

Minutes of the Overview & Scrutiny Committee  
held at Riverside, Lowestoft on **Thursday, 7 February 2019 at 6.00pm**

Overview & Scrutiny Committee Members Present:

Councillors A Cackett (Chairman), D Beavan, P Byatt, J Ceresa, L Coulam, J Ford, L Gooch, J Murray, K Robinson, K Springall, C Topping and M Vigo di Gallidoro

Cabinet Members in attendance:

Councillor G Catchpole – Cabinet Member for Operational Partnerships  
Councillor B Provan – Cabinet Member for Resources  
Councillor C Rivett – Cabinet Member for Customer Services

Other Members in attendance:

Councillor M Bee – Leader of the Council  
Councillor G Elliott  
Councillor T Gandy  
Councillor F Mortimer – Chairman of the Council  
Councillor P Light

Witnesses in attendance:

Mr I Bradbury – Southwold resident, Southwold Town Councillor and Member of the Southwold Harbour Lands Joint Committee  
Mr Flunder – Southwold resident and a Southwold Town Councillor  
Mrs K Pickles – Former WDC Councillor and a Southwold resident

Officers present:

K Blair (Head of Operations), H Forster (Manager for Waveney Norse), A Jarvis (Strategic Director, S Martin (Head of Internal Audit), P Patterson (Senior Coastal Engineer), H Slater (Monitoring Officer and Head of Legal & Democratic Services), S Taylor (Chief Finance Officer & Section 151 Officer), D Wyatt (Commercial Lawyer) and N Wotton (Democratic Services Manager)

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The Chairman of the Overview & Scrutiny Committee welcomed all those present, including the members of the public and advised them that whilst the meeting was open to the public, it was not a public meeting. Therefore the public were welcome to observe the meeting, however they would not be able to participate in the discussions.

**1 APOLOGIES FOR ABSENCE / SUBSTITUTES**

Apologies for absence were received from Councillors T Gandy and N Webb.

Councillor P Byatt attended the meeting as a Substitute for Councillor T Gandy.

Councillor T Gandy subsequently arrived after the start of the meeting and observed the meeting from the public gallery.

An apology for absence had also been received from Councillor M Ladd, Ward Councillor for Southwold and Reydon, as he had another engagement.

**2 DECLARATIONS OF INTEREST**

There were no declarations of interest made on this occasion.

**3 MINUTES**

**RESOLVED**

That the Minutes of the Meeting held on 3 January 2019 be approved as a correct record and signed by the Chairman.

**4 ANNOUNCEMENTS FROM THE CHAIRMAN, RESPONSES OF THE CABINET TO ANY REPORT OF THE COMMITTEE OR REPORTS OF ANY DISCUSSIONS WITH THE CABINET**

There were no announcements on this occasion.

**5 SOUTHWOLD HARBOUR**

The Chairman of the Overview & Scrutiny Committee asked the Members of the Committee to note the original Scoping Form (a), which had been submitted by Councillor Beavan in December 2018 and which had been accepted on to the Committee's Work Programme on 3 January 2019 for discussion at this meeting. Members were advised that (b) Councillor Beavan's Full report and appendices and (c) the Leader's report in response would be considered together at the meeting. The Committee was asked to note both reports and it was assumed that the Committee Members had read all the documents.

It was reported that Councillor Beavan had now indicated that he was satisfied with the responses made by the Leader and Officers in relation to Sections 2, 4 and 5 of his report. Councillor Beavan took the opportunity to confirm this, although he still sought assurances that every effort would be made to consult with the caravan owners, as he was concerned that the caravan site did not open until 1 March 2019 and there would be limited opportunity for the owners to have their say. The Head of Operations reported that all of the caravan owners had been written to, at their home addresses, and that they had been given every opportunity to take part in the public consultation.

The Leader of the Council stated that the report provided in response to Councillor Beavan's queries was very thorough and that narrowing the scope of the review from 5 areas to 2 areas would enable a full discussion this evening. There followed more discussion in this respect and in light of Councillor Beavan's comments, the Committee was therefore asked if they wished to still consider all of the Sections, or if the review should now concentrate on the remaining Sections:

Section 1 – Accounts and Ring Fencing

Section 3 – Governance – Joint Harbour Committee secrecy.

On being put to the vote, it was duly

**RESOLVED**

That the Committee would only consider Sections 1 and 3 at this meeting.

The Chairman of the Overview & Scrutiny Committee reported that each Section would be taken in turn, prior to the Committee debating everything at the end and only then would the Committee consider what recommendations they may wish to make. It was noted that Councillor Beavan, the Leader and Officers had asked several witnesses to attend the meeting, in order to support the evidence they were presenting. Witnesses would only be able to respond to questions – they would NOT be allowed the floor to make presentations.

Members were advised that Councillor Michael Ladd, the other Southwold and Reydon Ward Councillor, had been invited to attend the meeting this evening, unfortunately he had another appointment and had therefore submitted his apologies. In addition, Southwold Town Council had been invited to attend the meeting as observers and three members were in attendance.

### **Section 1 – Accounts and Ring Fencing**

Councillor Beavan stated that the meeting this evening was non-political, however he had to report that there had been a severe breakdown of trust between Waveney District Council and the residents of Southwold and this was an opportunity to clear the air and reconsider differences, in order to work together to create a sustainable harbour for future generations. He stated that the extraction of funds from the Harbour, by Waveney District Council, was in direct contravention of the 1933 Harbours Act and as a result, the Harbour was now owed a significant amount of money by Waveney District Council. He reported that he had submitted a Freedom Of Information (FOI) request regarding the funding arrangements and he had received a copy of a spreadsheet, which was attached as Appendix A to his report and titled 'Southwold Harbour and Campsite Summary.' He clarified that the figures shown in red represented credit, whereas the figures shown in black represented debit.

