attempting to communicate with or transfer Personal Data to the Controller’s end users.

b. Types of Personal Data. Contact Information, the extent of which is determined and controlled by the Customer in its sole discretion, and other Personal Data such as navigational data (including website usage information), email data, system usage data, application integration data, and other electronic data submitted, stored, sent, or received by end users via the Subscription Service.

c. Subject-Matter and Nature of the Processing. The subject-matter of Processing of Personal Data by Processor is the provision of the services to the Controller that involves the Processing of Personal Data. Personal Data will be subject to those Processing activities as may be specified in the Terms and Conditions and an Order.

d. Purpose of the Processing. Personal Data will be Processed for purposes of providing the services set out and otherwise agreed to in the Terms and Conditions and any applicable Order.

e. Duration of the Processing. Personal Data will be Processed for the duration of the Terms and Conditions, subject to Section 4 of this ADC.

## **3. Customer Responsibility**

Within the scope of the Terms and Conditions and in its use of the services, Controller shall be solely responsible for complying with the statutory requirements relating to data protection and privacy, in particular regarding the disclosure and transfer of Personal Data to the Processor and the Processing of Personal Data. For the avoidance of doubt, Controller’s instructions for the Processing of Personal Data shall comply with the Data Protection Law. This ADC is Customer’s complete and final instruction to Makerble in relation to Personal Data and that additional instructions outside the scope of ADC would require prior written agreement between the parties. Instructions shall initially be

specified in the Terms and Conditions and may, from time to time thereafter, be amended, amplified or replaced by Controller in separate written instructions (as individual instructions).

Controller shall inform Processor without undue delay and comprehensively about any errors or irregularities related to statutory provisions on the Processing of Personal Data.

#### **4. Obligations of Processor**

**a. Compliance with Instructions.** The parties acknowledge and agree that Customer is the Controller of Personal Data and Makerble is the Processor of that data. Processor shall collect, process and use Personal Data only within the scope of Controller's Instructions. If the Processor believes that an Instruction of the Controller infringes the Data Protection Law, it shall immediately inform the Controller without delay. If Processor cannot process Personal Data in accordance with the Instructions due to a legal requirement under any applicable European Union or Member State law, Processor will (i) promptly notify the Controller of that legal requirement before the relevant Processing to the extent permitted by the Data Protection Law; and (ii) cease all Processing (other than merely storing and maintaining the security of the affected Personal Data) until such time as the Controller issues new instructions with which Processor is able to comply. If this provision is invoked, Processor will not be liable to the Controller under the Terms and Conditions for any failure to perform the applicable services until such time as the Controller issues new instructions in regard to the Processing.

**b. Security.** Processor shall take the appropriate technical and organizational measures to adequately protect Personal Data against accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to Personal Data, described under Appendix 2 to the Standard Contractual Clauses. Such measures include, but are not be limited to:

- i. the prevention of unauthorized persons from gaining access to Personal Data Processing systems (physical access control),
- ii. the prevention of Personal Data Processing systems from being used without authorization (logical access control),
- iii. ensuring that persons entitled to use a Personal Data Processing system gain access only to such Personal Data as they are entitled to accessing in accordance with their access rights, and that, in the course of Processing or use and after storage, Personal Data cannot be read, copied, modified or deleted without authorization (data access control),
- iv. ensuring that Personal Data cannot be read, copied, modified or deleted without authorization during electronic transmission, transport or storage on storage media, and that the target entities for any transfer of Personal Data by means of data transmission facilities can be established and verified (data transfer control),
- v. ensuring the establishment of an audit trail to document whether and by whom Personal Data have been entered into, modified in, or removed from Personal Data Processing systems (entry control),
- vi. ensuring that Personal Data is Processed solely in accordance with the Instructions (control of instructions),
- vii. ensuring that Personal Data is protected against accidental destruction or loss (availability control).

Processor will facilitate Controller's compliance with the Controller's obligation to implement security measures with respect to Personal Data (including if applicable Controller's obligations pursuant to Articles 32 to 34 (inclusive) of the GDPR), by (i) implementing and maintaining the security measures described under Appendix 2, (ii) complying with the terms of Section 4.4 (Personal Data Breaches); and (iii) providing the Controller with information in relation to the Processing in accordance with Section 5 (Audits).

**c. Confidentiality.** Processor shall ensure that any personnel whom Processor authorizes to process Personal Data on its behalf is subject to confidentiality obligations with respect to that Personal Data. The undertaking to confidentiality shall continue after the termination of the above-entitled activities.

**d. Personal Data Breaches.** Processor will notify the Controller as soon as practicable after it becomes aware of any of any Personal Data Breach affecting any Personal Data. At the Controller's request, Processor will promptly provide the Controller with all reasonable assistance necessary to enable the Controller to notify relevant Personal Data Breaches to competent authorities and/or affected Data Subjects, if Controller is required to do so under the Data Protection Law.

**e. Data Subject Requests.** Processor will provide reasonable assistance, including by appropriate technical and organizational measures and taking into account the nature of the Processing, to enable Controller to respond to any request from Data Subjects seeking to exercise their rights under the Data Protection Law with respect to Personal Data (including access, rectification, restriction, deletion or portability of Personal Data, as applicable), to the extent permitted by the law. If such request is made directly to Processor, Processor will promptly inform Controller and will advise Data Subjects to submit their request to the Controller. Controller shall be solely responsible for responding to any Data Subjects' requests. Controller shall reimburse Processor for the costs arising from this assistance.

**f. Sub-Processors.** Processor shall be entitled to engage sub-Processors to fulfil Processor's obligations defined in the Terms and Conditions only with Controller's written consent. For these purposes, Controller consents to the engagement as sub-Processors of Processor's affiliated companies and the third parties listed in Exhibit 2. For the avoidance of doubt, the above authorization constitutes Controller's prior written consent to the sub-Processing by Processor for purposes of Clause 11 of the Standard Contractual Clauses.

If the Processor intends to instruct sub-Processors other than the companies listed in Exhibit 2, the Processor will notify the Controller thereof in writing (email to the email address(es) on record in Processor's account information for Controller is sufficient) and will give the Controller the opportunity to object to the engagement of the new sub-Processors within 30 days after being notified. The objection must be based on reasonable grounds (e.g. if the Controller proves that significant risks for the protection of its Personal Data exist at the sub-Processor). If the Processor and Controller are unable to resolve such objection, either party may terminate the Terms and Conditions by providing written notice to the other party. Controller shall receive a refund of any prepaid but unused fees for the period following the effective date of termination.

Where Processor engages sub-Processors, Processor will enter into a contract with the sub-Processor that imposes on the sub-Processor the same obligations that apply to Processor under this ADC. Where the sub-Processor fails to fulfil its data protection obligations, Processor will remain liable to the Controller for the performance of such sub-Processors obligations.

Where a sub-Processor is engaged, the Controller must be granted the right to monitor and inspect the sub-Processor's activities in accordance with this ADC and the Data Protection Law, including to obtain information from the Processor, upon written request, on the substance of the contract and the implementation of the data protection obligations under the sub-Processing contract, where necessary by inspecting the relevant contract documents.

The provisions of this Section 4.6 shall mutually apply if the Processor engages a sub-Processor in a country outside the European Economic Area ("EEA") not recognized by the European Commission as providing an adequate level of protection for personal data. If, in the performance of this ADC, Makerble transfers any Personal Data to a sub-processor located outside of the EEA, Makerble shall, in advance of any such transfer, ensure that a legal mechanism to achieve adequacy in respect of that processing is in place.

**g. Data Transfers.** Controller acknowledges and agrees that, in connection with the performance of the services under the Terms and Conditions, Personal Data will be transferred to Makerble. The Standard Contractual Clauses at Exhibit 1 will apply with respect to Personal Data that is transferred outside the EEA, either directly or via onward transfer, to any country not recognized by the European

Commission as providing an adequate level of protection for personal data (as described in the Data Protection Law).

**h. Deletion or Retrieval of Personal Data.** Other than to the extent required to comply with Data Protection Law, following termination or expiry of the Terms and Conditions, Processor will delete all Personal Data (including copies thereof) processed pursuant to this ADC. If Processor is unable to delete Personal Data for technical or other reasons, Processor will apply measures to ensure that Personal Data is blocked from any further Processing.

Controller shall, upon termination or expiration of the Terms and Conditions and by way of issuing an Instruction, stipulate, within a period of time set by Processor, the reasonable measures to return data or to delete stored data. Any additional cost arising in connection with the return or deletion of Personal Data after the termination or expiration of the Terms and Conditions shall be borne by Controller.

## **5. Audits**

Controller may, prior to the commencement of Processing, and at regular intervals thereafter, audit the technical and organizational measures taken by Processor.

Processor shall, upon Controller's written request and within a reasonable period of time, provide Controller with all information necessary for such audit, to the extent that such information is within Processor's control and Processor is not precluded from disclosing it by applicable law, a duty of confidentiality, or any other obligation owed to a third party.

## **6. General Provisions**

In case of any conflict, this ADC shall take precedence over the regulations of the Terms and Conditions. Where individual provisions of this ADC are invalid or unenforceable, the validity and enforceability of the other provisions of this ADC shall not be affected.

Upon the incorporation of this ADC into the Terms and Conditions, the parties indicated in Section 7 below (Parties to this ADC) are agreeing to the Standard Contractual Clauses (where and as applicable) and all appendixes attached thereto. In the event of any conflict or inconsistency between this ADC and the Standard Contractual Clauses in Exhibit 1, the Standard Contractual Clauses shall prevail.

Effective 25 May 2018 Makerble will process Personal Data in accordance with the GDPR requirements contained herein which are directly applicable to Makerble's provision of its service to organisations.

## **7. Parties to this ADC**

This ADC is an amendment to and forms part of the Terms and Conditions. Upon the incorporation of this ADC into the Terms and Conditions, the Controller and Makerble are each a party to the Terms and Conditions and are also each a party to this ADC.

The legal entity agreeing to this ADC as Controller represents that it is authorized to agree to and enter into this ADC for, and is agreeing to this ADC solely on behalf of, the Controller.

### **EXHIBIT 1**

Standard Contractual Clauses (Processors)

For the purposes of Article 26(2) of Directive 95/46/EC for the transfer of personal data to processors established in third countries which do not ensure an adequate level of data protection,

The Organisation using Makerble (the "data exporter")

And

Makerble, Make Worldwide Limited, 83 Ducie Street, Manchester, M1 2LQ, England, United Kingdom (the “data importer”),

each a ‘party’; together ‘the parties’,

HAVE AGREED on the following Contractual Clauses (the Clauses) in order to adduce adequate safeguards with respect to the protection of privacy and fundamental rights and freedoms of individuals for the transfer by the data exporter to the data importer of the personal data specified in Appendix 1.

### **Clause 1**

#### Definitions

For the purposes of the Clauses:

(a) ‘personal data’, ‘special categories of data’, ‘process/processing’, ‘controller’, ‘processor’, ‘data subject’ and ‘supervisory authority’ shall have the same meaning as in Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data;

(b) ‘the data exporter’ means the controller who transfers the personal data;

(c) ‘the data importer’ means the processor who agrees to receive from the data exporter personal data intended for processing on their behalf after the transfer in accordance with their instructions and the terms of the Clauses and who is not subject to a third country’s system ensuring adequate protection within the meaning of Article 25(1) of Directive 95/46/EC;

(d) ‘the subprocessor’ means any processor engaged by the data importer or by any other subprocessor of the data importer who agrees to receive from the data importer or from any other subprocessor of the data importer personal data exclusively intended for processing activities to be carried out on behalf of the data exporter after the transfer in accordance with their instructions, the terms of the Clauses and the terms of the written subcontract;

(e) ‘the applicable data protection law’ means the legislation protecting the fundamental rights and freedoms of individuals and, in particular, their right to privacy with respect to the processing of personal data applicable to a data controller in the Member State in which the data exporter is established;

(f) ‘technical and organisational security measures’ means those measures aimed at protecting personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing.

### **Clause 2**

#### Details of the transfer

The details of the transfer and in particular the special categories of personal data where applicable are specified in Appendix 1 which forms an integral part of the Clauses.

### **Clause 3**

#### Third-party beneficiary clause

- The data subject can enforce against the data exporter this Clause, Clause 4(b) to (i), Clause 5(a) to (e), and (g) to (j), Clause 6(1) and (2), Clause 7, Clause 8(2), and Clauses 9 to 12 as third-party beneficiary.
- The data subject can enforce against the data importer this Clause, Clause 5(a) to (e) and (g), Clause 6, Clause 7, Clause 8(2), and Clauses 9 to 12, in cases where the data exporter has factually disappeared or has ceased to exist in law unless any successor entity has assumed the entire legal obligations of the data exporter by contract or by operation of law, as a result

of which it takes on the rights and obligations of the data exporter, in which case the data subject can enforce them against such entity.

- The data subject can enforce against the subprocessor this Clause, Clause 5(a) to (e) and (g), Clause 6, Clause 7, Clause 8(2), and Clauses 9 to 12, in cases where both the data exporter and the data importer have factually disappeared or ceased to exist in law or have become insolvent, unless any successor entity has assumed the entire legal obligations of the data exporter by contract or by operation of law as a result of which it takes on the rights and obligations of the data exporter, in which case the data subject can enforce them against such entity. Such third-party liability of the subprocessor shall be limited to its own processing operations under the Clauses.
- The parties do not object to a data subject being represented by an association or other body if the data subject so expressly wishes and if permitted by national law.

#### **Clause 4**

##### Obligations of the data exporter

The data exporter agrees and warrants:

(a) that the processing, including the transfer itself, of the personal data has been and will continue to be carried out in accordance with the relevant provisions of the applicable data protection law (and, where applicable, has been notified to the relevant authorities of the Member State where the data exporter is established) and does not violate the relevant provisions of that State;

(b) that it has instructed and throughout the duration of the personal data-processing services will instruct the data importer to process the personal data transferred only on the data exporter's behalf and in accordance with the applicable data protection law and the Clauses;

(c) that the data importer will provide sufficient guarantees in respect of the technical and organisational security measures specified in Appendix 2 to this contract;

(d) that after assessment of the requirements of the applicable data protection law, the security measures are appropriate to protect personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing, and that these measures ensure a level of security appropriate to the risks presented by the processing and the nature of the data to be protected having regard to the state of the art and the cost of their implementation;

(e) that it will ensure compliance with the security measures;

(f) that, if the transfer involves special categories of data, the data subject has been informed or will be informed before, or as soon as possible after, the transfer that its data could be transmitted to a third country not providing adequate protection within the meaning of Directive 95/46/EC;

(g) to forward any notification received from the data importer or any subprocessor pursuant to Clause 5(b) and Clause 8(3) to the data protection supervisory authority if the data exporter decides to continue the transfer or to lift the suspension;

(h) to make available to the data subjects upon request a copy of the Clauses, with the exception of Appendix 2, and a summary description of the security measures, as well as a copy of any contract for subprocessing services which has to be made in accordance with the Clauses, unless the Clauses or the contract contain commercial information, in which case it may remove such commercial information;

(i) that, in the event of subprocessing, the processing activity is carried out in accordance with Clause 11 by a subprocessor providing at least the same level of protection for the personal data and the rights of data subject as the data importer under the Clauses; and

(j) that it will ensure compliance with Clause 4(a) to (i).

## **Clause 5**

### Obligations of the data importer

The data importer agrees and warrants:

- (a) to process the personal data only on behalf of the data exporter and in compliance with its instructions and the Clauses; if it cannot provide such compliance for whatever reasons, it agrees to inform promptly the data exporter of its inability to comply, in which case the data exporter is entitled to suspend the transfer of data and/or terminate the contract;
- (b) that it has no reason to believe that the legislation applicable to it prevents it from fulfilling the instructions received from the data exporter and its obligations under the contract and that in the event of a change in this legislation which is likely to have a substantial adverse effect on the warranties and obligations provided by the Clauses, it will promptly notify the change to the data exporter as soon as it is aware, in which case the data exporter is entitled to suspend the transfer of data and/or terminate the contract;
- (c) that it has implemented the technical and organisational security measures specified in Appendix 2 before processing the personal data transferred;
- (d) that it will promptly notify the data exporter about:
  - (i) any legally binding request for disclosure of the personal data by a law enforcement authority unless otherwise prohibited, such as a prohibition under criminal law to preserve the confidentiality of a law enforcement investigation;
  - (ii) any accidental or unauthorised access; and
  - (iii) any request received directly from the data subjects without responding to that request, unless it has been otherwise authorised to do so;
- (e) to deal promptly and properly with all inquiries from the data exporter relating to its processing of the personal data subject to the transfer and to abide by the advice of the supervisory authority with regard to the processing of the data transferred;
- (f) at the request of the data exporter to submit its data-processing facilities for audit of the processing activities covered by the Clauses which shall be carried out by the data exporter or an inspection body composed of independent members and in possession of the required professional qualifications bound by a duty of confidentiality, selected by the data exporter, where applicable, in agreement with the supervisory authority;
- (g) to make available to the data subject upon request a copy of the Clauses, or any existing contract for subprocessing, unless the Clauses or contract contain commercial information, in which case it may remove such commercial information, with the exception of Appendix 2 which shall be replaced by a summary description of the security measures in those cases where the data subject is unable to obtain a copy from the data exporter;
- (h) that, in the event of subprocessing, it has previously informed the data exporter and obtained its prior written consent;
- (i) that the processing services by the subprocessor will be carried out in accordance with Clause 11;
- (j) to send promptly a copy of any subprocessor agreement it concludes under the Clauses to the data exporter.

## **Clause 6**

### Liability

- The parties agree that any data subject, who has suffered damage as a result of any breach of the obligations referred to in Clause 3 or in Clause 11 by any party or subprocessor is entitled to receive compensation from the data exporter for the damage suffered.
- If a data subject is not able to bring a claim for compensation in accordance with paragraph 1 against the data exporter, arising out of a breach by the data importer or their subprocessor of any of their obligations referred to in Clause 3 or in Clause 11, because the data exporter has factually disappeared or ceased to exist in law or has become insolvent, the data importer agrees that the data subject may issue a claim against the data importer as if it were the data exporter, unless any successor entity has assumed the entire legal obligations of the data exporter by contract or by operation of law, in which case the data subject can enforce its rights against such entity.
- The data importer may not rely on a breach by a subprocessor of its obligations in order to avoid its own liabilities.
- If a data subject is not able to bring a claim against the data exporter or the data importer referred to in paragraphs 1 and 2, arising out of a breach by the subprocessor of any of their obligations referred to in Clause 3 or in Clause 11 because both the data exporter and the data importer have factually disappeared or ceased to exist in law or have become insolvent, the subprocessor agrees that the data subject may issue a claim against the data subprocessor with regard to its own processing operations under the Clauses as if it were the data exporter or the data importer, unless any successor entity has assumed the entire legal obligations of the data exporter or data importer by contract or by operation of law, in which case the data subject can enforce its rights against such entity. The liability of the subprocessor shall be limited to its own processing operations under the Clauses.

### **Clause 7**

#### Mediation and jurisdiction

1. The data importer agrees that if the data subject invokes against it third-party beneficiary rights and/or claims compensation for damages under the Clauses, the data importer will accept the decision of the data subject:

- (a) to refer the dispute to mediation, by an independent person or, where applicable, by the supervisory authority;
- (b) to refer the dispute to the courts in the Member State in which the data exporter is established.

2. The parties agree that the choice made by the data subject will not prejudice its substantive or procedural rights to seek remedies in accordance with other provisions of national or international law.

### **Clause 8**

#### Cooperation with supervisory authorities

- The data exporter agrees to deposit a copy of this contract with the supervisory authority if it so requests or if such deposit is required under the applicable data protection law.
- The parties agree that the supervisory authority has the right to conduct an audit of the data importer, and of any subprocessor, which has the same scope and is subject to the same conditions as would apply to an audit of the data exporter under the applicable data protection law.
- The data importer shall promptly inform the data exporter about the existence of legislation applicable to it or any subprocessor preventing the conduct of an audit of the data importer, or any subprocessor, pursuant to paragraph 2. In such a case the data exporter shall be entitled to take the measures foreseen in Clause 5(b).

### **Clause 9**

#### Governing law

The Clauses shall be governed by English law.

### **Clause 10**

#### Variation of the contract

The parties undertake not to vary or modify the Clauses. This does not preclude the parties from adding clauses on business related issues where required as long as they do not contradict the Clause.

### **Clause 11**

#### Subprocessing

- The data importer shall not subcontract any of its processing operations performed on behalf of the data exporter under the Clauses without the prior written consent of the data exporter. Where the data importer subcontracts its obligations under the Clauses, with the consent of the data exporter, it shall do so only by way of a written agreement with the subprocessor which imposes the same obligations on the subprocessor as are imposed on the data importer under the Clauses. Where the subprocessor fails to fulfil its data protection obligations under such written agreement the data importer shall remain fully liable to the data exporter for the performance of the subprocessor's obligations under such agreement.
- The prior written contract between the data importer and the subprocessor shall also provide for a third-party beneficiary clause as laid down in Clause 3 for cases where the data subject is not able to bring the claim for compensation referred to in paragraph 1 of Clause 6 against the data exporter or the data importer because they have factually disappeared or have ceased to exist in law or have become insolvent and no successor entity has assumed the entire legal obligations of the data exporter or data importer by contract or by operation of law. Such third-party liability of the subprocessor shall be limited to its own processing operations under the Clauses.
- The provisions relating to data protection aspects for subprocessing of the contract referred to in paragraph 1 shall be governed by English law.
- The data exporter shall keep a list of subprocessing agreements concluded under the Clauses and notified by the data importer pursuant to Clause 5(j), which shall be updated at least once a year. The list shall be available to the data exporter's data protection supervisory authority.

### **Clause 12**

#### Obligation after the termination of personal data-processing services

- The parties agree that on the termination of the provision of data-processing services, the data importer and the subprocessor shall, at the choice of the data exporter, return all the personal data transferred and the copies thereof to the data exporter or shall destroy all the personal data and certify to the data exporter that it has done so, unless legislation imposed upon the data importer prevents it from returning or destroying all or part of the personal data transferred. In that case, the data importer warrants that it will guarantee the confidentiality of the personal data transferred and will not actively process the personal data transferred anymore.
- The data importer and the subprocessor warrant that upon request of the data exporter and/or of the supervisory authority, it will submit its data-processing facilities for an audit of the measures referred to in paragraph 1.

### **APPENDIX 1 to the Standard Contractual Clauses**

This Appendix forms part of the Clauses. The Member States may complete or specify, according to their national procedures, any additional necessary information to be contained in this Appendix.

#### **A. Data exporter**

The data exporter is the Organisation using Makerble, as defined in the Makerble Terms and Conditions.

#### **B. Data importer**

The data importer is Makerble, a provider of impact tracking software.

#### **C. Data subjects**

Categories of data subjects set out under Section 2 of the Terms and Conditions with Data Processors to which the Clauses are attached.

#### **D. Categories of data**

Categories of personal data set out under Section 2 of the Terms and Conditions with Data Processors to which the Clauses are attached.

#### **E. Special categories of data (if appropriate)**

The parties do not anticipate the transfer of special categories of data.

#### **F. Processing operations**

The processing activities set out under Section 2 of the Terms and Conditions with Data Processors to which the Clauses are attached:

### **Appendix 2 to the Standard Contractual Clauses**

This Appendix forms part of the Clauses.

Description of the technical and organizational security measures implemented by the data importer in accordance with Clauses 4(d) and 5(c) (or document/legislation attached):

Makerble currently observes the security practices described in this Appendix 2. Notwithstanding any provision to the contrary otherwise agreed to by data exporter, Makerble may modify or update these practices at its discretion provided that such modification and update does not result in a material degradation in the protection offered by these practices.

#### **a) Access Control**

##### **i) Preventing Unauthorized Product Access**

**Outsourced processing:** Makerble hosts its Service with outsourced cloud infrastructure providers. Additionally, Makerble maintains contractual relationships with vendors in order to provide the Service in accordance with our Agreement with Data Processors. Makerble relies on contractual agreements, privacy policies, and vendor compliance programs in order to protect data processed or stored by these vendors.

**Physical and environmental security:** Makerble hosts its product infrastructure with outsourced infrastructure providers (Amazon Web Services and Heroku) which use industry standard security.

**Authentication:** Makerble has a password policy for its service. Organisations who use Makerble via the user interface must authenticate before accessing non-public customer data.

**Authorization:** Customer data is stored in cloud-based storage systems accessible to Organisations via the Makerble user interface and the application programming interfaces. Organisations are not allowed direct access to the underlying application infrastructure. The authorization model in Makerble's platform is designed to ensure that only the appropriately assigned individuals can access

relevant features, views, and customization options. Authorization to data sets is performed through validating the user's permissions against the attributes associated with each data set.

**Application Programming Interface (API) access:** Public product APIs may be accessed using an API key or through Oauth authorization.

## ii) Limitations of Privilege & Authorization Requirements

**Product access:** A subset of the Makerble team have access to the platform and to customer data via a secure interface. The intent of providing access to a subset of the team is to provide effective customer support when you ask us to help you with a customer service problem, to troubleshoot potential problems, to detect and respond to security incidents and implement data security. Their access is purely for technical reasons and is not for the purpose of using or acting upon any of the customer data. Each member of the team with this level of clearance has signed confidentiality agreements which prevent inappropriate use of any data they access. The permission to access data can be revoked from any member of this subset of the team at any time. In the event that an organisation requires members of Makerble's data protection team to sign an additional confidentiality agreement, this can be arranged. We take confidentiality seriously and are happy to discuss this further.

### b) Transmission Control

In-transit: Makerble makes HTTPS encryption (also referred to as SSL or TLS) available on every one of its login interfaces. Makerble's HTTPS implementation uses industry standard algorithms and certificates.

### c) Input Control

Response and tracking: Makerble maintains a record of known security incidents that includes description, dates and times of relevant activities, and incident disposition. Suspected and confirmed security incidents are investigated by security, operations, or support personnel; and appropriate resolution steps are identified and documented. For any confirmed incidents, Makerble will take appropriate steps to minimize product and Customer damage or unauthorized disclosure.

Communication: If Makerble becomes aware of unlawful access to Customer data stored within its products, Makerble will: 1) notify the affected Customers of the incident; 2) provide a description of the steps Makerble is taking to resolve the incident; and 3) provide status updates to the Customer contact, as Makerble deems necessary. Notification(s) of incidents, if any, will be delivered to one or more of the Customer's contacts in a form Makerble selects, which may include via email or telephone.

### d) Availability Control

Infrastructure availability: The infrastructure providers use commercially reasonable efforts to ensure a minimum of 99% uptime. The providers maintain a minimum of N+1 redundancy to power and network services.

Fault tolerance: Backup and replication strategies are designed to ensure redundancy and fail-over protections during a significant processing failure. Customer data is backed up.

## EXHIBIT 2

List of Sub-Processors

Amazon Web Services.

Google.

Heroku

Mailgun

Mailchimp

Tawk.to

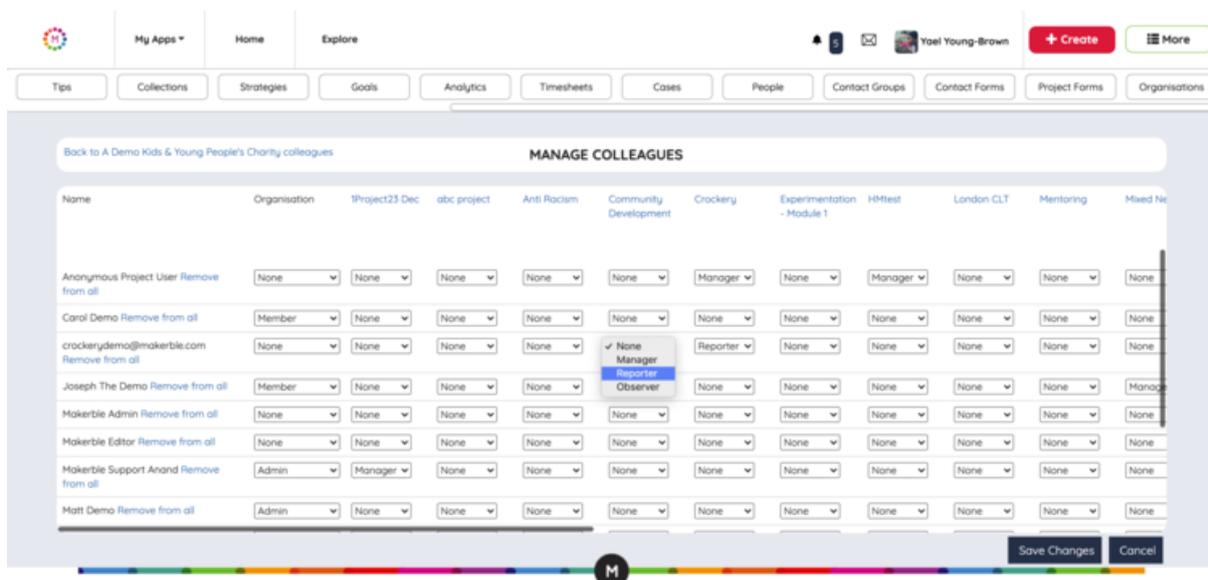
UserVoice

## Privacy by Design

We designed Makerble with privacy in mind from the outset. Every Makerble App has privacy controls woven into the user experience to give complete control over the level of access that each user has to every piece of data.

