

Minutes of the Cabinet Meeting held at Riverside, 4 Canning Road,
Lowestoft on **Wednesday, 14 February 2018 at 6.30pm**

Cabinet Members present:

Councillors M Bee (Chairman), S Ardley, G Catchpole, M Ladd, B Provan, C Punt, C Rivett, D Ritchie and M Rudd.

Deputy Cabinet Members present:

Councillors P Ashdown, N Brooks, A Cackett, J Ceresa and C Topping.

Also in attendance:

Councillors M Cherry, Y Cherry and S Woods.

Officers present:

S Baker (Chief Executive), K Blair (Head of Operations), P Goodrick (Development Manager for Housing), A Jarvis (Strategic Director), H Javadi (Chief Finance Officer and Section 151 Officer), P Wood (Head of Economic Development & Regeneration) and N Wotton (Democratic Services Manager).

1 APOLOGIES

There were no apologies received on this occasion.

The Leader of the Council took the opportunity to report that he would like to change the order of business within the confidential part of the meeting, to allow the Beccles Quay report to be considered as the first item of confidential business.

2 DECLARATIONS OF INTEREST

Councillor P Ashdown declared a Local Non Pecuniary Interest in Item 9 – Purchasing Section 106 Properties – Increase in Purchase Price, as he was the Ward Councillor for Blundeston.

Councillors N Brooks and G Catchpole declared a Local Non Pecuniary Interest in Item 11 – Outline Business Case for Beccles Quay, as they were the Ward Councillors for Worlingham and Beccles respectively.

3 MINUTES

RESOLVED

That the Minutes of the Cabinet Meeting held on 17 January 2018 be approved as a correct record and signed by the Chairman.

4 ISSUES ARISING FROM THE OVERVIEW & SCRUTINY COMMITTEE OR THE AUDIT & GOVERNANCE COMMITTEE

(a) The Overview & Scrutiny Committee

There were no matters to report.

(b) The Audit & Governance Committee

There were no matters to report.

5 SUPPORTING THE EAST SUFFOLK VISITOR ECONOMY

The Cabinet Member for Tourism & Economic Development presented the report, which set out the demand and rationale for renewing both funding and operational agreements with two tourism groups – The Suffolk Coast Destination Management Organisation (DMO) and Visit Suffolk.

Members noted that both Waveney District Council and Suffolk Coastal District Council had contributed substantially to the continued growth and success of the visitor economy in Suffolk, through their support of two tourism groups: The Suffolk Coast Ltd Destination Management Organisation (DMO), and Visit Suffolk. Both Councils had provided direct financial support to both of these organisations annually for the last three years. The Councils had a current funding agreement with the DMO predicated on the delivery of outcomes set out in a jointly agreed business plan and also provide funding for a Suffolk wide agreement with other stakeholders that underpins Visit Suffolk.

It was proposed that the Council commits to supporting the Suffolk Coast DMO for a further three year period (April 2018 to March 2021) by continuing the financial contribution of £20k p.a. in each of the next three financial years. A new three year business plan had been produced by the DMO which sets out a number of key deliverables:

- Market the key tourism assets (beaches, natural landscapes, family offer etc.)
- Excel in destination marketing and achieve wider reach to new audiences through the use of new digital technologies
- Deliver a series of targeted campaigns in East Suffolk including specific campaigns for the Women's Tour, the Under 35s, wellness and active breaks, walking and cycling product development
- Increase the membership base further, run regular business networking events, and work collaboratively with other Suffolk DMOs and Visit Suffolk on joint campaigns and events.

It was further proposed that the Council commits to financially supporting Visit Suffolk for a further 12 months until March 2019 up to a maximum of £10k. This proposal has resulted from recent discussions between NALEP, SCC and all the District authorities leading to an agreement in principle that due to concerns over performance and the changing landscape in Suffolk with new DMOs emerging in Ipswich and Bury, Visit Suffolk will only be

supported financially for a further 12 months (April 2018 to March 2019). The Suffolk Growth Portfolio Holders Group has endorsed this approach.

Discussions were continuing to develop new ways of working with VEA/Visit Suffolk that focus on its ability to earn sufficient commercial income to show that financial self-sustainability is viable beyond March 2019, whilst ensuring that this does not materially impact on the growth and development of the existing and emerging DMOs in Suffolk, and measure the effectiveness of joint marketing campaigns developed in conjunction with the Suffolk DMOs.

Members noted the minor typographical error on page 16 of the report in paragraph 1.5, which should have read 'Waveney District Council' rather than 'Suffolk Coastal District Council'.

A Member queried the second recommendation in the report, which recommended funding 'up to a maximum of £10,000'. Clarification was provided that negotiations had still been continuing when the papers for this meeting were published, therefore a maximum amount had been included within the recommendation. However, negotiations had recently been completed and it was confirmed that the amount payable would be £7,000.

With regards to the new Council for East Suffolk, a Member queried how the areas would be marketed. It was confirmed that the resorts and destinations were currently being marketed, not the area of Waveney or Suffolk Coastal, and this would continue into the future. It was noted that work was currently underway to link up with other organisations such as the Waveney Valley and Beccles groups to help promote the tourist destinations as effectively as possible.

