



**19<sup>th</sup> July 2022**

Good evening, Mayor and Councillors.






Since our last meeting, due to the timings, South Somerset District Council (SSDC) has not met, we are due to meet this Thursday the 21<sup>st</sup>. One of the things we will be looking at is how we will conduct our formal business meetings going forward in light of current legislation and the continuing COVID environment.

But the business of SSDC continues unabated. With Local Government Re-organisation (LGR) happening in the background, the day-to-day running of the Council is becoming a challenge, with many of our officers beginning to be diverted to dual roles in the run-up to vesting day on the 1<sup>st</sup> April 2023. This is unfortunately having an impact on how SSDC delivers its services, particularly those with direct contact with our residents. Therefore, continued dynamic management of personnel, recruiting and retention are some of the areas the council are having to focus on more, as we head towards unification.

You will have seen, by the regular reports being distributed, that work on the LGR is gathering pace. This includes the proposed appointment of a new Chief Executive. The new incumbent will take over the running of Somerset County Council immediately and thereafter, from the 1<sup>st</sup> April 2023, Somerset Council. But more about that will no doubt be covered by our County Councillors in their reports.

In the meantime, we can report the following SSDC highlights:

### **Freedom Leisure Annual Report**

-  Recently we received Freedom Leisure's first Annual Report after taking over the contract to manage SSDC's leisure facilities in April 2021. These include the Goldenstones Leisure Centre and Westlands Sport and Fitness Centre in Yeovil, Wincanton's Sport Centre and the new Chard Leisure Centre from November 2021.
-  As you will appreciate, this has been a challenging time for any business, let alone one who took on a contract during a pandemic. But, under the circumstances they appear to have performed well. Freedom Leisure are not new to this and do operate on a not-for-profit basis across England and Wales, employing over 3 ½ thousand.
-  Overall, in the year to April in South Somerset, they have achieved an income of over £1.2m from over 7700 members and almost 300,000 visitors.
-  Over 2600 people are on the learn to swim (LTS) programme
-  In Chard, over many areas, the new centre is exceeding its targets with LTS, membership and income. In the five months of operation, they have had almost 63,000 participants.



### ➤ Collaborative Discretionary Energy Rebate Scheme

- This proposal was discussed recently and will be presented to Full Council on Thursday for approval.
- In February the Government announced measures to help households with rising energy costs through main and discretionary payment schemes. The main scheme is the £150 rebated to eligible households in Council Tax bands A-D.
- However, the government has also provided SSDC with almost £300k to additionally support those suffering financial hardship as a result of the rising cost of living.
- This scheme has been developed in close collaboration with neighbouring councils in Mendip, Sedgemoor and SWaT.
- The scheme seeks to provide a single one-off payment of £150 to those eligible in Council Tax Band E-H, as well as another £27 to those in A-H who are eligible.
- A payment of £150 will be made to any household who may fall between the cracks of eligibility but is experiencing financial hardships.

### ➤ Review of 2022/23 Capital Programme

- As members will appreciate, under the current financial environment, budgets are having to be managed closely. Capital Expenditure by SSDC is one of those areas where rising prices (30 – 40 percent in construction) are having a huge impact on our plans to deliver projects around the district. But that is why we have contingency budgets and funds.
- Therefore, the District Executive will have to make big calls on how projects are managed and financed in the near future.
- At this time, it was asked that the CEO inject an additional £125,000 into the new visitor centre at Ham Hill Country Park to cover the estimated increase in construction costs.
- Other areas under consideration for future draws on funds were, Yeovil Crematorium, Wincanton Regeneration and Yeovil Refresh, as well as our Decarbonisation project.
- All in all, we may be looking at additional expenditure from our reserves of nearly £3m as we go through these turbulent economic times.
- But, as with any business, this is where SSDC must weigh up the cost-to-benefit ratio of all expenditure and make tough decisions on whether the cost is worth it for the people of South Somerset.

### ➤ Investment Asset Updates

- Recently we received a report on our Investment Assets. Some councillors may even have seen headlines about earnings from one of our assets which makes up only a percentage of our large and varied portfolio.



- The reason behind SSDC's decision to acquire commercial investments, was to fill the financial gap between government funding, council tax revenues and actual expenditure on services to residents the council deemed necessary to protect.
- To that end in August 2017 the council embarked on a Commercial strategy with the objective of becoming financially self-sufficient, through borrowing money to purchase land and properties with the aim of making an income.
- A total sum of £142m has been invested in a wide portfolio ranging from warehousing to offices, shops and even a battery storage facility for renewable energy.
- In summary, the total Commercial income to the end of the financial year was just shy of £13m which equates to an average yield of just under 7 percent
- In addition to the Commercial (warehousing, shops, offices, etc.), SSDC embarked on a joint venture to build a Battery Energy Storage System (BESS), just outside Taunton. Together with two new sites just outside Fareham in Hampshire. The council has invested £43.5m of the total, into these projects
- 21/22 is the first full operational year of the Taunton BESS and encouraging financial figures show that it alone produced a gross income exceeding £2.8m for the company.
- The first phase of the Fareham site only came on-line in April 22, but initial figures suggest that it made a gross income of £144k. The second phase was due to be completed in June.
- Therefore, as you can see, once all the BESS sites are up and running at capacity, not only will they be helping with the council's carbon footprint and net-zero targets, but they will also be generating a considerable income for SSDC and Somerset Council into the future.

#### ➤ **Area West Committee**

- The Area West Committee are due to meet tomorrow the 20<sup>th</sup> July 2022 when we will be considering a grant for an air-conditioning project at Chard Guildhall and a grant towards Broadway Parish Council's plans to redevelop their playing fields.

Cllr Val Keitch

Cllr Brian Hamilton



## INFORMATION REFERENCES:

Links to South Somerset District Council's agendas, minutes and other useful information can be found at the following links:



YouTube recordings of SSDC meetings:

[https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF\\_soA](https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF_soA)



SSDC agendas, minutes and decisions can all be found either through the 'Modern.Gov' application or by following the link:

<https://modgov.southsomerset.gov.uk/uuCoverPage.aspx?bcr=1>



For a guide to vaccinations in Somerset, visit:

<https://www.somersetccg.nhs.uk/health/local-services/health-services-during-coronavirus/covid-19-vaccinations-in-somerset/>



Coronavirus. For information on a range of different support that is available visit: [www.southsomerset.gov.uk/coronavirus](http://www.southsomerset.gov.uk/coronavirus)



Somerset Waste Partnership: <https://www.somersetwaste.gov.uk/>  
Recycle More: <https://www.somersetwaste.gov.uk/recycle-more/>

## SSDC NEWS:



Links to South Somerset District Council's latest news stories can be found at the following link: <https://www.southsomerset.gov.uk/news/>