## Role-based User Access

Every organisation can manage its users from the Manage Colleagues page. Every user has an Organisation role and/or a Project role on every project they are part of.



## Roles:

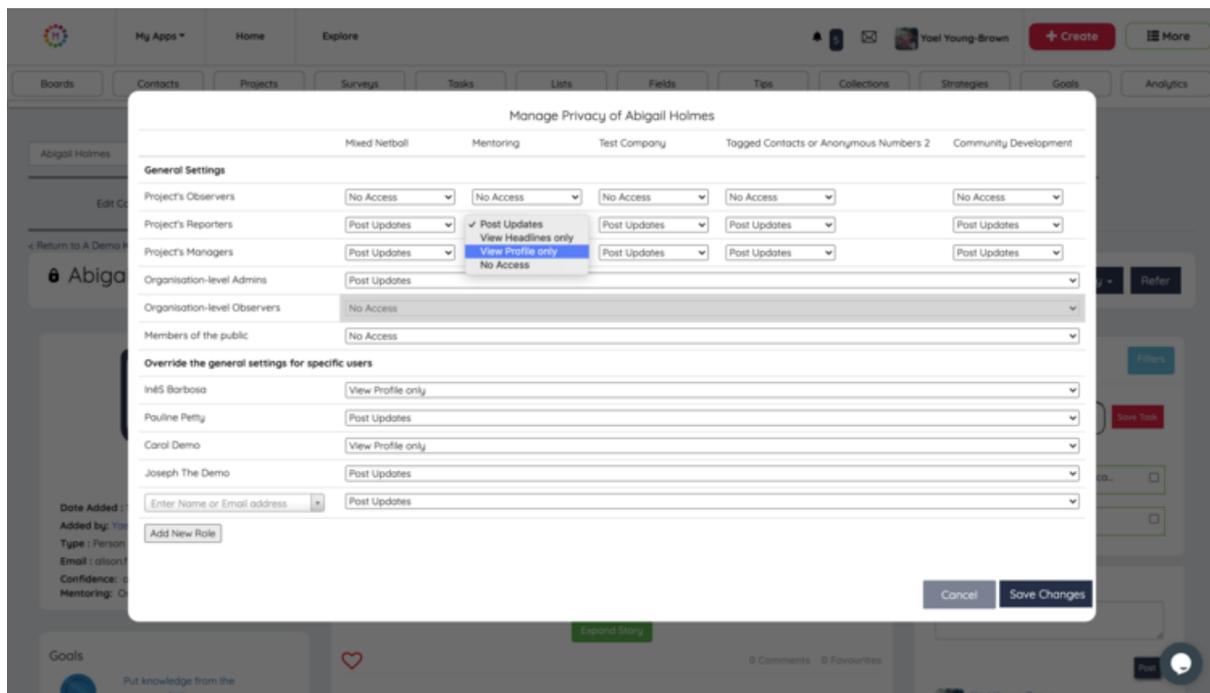
- **Organisation Roles:** Organisation Admin, Project Creator and Organisation Observer.
- **Project Roles:** Project Manager, Project Reporter and Project Observer.

## Examples:

- Frontline staff tend to be given the Project Reporter role on the specific projects that they are part of.
- Fundraising, Strategy, Operations and Reporting colleagues tend to be Project Observers so that they have Read Only access.

## Contact Privacy

Decide the level of access that each user has access to every contact in your database



### Access Levels to each individual Contact:

- **Post Update Access:** user is allowed to post updates, e.g. notes from a 1-2-1 meeting
- **Profile Access:** user is allowed to read-only access to the Contact record
- **Headline Access:** user is allowed to see the name of the Contact and other metadata such as the projects they are part of, but not the full Contact record
- **No Access:** user does not have any access to the Contact

Access Levels to each individual Contact are Role-based although you can make exceptions for specific users as required.

### Example:

- Mentors, Counsellors and Advisors typically have the Project Reporter role however because they are only meant to have access to the handful of people whom they support, the General Setting for Project Reporters in the Mentoring project would be No Access to this specific Contact but the Override Setting would be used to give the Mentor **Post Update Access** so that they can write up their session notes.

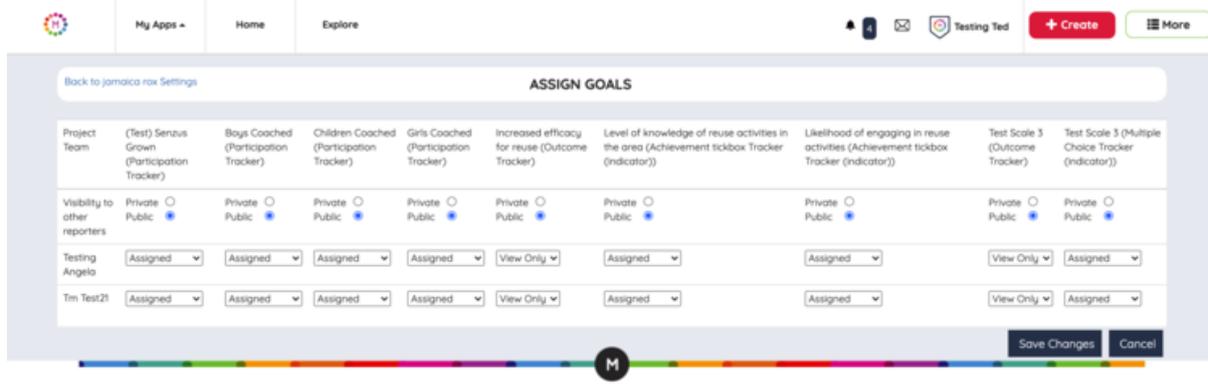
## Story Privacy

Every time you post an update about a project or contact, it is saved in your database as a story. Survey responses are saved as stories.

An Organisation Admin sets the default privacy level for all stories and decides whether the authors of each story are allowed to change the privacy settings of the stories they post.

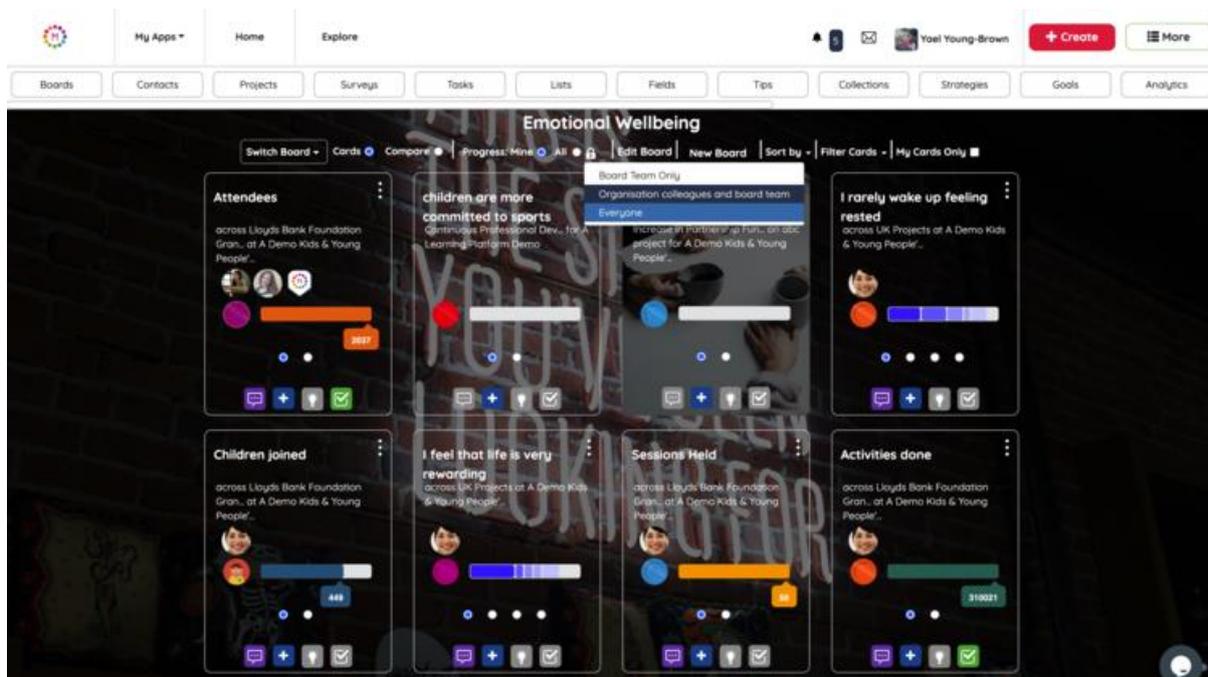
## Progress Tracker Privacy

Assign particular outcomes, indicators, outputs and KPIs (Progress Trackers) to specific people. Determine whether other project colleagues have permission to see those Progress Trackers or not.



## Progress Board Privacy

Progress Boards allow you to report your progress towards every outcome, indicator and metric you are tracking in your database. Choose whether you want funders, trustees or partners to have Read-only access to a particular Progress Board.



### Project Privacy

Every area of work exists as its own project on Makerble. In addition to giving users Role-based Access to each project, Organisation Admins have the ability to set the privacy level of the project. This determines whether the project page is only visible to project colleagues (users who have been given Role-based Access to that project) or whether it is also visible on a Read-only basis to the wider set of Organisation Colleagues.

### Album Privacy

Albums pull together progress from multiple projects. A project can be part of many albums.

Album Privacy allows you to decide which users have access to that particular aggregated view of progress from multiple projects.



# Somerset West and Taunton Council

## Executive – 21 July 2021

### Corporate Performance Report, Quarter 4 and Out-turn, 2020/21

This matter is the responsibility of Executive Councillor Member Ross Henley.

**Report Author: Malcolm Riches, Business Intelligence and Performance Manager.**

#### 1. Executive Summary / Purpose of the Report

This paper provides an update on the council's performance for the 2020/21 financial year. The report includes information for a range of key performance indicators and also provides an update on progress against the council's annual plan commitments for the year. This year, the council has also played a significant role in the response to the pandemic and this report includes a summary of the additional work undertaken. Finally, the report also includes the key business risks for the council.

#### 2. Recommendations

Councillors are asked to consider the attached performance report.

#### 3. Risk Assessment

Failure to regularly monitor performance could lead to the council not delivering on some of its corporate priorities.

#### 4. Background and Full details of the Report

As part of the Council's commitment to transparency and accountability this report provides an update on performance for a number of key indicators across a range of council services and also provides progress monitoring for the implementation of the Corporate Strategy, and the delivery of the commitments made in the 2020/21 Annual Plan. The past year has been exceptional and the pandemic has resulted in unprecedented circumstances. The council's response to the pandemic has been significant, and this has been achieved in addition to the regular day-to-day responsibilities.

##### 4.1 Impact of Covid-19

This report does not attempt to capture all of the additional work the council has undertaken in the past year in response to the pandemic. In many cases, the response has required setting up completely new services or processes. Among the many measures implemented since restrictions were announced SWT has:

- Distributed more than £65m of business support grants to businesses in our district by end March 21.

- Responded to the 'Everyone In' mandate from government to identify, set up and manage safe self-contained accommodation for rough sleepers in our District. This required the establishment of accommodation at Canonsgrove in Trull and the Beach Hotel in Minehead which, at its peak, was accommodating around 70 people. This project achieved national recognition and has undoubtedly saved and changed lives.
- We supported over 750 of our housing tenants with advice to maximise income and minimise debt, issued food parcels and vouchers toward energy costs.
- Distributed £250,000 in community chest funding to small organisations to help them respond to the pandemic.
- Invested £500,000 to help the town centres of Taunton, Minehead and Wellington with a programme of emergency measures designed to aid these vital social and economic hubs.
- Administered 508 successful awards of Test and Trace self-isolation payments, paying to low income households who were told to self-isolate.
- Implemented the Council Tax Hardship Funding received from central Government and applied payments of up to £150 to 7017 working age Council Tax Support claimants
- Reviewed and extended the awards for 285 Discretionary Housing Payment claims to provide ongoing help to people to pay their rent.
- Recalculated 1,693 Housing Benefit claims providing additional support for people to help pay their rent.
- Provided Business Rate relief to 1,300 qualifying business rate accounts and removed their liability to pay rates for this year.
- Made calls to 3,500 tenants and 600 other potentially vulnerable residents to check if they need help.
- Delivered more than 150 food boxes to people who are shielding and those facing hardship.
- Helped the NHS make Vaccination Appointments; contacting 48,000 people.

#### 4.2 Key Performance Indicators

The table in Appendix 1 includes the councils Key Performance Indicators and shows how the council has performed for the 2020/21 financial year. The table also includes a "direction of travel" arrow to show whether performance has improved, worsened or stayed the same, since the last corporate performance report which was for the end of December.

For the majority of indicators the target has either been met or, in many cases, has been exceeded. The direction of travel shows that since the end of December performance has reduced slightly for 4 of the indicators, but the majority of them are still within target. Overall there are 3 'Red' and 2 'Amber' indicators, which are being monitored closely. More information is provided below regarding the red and amber indicators.

For the indicators that were marked as red as the end of Q2 and Q3 (Complaint and FOI response timescales), monthly figures have been included to show how performance has improved significantly over the last 3 months.

### *Number of complaints responded to in 10 working days*

The performance indicator remains red and below target. Realistically, as the indicator is cumulative, the year-end figure was likely to remain below target. In view of the poor performance identified earlier in the year a significant amount of work has been put into both improving response times and identifying changes and improvements to the process. This work is continuing to pay dividends and the monthly trend over the past 3 months shows clear and sustained improvement, with performance in March up to 93%.

### *Number of FOI requests responded to in 20 working days*

Again this has been an area of focus in view of the poor performance identified earlier in the year. However, this indicator also needs to be considered against the backdrop of the Covid crisis and the steer from Government that local authorities could relax their response times to FOI requests in order to focus on immediate Covid related priorities. The figures for the last three months demonstrated continued improvement, and have exceeded the target every month. For March, 91% were responded to on time.

### *Percentage of Licensing Requests processed within timescales*

As reported at the end of quarter 3, the percentage of licensing applications processed within timescales has fallen short of the target. There was a drop in performance last autumn, but the last 3 months have seen sustained improvement from 84% in January, to 87% in February and up to 91% in March.

Despite falling short of the target, the Licensing service have met all statutory obligations. The majority of applications not completed within the target timeframe were made in accordance with the Licensing Act 2003 and received tacit consent; this is where a licence is treated as having been granted if the objection period passes without an objection or the Licensing Authority does not determine the application within a prescribed time period. Tacit consent is something the Licensing service is wary of as it can, in some cases such as caravan site and pavement licensing, result in the granting of a licence without conditions which are required to uphold the principals and objectives of those regimes. This is not the case with applications made in accordance with the Licensing Act 2003, where conditions do apply whether that application receives tacit consent or not.

The delay in completing these Licensing Act 2003 applications was at the end of the process; issuing the licence document following the completion of all initial steps i.e. their being logged on the Licensing back office system, circulation to responsible authorities and determination following the objection period. This was part of a deliberate prioritisation and balancing of work pressures. The backfilling of vacant roles within the team has enabled the service to catch up and clear the bulk of this backlog, and the trajectory of improved performance is expected to continue.

### *Business Rates & Council Tax Collection Rates*

The cumulative collection rates for both were below target.

	Last Year, 31 Mar 20	This year, 31 Mar 21	Shortfall
Business Rates	96.92%	92.16%	-4.76% (£1.354m)
Council Tax	97.71%	96.78%	-0.93% (£1.022m)

Note: The Council collects business rates and council tax on behalf of all preceptors within the district. The income that is collected is distributed in proportion to:

- Business Rates: 50% to central government, 40% to SWTC, 9% to Somerset County Council and 1% to Devon and Somerset Fire and Rescue Authority.
- Council Tax: Pre precepts set by Somerset County Council, the Avon and Somerset Police and Crime Commissioner, Devon and Somerset Fire and Rescue Authority, SWTC, and town / parish councils. On average, SWTC receives 9% of council tax collected in 2020/21.

In recognition of the impact on collection resulting from Covid the Government provided additional funding to top-up Council Tax Support claims. In addition, Government have provided £29m to subsidise the business rates “holiday” for retail, hospitality, leisure and nursery premises.

The Covid crisis has had a significant impact on business rates collection in particular and in number of different ways, as detailed below:

- The amount we raise (the net collectable debit) in 2020/2021 nearly halved from normal levels of £60m to £33m. This was mainly due to the extended relief (giving a year's payment holiday) to all retail, hospitality and leisure businesses.
- Many businesses have been significantly impacted by the Covid crisis and this has hampered the ability of some businesses in making payment.
- We undertook very limited action to recover unpaid debts last year and no court action. This both recognised the impact of the crisis on businesses and the practical difficulties in enforcing payment due to the Covid restrictions.

Because of these factors it is impossible to make a meaningful year to year comparison in relation to business rates collection. To put this drop into context it is a comparable drop to both local and national rates. For example, our neighbouring authority Sedgemoor reported a 4.04% drop. 75% of losses below budget expectations will be met by Central Government via an additional Covid19 Grant.

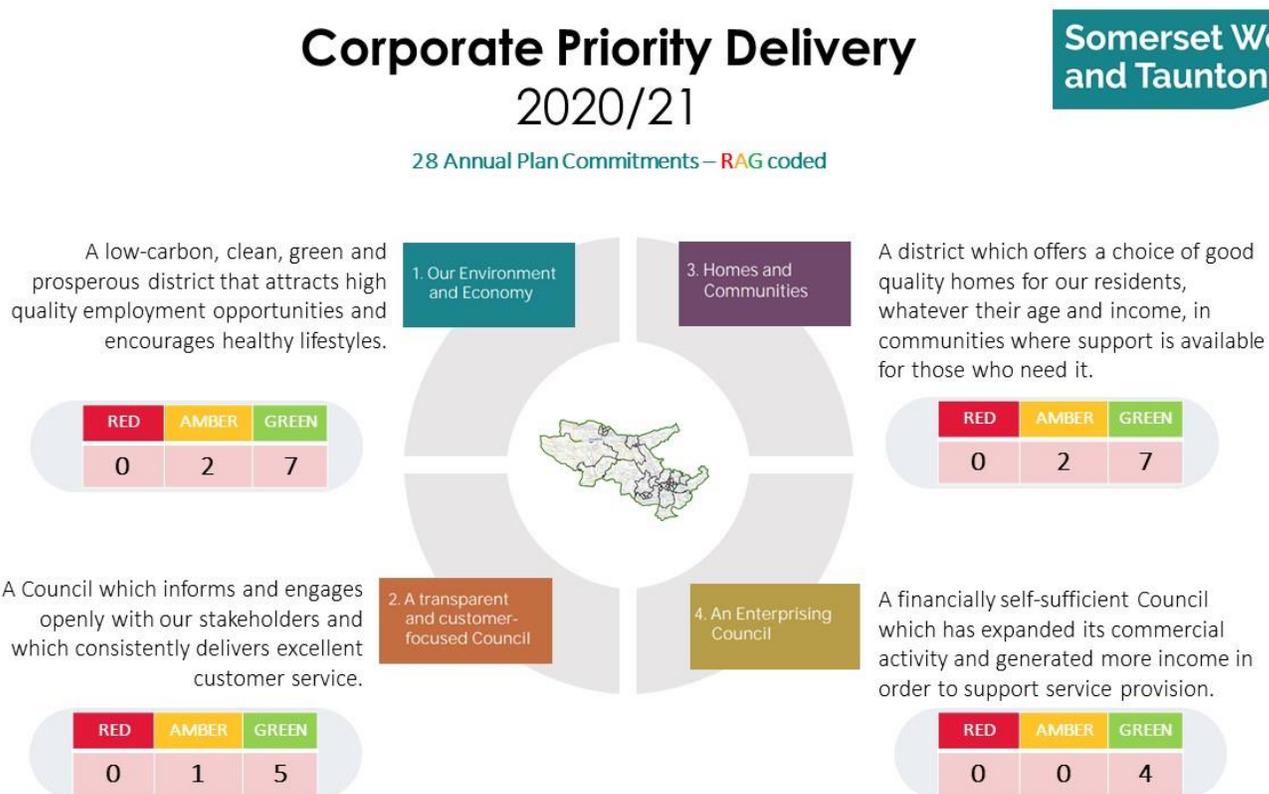
Our residents have done really well this year to maintain their payments of Council Tax despite the difficulties of the past year. We achieved a collection rate of 96.78%, which is only 0.22% below target. This is actually a very positive result given the circumstances of the past 12 months and hopefully is reflective of broader resilience within our local economy. It should be noted that unlike Business Rates the Council Tax net collectable debit rose from 99m to 102m. We have undertaken limited pre-court action (nudge letters and reminder notices), but this has been impacted by resourcing constraints resulting from the need to process business grants. We have a smaller drop compared to that of local and national rates. For example, our neighbouring authority Sedgemoor report a 1.09% drop. This reduction in income is shared with all major preceptors.

In conclusion we have quite consciously taken a more lenient approach to recovery activity this year to try and help both Business Rate and Council Taxpayers experiencing difficulty (many for the first time) through the economic impact of the

crisis. The management team meet regularly to map out a catch-up programme and make sure customers in difficulty are given support and collection rates return to normal levels as soon as possible.

#### 4.3 Progress update for 2020/21 Annual Plan

The Annual Plan contains 28 specific commitments that we said we will deliver in 2020/21. The graphic below provides a summary of progress as at the end of March 2021 for each of these commitments, split by the 4 themes of the Corporate Strategy. Each commitment has been rated as either Red, Amber or Green to indicate progress made.



In total, 23 of the 28 commitments are rated as Green, meaning that progress was as anticipated at the start of the financial year. There are 5 commitments which are rated as Amber, meaning that there was some slippage. This is generally linked to the impact of Covid 19 and will mean that final delivery of the initiative will roll forward to the 2021/22 year. None of the commitments are rated as Red. A more detailed update on each individual commitment is included in Appendix 2.

#### 4.4 Risk Management update

As outlined in the separate report on Risk Management in May, the quarterly Corporate Performance Reports will include an update on the key business risks and issues for the Council.

Processes are in place within each directorate to regularly review existing and identify any new risks. As new risks are identified they are included on the risk register and mitigations are identified and planned. A target date is set as to when the mitigations should be in place, and a lead officer is appointed.

The risks are all scored based on their probability and potential impact. Risks with a higher score are likely to have a more detailed mitigation plan. Issues are things which have already happened, so they are not scored in the same way as risks, but they have a RAG status which relates to the severity of the issue.

As of 31<sup>st</sup> March there were 4 Key Business Risks (with a score of 15 or higher) on the risk register.

**Key Business Risks:**

REF	Corporate Objective	Risk area	Risk Title	Risk Score			Owner
				Impact	Probability	Overall score	
CR11	A Transparent and Customer Focused Council	ICT	Cyber security threats.	5	4	20	Alison North
CR22	A Transparent and Customer Focused Council	Health and Safety Compliance	Failure of Risk Assessment process for staff operations leading to incident or near miss.	4	4	16	Alison North
CR23	Homes and Communities	Health and Safety Compliance	Failure to comply with Landlord Property Safety Compliance requirements leading to regulatory failure, failure to comply with the law, incident causing injury or death, negative PR, and financial loss (compensation and / or fine).	4	4	16	James Barrah
CR27	All	Unitary	Decision awaited regarding unitary proposals. Maintaining operational delivery during period of significant change.	4	4	16	James Hassett

As of 31<sup>st</sup> March the Corporate Issues Log contained 3 Issues that had a red RAG status.

**Red rated Issues from the Corporate Issues Log:**

REF	Directorate	Issue Title	RAG	Owner
CI 8	Internal Ops	Improvements in ICT infrastructure and connectivity to meet required standards.	R	Sean Papworth
CI 9	Dev & Place	Management of phosphate levels in Tone catchment, particularly regarding impact on planning applications.	R	Gerry Mills
CI 20	Internal Ops	Health and safety compliance especially with regard to working from height.	R	Sean Papworth

The risk register and issues log are updated as necessary and new risks/issues can be added at any point. They are routinely reviewed each month through the regular cycle of meetings. The lead officer is responsible for updating the risk register with progress made regarding mitigations, and this is reported back to Directorate performance meetings, and to the Corporate Performance Board where SMT review the key risks monthly.

**5. Links to Corporate Strategy**

This performance report provides an update on the Annual Plan which is fundamental to the implementation of the Corporate Strategy.

**6. Finance / Resource Implications**

The detailed financial out-turn position is available in a separate report.

