

SCRUTINY COMMITTEE

Minutes of the Meeting held on 23 November 2017 at 3.30 pm

Present:

Councillor P H MurphyChairman
Councillor N ThwaitesVice-Chairman

Councillor I Aldridge
Councillor R Clifford
Councillor B Maitland-Walker

Councillor J Parbrook
Councillor P Pilkington
Councillor R Woods

Members in Attendance:

Councillor M Chilcott
Councillor A Hadley
Councillor R Lillis
Councillor K Turner

Councillor M Dewdney
Councillor B Heywood
Councillor A Trollope-Bellew

Officers in Attendance:

Assistant Director – Operational Delivery (C Hall)
Finance Manger (J Nacey)
Democratic Services Officer - Scrutiny (M Prouse)
Democratic Services Officer (C Rendell)

Others:

Managing Director, Somerset Waste Partnership (M Green)

SC 34 Apology for Absence

An apology was received from Councillor G S Dowding.

SC 35 Minutes

(Minutes of the Meeting of the Scrutiny Committee held on 26 October 2017 – circulated with the Agenda.)

RESOLVED that the Minutes of the Scrutiny Committee held on 26 October 2017, with amendments, be confirmed as a correct record.

SC 36 Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Member of a County, Parish or Town Council:-

**WEST SOMERSET COUNCIL
Scrutiny Committee 23.11.17**

Name	Minute No.	Description of Interest	Personal or Prejudicial or Disclosable Pecuniary	Action Taken
Cllr I Aldridge	All items	Williton	Personal	Spoke and voted
Cllr B Maitland-Walker	All items	Carhampton	Personal	Spoke and voted
Cllr P Murphy	All items	Watchet	Personal	Spoke and voted
Cllr J Parbrook	All items	Minehead	Personal	Spoke and voted
Cllr P Pilkington	All items	Timberscombe	Personal	Spoke and voted
Cllr N Thwaites	All items	Dulverton	Personal	Spoke and voted
Cllr A Trollope-Bellew	All items	Crowcombe	Personal	Spoke
Cllr M Chilcott	All items	SCC	Personal	Spoke
Cllr K Turner	All items	Brompton Ralph	Personal	Spoke

In addition, the following interests were declared:

Name	Minute No.	Description of Interest	Personal or Prejudicial	Action Taken
Cllr I Aldridge	SC 44	Lobbied	Personal	Spoke and voted
Cllr B Maitland-Walker	SC 41	Representative on the Somerset Waste Board	Personal	Spoke and voted
Cllr P Murphy	SC 44	Lobbied	Personal	Spoke and voted
Cllr J Parbrook	SC 44	Lobbied	Personal	Spoke and voted
Cllr R Woods	SC 44	Lobbied and a family member was a Sea Scout	Personal	Spoke and voted

Councillor A Trollope-Bellew declared a prejudicial interest in respect of Item 11 Fees and Charges 2018-2019 as the owner of a private water supply and advised that if the matter were to be specifically discussed he would leave the Chamber during this item but would otherwise stay and participate fully in the item. Councillor A Hadley also declared a prejudicial interest in respect of Item 11 Fees and Charges 2018-2019 as a premises licence holder and advised that if the matter were to be specifically discussed he would leave the Chamber during this item but would otherwise stay and participate fully in the item.

SC 37 Public Participation

Mr Iain Lambert spoke on behalf of the Watchet Harbour Advisory Committee on Agenda Item 11, Fees and Charges 2018-2019.

Whilst the Harbour Advisory Committee fully understood the need for the Council to levy charges for the use of its facilities, they asked for the following points to be taken into consideration when its Committee made its recommendations on the proposed charges for the use of Watchet Harbour:

- £100 on Watchet Sea Scout Group – The Scout Group, which was run entirely on a voluntary basis, enabled young people to take part in a wide variety of water-borne activities within a robust safety conscious environment. The Scout Group currently had to raise a minimum of £15,000 per year to provide bases from which they operated, equipment, activities and legal requirements such as insurance. The substantial amount was raised through regular fund raising events which were all

supervised by the same group of hard working volunteers. The Advisory Committee felt that the proposed levy of £100 would be an unfortunate additional financial burden on a local organisation which did so much good for so many.

- Non-standard shared use of the harbour – The Advisory Committee was seeking to have this amended to exclude charitable events from being required to pay any fees.
- Collection of Dues – In the interest of fairness to all users, the Advisory Committee Members would like to encourage the Council to look carefully as to how they ensured that any levies and charges were effectively policed and collected.

