

SWT Corporate Scrutiny Committee - 5 January 2022

Present: Councillor Gwil Wren (Chair)

Councillors Ian Aldridge, Benet Allen, Sue Buller, Norman Cavill, Simon Coles, Habib Farbahi, Ed Firmin, Barrie Hall, Libby Lisgo, Loretta Whetlor and Steve Griffiths (In place of John Hassall)

Officers: Paul Fitzgerald, Kate Murdoch, Alison Blom-Cooper, Chris Hall, Joe Wharton, Jess Kemmish, Samantha Murrell, Rebecca Staddon and Andrew Pritchard

Also Present: Councillors Janet Lloyd, Dixie Darch, Dave Mansell, Francesca Smith, Vivienne Stock-Williams, Andrew Sully, Ray Tully, Sarah Wakefield and Brenda Weston

(The meeting commenced at 6.15 pm)

73. Apologies

Apologies were received from councillors Nick Thwaites, Danny Wedderkopp, John Hassall for whom Stephen Griffiths attended as a substitute, and Mike Rigby who was due to speak on agenda item 12. Item 12 was therefore deferred to a future meeting of the committee.

74. Minutes of the previous Corporate Scrutiny Committee

The committee resolved to approve the minutes of the previous meeting held on 1st December 2021.

75. 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 N Cavill | All Items | West Monkton | Personal | Spoke and Voted |
| Cllr S Coles | All Items | SCC & Taunton Charter Trustee | Personal | Spoke and Voted |
| Cllr L Lisgo | All Items | Taunton Charter Trustee | Personal | Spoke and Voted |
| Cllr J Lloyd | All Items | Wellington & Sampford Arundel | Personal | Spoke |
| Cllr D Mansell | All Items | Wiveliscombe | Personal | Spoke |
| Cllr F Smith | All Items | Taunton Charter Trustee | Personal | Spoke |

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|-----------------------|-----------|-------------------------|----------|-----------------|
| Cllr V Stock-Williams | All Items | Wellington | Personal | Spoke |
| Cllr R Tully | All Items | West Monkton | Personal | Spoke |
| Cllr B Weston | All Items | Taunton Charter Trustee | Personal | Spoke |
| Cllr L Whetlor | All Items | Watchet | Personal | Spoke and Voted |
| Cllr G Wren | All Items | Clerk to Milverton PC | Personal | Spoke and Voted |

76. **Public Participation**

There was no public participation.

77. **Corporate Scrutiny Request/Recommendation Trackers**

Councillor Buller raised that an answer to a question about the Quarter 1 Finance Report had not yet been provided. It was agreed that Councillor Buller would work with the Chair and officers to obtain a response. The Chair noted the trackers.

78. **Corporate Scrutiny Committee Forward Plan**

The Chair noted the forward plan.

79. **Executive and Full Council Forward Plan**

The Chair noted the forward plans.

80. **Annual Infrastructure Funding Statement**

The Assistant Director for Strategic Place & Planning introduced the report and raised the below points:

- The report came based on the current Community Infrastructure Levy (CIL) regulations whereby authorities who receive Section 106 (S106) contributions or CIL must publish an infrastructure funding statement annually. This was a new requirement last year. This infrastructure funding statement was for 1st April-31st March 2021 and had been published on the council's website. It sets out the CIL funds which were collected and spent in that period.
- Officers explained the difference between CIL and S106. S106 agreements were a legal mechanism to make developments acceptable in planning terms which would otherwise be unacceptable. Developers could also be asked to contribute to infrastructure by CIL which was a fixed charge.
- Funds from both CIL and S106 could be used for infrastructure.
- Parish councils in receipt of CIL also needed to produce a report for each financial year they received CIL. This information was included in the report for this committee as an appendices.

- The Funding Statement included information on the infrastructure project the authority intended to be funded at least in part by CIL, the amount of money spent on administration, details of the funds passed onto parish councils, summary details of receipt and expenditure of CIL used in the period. It also needs to contain a S106 report which sets out the obligations entered into, the funds received, allocated and spent.
- The Council uses the IT system to record all S106 and CIL charges as well as the collection and spend.
- All parish councils were notified of CIL and S106 funds collected in their area.
- CIL tariffs were introduced in what was formerly Taunton Deane in 2014. Tariffs were only charged on particular types of development.
- There would be a review of CIL and S106 as part of creating a new local plan for Somerset however this would not disadvantage West Somerset as many authorities had decided not to use CIL. Although South Somerset and Sedgemoor had adopted CIL, Mendip had not.
- The government was reviewing CIL and were considering introducing a national levy.
- As of 31st March 2021 the Council had collected £7.58m in terms of CIL.
- CIL funding had been allocated to the delivery of infrastructure projects based on the CIL allocation principles approved by Full Council. There would be a review of allocations as part of the budget discussions which were upcoming.