**Democratic Path:**

- **Scrutiny / Corporate Governance or Audit Committees – Yes**
- **Cabinet/Executive – Yes**
- **Full Council – No**

**Reporting Frequency: Quarterly**

**List of Appendices (delete if not applicable)**

Appendix 1	2020/21 Performance Indicators Report
Appendix 2	Detailed update on Annual Plan Commitments

**Contact Officers**

Name	Richard Sealy	Name	Malcolm Riches
Direct Dial	01823 217558	Direct Dial	01823 219459
Email	<a href="mailto:r.sealy@somersetwestandtaunton.gov.uk">r.sealy@somersetwestandtaunton.gov.uk</a>	Email	<a href="mailto:m.riches@somersetwestandtaunton.gov.uk">m.riches@somersetwestandtaunton.gov.uk</a>

**SWT Performance report - 2020/21 Out-turn**

Full definition	Target	Out-turn	Direction of Travel since end of Q3	Denominator	Year to date	Numerator	Year to date
% of complaints responded to in 10 working days	90%	54%	↑	Total number of complaints received each month	1125	Number of complaints responded to within 10 working days	604
Monthly figure for complaints responded to in 10 working days	Jan 86%	Feb 87%	Mar 93%				
% of FOI requests responded to in 20 working days	75%	71%	↑	Total number of FOI requests received each month	417	Number of FOI responded to within 20 working days	296
Monthly figure for FOI requests responded to in 20 working days	Jan 96%	Feb 76%	Mar 91%				
% of calls to Deane Helpline answered in < 60 seconds (in the last month)	90%	93%	↓	Total number of calls to Deane Helpline in the month	327029	Number of calls answered in under 60 seconds	304478
Cumulative percentage of the amount of Council Tax collected	97%	96.8%	↑	Total amount of Council Tax to be collected by the 31st March		Amount of Council Tax collected in the year so far	
Cumulative percentage of the amount of Business Rates collected	98%	94.6%	↑	Total amount of Business Rates to be collected by the 31st March		Amount of Business Rates collected in the year so far	
Average processing times of new Housing Benefit claims (days)	25	16.76	↑	Number of new Housing Benefit claims received	730	Total number of days	12233
Average processing times for changes in circumstances for HB claims (days)	10	4.12	↑	Number of new Housing Benefit Change of Circumstances received	19937	Total number of days	82075
% of reported fly tipping incidents responded to within 5 working days	80%	88%	↔	Number of fly tipping incidents	1014	Number of fly tipping incidents responded to within 5 days	892
% of service requests for street cleansing actioned within 5 working days	85%	85%	↓	Number of service requests for street cleansing	635	Number of service requests actioned within 5 working days	542
% Licensing applications processed within timescales	95%	88%	↓	Number of licensing applications processed	892	Number of licensing applications responded within timescales	789
% of major planning applications determined within 13 weeks (or within agreed extension of time)	75%	84%	↑	Total number of major planning applications received	32	Total number of major planning applications completed within 13 weeks or agreed extension	27
% of minor planning applications determined within 8 weeks or agreed extension of time	65%	80%	↓	Total number of minor planning applications received	316	Total number of minor planning applications completed within 8 weeks	254
% of other planning applications determined within 8 weeks or an agreed extension of time.	80%	89%	↑	Total number of other planning applications received	808	Total number of other planning applications completed within 8 weeks or an agreed extension	719
% of appeals that have had the decision overturned	33%	33%	↑	Number of appeals received	54	Number of appeals where the decision is overturned	18



Corporate Priority Area	Ref	Annual Plan Commitments 2020/21 <a href="https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/">https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/</a>	31 March progress update	RAG
Our environment and economy	1	The Council is acutely aware of the need to invest in our local economy to help it recover from Covid 19. There are a number of initiatives in train and none more significant than <b>Firepool</b> . We are working on a business case that will guarantee the delivery of a regenerated Firepool and within an accelerated period.	<p>We have been busy throughout the year developing the revised masterplan for the entire site, into a phased, block by block program for delivery. This block-by-block approach allows SWT to control the pace of development but also respond to changing market conditions, such as the economic impact of Covid19 which is likely to have an impact on the Housing market.</p> <p>The impact of the phosphates notification from Natural England has been to slow down the publication of the Local Development Order for the entire site, which would have in effect acted as a planning permission for the whole. To expedite a solution to this issue, we are working on individual planning applications for the elements of the site that are not caught by the phosphates restrictions.</p>	Green
	2	We will approve a Carbon Neutrality and Climate Resilience Action Plan for the District and progress further actions that reduce the Council's and the District's carbon footprint, supports biodiversity and increases resilience to more extreme weather events;	<p>During the year SWT was recognised as a leader in responding to the climate emergency by the not-for-profit charity CDP. The Council achieved a score of "A-" (Leadership) for its 2020 disclosure. The disclosure identifies the ways in which we are working to mitigate and adapt to the projected impacts of climate change.</p> <p>In October, the Council approved its Carbon Neutrality and Climate Resilience (CNCR) Action Plan and the Somerset Climate Emergency Strategy, final draft versions of which were used to complete the 2020 disclosure. The score demonstrates that through these documents, SWT has a clear understanding of future climate risks and district-wide emissions. The Council has set emissions reduction targets and has been making strides with implementing our action plan.</p> <p>SWT also declared an ecological emergency, complementing the climate emergency declaration made in February 2019, to give equal importance to ecological issues alongside climate emergency actions</p>	Green
	3	Using funding from our successful <b>Warmer Homes Fund</b> bid, we will commence installing improved heating systems and energy efficiency measures within 175 SWT council owned homes as well as provide advice, support and access to	This project has been placed on hold during the Covid lockdown period in order to keep our tenants and our staff safe by temporarily limiting non-emergency work on our properties. Procurement has however been undertaken and the programme is able to commence when Covid restrictions ease	Amber
	4	We will commence a pilot <b>to create wild meadows</b> initially on Council owned land in Taunton, Minehead and Wellington. Sowing will take place in late Autumn 2020.	60kg of wildflower seeds have been sown in Minehead, Taunton, Wellington, Wiveliscombe and Milverton. This includes larger meadow areas such as Seaward Way, Culvercliffe in Minehead and Hawthorn Park in Taunton, as well as boundary sowings wherever possible on recreation areas and open spaces. Additionally, SWT has enabled Town and Parish Councils across the district to give their open spaces a boost during National Tree Week by offering 223 trees with stakes, ties, and guards as part of its commitment to working towards carbon neutrality and climate resilience by 2030.	Green
	5	Building on the extensive work that took place during 2019/20, we will produce a <b>draft Local Plan to 2040</b> , undertake consultation before submitting the final Plan to the Secretary of State for consideration	The timetable of the Local Plan has been affected by the pandemic as well as the consultation and future decision around the future of Local Government in Somerset. Whichever unitary scenario emerges, a Local Plan would need to be produced to cover the whole of the new Local Planning Authority area. The background work and consultation so far on the Local Plan 2040 will still be of relevance to any new Local Plan for a unitary authority. Furthermore, the Government's Planning Reform proposals and change to the calculation of housing need will impact upon the content and scope of the Local Plan so we need to review what this means for our Local Plan. We have been progressing with background work on assessing sites and evidence base to feed into the Local Plan as it develops in whatever form.	Amber

Corporate Priority Area	Ref	Annual Plan Commitments 2020/21 <a href="https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/">https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/</a>	31 March progress update	RAG
	6	We will approach completion of our regeneration project at <b>Coal Orchard</b> , Taunton;	Substantial progress has been made, despite the challenges of the pandemic. The programme to regenerate one of Taunton's prime riverside quarters, which includes a mix of apartments, retail, workspace and restaurants, and incorporates a riverfront plaza with a stepped terrace to make the most of its position on the River Tone, is due for completion in May 2021. SWT's delivery partner for the project received a top accolade from an independent organisation raising standards in the construction industry. Midas Construction, part of the Midas Group, received a Certificate of Excellence from the Considerate Constructors Scheme for its care and respect towards the community, the environment, the site appearance and the work force.	Green
	7	We will jointly commission, and complete, a Strategic Outline Business Case for the re-opening of <b>Wellington Railway Station</b> .	The SOBC was completed and submitted to the Department for Transport. An announcement is expected in May 21 from the Restoring Your Railway panel, about which schemes are suitable to progress to the next stage of project delivery.	Green
	8	We will undertake works that provide a long term solution for the integrity of the <b>harbour wall in Watchet</b> , that enables it to meet the challenges of rising tidal levels in the future..	SWT has completed the £1m project to rebuild the Splash Point sea defence wall in Watchet. It has been a huge effort by designers, contractors, and staff, firstly to make a temporary repair and then to provide a permanent replacement	Green
	9	We will deliver against the Economic Development Strategy including the completion of a feasibility study for an innovation centre in the District	<p>The SWT Economic Recovery and Growth activity is underway, with a focus on 'lockdown' and 'restart' phases throughout 20/21, supporting local businesses impacted by Covid 19 restrictions and safely reopening High Streets following periods of lockdown in particular, through the 'Safeguarding and creating jobs in bedrock sectors' and 'Employment Skills and Inclusion' themes.</p> <p>Longer-term priority activities focussing on 'Revitalise and Grow' phases are included in the recently approved Somerset Recovery and Growth Plan, including 'Infrastructure to enable growth' (e.g., cycling, walking and broadband infrastructure and flood risk projects) and 'Creating attractive places and homes' (e.g., Town Centre regeneration and housing retrofit projects).</p> <p>Phase 1 of the Innovation Park feasibility study has been completed and approved by the Council's Executive, following nearly 6 months of analysis of SWT's innovation assets and research and development businesses and clusters where SWT has some critical mass. The work is now moving into the early implementation phase of establishing the Governance and cluster and innovation board structures.</p>	Green

Corporate Priority Area	Ref	Annual Plan Commitments 2020/21 <a href="https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/">https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/</a>	31 March progress update	RAG
A Transparent and Customer Focused Council	10	Building on improvements introduced during 2019/20, to our <b>housing repairs service</b> , we will be focussing on offering our tenants a time and date for their repair, during the tenants first call with us; same day or a later date at the tenant's convenience and on improving the proportion of repairs which take place on the same day in which they were requested	This project has been delayed by a focus being prioritised on delivering emergency repairs and non-emergency external repairs during the Covid lockdown period. The required IT and scheduling processes are nevertheless being developed to enable us to implement improvements to the service during 2021.	Amber
	11	We will improve how we engage with our residents, businesses and tenants by <b>modernising our communications approach</b> .	We've recognised this year, more than ever, the importance of keeping our residents, business, visitors and other stakeholders informed and up to date with the latest Government advice and news from the Council.  This year we have introduced a new e-communications tool that makes it even easier to stay connected, using our free subscription service, which can be accessed via our website.  Residents, visitors and business owners can choose to receive regular newsletters by email; customised to their specific needs and interests. This has proven to be a very effective way of, ensuring that Government, Public Health and NHS messaging has been widely shared; included changes in restrictions, Test and Trace, vaccine roll out, re-opening our high streets as well as funding opportunities that have been made available by the government and the Council.	Green
	12	We will undertake elections to the <b>Tenants Strategic Board</b> and enable this group with Mod.gov technology to better support them to fulfil their role.	Candidate online applications were closed 9th February 2021, 11 applications were received, 1 application did not meet eligibility criteria. 10 applications were submitted for 10 spaces therefore an election was not required. Induction of new members will take place in April 2021 and the first online broadcast meeting will be held in May 2021 to agree a forward plan of business.	Green
	13	We will continue to <b>review our processes</b> in order to improve the customer experience, including making more of our services available online for those who can and wish to transact in this way.	A further 15 online services have been launched during the year, enabling residents and businesses to transact efficiently with the Council at times convenient to them. We have also developed simple on-line processes, at very short notice, for the application and award of various Covid-related business support grants throughout the year, which have enabled businesses within the district to access over £65m of vital grant support from the Council.	Green
	14	We will introduce a <b>Member Equality Group</b> to be ambassadors for those within our communities who may be at heightened risk of discrimination, to ensure their voices are consistently given prominence in all that the Council does.	On 7 September, the Audit, Governance & Standards Committee approved a recommendation for the creation of a joint Member and Officer Equalities group as a mechanism for providing additional focus on equalities matters both internally and externally. The group starting meeting from October 2020.	Green
	15	We want you to be able to <b>follow and take part in the democratic decisions</b> that affect you in SWT. We understand that not everyone is able to attend council meetings in person, which is why we will continue broadcasting key meetings on our website so that you can watch them online at any time, from anywhere.	Council meetings moved to virtual meetings, being live streamed throughout the periods of local and national Covid restrictions to enable the democratic process to continue in an inclusive and transparent way.	Green

Corporate Priority Area	Ref	Annual Plan Commitments 2020/21 <a href="https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/">https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/</a>	31 March progress update	RAG
Homes and Communities	16	We will complete 8 new units of social housing in Laxton Road, Taunton;	The 8 units have been completed and are now let.	Green
	17	We will build at least <b>6 new modular and energy efficient homes</b> for social rent;	The Councils' support for zero carbon homes has significantly increased over the past year. Approval and budget have now been secured to build 115 zero carbon homes. A procurement process for a constructor is underway.	Green
	18	We will commence the <b>construction of 47 good quality, energy efficient homes</b> as part of phase A of the North Taunton regeneration project;	Phase A commenced this year, with the demolition of 26 Woolaway homes which the Government has designated as defective, and the building of 47 new homes scheduled for completion by September 2022. SWT has now also approved funding to support all future phases of the North Taunton Woolaway Project, ultimately delivering a total of 227 new homes with affordable rents by 2027	Green
	19	We will increase the number of <b>homelessness preventions</b> within our area,	To increase the number of homeless prevention cases in our area we are adapting how cases are assessed by the Housing Options Service by introducing a robust prevention focussed triage system which identifies opportunities for early intervention to prevent homelessness. We can now refer cases to our Tenancy Sustainment Team who work with landlords and tenants to help preserve existing tenancies which are at risk, and our Private Rented Sector Team who work with landlords and letting agents to source suitable and sustainable properties for homeless households. This prevention focussed approach will reduce the use of temporary accommodation.	Green
	20	We will work with partners to put in place a stronger , more joined-up <b>process for rough sleepers</b> in our area.	<p>Early in the year we held workshops with partner agencies and homeless providers to consider how to improve pathways and support for homelessness. This evolved into the 'Better Futures for Vulnerable People in Somerset' report which was a Local Government Association (LGA) sponsored project and has been approved and adopted locally. One of the key outcomes for this has been the establishment of the Somerset Homelessness Reduction Board which has its first meeting in April 2021 and has a range of public sector partners and homelessness providers focussed on reducing homelessness and improving support for those affected.</p> <p>In March 2021, the Executive approved the Homeless Options Appraisal report which committed to ongoing support for homeless people accommodated under the 'Everyone In' initiative. This included a Homeless Accommodation Strategy which set out how we will find a long-term solution for those people currently accommodated at Canonsgrove as well as increasing and improving other homeless accommodation and support across the district.</p>	Green
	21	We will continue to work with developers to facilitate the provision of <b>additional Affordable Homes</b> ;	<p>The enabling team has continued to work with developers on increasing the share of affordable housing units and specialist housing units built in the district, with around 70 schemes in or approaching planning. The Council is also directly delivering social rented housing schemes.</p> <p>A budget for 54 zero carbon rented homes at Rainbow Way (off Seaward Way) was approved by Full Council and work is now progressing the plans. This is part of the Council's commitment to build 1,000 new homes across the district over the next 30 years, providing more housing to suit different members of the community.</p>	Green
	22	We will <b>review our voluntary and community grants</b> in order that they deliver value for our communities and align to the Council's priorities;	<p>We only undertook a light touch review due to Covid-19 however this gave us confidence that the current allocation provides value for money and is aligned with our corporate priorities. This was reported back to Full Council.</p> <p>A fuller review with a member working group will take place in 2021/22 to ensure that funds are best allocated to continue to reflect corporate aims as well as address new priorities such as Covid recovery.</p>	Amber
	23	We will identify, and deliver, a solution that improves <b>CCTV equipment and monitoring for Watchet and Minehead</b> ;	Existing equipment has been repaired and become operational again. We are working with partners to find the best solution for the long term which will look at integration with the rest of the CCTV suite.	Amber
24	We will implement a <b>Public Space Protection Order</b> in order to help fight against anti-social behaviour in Taunton.	We reviewed this in depth and following consultation with the Police, town councils and the portfolio-holder we agreed that the Police had more appropriate tools and powers and therefore a decision was reached not to renew the existing PSPOs for alcohol.	Green	

Corporate Priority Area	Ref	Annual Plan Commitments 2020/21 <a href="https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/">https://www.somersetwestandtaunton.gov.uk/your-council/annual-plan/</a>	31 March progress update	RAG
An Enterprising Council	25	We will continue the programme of <b>acquiring income generating property assets</b> which will also help support the funding of service delivery to our communities;	Acquisitions are broadly in line with anticipated targets.	Green
	26	We will commence <b>collaboration with the Somerset District Councils to deliver a more efficient, sustainable, but locally accountable, system of local Government</b> in the county that will work better for our communities;	Somerset West & Taunton Council, Mendip District Council, Sedgemoor District Council and South Somerset District Council have together launched Stronger Somerset – an exciting and ambitious strategy to reform local government in Somerset.  Our proposal, and that of the County Council, has been submitted to Government for consideration. We anticipate receiving the Secretary of State's decision on the structure of local government in Somerset during Summer 2021.	Green
	27	We will <b>let further empty space within our offices at Taunton and Williton</b> , making better use of public resources and delivering extra income to the Council;	We have completed a lease to Avon & Somerset Police for part of West Somerset House, Williton. We have also agreed terms for the letting of the majority of the unallocated ground floor space at Deane House to the National Probation Service, building on the earlier letting of other parts of the ground floor to Avon & Somerset Police and Meridian Business Support respectively.	Green
	28	We will <b>review our land and property assets</b> to identify further opportunities to better support the achievement of the council's objectives (including service delivery, regeneration projects and community initiatives).	We have commenced a review of our land and property assets to actively look for opportunities to use, acquire or dispose of assets in order to support regeneration or community opportunities.  During the year SWT acquired the green space adjacent to Tonedale Mill, Wellington, following its designation as an Asset of Community Value.  Following the acquisition SWT has been working alongside Wellington Mills CIC and Transition Town Wellington to protect the Field as an open, green space for the whole community. The Council has also secured significant funding from Historic England to begin a programme of works to enhance both the archaeology and ecology of Norton Fitzwarren Hillfort. This is in addition to funding received in 2018 for SWT to acquire the site.	Green



Report Number: SWT 54/21

# Somerset West and Taunton Council

## Executive – 21 July 2021

### Financial Monitoring – Outturn Position 2020/21

This matter is the responsibility of Executive Councillor Ross Henley, Portfolio Holder for Corporate Resources

Report Author: Emily Collacott, Finance Manager and Deputy S151 Officer

#### 1 Executive Summary / Purpose of the Report

- 1.1 This report contains information related to Somerset West and Taunton Council's (SWT) financial performance for the 2020/21 financial year. The outturn figures included are provisional subject to the completion of the external audit of the statutory financial statements. The audit is due to be completed between July and September with the findings due to be reported to the Audit and Governance Committee on 27<sup>th</sup> September this year.
- 1.2 The COVID pandemic has significantly impacted upon the Council's services, costs and income during the past financial year. The situation has been extremely dynamic throughout the year both in terms of various announcement of additional funding arrangements from Government and the local impact on demand for and delivery of services. Budgets were revised at Quarter 3 taking into account changes agreed by Council including allocations from reserves, plus further changes made under delegated powers such as to reflect more recent COVID grant funding allocations made. Measures were implemented early in the year by leadership to mitigate risk and uncertainty.
- 1.3 By the end of the financial year, COVID has resulted in additional cost pressures and loss of income to the General Fund totalling £7.270m. This has been partly offset by additional government funding of £5.718m but has required £1.552m of Council funds to meet the shortfall.
- 1.4 COVID has also impacted on the expenditure for 'business as usual' services. Management have prioritised significant intervention and support in response to COVID and in some cases activity has been delayed or deferred e.g. due to supply chain limitations. This has contributed to a carry forward of planned spend into 2021/22 of £2.079m. Despite the financial pressures and ongoing delivery of key services the Council has contained spend and reports a net underspend against final General Fund revised budget of £1.25m.
- 1.5 The **revenue outturn position** for the financial year 2020/21 is as follows:
  - a) The General Fund (GF) Revenue Outturn position for 2020/21 is a net underspend of £1.250m (5.9% of net budget). This is net of £2.079m of budget carried forward to 2021/22.

- b) The HRA Revenue Outturn position for 2020/21 is a net overspend of £15k (0.1% of gross income).
- c) The HRA is a ring-fenced, self-financing account used to manage the Council's Housing Landlord function, which is budgeted to break even (net of approved transfers to/from HRA Reserves). As the HRA Net Budget is net £nil with costs wholly offset by income and reserves, performance is reported against gross income for monitoring purposes.

1.6 The **capital outturn position** for 2020/21 is as follows:

- a) The total approved General Fund Capital Programme budget in place in 2020/21, including schemes brought forward from previous years, was £112.5m (Appendix C). This relates to a combination of schemes to be delivered in the year and some that will span over more than one year. £63.3m has been spent during 2020/21. Of the remaining £49.2m, £0.1m is reported as net underspend on projects completed during the year, £7.5m is removed from the budget as it is no longer required, and £41.6m will be carried forward for ongoing schemes.
- b) The actual spend on the HRA Capital Programme during 2020/21 was £9.1m with £231k budget underspend being returned as no longer required (Appendix D). The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development and acquisition of new stock. Capital budget totalling £125.3m is planned to be spent over the MTFP, which includes housing development projects that will be delivered over several years (Appendix E).

## **2 Recommendations**

2.1 The Executive is recommended to:

- a) Note the impact of COVID on the Council's cost and income during 2020/21 financial year.
- b) Note the reported General Fund Revenue Budget underspend of £1.25m in 2020/21 and the General Reserves Balance of £7.915m as at 31 March 2021.
- c) Note the S151 has approved General Fund Revenue Budget carry forwards totalling £1,139,360 as detailed in Appendix A.
- d) Approve an additional General Fund Revenue Budget carry forward of £939,940 for items greater than £150,000 as detailed in Section 8.
- e) Approve a supplementary budget of £806,000 for the 2021/22 General Fund Revenue budget funded from general reserves as detailed in Section 9.
- f) Note the reported Housing Revenue Account Budget overspend of £15k in 2020/21 and the HRA General Reserves Balance of £2.8m as at 31 March 2021.
- g) Note the Capital Outturn position.
- h) Approve the proposed carry forward of £41.6m approved budget to 2021/22 General Fund Capital Programme (as per Appendix C) and the £125.3m HRA Capital Programme for the MTFP period (as per Appendix E).

- i) Approve the retrospective inclusion of £3,789,053 Budget in the 2020/21 Capital Programme funded with matching grant income for the Watchet East Quay Development, as SWTC is the accountable body for the Coastal Communities Fund grant allocated to this scheme which commenced in previous years, noting there is no net cost to the Council.
- j) Note the Capital Programme schedule identifying the schemes and overview profile providing the basis for future performance monitoring (as per Appendix E).

### **3 Risk Assessment**

- 3.1 The Council has managed significant financial risks during the past financial year, notably due to the significant volatility in costs and income due to COVID, economic recovery, and a range of additional grant funding arrangements from Government that emerged throughout the year.
- 3.2 Whilst a significant focus was placed on COVID, the final outturn position demonstrates that it has been difficult in some areas to accurately forecast the timing of spend, and how much spend has ultimately been supported by additional funding. Forecasting of income and service demand has been susceptible to fluctuation during the year as national and local restrictions have been implemented and eased for various periods during the year, and resources have been diverted to COVID-related priorities. Additionally, budget monitoring accuracy has been exposed to risk as operating budgets were reorganised during the year to reflect the Directorate structure, and work has continued throughout the year to review and update the accuracy and alignment of budgets to service requirements. The overall scale of underspend at year end was greater than forecast at Q3, which reflects this context but also highlights more work is required during 2021/22 to improve the accuracy of forecasts in future.
- 3.3 Financial risks and uncertainties have been included in budget setting and budget monitoring reports presented to Members. Prudent management of spend and the Council's reserves position in the face of this uncertainty has been important in maintaining a robust financial health for the Council. It is clear from the impact of COVID that Council resources would have been in a much worse position without the additional funding provided by Government.

### **4 Background and Full details of the Report**

- 4.1 This report informs Members of SWT's financial outturn (a comparison of net spending against the budget for the year) for revenue and capital budgets in 2020/21 for the Council's General Funds (GF) and Housing Revenue Account (HRA).
- 4.2 Scrutiny and the Executive have received quarterly budget monitoring reports throughout the year which have highlighted variances from budgets and comments from the budget holders, as well as summarising the main risks and uncertainties as explained above. The forecast position has fluctuated during the year.
- 4.3 The outturn figures contained in this report are provisional at this stage. The financial outturn has been taken into account when preparing the Council's Draft Statement of Accounts, which is due to be approved by the Assistant Director – Finance (S151 Officer) at the end of June, and is now subject to review by the Council's External Auditor. Should the External Auditor identify the need for any changes to the Accounts

these will be reported to the Audit and Governance Committee on 27<sup>th</sup> September this year.

## 5 2020/21 Financial Performance

- 5.1 Members will be aware from previous experience that the position can change between ‘in-year’ projections and the final outturn position, mainly due to demand-led service costs and income levels. The budget monitoring process involves a regular review of all budgets. Budget Holders, with support and advice from their finance business partners, review the position, and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that assumptions and estimates will differ from the eventual outcome, and several risks and uncertainties have been highlighted in previous budget monitoring reports.
- 5.2 During the 2020/21 financial year the COVID pandemic presented a new and additional complexity for budget holders to navigate. An early review of the potential impact of COVID led to Council approving an increase in the budget for the year and a significant reprioritisation of reserves to fund this and other interventions during the year as well to mitigate corporate financial risk.
- 5.3 Another factor that has led to some clarification of costs towards the end of the financial year relates to clearing a backlog of transactions from the Council’s job cost system (Open Contractor) to allocate costs of works such as maintenance of council housing, parks and open spaces, and the Council’s land and property estate. This work took significant time and resource to complete across a range of services and resulted in some cost allocations being applied to budgets at or towards the end of the financial year.
- 5.4 The Council has continued to operate within the framework of their Financial Strategy and the overall financial standing at the end of the financial year is sound. The Reserve balances for the General Fund and the HRA are above their respective recommended minimums, which provides added financial resilience which is prudent given the scale of risk and uncertainty. The Medium Term Financial Plan also incorporates planned use of reserves to support the 2021/22 and 2022/23 budget, and the current reserves balance is sufficient to support this approach.

## 6 Budget Outturn Summary

- 6.1 The General Fund Revenue Outturn position for 2020/21 is a net underspend of £1.25m (-5.9% of Net Budget). This is net of £2.079m of budget carried forward to meet expenditure now planned to be delivered in 2012/22.

**Table 1: General Fund Revenue Outturn Summary**

General Fund Outturn 2020/21	Current Budget £000	Outturn £000	Carry Forwards	Variance	
				£000	%
Development & Place	2,067	1,764	291	-13	-0.6%
External Operations & Climate Change	13,297	11,854	1,052	-391	-2.9%
Housing & Communities	3,422	3,104	320	2	0.1%
Internal Operations	10,083	9,303	416	-363	-3.6%

General Fund Outturn 2020/21	Current Budget £000	Outturn £000	Carry Forwards	Variance	
				£000	%
Senior Management Team	857	844	0	-13	-1.5%
<b>Net Cost of Services</b>	<b>29,726</b>	<b>26,869</b>	<b>2,079</b>	<b>-778</b>	<b>-2.6%</b>
COVID General Grants	-5,352	-5,718	0	-366	6.8%
Investment Properties	-947	-1,117	0	-170	17.9%
Interest and Investment Income	-683	-931	0	-248	36.2%
Expected Credit Losses	0	-12	0	-12	-0.0%
Net Transfers (from) / to Earmarked Reserves	-1,995	-3,824	0	-1,829	91.7%
Net Transfers (from) / to S31 Earmarked Reserves	0	14,777	0	14,777	0.0%
Net Transfers to General Reserves	2,143	2,143	0	0	0.0%
Capital and Other Adjustments	-1,620	1,659	0	3,278	-202.4%
<b>Net Budget</b>	<b>21,272</b>	<b>33,846</b>	<b>2,079</b>	<b>14,653</b>	<b>68.9%</b>
Funding	-21,272	-22,397	0	-1,125	5.3%
S31 Funding	0	-14,777	0	-14,777	0.0%
<b>Variance</b>	<b>0</b>	<b>-3,329</b>	<b>2,079</b>	<b>-1,250</b>	<b>-5.9%</b>

Note: Negative figures represent income / underspend  
Variances are calculated after deduction of carry forwards

- 6.2 The Forecast Outturn as at Quarter 3 (December 2020) was a projected £1.466m net underspend within the General Fund Revenue Budget, reflecting known differences reported at that stage and budget holders' plans and assumptions about the costs and income anticipated in the remainder of the year.
- 6.3 The variances reported at the end of the financial year indicate some changes since that time, reflecting more recent information and a degree of caution and/or optimism in previous forecasts. This also includes any carry forward requests agreed by the Section 151 Officer under delegated powers of authority.
- 6.4 A summary of the outturn position, and the differences between the reported variances at Quarter 3 and the year-end Outturn, are summarised per directorate below.
- 6.5 **Development & Place:**
- a) The Development and Place directorate has reported net expenditure of £1.764m in 2020/21, which has delivered a range of services and projects including:
- Strategy and policy development
  - Planning services including Local Plan development, planning applications processing and enforcement
  - Economic development
  - Town centre regeneration
  - Heritage projects
  - Commercial investment (investment properties budget is reported 'below the line')

- b) The directorate has reported a net underspend of £13k at the end of the financial year, after taking into account £291k of budget carried forward to 2021/22 financial year.
- c) The outturn for the year reflects cost pressures in: Strategy and Policy due to a budgeted grant not received, unbudgeted feasibility work on Wellington Station and higher payroll as the result of a salary protection agreement, and Planning Services due to utilising agency staff to perform planning enforcement duties, costs related to a judicial review and provision for planning refunds offset by higher than expected income and staff recharges. This was offset by underspend in: Economic development where the service has been successful in obtaining grant funding towards COVID related costs and recovering staff costs from a variety of agencies (SCC, WSOA, DWP, LEP and Steam Coast Trail) who we perform services for, and savings due to staff vacancies in Major & Special Projects, partly utilised to fund project management costs and consultancy fees on the future possible use for the Debenhams premises.
- d) The Quarter 3 to Outturn movement for Development and Place has come about due to the budget monitoring regime improving over the year. Budget holders have been able to identify duplicate budget lines and have clarified staff establishment against budget.

**Table 2: Development & Place  
Main Differences between Quarter 3 and Outturn Variances**

	<b>Q3 £</b>	<b>Movement £</b>	<b>Outturn After Carry Forwards £</b>
<b>Department Notes</b>			
<b>Strategy and Policy:</b> Movement driven by the inclusion of £50k related to the unbudgeted feasibility work for Wellington Station partially offset by the transfer of the Landscape Planning Officer to Planning.	84,151	40,740	124,890
<b>Economic Development:</b> the underspend is mainly due to the impact of unbudgeted staff cost recoveries from SCC, WSOA, DWP, LEP and Steam Coast Trail. The movement relates to COVID related costs previously reported that have now been claimed from the ERDF.	-131,537	-63,920	-195,457
<b>Planning:</b> Higher than anticipated planning income of c£60k and additional officer time recharges of £28k offset by a carry forward request for potential planning guarantee refund requests of £92k.	154,434	5,846	160,280
<b>Major and Special Projects:</b> the underspend is mainly due to vacancies savings which have been offset in part by agency costs on the major projects and unbudgeted consultancy fees.	-76,687	3,204	-73,483
<b>Other Minor Variances</b>	22,107	-50,872	-28,765
<b>Total</b>	<b>52,468</b>	<b>-65,002</b>	<b>-12,535</b>

## 6.6 External Operations and Climate Change:

- a) The External Operations and Climate Change directorate has reported net expenditure of £11.854m in 2020/21, which has delivered a range of services and projects including:
- Climate change strategy development and Carbon Neutrality and Climate Resilience (CNCR) action plan implementation
  - Asset and property management for general fund assets
  - Regulatory services such as environmental health and licensing
  - Service resilience and emergency planning
  - Open spaces and street scene
  - Client for major contracts including waste, building control, leisure, street cleansing
  - Harbours, coastal protection, and flood management
  - Cemeteries and crematorium
  - Car parks
- b) The directorate has reported a net underspend of £391k at the end of the financial year, after taking into account £1.052m of budget carried forward to 2021/22 financial year.
- c) The directorate has reported a cost pressures related to grounds maintenance. These in part reflect the backlog of jobs within the Open Contractor system being charged through although this doesn't affect the Council's 'bottom line' as it is in effect an internal recharge of costs to relevant cost centres. However these pressures have been more than offset by: a net underspend on major contracts due to effective contract management e.g. park and ride subsidy, a building control partnership credit, and the street cleaning contract; staff savings in public health and regulatory services and additional COVID funding; a net underspend in bereavement services through a combination of business rates savings and an improved range of services delivering additional income; and managed savings on the parking enforcement contract and reduced car park business rates.
- d) Much of the planned activity for 2020/21 was directly impacted by the COVID-19 pandemic. That is reflected in the level of budget carry forward planned from 2020/21 into 2021/22. It is work we need to do, and it will be added to the planned activity described in the Directorate Plan for 2021/22. For many colleagues this equates to delivering 2 years' worth of activity in 12 months.
- e) The budgets for the Directorate are evolving post Transformation. With each iteration costs are challenged, assumptions unpicked, and efficiencies delivered. This is an iterative process that will continue through 2021/22 into budget setting for 2022/23 and beyond.
- f) The Directorate has several touch points with the Open Contractor (OC) software, which is the Council's job costing system used to allocate costs of job-based works and services to related cost centres. The intent was, and continues to be, very clear – to cease its use and disconnect it from the Directorate's budget lines. Whilst work

continues to achieve that intent, delivering that outcome is proving a challenge. The variances in Directorate budget year end from previously reported positions are in the main related to Open Contractor (OC).