Clarification was provided that the proposed funding was for 3 years and that both Waveney and Suffolk Coastal District Councils would be paying the same amount of money for the tourist promotion. This would continue when the new Council for East Suffolk was created and funding would be allocated in the new Council's budget for this purpose.

RESOLVED

1. That the Council enters into a further three year agreement with Suffolk Coast Ltd DMO to provide destination marketing and brand management services in the Suffolk Coastal area at a cost of £20k p.a. making a total commitment of £60k over the life of the agreement be approved.
2. That the decision to provide funding for 12 months to support the VEA/Visit Suffolk brand and marketing service across Suffolk (up to a maximum of £10,000, and a limited management role to oversee the agreement on behalf of the Council) be approved.

N.B. Councillors D Ritchie and J Ceresa arrived during the consideration of this item.

6 DRAFT GENERAL FUND BUDGET 2018/19

N.B. Councillor C Rivett arrived at this point in the proceedings.

The Cabinet Member for Resources introduced the report on the Draft General Fund Budget 2018/19. The Chief Finance Officer then gave a presentation and reported that the Cabinet had considered the Medium Term Financial Strategy (MTFS) in September 2017

and that it had provided a baseline forecast of income and expenditure and looked at the overall financial climate. The MTFs provided the framework within which the Council's overall spending plans had been developed.

The Government had announced proposals for Councils to retain all locally raised business rates by the end of the decade and to end the distribution of core grant from central Government. These proposals, which were subject to consultation, would radically change the Local Government Finance environment and the relationship with Central Government. It was noted that the long-term financial picture was characterised by an increased shift towards locally-generated resources, with an accompanying transfer of both risk and opportunity. The MTFs sets out the assumptions made in identifying resources for this period and had been developed in advance of the emergence of detail regarding the Government's proposals on business rates.

It was reported that a significant amount of work had been undertaken with regards to financial planning and setting a balanced budget for 2018/19. The budget had been considered on multiple occasions at a variety of meetings including Cabinet Briefing, Cabinet, Overview & Scrutiny Committee, Cabinet Workshops and other meetings. The Leader of the Council took the opportunity to thank the Chief Finance Officer and her team for their ongoing hard work and support in setting a balanced budget for 2018/19.

Members were also provided with comparative data for Waveney and Suffolk Coastal District Councils, which showed how the Council's compared and contrasted in terms of weekly average earnings, house prices and the number of businesses.

Members noted the proposals to achieve a balanced budget and contribute towards a sustainable position going into the medium term and the major changes to the Local Government finance environment. It was therefore proposed that the Band D Council Tax for Waveney District Council would be £162.27, which was an increase of £4.86 or 3.09%. Reassurance was provided that the Council would maintain sufficient contingency reserves in order to cope with any unforeseen circumstances or emergencies.

Members were pleased to note that there would be a balanced budget for the 2018/19 financial year, which made some use of the In-Year Savings Reserve which was set up in prior years to help fund future years' budget gaps. Reported budget gaps shown for 2019/20, 2020/21, and 2021/22 were £2.275m, £2.665m, and £2.589m, respectively.

The sources of Council funding were considered and it was reported that Council Tax was currently the most reliable source, as there had been significant legislative changes in respect of business rates and the New Homes Bonus, which meant that levels of funding from those sources could potentially fluctuate significantly over time.

The Council would collect £56 million in Council Tax during the 2018/19 financial year, 80% of which was allocated for Suffolk County Council, 10% for the Suffolk Police Force and the remaining 10% was for Waveney District Council. Members were pleased to note that Suffolk had been successful in its application to take part in a Business Rate pilot scheme and Waveney would therefore benefit from a share of £10.5 million.

The Leader of the Council took the opportunity to thank the Chief Finance Officer and her team for their hard work over the past year in creating a balanced and optimistic final budget for Waveney District Council.

A Member queried the budget gap for the Council in the future years 2019/20, 2020/21 and 2021/22, as shown on page 25 of the report. The Chief Finance Officer confirmed that she was required to demonstrate the Council's financial resilience and the sustainability of the Medium Term Financial Strategy in this way, as it needed to be tested. Although Waveney District Council would cease to exist in May 2019, it was important to provide assurance that the Council's finances would be sustainable and robust for the future. Suffolk Coastal District Council had also been required to provide information for futures years in this respect.

With regards to the future retention of business rates and the energy sector including off shore wind turbines and Sizewell C, clarification was provided that those industries would be required to pay business rates. However, it was noted that the energy industry was volatile and the associated risks in respect of future budgets would need to be carefully managed.

A Member requested further information in respect of Council spending on Homelessness prevention, as shown on page 68 of the report. It was confirmed that the figures within the table related to the costs in providing the service and implementing the Homelessness Reduction Act. However, it was reported that further information would be provided outside of the meeting, in this respect.

The Cabinet Member for Resources thanked the Chief Finance Officer for providing the Council with a balanced and robust budget for 2018/19.