Those present viewed Appendix A and it was noted that the Summary document showed that prior to 2010, the Harbour Lands were consistently losing money, however after 2010 that changed and they were making significant profits. Councillor Beavan explained that when he had queried this, he had been told that Waveney District Council had changed its accounting system, therefore the detailed records had been lost. He stated that he had also received a copy of the General Ledger and for the year 2004/05, a dispute had been raised and the District Auditor had undertaken a review of the matter. This was shown as Appendix C to his report, which was titled 'Extracts from Steve Macfarlane's report.'

Councillor Beavan stated that if you carefully reviewed the Harbour Land's finances over time, the income and expenditure were broadly similar, as to be expected, over several years. However the internal recharges had suddenly doubled over time, which had halved the amount of profit made by the Harbour Lands. The amount of depreciation which had been recorded had also increased significantly. In fact, it had actually trebled, and he queried why that had taken place. Councillor Beavan stated that the Capital Finance Charges were similar to a Hire Purchase Agreement, however the figures are not recorded in the same manner as in modern accounting and as a result, the Harbour Land's profit had been wiped out. It was reported that a set of Minutes had previously stated that the significant loss of profits was caused by all of the Council's caravan sites financial information being recorded in one amalgamated budget. The North Denes Caravan Site was included within the spreadsheet and had been making a significant loss year on year. Money from the Southwold Caravan Site had been used to subsidise the loss-making venture, which was not acceptable. He also reported that following a detailed audit of the accounts, at his request, there had been over 120 other examples of over charging and other errors within the

accounts for the Southwold Harbour Lands. He confirmed that the current accounts revealed that the Southwold Harbour Lands currently owed Waveney District Council £1,219,227 which he disputed and he requested that, as a gesture of goodwill, the Council write off this debt.

Councillor Beavan reported that in accordance with the 1933 Harbours Act, the Harbour was only liable to pay for its expenses and any other debts that it owed. The Leader of the Council advised at this point that the Council was happy to assist with any queries he might have surrounding the Accounts, however he had been advised that a detailed scrutiny of the Accounts would not be required at this meeting. He sought clarification as to which elements Councillor Beavan wanted to scrutinise and reported that the Officers were in attendance in order to answer his questions.

Councillor Beavan reported that he felt that the depreciation of the Harbour Lands should be paid for by Waveney District Council, rather than the Harbour itself. This was because the Harbour had no money to pay for its repairs and as a result, it would need to borrow money to pay for any improvements or maintenance. He felt that any profit made should be used to pay for any debts incurred, however the depreciation had wiped out almost all of the profit. He then invited his first witness, Mr Flunder, who was a Member of Southwold Town Council but was in attendance at this meeting in his own right, to address the Committee.

N.B. Councillor T Gandy arrived at this point in the proceedings.

Mr Flunder reported that he had been elected in 2007, as a prospective Trustee for the Harbour and he had a career background in manufacturing and economics. As such, he had taken a particular interest in the finances and business case for the Harbour. He had noted that since 2000 the accounts showed that the Harbour had been making a loss, however he could not understand this, as the Harbour was well used, popular and was bringing in a steady income. Later on, the Harbour Trustees applied for funding from the EU and were successful in being awarded £1.2 million from the EU Fisheries Fund, which was used to refurbish the North Dock Wall. Waveney District Council contributed £2.3 million to ensure that the refurbishment of the North Dock Wall could be completed.

Over time, the Harbour Trustees received a letter of intent for the Council to develop a Trust which would run the Harbour in future. However, that had never happened. Mr Flunder felt that Waveney District Council had seen that the Caravan Site was making a good profit and they had become worried that if the Trust was created, they would lose out on this profit. As such, neither side could agree on a suitable way forward and there was an impasse.

Mr Flunder drew attention to Appendix A on pages 46 and 47 of the report, which was a table that showed the outstanding debt owed by Southwold Harbour to Waveney District Council. It showed that since 2003/04 the Harbour had been making a loss and this did not change until 2014/15. He queried what had changed during 2014/15 to make such a significant difference, as the Harbour was being run in the same way and was being used the same amount. He felt that the losses, which had been recorded for many years, were therefore not correct and as Waveney District Council was not able to provide the detailed financial records from that time, he felt that the recorded accounts could not be relied upon. He was certain that the Harbour had been profit making from 2000 onwards, rather than loss making, and any profits which had been made, should have been reinvested into the Harbour. He then suggested that the amount of outstanding debt, owed by Southwold Harbour to Waveney District Council, should be written off entirely.

The Chairman of the Overview & Scrutiny Committee provided clarification that the Overview & Scrutiny Committee did not have the authority to make such decisions and could only make recommendations to the Cabinet.

The Chief Finance Officer and Section 151 Officer advised that the table on page 46 contained information about the Southwold Harbour position only, from 2003/04 to 2017/18. It did not include any information about the caravan site. The table showed that there had been a Capital Investment made of £3.53 million to the Southwold Harbour.

Councillor Beavan raised a Point Of Order at this point in the meeting and he asked the Chairman if any Members of the Committee wished to ask him any questions at this stage, or whether questions would be taken at the end. The Chairman advised that it seemed to be sensible to have questions at the end and to hear the evidence from Officers at this time.

The Chief Finance Officer and Section 151 Officer therefore continued to provide his evidence. He reported that the table on page 19 had information for 2001/02, which did not include Capital information, therefore this year had not been included within the table on page 46. Overall, there had been Capital Investment of £3.53 million in the Harbour, which comprised of £1.22 million external funding and £2.309 million from Waveney District Council. The table on page 46 showed that Southwold Harbour had been profitable from 2003/04 onwards, with the exception of years 2009/10 and 2011/12. The total amount of Surplus to the Capital Investment fund was currently £725,000. The overall level of debt for Southwold Harbour was £1.58 million, as at the end of 2017.