**Table 3: External Operations and Climate Change  
Main Differences between Quarter 3 and Outturn Variances**

	Q3 £	Movement £	Outturn After Carry Forwards £
<b>Department Notes</b>			
<b>Major Contracts:</b> the underspend is a combination of maintenance work that has been delayed, one-off reductions in cost associated with COVID-19 and permanent efficiencies driven from the contracts. The movement is forecasting activity in relation to COVID and a carry forward request now approved.	-361,120	150,046	-211,073
<b>Climate Change:</b> a supplementary budget of £500k was approved by Full Council 26/10/20, which provides initial funding to support a wide range of projects in the CNCR plan and other beneficial activities. This is the underspend to be carried forward. The movement relates to a decision made after Q3 to use some of this funding to purchase land at Cotford St Luke and pending Executive approval for a carry forward request of the balance of this fund to be used in 2021/22.	-500,000	490,894	-9,106
<b>Public Health:</b> this is an underspend on staffing costs following a service realignment (which has been reflected in the 21/22 budgets). The movement is additional income received from the Outbreak Management Fund and committed to COVID Recovery activity.	-169,996	-21,186	-191,182
<b>Bereavement Services:</b> this is a combination of more income than budgeted and a reduction in business rates for the Crematorium. The increased income is associated with improving the range of services offered rather than any specific event or pressure.	4,736	-237,644	-232,908
<b>Parking:</b> this mainly relates to maintenance works being delayed due to COVID as well as a one-off reduction in business rates, payment of the Parking Enforcement Partnership offsetting loss of parking income due to COVID. The movement is the approval of a carry forward request.	-125,129	100,858	-24,271
<b>Other:</b> this movement relates to catch up of backlog of historic jobs charged towards the end of the year via Open Contractor and approved carry forward requests.	474,557	-197,489	277,068
<b>Total</b>	<b>-676,951</b>	<b>285,479</b>	<b>-391,472</b>

## 6.7 Housing & Communities:

- a) The Housing and Communities directorate has reported net expenditure of £3.104m in 2020/21, which has delivered a range of services and projects including:
- Housing options include accommodation and support for homelessness and rough sleepers including the 'everyone in' priority due to COVID
  - Housing strategy development
  - Housing enabling, including affordable and rural housing
  - Community resilience services such as CCTV, public safety and community engagement
  - The service also manages council housing and supported housing services through the Housing Revenue Account which is accounted for separately.
- b) The directorate has reported a net overspend of just £2k at the end of the financial year, after taking into account £320k of budget carried forward to 2021/22 financial year.
- c) Members will be aware of the significant impact COVID has had on the more vulnerable members of society. The Council has undertaken extensive activities to support homeless people in the last year, less traditional case work was undertaken as lockdown had the effect of freezing mobility of many people for example by the suspension of landlord evictions. However new work to provide more support to single people and rough sleepers was a key feature of the year, much of which was supported by Government funding. This impact on the work Homelessness team is reflected in our end of year budget position, however this situation is expected substantially reverse in the year to come with cost pressures expected.
- d) Within the directorate's overall outturn position, savings have arisen in community safety costs for the CCTV monitoring service, where a 25% rebate on service costs has been received, helped to mitigate staff cost pressures in homelessness services. A total cost pressure of £138k has been reported in management costs necessary to meet statutory duties. Accommodation and surrounding support costs for homeless and rough sleepers has been mitigated by suppressed demand and significant COVID related funding resulting in an underspend in the General Fund. However, it is recommended to carry forward £320k to support an expected spike in costs in 2021/22, such that the service outturn against budget broadly balances overall.

**Table 4: Housing and Communities  
Main Differences between Quarter 3 and Outturn Variances**

	Q3 £	Movement £	Outturn After Carry Forwards £
<b>Department Notes</b>			
<b>Community Resilience:</b> this underspend relates to a one-off one quarter rebate for the CCTV contract.	-46,870	-10,887	-57,757
<b>Homelessness:</b> The overall underspend is a combination of: <ul style="list-style-type: none"> <li>• An overspend of £137.6k on staffing costs related to the current management arrangements to meet</li> </ul>	-256,500	299,265	42,765

	Q3 £	Movement £	Outturn After Carry Forwards £
<b>Department Notes</b>			
<p>the service statutory requirements and current improvement plan.</p> <ul style="list-style-type: none"> <li>An underspend of £467k because of suppressed demand due to lockdown, suspension of landlord evictions and alternate provision (such as Beach Hotel in Minehead and Canonsgrove in Taunton) being funded by additional COVID homeless grants. This led to a steep drop in B&amp;B costs, alongside spend to private landlords (for rent in advance, deposits etc), as well other related spend.</li> </ul> <p>The movement in Q4 refers to a carry forward request that is pending Executive approval.</p>			
<b>Other Minor Variances</b>	4,000	13,415	17,415
<b>Total</b>	<b>-299,370</b>	<b>301,792</b>	<b>2,422</b>

## 6.8 Internal Operations:

- a) The Internal Operations directorate has reported net expenditure of £9.303m in 2020/21. This delivers a range of support services and corporate projects, as well as budgets for a range of centrally-held corporate costs. The main services and projects delivered within this directorate include:
- Customer Services including call-handling, front of house, Deane Helpline and Emergency Response Team
  - Council Tax and Business Rates administration and income collection services
  - Housing benefits and local council tax support administration
  - Income control and collection from customers ('Accounts Receivable')
  - Payments to suppliers ('Accounts Payable')
  - Corporate strategy, corporate performance, and business intelligence
  - Operational support and digital mailroom
  - Finance and procurement services
  - Corporate Services including Communications and Engagement, People Management including HR and Payroll, Corporate Health and Safety, ICT services
  - Corporate governance including Committee administration and Elections services
  - Internal Change programmes and projects
- b) The directorate has reported a net underspend of just £363k at the end of the financial year, after taking into account £416k of budget carried forward to 2021/22 financial year.
- c) As outlined in the main report COVID has created a disrupted year in service delivery for some areas of the Directorate such as Communications and Engagement. Other areas of the Directorate have fixed points of annual variances such as the Benefits team which are beyond our control. Our change and technology programmes have

delivered savings and efficiencies in year, initial budgets were set for these programmes during a time of disruption and change so future budget profiling for 2021/22 will be better aligned.

- d) The outturn for the year reflects cost pressures in: Housing Benefit net costs; additional staff costs needed to support emergency services due to impact of COVID; and a reduction in recharges of support service costs to the HRA. This was offset by underspend in: Communications and Engagement where delivery support for events and marketing has reduced due to COVID restrictions; efficiencies have been delivered in ICT infrastructure, equipment and compliance costs; corporate management costs where legacy credit balances held on balance sheet have been cleared to revenue at year end; and an accrual for a late notification and receipt of New Burdens grant funding after the year end.

**Table 5: Internal Operations  
Main Differences between Quarter 3 and Outturn Variances**

	<b>Q3 £</b>	<b>Movement £</b>	<b>Outturn After Carry Forwards £</b>
<b>Department Notes</b>			
<b>Communications &amp; Engagement:</b> Because of COVID and the Government messaging around “staying at home” a significant proportion of the budget that would have been spent on supporting events and marketing was not needed.	-148,995	14,176	-134,819
<b>Internal Change:</b> The outturn includes an approved carry forward request for the original staffing underspend (due to a vacant post and maternity leave) together with lower income from the HRA for shared support staff and for contributions to change projects, the latter of which will be carried forward under the HRA.	-59,800	121,087	61,287
<b>ICT:</b> several workstreams have been successful at finding efficiency savings during the year such as rationalising BT circuits, consolidation of Public Service Network and reducing mobile phone costs.	-137,866	-21,050	-158,916
<b>Benefits:</b> this is a high risk area within the authority. The net difference between the payments going out the door and the money we receive in subsidy is due to many factors. This could include meeting local costs towards War Pensions, Subsidy errors, Rent Officer shortfalls, and contribution to Supported and Temporary housing which are not covered in full by the DWP. These costs are monitored and challenged but many of these shortfalls are out of our control and we are legislatively bound to meet the costs, as are all other administering local authorities.	111,052	64,524	175,576

	Q3 £	Movement £	Outturn After Carry Forwards £
<b>Department Notes</b>			
<b>Revenues:</b> the main reason for the underspend is accrued New Burdens funding that was notified and received in May 2021.	-36,148	-189,384	-225,532
<b>Customer Services:</b> Whilst the service has over recovered against its income budget, unfortunately the staffing costs needed to maintain emergency services throughout the COVID pandemic have been significant. The movement relates to income projections changed after the Q3 forecast was completed.	75,772	82,277	158,049
<b>Finance/Corporate Management:</b> The added underspend was due to a higher than anticipated charge to the HRA for support services of £116k, plus adjustments relating to resolving and clearing items of £60k.	-121,226	-176,410	-297,636
<b>Other Minor Variances</b>	9,892	48,931	58,822
<b>Total</b>	<b>-307,318</b>	<b>-55,849</b>	<b>-363,168</b>

#### 6.9 Senior Management Team:

- This budget line holds the costs of the Chief Executive and four directors, contingency to support strategic priorities in-year, and funding approved to support Stronger Somerset business case development and related costs. The contingency was used primarily to contribute to project resources dealing with phosphates mitigation led within the Development and Place directorate.
- Net costs totalled £844k and resulted in a small underspend of just £14k at the end of the financial year.

**Table 6: Senior Management Team  
Main Differences between Quarter 3 and Outturn Variances**

	Q3 £	Movement £	Outturn After Carry Forward s£
<b>Department Notes</b>			
<b>Total</b>	<b>-53,740</b>	<b>40,146</b>	<b>-13,594</b>

#### 6.10 Other Costs, Income and Reserve Transfers:

- As well as budgets allocated to directorates for the delivery of services, a number of budgets are reported 'below the line' as centrally held/corporate items.
- For 2020/21 this includes accounting for additional emergency COVID grant funding that has been received to mitigate additional costs and income losses due to national and local restrictions. This area also includes items such as:

- Investment properties income
- Other interest costs and income
- Accounting provisions for Expected Credit Losses (commonly known as bad debt provisions)
- Capital accounting adjustments including debt repayment, revenue financing of capital costs, and transfers to and from capital reserves
- Transfers to and from general and earmarked revenue reserves

c) In summary, the overall position against budget for these items is a net underspend/income of £471k. COVID funding budgets have been updated during the year, however actual income has exceeded previous Q3 forecast primarily where grant to mitigate income losses increased with the reinstatement of full lockdown restrictions since January 2021. In addition, investment property income exceeded budget estimates. Treasury management has outperformed budget mainly due to higher temporary cash balances, slower spend, and lower borrowing rates. Conversely the provision for debt repayment exceeded budget, and the investment properties surplus has been transferred to earmarked reserves to arrive at the net position.

**Table 7: Other Costs, Income and Reserve Transfers ('below the line')**  
**Main Differences between Quarter 3 and Outturn Variances**

	Q3 £	Movement £	Outturn After Carry Forwards £
<b>Department Notes</b>			
<b>COVID General Grants:</b> Increase in COVID grant income relating to Sales, Fees and Charges compared to the Q3 forecast, when the budgets were adjusted due to an increase in income losses following full lockdown COVID restrictions from January 2021.	-392	-365,353	-365,745
<b>Investment Properties:</b> Over achievement of net income against budget from commercial investment properties acquired during the period (surplus transferred to earmarked reserves – see below).	-167,877	-2,006	-169,883
<b>Interest and Investment Income:</b> Reduction in net interest payments costs and income on in year borrowings. This is because costs of new borrowing have been very low during the period, cash flow has benefitted from significant grant funding received in advance of payments out, and capital expenditure slower than assumed when the budget was set.	-375,890	128,209	-247,681
<b>Expected Credit Losses:</b> This represents a reduction in the provision for Sundry Debtors and housing benefit bad debts / credit losses, despite a more cautious allowance for risk of losses due to COVID / economic pressures on customers.	0	-11,829	-11,829
<b>Transfers from Earmarked Reserves:</b> Transfer of net commercial property investment budget	0	-1,829,275	-1,829,275

	Q3 £	Movement £	Outturn After Carry Forwards £
<b>Department Notes</b>			
surplus of £173k to the Investment Risk Reserve at year end. Movement to reserves for CTax losses funding; £124k previous year pooling gain; £906k for this years pooling gain and £21k for Business Rates. A contribution from Reserves of £3.07m for capital funding			
<b>S31 Transfers to Earmarked Reserves:</b> £11.7m in relation to the Business Rates Holiday and £3.08m for Business Rates Losses (see section 10).	0	14,777,000	14,777,000
<b>Capital and Other Adjustments:</b> This relates to £194k for MRP costs above budget, where the budget was based on historic information but costs have been recalculated for up to date information in respect of total borrowing brought forward on 1 April 2020. The movement relates to funding of capital from earmarked reserves.	362,393	2,916,079	3,278,276
<b>Funding:</b> Additional grant towards council tax discounts and losses received at end of year and pooling gain income.	0	-1,125,276	-1,125,276
<b>S31 Funding:</b> S31 grant received towards Business Rate Holiday of £11.7m and Business Rates Losses of £3.08m (see section10).	0	-14,777,000	-14,777,000
<b>Total</b>	<b>-181,766</b>	<b>-289,450</b>	<b>-471,216</b>

## 7 COVID Costs and Funding

- 7.1 The COVID pandemic has significantly impacted upon the Council's services, costs and income during the past financial year. By the end of the financial year, COVID has resulted in additional cost pressures and loss of income to the General Fund totalling £7.27m. This has been partly offset by additional government funding of £5.72m but has required £1.55m of Council funds to meet the shortfall. During the year allocations of £1.66m were approved from reserves and therefore the remaining £105k will be returned to General Reserves as part of the overall underspend shown in table 1.

**Table 8 – Summary of COVID Costs and Funding**

Net Impact of COVID on General Fund Resources:

	£'000
Net impact of additional costs and income losses	7,270
Less: Actual and projected additional grants income from Government	-5,718
Less: Approved in-year allocations from SWTC reserves	-1,657
Amount returned to General Fund Reserves as part of the underspend	105

## 8 Revenue Budget Carry Forwards

- 8.1 It is usual practice to consider requests for budget carry forwards at the year end,

where a budget holder wishes to retain an underspend for use by the service in the following year. The Council has delegated authority to the S151 Officer to approve individual carry forwards under £150k.

8.2 The situation in 2020/21 was inevitably impacted by COVID with several areas of spend delayed or deferred, and through the carry forwards it is intended to provide the resources to deliver these activities in 2021/22. The proposals for carry forwards totalling £1.277m were provisionally identified within the Financial Monitoring as at Quarter 3 report.

8.3 The final list of proposed carry forwards at the end of the financial year totals £2.079m, reflecting the timing of spend and increased underspend compared to earlier forecasts. These were considered by SMT and the S151 Officer on the 12 May 2021 and they were all agreed. A list of approved carry forwards is included in **Appendix A**.

8.4 Three of the carry forwards that were agreed in principle, totalling £940k, are being recommended to the Executive for approval as they are individually over £150k. These are:

- **Climate Change for £427k:** A budget of £500k and the principle of any under spend to be carried forward was approved at full Council on 26 October 2020.
- **Leisure Maintenance for £193k:** This underspent budget will be used to fulfil the maintenance and contract commitments in leisure centres that were delayed in 2020-21 due to COVID-19.
- **Homelessness for £320k:** COVID has created a 'wave' effect for homelessness demand with a trough in 2020/21 but a potential 'tsunami' expected for 2021/22 once furlough ends due to: courts processing S21 notice evictions, relationship breakdowns (e.g. caused by domestic abuse during lockdowns), and sofa surfers moving on as lockdown ends. Another significant cost will be the need to cover shortfalls in income at Canonsgrove when we begin the decant to new accommodation. Fixed costs will continue, and we have committed to cover shortfalls to the YMCADG so that they break even. Forecasts for these shortfalls are being developed but could be 6 figure sums.

8.5 The S151 Officer has approved carry forwards totalling £1.139m.

## **9 2021/22 Supplementary Budget Request**

9.1 Since the Q3 forecast and the conclusion of 2021/22 budget setting, further spending priorities have been identified, therefore supplementary budgets totalling £806k are requested for 2021/22. The residual underspend in 2020/21 will be transferred to general reserves at 2020/21 year end, and it is proposed to reinvest some of this underspend to support these additional costs. A list of the individual requests are as follows:

- **Phosphates for £200k:** further funding is required for consultancy costs for the programme of works required to deliver the wetland creation. These include: Habitat Regulations Assessment for all new sites acquired, implementation of the design of the 8-stage process devised by Royal Haskoning; Natural England Registration costs for project assessments; legal costs for S106 agreements (may be Unilateral Undertakings); and a septic tank scoping exercise.

- **Health & Safety for £126k:** This will be used to fund a combination of additional temporary staff resources, training, and IT/software costs. We have identified a series of training needs and structure changes including internal control functions that need to be addressed to ensure the safety of our teams and the wider community during our operations. This money also includes costs for upgraded software that allows us to complete risk assessments in the field and track the work we do to keep ourselves safe far more easily. This is the General Fund share of the total costs of £222k.
- **Parks and Open Spaces for £100k:** The Bandstand in Vivary Park is a Grade II listed structure. The budget to refurbish reflects the uncertainty of taking on this refurbishment task.
- **Asset Management for £150k:** Provision is being made to enable Somerset West and Taunton to cover any liability it may have with regard to Stogursey Church wall.
- **Hankridge Pond for £100k:** Ongoing costs associated with the Council's legal liability maintaining a public open space.
- **Revenues for £130k:** Additional temporary service capacity on an 'invest to save' basis to tackle tax income arrears, helping the service recover from the diversion of significant time and resource to administering COVID business grants. The project will also seek to leverage funding and benefits from our enforcement agent contracts. This is in part utilising new burdens funding that was received after the end of 2020/21 financial year and forms part of the underspend transferred to general reserves.

## 10 Business Rates

- 10.1 The Business Rates Retention (BRR) funding system is both challenging and volatile, with the Council facing significant risks particularly in respect of appeals against rateable values by rate payers. The required accounting arrangements also result in some 'timing differences' which can skew the funding position across financial years. SWTC's standard share of net rates income is 40%.
- 10.2 SWT, together with Somerset County Council, Mendip, Sedgemoor and South Somerset district councils, operate as a business rates pool, enabling a higher proportion of business rates growth to be retained by the Councils.
- 10.3 The Business Rates Retention outturn for 2020/21 is significantly skewed by the additional business rates reliefs awarded to retail, hospitality, leisure and nursery businesses as one of the measures to support business for COVID impact, in the form of a 'business rates holiday'. This provided £29m of financial support to business, which results in a deficit in the Collection Fund, which is due to be reimbursed to the Fund in 2021/22. The Council is compensated for this loss of income through additional S31 grant from Government, which is accounted for in 2020/21, but will be earmarked to pay for the reimbursement to the Collection Fund in 2021/22.
- 10.4 Business Rates income to the Collection Fund was also significantly reduced in 2020/21 due to a 90% reduction in Rateable Value for Hinkley B nuclear power station, resulting in a £9m refund to ratepayer (40% of which is paid for by SWTC). This increases the deficit reported in the Collection Fund which is to be reimbursed in 2021/22, and this is reflected in the 2021/22 General Fund budget. Fortunately, the tax lost compensation scheme introduced by Government for 2020/21 due to COVID

will offset 75% of SWTC's losses, reducing the burden on the Council's own reserves.

- 10.5 The following table summarises the net position in respect of retained business rates funding for SWT in 2020/21 based on required accounting entries.

**Table 9: Business Rates Funding Outturn 2020/21**

	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>
40% Share of Business Rates Income (per original budget)	-23,004	-23,004	0
Tariff to Government (fixed amount)	18,395	18,395	0
Section 31 Grant funding for enhanced Small Business Rates Relief/Flooding Relief/Retail Reliefs	-2,961	-14,184	-11,223
Renewable Energy Rates – 100% retained by SWT	-206	-205	1
50% Levy Payment	1,555	1,060	-495
Tax Income Guarantee Scheme	0	-3,081	-3,081
<b>Sub Total</b>	<b>-6,221</b>	<b>-21,019</b>	<b>-14,798</b>
Previous Year's Collection Fund Surplus	-2,071	-2,071	0
<b>Total Retained Business Rates Funding 2020/21</b>	<b>-8,292</b>	<b>-23,090</b>	<b>-14,798</b>

- 10.6 The Council maintains a Business Rates Volatility Reserve, which enables the council to 'smooth out' accounting timing differences within the BRR system, and provide a prudent contingency to protect the revenue budget from large reductions in business rates income – e.g. through larger than estimated appeal refunds and large variances in S31 grant income – and collection fund deficits.
- 10.7 Separate earmarked reserves have been created at year end to hold the S31 grants received in respect business rates due to COVID. One grant relates to the business rates holiday and this is needed to fund the resulting Collection Fund Deficit repayment in 2021/22, £11.7m has been transferred to an earmarked reserve for this purpose. We also received a grant for tax income guarantee which is required to fund part of the Collection Fund Deficit which will be spread over the years 2021/22-2023/24, £3.08m has been transferred to an earmarked reserve for this.
- 10.8 The Council has received a pooling gain of £906k in 2020/21. This has been transferred to the Business Rates Retention Volatility earmarked reserve. Within the Financial Strategy report it is proposed that this is utilised to support the budget in 2022/23 and additional financial sustainability measures such as capital financing.

## 11 Debt Write Off

- 11.1 The total amount of debtor write-offs made during 2020/21 amount to £415,737. The table below provides a breakdown of debts written off between the General Fund, Housing Revenue Account and the Collection Fund. Of this there were no individual customers where individual debts greater than £25,000 that were written off.

**Table 10: Value of Debts Written Off 2020/21**

	<b>£</b>
<b>General Fund:</b>	
Sundry Debts (all E5 debts (includes HRA))	21,763

	£
Housing Benefits	22,253
<b>Housing Revenue Account:</b>	
Sundry Debts	2,991
Social Housing Tenants	99,811
<b>Collection Fund:</b>	
Council Tax	163,963
Business Rates	104,957
<b>Total</b>	<b>415,737</b>

## 12 General Fund Earmarked Reserves

- 12.1 The Council sets aside funds for specific purposes in earmarked reserves to be used in future years to meet planned spend on services not yet incurred, and specific contingencies for material financial risks.
- 12.2 **Appendix B** provides a summary of the earmarked reserves and their movement during the year. The total balance of General Fund earmarked reserves at the end of the financial year is £33.768m. The balance is skewed this year end with the significant transfer of S31 grant received in 2020/21 for 'business rates holiday' funding losses that will hit the General Fund in 2021/22 and tax income guarantee in 2021/22-2023/24 (see para 10.7 above).

## 13 General Reserves

- 13.1 The following table summarises the movement on the General Reserves Balance during the year.

**Table 11: General Reserve Balance**

	£000
<b>Balance Brought Forward 1 April 2020</b>	<b>4,522</b>
Approved Transfers in 2020/21	2,143
Outturn 2020/21 revenue budget underspend	1,250
<b>Balance Carried Forward 31 March 2021</b>	<b>7,915</b>
Requested Supplementary budget for 2021/22 (Section 9 above)	-806
Unitary Council Poll	-86
Future Use of Reserve in 2021/22 for Base Budget	-1,160
Future Use of Reserve in 2022/23 for Base Budget (per updated Strategy)	-1,000
<b>Projected Balance</b>	<b>4,863</b>
Recommended Minimum Balance	2,400
Balance above recommended minimum	2,463

- 13.2 The reserve balance as at 31 March 2021 (subject to audit) is £7.915m. The balance was planned to be increased during 2020/21 in line with the Financial Strategy agreed by the Executive in October 2020, to enhance resilience and provide flexibility to support the MTFP in 2021/22 and 2022/23.
- 13.3 Executive is now requested to approve a range of supplementary budgets totalling £806k in 2021/22, the Leader of the Council has approved £86k to fund Unitary Council Poll in 2021/22 and Full Council approved £1.160m in February 2021 as part of the base budget for 2021/22. A further £1m is currently being estimated as needed

to support the delivery of a balanced budget in 2022/23, per the updated Financial Strategy report elsewhere on this agenda.

- 13.4 This leaves a projected balance of £4.863m which provides £2.463m above the necessary minimum identified prior to Covid. In current circumstances it is prudent to maintain this headroom to allow flexibility in the face of potential unexpected costs / lost income, and to hold funds that are likely to be needed to support transition to and implementation of a unitary structure.

#### 14 Land Charges, Licensing and Taxi Licensing

- 14.1 Under regulations the Council needs to report how its Licencing and Land Charges services perform in the financial year. These services set fees and charges based on estimated reasonable costs and aim to break even each year. However, due to fluctuations in demand and costs the services may report an under- or over-recovery in any one year and the Council therefore transfers any surplus/deficit to a self-financing reserve.
- 14.2 Land Charges: During 2020/21 the Council has over-recovered its costs adjusting the self-financing reserve to a year end credit balance of £10,737. During the next round of fees and charges setting adjustments will be made with the view achieving a break-even position on a three year rolling basis.
- 14.3 Licencing: During 2020/21 the income target was realigned for the Licensing Act 2003 fees. As the fees are centrally set by Central Government any under or over recovery on these fees cannot form part of the self-financing reserve, therefore no amount was transferred to the reserve in 2020/21.
- 14.4 Taxi Licencing: There was an over-recovery of £7.7k during 2020/21 which reduces the self-financing reserve deficit to £40,842 at the end of the year. During the next round of fees and charges setting adjustments will be made with the view to achieving a break-even position on a three year rolling basis.

**Table 12: Licensing and Land Charges Self-Financing Reserves**

	<b>Balance Brought Forward £</b>	<b>Net Reserve Transfers £</b>	<b>Balance Carried Forward £</b>
Land Charges	11,064	-21,801	-10,737
Licencing	68,811	0	68,811
Taxi-Licencing	48,542	-7,700	40,842

*Note: minus (-) = funds in hand*

#### 15 Taunton Unparished Area Fund (Special Expenses)

- 15.1 During 2019/20 and previous years the Council set an annual budget for the Unparished Area of Taunton, which was funded through a “Special Expenses” Council Tax charge to households in the area plus funding provided towards the impact of Council Tax Support on the Unparished area tax base. The Council agreed to transfer the management of these funds to the Charter Trustees in 2019/20. The following table summarises the income and expenditure for the Fund in 2020/21.

**Table 13: Unparished Area Fund Income and Expenditure**

	£	£
<b>Fund balance brought forward 1 April 2020</b>		<b>-69,436</b>
<b>Special Expenses Precept 2020/21</b>		<b>-29,240</b>
<i>Expenditure funded in the year:</i>		
1 Dog Bin Marden Grove/Tyne Park	1,046	
1 Dog Bin Larch Close	1,046	
1 Dog Bin Hawthorn Park	1,046	
1 Dog Bin Chestnut Drive	1,046	
1 Litter Bin Calder Crescent/Ilminster Road	1,046	
2 Benches Severn Drive	2,400	
2 dog bins Dorchester Road	2,092	
Tree Cutting Avill Crescent	524	
St Andrews Church Enhancements	5,000	
Williton Community Shop	1,500	
Stoke Road Allotments CIC	550	
Transition Town Repair Cafe	1,000	
Unlocking Potential Somerset	12,000	
Street Pastors Radios	734	
Taunton Winterfest 2020	5,100	
Taunton Winterfest tranche 2	3,240	
Taunton East Development Trust Fence	1,450	
<b>Total Expenditure</b>		<b>40,875</b>
<b>Fund Balance in hand carried forward 31 March 2021</b>		<b>-57,801</b>

Note: minus (-) = funds in hand

- 15.2 The Fund was generally used to support minor works, worthwhile community activities and individual projects. The balance of funds at the end of the year remain as held by SWTC. For 2020/21, the Charter Trustees has raised its own precept for civic and mayoralty costs, and SWTC has continued to raise special expenses for supporting initiatives and projects in the unparished area. These funds are distinct from the Charter Trustees' precept.