Mr Chris Mitchell spoke as the Chairman of the 1st Watchet Sea Scout Group on Agenda Item 11, Fees and Charges 2018-2019. The Scout Group was very grateful for all the help they had received from the Council in the past and it was from the help of the District Council, Town Council and other local organisations that they had been able to continue to provide the service.

They had offered a community service and everyone that helped with the activities and everyone behind the scenes who had helped with governance, gave their time for free and in most cases contributed financially themselves to help cover the costs they had. They had approximately 100 youngsters registered with them but also offered courses for other groups and local people.

The basic costs to run the group, provide activities and maintain the equipment and buildings was £25,000 per year. They took £10,000 in subscriptions, which covered the day to day activities and the contributions to the Scout Organisation, but they had £15,000 a year to find through fundraising to tread water. Beyond that they tried to raise funds to buy new equipment and replace old equipment, minibuses, boats, engines, tents and more.

The Scout Group could raise their subscriptions and probably still fill all their places because they currently had waiting lists for places. But if they did that they would lose a lot of the local children who struggled to pay, so their policy had always been to simply cover the activity costs with subscriptions and fund raise for everything else. Keeping the costs to a minimum maintained their ability to improve the service they offered, help young children be safe on the water and inspire them to aim high in life.

SC 38 **Cabinet Key Decisions and Actions**

(Copy of the Cabinet Key Decisions from the meeting held on 1 November 2017, circulated at the meeting)

RESOLVED that the Cabinet Key Decisions from the meeting held on 1 November 2017, be noted.

SC 39 **Cabinet Forward Plan**

(Copy of the Cabinet Forward Plan published 19 October 2017, circulated at the meeting)

RESOLVED that the Cabinet Forward Plan published on 19 October 2017, be noted.

SC 40 **Chairman's Announcements**

The Chairman reminded the Committee Members that the A39 road to Minehead would be closed from 7.00pm onwards.

SC 41 **Somerset Waste Partnership Draft Business Plan 2018-2023**

The report WSC 124/17 was presented by Councillor M Dewdney.

The purpose of the report was to approve to Cabinet the Somerset Waste Partnership's Draft Business Plan for 2018-2023.

The Somerset Waste Partnership (SWP) was responsible for the provision of waste and recycling services on behalf of all six local authorities in Somerset. The Partnership was governed through a Joint Committee known as the Somerset Waste Board (SWB). The SWB Constitution required the preparation of a Business Plan. The Plan had a five year horizon with particular focus on the next twelve months.

The Draft Business Plan and associated Action Plan were the means by which the SWP described its business, evaluated changes to the operating environment, identified strategic risks and set out its priorities.

The Plan set out the draft Annual Budget for the SWP for 2018-2019, which for West Somerset Council represented an increase of £70,000.

All partner authorities had previously endorsed the implementation of Recycle More and delegated their waste collection functions to the SWB. Whilst the original delivery plan was to implement Recycle More with Kier, despite considerable efforts, it was not possible to reach acceptable terms with them.

Recycle More depended upon procurement of a new fleet of vehicles to be in place with the correct containment for the new materials. Due to the importance of the alignment of the procurement of the new fleet with the implementation of Recycle More and due to the need to have sufficient time to undertake a robust procurement process the SWB had, by mutual consent with Kier, agreed to bring forward the expiry date of the current collection contract from September 2021 to 27 March 2020.

During discussion, the following points were raised:-

- The Chairman welcomed the Managing Director of the SWP to the Committee.
- Members queried whether there would be a cost to the Council to end the contract with Kier earlier than scheduled.
No there was no cost.
- Members requested clarification on Recycling Credits and how they worked and who received the money from the credits.

The Recycling Credits were imposed on manufacturers to encourage them to recycle rather than send their waste to landfill. The District Council did not receive any of the money from the Credits.

- Members were encouraged that although Recycle More was delayed, it would still be rolled out in the County.
- Concern was raised about when Kier's contract ended. Would there be a handover period with the new contractor? West Somerset had some complex routes and Members were worried that the local knowledge would be lost with the new contractors.

The staff from Kier would hopefully be transferred across to the new contractor, so all the local knowledge of the routes would remain the same. The new contractors would need to know the routes involved to be able to submit a tender.

- Members queried the charges set for the disposal of builders waste at the Household Waste Recycling Centres and whether they would be removed.
- Did the contractor's vehicles have any tracking devices onboard? This would help with customer queries on whether they had already collected from a certain area.

The Government had suggested the removal of charges for builders waste but no legislation had yet been introduced which permitted Councils to accept the disposal of builders waste without any charges. At the start of the contract, this was not a requirement. But they hoped to install them on the new vehicles.