Members were apprised that the table on page 19 was part of an internal spreadsheet used by the Finance Team, which showed information for all the caravan sites in the district. Reassurance was provided that any losses accrued by North Denes Caravan Site were not being subsidised by any profit made by Southwold Harbour. Table 3 on page 47 showed that all Caravan Sites as a department was making a loss and it took quite some time to recover and become profitable again, in order to be able to contribute towards the Harbour's debt with Waveney District Council. It had been the Council's decision to repay the debt, using any profits from the Caravan Sites department, as it improved the financial stability and sustainability of the Harbour. The Chief Finance Officer and Section 151 Officer referred Members to Table 3 on page 47 that shows £455,000 of caravan site surpluses had been used to help repay Harbour debt and the overall debt had reduced to £1,167,000.

### **Questions from Members**

A Member sought reassurance that the Southwold Caravan Site had not been subsidising North Denes Caravan site in the past. It was reported that the tax regulations meant that the Council was only required to keep 6 years worth of accounts, plus the current year, therefore the detailed information from the past was no longer available. Also, the Council had changed its financial software in 2011/12 which had made it impossible to look at historical financial information in detail, however the accounts had all been audited and checked as required. Reassurance was provided that the Southwold Harbour did not financially support the North Denes Caravan site.

A Member drew attention to page 82 of the report, where the District Auditor had, in 2007, undertaken a review of the Southwold Harbour Undertaking. Concern was raised that the District Auditor was not legally qualified to interpret the 1933 Harbour Act and therefore should not have been able to give an opinion on whether or not the accounts met the

required standard. They felt that these accounts should therefore be open to a judicial review. The Commercial Lawyer confirmed that the District Auditor would not have been a qualified lawyer, however they would have been fully trained and qualified in undertaking detailed audits. The audit which had been undertaken, was an annual audit, which was required under the current legislation. Should the Council or members of the public have had any concerns about the contents of the accounts, they should have been raised at the time, when additional advice and guidance could have been sought. As the accounts were not challenged in 2007, it was not possible for them to be challenged retrospectively.

With regards to the amount of rent that Southwold Caravan Site was paying to Southwold Harbour, it was confirmed that £42,000 was being paid every year, and had been since 2004/05. It was not possible to report how that figure had been arrived at, as the officers who worked for the Council at that time had since left. However, the figure of £42,000 had been agreed and had been paid each year since 2004/05, without any difficulty. The Member stated that they believed this amount of rent, that had been charged since 2005 should be far higher. They also stated that the site should have been assessed by a qualified Valuer, prior to the level of rent being set. The Commercial Lawyer reiterated that Waveney District Council had chosen to use any surplus from the Caravan Site to pay off the debt of the Harbour – for the North Dock Wall repairs – and the Council was not obliged to do so.

A Member raised concerns about Table 3 on page 47, as they felt that the table was not showing the expected information, as the Caravan Site accounts were being shown separately and they did not show that the surplus was being used to pay off the outstanding Southwold Harbour debts. The Chief Finance Officer and Section 151 Officer drew Members attention to Table 2 on page 46 of the report, which contained information about the District's Caravan and Camping sites Capital Investment and surplus/deficits. It was noted that the Caravan and Camping sites had made a loss of £645,000 up until 2009/10 and they did not become profitable and be in a position to be able to pay back any debt until 2015/16. The Chief Finance Officer and Section 151 Officer reported that it was not acceptable to give profit away when there were outstanding debts that needed to be paid. Once the outstanding debts had been re-paid, any subsequent profits would be paid over for reinvestment into Southwold Harbour. The Chief Finance Officer and Section 151 Officer also stated that the Council was under no legal obligation to reinvest the surplus from the Southwold Caravan site back into Southwold Harbour, but that Waveney District Council Members had chosen to do so.

A Member raised concerns that it was not fair that the Southwold Caravan Site should be adversely affected, and in effect penalised, by the loss-making North Denes Caravan Site. They were also concerned by the depreciation of the assets and how that was being recorded. The Chief Finance Officer and Section 151 Officer reported that all of the funds generated by the Caravan Site, as a department, went into the General Fund. The Caravan Site 'department' did make a loss for many years, until North Denes Caravan Site was transferred. The loss from North Denes Caravan Site had to be recovered, therefore any profit from that department was used to recover the debt. Any surpluses were now being used to pay off the Southwold Harbour Debt. The Chairman of the Overview & Scrutiny Committee advised that local government finance and accounting was not straightforward, it had to meet all of the current legislative requirements and was then audited externally. The Strategic Director confirmed that the Council had followed all of the local authority accounting regulations, which were considerably different to general business accounts. The Council was compliant with CIPFA and it was clear that any revenue from the Southwold Caravan Site had to go into the General Fund and could not be held separately. Waveney

District Council had chosen to put all of the profits from Southwold Caravan Site into paying off the Southwold Harbour debt, which it did not have to do. The accounts that were being referred to had since been closed and external audit had made their ruling on them. The Chief Finance Officer and Section 151 Officer provided clarification that the Local Government Act 2003, Section 21, provided guidance on the recording of depreciation, which ensured that the amount of depreciation was transferred to the Capital Adjustment Fund, which was unable to be spent. The amount of money that had been shown as 'depreciation' within the Southwold Harbour accounts, had therefore not disappeared or been spent, the money had been transferred to the Capital Adjustment Fund, as required by the legislation.

A Member drew attention to page 10 of the report, paragraph 1.2, which referred to the Ports Good Governance Guidance (PGGG) which stated that 'Local Authorities can be precluded from transferring income generated by the Harbour for use on other services provided by the Local Authority.' and said that the 1933 Harbour Act also states that 'Harbour revenues should be retained within the Harbour.' Members were advised that local authorities had to undertake their accounts in accordance with the current legislation.