## 16 General Fund Capital Programme

- 16.1 The total General Fund Capital Programme budget in place for 2020/21, including schemes brought forward from previous years, was £112.5m. This related to a combination of schemes to be delivered in the year and some that will span over more than one year.
- 16.2 The profile of estimated capital spend in 2020/21, projected as at Q3 and as reported at budget setting in February 2021, was £70.7m. The total actual spend for the year amounted to £63.5m was spent during 2020/21, which was £7.2m below Q3 forecast. Most of this difference is due to timing of spend of projects that a still work in progress at 31st March 2021, with £0.1m reported as net underspend on projects completed during the year. An additional £7.5m is reported as 'underspend' against the total programme but reflects capital loan schemes that are no longer required (see 16.4 below) therefore the budget for these is not rolled forward. Overall, £41.4m of existing approved budget is profiled into future years for ongoing schemes. A summary by Directorate of the outturn for the year is included in **Appendix C**. Additionally, an updated summary of the 2021/22 Capital Programme budget including carry forwards

is set out in **Appendix E** for information.

- 16.3 The main areas of capital investment during the year include:
- £44.1m in Commercial Investment Properties acquisitions.
  - £7.3m in the ongoing construction of the Coal Orchard development.
  - £1.9m in the construction of the 2 industrial units at Seaway Way. Both units have been let and the project completed £104k under budget.
  - £1.2m on Firepool regeneration master planning and enabling works.
  - Grants passed to the Onion Collective of £2.3m towards the construction of the development scheme in Watchet. This project is fully funded by MHCLG (Coastal Communities Fund) and other third party grant funding for which SWT is the accountable body.
  - Repairs to Watchet splashpoint coastal defence of £668k, completed £137k under budget; and
  - Blue Anchor coastal defence work of £445k, funded by the Environment Agency, which SWT is responsible for as the Coastal Protection Authority.
- 16.4 The projects which no longer require budget relate to three approved loan facilities made available to third parties in delivering schemes complementary to the Council's priorities and objectives. The potential borrowers have all confirmed they do not now require these loans from the Council:
- A potential £5m loan facility to Great Western Railway as an element in the Taunton Station re-development
  - A loan facility of up to £1.5m to the Onion Collective to fund the Watchet East Quay development
  - The loan facility to the Leisure provider of up to £1m.

## **17 Housing Revenue Account (HRA)**

- 17.1 The HRA is a ring-fenced account used to manage the Council's housing stock of approximately 5,700 properties, with the Council acting as the Landlord. The HRA operates as a 'self-financing' service, with costs of the properties and associated services funded by housing rents and specific fees and charges. The HRA is working within a 30 year business plan, reflecting the long-term nature of the housing assets, and plans to break-even each year.
- 17.2 **Revenue Outturn Position:** The revenue outturn position for the financial year 2020/21 for the HRA is a net overspend of £15k (0.06% of gross income). The end of year position is closer to budget compared to the £247k underspend forecast at Q3. Table 14 below shows a high level summary of the revenue outturn against budget.

**Table 14: HRA Revenue Outturn Summary**

	Budget	Outturn	Variance	
	£000	£000	£000	%
Gross Income	-26,773	-26,919	-147	0.5%
Service Expenditure	15,027	15,569	543	2.0%
Other Operating Costs and Income	9,925	9,544	-381	-1.4%
Unearmarked Reserve Transfers	0	0	0	0.0%
Capital Financing and Debt Repayment	1,821	1,821	0	0.0%
<b>Total</b>	<b>0</b>	<b>15</b>	<b>15</b>	<b>0.1%</b>

17.3 The department variances to budget are shown in Table 15, with explanations for the variances set out below.

**Table 15: Main Outturn Variances**

	Budget	Actuals	Variance
	£000	£000	£000
<b>Gross Income:</b>			
Dwelling Rents	-24,225	-24,278	-53
Non-Dwelling Rents	-719	-708	11
Charges for Services / Facilities	-1,457	-1,562	-104
Other Income	-371	-371	0
<b>Sub-Total Gross Income</b>	<b>-26,772</b>	<b>-26,919</b>	<b>-147</b>
<b>Service Expenditure:</b>			
Development & Regeneration	531	406	-125
Community Resilience	189	157	-32
Tenancy Management	1,999	2,378	379
Maintenance	3,813	3,709	-103
Assets	1,499	1,141	-357
Compliance	1,724	2,944	1,220
Performance	5,272	4,834	-438
<b>Sub-Total Service Expenditure</b>	<b>15,027</b>	<b>15,569</b>	<b>543</b>
<b>Central Costs / Movement in Reserves:</b>			
Revenue Contribution to Capital	0	0	0
Interest Payable	2,745	2,442	-302
Interest Receivable	0	-33	-33
Change in Provision for Bad Debt	180	-162	-342
Depreciation	7,000	7,297	296
Voluntary Repayment of Provision	1,821	1,821	0
<b>Sub-Total Central Costs / Movement in Reserves:</b>	<b>11,745</b>	<b>11,365</b>	<b>-380</b>
<b>Net Surplus(-) / Deficit for the Year</b>	<b>0</b>	<b>15</b>	<b>15</b>

**Income**

- 17.4 **Dwelling Rents:** the budgeted income for 2020/21 is £24.225m, which reflects an assumption of 1.25% void losses and applying a 52-week year. During the year tenants were invoiced £24.278m which exceeds the budget estimate by £53k (0.22%). Thus more income has been recovered than predicted when setting the budget and providing an allowance for voids.
- 17.5 **Charges for Services / Facilities:** The budgeted income for 2020/21 for the Service Charge Income for Dwellings (after discounts have been applied to tenants such as Piper Charge to Sheltered Housing and Extra Care) less an average 1.25% void loss and applying a 52 week year, is £1.283m. Thus £76k more income has been recovered than predicted when setting the budget and providing an allowance for voids.
- 17.6 The Service Charge Income for Leaseholders income for non-scheme holders is invoiced in arrears and therefore the actual income received relates to expenses incurred in the previous financial year. The budget was estimated at £164k. There was an over-recovery of income of £39k compared to budget, reflecting the total of actual costs recharged.

### **Expenditure**

- 17.7 **Development & Regeneration:** The underspend relates to a few posts held vacant during the year. The delivery of new development projects has not required this resource as the service has focused on establishing a development pipeline. The development pipeline of 342 units is now established and following procurement and planning this resource in the structure will be required as the council moves into delivery increasingly from 2021/22.
- 17.8 **Community Resilience:** The underspend relates to some unbudgeted income for a One Team post and a general reduction in project expenditure on the One Team budgets due to COVID restricting activities.
- 17.9 **Tenancy Management:** There are several areas within this department that have underspent because of reduced activity due to COVID. This has in part offset the overspend which relates in part to (a) tenancy management staffing levels that have been activity maintained over and above establishment to support the transition to the new directorates operating structure and COVID activity, (b) increased council tax liabilities from properties held vacant for longer due to COVID restrictions and (c) one-off costs to bring additional temporary accommodation units back online to support the COVID accommodation needs.
- 17.10 **Maintenance:** The underspend relates to COVID lockdowns delaying works (e.g. responsive repairs and void repairs).
- 17.11 **Assets:** The underspend relates to COVID lockdowns delaying works (e.g. pre-planned maintenance and SAP EPC & Stock Validation) as well as staffing costs where a post was held vacant during the year.
- 17.12 **Compliance:** The overspend is due to accelerated programmes of compliance activity (e.g. additional electrical testing and required repairs, and asbestos related works) as well as additional staffing costs within the gas team and electrical team.

17.13 **Performance:** The net underspend is a combination of: (a) reduced activity during the year due to COVID restrictions for both Tenant Empowerment and the Tenants Action Group, (b) an overspend due to higher agency costs for a period of time during the transition to new Directorate structure, (c) an underspend for the creation of a new performance team and the time taken to recruit to the positions, (d) an underspend on shared support staff, (e) an underspend on the overtime budget offsetting pressures across the service, and (f) an underspend on insurance premiums where the impact of the renegotiated contract that resulted in savings across the authority that were not reflected in the budgets for 2020/21 due to timings.

### **Central Costs and Movement in Reserves**

17.14 **Interest Payable:** there is an underspend of £335k on interest payable as the HRA has taken out £30m of fixed rate loans during the year thus securing cheaper sources of debt, reducing internal borrowing.

17.15 **Interest Receivable:** a combination of new fixed borrowing and COVID reducing capex during the year this has resulted in investments exceeding capital financing requirements. Therefore £33k of interest receivable was gained during the year.

17.16 **Bad Debt Provision:** There is an underspend of £342k for the change in expected credit losses (bad debt impairment) for the year end. The total outstanding debt for dwelling rents, service charges and garage rents has reduced by £97k year on year (£672k 20/21; £769k 19/20). The reason for the underspend is a significantly reduced expected credit loss as a result of the Rent Recovery Team changing their approach, with more direct support to tenants realising a significant reduction in older debts.

17.17 **Depreciation:** Depreciation is transferred to the Major Repairs Reserve (MRR) and must be used to fund the capital programme and/or repay capital debt. Depreciation is calculated at the end of the financial year and is based on each of the major components of each property e.g. kitchen, bathroom, roof, etc. For 2020/21 the dwelling depreciation charge was £6.9m and the other land and buildings depreciation charge was £0.4m; a total of £7.3m against a budget of £7m which has resulted in an overspend of £0.3m compared to the original budget. The budget for next year has already been increased.

## **18 HRA Earmarked Reserves**

18.1 The Council can set aside HRA funds for specific purposes to be used in future years. Table 13 below provides a summary of the HRA earmarked reserves and the movements during the year.

18.2 The balance as at 31 March 2021 committed to support spending in future years is £1.108m. The Social Housing Development Fund will be used to fund social housing development feasibility studies, stock appraisals and other asset management activities to progress the Directorate plan objectives. The remainder of the earmarked reserves have been specifically committed to be spent within the next three financial years.

### **Table 16: Balance of HRA Earmarked Reserves held at 31 March 2021**

Description	Balance B/F £000	Transfer In £000	Transfer Out £000	Balance C/F £000
Employment and Skills Development	102	0	-102	0
Asbestos Surveys	102	0	-102	0
One Teams	37	0	-11	26
Social Housing Development Fund	1,232	0	-382	850
Contribution to Transformation	175	0	0	175
Lettings	0	57	0	57
<b>Total</b>	<b>1,648</b>	<b>57</b>	<b>-597</b>	<b>1,108</b>

## 19 HRA Unearmarked Reserves

- 19.1 The recommended minimum balance for the HRA General Reserve balance is £1.8m. Remaining at or above these targets provides added financial resilience. Table 17 below summarises the movement on the HRA unearmarked reserves during 2020/21. The balance as at 31 March 2021 (subject to audit) is £2.6m, which is £0.8m above the recommended minimum balance of £1.8m.

**Table 17: HRA Unearmarked Reserves Balance**

	£000
Balance Brought Forward 1 April 2020	2,701
Approved In-Year Transfers	0
Provision Outturn 2020/21	-15
<b>Balance Carried Forward 31 March 2021</b>	<b>2,686</b>
Recommended Minimum Balance	1,800
Balance above recommended Minimum Operational Target	886

## 20 HRA Capital Outturn Position

- 20.1 The HRA approved Capital Programme for 2020/21 was £113.7m. This consisted of £15.8m of new schemes approved for 2020/21 plus £15.8m of slippage from prior years. In addition, £82.1m of supplementary budgets were approved by Full Council on the 7<sup>th</sup> July and 1<sup>st</sup> December 2020 for social housing development schemes to be delivered over several years and to be funded from RTB capital receipts and borrowing. The HRA Capital Programme relates to schemes which will be completed over the next ten years.
- 20.2 There was also £13.8m new budget approved by Full Council on 19<sup>th</sup> February 2021.
- 20.3 The Council is supporting the total investment through the use of the Major Repairs Reserve, Capital Receipts, Revenue Funding and Borrowing.
- 20.4 The actual spend on the HRA Capital Programme during 2020/21 was £9.1m. The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development and acquisition of new stock.
- 20.5 A budget return of £230k for Aids and Adaptations and DFGs relates to a number of factors resulting in a recognition that the annual budget can be profiled lower for future years and that the underspend does not need to be carried forward. A budget

return of £500 for The Outer Circle scheme which has completed under budget. The HRA Capital Programme and outturn for the year is included in Appendix D.

## **21 HRA Right To Buy (RTB) Capital Receipts**

- 21.1 The RTB scheme is a government scheme that enables tenants to purchase their homes at a discount, subject to meeting qualifying criteria. During 2020/21 the Council sold 34 homes through the RTB Scheme.
- 21.2 Through a “1-4-1 Agreement” with the Treasury / MHCLG, the Council can retain a small proportion of these RTB receipts and use them to fund new social housing. These receipts can only account for up to 30% spend on new social housing costs, with the remaining 70% coming from other funds such as revenue funding or borrowing. During the year the Government awarded a temporary amendment to the Retention Agreement which meant that, due to COVID, the Council was given until the 31<sup>st</sup> March 2021 to spend their receipts within the year.
- 21.3 From 1<sup>st</sup> April 2021 the Government has issued a policy change increasing allowable spend to 40% (from 30%) on new build development and extending the timeframe within which receipt must be spent to five years (from three years).
- 21.4 These receipts must be spent within three years of the capital receipt or returned to Government with interest at 4% over base rate from the date of the original receipt. To date, the Council has successfully spent all of their retained 1-4-1 receipts with no returns being made to the Treasury / MHCLG.
- 21.5 During the financial year 2020/21 the total attributable spend on eligible RTB schemes was £4.336m. This was a combination of the Council’s own new build development works plus 7 new build acquisitions at Pyrland Fields in Taunton and 8 buybacks (re-purchase of previously sold properties).

## **22 Links to Corporate Strategy**

- 22.1 The financial performance of the Council underpins the delivery of corporate priorities and therefore all Corporate Aims.

## **23 Corporate Scrutiny Comments / Recommendations**

- 23.1 The report was considered by Corporate Scrutiny on 7 July 2021. The following comments and recommendations were discussed for the Executive to consider:
- a) The Committee supported the recommendations and resolved in respect of 2.1.5: “The Committee notes the inclusion of these items and requests further clarity from the Executive on the definitive nature of the list and whether any additional items can be considered in future.”
  - b) The Committee held a strong view that it is important to plan and continue to make spending decisions with full and proper consideration of expected costs and organisational strain of unitary implementation.
  - c) Clarification was provided regarding the use of the HRA depreciation.

- d) How does the HRA debt write off compare to previous years – a written response will be provided to the Committee.
- e) A request for full updates on the Capital Programme going forward – this will be provided in the quarterly Financial Monitoring reports.
- f) Where is the money going for the Capital Loans no longer required – these were to be funded via borrowing and therefore the Council will no longer need to borrow.

#### Democratic Path:

- Corporate Scrutiny – 7 July 2021
- Executive – 21 July 2021
- Full Council – No

Reporting Frequency: Annually

#### List of Appendices

Appendix A	GF Requested Carry Forwards
Appendix B	GF Earmarked Reserves
Appendix C	GF Capital Outturn 2020/21
Appendix D	HRA Capital Outturn 2020/21
Appendix E	Capital Budget
Appendix F	GF Original v Current Budget Position
Appendix G	HRA Original v Current Budget Position
Appendix H	Confidential Capital Appendix

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## Appendix A: List of Approved Carry Forwards

[\* note three require Executive approval]

Request Title	Amount Requested £	Notes
<b>Total Carry Forward</b>	<b>2,079,300</b>	
<b>Development &amp; Place:</b>	<b>290,750</b>	
Land Charges System Update West Somerset	15,000	Service software migration has been delayed due to complexities in converting data.
Phosphates	125,000	The budget virement was approved in March 21 to be spent on the delivery of the wetland creation to cover the costs of a Programme Manager and Project Manager on a fixed term contract.
Planning Guarantee Refunds	91,750	There are several planning guarantees that are due or nearly due to be refunded. The service is working through and discussing extensions with those eligible.
Strategy & Policy	59,000	This budget is required to fund consultancy costs to (a) develop key evidence base for the Local Plan that was delayed due to uncertainty surrounding the Government's consultation on calculating housing requirements for Local Plans and (b) undertake Sustainability Appraisal work that was held back due to the delays on the SWT Local Plan timetable due to staff being diverted to other key Council priorities and COVID.
<b>External Operations &amp; Climate Change:</b>	<b>1,052,390</b>	
Air Source - Market House	14,250	For the installation of energy efficient heating in the Market House that was delayed due to procurement processes and seeking listed building consent.
*Climate Change (CNCR Budget)	427,060	A budget of £500k and the principle of any under spend to be carried forward was approved at FC 26.10.20.
Footpath Maintenance	140,000	There is currently no budget for the repair and maintenance of footpaths in council parks. There is increasing pressure for this work to be undertaken before it becomes a H&S issue. This budget will be used to address this.
Bin-Infrastructure Grant Scheme	40,000	The council has been successful in its application for funding under the Resource Action Fund: "Bin-frastructure Grant Scheme" (Wrap). This budget is required to support this project. It is planned that the grant, 20-21 and 21-22 budget will be used to create a large replacement programme for litter and dog bins which will promote recycling on the go.
Operation Clean Sweep	35,000	To fund the corporate project Operation Clean Sweep.
Seagull Culling Programme	15,000	This will be used to deliver the Seagull Culling Programme, approved by the Executive, during 2021-22. The delivery of this programme during the 2020/21 season was missed due to COVID. The council will now need to reapply for a licence and employ a contractor in 21-22.
Food Hygiene Inspections	50,000	Due to the demands of COVID-19 work and staff vacancies, officers have been unable to meet the required food hygiene inspections. It is therefore proposed to use this salary underspend to employ agency / a contractor to meet the required inspections.

<b>Request Title</b>	<b>Amount Requested £</b>	<b>Notes</b>
*Leisure Maintenance	192,880	This underspent budget will be carried forward and used to fulfil the maintenance and contract commitments in leisure centres that were delayed in 2020-21 due to COVID-19.
Parish & Community Trees	7,000	SWT agreed to provide financial backing as part of the Friends Groups bid to SCC Climate Change Fund. The bid was successful, but the decision delayed by SCC. This has now been confirmed as successful, so funds need to be carried forwards to purchase hedging for the project.
Parking	100,000	This underspent budget will be carried forward to fulfil maintenance commitments which were delayed due to COVID-19.
S106 Lapsed Agreements	31,200	The timing on legacy S106 agreements have lapsed and have been paid back to the developer. The council may still honour these S106 agreements by way of a goodwill gesture.
<b>Housing &amp; Communities:</b>	<b>320,000</b>	
*Homelessness	320,000	COVID has created a 'wave' effect for homelessness demand with a trough in 2020/21 but a 'tsunami' expected for 2021/22 once furlough ends; courts process S21 notice evictions; relationship breakdowns happen (e.g. caused by domestic abuse during lock downs) and sofa surfers move on. Another significant cost will be the need to cover shortfalls in income at Canonsgrove when we begin the decant to new accommodation. Fixed costs will continue, and we have committed to cover shortfalls to the YMCADG so that they break even. Forecasts for these shortfalls are being developed but could be 6 figure sums.
<b>Internal Operations:</b>	<b>416,160</b>	
Council Tax Support (Benefits)	53,740	This team still operates two systems since the creation of the new council. This budget will be used to migrate to one (more efficient and enhanced) operating platform with costs including consultancy costs, system health check and backfilling officer time seconded to the migration project.
Business Intelligence Capacity	32,560	The BI team are inundated with essential data requests, both for business as usual and for significant additional work. Additional funding has been identified for a new post from July. The carry forward request will help fund a three month secondment from April to July to help manage the workload.
Postage	10,000	An external provider was used to manage the organisation's outgoing mail during the COVID pandemic. This solution is more expensive than managing the mail in house. This budget will be used to cover any continued increase in costs in continuing the current arrangements and any implementation of alternative systems.
Goodland Gardens Electrics	30,000	Events have been highlighted as a key part of the bounce back programme to assist with the rejuvenating of town centres and businesses post COVID-19 Pandemic. Goodland Gardens is a popular event space and works are required to improve the electrical infrastructure at this site.

<b>Request Title</b>	<b>Amount Requested £</b>	<b>Notes</b>
Service Improvement & Efficiency - Programme BA Resource	110,000	This budget will be used to fund a senior business analyst resource to work alongside and coach the inhouse business analysts in the delivery of the service improvement and efficiency / Digital Innovation Programmes analysis needs through 21/22. Without the additional resource efficiency projects and projects supporting multiple directorates, such as GIS and Open Contractor, will not be able to proceed at this time.
Income Team Resource	24,180	To help fund temporary resourcing to tackle the backlog of Council Tax and Business Rate arrears cases awaiting enforcement. This situation has been exacerbated by our inability to take enforcement action over the previous 12 months as a result of COVID. We will shortly also have to contend with the implementation of the new Breathing Space legislation, which is likely to be resource intensive.
Microsoft 365 Project	27,760	The Microsoft 365 platform delivery was due to be completed by 31/3/21 but has over run into April/May 2021 due to the impact of COVID. SWT does not have the internal skill sets required for technical system configuration and implementation, so we are reliant upon external help. This carry forward allows us to fund an external contractor to complete the work.
Information Management Project	70,360	A project has been underway for the last 18 months to ensure data compliance and to move the authority's unstructured data to SharePoint on-line. This work has taken much longer than expected due to the impact of COVID-19. This budget will fund the external resources required to complete this project and provide mentoring to the new Information Governance post for their first 6 months in post.
Infrastructure Project	11,420	A project has been underway to replace ageing ICT infrastructure. This has required additional external technical resources to assist the internal team. The project is coming to an end but will continue into the first quarter of 2021/22 and therefore the current project underspend is required to continue funding external infrastructure engineers until completion of the project.
Internal Change Resources	46,140	The underspend is being used to fund a contract Firmstep form builder who is clearing a backlog of Firmstep form requests that has developed whilst resources have been directed to COVID-19 grant work and other priority work. A longer-term plan is being developed to address how Firmstep form building will be resourced and this temporary contract resource is needed until a permanent solution is found.



## Appendix B: Summary of Movement in Earmarked Reserves 2020/21

	<b>Balance B/F</b>	<b>Transfers To Reserves</b>	<b>Transfers From Reserves</b>	<b>Balance C/F</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Business Rates Holiday S31 Grant</b>	0	-11,695	0	-11,695
<b>Business Rates Retention Volatility</b>	-3,303	-3,123	1,052	-5,375
<b>Investment Risk Reserve</b>	-3,500	-173	0	-3,673
<b>Business Rates Losses S31 Grant</b>	0	-3,081	0	-3,081
<b>Budget Volatility &amp; Risk res</b>	0	-2,400	0	-2,400
<b>General Carry Forwards</b>	-61	-2,108	58	-2,112
<b>Garden Town Fund</b>	-814	-405	349	-870
<b>Ec Dev Initiatives (BRR Pool Gain)</b>	-1,268	-500	999	-769
<b>Asset Management - General</b>	0	-687	0	-687
<b>Community Housing Fund (SHLAA) – DCLG monies</b>	-569	0	36	-533
<b>New Homes Bonus</b>	-6,860	-2,853	9,521	-193
<b>Other</b>	-4,212	-1,105	2,862	-2,456
<b>TOTAL</b>	<b>-20,586</b>	<b>-28,132</b>	<b>14,875</b>	<b>-33,844</b>

Note: the net movement in reserves is £13.257. This is different to table 1 net movement in reserves of £105.01m as £2.304m of the transfers to / from Earmarked reserves are undertaken within services.



## Appendix C: General Fund Capital Outturn Position 2020/21

### General Fund Capital Programme Summary

Directorate / Group of Schemes	Total Budget 2020/21 £	Actual Capital Outturn 2020/21 £	Budget Under (-)/ Overspend on Completed Projects £	Underspend: Budget no longer required £	Total Budget C/F to Future Years (Ongoing Projects) £
Development & Place	88,164,251	54,942,642	-133,466	-5,000,000	28,088,143
External Operations	13,497,374	3,777,903	-232,745	-2,500,000	6,986,727
Internal Operations	2,005,500	490,008	-422		1,515,070
Housing - General Fund	5,207,525	1,102,539	5,437		4,110,423
Hinkley funded projects	1,923,003	1,339,673	273,544		856,875
External Ops - CIL Funded Grants	830,145	830,145			0
S106 funded projects	850,085	850,085			0
<b>Total General Fund Capital Expenditure</b>	<b>112,477,883</b>	<b>63,332,996</b>	<b>-87,651</b>	<b>-7,500,000</b>	<b>41,557,237</b>

### General Fund Capital Programme Detail

Directorate/Group of Schemes	Total Budget 2020/21 £	Actual Capital Outturn 2020/21 £	Budget under (-) /over spend on completed projects £	Underspend re schemes where Budget no longer required £	Total budget c/f to future years (ongoing projects) £
Investment Properties	50,000,000	44,069,751			5,930,249
Taunton Bus Station	77,068	27,386			49,682
Coal Orchard Construction	10,057,527	7,334,574			2,722,953
Coal Orchard Devcosts	293,097	14,775			278,322
Major Transport Schemes	580,000	0			580,000
Emp Site Enabling Innova	100,000	0			100,000
Superfast Broadband (Legacy TD)	380,000	0			380,000
Superfast Broadband (Legacy WSC)	170,000	0			170,000
Steam Coast Trail	102,186	0			102,186
Seaward Way	2,056,314	1,859,952	(104,162)		92,200
Firepool Development	475,895	0			475,895
Firepool Master Planning	2,989,245	1,158,140			1,831,104
Great Western Railway Development Loan	5,000,000	0		(5,000,000)	
J25 Improvement Scheme Contribution	1,500,000	0			1,500,000
Flooding Alleviation	6,000,000	0			6,000,000
CIL - Cycle & Pedestrian Improvements	500,000	0			500,000
CIL - Education Provision	4,000,000	0			4,000,000
CIL - Town centre regeneration	500,000	96,108			403,892
Heritage at Risk	428,420	382,883			45,537
Taunton Tech. Park	0	10,463	10,463		
GF C Firepool Land Assembly	0	(379)	(379)		
GF C Parking & Access & Signag	0	(39,386)	(39,386)		
Regeneration Projects	2,954,500	28,377			2,926,123
<b>Total Development &amp; Place</b>	<b>88,164,251</b>	<b>54,942,642</b>	<b>(133,466)</b>	<b>(5,000,000)</b>	<b>28,088,143</b>

**Appendix C: General Fund Capital Outturn Position 2020/21**  
**General Fund Capital Programme Detail (continued)**

	Total Budget 2020/21	Actual Capital Outturn 2020/21	Budget under (-) /over spend on completed projects	Underspend re schemes where Budget no longer required	Total budget c/f to future years (ongoing projects)
Directorate/Group of Schemes	£	£	£	£	£
General Fund Vehicles Acquisition	152,000	33,584	(118,416)		
Waste Containers	100,000	101,500	1,500		
Grants to Parishes Play	15,000	0			15,000
Replacement Play Equipme	64,000	0			64,000
SWP Waste Vehicle Loan	497,618	0			497,618
SWP Waste Container (Recycle More)	377,177	52,569			324,608
General Fund Plant	23,000	22,882	(119)		
Waiting Room	30,000	42,138	12,138		
Watchet East Quay Development Loan (OC)	1,500,000	0		(1,500,000)	
Watchet East Quay Development CCF Grant (OC)	3,789,053	2,338,966			1,450,087
Cuckoo Meadow Play Area	1,103	0	(1,103)		
Minehead Esplande	15,147	0			15,147
Leisure	1,000,000	0		(1,000,000)	
Watchet Splashpoint Hole	804,096	667,570	(136,526)		
Wellington Air Handling Unit	253,000	960			252,040
East Quay Wall	740,000	0			740,000
Blue Anchor Coast Defence Work	435,000	444,777	9,777		0
Blue Anchor Coast Protection	3,550,000	21,774			3,528,226
Car Parks Capital Improvements	100,000	0			100,000
Land at Cotford St Luke	51,180	51,184	4		0
<b>Total External Operations</b>	<b>13,497,374</b>	<b>3,777,903</b>	<b>(232,745)</b>	<b>(2,500,000)</b>	<b>6,986,727</b>
<b>Internal Operations: Alison North</b>					
Members IT Equipment	4,000	0			4,000
Community Alarms	25,000	24,578	(422)		
IT Server Refresh	20,000	0			20,000
Resources for Change Programme	571,360	332,958			238,402
Finance System	76,770	62,563			14,207
SIP	353,700	42,882			310,818
PC Refresh Project	46,500	27,027			19,473
Microsoft 365 Migration	132,170	0			132,170
Capital loan	776,000	0			776,000
<b>Total Internal Operations</b>	<b>2,005,500</b>	<b>490,008</b>	<b>(422)</b>	<b>0</b>	<b>1,515,070</b>