RECOMMENDATIONS TO FULL COUNCIL

1. That the General Fund Revenue Budget as set out in this report and summarised in Appendix B6 be approved, and that the budget forecast for 2019/20 and beyond be noted;
2. That the Reserves and Balances movements as presented in Appendix B7 be approved;
3. That the Efficiency Strategy attached as Appendix B8 be approved;
4. That the current Class C discount of 100% on empty and unfurnished properties is increased from one week to two weeks and then apply full charge be approved;
5. That the Council accepts the Government's offer made on 19 December 2017 to the local authorities in Suffolk that they all participate in the Business Rate Pilot for 2018/19;
6. That the Council Tax Base of 36,193.92 for 2018/19 be noted;
7. That a Band D Council Tax for 2018/19 of £162.27 be approved.

7 EAST SUFFOLK PERFORMANCE REPORT – QUARTERLY PERFORMANCE QUARTER 2 2017/18

Members considered a report which provided an update on Corporate Performance for the period 1 October to 31 December 2017. It was noted that the East Suffolk Performance Report provided an overview of the Council's performance and progress against the deliverables within the East Suffolk Business Plan and was a new approach for reporting performance.

The report highlighted activities and key achievements under each of the strategic deliverables – Economic Growth, Enabling Communities and Financial Self-Sufficiency and provided updates on the 23 Key Performance Indicators (KPIs).

Members were advised that there were currently 3 Key Performance Indicators which were red. The Cabinet Member for Planning & Coastal Management took the opportunity to commend the Planning Officers for their hard work in considering 100% of planning applications within the deadline.

The Cabinet Member for Housing commented that the report was very timely and that it was helpful to receive up to date information, as it became available. It was also noted that the appendices within the report were also very clear and informative.

RESOLVED

That the East Suffolk Performance Report for Quarter 3 be noted.

8 EXEMPT/CONFIDENTIAL ITEMS

RESOLVED

That, under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Act.

9 CHANGE IN THE ORDER OF BUSINESS

With the consent of the Cabinet, the Leader of the Council changed the order of business to enable the following item to be considered further up the Agenda:

- Item 11 – Outline Business Case for Beccles Quay

10 OUTLINE BUSINESS CASE FOR BECCLES QUAY

The Cabinet Member for Operational Partnerships presented a report which presented an outline business case for Beccles Quay for consideration.

RESOLVED

1. That negotiations continue with Beccles Town Council regarding the phased transfer of Beccles Quay.
2. That ongoing transfer negotiations regarding staffing continue.

3. That maintenance of the areas discussed at the meeting, continue for the period of time, as discussed at the meeting.
4. That the revenue generated, as discussed at the meeting, be used in the manner as discussed at the meeting.
5. That a sum, as agreed at the meeting, be transferred, to cover the maintenance and inspection of items, as discussed at the meeting, during the transition period.

11 PURCHASING SECTION 106 PROPERTIES – INCREASE IN PURCHASE PRICE

The Cabinet Member for Housing presented a report, the purpose of which was to consider the approval of additional expenditure for the purchase of Section 106 properties, following negotiations over the specifications for the homes.

RESOLVED

1. That the purchase of 16 new affordable housing properties to be built by the Building Company as discussed at the meeting, at location as discussed at the meeting, for the sum as discussed at the meeting.
2. That the allocation of the sum, as discussed at the meeting, from the Housing Revenue Account Capital Programme, and the sum as discussed at the meeting of Right to Buy receipts, be approved to purchase the properties.
3. That Delegated Authority be granted to the Strategic Director, in consultation with the Cabinet Member for Housing, the Head of Legal and Democratic Services and the Chief Finance Officer, to enter into all necessary contracts/transfers on terms that best protect the Council's interests, to purchase the properties, within the sums approved in recommendations 1 and 2 above.
4. That Delegated Authority be granted to the Strategic Director, in consultation with the Cabinet Member for Housing and the Chief Finance Officer to increase the overall purchase price by a maximum of, the sum as discussed at the meeting, to cover the cost of any minor amendments during the contract period.

12 STRATEGY FOR SPENDING THE GOVERNMENT'S COMMUNITY HOUSING FUND – PROPOSED SCHEME WITH HASTOE HOUSING ASSOCIATION IN SOUTHWOLD

The Cabinet Member for Housing presented a report which sought permission to award a grant from the Community Housing Fund to assist with the delivery of 5 affordable homes in Southwold.

RESOLVED

- 1) That the allocation of a total grant of the sum as discussed at the meeting, of Community Housing Fund to deliver the 5 additional affordable homes at the site,
- 2) That Delegated Authority be granted to the Strategic Director, in consultation with the Cabinet Member for Housing, the Head of Legal and Democratic Services and the Chief Finance Officer, to negotiate and enter into the required funding and

nomination agreement with Hastoe on terms that best protect the Council's interests.

13 CONFIDENTIAL MINUTES

RESOLVED

That the Exempt Minutes of the Cabinet Meeting held on 17 January 2018 be approved as a correct record and signed by the Chairman.

The meeting concluded at 7.45 pm.

Chairman