The Leader of the Council stated that Members would have to agree to disagree about which regulations were used when undertaking the accounts for Southwold Harbour. It was noted that many people thought that the 1933 Harbour Act should be interpreted differently, when Waveney District Council was obliged legally to follow the local government accounting regulations, which were slightly different. The accounts had been thoroughly audited and no concerns had been raised by the external auditor.

A Member drew attention to the table on page 16 of the report, which highlighted the differences between the Waveney District Council accounts and those from the Department of Transport. There were significant disparities across the accounts, particularly in respect of depreciation. He also stated that he could not accept the fact that Southwold Harbour had £1,167,000 of debt (as per Table 3 on page 47), as there were no detailed records available to support this and this significant amount of debt would not be upheld in a Court of Law. The Chief Finance Officer and Section 151 Officer reported that the Council had followed the local authority guidelines and that the amount of depreciation was being held in a separate account, along with all the depreciation of all the Council's other assets and that this account could not be touched. The money was therefore accruing in that account, year upon year, and could not be accessed, which was in accordance with the CIPFA regulations. If the Council was to record the accounts in any other way, they would receive a qualified audit opinion, which would mean that the accounts could not be signed off as approved. The Member disagreed and felt that the accounts should be recorded in accordance with the 1933 Harbour Act and that the depreciation should not be removed from the overall Harbour funds. The Chairman of the Overview & Scrutiny Committee advised that the Council was following local government guidelines and was obliged to do so. The amount of depreciation was being transferred to a separate account that could not be touched and there was no other course of action that the Council could take.

In respect of ringfencing, the Member stated that the Council was being very generous in using the profits from Southwold Caravan Site to pay off the outstanding Southwold Harbour debt and he queried whether the Council was doing this because it had a guilty conscience. The Strategic Director reported that it had been a decision of the Full Council, which had been voted upon and approved, and it was felt that helping Southwold Harbour to pay off its outstanding debt for the works on the North Dock Wall was the right and proper thing to do.

The Member then suggested that the Council should write off the outstanding debt of £1,167,000 too.

A Member stated that they had attended the Public Consultation event in Southwold the previous evening and reported that assurances had been given that Southwold Harbour would not be sold off in the future. It was also stated that any profits generated by Southwold Harbour would be ring fenced for Southwold Harbour, providing certainty and sustainability for the future. As these reassurances had already been given, it therefore seemed to be pointless to keep talking in circles and that this Committee should move on to other matters. The Leader of the Council confirmed that it had been stated many times that Southwold Harbour was not going to be sold off and that any monies generated by Southwold Harbour would be used for Southwold Harbour. There was a genuine desire to make progress regarding Southwold Harbour and it was hoped that all of the matters would be agreed shortly.

### **Section 3 – Governance – Joint Harbour Committee secrecy.**

Councillor Beavan reported that the Southwold Harbour Lands Joint Committee had met on 18 December 2018. Prior to that, the Joint Committee had last met in 2015, where it had been agreed that meetings would take place quarterly, which would be formally minuted and have an agenda and papers to consider. This had not happened. Instead, meetings had taken place in secret, which was not open or transparent, and had led to the development of mistrust between the two organisations.

Councillor Beavan then took the opportunity to call the first of his two witnesses, Mr Bradbury, to the meeting. Mr Bradbury advised that he was here as an individual and was representing his own views, although he was also a Southwold Town Councillor. He confirmed that he was not representing Southwold Town Council on this occasion. Southwold Town Council would not express any views at this meeting.

When asked how he came to be involved with the Southwold Harbour Lands, Mr Bradbury, in his capacity as a Southwold Town Council Member of the Southwold Harbour Lands Joint Committee, advised that he had been invited to take part in some informal talks, several years ago, with Arthur Charvonia, former Strategic Director, and Stephen Baker, Chief Executive, of Waveney District Council. These early meetings were, it had been hoped, a starting point for the resolution of the many issues surrounding Southwold Harbour Lands, which had been ongoing for many years. The meetings were initially based upon trust and mutual respect and they took place bi-monthly, however there were no notes from any of these meetings. After a while, the Southwold Harbour Lands Joint Committee was formally established.

Councillor Beavan asked whether Mr Bradbury thought that the appointment of a Project Manager had changed the dynamics and focus of the work. Mr Bradbury agreed that things had changed following the appointment of a Project Manager, as there was more of a focus on the Caravan Site, rather than on the Harbour. Discussions were taking place at that time, however they were not being formally reported.

Councillor Beavan asked whether the Project Manager had been told not to work upon the implementation of the 2015 Harbour Trust Agreement during 2016. Mr Bradbury reported that although he had been involved in the appointment of the Project Manager, the Southwold Harbour Lands Joint Committee were not involved in giving the Project Manager



guidance, he had been advised by Arthur Charvonia. At the meeting in December 2016, the Leader of Waveney District Council had stated that he wanted to find an alternative to the 2015 Harbour Trust Agreement, as the agreement did not benefit Waveney District Council. This was during a very busy period for the Council, when it was concentrating on devolution, the merger and the creation of Lowestoft Town Council.

Councillor Beavan asked whether there had been frequent informal meetings during 2016, 2017 and 2018, as mentioned within paragraph 6.6 on page 40 of the report. Mr Bradbury advised that this was not the case. Southwold Town Council had regularly asked Waveney District Council for meetings, so that they could be updated on any developments and their requests were always rebutted with ‘there is nothing to report.’ In paragraph 6.8 on page 40 of the report, it states that the Joint Committee was engaged and liaised informally and consulted directly with stakeholders. It was confirmed that this process had been controlled entirely by Waveney District Council officers and the Joint Committee had been completely side lined.

