

Unconfirmed



Minutes of a Meeting of the **Shadow Cabinet** held in the **Deben Conference Room** at **East Suffolk House, Riduna Park, Melton** on **Monday 10 December 2018** at **6.30 pm**

Members present:

M Bee (Leader of the Shadow Authority), R Herring (Deputy Leader of the Shadow Authority), G Catchpole, A Fryatt, T-J Haworth-Culf, G Holdcroft, R Kerry, S Lawson, C Poulter, B Provan, C Punt, D Ritchie, C Rivett, M Rudd and A Smith.

Other Members present:

P Ashdown, N Brookes.

Officers present:

S Baker (Chief Executive), K Cook (Democratic Services and Cabinet Business Manager), N Khan (Strategic Director), S Lewis (Business Solutions Manager), L Rogers (Deputy Section 151 Officer), S Taylor (Interim Chief Finance Officer & Section 151 Officer).

1. Apologies for Absence

Apologies for absence were received from Councillors S Gallant and M Ladd.

2. Declarations of Interest

No declarations of interest were made.

3. Minutes

RESOLVED

That the Minutes of the meeting held on 4 June 2018 be confirmed as a correct record and signed by the Chairman.

4. Announcements

There were no announcements made.

5. Issues Arising from the Shadow Scrutiny Committee

There were no issues arising from the Scrutiny Committee.

6. Implementation Progress

Shadow Cabinet received a presentation by representatives of the Central Implementation Team, which firstly set out the structure for the New Council Programme. Shadow Cabinet was advised that the Central Implementation Team (also the Officer Programme Team) generally, met fortnightly. Nick Khan (Strategic Director), was the Lead Officer, supported by Sandra Lewis (Programme Manager), and a number of other officers. There were five Member Working Groups in place (Constitution and Governance; Policy and Service Alignment; Electoral Review; Communications and Branding; and Finance). These were all Member-led work packages that fed into the Member Programme Board. The Strategic Director advised Shadow Cabinet that the Member Programme Board had met on 11 occasions; there had been 11 briefings for the two Leaders; the Member Working Groups, in total, had met on 47 occasions; there had been four briefings for staff, and there would be four further briefings for staff in January 2019.

The Constitution and Governance Member Working Group's remit was to create a new draft Constitution, which would include a Summary; a Scheme of Delegation; a Committee Structure and Terms of Reference; all Procedure Rules; all Codes of Practice / Protocols; and to oversee a Community Partnership solution. Progress was on schedule with work being 90% complete; the draft Constitution in its entirety would be presented to the Member Working Group on 17 December 2018; to the Member Programme Board on 9 January 2019; and then to Shadow Council on 28 January 2019.

Shadow Cabinet was advised that the Finance Member Working Group's remit was to consider a new Insurance Policy; new Treasury Management Contract; single Council Tax; Fees and Charges; alignment of Payment Terms; Housing Revenue Account and Capital Programme; General Fund Budget, in conjunction with other Member Working Groups; Financial Procedure Rules; use of New Homes Bonus; and various Policy / Service alignments. Progress was on schedule with work being 90% complete.

The Communications and Branding Member Working Group's remit was to consider overall Programme Communications; a Contact Number; Logo and Branding; Style Guide; Signature Changes; Corporate Publications; Heritage and Legacy; Celebration Event; and Civic Regalia. In terms of progress, the main work of the Group was complete, however it wished to keep a watching brief on the operational work being undertaken by officers.

Shadow Cabinet was advised that the Electoral Review Member Working Group's remit was to manage the District Councils input to the LGBCE Boundary Review, including electoral forecasts; relevant consultation; and draft submission proposal for the whole District. The Group had completed all scheduled work and new District boundaries would be in place, subject to Parliamentary approval, by 15 December 2018.

18 work packages had been identified needing review by the Policy and Service Alignment Member Working Group as differences existed between Suffolk Coastal and Waveney District Councils in current service delivery. An additional nine work packages were being reviewed in conjunction with another Member Working Group, such as Finance. Recommendations had been made to the Member Programme Board on how to deal with the differences going forward. All scheduled work packages had been dealt with by this Group, recommendations had been made and any resulting work was being dealt with by officers.

Shadow Cabinet was advised that there were a number of officer-led operational work packages and these continued to make good progress. Examples of the work were given and Shadow Cabinet was advised that all work was on schedule.

In respect of implementation of the new Council, the total budget allocated over three years, equalled £500k, split equally between Suffolk Coastal and Waveney District Councils. The spend to date was £247,039, which was under budget.

Shadow Cabinet was advised that, in respect of communications, there had been external communications including press releases, social media posts, resident magazine articles, and events such as the Local Government Association Conference. Internal communications included regular email updates to all Councillors, manager and staff briefings; a manager checklist, and an intranet blog.

In respect of risks, six key risks had been identified, and these were all being managed appropriately.