## Appendix C: General Fund Capital Outturn Position 2020/21

### General Fund Capital Programme Detail (continued)

	Total Budget 2020/21	Actual Capital Outturn 2020/21	Budget under (-) /over spend on completed projects	Underspend re schemes where Budget no longer required	Total budget c/f to future years (ongoing projects)
Directorate/Group of Schemes	£	£	£	£	£
Grants to Registered Social Landlords	1,445,381	604,253			841,128
Gypsy Site	108,502	0			108,502
Disabled Facilities Grant (DFG)	2,653,642	492,849			2,160,793
Open Assets Implementation	0	5,437	5,437		
North Taunton Equity loans	1,000,000				1,000,000
<b>Total Housing</b>	<b>5,207,525</b>	<b>1,102,539</b>	<b>5,437</b>	<b>0</b>	<b>4,110,423</b>
<b>Hinkley Funded Projects : Dawn Adey</b>					
Westfield Street Café	3,000	0	(3,000)		
South B/W & North Petherton	250,500	0			250,500
Bridgwater Town Centre Sup	54,278	0			54,278
Holford Village hall	76,092	0			76,092
Minehead TC - Changing Rm	18,237	18,237			
Watchet Bowling	150,000	51,995			98,005
Williton Shooting Club	23,000	0			23,000
Cheddar PC	320,000	255,000			65,000
Burnham on Sea & Highbridge Council	300,000	100,000			200,000
Empty Homes & Living over the Shop	90,000	0			90,000
Stogursey Victory Hall	637,896	914,440	276,544		0
<b>Hinkley Total</b>	<b>1,923,003</b>	<b>1,339,673</b>	<b>273,544</b>	<b>0</b>	<b>856,875</b>
<b>External Ops: CIL Grant</b>	<b>830,145</b>	<b>830,145</b>			
<b>Section 106: Various projects</b>	<b>850,085</b>	<b>850,085</b>			
<b>Total General Fund Capital Expenditure</b>	<b>112,477,883</b>	<b>63,332,996</b>	<b>(87,651)</b>	<b>(7,500,000)</b>	<b>41,557,237</b>



## Appendix D: HRA Capital Outturn Position 2020/21

HRA Capital Scheme	Revised Budget for 2020-21	Actual Capital Outturn 2020/21	Budget under (-) /over spend on completed projects	Budget not required	Total budget c/f to future years (ongoing projects)
	£	£	£	£	£
Major Works	8,353,300	2,744,638		-	5,479,178
Fire Safety	2,150,000	596,033		-	1,553,967
Related Assets	100,000	98,872		-	1,128
Exceptional & Extensive	350,000	283,642		-	66,358
Vehicles	347,800	-		-	347,800
IT Programme	855,110	238,996	129,484	-	616,114
Aids & Adaptations & DFGs	629,090	398,824		230,266	-
Social Housing Development	100,988,490	4,784,946		500	96,203,044
<b>Total Investment</b>	<b>113,773,790</b>	<b>9,145,951</b>	<b>129,484</b>	<b>230,766</b>	<b>104,267,589</b>



## Appendix E: Information: Capital Programmes Budget 2021/22 to 2025/26

### General Fund Capital Programme Summary

	20/21 Carried forward £	Approved Budget 2021/22 £	Approved Budget future years £	Total Budget 21/22 and future years £
Development & Place	28,088,143	65,865,902	46,702,675	140,656,720
External Operations	6,986,727	1,735,360	532,360	9,254,447
Internal Operations	1,515,070	210,000	305,000	2,030,070
Housing - General Fund	4,110,423	896,621	896,621	5,903,665
Hinkley funded projects	856,875	0	0	856,875
External Ops - CIL Funded Grants (TBD)	0	0	0	0
S106 funded projects (TBD)	0	0	0	0
<b>Total General Fund Capital Expenditure Budget</b>	<b>41,557,237</b>	<b>68,707,883</b>	<b>48,436,656</b>	<b>158,701,776</b>

### General Fund Capital Programme Detail

	20/21 Carried forward £	Approved Budget 21/22 £	Approved Budget future years £	Total Budget 21/22 and future years £
<b>Development &amp; Place: Dawn Adey</b>				
Investment Properties	5,930,249	50,000,000		55,930,249
Taunton Bus Station	49,682			49,682
Coal Orchard Construction	2,722,953			2,722,953
Coal Orchard Devcosts	278,322			278,322
Major Transport Schemes	580,000			580,000
Emp Site Enabling Innova	100,000			100,000
Superfast Broadband (Legacy TD)	380,000			380,000
Superfast Broadband (Legacy WSC)	170,000			170,000
Steam Coast Trail	102,186			102,186
Seaward Way	92,200			92,200
Firepool Development	475,895			475,895
Firepool Master Planning	1,831,104			1,831,104
J25 Improvement Scheme Contribution	1,500,000			1,500,000
Flooding Alleviation	6,000,000			6,000,000
CIL - Cycle & Pedestrian Improvements	500,000		1,000,000	1,500,000
CIL - Education Provision	4,000,000			4,000,000
CIL - Town centre regeneration	403,892	1,000,000		1,403,892
CIL – Community Development	0		500,000	500,000
Heritage at Risk	45,537			45,537
Regeneration Projects ( <b>Confidential App F</b> )	2,926,123	14,590,902	44,902,674	62,419,699
Employment Land Schemes		275,000	300,000	575,000
<b>Total Development &amp; Place</b>	<b>28,088,143</b>	<b>65,865,902</b>	<b>46,702,674</b>	<b>140,656,719</b>

## Appendix E: Information: Capital Programmes Budget 2021/22 to 2025/26

### General Fund Capital Programme Detail (Continued)

	20/21 Carried forward	Approved Budget 21/22	Approved Budget future years	Total Budget 21/22 and future years
	£	£	£	£
<b>External Operations: Andrew Pritchard</b>				
General Fund Vehicles Acquisition		252,000	152,000	404,000
Waste Containers		100,000	100,000	200,000
Grants to Parishes Play	15,000	15,000	15,000	45,000
Replacement Play Equipment	64,000	64,000	20,000	148,000
SWP Waste Vehicle Loan	497,618			497,618
SWP Waste Container (Recycle More)	324,608			324,608
General Fund Plant		23,000	23,000	46,000
Watchet East Quay Development CCF Grant (OC)	1,450,087			1,450,087
Minehead Esplanade	15,147			15,147
Wellington Air Handling Unit	252,040			252,040
East Quay Wall	740,000			740,000
Rewire and lighting replacement - Orchard Car Park		150,000		150,000
Blue Anchor Coast Protection	3,528,226			3,528,226
Compliance for Assets	0	382,360	222,360	604,720
Car Parks Capital Improvements	100,000	709,000		809,000
New Boiler - Crematorium	0	20,000		20,000
Wellington Park Lodge	0	20,000		20,000
<b>Total External Operations</b>	<b>6,986,727</b>	<b>1,735,360</b>	<b>532,360</b>	<b>9,254,447</b>
<b>Internal Operations: Alison North</b>				
Members IT Equipment	4,000			4,000
Community Alarms		25,000	25,000	50,000
IT Server Refresh	20,000			20,000
Resources for Change Programme	238,402	95,000		333,402
Finance System	14,207			14,207
SIP	310,818			310,818
PC Refresh Project	19,473	90,000	280,000	389,473
Microsoft 365 Migration	132,170			132,170
Capital Loan (Confidential App F)	776,000			776,000
<b>Total Internal Operations</b>	<b>1,515,070</b>	<b>210,000</b>	<b>305,000</b>	<b>2,030,070</b>
<b>Housing: James Barra</b>				
Grants to Registered Social Landlords	841,128			841,128
Gypsy Site	108,502			108,502
Disabled Facilities Grant (DFG)	2,160,793	400,000	400,000	2,960,793
Energy Efficiency Grants		91,000	91,000	182,000
Home Maintenance		160,000	160,000	320,000
Prevention Grants		245,621	245,621	491,242
North Taunton Equity loans	1,000,000			1,000,000
<b>Total Housing</b>	<b>4,110,423</b>	<b>896,621</b>	<b>896,621</b>	<b>5,903,665</b>

## Appendix E: Information: Capital Programmes Budget 2021/22 to 2025/26

### General Fund Capital Programme Detail (Continued)

	20/21 Carried forward	Approved Budget 21/22	Approved Budget future years	Total Budget 21/22 and future years
	£	£	£	£
<b>Hinkley Funded Projects : Dawn Adey</b>				
South B/W & North Petherton	250,500			250,500
Bridgwater Town Centre Sup	54,278			54,278
Holford Village Hall	76,092			76,092
Watchet Bowling	98,005			98,005
Williton Shooting Club	23,000			23,000
Cheddar PC	65,000			65,000
Burnham on Sea & Highbridge Council	200,000			200,000
Empty Homes & Living over the Shop	90,000			90,000
<b>Hinkley Total</b>	<b>856,875</b>	<b>0</b>	<b>0</b>	<b>856,875</b>
<b>External Operations: CIL Grant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>S106 funded projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General Fund Total</b>	<b>41,557,237</b>	<b>68,707,883</b>	<b>48,436,655</b>	<b>158,701,775</b>

### Housing Revenue Account Capital Programme

	20/21 Carried Forward	Approved Budget 21/22	Approved Budget Future Years	Total Budget 21/22 and future Years
	£	£	£	£
<b>Housing Revenue Account: James Barrah</b>				
Major Works and Improvements	8,064,545	9,970,000		<b>18,034,545</b>
Social Housing Development Schemes & Major projects (Confidential App F)	96,203,044	3,830,000		<b>100,033,044</b>
<b>HRA Total</b>	<b>104,267,589</b>	<b>13,800,000</b>	<b>-</b>	<b>118,067,589</b>

#### Note:

This HRA budget reflects the CIT Strategies for the period of the Medium Term Financial Strategy 2021-26 for future years. This enables capital programme delivery to be monitored for progress within and across years.

The approved budget rolled forward includes all Social Housing Development schemes approved for their duration plus one year of major works and improvements.



## Appendix F: General Fund Budget Movement for 2020/21 per Cost Centre

Cost Centre	Cost Centre Name	Original Budget £	Approved Changes £	Current Budget £
<b>GENERAL FUND REVENUE ACCOUNT</b>				
<b>Development &amp; Place</b>				
CC000G	Major and Special Projects	481,490	-5,550	475,940
PG009G	Growth Programme	68,400	125,000	193,400
PG011G	Regeneration & Infrastructure	1,190	0	1,190
RG000G	CIC - Staffing Costs	-792,140	740,170	-51,970
SG100G	Hinkley	0	-32,500	-32,500
SE008G	Conservation & Listed Build	68,160	0	68,160
SE033G	Local Land Charges	-92,640	60,000	-32,640
SE036G	Planning Applications	266,590	-26,230	240,360
SE038G	Planning Applications & Advice	-84,820	0	-84,820
SE045G	Sports Develop & Community	50,490	0	50,490
SG005G	Indoor Sports & Recreation	-7,690	0	-7,690
FD000G	Strategy and Policy	412,770	10,140	422,910
RD000G	Strategy - Staffing Costs	-53,490	8,490	-45,000
SD002G	Garden Town	117,830	-28,870	88,960
PG007G	Taunton BID	15,000	0	15,000
SE011G	Culture & The Arts	202,680	0	202,680
SE015G	Economic Development	586,260	-23,345	562,915
		<b>1,240,080</b>	<b>827,305</b>	<b>2,067,385</b>
<b>External Operations &amp; Climate Change</b>				
SG004G	Central Service Overheads	297,940	-242,990	54,950
SG006G	Facilities Management	210,900	1,000	211,900
SE016G	Dog Warden Service	34,670	0	34,670
SE017G	Public Health	664,460	-105,700	558,760
SE021G	Food Safety	14,310	0	14,310
SE032G	Licensing	32,950	12,000	44,950
SE039G	Pollution Control	-7,210	0	-7,210
SE040G	Private Sector Housing	277,290	33,360	310,650
SE043G	Taxi Licensing	-73,610	40,000	-33,610
SE046G	Welfare Funerals	2,000	0	2,000
FF000G	Localities - Operational Costs	217,400	-17,370	200,030
SF001G	Grounds Maintenance	-2,137,870	77,110	-2,060,760
SF004G	Community Parks & Open Spaces	3,313,640	19,000	3,332,640
SF010G	Operation Clean Sweep	40,000	0	40,000
RF000G	Localities - Staffing Costs	495,190	-495,190	0
CC001G	Leisure Partnership	800,800	667,000	1,467,800
CC002G	Building Control Partnership	65,470	0	65,470
CC003G	Street Cleaning Partnership	1,197,110	0	1,197,110
CC005G	Park & Ride Contribution	230,000	0	230,000
CC006G	Parking Partnership	-3,973,400	4,159,000	185,600
CC007G	Waste Partnership	4,308,200	830,000	5,138,200
CC009G	Major Contracts	239,350	0	239,350
SE005G	Community Infrastructure Levy	-57,000	0	-57,000

SF002G	Bereavement Services	-670,770	184,000	-486,770
SG003G	Asset Management	648,740	-98,850	549,890
SG008G	Deane House	545,800	0	545,800
SG009G	Westpark	133,270	0	133,270
SG010G	Roughmoor Depot	-34,520	0	-34,520
SG011G	Brunel Way Depot	35,640	0	35,640
SG012G	West Somerset House	85,620	0	85,620
SG013G	Roughmoor Enterprise Centre	-71,470	88,000	16,530
SG014G	Barnsclose Units	-7,100	10,850	3,750
SF005G	Flood Defence & Land Drainage	380,580	-50,000	330,580
SF006G	Harbours	57,980	16,000	73,980
SF008G	Coast Protection	11,000	0	11,000
SC005G	Emergency Planning	30,880	68,340	99,220
SE035G	Planning Obligations	94,350	0	94,350
SD004G	Climate Change	152,160	517,160	669,320
		<b>7,584,750</b>	<b>5,712,720</b>	<b>13,297,470</b>

### Housing & Communities

CC008G	Housing Partnership	145,080	50,000	195,080
HS003G	GF Corporate Property Team	335,410	151,470	486,880
HS023G	GF Housing Strategy Team	0	108,560	108,560
HS014G	GF Housing Enabling Team	0	138,780	138,780
SE022G	Housing Enabling	169,980	0	169,980
HS021G	GF Community Resilience	0	270,650	270,650
SC008G	Shopmobility	43,770	-10,000	33,770
SE007G	Community Safety	230,140	0	230,140
SF003G	Community Grants	248,870	10,000	258,870
SF020G	GF Community Chest Fund	0	250,000	250,000
HS015G	GF Homelessness Team	716,900	16,830	733,730
SE026G	Homelessness	546,880	-50,000	496,880
SE023G	Housing Options	48,400	0	48,400
SE027G	Rough Sleepers Initiative	161,580	-161,580	0
SE028G	Homefinder	10	-10	0
		<b>2,647,020</b>	<b>774,700</b>	<b>3,421,720</b>

### Internal Operations

CC004G	SHAPE Legal Partnership	372,900	0	372,900
FB000G	Comms and Engage Oper Costs	191,580	-4,500	187,080
FC000G	Governance	420,530	0	420,530
FC001G	Strategy	294,050	-268,935	25,115
FE000G	People - HR	1,033,520	29,380	1,062,900
FH000G	Fin Tech & Change Operational	376,530	-376,530	0
PH001G	Transformation Program -Closed	-220,330	220,330	0
PH003G	Information Management	0	231,669	231,669
PH006G	SIP	0	186,900	186,900
PH007G	MS/0365	0	133,641	133,641
RB000G	Comms and Eng Staff costs	25,950	-25,950	0
RC000G	Performance & Governance Staff	131,200	-131,200	0
RE000G	Customer - Staffing Costs	502,370	-512,370	-10,000
RH000G	Internal Change	455,540	-189,430	266,110
SC001G	Register of Elections	20,060	0	20,060
SC002G	Conducting Elections	12,460	0	12,460
SC003G	Learning & Develop	303,740	0	303,740
SC004G	Members	476,750	3,000	479,750

SC006G	Internal Audit	118,960	0	118,960
SC007G	Non-Distributed Costs	463,880	1,400,080	1,863,960
SC009G	Corporate Management	104,520	-1,623,440	-1,518,920
SC012G	External Audit Fees	0	62,560	62,560
SE006G	Deane Helpline	821,550	-1,060,850	-239,300
SE009G	Council Tax Collection (rev)	96,140	376,250	472,390
SE010G	Council Tax Support (Benefits)	121,180	21,870	143,050
SE012G	Customer Contact Centre	-105,520	1,117,460	1,011,940
SE018G	Business Intelligence	217,350	54,480	271,830
SE019G	Digital Mailroom	58,650	0	58,650
SE020G	Operational Support	372,630	297,320	669,950
SE029G	Income Control and Sundry Debt	367,390	-27,160	340,230
SE030G	Visitor Centres	-22,840	40,000	17,160
SE041G	Rent Allowances	-113,320	0	-113,320
SE042G	Rent Rebates	-176,700	0	-176,700
SE048G	Universal Credit	-40,720	0	-40,720
SG007G	Health and Safety at Work	76,870	43,000	119,870
SH004G	Insurance	94,420	-35,000	59,420
SH001G	ICT Staff/Operations	1,087,460	-196,430	891,030
SH002G	ICT Communications	350,050	13,500	363,550
SH003G	ICT Systems	551,020	0	551,020
SH006G	ICT Infrastructure	0	290,690	290,690
SH012G	Finance	855,460	2,345	857,805
SH014G	Comms and Engagement	244,580	70,000	314,580
		<b>9,939,860</b>	<b>142,680</b>	<b>10,082,540</b>

#### Senior Management Team

RA000G	Strategic Board - Staffing Cst	74,370	-74,370	0
SM000G	Senior Management Team	-509,320	1,043,320	534,000
UN000G	Unitary	0	228,880	228,880
UN001G	Unitary - Phase 4	0	94,350	94,350
		<b>-434,950</b>	<b>1,292,180</b>	<b>857,230</b>

#### Other Operating Costs & Income

LL001G	Other Operating Expenditure	2,475,670	-29,240	2,446,430
LL002G	Financing/Invest Inc & Exp	-2,008,210	1,324,895	-683,315
LL003G	Tax & Non-Spec Grant Income	-23,497,710	-250,000	-23,747,710
LL007G	COVID General Grants	0	-5,352,000	-5,352,000
LL009G	Comm. Inv. Property	0	-440,000	-440,000
LL010G	Legacy Comm. Inv. Property	0	-507,100	-507,100
SC014G	Special Expenses	0	29,240	29,240
		<b>-23,030,250</b>	<b>-5,224,205</b>	<b>-28,254,455</b>

#### Transfer to/From Reserves

MM000G	GF MIRS	2,053,490	-3,525,380	-1,471,890
		<b>2,053,490</b>	<b>-3,525,380</b>	<b>-1,471,890</b>

#### GF Balance

<b>0</b>	<b>0</b>	<b>0</b>
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## Appendix G: Housing Revenue Account Budget Movement for 2020/21 per Cost Centre

Cost Centre	Cost Centre Name	Original Budget £	Virement £	Current Budget £
<b>Housing Revenue Account (HRA)</b>				
<b><u>Income</u></b>				
SF018H	HRA General Needs Income	-20,151,940	0	-20,151,940
SF038H	HRA Extra Care Income	-350,020	0	-350,020
SF039H	HRA Former Tenants Debts	0	0	0
SF045H	HRA Supp / Shelt Hsg Income	-3,570,920	0	-3,570,920
SF086H	HRA Temporary Acc Income	-152,060	0	-152,060
SF063H	HRA Garages Rent Income	-550,000	0	-550,000
SF064H	HRA Commercial / Shop Rent Inc	-144,500	0	-144,500
SF065H	HRA Land Income	-24,960	0	-24,960
SF028H	HRA Service Charges Income	-1,282,830	0	-1,282,830
SF078H	HRA Lease'h ChrgeforSrv Income	-163,700	0	-163,700
SF089H	HRA Meeting Halls Income	-10,700	0	-10,700
SF019H	HRA Right to Buy Income	-41,600	0	-41,600
SF029H	HRA PV Income	-110,000	0	-110,000
SF057H	HRA GF Cont to Grds Maint	-198,000	0	-198,000
SF027H	HRA Voids Rechargeable Income	-10,700	0	-10,700
SF079H	HRA Rechargeable Repairs Income	-10,700	0	-10,700
SF085H	HRA Other Income	0	0	0
		<b>-26,772,630</b>	<b>0</b>	<b>-26,772,630</b>
<b><u>Development &amp; Regeneration</u></b>				
HS013H	HRA Hsg Dev & Reg Team	611,070	-79,770	531,300
		<b>611,070</b>	<b>-79,770</b>	<b>531,300</b>
<b><u>Housing Performance</u></b>				
HS001H	HRA Housing Mgt Team	4,237,340	-4,001,700	235,640
HS020H	HRA Housing Performance Team	306,570	0	306,570
SF016H	HRA Policy & Management	600,850	3,728,090	4,328,940
SF025H	HRA Tenants Forum	44,300	0	44,300
SF033H	HRA Tenants Empowerment	39,800	0	39,800
SF030H	HRA Insurance	87,550	0	87,550
SF040H	HRA Cont to CDC	0	229,000	229,000
		<b>5,316,410</b>	<b>-44,610</b>	<b>5,271,800</b>

<b>Community Resilience</b>				
HS022H	HRA Community Resilience	98,990	56,070	155,060
SF052H	HRA One Team Halcon	11,400	0	11,400
SF053H	HRA One Team North Taunton	11,400	0	11,400
SF054H	HRA One Team Wellington	56,070	-44,670	11,400
		<b>189,260</b>	<b>0</b>	<b>189,260</b>

<b>Tenancy Management</b>				
HS016H	HRA Supported Housing Team	251,680	64,520	316,200
SF009H	HRA Meeting Halls Exp	92,400	0	92,400
SF022H	HRA Supp / Shelt Hsg Exp	357,400	-29,600	327,800
SF075H	HRA Extra Care Exp	61,000	22,300	83,300
SF024H	HRA Temporary Acc Exp	74,000	0	74,000
SF095H	HRA Tenancy Sustainment Sh Hsg	0	7,600	7,600
HS017H	HRA Lettings Team	144,080	0	144,080
SF008H	HRA Lettings	31,100	0	31,100
HS018H	HRA Tenancy Mgt Team	693,590	-244,720	448,870
SF002H	HRA Anti Social Behaviour	16,200	0	16,200
SF080H	HRA Transfer Removal Grants	37,900	0	37,900
SF081H	HRA Rentals on Property Exp	18,030	0	18,030
SF092H	HRA Tenancy Mgt	30,600	0	30,600
SF094H	HRA Tenancy Sustainmt Gen Need	30,600	-7,600	23,000
SF001H	HRA 12 Moorland Close	19,600	0	19,600
HS019H	HRA Rent Recovery Team	73,330	234,520	307,850
SF091H	HRA Arrears Mgt	20,500	0	20,500
		<b>1,952,010</b>	<b>47,020</b>	<b>1,999,030</b>

<b>Repairs &amp; Maintenance</b>				
HS005H	HRA Repair & Maint Mgt Team	416,710	45,370	462,080
HS006H	HRA Repair & Maint Trade Team	1,139,150	31,990	1,171,140
HS002H	HRA Voids Team	127,980	0	127,980
HS004H	HRA Stores Team	59,410	0	59,410
SF026H	HRA Voids - Major	626,200	-10,700	615,500
SF059H	HRA Void Redecoration	10,000	0	10,000
SF068H	HRA Voids - Rechargeable Works	0	10,700	10,700
SF006H	HRA Housing Repairs	547,000	0	547,000
SF043H	HRA Underground Drainage	10,000	0	10,000
SF077H	HRA Responsive Sewage	10,000	0	10,000
SF017H	HRA Rechargeable Works	10,700	0	10,700
SF005H	HRA Grounds Maintenance	778,000	0	778,000
		<b>3,735,150</b>	<b>77,360</b>	<b>3,812,510</b>

<b>Assets</b>				
HS011H	HRA Housing Asset Team	285,800	97,730	383,530
HS012H	HRA Capital Investment Team	253,780	0	253,780
SE002H	HRA Housing Partnership	35,600	0	35,600
SF007H	HRA Langham Gardens	21,880	0	21,880
SF012H	HRA Northfield Gardens	33,730	0	33,730





By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted



# Somerset West and Taunton Council

## Executive – 21 July 2021

### Financial Strategy 2021/22 to 2022/23

This matter is the responsibility of Executive Councillor Ross Henley

Report Author: Paul Fitzgerald, Assistant Director – Finance (S151 Officer)

#### 1 Executive Summary / Purpose of the Report

- 1.1 The Financial Strategy is presented for approval by the Executive. This sets out the approach and plans for ensuring the Council continues to operate in a financially sustainable way and allocates its resources in accordance with agreed priorities. The Strategy if agreed with underpin the ongoing management of the current year 2021/22 budget as well as the approach to developing the 2022/23 budget for approval by Council in February 2022.
- 1.2 The Council's services, costs and income last financial year were significantly impacted by the COVID pandemic, with major uncertainty and a frequently changing financial position. In such a dynamic and uncertain environment, financial forecasting and planning is extremely difficult, and the approach during the year necessarily adapted as the year progressed. The refresh of the financial strategy last year focused very much on managing the financial impact of COVID as well as supporting intervention and economic recovery.
- 1.3 Financial planning uncertainty remains, and this is reflected within the 2021/22 budget and reserves plan. The ongoing impact on services, costs and income will be carefully monitored during this year to assess reliability of current year baselines and budget forecast assumptions.
- 1.4 A further factor considered in the Financial Strategy is the prospect of a move to a new (one or two) unitary authority structure within Somerset from April 2023. The Secretary of State is expected to decide on the preferred option in the summer. This added uncertainty leads to a shorter-term focus in budget planning within this Strategy, with future corporate and service priorities, structural design, and related financial plans beyond 2022/23 likely to be undertaken through shadow/transitional governance arrangements.
- 1.5 The other major uncertainty reflected in the Strategy is future funding arrangements for local government. The previous Spending Review in 2020 only covered one year, and it is uncertain at this stage whether the 2021 Spending Review will cover a longer period, and how future funding of local government will be affected by the ongoing impact of COVID in the economy and local demand for services. Changes in funding mechanisms, such as the fair funding review and redesign of business rates retention and new homes bonus are also 'known unknowns' at this stage.

1.6 Given the level of uncertainty and likely structural change, this Strategy and updated MTFP focus on 2021/22 and 2022/23 with an indicative forecast for 2023/24 based on continuation of existing district services.

## 2 Recommendations

2.1 The Executive approves the Financial Strategy 2021/22 to 2022/23.

2.2 The Executive recommends Council approves the revisions to the Budget and planned reserve transfers in 2021/22 as set out in Table 1 and Appendix A.

## 3 Risk Assessment

3.1 The Financial Strategy considers a wide range of financial risks, and these are explained within the detail of this report.

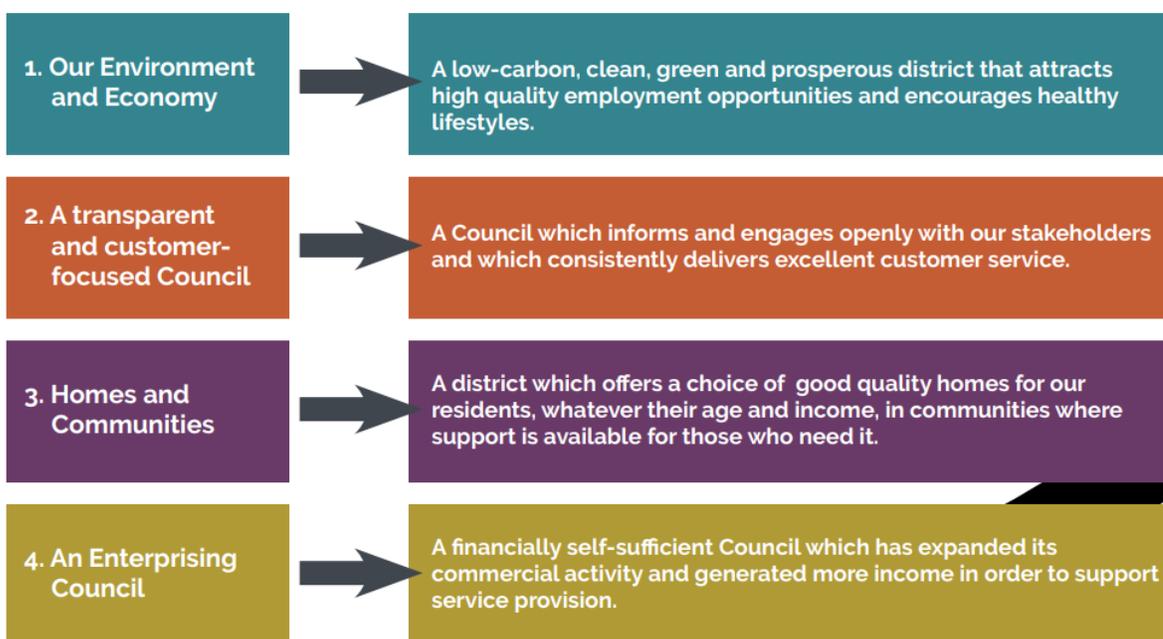
## 4 Links to Corporate Strategy

4.1 The financial strategy seeks to set out how the Council will respond to its financial challenges and how its resources are allocated to meet the Council's strategic priorities and objectives. Directly within theme 4 of the strategy, the aim is to maintain a financially self-sufficient Council which has expanded its commercial activity and generated more income to support service provision. This continues to be reflected in this Financial Strategy.

