

Minutes of the Cabinet Meeting held at Riverside, 4 Canning Road, Lowestoft on **Wednesday 13 July 2016 at 5.30pm**

Members present

Councillors C Law (Chairman), S Allen, S Ardley, M Barnard, M Ladd, F Mortimer, D Ritchie and M Rudd

Also in attendance

Councillors S Barker, J Murray, N Webb and S Woods

Officers present

A Jarvis (Strategic Director), L Rogers (Finance Manager, Financial Planning) and N Wotton (Democratic Services Manager)

**1 APOLOGIES**

An apology for absence was received from Councillor G Catchpole.

**2 DECLARATIONS OF INTEREST**

No declarations of interest were made.

**3 MINUTES**

**RESOLVED**

That the Minutes of the Cabinet Meeting held on 22 June 2016 be approved as a correct record and signed by the Chairman.

**4 ACCEPTANCE OF AN URGENT ITEM OF BUSINESS**

The Leader of the Council announced that in accordance with Section 100B (4) (b) of the Local Government Act 1972, he had agreed to accept an urgent item of business. The matter related to the Cabinet Member appointments to the Southwold Harbour Lands Joint Committee. The special circumstances for considering this item as a matter of urgency was that a decision was needed before the next scheduled Cabinet meeting and to delay until then could prejudice the Council's position and significantly delay the progress of the Joint Committee. This matter would therefore be considered as Item 7 on the Cabinet Agenda for this meeting, before the meeting went into confidential session.

**5 ISSUES ARISING FROM THE OVERVIEW & SCRUTINY COMMITTEE OR THE AUDIT & GOVERNANCE COMMITTEE**

**(a) Overview and Scrutiny Committee**

There were no matters to report.

**(b) Audit and Governance Committee**

There were no matters to report.

## 6 REPLACEMENT OF CAR PARK PAY AND DISPLAY MACHINES

The Cabinet Member for Operational Partnerships and Lowestoft Rising presented the report which sought approval to replace all of the Waveney District Council owned car park pay and display machines in the district, prior to March 2017. The Cabinet had previously agreed at their meeting on 19 January 2016 to replace the pay and display machines over a three year period, from 2016/17 to 2019/20.

Members were advised that in March 2017, a new £1.00 coin would come into circulation, which would not be detectable within the machines currently in service. This would lead to a loss of pay and display income and would also impact upon car parking enforcement and resources. It was therefore proposed that £312,000 be spent in 2016/17 for the removal, installation, connection (where appropriate) and the disposal of redundant machines.

In response to a query from a Member, it was confirmed that it was likely that the Council would get a more favourable deal, if procuring all the pay and display machines at once, rather than phased over time. It was noted that there would be financial benefits and efficiency gains from Suffolk Coastal District Council procuring the replacement machines at the same time. There would also be practical benefits from the two councils having the same pay and display machines and operating systems.

A Member queried whether the new pay and display machines would accept contactless payments. It was reported that although this had been considered, it was not being progressed at this time, because users would be charged for making contactless payments for parking. However, it was noted that this facility could be retro-fitted if required in the future. Members were advised that the Paygo App could be downloaded onto mobile phones, which would enable car park users to pay for their parking by phone. This was a nationwide scheme and was increasing in popularity over time.

Reassurance was provided that the Chief Finance Officer was supportive of the proposals and that there was sufficient funding available to pay for the replacement of all car park pay and display machines in the district in the 2016/17 financial year.

A Member queried whether there had been any progress with regard to introducing Parking Enforcement in the District, which would reduce the number of cars parked on the side of roads and increase the numbers parking in car parks. Members noted that the issue was regularly discussed by the Suffolk Public Sector Leaders Group and that progress was being made.

### RESOLVED

That delegated authority be granted to the Strategic Director, acting in consultation with the Cabinet Member for Operational Partnerships and Lowestoft Rising, to procure the replacement of all Waveney District Council owned car park pay and display machines prior to March 2017.

## 7 FINANCIAL YEAR OUTTURN REPORT FOR 2015/16

The Cabinet Member for Resources & Welfare Reforms presented the report which gave an overview of the Council's Financial Year Outturn for 2015/16. It was noted that the Council's accounts for the year ending 31 March 2016 had been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 (The Code) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

Members were advised that the Accounts and Audit Regulations 2011 no longer required the Council to approve the Statement of Accounts before they were submitted for audit.

However, the Council's Chief Financial Officer must sign the Accounts by no later than 30 June following the end of the financial year, certifying that they 'present a true and fair view of the financial position of the Council as at 31 March 2016 and of its income and expenditure for the year ending on that date.'