Councillor Beavan stated that many people felt that the current public consultation process was a mess and he wondered what the primary reasons for this were. Mr Bradbury reported that the Council was pushing its own agenda and there had only been some selective engagement. The public were, he felt, rightly suspicious of the whole process. He thought that Waveney District Council should have followed the PGGG document throughout the whole process.

Councillor Beavan then called his second witness, Ms Pickles, who had been a Waveney District Councillor from 2003 to 2007. It was reported that she had been a substitute Member on the Overview & Scrutiny Committee, when they had considered the Southwold Harbour Lands and she had also worked as a Complaints Manager for Suffolk County Council.

Councillor Beavan invited Ms Pickles to explain the impact of the unnecessary secrecy by Waveney District Council on the stakeholders of Southwold Harbour. Ms Pickles reported that from 2003 onwards there was a growing feeling of suspicion and fear, among the residents of Southwold, that the Council was trying to sell the Caravan Site. However, their attempt was thwarted. She stated that people have long memories and nothing remained secret in Southwold, therefore many people were still suspicious and fearful that the Council could attempt to try and sell the Caravan Site again. These issues had been ongoing in Southwold for many years, and as a result there had been a large number of people and Waveney District Council officers who had been involved over time – 2 Chief Executives, 2 Leaders, 3 Strategic Directors. It was important that the Overview & Scrutiny Committee were able to look at each issue in turn and to be mindful of how things can appear to the residents of Southwold, who care passionately about the Southwold Harbour Lands. It was vitally important for the Council to rebuild the trust of the Southwold residents. A Member commented that they had been a Member for 4 years and the Overview & Scrutiny Committee was very experienced and thorough in scrutinising matters deeply and reassurance was provided that the Committee would perform its role properly.

Ms Pickles stated that the Commercial Lawyer had provided advice in respect of the accounts for the Harbour Lands which had been audited in 2007. She stated that the time for a Judicial Review of those accounts had been back in 2007, however the cost was prohibitively expensive for local residents, however if Waveney District Council had requested and paid for a Judicial Review, it would have resolved the issue entirely and a final opinion would have been received, which everyone would have abided by.

Councillor Bee, Leader of Waveney District Council, reported that he had also been Leader of the Council from 2004 to 2011 and he confirmed categorically that he had no plans to sell the Southwold Caravan Site. Therefore there was nothing for him to refute. The Council had been working through the issues for the whole of the Southwold Harbour Lands, not parts in isolation. Councillor Colin Law had been Leader of the Council from 2011 onwards and he had also been a Member of the Joint Committee. He had dealt with the ongoing issues and had sought a way forward for the whole of the Southwold Harbour Lands. Councillor Bee stated that taking the matter to a Judicial Review would not have sorted out all of the issues, however undertaking a full public consultation, as was happening currently, was the best way forward for all. The Overview & Scrutiny Committee did an excellent job and it had reviewed the Southwold Harbour Lands matters during 2004, 2005 and 2006, and they had not been shy about asking some very difficult questions. It was important that people did not use the issue for political reasons or to create mischief. He conceded that Waveney District Council was seen in a bad light years ago, however it was hoped that everyone had moved on and was working toward a better future. The Chairman of the Overview & Scrutiny Committee confirmed that the Committee was not political and would look at all of the facts, as they were presented, and they would not listen to rumours. Ms Pickles added that the subject of the Southwold Harbour Lands was extremely emotive and any secrecy would cause people to become fearful and frightened.

A Councillor reported that Mr Bradbury had implied that Southwold Town Council had no position regarding Southwold Harbour Lands and he queried what their view had been in relation to the matter of secrecy. Mr Bradbury stated that Southwold Town Council had no public position as a collective, regarding all of the issues surrounding the Southwold Harbour Lands, per se.

A Councillor raised a point of order at this time, and he asked again what Southwold Town Council thought in relation to secrecy. Mr Bradbury advised that he was not in attendance to represent the views of Southwold Town Council.

Councillor Beavan queried why the Southwold Harbour Lands Joint Committee had not met for 3 years, as the lack of meetings had helped to inflame rumours and speculation about what was happening. He felt that the Joint Committee should have met formally once a year, in public, with an agenda and minutes from the meeting. Councillor Bee reported that once he had become Leader of the Council again, he had been very keen to re-double efforts in order to get the Southwold Harbour Lands matters sorted out once and for all. He was very keen to put things right and to ensure that everything had been sorted out prior to the creation of the new East Suffolk District Council. He stated that the informal meetings had not been secretive, they had been preparing the ground work for the subsequent, public meetings and these things had taken a lot of time. The Monitoring Officer and Head of Legal & Democratic Services then provided some clarification about the decision making process for District Councils. It was confirmed that all of the meetings of the Council, Cabinet, Committees or Sub-Committees needed to be taken in public when decisions were going to be made. This was a requirement of Sections 99 and 100 of the Local Government Act 1972. The Cabinet and any Committees of the Cabinet were subsequently covered under Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, which required notice of any decisions to be made, if they were key or confidential, to be published for a minimum of 28 days prior to the meeting taking place. All of the reports would be considered in public, unless the subject matter was exempt. Informal meetings were used, on occasion, for discussions and preparatory work and this was undertaken in accordance with the legislation if no decisions were taken. There was a

clear distinction between the two types of meetings and the legislation supported this. The Joint Committee meeting took place on 18 December 2018, as there were decisions to be made and this meeting was taken in public.