During the debate on the report the following points were raised:

- It was questioned why a council would not opt to use CIL. Officers responded that there was only one pot of money for each development, if CIL was used then there would be less S106 funding. CIL did not cover affordable housing so many authorities had opted to use only S106 to allow them to more easily fulfil their affordable housing requirements.
- It was asked if there was a risk of losing the CIL funds collected since a significant amount had not yet been spent. Officers responded that CIL payments would not be lost but would roll over to the next year as they were allocated to specific developments.
- It was questioned whether, at the point that the new unitary council was formed in Somerset, the CIL funds would end with the existing councils or whether deliberate action would need to be taken to dismantle CIL by the new unitary authority. Officers responded that a decision about what to do with CIL would need to be taken by the new authority and the current systems would remain in place until the new authority made a decision. Officers noted that it was advised that CIL was reviewed regularly.
- It was suggested that CIL arrangements should be reviewed to see if S106 only would be better and more flexible.
- It was questioned about returned funds which were not spent and whether this was a result of the issues the Council previously had with tracking CIL and whether the new system was up to standard to ensure no funds would have to be returned. It was responded that the payments returned were historic S106 payments where the funding had not been spent within the designated time

period. The new clear monitoring system and dedicated officers would help to mitigate the risk of further payments being returned.

- It was raised that there was a technical issue with moving from one system to another in the transition from Taunton Deane to Somerset West and Taunton.
- It was suggested that having information for each parish council who had received S106 funds and how they had spent it would be useful.
- It was asked how the risk of funds being returned was being mitigated and concerns were raised about funds not being invested back into the community.
- Officers informed that when a planning application was submitted to the Council interested parties were consulted if a S106 agreement was going to be drawn up and then the agreement would be made between the developer and planning officer. Many of these would then go to planning committee to be approved. Some agreements were straight forward and some took many months.
- It was asked what the process of an infrastructure development coming forward and then being considered for S106 was. Officers responded that there were a number of things which determined qualification for S106, including the local plan, planning policy or through consultation with statutory consultees.
- It was asked what determines the overall amount of S106 money and what determines how it is split up between different areas such as highways, healthcare and education. It was responded that statutory consultees, such as the County Council had approximate tariffs such as a certain amount being provided for education per house. However, discussions would take place with developers to identify what would be viable.
- It was asked about transport being funded out of S106. Officers responded that the Council often sought transport improvements and payments as part of S106 requirements.
- It was raised that historically the criteria for CIL was more flexible than S106 but that this had now been altered.
- It was questioned whether the new unitary authority could spend CIL funds anywhere they would like to once it came into existence or whether they would have to uphold existing allocations. Officers responded that the new unitary would only be able to spend the CIL funds within the same geographical area.
- Officers agreed to update members after the meeting regarding what would happen to CIL funds if parish councils were taken over and whether the CIL funds could be ringfenced to be spent on certain projects.
- It was raised that in the new unitary the LCNs would be likely to play a role in CIL allocations.
- It was raised that when CIL was allocated regular reminders were given about when funds must be spent by. For S106 agreements officers provided information on what the funds were for when requested.
- It was raised that dependent on the areas the LCNs covered once the new authority was formed it may change the CIL allocations.
- It was asked if additional support could be given to parish councils on what their funding could be spent on and the process for S106 funds.

- The Chair put forward as comments of the committee that the committee was of the view that the system needed to be reviewed, both the principles of S106 and CIL, and that leaving this to the new unitary would cause a significant delay. The Chair, on behalf of the committee, urged that the review of the system take place as soon as practicable and be accelerated to take place during the setting up arrangements for the new authority if possible.
- The Council was holding significant sums of money as pledges. The committee had heard about some sums being returned and it would be useful to have a simple guide for councillors as to how the system works.
- The information in the annual report is very detailed but it would be helpful if all locations could be identified in the report.

The Corporate Scrutiny Committee resolved to note the report and approved the comments put forward by the Chair.

Councillors Firmin and Hall left the meeting following this item. Rebecca Staddon and Kate Murdoch also left the meeting.

81. **Access to Information - Exclusion of Press and Public**

Resolved that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next item of business on the grounds that it 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).

82. **Commercial Property Investment Strategy, Six Monthly Performance Review and Asset Management Strategy**

The Corporate Scrutiny Committee resolved to note the recommendations contained in the report:

2.1 Full Council is requested to support the following recommendations: -

- a) Note the six-monthly update information.
- b) Adoption of the revised Commercial Investment Strategy at Appendix 2.
- c) Adopt the Asset Management Strategy as an interim document pending transition to a Unitary authority (Appendix 3).

83. **Re-admittance of the Press and Public**

84. **To consider reports from Executive Councillors - Cllr Mike Rigby**

Item 12 on the agenda was deferred to a future meeting of the Corporate Scrutiny Committee.

(The Meeting ended at 8.42 pm)