# Our Priority Strategic Themes and Outcomes – 2020 to 2024

Our four strategic themes are:

The outcomes we want to deliver:



## 5 Financial Strategy Overview and 2022/23 Budget Approach

### Context

- 5.1 The Financial Strategy sets out the approach to providing resources required to deliver the Council's priorities, and to ensuring services are financially sustainable. Financial planning continues to reflect the scale of risk and uncertainty both in terms of service related costs and income, and regarding projected funding through government grants, taxation and commercial investment. The Council has concentrated on stabilising and improving services following a period of change including the formation of the Council in 2019. Despite ongoing funding risk and uncertainty, the financial strategy has sought to minimise adverse impact on services through detailed work on aligning budgets with organisational design and accountabilities, pursuing commercial investment to generate additional income, and judicious use of reserves.
- 5.2 The last financial year 2020/21 was particularly challenging as the Council responded to the COVID pandemic, which resulted in rapid changes to service priorities. It also created added volatility and uncertainty in respect of costs and income. Overall, the Council incurred significant additional costs and income reductions, which were managed through a combination of emergency grant funding and use of the Council's own reserves. This has been reported through budget monitoring with more detail provided in the separate 2020/21 Financial Outturn report.
- 5.3 The Government has provided additional COVID-related funding in 2021/22 and a continuation of the compensation grant scheme mitigating approximately 70% of reductions in sales, fees and charges income for the first three months of the year. Despite the planned easing of COVID restrictions, there continues to be risk and uncertainty in 2021/22 and there could still be a long lasting impact of COVID both economically and in terms of service demand. Officers will continue to closely monitor service costs, income and funding to ensure risks are managed effectively.
- 5.4 Core funding from Government continues to be uncertain, and although general grant represents a small proportion of overall funding, total grant funding beyond 2021/22 is yet to be clarified. The last two Spending Reviews were for one year only with the next Spending Review due in 2021, which should set out the Government's priorities for local government. In addition, changes are expected in settlement funding, business rates retention and New Homes Bonus schemes, making it difficult to accurately predict future funding.
- 5.5 Hinkley Point B nuclear power station has a significant influence on the Council's funding, with the station providing almost 20% of the business rates tax base. Its rateable value (£20.72m) was reduced by some 90% for the majority of 2020/21 as the reactors were shut down for maintenance, however it has returned to its full value in early April 2021. A contingency is included in the 2021/22 budget to underwrite potential volatility during the year. EDF has announced that Hinkley B will be decommissioning by no later than July 2022, and the 2022/23 Business Rates Retention budget has been reduced to the Safety Net in anticipation, reducing annual funding by approximately £2m per year.
- 5.6 The Council has made good progress in building its commercial property investment portfolio during 2020/21 and is expected to complete total planned investment in 2021. This investment is on track to achieve its income target, providing essential funding for local services as other funding continues to decline.

- 5.7 It is well reported that the national economy experienced unprecedented decline during 2021 due to COVID and is showing signs of recovery in 2021 as restrictions are eased. Despite the economic challenges, our strategic treasury investment funds continue to deliver investment income broadly in line budget expectations although interest on short term cash funds is extremely low / zero. In addition, bank base rates and cost of borrowing remain low with short term borrowing costs very low too. This is projected to remain the case for some time, enabling projected borrowing costs to be reduced within the budget and MTFP.
- 5.8 The financial planning context is also now affected by the expected implementation of a unitary model of local government in Somerset, with a Secretary of State decision expected in early summer this year regarding the preferred structure; and the transitional governance arrangements that will be required prior to a new structure being implemented in April 2023. Two business cases for change have been submitted to Government – “One Somerset” and “Stronger Somerset”. This prospective change brings further uncertainty in the short term, with the service and financial priorities as well as detailed service design work to be undertaken in future through transitional arrangements. This context makes it difficult to plan for any significant change in service priorities and resources in the interim. It also signals the likelihood of significant implementation costs, albeit with longer term savings potential, which means it is prudent to plan SWTC’s use of resources and reserves with this in mind.
- 5.9 Somerset West and Taunton currently benefits from ongoing prudent financial management with adequate reserves and a measured balance sheet, which supports the proposed strategy set out below.

### **Approach**

- 5.10 Given the context set out above the Council’s leadership proposes the following updated strategy for 2021/22 and 2022/23.
- Core spending and income assumptions will continue to be updated to reflect up to date information. A further review will be undertaken during the summer, including a reassessment of base budget requirements taking into account the 2020/21 outturn and budget monitoring in Q1/Q2 of 2021/22.
  - Continuing to challenge and manage spending on services with the potential to deliver reductions in net service costs, for example through improvement, efficiency and modernisation projects and robust procurement and contract management arrangements.
  - Protect funding for services in the short term to maintain service delivery and capacity to support structural change to local government in Somerset.
  - Optimising treasury costs through continued access to shorter term, low cost borrowing for the next 1-2 years.
  - Reinvesting investment surpluses and treasury savings to fund capital debt repayment, reducing ongoing debt costs where possible.
  - Utilising business rates volatility reserves and pooling gains to soften the impact of the expected fall in business rates retention funding to the Safety Net in 2022/23, when Hinkley B nuclear power station is decommissioned.
  - Using general reserves flexibility developed during the past two years to soften the underlying budget gap in the short term.
  - Maintain adequate contingencies and reserves to protect the Council’s ongoing

financial health and resilience to risk and uncertainty.

- 5.11 The Council set a balance budget for 2021/22 in February 2021. This included a planned allocation of £1.16m from general reserves to support the budget but also set aside significant contingencies and reserves to manage risk. As set out below, it is proposed to make a small number of changes to the 2021/22 budget through this report in respect of treasury costs, staff pay award and reserve transfers to support this updated strategy.
- 5.12 The updated MTFP (see section 6 below) includes an **estimated funding deficit (excluding reserve transfers) of £3.9m in 2022/23**. Table 1 sets out the proposed approach to mitigating the deficit and produce an indicative balanced budget in 2022/23. The MTFP and budget proposals will continue to be developed and refined through the year as estimates are updated for new information, therefore proposals and further options may be presented as the budget planning process progresses.

Table 1 – Draft Plans included in MTFP to Balance Budget in 2022/23

	2021/22 Budget £k	2022/23 Estimate £k
<i>Proposed revision to 2021/22 Budget:</i>		
Revised estimate – lower interest costs in 2021/22, through continued access to short term low cost debt to support commercial investment	-750	
Release funds from Business Rates reserve due to reduced risk	-1,250	
Transfer to Investment Financing Fund	2,000	
Investment Capital Debt repayment (MRP) reflecting 2020/21 outturn	80	
Investment Property Income increase in-year estimate	-80	
<i>Measures included in 2022/23 estimates within MTFP:</i>		
Planned use of general reserves to soften budget gap		-1,000
Transfer from Investment Financing Reserve to fund debt repayment		-2,000
Savings Target - modernisation, efficiency and improvement		-200
Proposed use of business rates reserves utilising historic pooling gains to maintain services and organisational capacity during transition to unitary structure.		-715

- 5.13 The inclusion of the above measures shows an early forecast of a potentially balanced budget in 2022/23, albeit **for one year only with use of £3.7m one-off funding**, as shown in the MTFP in section 7 below.
- 5.14 Utilising reserves to fund ongoing costs is **not financially sustainable in the long run**. This approach is regarded as prudent currently within the short term context of this strategy which protects services and capacity to support the transition to a unitary form of local government in Somerset up to March 2023. It is expected that further calls on reserves will be needed to fund unitary implementation costs however these are not currently built into the MTFP and are therefore currently unfunded.

## 6 Medium Term Financial Plan Estimates

- 6.1 The Medium Term Financial Plan (MTFP) was last set in February 2021 with the 2021/22 budget. The Council has set a balanced budget for 2021/22 with a forecast budget gap (deficit) of £3.5m in 2022/23. Assumptions and estimates have been updated since the February report, and indicative measures included in the plan to reduce the gap in 2022/23.
- 6.2 In view of the probable change in local government structure in Somerset from April 2023, the period covered by the MTFP is shorter within this report than in previous years with a focus on 2021/22 and 2022/23 for SWTC services, with an indicative forecast for 2023/24 costs based on a continuation of district council services in its current form for comparison.
- 6.3 Set out below is a summary of the updated MTFP. A reconciliation of the changes in the 2021/22 figures from the February 2021 budget report to this updated table is included in Appendix D.

Table 2 – General Fund Medium Term Financial Plan

	SWTC		New Unitary?
	2021/22 Revised Budget £k	2022/23 Estimate £k	2023/24 Indicative SWTC £k
Net Service Costs	21,020	21,934	21,916
Investment Properties Net Income*	-5,562	-7,157	-7,327
Capital Financing and Debt Repayment*	1,580	3,338	3,138
Interest Costs and Income*	323	416	1,169
Unparished Area Expenses	29	29	29
SRA Funding	98	98	99
<b>Sub-total: Net Costs</b>	<b>17,488</b>	<b>18,658</b>	<b>19,024</b>
Earmarked Reserves Transfers	2,415	-3,025	110
General Reserves Transfers	-1,160	-1,000	0
<b>Net Expenditure</b>	<b>18,743</b>	<b>14,634</b>	<b>19,134</b>
Business Rates Retention (BRR)	-6,182	-4,199	-4,281
BRR prior year surplus/deficit	12,556	1,331	1,331
Earmarked S31 Grant to offset BRR Deficit	-12,117	-999	-999
Business Rates Pooling Gain	-250	0	0
Revenue Support Grant	-6	-7	-7
Rural Services Delivery Grant	-253	-253	-253
LCTS Grant (COVID)	-225	0	0
Lower Tier Services Grant (COVID)	-996	0	0
New Homes Bonus	-1,743	-851	0
Council Tax (CT)	-9,490	-9,680	-9,971
CT Special Expenses	-29	-29	-29
CT prior year surplus/deficit	-8	53	53
<b>Net Funding</b>	<b>-18,743</b>	<b>14,634</b>	<b>14,156</b>
<b>Budget Gap</b>	<b>0</b>	<b>0</b>	<b>4,979</b>
Gap – Change on Previous Year	0	0	4,979

\*To aid transparency and reporting, the cost of debt repayment and notional interest on investment properties is now included within total debt repayment and interest costs lines in the MTFP. This provides

clarity on the extent of investment income and capital debt costs included in the MTFP. This was previously netted off investment properties income in the February 2021 budget report.

## **7 Service Costs and Income**

7.1 The projections above reflect current estimates and prudent financial planning proposals incorporated within the Plan. The main assumptions included in respect of net expenditure include:

- Baseline expenditure budgets will continue in 2022/23, but the Directors and their management teams will continue to review and refine to reflect up to date need and trends.
- Staff pay awards are estimated at 1.5% in 2021/22, then 2% per year from 2022/23.
- Inflation increases incorporated for major contracts plus utilities and insurances.
- Employers pension contributions and Pension Fund deficit recovery lump sum costs based on the 2019 actuarial valuation.
- Savings in the leisure and waste contracts are fully delivered, albeit with a slight delay in the waste savings through Recycle More due to COVID.
- Fees and charges increasing by an inflationary amount like 2021/22, delivering an additional £100k per year.
- Balance of commercial property investment fund (Total Fund £100m) is fully invested by mid-2021/22.

## **8 Savings Targets**

8.1 In the context of maintaining organisational capacity in the lead up and transition to a future model of local government in Somerset, short-term savings targets to be included in the financial strategy focus on modernisation, improvement and efficiency. A net savings target of £200,000 for 2022/23 is included within the MTFP forecast, as a realistic and achievable target.

8.2 Longer term savings and financial sustainability solutions for 2023/24 and beyond will need to be determined in the design and costing of a new unitary model, with significant financial benefits estimated within the future unitary options business cases. In the unlikely event a change to a unitary model is not agreed by the Secretary of State this year, SWTC will need to revisit the financial strategy and identify ongoing financially sustainable service options for future years.

## **9 Commercial Investment Strategy**

9.1 The Council's Commercial Property Investment Strategy is reported in detail separately to Council. This commercial approach responds to the major cuts in central government funding and reduction in retained business rates income, to provide essential income to fund local services. It also provides a prudent diversification of funding streams, where reliance on business rates growth, New Homes Bonus and general grant funding is not sustainable.

9.2 The last update of the Strategy was approved by Council in December 2020. Effective governance and management arrangements provide confidence over the financial assumptions supporting the strategy, with realistic estimates included in the MTFP. The programmed investment of £100m in property commenced in 2020/21 and is expected to be completed in 2021/22.

- 9.3 The acquisition of investment properties will initially be funded through borrowing – either through internal borrowing or external financing facilities such as loans – with debt acquired in line with the Treasury Management Strategy. Interest rates on borrowing are expected to remain low in the medium term.
- 9.4 The presentation of investment income has been updated within the MTFP, showing investment income net of direct management costs, with financing costs included within Capital Financing and Debt Repayment, and Interest Costs and Income.
- 9.5 Investment risk is managed through robust governance, due diligence, and ongoing effective management of the portfolio. Budget risk is underwritten through prudent estimating of return on investment and holding an Investment Risk earmarked reserve that provides significant resilience to income volatility and asset management costs. It is proposed to split the earmarked reserve into three specific reserves in 2021/22 including the creation of an investment financing reserve to hold surpluses that may be used to finance capital costs and/or accelerate debt repayment. Estimates of reserve transfers and balances are set out in Appendix A.

Table 3 – Investment Property Net Income Estimates

	2021/22 £k	2022/23 £k	2023/24 £k
Net Income from Investment Assets Transferred from TDBC and WSC	-507	-507	-507
Net Income from £100m investment portfolio	-4,975	-6,650	-6,820
Net Income from £100m (21/22 revised estimate) reduced optimism adjustment contingency	-80		
<b>Total Investment Properties Net Income</b>	<b>-5,562</b>	<b>-7,157</b>	<b>-7,327</b>
<i>Related Financing Cost Estimates:</i>			
Capital Debt Repayment Estimates	800	2,000	2,000
Capital Debt Repayment (21/22 Revised Estimate)	80		
Notional Interest Costs	1,275	750	1,500
Notional Interest Costs (21/22 Revised Estimate)	-750		
<b>Estimated Net Income After Financing Costs</b>	<b>-4,237</b>	<b>-4,407</b>	<b>-3,827</b>

- 9.6 Significant progress in the delivery of the investment strategy has been made in 2020/21 and Q1 of 2021/22. Given increasing confidence with net income projections the investment income in 2022/23 has been enhanced by £250k with reduction in the 'optimism adjustment' contingency within the budget estimate. This enables a reduction in the use of General Reserves towards the cost of services in 2022/23.
- 9.7 The presentation of the MTFP has been updated to show investment properties net income before financing. This helps to provide further clarity for councillors on the extent to which investment income supports the cost of services, and the total debt repayment and interest costs included in budget estimates. It also reflects the financing of investment property capital is managed by the S151 officer in line with the treasury management approach required to meet the Council's total capital requirements which is undertaken on a holistic basis.

## 10 Regeneration

- 10.1 The Council has strategic plans to drive forward with regeneration within the district. For

example, Seaward Way (Minehead) employment site development completed in 2020/21, the Coal Orchard (Taunton) development will complete in 2021/22, and work is continuing at the Firepool site (Taunton). These regeneration schemes are addressing market failure and improving the place and are also expected to provide a net income towards related services through robust viability planning and cost management. Where the Council retains an ongoing interest in a completed site the budget will reflect known costs and income estimates. The net cost/income for regeneration schemes will be driven by quality and cost of the schemes, the delivery and financing arrangements, and nature of income.

## **11 Treasury Management and Capital Financing**

11.1 The Council updates its Treasury Management Strategy (TMS) annually, with the current TMS approved by Full Council in March 2021. The strategy guides the approach to managing the Council's cash flow, cash investments and borrowing.

11.2 The current economic outlook has several key treasury management implications:

- Short term investment returns are likely to remain relatively low
- Borrowing interest rates are currently attractive and are likely to remain low for some time
- Financial markets suffered significantly during 2020/21 due to COVID impact on the economy, but are beginning to bounce back as restrictions are eased, underpinned by the successful vaccinations programme.
- Approaches to financing capital investment plans should consider the economic outlook e.g. any potential advantages of taking more long term borrowing to increase cost certainty and reduce interest rate risk.

11.3 This TMS looks to manage exposure to risk and volatility by:

- Considering security, liquidity and yield, in that order
- Considering alternative assessments of credit strength
- Spreading investments over a range of approved counterparties
- Only investing for longer periods to gain higher rates of return where there are acceptable levels of counterparty risk
- Only borrowing when needed and managing borrowing undertaken to prudently reflect a balance of short term low cost debt, long term cost certainty, and retaining flexibility of arrangements in view of the range of uncertainties and dynamic capital programme requirements.

11.4 The S151 Officer and Finance staff continue to work with our treasury advisors – Arlingclose – to effectively manage opportunities and risks in line with CIPFA's Prudential Code and Treasury Management Code and related Guidance.

11.5 The cost assumptions in respect of interest in debt for 2021/22 and 2022/23 have been reduced in the MTFP on the assumption we will continue to access short term external borrowing to support General Fund capital expenditure where needed. This assumption reflects forecasts provided by Arlingclose that interest and borrowing rates are not expected to change materially in the next 2-3 years. This builds in an element of risk in terms of refinancing costs in future however for the duration of this strategy the risk is low.

## **12 Reserves**

- 12.1 The Council maintains General Reserves and Earmarked Reserves, for both the General Fund and the Housing Revenue Account. General Reserves are retained to provide a contingency to mitigate general financial risks arising from unexpected events or emergencies and as a general working balance to help cushion the impact of uneven cash-flows. Earmarked Reserves are funds that have been set aside for specific purposes to be spent in future years and to provide contingencies for specific risks. The approach to General Reserves includes a regular review by the S151 Officer to ensure the level of reserves held are adequate in the context of the financial risks faced and other mitigations in place (e.g. provisions, earmarked reserves, insurances).
- 12.2 The Council currently holds a balance above the recommended minimum, and a key principle within this financial strategy is that it is prudent to maintain and where possible to increase this headroom to ensure revenue resources are available to support the implementation of a new unitary structure if approved. For example, the Stronger Somerset business case identifies estimated implementation costs of £18.9m. In addition, proportionate contingencies are in place for 2021/22 however long lasting COVID effects on the economy, demand for services and income levels increases financial planning risk, and higher reserves 'headroom' provides greater resilience in this context.
- 12.3 This financial strategy includes planned use of surplus general reserves to support the budget in 2021/22 (£1.16m) and 2022/23 (£1m). This is reflected in the MTFP above and is sustainable in the short term. Sustainable financial planning must ensure that in the medium/long term the budget can be balanced without the need to use General Reserves.
- 12.4 The Council sets aside funds into Earmarked Reserves through the Budget process where there is a longer term spending plan, for example planned use of revenue funds towards financing the capital programme, and Business Rates which mitigates financial risks and smooths out accounting timing differences. A review of reserves was undertaken in 2020 in response to COVID and reflected within plans for 2020/21 and 2021/22. A further review of earmarked reserves will be undertaken this summer and reported to Members in due course.
- 12.5 For this updated Financial Strategy and budget approach it is proposed to further realign reserves to reflect up to date risk assessments, and plans to utilise investment, financing and business rates surpluses to support the investment property strategy in 2021/22 and 2022/23. This is as set out in Table 1 above.
- 12.6 A summary of the general reserves and earmarked reserves position is set out in Appendices B and C.

## **13 Business Rates Retention (BRR)**

- 13.1 The Council's business rates tax base includes Hinkley Point nuclear power station, with Hinkley B representing almost 20% of the total. EDF have confirmed that Hinkley B will commence decommissioning by July 2022, which has a major influence on retained business rates funding for SWTC. From 2022/23 it is projected that BRR funding will fall to the Safety Net retained funding c£4.2m, a significant reduction of approximately £2m

per year compared to 2021/22. It is unlikely BRR funding would return above the Safety Net until Hinkley C is operational, which is not expected to be before 2026/27.

- 13.2 The Council has been preparing for the prospect of reduced business rates from Hinkley B by building resilience in its BRR Volatility Reserve. With the expected reduction in 2022/23 it is proposed to use part of the reserve balance to mitigate the reduction in funding. This allocation is currently estimated at £0.5m but the amount will be confirmed within the final Budget proposal in February 2022.
- 13.3 The anticipated review of the Business Rates Retention (BRR) system and the “Reset” of the Baseline has been deferred several times by Government, and at this stage it is unclear when this will happen. However, the impact of this prospective change may be less significant in the medium term due to Hinkley B decommissioning, although it may depend on what data the Government uses to inform any reset.
- 13.4 The Government announced last July that the next revaluation of rateable values would be in 2023 with an Antecedent Valuation Date (AVD) of 1 April 2021, which would reflect the impact of COVID-19 on the non-domestic property markets. The Non-Domestic Rating (Lists) Act 2021 came into force in March, setting the publication date of the compiled lists (1 April 2023) and the publication of the Draft Lists to be no later than the 31 December 2022. The 2023 revaluation will require the Valuation Office to carry out in the region of 2.12 million valuations.

### **Business Rates Pooling**

- 13.5 A Somerset Business Rates Pool (comprising the County Council and the Districts within the County Council area) has provided a positive impact on retained funding since 2018/19, retaining more funding locally rather than redistributed to central government. The pooling arrangement remains in place for 2021/22. The 2021/22 Budget includes an estimated £250k pooling gain as a contribution towards funding of services. Actual gains are not confirmed until the end of each financial year.
- 13.6 In the overall context of the financial strategy, it is proposed that pooling gains from 2020/21 (estimated £0.9m) and any additional surplus in 2021/22 is reserved to support the budget in 2022/23 and additional financial sustainability measures such as capital financing.
- 13.7 With the planned decommissioning of Hinkley B nuclear power station in 2022 it is unlikely that SWTC would continue in any pooling arrangement in 2022/23, however this will be reviewed later this year with a decision for 2022/23 due in October.

### **14 Business Rates Holiday 2020/21 and Collection Fund Deficit**

- 14.1 One of the measures introduced in response to COVID and to support businesses is to give a one-year business rates holiday to eligible businesses in the retail, hospitality and leisure sector plus Early Years nursery providers in 2020/21. This has resulted in a £29m reduction of business rates due from rate payers. As businesses are paying less this results in a significant deficit in the Collection Fund of which SWTC is liable for 40%.
- 14.2 The Government is providing S31 grant to compensate local authorities for the loss of tax revenues through the business rates holiday. There is a timing difference in the prescribed accounting arrangements in that the General Fund will be credited with the S31 grant in 2020/21 but the Collection Fund deficit is charged to the General Fund in

the following financial year. This means the budget estimates and reserve balances are significantly skewed. It is important to set aside the S31 grant in the Business Rates Volatility Reserve in 2020/21 and then withdraw it later to offset the deficit when this hits the General Fund.

## **15 General Government Grants**

- 15.1 Budgeting for General Grant funding is uncertain and subject to future Spending Reviews and the annual Finance Settlement. Currently the funding forecasts within the MTFP are based on a continuation at the same cash values for both Revenue Support Grant (RSG) and Rural Services Delivery Grant (RSDG), totalling £260k per year (see MTFP summary in Table 2 above).
- 15.2 The prospect of a reduction in funding through a 'negative RSG' has been postponed each year for several years by Government, therefore no allowance for this is currently included in the forecast pending future Government announcements in this regard.

## **16 New Homes Bonus**

- 16.1 New Homes Bonus grant provides additional un-ringfenced funding from Government based on annual housing growth. The scheme has been in operation since 2011/12, with various changes to the methodology for calculating the grant during this time. The Government has undertaken a further consultation on the future of New Homes Bonus in early 2021, and it is likely information will come forward later this year (December?) on any changes being implemented. At its peak NHB funding within SWT reached £4m, but the level of reward has diminished year on year since.
- 16.2 The reward for the previous year's annual growth within the 2021/22 settlement was £34k which combined with legacy payments of £1.709m from prior years' growth resulted in a grant of £1.743m in 2021/22. The legacy payment due on 2022/23 is £851k and it is currently assumed this will be the total NHB funding received in that year, which is all planned to be used to support the revenue cost of services. If the Finance Settlement confirms a higher grant amount in 2022/23 it is proposed to reduce the amount required from reserves to balance the budget.
- 16.3 The expected reduction in availability of New Homes Bonus has led to a review of the affordability and funding of the Growth Capital Programme – see para 21.9 below.

## **17 Council Tax**

- 17.1 The setting of Council Tax is determined by Members each year at Full Council. For 2021/22 the Council set the basic annual Band D council tax rate for Somerset West and Taunton Council at £169.63 (including £1.75 which is passed on to the Somerset Rivers Authority). The Tax Base – the measurement of properties chargeable for tax expressed as 'Band D Equivalents' – is 55,948 in 2021/22.
- 17.2 This produces council tax income of £9.49m for SWTC, which represents 51% of Net Funding within the 2021/22 revenue budget.
- 17.3 The council tax income projections within the MTFP are based on the financial planning assumption of a 1.99% annual increase in council tax rate. The Government has for several years allowed shire districts the option of up to a £5 increase on the Band D rate, if this is greater than 1.99%. If this option is available and taken in 2022/23 this would

equates to 2.94%. Tax proposals will be considered by the Executive through the budget process, and formally recommend its Council Tax proposals to Council each February as part of the annual Budget report.

- 17.4 The impact of COVID on the local economy and employment is expected to have an ongoing adverse effect on council tax income. No growth in the tax base is assumed in 2022/23, recognising the risk that any housing growth will be offset by increased demand in council tax support.
- 17.5 In the 2021/22 Finance Settlement the Government provided a one-off grant of £225k to mitigate the increased demand in council tax support. It is not known whether any further mitigation funding will be provided in 2022/23, therefore prudently no further funding is currently anticipated within the MTFP.
- 17.6 The table below provides a summary of the assumptions and estimates included the MTFP projections. If there is a new unitary structure in 2023/24 a council tax harmonisation approach will need to be agreed for SWTC's successor.

Table 4 – Council Tax Income Forecast

	2021/22 Actual	2022/23 Estimate	2023/24 Indicative
<b>Council Tax Base</b>			
Estimated Increase/Decrease %	-0.9%	0%	1%
Increase/Decrease in Band D Equivalents	-502	0	560
Tax Base	55,948	55,948	56,507
<b>Council Tax Rate</b>			
Increase % (MTFP core assumption)	3.07%	1.99%	1.99%
Increase £	5.00	3.38	3.44
Band D Rate £	169.63	173.01	176.45
<b>Council Tax Income Estimates £k</b>	<b>9,490</b>	<b>9,680</b>	<b>9,971</b>
Council Tax Income scenarios £k:			
£5 annual increase		9,770	10,150
1% annual increase		9,585	9,777
0% annual increase		9,490	9,585

## 18 Somerset Rivers Authority

- 18.1 Included in the Council Tax Band D tax rate for SWTC is £1.75 per year which is collected by SWTC on behalf of the Somerset Rivers Authority (SRA). This equates to an estimated £98k in 2021/22, providing funding towards the 20 Year Flood Action Plan that was developed following the severe flooding experienced in Somerset in early 2014. Total contributions from the County and District Councils in Somerset provide an annual budget for the SRA of c£2.8m per year. There are five key workstreams within Somerset's 20 Year Flood Action Plan:
- dredging and river management
  - land management (including natural flood management)
  - urban water management
  - resilient infrastructure
  - building local resilience

- 18.2 The Government has previously committed to implementing the necessary legislation in

future to allow the SRA to precept.