Councillor Beavan stated that there had been a clear decision taken to change the role and focus of the Project Manager. As such, the Joint Committee should have been involved in this decision and it should have taken place in public at a formal meeting. The Chairman of the Overview & Scrutiny Committee responded that there were two parties involved in all of these meetings – Waveney District Council and Southwold Town Council, and both parties would need to agree on any developments. The Strategic Director reported that it had been regrettable that the Joint Committee had not met for 3 years, however that could not be changed. He advised that the Project Officer had started work on the Trust model, which had previously been agreed by the Southwold Harbour Lands Joint Committee and while the aspirations for this model had been high, the detailed work undertaken soon showed that there were many problems associated with the Trust model and it would ultimately be impossible to deliver. Unfortunately, Councillor Law was no longer with us, therefore it was not possible to comment on what may or may not have been said by him at the time. However Councillor Law had been frustrated by the lack of progress being made in relation to Southwold Harbour Lands and he was focussed upon finding a solution for the problems. The significant issue with the Trust model was the concern about the increasing levels of investment required in the Harbour, which the Trust model would not address. The informal meetings that had taken place were required to discuss the potential way forward, there were no decisions made at those meetings and there was nothing to report to the public during that time.

Councillor Beavan drew Members attention to the PGGG which stated that the Harbour should have an annual report and/or meeting to which the public were invited, however upon checking the website, there was no evidence of any agendas, reports or minutes to show that these meetings had taken place. The Commercial Lawyer reported that Waveney District Council recognised the PGGG, which had been produced in 2018, and had already confirmed that it wished to produce annual reports and further information as recommended by the Guidance. This was also one of the things that the Southwold Harbour Lands Joint Committee would be looking into. The public consultation process was an opportunity to inform and consult the public about the future intentions. The Leader of the Council confirmed that this had been discussed at the public consultation meeting last night and those present had used the example of Littlehampton Port, where the information about annual meetings with the associated paperwork was easily available on the Port's website.

A Member queried what lessons had been learned during this protracted process. The Leader of the Council reported that the Council had learned to deal with matters in an open and transparent manner and to ensure that rumours and suspicion were not spread. There had been mistakes made in the past, however, the Council wanted to move on and rebuild trust with the Southwold community.

In relation to the membership of the Southwold Harbour Lands Joint Committee, the Project Manager and those officers involved in the North Dock Wall project, it was queried whether there had been many changes over time. It was confirmed that there had been some minor changes to the Joint Committee, as the Cabinet Membership had evolved over time, and they were appointed to the Joint Committee each year. The Project Manager had not changed and there had been some turnover of officers regarding the North Dock Wall project. A Member commented that Ward Councillors were not always aware of what was

taking place in their Wards and it was important to have early dialogue on these matters. It was confirmed that both Ward Councillors for Southwold and Reydon and been very involved in the Harbour Lands over many years. Councillor Allen, in particular, had been involved with the Harbour Management Group and had held the Council to account on many occasions.

A Councillor reported that she felt she did not have adequate information about the Harbour Lands, and required more information about the context, time frame, maps, a glossary, list of involved parties, membership over time and meeting dates. She also stated that the information, as presented, was not user friendly and did not have sufficient facts, in the correct order, to do the subject matter justice. She stated that the Council should not be in this position, of effectively running out of time, prior to the creation of the new Council. There had been a distinct lack of communication for over a decade, which was unacceptable. It was also difficult to comprehend why the matter of depreciation was causing so many difficulties for some people to understand. The Leader of the Council reported that he felt the report summarised the information properly and that the Council could not please everyone all of the time. If the decisions regarding the Southwold Harbour Lands could not be made by the end of March, the process could be delayed further by the forthcoming elections and creation of a new Council for East Suffolk.

A Member sought reassurance that the caravan owners had been contacted and been made aware of the public consultation. It was noted that the Caravan Site would not open until 1 March 2019 and they could potentially miss out the opportunity to have their say. The Head of Operations advised that all of the caravan owners had been written to and were sent a link to the online information. Meetings had also taken place with the Southwold Caravan Owners Association (SCOA), which represented 90% of the caravan owners. It was noted that not all owners would return to their caravans when the site opened again on 1 March 2019 and reassurance was provided that owners did not have to be physically present in Southwold, in order to take part in the public consultation. The public consultation process would close in March and the views of the caravan owners would be incorporated and it was confirmed that the public consultation process would not be extended. The Strategic Director reported that the caravan owners were very well organised and were aware of what was taking place. However, this was not the end of the process, there would be the opportunity for further discussions and consultation at a later date.

Councillor Beavan confirmed that he was happy to withdraw his request to extend the public consultation by two weeks, if he were to receive assurance that there would be another public consultation about the Memorandum of Understanding (MOU). The Leader of the Council reported that he could confirm that there would be consultation regarding the MOU and that it would be a positive suggestion for the future. A Member queried who would be writing the MOU. The Commercial Lawyer reported that the Committee could not pre-judge this matter as it was still out for public consultation. Reassurance was provided that, if the decision was ultimately made to rescind the charitable model plan, recommend a harbour management committee and have a MOU, Solicitors with expertise in this particular area of the law would be tasked with drafting the MOU and advice would be sought at every stage of the process.

### Debate

Members debated the issue and all were anxious for progress to be made in respect of the Southwold Harbour Lands.

Councillor Beavan took the opportunity to propose two recommendations for the consideration of the Committee, which were considered in his report – numbers 1 and 3. It was noted that he had agreed to withdraw recommendations 2, 4 and 5 which were outlined in the report. The two recommendations that were proposed were:

- 1) That the outstanding debt of the Harbour to General Funds should be reduced by £715,000.
- 2) That all Committees of WDC should meet openly and formally with notice and minutes at least once a year.

Councillor Beavan reported that he would continue to work with officers regarding the accounts for Southwold Harbour Lands and he felt strongly that the Council should write off the outstanding monies which were owed to them, as he believed that this debt would not stand up in court. This would be seen as a positive gesture and would help local residents to rebuild trust in the Council. A Member urged caution in this respect, as the Council could be seen to be ‘buying’ back trust and there would be significant political mileage to be gained from such action. In relation to recommendation 2, clarification was provided that it was not possible to make such a recommendation to all meetings of the Council, however the recommendation could be made in relation to future meetings of the Southwold Harbour Lands Joint Committee. After consideration, Councillor Beavan agreed to the amendment to recommendation 2.