Shadow Cabinet was advised of all key achievements, as follows: Parliamentary Orders made; Shadow Authority established; new logo and branding agreed; boundary review complete; policies aligned where necessary; effective programme structure; successful Local Government Conference; positive external communications; implementation budget successfully managed; and plans in place to address critical tasks for 1 April 2019.

A summary of upcoming tasks were outlined for Cabinet, as follows:

- January 2019 – adopt the new Constitution; agree Housing Revenue Account budget and Capital Programme; complete Polling District review.
- February 2019 – set Council Tax; agree General Fund budget; publish electoral register; notification of suppliers / contracts etc.
- March 2019 – Revenues and Benefits billing; new contact number; planned changes to IT business systems; planned updates to East Suffolk website; TUPE exercise and payroll changes.
- April 2019 – new Council is created; communications exercise; signage to buildings / vehicles; new financial arrangements, eg VAT / banking.
- May 2019 – elections to new Council; first Full Council meeting of new Authority.

In conclusion, Shadow Cabinet was advised that the Central Implementation would report further progress at the next Shadow Cabinet meeting.

The Leader gave thanks for the very informative presentation, and he referred to the excellent work that had been undertaken in what had been an extremely busy year. The Leader referred to external communications and the opportunities ahead to assist others going through similar mergers; he also stressed the importance and role of the local press and asked that this be given thought. In conclusion, Councillor Bee felt that all Members should receive the presentation that had just been given; it would, he said, assist them when engaging with the public.

Reference was made to the calendar of meetings for the new Council, and Members asked for this to be available as soon as possible. It was confirmed that this had been produced in draft and it would be considered at the next meeting of the Constitution and Governance Member Working Group.

Members referred to vehicle signage, and requested an update as to how this was progressing; officers stated that they did not have exact numbers to hand, but they would provide an update as soon as possible.

In response to a question regarding the novation of contracts, it was confirmed that all contracts that the predecessor councils had in existence would automatically transfer to the new East Suffolk Council. This would be communicated to all relevant parties.

In response to a question regarding the single contact number and how long the existing telephone numbers would remain in place, it was confirmed that notice had not yet been given; this would be reviewed appropriately at the right time.

In conclusion, Shadow Cabinet acknowledged the enormous amount of work that had been undertaken, and gave its thanks for this.

7. Draft Medium Term Financial Strategy 2019/20 – 2022/23

Shadow Cabinet received report **REP 14(SH)** by the Cabinet Members with responsibility for Resources, which was summarised by Councillor Provan. It was reported that the Medium Term Financial Strategy provided a baseline forecast of income and expenditure and looked at the overall financial climate. There were a number of items still to be confirmed within the Medium Term Financial Strategy and Councillor Provan stated that he had hoped to have been able to give an update on these, but the provisional financial settlement which was due to be announced on 6 December 2018 had been delayed due to the Meaningful Vote; it was now expected to have to wait until after the Meaningful Vote to find out whether there had been any changes to the final year of the four year financial settlement which both predecessor councils agreed to back in 2016. The financial year settlement covered key areas such as the Council's Revenue Support Grant and Rural Services Delivery Grant. In addition to the final year settlement, the provisional financial settlement would also provide details on whether there had been any changes to the New Homes Bonus scheme for 2019/20 and also announce the successful 75% business rates pilot councils.

At this point Councillor Provan invited the Interim Chief Finance Officer to take Shadow Cabinet through a presentation on the key elements of the Medium Term Financial Strategy for the new East Suffolk Council; the presentation covered the background; the 2019/20 Local Government financial settlement; New Homes Bonus; East Suffolk Council budget summary; net budget requirement; sources of funding 2019/20; Council Tax 2019/20; budget gap update; budget assumptions; General Fund reserves; and the future reporting timetable in respect of the General Fund.

The Leader, at this point, invited Members to ask any questions.

In response to a question regarding future certainty in respect of New Homes Bonus, it was confirmed by the Interim Chief Finance Officer that, at this point in time, there was no certainty.

It was proposed, seconded and unanimously

RESOLVED

1. That the draft Medium Term Financial Strategy attached as Appendix B be approved.
2. That Members and Officers develop proposals to set a balanced budget for 2019/20 and beyond.

8. Council Tax Care Leaver Discount

Shadow Cabinet received report **REP 15 (SH)** by the Cabinet Members with responsibility for Resources and the Cabinet Member with responsibility for Housing (SCDC) which stated that the Council Tax Care Leavers Discount policy attached at Appendix A had been developed as a Suffolk-wide policy following Suffolk Public Sector Leaders agreeing to support an initiative from Suffolk County Council to support Care Leavers while they were developing the skills and confidence to live independent lives and learn vital life skills. The policy proposed from 1 April 2019 to grant full reduction in Council Tax for Care Leavers living as single adults or living with other Care Leavers up to attaining age 25. The reduction under this policy would be awarded only after entitlement to other discounts had been applied (except Council Tax Reduction). The qualifying period for this discount would last until the Care Leaver reached the age of 25 years and a Care Leaver was defined as a person under 25 years, who had been looked after by a local authority for at least 13 weeks since the age of 14; and who was looked after by the local authority at school-leaving age after that. East Suffolk Council, as the Billing Authority, would have the power to allow this council tax discount under Section 13A of the Local Government Act 1992 (as amended), for individual cases or a class of cases. Normally, by allowing this discount, the full cost of the discount would fall upon the Billing Authority to incur, but Suffolk County Council had offered to support the local discount for care leavers by contributing towards the cost of the discount equal to their precept share of the council tax, which was 78%, leaving East Suffolk Council to bear the remaining 22% cost of the discount, which was estimated to be £30k per annum.