RESOLVED that the Scrutiny Committee was:-

- a) Recommended the Cabinet to approve the Somerset Waste Partnership's Draft Business Plan 2018-2023, in particular the proposed approach to the procurement of a new collection contract;
- b) Noted that, in line with their delegated authority and in order to implement Recycle More as requested by partners, Somerset Waste Board had agreed with Kier to bring forward the expiry date of the current collection contract from September 2021 to 27 March 2020; and
- c) Supported onward approval through Cabinet of the projected budget for 2018-2019 subject to the finalisation of the figures.

SC 42 Budget Setting Progress 2018-2019

The report WSC 123/17 was presented by Councillor M Chilcott.

The purpose of the report was to provide the Scrutiny Committee with an update on the budget estimates for 2018-2019 and the Medium Term Financial Plan forecasts.

Members had previously considered a range of important reports that provided background on the Council's financial position and the budget strategy for 2018-2019. These included:-

- The Financial Outturn 2016-2017 and
- The Initial Draft Medium Term Financial Plan (MTFP).

A number of adjustments had been fed directly into the MTFP that realigned the budget requirement and reflected the underlying costs and income in various services.

The previous estimated Budget Gap for 2018-2019 was £130,602. This estimated figure had been updated for a number of items which had resulted in an updated Budget Gap of £15,000 for next year.

With the changes to the MTFP taken into account, the Budget Gap of £15,000 in 2018-2019 was projected to grow to £189,000 by 2022-2023.

The proposed Fees and Charges for 2018-2019 would add approximately £1000 to the General Fund income budget estimated for 2018-2019.

An increase of £5 on a Band D property's Council Tax would raise a further £27,970 compared to the 1.99% increase that had been assumed in the MTFP, which was based on the current tax base. This would be confirmed each year by the Secretary of State.

The areas still to be completed were:-

- Business Rates Retention;
- The Council Tax Base; and
- Capital Bids for 2018-2019.

The Somerset County area had presented a business case to the Department for Communities and Local Government (DCLG) to create a new Somerset Pool for Business Rates that was comprised of all five Districts along with the County. The Somerset Pool would apply for Pilot status with the potential rewards that growth retention might produce.

There were still some ongoing risks and uncertainty for the budget. These included:-

- Local Government Finance Settlement;
- New Homes Bonus;
- Fees and Charges;
- Capital Programme; and
- Transformation Savings.

During discussion, the following points were raised:-

- The Chairman was aware that the Council Tax base was still being looked at, but he was encouraged to see in the report that the difference could possibly cover the £15,000 budget gap.
- Members congratulated the officers for their work on the budget.
- Members queried that with the introduction of the Business Rates Retention Scheme, would the year five budget gap of £500,000 be covered?

If circumstances remained the same, it looked hopeful. However, there was still a lot of uncertainty in the future, especially around the New Homes Bonus.

- Concern was raised about the 'known unknowns'.
- Members raised concern that the Government had taken money away from the New Homes Bonus and had given it to Adult Social Care.
The savings assumed that the money saved by the Transformation Project were correct and that the project went ahead. The savings also assumed that the money from the New Homes Bonus would continue over the four year period. There was still the threat of a Hinkley Point Business Rates appeal.

RESOLVED that the Scrutiny Committee noted the latest budget estimates and that its comments on the budget adjustments that were considered for the 2018-2019 budget be noted

SC 43 Earmarked Reserves Review

The report WSC 122/17 was presented by Councillor A Trollope-Bellew.

The purpose of the report was to provide information on the Earmarked Reserves Review for 2017-2018.

At the end of March 2017, the total General Fund Earmarked Revenue Reserves was £2,883,000. This was the equivalent to 93.8% of the Council's Net Revenue Budget of £3,075,000.

A fundamental review had been undertaken of all General Fund Revenue Earmarked Reserves, with a view that all balances would be returned to the General Fund unless a clear commitment or obligation existed to spend the money within a defined period of time.

The review had identified that out of the £2,883,000 currently held, all but £79,000 of the General Fund Earmarked Reserves was committed or had conditions upon it.

The £2,804,000 of the committed balance included the following large balances:-

- £756,000 – Transformation and creating a new Council;
- £576,000 – Affordable Housing funding from DCLG;
- £305,000 – Business Rates Smoothing Reserve;
- £247,000 – Service Carry Forwards;
- £214,000 – Asset Management and Compliance; and
- £195,000 – Planning Policy Reserve.