Following further discussion and debate, it was proposed and seconded ‘that the outstanding debt of the Harbour to General Funds should be reduced by £715,000’ as presented within the report. Upon being put to a vote, the motion was **LOST**.

After additional debate, it was moved and seconded and upon being put to the vote it was

**RESOLVED**

- 1) The Southwold Harbour Lands Joint Committee should meet openly and formally with notice and minutes at least once a year.
- 2) That in the light of the information provided and reviewed, the Committee considers that it is not necessary or appropriate to further investigate the allegations made in the Scoping Form dated 20 December 2018 and it would be inappropriate to interfere with the consultation and consideration by the Southwold Harbour Lands Joint Committee of the way forward for the future governance of the Southwold Harbour Lands.

N.B. The members of the public left the meeting at this point in the proceedings.

**6 LITTERING**

The Chairman of the Overview & Scrutiny Committee reported that Littering was on the agenda this evening, following the submission of a Scrutiny Scoping Form by Councillor Gooch. It was noted that the report provided answers to the questions which had been raised and Mr Forster, Manager at Waveney Norse, was in attendance to answer any detailed queries this evening.

Councillor Gooch advised that she had submitted the Scrutiny Scoping Form as litter caused a detrimental effect on the local community and it was important for Councillors to be aware of what was being done to manage and reduce the problem. Single use plastics were of particular concern, were costly to clear up and caused serious damage to wildlife.

The Cabinet Member for Operational Partnerships reported that the Council worked closely with the Suffolk Waste Partnership (SWP) and the Department for Environment, Food and Rural Affairs (DEFRA). It was important that the Council worked collectively with partners across Suffolk, as littering was not an issue that solely affected Waveney. Members then noted that the Council was awaiting further guidance from the Government regarding waste and waste management and further updates would be received in this respect, when available.

Members agreed that littering was a significant concern for their local communities and many were involved in arranging litter picks for their Wards. It was noted that there were issues that many Councillors were experiencing which included – recycling materials escaping from blue bins and causing litter, residents being unsure of what could and could not be recycled and the general confusion about where dog mess could be safely disposed of.

The Head of Operations advised that it was good to note these issues for future reference. The Waste Strategy – Our Waste, Our Future – would consider all of these matters and provide ways of improving the situation. One of the main problems for Waveney Norse was contamination of the blue bin recycling, which often meant that the contents of one blue bin could contaminate a whole load, which would require the entire load to be rejected for recycling and the contents would therefore need to be treated as non-recyclable waste. It was noted that the Suffolk Waste Partnership regularly undertook various public education events and campaigns, however these had not proven to be very effective in the longer term, so they would be reviewed in due course. The Suffolk Waste Partnership was also working with the producers of the plastic waste, to see if any simple changes could be made to increase recycling rates and make the producers more accountable and involved in the processing and recycling of the products they produce.

A Member commented that they were meticulous when sorting and cleaning their recycling and they queried whether the outcome of the Suffolk Waste Partnership meeting, which took place on 24 January 2019, could be shared with the Committee. It was confirmed that an email would be circulated to the Committee outside of the meeting. The Member then requested further information about the orange bin pilot scheme, which had recently been trialled in Beccles. It was confirmed that Beccles was not part of the original pilot but had been included at a later date and the results of the pilot scheme were still being evaluated. The pilot scheme had now been extended to the A12 and in particular those layby's which were littering hot spots. The wider aperture of the orange bins meant that larger items of waste could be placed inside them, which could potentially encourage fly tipping waste to be placed in them, however it was confirmed that this matter would be considered as part of the overall evaluation of the pilot scheme. Members were pleased to note that the orange bins had sensors inside, which would alert Waveney Norse when they needed to be emptied, so that the emptying of the bins was as efficient as possible. The Member commented that free disposable gloves were no longer available for litter picks and it was agreed that future reports would be amended to reflect this fact. The Member also stated that when their local community undertook litter picks along the A146 in Beccles, they were regularly finding human waste in bags and bottles, hidden among the bushes, which was particularly unpleasant.

The Manager for Waveney Norse then provided an update on some of the initiatives that were being used to try to reduce the littering problem across the district. It was noted that Waveney Norse had been collecting as much data as possible, which they were then using to formulate a Strategy, in order to be as effective as possible. In the immediate vicinity of premises such as McDonalds, litter would come back on a daily basis therefore it was important to work directly with these businesses to try to come to an agreement whereby they would pick up some of the litter around their premises themselves. It was noted that Waveney Norse worked closely with Suffolk County Council (SCC) so that when SCC undertook gardening projects, Waveney Norse would undertake a litter pick soon afterwards, so that the area was cleaned and any accumulated litter was swiftly removed. A Spring Clean was also being planned and the amount of resources was being doubled along the A12, which was the main route in and out of the district. This route was very visible to residents and tourists alike, and was suffering significantly from pockets of littering and flytipping. Waveney Norse was also assisting with a number of planned litter picks around the district, assisting with publicity and all the litter collected would be weighed and the amounts collected would be published on the website. A Member commented that Waveney Norse had collected all of the waste from the litter picks in Beccles very quickly and had been particularly helpful and supportive.