Cabinet Members welcomed the Suffolk-wide policy.

It was proposed, seconded and unanimously

RESOLVED

That the policy for awarding discounts set out in Appendix A be approved for implementation from 1 April 2019.

9. Fees and Charges for 2019/20

Cabinet received report **REP 16(SH)** by the Cabinet Members with responsibility for Resources, which was summarised by Councillor Provan. It was reported that income from fees and charges was an integral part of the Medium Term Financial Strategy, generating essential

funding for the Council to help minimise Council Tax increases and / or service reductions. It was vital to ensure that charges reflected any changes in costs or demands, that had either already occurred, or were expected to occur over the next year, which was why one of the Council's Medium Term Financial Strategy's key principles stated "Increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum, fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate."

Councillor Provan advised Shadow Cabinet that the Council's fees and charges could be categorised into two groups, ie discretionary fees and charges which had been set applying the key points detailed in paragraph 2.1, these fees and charges would be approved by this Shadow Cabinet; and statutory fees and charges that had to be in accordance with legislation and Central Government Regulations. All the discretionary fees and charges detailed within Appendix A would apply from 1 April 2019. Those statutory fees and charges detailed within Appendix B could be subject to change before 1 April 2019 if legislation or Central Government regulations changed before 1 April. The prices detailed in the books at Appendices A and B were the prices an individual would pay, therefore if the book stated VAT was applicable, then the price in the book was inclusive of VAT. Before the books were published on the Council's website, which would be 1 April 2019, additional narrative would be added to make this clear. Finally, it was proposed that East Suffolk Council would not charge for the burial of under 18 year olds within its cemeteries across the district, which would remove the predecessor council's charges from 1 April 2019.

At this point Councillor Provan invited the Interim Chief Finance Officer to explain some minor changes that needed to be made to Appendix A discretionary fees and charges following information received from the Licensing Team. The Interim Chief Finance Officer advised Shadow Cabinet that, on page 57 of the report, changes needed to be made as follows:

- Sex Establishments – initial grant – should read £2,000
- Sex Establishments – annual fee – should read £1,700
- Disclosure and Barring Checks / set by Disclosure and Barring Service – should read £44.00
- DVLA checks / Set by DVLA – should read £5.00
- Vehicle ID plate initial charge (with bracket) - should read £28.00
- Vehicle ID plate renewal charges - should read £16.00

The Interim Chief Finance Officer then referred to page 58 of the report, and advised that further changes needed to be made as follows:

- Premises licences (Gambling Act 2005)
 - Premises Licence fee (new applications) – should read £1,500
 - Premises Licence fee (annual fees) – should read £600
 - Miscellaneous Fees (applications to vary) – should read £1,000
 - Miscellaneous Fees (applications to transfer) – should read £950

Councillor Howarth-Culf referred to page 49 of the report and the reference to Building Regulation charges no longer being published; Councillor Howarth-Culf stated that she welcomed this due to the considerable competition from the private sector.

The Interim Chief Finance Officer drew Shadow Cabinet's attention to proposed new charges, on page 71 of the report, in respect of addressing of new developments.

Councillor Provan gave his thanks to officers for their work in preparing the proposed fees and charges.

It was proposed, seconded and unanimously

RESOLVED

1. That the Discretionary Fees and Charges set out in Appendix A to REP16 (SH), for implementation from 1 April 2019, be approved, subject to the following changes, on pages 57 and 58:
 - a. Sex Establishments – initial grant – should read £2,000
 - b. Sex Establishments – annual fee – should read £1,700
 - c. Disclosure and Barring Checks / set by Disclosure and Barring Service – should read £44.00
 - d. DVLA checks / Set by DVLA – should read £5.00
 - e. Vehicle ID plate initial charge (with bracket) – should read £28.00
 - f. Vehicle ID plate renewal charges – should read £16.00
 - g. Premises licences (Gambling Act 2005)
 - i. Premises Licence fee (new applications) – should read £1,500
 - ii. Premises Licence fee (annual fees) – should read £600
 - iii. Miscellaneous Fees (applications to vary) – should read £1,000
 - iv. Miscellaneous Fees (applications to transfer) – should read £950
2. That the level of the fees and charges set by statute and the timing of any increase in these, as set out in Appendix B to REP 16(SH), be noted.

The Meeting concluded at 7.52 pm.