The following key points were raised:

- The Council's General Fund had been maintained at a prudent level. The General Fund Outturn position for 2015/16 had a favourable variance of £643,000. This had enabled £500,000 to be transferred to a newly created In-Year Savings Reserve which will be used to support future funding shortfalls. The remaining £143,000 had been transferred to the General Fund Balance. As at 31 March 2016, the General Fund balance stood at £4.159 million.
- The General Fund Capital Programme had a favourable variance of £1.578 million. This was due in part to the Lowestoft Tidal Barrier project being deferred until 2016/17.
- Business Rates also has a favourable variance of £248,000, which had been transferred to the Business Rates Reserve, to be used in future years to fund deficits that need to be recovered.
- The Council Tax collection rates were higher than expected.
- The Earmarked Reserves stood at £6.582 million, which was an increase of £1.264 million from 2014/15.
- The Housing Revenue Account had ended the year with a surplus of £1.290 million, which was £1.273 million more than the revised estimate. £1.192 million of this was due to the deferral of the Housing Development projects. The Revenue Repair and Maintenance budget was underspent by £232,000 due to difficulties with workforce recruitment and work was now scheduled for 2016/17. An additional £400,000 had also been transferred to the Debt Repayment Reserve.

It was noted that the long term Local Government financial picture was characterised by an increased shift towards locally-generated resources, with an accompanying transfer of both risks and opportunities. This highlighted the importance of continuing to develop and implement entrepreneurial and commercial models, efficiencies and some key changes to service provision in order to be sustainable over the medium term.

Members commended the Chief Finance Officer and her Finance Team for their ongoing hard work to support the finances of the Council. The need to become more financially self sufficient was becoming more pressing and important over time. Members commented that the net expenditure of the Council for 2015/16 was £11.9 million, which was a significant reduction when compared to previous years where expenditure of £17 million per year was common place. The changes and efficiencies which had been put into place had made significant savings, however there remained a predicted £4.7 million budget gap in the future, which would still need to be addressed.

Members discussed the Councils finances and commented upon future challenges in respect of the potential merger with Suffolk Coastal District Council and Devolution. Members noted that a business case for the potential merger would be discussed at the Simultaneous Cabinet meeting on 25 July 2016. It was reported that the Council Tax levels between the two Councils were very close and were only a few pence apart, which would assist with any future Council Tax equalisation process.

With regards to devolution, clarification was provided that the additional funding would be given to the Combined Authority, who would be responsible for the distribution of that money. Each Council in Suffolk would be represented on the Combined Authority and the Mayor would undertake a 'Chairman of the Board' role, without the power of veto. Each Council would have a Local Plan which would remain in force and would set the direction for any planning developments in the district. Reassurance was provided that

the Combined Authority would not control how each District Council spent their individual budgets.

**RESOLVED**

1. That the details of the draft outturn position together with Reserves and Balances as at 31 March 2016 be noted.
2. That the audited Statement of Accounts be submitted for approval to the 15 September 2016 meeting of the Audit and Governance Committee.

N.B. Councillor S Ardley and L Rogers left the meeting at this point in the proceedings.

**8 URGENT ITEM OF BUSINESS – APPOINTMENT TO SOUTHWOLD HARBOUR LANDS JOINT COMMITTEE**

The Leader of the Council agreed to consider the report on Appointments to Southwold Harbour Lands Joint Committee as a matter of urgency. The special circumstances for considering this item as a matter of urgency was that a decision was needed before the next scheduled Cabinet meeting and to delay until then could prejudice the Council's position and significantly delay the progress of the Joint Committee.

The Leader of the Council presented the report which sought to make formal appointments to the Southwold Harbour Lands Joint Committee for the 2016/17 municipal year. The membership of the Joint Committee needed to be Cabinet Members, given that it was a body with executive-level decision making powers. The Terms of Reference of the Joint Committee was included as Appendix A to the report.

**RESOLVED**

1. That Councillors M Barnard, C Law, D Ritchie and M Rudd be appointed to the Southwold Harbour Lands Joint Committee for 2016/17.
2. That Councillors F Mortimer and G Catchpole be appointed to the Southwold Harbour Lands Joint Committee as Substitute Members for 2016/17, who may attend meetings of the Joint Committee in the absence of an appointed Member.

**9 EXEMPT / CONFIDENTIAL ITEMS**

**RESOLVED**

That under Section 100(A) 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 Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

**10 CONFIDENTIAL MINUTES**

**RESOLVED**

That the Exempt Minutes of the meeting held on 22 June 2016 be approved as a correct record and signed by the Chairman.

The meeting concluded at 6.05 pm.

Chairman