## 19 Housing Revenue Account

19.1 The Housing Revenue Account (HRA) is a ring-fenced, self-financing account where income from tenants and sale of assets funds the homes and related services provided to tenants, and investment in the provision and quality of council owned housing stock.

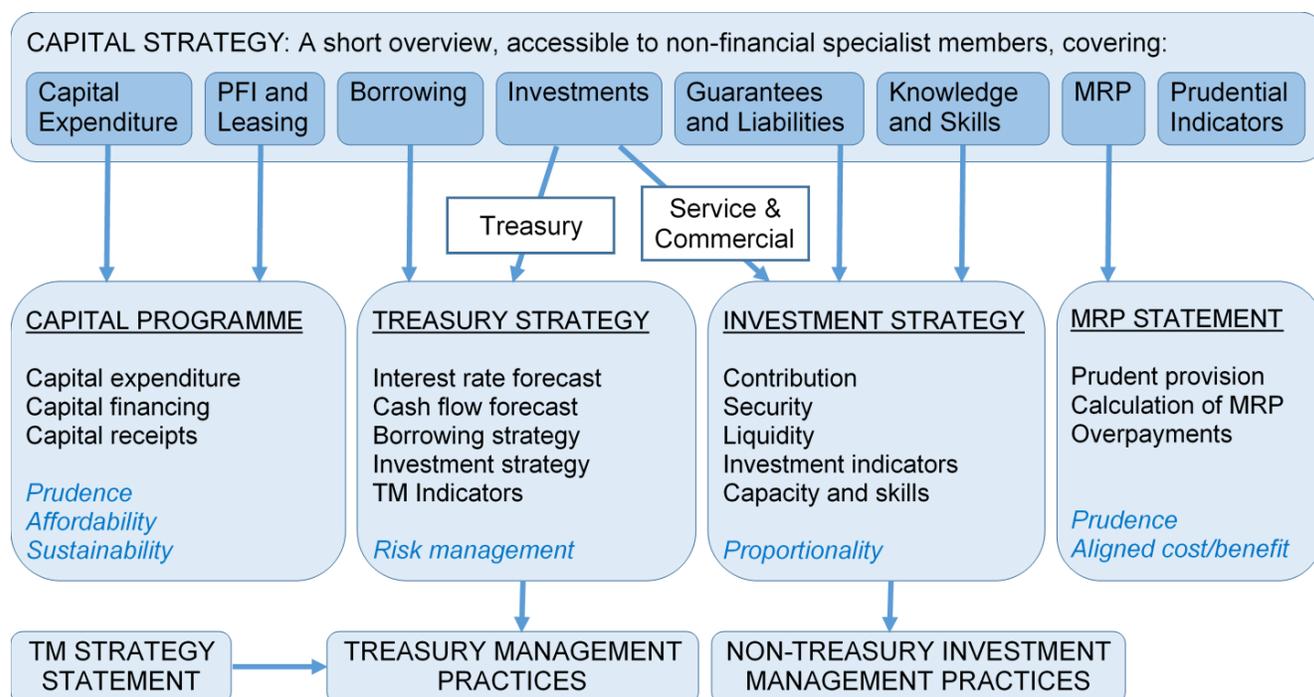
19.2 The Council has a long term business planning approach to managing the stock and the finances within the HRA, which is reported separately. The financial strategy for the HRA focusses on ensuring that spending and capital investment plans are affordable and contained within the projected resources available.

19.3 The Council maintains separate reserves – general and earmarked – for the HRA representing balances and contingencies to manage financial risks and timing of spending commitments.

## 20 Capital Strategy

20.1 The Council approved new Capital, Investment and Treasury Strategies in February 2021. These draw together the approaches to meeting the Council’s capital investment priorities, and managing its investment, borrowing and cash flow needs and risks.

20.2 The strategy follows the principles of the Prudential Code and Treasury Management Code issued by CIPFA. The following diagram represents the Capital Strategy framework and how the capital, investment, treasury and MRP approaches interlink.



20.3 The key objective of the Capital Strategy is to deliver a capital programme that:

- Ensures the Council’s capital assets are used to support the delivery of priorities within the Corporate Plan and the Council’s vision
- Links with the Council’s Asset Management Plan

- Is affordable, financially prudent and sustainable
- Ensures the most cost effective use is made of existing assets and new capital investment
- Supports other service specific plans and strategies

20.4 For the General Fund the majority of direct service investment is supported through use of New Homes Bonus funding and Community Infrastructure Levy; with further investment supported through planning obligations (S106/Hinkley funds), capital grants, capital receipts, and revenue contributions. For the HRA the funding is provided through the Major Repairs Reserve, capital receipts and revenue contributions. A contribution to the Social Housing Development Fund is included in the HRA Revenue Budget each year to contribute towards the cost of additions to the housing stock.

20.5 For both the General Fund and HRA, future capital spending will require support through borrowing. Prudent borrowing limits will be set within the Capital and Treasury strategies, together with prudent plans to cover the cost of capital debt through Minimum Revenue Provision (MRP) and use of capital receipts. The revenue implications of capital will be measured for affordability within the overall revenue budgets for the General Fund and HRA.

20.6 The specific resources to deliver the capital strategy will be identified through the annual budget setting process. The Council will use a rigorous capital prioritisation process before individual capital schemes are approved including development of a full business case for large individual capital schemes.

### **Infrastructure Programme and Community Infrastructure Levy**

20.7 The Council applies a Community Infrastructure Levy (CIL) for relevant development within the district, in line with the policy originally introduced by Taunton Deane Borough Council in 2014. CIL is a tariff charged in the Taunton Deane area on residential development (excluding Taunton town centre and Wellington) and retail development outside Taunton and Wellington town centres. The principle behind CIL is that most development has some impact on infrastructure and the developer should contribute to the cost of providing or improving it. CIL applies to new floor space and charges are based on the size, type and location of the new development.

20.8 The Policy is approved by Council and implemented by Officers. Council determines the allocation of CIL income to investment themes as part of the annual capital programme approval process. The Executive Committee or Portfolio Holder for Asset Management and Economic Development may agree specific scheme allocations for projects >£250k, or the External Operations and Climate Change Director for projects up to £250k, within the limits allocated by Council to each theme. Expenditure to be funded by CIL is only contractually committed once CIL income has been received.

20.9 Detail regarding planned CIL allocations to support expenditure is set out in the approved Capital Programme.

## **21 Financial Planning Risks and Uncertainty**

21.1 As outlined in this report, there are number of factors making accurate financial forecasting particularly difficult at this stage. The risk of 'error' in forecasting assumptions is high, particularly for 2021/22 onwards. The financial strategy seeks to mitigate this risk

by:

- Prudent assumptions used for future funding forecasts
- Maintenance of sufficient balances and reserves

21.2 Other main areas of risk and uncertainty within the financial plan are:

- Inflation – rising inflation could place additional pressure on pay settlements and prices for purchases of goods and services
- Demand volatility – fluctuation in costs and income as a result of changes in demand led services and usage (e.g. homelessness, planning, building control, parking, garden waste), which may continue to be adversely affected by COVID.
- Delivery of savings – planned savings to mitigate the projected budget gap may take longer to be delivered and may not be delivered in full, in which case plans will need to be reviewed and updated.
- Business Rates Retention – forecasts under BRR are notoriously difficult to predict with accuracy and can therefore change from year to year (e.g. for appeals, reliefs, etc.), and the system is currently under review with uncertainty of the distribution of risks and rewards of income decline and growth.
- Economic slowdown and recession – COVID and exit from the EU may exaggerate the impact on demand for services thus increasing costs, and is expected to have an adverse effect on core funding through business rates and council tax as well as income from fees and charges.
- Local government – The Government is currently considering two options for local government restructuring in Somerset, with the potential for one or two unitary councils taking on the services currently delivered by the County and District councils. Any change is likely to have a significant demand on resources to manage a transition to a new authority, leading to increased costs and potentially significant reductions in reserves.

## **22 Legal Implications**

22.1 The Council is required by law to set a balanced budget and failure to do so would result in serious financial and service implications and lead to Government intervention.

## **23 Climate and Sustainability Implications**

23.1 No direct carbon/environmental impacts arising from the recommendations. Budgeted support towards the Council's climate and sustainability priorities is included within the MTFP and HRA Business Plan.

## **24 Equality and Diversity Implications**

24.1 No direct equality or diversity impacts arising from the recommendations within this report. Officers and members will need to consider whether there are any impacts for detailed policy updates and proposals within the detailed budget plans as these are developed and presented for decision.

## **25 Asset Management Implications**

25.1 Effective asset management remains an important element of the financial strategy. Asset Management Strategies were previously prepared for both West Somerset and

Taunton Deane Councils (September 2017 and November 2017). These identify and categorise the land and property holdings in each Council and establish core objectives for holding and/or investing in the existing asset base. Work is currently underway to enable updated Asset Management Plans to be prepared during 2021/22. Financial plans will be reviewed and budgets updated during the budget setting cycle to reflect updated information when available.

## 26 Scrutiny Comments / Recommendations

26.1 The draft strategy was presented to Corporate Scrutiny on 7 July 2021. The Committee identified the following comments and recommendations for the Executive to consider:

- a) The Committee supported the recommendations included in this report.
- b) The Committee held a strong view that it is important to plan and continue to make spending decisions with full and proper consideration of expected costs and organisational strain of unitary implementation. The Committee wishes to closely monitor progress with the strategy through budget monitoring and budget setting reports.
- c) The Committee noted the plans to complete the previously commercial property investment, with one Councillor citing his own evidence that investors' risk appetite generally are changing and may see reduced investment in property. Note – a detailed 6-monthly progress update with SWT's commercial investment is being reported to Full Council on 27 July 2021.
- d) Clarification was provided during the debate in respect potential future calls on the Investment Risk earmarked reserves. These are providing contingencies to underwrite the risk of future income volatility and funds for landlord asset management costs.

### Democratic Path:

- Corporate Scrutiny Committee – 7 July 2021
- Executive – 21 July 2021
- Full Council – 7 September 2021

Reporting Frequency: Annually

### Appendices

Appendix A	Investment earmarked reserves
Appendix B	General Reserves summary
Appendix C	Earmarked Reserves summary
Appendix D	Reconciliation of 2021/22 MTFP Budget Changes Since February 2021

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## Appendix A

### Investment Earmarked Reserves

Table 1 – Investment Risk Reserve Projection

	2021/22 £k	2022/23 £k	2023/24 £k
Balance brought forward	3,674	3,000	3,000
Transfers to other Investment Reserves	-674	0	0
Transfer to reserve (MTFP assumption)	0	0	320
Transfer to Revenue – determined by future volatility	TBC	TBC	TBC
Balance carried forward	3,000	3,000	3,320

Table 2 – Investment Assets Sinking Fund Projection

	2021/22 £k	2022/23 £k	2023/24 £k
Balance brought forward	0	500	500
Transfer from Investment Risk Reserve	500	0	0
Transfer to Reserve – set aside from Investment Net Income	0	0	100
Transfer to Revenue – asset maintenance/management costs	TBC	TBC	TBC
Balance carried forward	500	500	600

Table 3 – Investment Financing Reserve Projection

	2021/22 £k	2022/23 £k	2023/24 £k
Balance brought forward	0	2,174	174
Transfer from Investment Risk Reserve	174	0	0
2021/22 Revised Budget – Transfer to reserve	2,000	0	0
Repayment of Investment Capital Borrowing (MRP)	0	-2,000	0
Balance carried forward	2,174	174	174



## Appendix B

### General Reserves

Reserves Position as at July 2021

	General Fund £k	HRA £k
<b>Balance 1 April 2020</b>	<b>4,522</b>	<b>2,701</b>
2020/21 Original Budget Transfer to Reserve	300	
Earmarked reserves review – balances released	1,218	
From NHB Reserve	3,949	
From BR Volatility Reserve	1,000	
Economic Growth and Prosperity Fund	-500	
Climate Change strategy	-500	
Unitary Programme Delivery Funds	-249	
Tree Planting	-18	
2020/21 Budget for Projected Net Costs of COVID	-657	
Budget Volatility and Risk reserve	-2,400	
2020/21 Outturn Net Underspend (Overspend)	1,250	15
<b>Balance 31 March 2021</b>	<b>7,915</b>	<b>2,686</b>
Requested Supplementary Budgets 2021/22 (Outturn report)	-806	
MTFP Use of Reserves to Reduce Budget Gap in 2021/22	-1,160	
MTFP Use of Reserves to Reduce Budget Gap in 2022/23	-1,000	
Unitary Council Poll	-86	
<b>Indicative Balance</b>	<b>4,863</b>	<b>2,686</b>
Adequate Minimum Reserves Balance	2,400	1,800



## Appendix C

### Earmarked Reserves

General Fund Earmarked Reserves	Balance 1 April 2021 £k	Budgeted Transfer £k	Balance 31 March 2022 £k
Business Rate Holiday S31 Grant	11,695	-11,118	577
Business Rate Losses S31 Grant	3,081	-999	2,083
Business Rate Volatility	5,375	1,665	7,040
Investment Risk	3,673		3,673
Budget Volatility & Risk	2,400		2,400
General Carry Forwards	2,112	-2,112	0
Garden Town Fund	870	-68	802
Ec Dev (BR Pooling Gain)	769		769
Asset Management	687		687
Community Housing (West Som)	533		533
NHB	193		193
Other Smaller Balances	2,456	-18	2,438
<b>Total</b>	<b>33,844</b>	<b>-12,649</b>	<b>21,194</b>

*\*Excludes proposed transfers in Table 1 in this report.*

HRA Earmarked Reserves	Balance 1 April 2021 £k	Budgeted Transfer £k	Balance 31 March 2022 £k
HRA One Teams	26		26
HRA Social Housing Development Fund	849		849
HRA Hinkley	57		57
HRA Contribution to Transformation	175		175
<b>Total</b>	<b>1,107</b>	<b>0</b>	<b>1,107</b>



## Reconciliation of movements in 2021/22 figures in MTFP Feb Council to this report

	2021/22 February Report £k	Changes £k	2021/22 This Report £k
Net Service Costs	21,020		21,020
Investment Properties Net Income	-3,407	-2,155	-5,562
Capital Financing and Debt Repayment	498	1,082	1,580
Interest Costs and Income	Not split out	323	323
Unparished Area Expenses	29		29
SRA Funding	98		98
<b>Sub-total: Net Costs</b>	<b>18,238</b>	<b>-750</b>	<b>17,488</b>
Earmarked Reserves Transfers	1,665	750	2,415
General Reserves Transfers	-1,160		-1,160
<b>Net Expenditure</b>	<b>17,993</b>	<b>750</b>	<b>18,743</b>
Business Rates Retention (BRR)	-6,182		-6,182
BRR prior year surplus/deficit	12,556		12,556
Earmarked S31 Grant to offset BRR Deficit (split over two lines in February report)	-12,117		-12,117
Business Rates Pooling Gain	-250		-250
Revenue Support Grant	-6		-6
Rural Services Delivery Grant	-253		-253
LCTS Grant (COVID)	-225		-225
Lower Tier Services Grant (COVID)	-996		-996
New Homes Bonus	-1,743		-1,743
Council Tax (CT) (SRA element split out in Feb report)	-9,490		-9,490
CT Special Expenses	-29		-29
CT prior year surplus/deficit	-8		-8
<b>Net Funding</b>	<b>-18,743</b>	<b>0</b>	<b>-18,743</b>
<b>Budget Gap</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Brief explanation of changes:

1. Investment properties net income: £750k reduction in financing interest costs improving net income, MRP increased by £80k offset by £80k increase in net income, £880k MRP moved to 'Capital Financing and Debt Repayment' line, £525k interest costs moved to 'Interest Costs and Income' line.
2. Capital financing and debt repayment: £202k interest income moved to 'Interest Costs and Income', £880k MRP moved from 'Investment Properties Net Income'.
3. Interest costs and income: -£202k net interest income split out from original budget, £525k interest costs moved from 'Investment Properties Net Income'.
4. Earmarked reserve transfers: £750k interest cost reduction transferred to Investment Financing Fund. Also £1.25m transferred from BRR Volatility Reserves and subsequently also transferred to Investment Financing Fund, making £2m in total to that Fund.



*Report Number: SWT 56/21*

## **Somerset West and Taunton Council**

### **Executive - 21 July 2021**

#### **Future of Flook House, Belvedere Road**

**This matter is the responsibility of: Cllr Marcus Kravis, Chair of Member Working Group**

**Report Author: Chris Hall – Assistant Director Climate Change, Regulatory Services and Asset Management**

#### **Executive Summary**

- 1.1 This is the report of the Member Working Group (MWG) as drafted by an officer and presented by the chair of that group. The Member Working Group protocol as approved by Members requires the relevant portfolio holder to be the Chair of the Member Working Group.
  - 1.2 The MWG was created by the Executive to consider options for Flook House and the surrounding area with a view to concluding if investment should be made to retain the building or if demolition should be reconsidered. During this time expenditure on compliance matters has continued.
  - 1.3 The report does not make a specific, costed recommendation, instead it identifies preferences from the Member Working Group. A key recommendation being to retain the Flook House building.
  - 1.4 The MWG had no budget to engage specialists or architects on options for the surrounding land that might financially support the retention of Flook House, and this hampered their ability to create a shortlist of costed options.
  - 1.5 A number of decisions were made by the portfolio holder during the term of the group, these include a decision to demolish the old toilet block, and a decision to offer up lease extension of up to 12 months for new or existing tenants that don't currently claim a protected status.
- 2. Recommendations of the Member Working Group:**

- 2.1 That the Executive retain Flook House for its historical interest and potential future social value.
- 2.2 That the Executive establish a new project as part of the business planning process for 2022/23. Taking forward the feasibility works for potential development of the area including the retention of Flook House as part of the longer term solution.
- 2.3 That a new budget of £125,000 is established as part of the business planning process for 2022/23 to provide project management resource, engage architects, and the other necessary specialists to produce a costed business case.
- 2.4 That the Member Working Group continues to support the project and pfh, if 2.2 and 2.3 are approved.

### **3. Risk Assessment**

- 3.1 Rising costs of property compliance mean that the Council need to invest significant sums to maintain the aging Flook House building with little in return by way of rent. The longer term solution seeks to produce a financial return to support the costs of operating Flook House.
- 3.2 Further tenants leave, or we fail to attract new tenants during the period of uncertainty. This is mitigated in part by the extensions to existing leases and the offer of new short leases, whilst it does not bring the certainty some would require it allows for tenants and future tenants to plan.
- 3.3 Without a costed business case it is unclear if financial sustainability can be achieved and therefore the property may continue to operate at a cost to the tax payer. There is a related risk of inadequate scope within budget to support the necessary expenditure.
- 3.4 Whilst the paper focuses on the opportunities no work has been undertaken to establish the deliverability of a scheme in this area. It may be determined upon further work that the site is unsuitable or unaffordable for delivery. There are potential 4 key considerations in addition to this area being outside of the current site allocations. These being heritage, the flood zone of the area, some of the land being designated as public open space, and the intensification of the frontage further enclosing the canyon of properties on Station Road.
- 3.5 Existing tenants may have hold some reasonable concerns over some of the options being considered resulting in them leaving. If approved consultation with them over the future use of the Flook House building will be necessary.
- 3.6 The Member Working Group gave consideration to running a competition for local architects in order to move the project along in the absence of having a working budget. This posed a number of procurement challenges that required further investigation but may remain an option to keep costs down.

3.7 For the reasons set out in the report the Member Working Group were unable to produce a costed business plan. Whilst the future of the building forms part of the recommendation the ability to fund the capital improvement works identified in the previous report remains unresolved, but the need for the work has not gone away.

#### **4. Background and Full details of the Report**

4.1 Considerable discussion on the future of the Flook House building was had at Scrutiny and Executive committees with a Member Working Group being created as a result. The challenge faced by the group was to consider the future of the building and the immediate surrounding area against the backdrop of rising capital costs, the maintenance needs of the building and reducing tenancies and therefore income. The original report was brought at a time when a decision was needed to invest £22,000 on compliance works. These compliance works have now been commissioned.

4.2 As a result of the pandemic and the closure of Somerset West and Taunton Council offices, the parts of the building used by SWT have been empty throughout lockdown. At the same time improved technology has been implemented for employees making the transition away from that space for the Council's own requirements easier.

4.3 The group set out to establish how the building might be used to increase income and make it self-financing. Whilst there are many options for the space the ability to make it self financing are reduced by the standard of that space and the costs of operating within a building of that age. Tenants currently pay a below market rate for their space and future tenancies are unlike to change that position.

4.4 There have been government grant opportunities for public buildings over the time of the groups operation, however it was not considered that Flook House met the criteria for these grants. Whilst the building is in public ownership is it not a publicly accessible building, and to make it one for the purposes of the grant would be difficult and pose issues for existing tenants.

4.5 The group established early on that they wished to see the Council retain Flook House and in order to do so there would need to establish other income streams within the surrounding land (although this isn't necessarily the only option) to fund both the capital improvements and the revenue costs.

4.6 The high level options for Flook House considered by the group were:

Demolish – not supported

Dispose – not supported

Convert for housing – not supported due to complexities of the building

Continue to let – supported with a preference for a wider regeneration of the area to bring financial support to the Flook House property.

- 4.7 The preference to continue to let Flook House was supported on the basis that the group wanted to keep the building and the other options to do so would be difficult and costly to implement. There was considerable discussion regarding the use types sought, and the tenants and tenancies that would be preferred as there are a range of options including the current use types through to a community hub, Town Council offices, art gallery / studio space, etc. It would be for the portfolio holder with the views of the MWG to consider the uses of the Flook House space based on the interest received.
- 4.8 The group recognise that further work would be needed to establish which uses would bring value to the Council in terms of social benefit as well as finance. Marketing of the internal space of Flook House would also be needed to establish the demand and assess income expectations for the Council. It was decided that lease extension and new leases would be offered whilst a more in depth review is carried out as per the recommendations.
- 4.9 Members of the Group identified that financial support may best be achieved by developing the land around Flook House for housing. The budget requested would allow officers, with the ongoing support of the Group, to engage architects and take pre planning advice on the type and density of scheme that might be supported. Without this information it is difficult to establish likely construction cost and resale values to cover the capital works, or rental values to cover the ongoing revenue costs of Flook House.

## **5. Links to Corporate Strategy**

- 5.1 A financially self-sufficient Council which has expanded its commercial activity in order to support service provision: The demolition would prevent a greater level of expenditure on the asset whilst not disposing of the land on which the properties sit leaving opportunities for site development at a later stage.
- 5.2 Increase the number of affordable and social homes in our urban towns, rural and coastal communities; including those built by the Council

## **6. Finance / Resource Implications**

- 6.1 The initial report to Executive in December 2020 was brought forward on the basis of officer recommendations to limit costs to the taxpayer. This report includes recommendations from the Working Group that, if supported by the Executive, would add a further financial pressure to the Council, and has yet to evidence the financial viability of Flook House.
- 6.2 The estimated initial feasibility project costs are significant when compared to the estimated £220k capital investment required to bring the Flook House property up to a higher standard. It is understood though that the project is to consider the potential for residential development of the area in order to raise funds that may be reinvested to

improve the Flook House asset. The two aspects need not be linked as development of the area may prove to be a positive option regardless of the how Council chose to spend any income. The wider development may be financially beneficial and Council may choose to divert those funds to activity of a greater priority. This would need to be considered in the round with other asset management priorities or indeed other capital investment needs across the Council's strategic priorities and services.

- 6.3 The impact on rental income in the short term is unclear. Rents currently stand at £12,070 per year which is a reduction on the previously reported figure and is reflective of the reducing occupation of the building. The previous reported figure was £14,810 per year.
- 6.4 If Members wish to support the retention of this property a capital budget in the region of £220,000 is still needed to improve the asset, as identified in the previous Executive report. If the feasibility project is to be approved it would be advisable to undertake a range of condition surveys to establish if this estimate is over or understated.
- 6.5 The funding required to deliver the proposed project is not currently included within the approved budget for the year. In order for costs to be affordable, other budgeted costs and officer time would need to be de-prioritised, or additional funding identified from other sources (e.g. earmarked reserves) to cover costs and potential additional officer capacity. Alternatively, the provision of resources to undertake the feasibility project could be considered as part of the development of the operational plan and budget for 2022/23. However, Members are advised to consider the financial strategy, and existing scale of financial challenge identified within the Medium Term Financial Plan.
- 6.6 Any business case brought forward for investment in a residential scheme for the surrounding area would need to demonstrate a robust business case for assessment by officers and ultimately Council.

## **7. Legal Implications**

- 7.1 Both the short and longer term solutions attempt to retain tenancies within Flook House. Consideration should be given to the ability to delivery any of the necessary work with tenants in situ. Should the building need to be vacant the legal status of the tenants will need to be reviewed and action taken accordingly.

## **8. Climate and Sustainability Implications**

- 8.1 If the Flook House property is to remain in use it will require investment as set out in the previous report. The financial ranges identified include improvement to the building within a standard refurbishment. With the Council having declared a climate change emergency and needing to set the standard for others to follow greater consideration should be given to an enhanced standard of insulation and heating systems. This might include internal or external wall insulation, floor insulation, triple glazing, air source heat pump(s), solar PV, rainwater harvesting and so on. If the property is to be

retained in accordance with recommendation 2.1 the Council needs to consider a more thorough property inspection to gain a more robust costs for building enhancements.

- 8.2 The Council should seek to create properties with the lowest affordable climate impact. The financial case will need to establish that affordability level whilst not losing sight of the need for the development to pay for the capital and revenue costs of Flook House.

## **9. Safeguarding and/or Community Safety Implications**

- 9.1 There are community safety and antisocial behaviour issues that occur around the property. This report makes no changes to that situation.

## **10. Equality and Diversity Implications**

- 10.1 All tenants will be treated appropriately in law. There are not considered to be any equality and diversity implications as a result of this report.

## **11. Social Value Implications**

- 11.1 The project would look to achieve social value if approved.

## **12. Partnership Implications**

- 12.1 There are no identified implications of this report.

## **13. Health and Wellbeing Implications**

- 13.1 There are no identified implications of this report.

## **14. Asset Management Implications**

- 14.1 The recommendations will have resource implications, whilst a budget is also requested for this work the activities are not identified within the Directorate plan and therefore places a new pressure on whichever directorate is assigned to deliver the business case. The proposal to put this into the business planning process for 2022/23 resolves the immediate pressure.
- 14.2 Agreement needs to be reached on which directorate is best placed to lead on this project if approved. It would be reasonable for this to be placed with Development and Place as a development scheme but they, like External Operations, have fully committed resources and are dealing with larger schemes. This is a matter for consideration as part of the business planning process.
- 14.3 The proposal does not provide direction on maintenance or improvement works for Flook House which remain an outstanding financial consideration. The property will continue to be maintained in accordance with the necessary compliance assessments and works that are identified through that process.

## **15. Data Protection Implications**

15.1 There are no identified implications.

## **16. Consultation Implications**

16.1 There are no identified consultation implications of this report, but the future project, if approved, would require consultation with the existing tenants as well as wider consultation on any development proposals.

## **17. Community Scrutiny Comments**

17.1 The Member Working Group report was heard by Community Scrutiny on 30<sup>th</sup> June 2021. There was a considerable debate over the report with some concerns expressed over who's the report was. Was it an officer report, the portfolio holder report, or that of the Member Working Group? Clarity was provided during the meeting that the report was authored by an officer which is the usual practice and presented by the portfolio holder but represented the views of the group and was written with their input. This was further confirmed by a Cllr Whettlor who was a Member of the Working Group.

17.2 Clarity was sought over the Member Working Group make up, a response was provided in the meeting with the names of all Members involved.

17.3 Concerns were raised that the MWG have not concluded the need to spend money on the building as identified in the report from December 2020. This remains the case.

17.4 Some Community Scrutiny Members were reluctant to support the request for £125k for a feasibility study which may not produce a financially viable redevelopment plan, instead suggesting this money may be better spent retaining the building and bringing it up to a higher standard.

17.5 It was noted that the report does not provide a detailed assessment of each of the options that were discussed. The report identified the recommendations of the working group with a high level summary of the discussions. Cllr Whettlor gave a verbal response as to the level of detail that group had discussed and that the Group had not included this in the report as it would have run to many pages.

17.6 Particular future uses for Flook House were discussed in the meeting including the potential for this to support wider social value. Arts studios and galleries as well as use as a Foyer Hub were mentioned. Future uses can be considered as part of the feasibility work or through the Working Group but it must be born in mind that there are existing tenants that claim a protected status and therefore vacant possession of the building cannot be provided for change of use without negotiation and potential compensation to the existing tenants.

17.7 Whilst the Community Scrutiny members were not all in agreement with retaining the Flook House property there was support from the majority for the general direction recommended by the Working Group.

**Democratic Path:**

- **Community Scrutiny – 30<sup>th</sup> June 2021**
- **Executive – 21<sup>st</sup> July 2021**

**Reporting Frequency: One off**

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