

2025/26 Annual Parish Meeting Report

Again, a year dominated by Council Finances.

In 2025/26 the budget was balanced with help of “Exceptional Financial Support” via a “Capitalization Direction” (Government allowing Somerset to use proceeds of asset sales for Revenue expenditure, which is not usually permissible). The council used circa £43 million and also had been allowed to increase the Council Tax by 7.5% above the normal 5% cap.

For this financial year the council again asked for “Exception Financial Support” asking for a Council Tax increase of up to 11%. The Government wrote back limiting the Tax rise to 5%, allowing £30 million use of asset sales to fill a £25 million budget shortfall and £5 million for “Transformation costs”. The letter was unusually blunt, in effect saying that the Council had now had 3 years of “Exception Financial Support” and this was not ‘Exceptional’, the inference being ‘don’t ask again next year’.

Since becoming Unitary the council has reduced staffing by over 555 full time equivalent posts saving £33 million a year. There is a pay and grading review using consultants costing £3m and likely resulting in an uplift of £8m. The Transformation programme, bringing the old 5 councils into 1 and aiming to deliver more with less, is continuing with consultants costing circa £20m with the target of making savings of 2 to 3 times the costs.

Last year Somerset had appointed an interim Chief Finance Officer after failing to find a permanent appointment at a cost of £270k for 9 months. A full-time appointment was selected to start this year, but she withdrew a few days before taking up post, the previous interim has been reappointed to March 2027 at a cost of circa £300k.

During the year our Auditors have raised 3 red flags relating to: Financial stability and governance, Delivery of savings and transformation at sufficiently fast pace and Oversight and governance of Projects such as the Glastonbury Town Deal.

Somerset was disappointed with the Government’s new ‘Fairer Funding Formular’ it had been expected to benefit councils like ours. In the event Somerset saw various changes up and down ending broadly even, but lost out significantly with Government doing away with Rurality payments (which reflected the extra costs in large rural areas) worth £10m and a change to the Business rate retention with cost Somerset over £10m.

Planning Service

The planning service has had a difficult year, Emergency Measures were introduced including a 12-week suspension of contact to bring down the backlog of cases, the backlog was halved but relations with applicants and many town and parish councils were strained.

The departments have seen loss of staff and difficulty recruiting due to pay scales and reputational issues with enforcement particularly badly hit.

Recently a new Interim Planning Director has been appointed to help address these issues at a cost of approx. £250k for the year.

Finally, the Government has increased the number of new houses Somerset needs to accommodate to 75,000 over 20 years, this has meant that none of the planning areas has a 5-year land supply and are therefore vulnerable to developments outside of the previous Local Plan. A new Local Plan for the whole of Somerset is being worked on.

Parking

During the year Somerset proposed to introduce parking charges across the whole county including Sunday Fees, On Street charging, charging in previously Free carparks and overnight charging.

After a challenge, public consultation responses resulted in these being stopped. However, the council is now consulting on a Parking strategy, one to watch, particularly how any changes support businesses in Somerset’s towns and villages.

Council Housing

Somerset has agreed to bring together its 2 housing teams. After an analysis of how they operated based on costs and tenant satisfaction it has been agreed to move to the model based on the former 'Homes in Sedgemoor' rebranded as 'Homes in Somerset'. This will also help used housing funds to build new council homes across the county, with £3m available as a start.

Special Educational Needs funding.

This is a national issue, Somerset current has built up a debt of £116m, government have offered to pay off 90% if local councils can create a plan to reduce ongoing deficits, this to happen in 2028, by then the debt is forecast to increase by approx. £40m more.

Currently Somerset is also working on a plan to address the backlog in Educational Health and Care plan assessments which is currently about 1 year.

Recycling

Somerset continues to be amongst the highest recyclers of waste; this not only benefits the planet but also saves significant costs of disposal. This year has seen campaigns to increase food waste recycling and trials of soft plastic collections.

Transport

Government has supported the council with funding for Bus Improvement and Active Travel (alternatives to the car). This is often pots of funding for particular types of projects. Somerset has been pushing hard to persuade government that they need to look at Rural issues as well as the more urban solutions.

Planning Policy Changes

Government is introducing changes designed to speed up decision making, unfortunately one of the main changes will see a major increase in delegated decisions (made by officers without going before a planning committee). This will be the case in almost all applications for less than 10 houses.

A38 MRN (Major Route Network) scheme

This is now at the final sign off stage by government. It includes major works to the Edithmead Roundabout (M5 J22), minor works in Rooksbridge and changing the crossroads at Cross to a staggered junction. The previously proposed traffic lights at the Strawberry Line crossing have been removed and replaced with visibility improvements following feedback from the local parish council and residents. Subject to final decision on funding, the works are expected to start in the Autumn.

Tourist Tax

A motion is going before the May Full Council meeting asking the Council not to look into introducing a Tourist Tax in Somerset as part of a Strategic Authority. Local businesses are concerned a levy of up to 5% on visitors' overnight stays would reduce visitors and result in less income for hotels, camp sites, restaurants, cafes, pubs, etc who benefit from visitors in the Summer season and this could impact local employment opportunities.

Somerset Council Boundaries

Following going Unitary, the Boundary Commission were asked to redraw the electoral boundaries for the new council. Under the two-tier system Somerset had over 250 councillors, the first Unitary election had 110 and the new council will have 96.

Most seats will have one councillor with 3 large areas having 2.

In Brent Division Badgworth, Brent Knoll, Chapel Allerton, Edithmead, East Brent, Lympsham and Weare, remain in a single member Brent Division. Berrow and Brean join with part of Burnham in a single member division. Compton Bishopp join Cheddar, Axbridge and Shipham in a 2-member division and the remainder of Burnham without is split between Wedmore and Mark and Highbridge South Divisions. These changes take effect from May 2027 elections the same date as the Parish Council elections.