

## Shadow Executive - 26 September 2018

Present: Councillor J Williams (Chairman)

Councillors A Trollope-Bellew, R Habgood, J Warmington, M Dewdney, A Hadley, S Pugsley and A Sully

Officers: Paul Fitzgerald, Krystyna Kowalewska, Bruce Lang, Kate Murdoch and Andrew Stark

Also Present: Councillors R Clifford, S Coles and P Murphy

(The meeting commenced at 4.30 pm)

### 16. **Apologies.**

There were no apologies for absence.

### 17. **Minutes of the previous meeting of the Shadow Executive.**

The minutes of the meeting held on 5 July 2018 were tabled at the meeting. The Leader agreed to sign the minutes following the meeting once Members of the Shadow Executive had a chance to read and comment on them.

### 18. **Declarations of Interest.**

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

Name	Minute No.	Member of	Action Taken
Cllr A Trollope-Bellew	All	Crowcombe	Spoke and voted
Cllr S Coles	All	SCC	Spoke
Cllr P Murphy	All	Watchet	Spoke

### 19. **Public Participation.**

No member of the public requested to speak.

### 20. **Draft Financial Strategy and Medium Term Financial Plan 2019/20 (attached)**

The purpose of the report was to provide Members with an update on producing a 2019/20 budget for the new Somerset West and Taunton Council including a Medium Term Financial Plan and overall Financial Strategy.

Historically, the former Councils of Taunton Deane and West Somerset separately produced a Medium Term Financial Plan (MTFP) that was updated during the year as part of their overall financial strategies. The purpose of the MTFP was initially to set the scene and give an early indication of the financial position and reductions required to deliver a balanced budget. Somerset West

and Taunton would therefore require a new Financial Strategy for delivering a medium term balanced budget from 2019/20 onwards.

The Leader introduced the item and stated that he considered the contents of the report demonstrated the value of the hard choices made over the years in reducing the two Councils' running costs. He drew Members' attention to the proposed strategy for council tax going forward; the estimated General Fund Reserves balance of Somerset West and Taunton which showed a healthy position, as well as highlighting the combined budget position of TDBC and WSC within the Medium Term Financial Plan.

The Interim Financial Services Manager presented the report in further detail, drawing attention to the salient points contained within. The 2019/20 finance settlement for Somerset West and Taunton would be a combination of the two former councils and the base budgets would be fully reviewed for the new Council in due course. He advised that there would be a number of changes imminent which would make the level of funding difficult to predict and this would come into effect from 2020/21 onwards. Information was provided on the Fair Funding Review, the Business Rates Retention scheme and the New Homes Bonus. The funding predictions were based on current assumptions.

The Medium Term Financial Plan summary showed there to be a broadly balanced budget position up to 2021/22 with a predicted budget gap of £407,000 by 2023/24. The Interim Financial Services Manager reported on the strategy for business rates to help protect against funding volatility, as well as the strategy for New Homes Bonus.

Clarification was provided that the Somerset West and Taunton council tax charge in 2019/20 for a Band D property was predicted to increase by £5 per annum. The final decision on the council tax increase would be made in February 2019 via the democratic process.

It was noted that fees and charges would be aligned wherever possible, and it was recommended that voluntary and community grants and other commitments be carried forward into the new council.

Attention was drawn to the tabled responses provided at the meeting following a number of questions and recommendations which were raised at the Shadow Scrutiny Committee held on 18 September 2018.

The report also referred to the Community Infrastructure Levy (CIL) and made reference to a report that was considered by Taunton Deane's Scrutiny Committee. The proposals contained therein required the endorsement of the Shadow Executive prior to the matter being submitted to Taunton Deane's Full Council meeting for approval on Tuesday 2 October 2018. Additional recommendations were circulated prior to the meeting.

During the discussion of this item Members made comments and statements and asked questions, and the following main points were raised:

- Standards for street cleaning services and how regularly this should be undertaken was queried.
- The ongoing savings figure of £1.934m from transformation was questioned as it was lower than expected.  
It was explained that the ongoing savings were factored into the General Fund forecasts and these savings applied from 2019/20 onwards where it was assumed that savings would be met within this financial year – it did not take into account the savings delivered in 2018/20. Transformation and the creation of the new council would deliver £3.1m per year in savings ongoing.
- A question was asked whether there was a cost to replace recycling bins or whether they were replaced free of charge.
- With regards to capital investment and financing, a request was made for more detailed information on capital projects to be produced as this was perceived to be a good news story.
- Further to a question raised as to whether the new council could support both CIL and Section 106 funding, and if not, what preparations would be put in place for the West Somerset area regarding capital projects, it was confirmed that Section 106 could continue within a CIL operating authority and it had to directly relate to mitigating the impact of the development. The long term strategy was to introduce CIL across the new council area, subject to the Local Plan Review.
- It was important that CIL be introduced to the West Somerset area of the new council because a strategic approach was needed for work to target infrastructure projects.
- Reassurance were given that conversations had already started to consider possible additional support for Citizens Advice across both areas.
- Issues regarding the establishment of the Somerset Rivers Authority as a new precepting body were discussed and Members were confident that a dispensation would be granted.
- It was noted that the full cost recovery principal on fees and charges could not be achieved in respect of harbours, and that there could also be other areas in fees and charges where this would not be possible.
- Further clarification was provided on the New Homes Bonus and the degree of uncertainty surrounding it, and as a result the reliance on New Homes Bonus as a source of funding had been reduced in terms of supporting the revenue budget. Reference was also made to the 4 years rolling grant and the assumptions being made on the national baseline for housing growth target.

The Leader proposed the recommendation of the report to include the additional recommendations relating to the Community Infrastructure Levy which were duly seconded by Councillor A Trollope-Bellew.

**RESOLVED (1)** that the draft Financial Strategy for the new Council outlined in the report circulated with the agenda including an initial MTFP and budget proposals for 2019/20 be supported.

**RESOLVED (2)** that it be recommended to Taunton Deane Borough Council to support a commitment of Community Infrastructure Levy funding of £15.5m for the period 2019/20 to 2022/23.

**RESOLVED (3)** that it be recommended to Taunton Deane Borough Council to support a recommendation to Taunton Deane Borough Council to support the CIL Allocation Principles as set out in Paragraph 4.9 of the “Community Infrastructure Levy allocations for 2019/20-2022/23” report to TDBC Scrutiny 18 September 2018.

**RESOLVED (4)** that the inclusion of the proposed investment of CIL allocations within the draft Somerset West and Taunton Council Capital Programme for 2019/20 be supported.

**RESOLVED (5)** that it be recommended to Shadow Council to incorporate delegation powers within the new constitution for Somerset West and Taunton Council. The delegation powers will require the approval of the Head of Strategy and relevant Portfolio Holder (in consultation with the s151 Officer) to enable the CIL spending to be re-profiled between financial years but within the overall sum allocated by infrastructure type and subject to sufficient CIL funding being available.

21. **Forward Plan**

The purpose of this item was to approve the Forward Plan which was circulated with the agenda.

**RESOLVED** that the Shadow Executive’s Forward Plan be noted.

22. **Date of next meeting**

The next meeting date had been agreed:-

- Shadow Executive – 15 November 2018 at 4.30 pm, Council Chamber, West Somerset House, Williton.

(The Meeting ended at 5.15 pm)