The £79,000 that would be returned to the General Reserves included the following:-

- £38,000 – Revenues and Benefits which was originally for software upgrades;
- £12,000 – Dulverton Mill Leat, which was not committed;
- £7,000 – Watchet Harbour dredging, which was not committed;
- £6,000 – Morrison's footpath, which had been adopted by Somerset County Council;

- £6,000 – Minehead Harbour dredging, which was not required;
- £5,000 – Community Right to Challenge, which was no longer committed; and
- £5,000 – Assets of Community value, only half of this reserve was required.

During discussion, the following points were raised:-

- The Chairman queried if the amount was approved, what the General Reserves balance would be.
The balance would be £969,000. This was £369,000 over the recommended balance.
- Concern was raised that money reserved for Watchet Harbour dredging would be moved out of the Reserves.
The Finance Manager had challenged all senior management about the proposed funds that could be transferred. The Assistant Director for Operational Delivery had confirmed that there were still funds available within the department for dredging to be carried out.
- Members highlighted the volatility of the Business Rates Retention Smoothing Account.

RESOLVED that the Scrutiny Committee noted the report.

SC 44 Fees and Charges 2018-2019

The report WSC 121/17 was presented by Councillor M Chilcott.

The purpose of the report was to set out the proposed fees and charges for the next financial year, 2018-2019.

The Council received general funding for services from a variety of sources which included Government Grants, Council Tax, Business Rates plus other grants and contributions which included Section 106 Agreement funding from developers. The Council also provided a number of services that customers paid for directly when they were provided.

The services that WSC charged for were:-

- Garden Waste Collection and Recycling;
- Land Charges;
- Environmental Health;
- Licensing;
- Planning;
- Harbours and Mooring;
- Court Fees; and
- Off Street Parking.

All of the above services had proposed an increase to their charges except for Court Fees and Parking Permits. Both of these services had proposed a decrease in the charges.

During discussion, the following points were raised:-

- Members praised officers for the information on Pest Control and who was responsible for the payment of the service which had been clarified within the report.
- Members queried the proposed reduction of the Gaming Licence fee and how this was possible.
The Assistant Director for Operational Delivery confirmed that Licensing could only charge a fee to cover the cost of the administration of the licence. This meant that if the administration cost had reduced, then so did the licence fee.
- Members queried how Harbour Fees were collected.
There was a Harbour Master and a Deputy Harbour Master who dealt with any technical issues and the collection of fees. However, they were not on duty all the time, which meant that boats could potentially enter the harbour and moor without the payment of a fee. The Council could not legally reject boats from the Harbours. The officers had tried to simplify the charges. The Council did not have any Harbour Byelaws.
- Members proposed that the charge proposed for the Watchet Sea Scout Group be waived because they were a reputable charity.
- Other Members were sympathetic with the Scout Group, however, all organisations had to produce documents, which resulted in a charge.
- Members had requested clarification on what the Sea Scout's permit charge included.
The permit charge included unlimited access to the slipway, parking for two trailers for when they were loading and unloading the boats and it also contributed to the cost of the administration process.
- Members of Cabinet reminded the Committee that for the sake of transparency and fairness the Council sought to charge all Charities fairly for services the Council provided.
- Members queried the introduction of the new Data Protection Act in May 2018 and when would they be updated on the new regulations.
Officers reminded Members that there would be an item on the December Audit Committee agenda and they were welcome to attend the meeting scheduled on 4 December 2017.
- Concern was raised as to the drop in income produced by the decreased charges for parking permits.
Officers confirmed that the actual figures for this would not be known until after the change had taken affect. They had to assume that the reduced price would not necessarily create an increased customer base. They had to use the current user numbers to calculate the figures.
- Concern was raised about the transparency of charging for the use of council land.
The Portfolio Holder for Resources stated that the Asset Management Group had this under review.

RESOLVED that the Scrutiny Committee:-

- a) Proposed that the Watchet Sea Scout Group had its proposed charges waived for the next twelve months whilst their legal position, with regard to the Group and their use of the Harbour, was established;
- b) Supported the proposed fees and charges for 2018-2019; and

- c) Requested that its comments on the proposals be considered by Cabinet Members for their recommendations to Full Council.

SC 45 **Scrutiny Committee Work Plan**

The following items were highlighted from the Forward Plan:-

- Members were reminded that the date for the next Scrutiny Committee meeting was 7 December 2017;
- The Scrutiny Officer requested items for the February and April meetings;
- The Health Task and Finish Group was scheduled to meet on 11 December 2017 with Somerset County Council in attendance;
- Quarter Two Performance was on the agenda for the December meeting, however, Budget Monitoring was missed out but was due to come to Scrutiny in February 2018.

RESOLVED that the content of the Work Plan be noted.

The meeting closed at 5.35pm.