A Member commented that they felt that many people were lazy and did not bother to recycle very much, instead putting the majority of their waste into the black bins. They also suggested that it would be helpful if recycling could be standardised across the UK, as the colour of bins and the items that could and could not be recycled varied considerably across the Country. The Head of Operations reported that he was looking at different ways of collecting waste and it was hoped that the kerbside collections could be improved in due course. One way of doing this would be to have additional boxes for householders to sort their recycling into and the waste collection vehicles would be 'podded' to accept the different sorts of waste, without contaminating them. This approach was anticipated to increase recycling rates by around 10%, however this would be a significant change which was likely to be unpopular with the public. There would also be an additional cost due to the required conversion of the vehicles, however the benefits and dis-benefits needed to be balanced carefully.

The Chairman of the Overview & Scrutiny Committee commented that bottle banks tended to be very well used across the district, which was helpful, as glass could not be recycled in the blue bins.

Members then discussed different ways to increase blue bin recycling and to reduce contamination. Suggestions included education sessions for the Youth Council and local schools, as well as the production of stickers for the blue bin, outlining what could and could not be recycled. A Member requested a breakdown of fly tipping in Lowestoft and it was reported that this could be provided outside of the meeting. Members commented that it would be helpful if recycling could be standardised across the UK to avoid confusion and it was recommended that Members visit the Great Blakenham Energy from Waste Centre should they be given the chance, as it was very enlightening.

N.B. Councillor J Ceresa left the meeting at this point in the proceedings at 8.55 pm.

Councillor Gooch stated that she felt that there needed to be a balance, regarding littering. Education was crucial, however a much tougher line was required in instances of repeat littering or contamination of the blue bin. Other methods were not working and fines would be an effective deterrent, when used in the appropriate circumstances. Tourism was vital to the district economy and littering along the A12 and A47 would have a negative effect on people visiting the area.

## **7 CONTINUATION OF MEETING**

In accordance with Paragraph 9 of Part 3 of the Constitution and as the meeting had been in session for almost three hours, the Chairman asked the Overview & Scrutiny Committee if they wished to continue or adjourn the meeting. It was proposed, seconded and unanimously

### **RESOLVED**

That the meeting continue over three hours in duration.

## **8 CONTINUATION OF THE LITTERING ITEM**

The Leader of the Council advised that in previous years, there had been public concern about the wheelie bins having barcodes on them, and many people had felt that their Human Rights were being compromised, as the Council could potentially collect information on how much waste they were disposing of and the contents. Although this issue had since faded away, it was possible that any other proposed changes to the waste collection service in the district may receive a similar public backlash. However all agreed that the standardisation of what can and cannot be recycled would be very helpful.

The Manager for Waveney Norse reported that clearing litter and fly tipping from the A47 was a difficult political matter, as the A47 crossed the boundary into Norfolk, and litter was being blown across the boundary. However, reassurance was provided that Waveney Norse was working closely with their colleagues in the Norse Group in Norfolk to try to resolve this issue. Clearing any litter and fly tipping from the A12 was much more straightforward as the road was only in Suffolk and did not cause any difficulties with boundaries. The Head of Operations stated that littering was often a local issue and data was available on the contamination rates by Ward, which was very informative. Socio-economic issues were often the underlying cause of littering and it was hoped that there would be a targeted approach utilised in the future.

The Cabinet Member for Operational Partnerships reported that many gardens were in a terrible state and were being used as a rubbish tip. He felt that if the properties were owned by the Council or by housing associations, the tenants should be required to maintain the gardens to a high standard, as a condition of their tenancy, and that this should be rigorously enforced. The Chairman of the Overview & Scrutiny Committee advised that when she was an Environmental Health Officer, she had used the Prevention of Damage by Pests Act as a way to encourage people to tidy up their gardens, which had been quite effective.

All those present agreed that littering was a significant problem across the district and that the Council should be as proactive as possible in trying to reduce it. It was therefore proposed, seconded and



**RESOLVED**

- 1) That officers contact the Youth Council and Primary Schools in the district, in order to offer to provide training on recycling for young people.
- 2) That officers look into the feasibility of having stickers to put onto the Blue Recycling Bins, to provide residents with information on what can and cannot be recycled.
- 3) That local businesses be contacted to see if they would be prepared to consider arranging lick picks in their local area.
- 4) That the Council and other housing providers be encouraged to strengthen the awareness of tenants that their gardens should be maintained to a decent standard and that this matter should be enforced where appropriate.
- 5) That littering be referred as an item for consideration by the Scrutiny Committee for the new East Suffolk Council.

**9 CURRENT POSITION OF THE COMMITTEE'S WORK PROGRAMME**

The Chairman presented the report setting out the Committee's current Work Programme. It was noted that Councillor Topping had recently submitted a Scrutiny Scoping Form regarding Suffolk County Council's Highways Department. It was confirmed that contact had been made with Suffolk County Council's Highways Department and regrettably a representative was unable to attend the next Overview & Scrutiny Committee's meeting on 14 March 2019. However, a written response had been received to the points detailed in the Scoping Form and this was attached as Appendix B to the report.

Members noted that at the last Full Council meeting on 23 January 2019, a Notice of Motion had been received regarding the 2012 Harbour Ward Community Energy Saving Programme. Following some discussion about this matter at the meeting, it had been agreed that the matter would be referred to the Overview & Scrutiny Committee for further consideration, with a particular focus upon the Council's processes and procedures for endorsing external companies, who may use sub-contractors and the processes for monitoring the standards of work. As there was insufficient time for this matter to be considered by this Committee, the matter would automatically be referred to the new Scrutiny Committee for East Suffolk Council for consideration in due course.

**RESOLVED**

That the current Work Programme of the Overview and Scrutiny Committee, as set out in Appendix A, be noted.

**10 EXEMPT/CONFIDENTIAL ITEMS**

**RESOLVED**

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

**11 MINUTES**

**RESOLVED**

That the Exempt Minutes of the Meeting held on 3 January 2019 be approved as a correct record and signed by the Chairman.

The meeting concluded at 9.25pm

Chairman