

Shadow Executive - 22 January 2019

Present: Councillor J Williams (Chairman)

Councillors A Trollope-Bellew, R Habgood, J Warmington, M Dewdney, A Hadley, S Pugsley and A Sully

Officers: Paul Fitzgerald, Chris Hall, James Hassett, Steve Hughes and Andrew Randell

Also Present: Councillors P Berry and S Coles

(The meeting commenced at 3.30 pm)

44. **Apologies.**

There were no apologies to note.

45. **Minutes of the previous meeting of the Shadow Executive held on 6 December 2018.**

The minutes of the meeting held on 6 December 2018 were affirmed as a correct record.

46. **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:

Name	Minute No.	Member of	Action Taken
Cllr A Trollope-Bellew	All	Crowcombe	Spoke and voted

47. **Public Participation.**

No member of the public requested to speak.

48. **Appointment of External Auditor. Report of The Principal Accountant – Corporate.**

The purpose of the report was to consider the Appointment of the External Auditor.

This report asks the Shadow Council to opt in to the Public Sector Auditor Appointments (PSAA) arrangement for the procurement of external audit services for SWATC.

This proposal was supported by the Shadow Corporate Governance and Standards Committee on 12 November 2018.

The Local Audit and Accountability Act 2014 abolished the Audit Commission and required local authorities to appoint their own external auditors.

The current external audit function for both Taunton Deane Borough Council (TDBC) and West Somerset Council (WSC) is provided by Grant Thornton (UK) LLP, having been procured through Public Sector Auditor Appointments (PSAA). PSAA is a not-for-profit company established by the Local Government Association that administers the current external audit contracts on behalf of central government. Both TDBC and WSC opted in to the PSAA appointment arrangements in 2014 and 2017, the latter of which provided for a five year appointment period starting with accounts for the 2018/19 financial year.

Grant Thornton (UK) LLP were to complete the audit of the accounts of Taunton Deane Borough Council and West Somerset Council for 2018/19 under the auditor appointment already made. This work will be undertaken during 2019.

The Somerset West and Taunton (Local Government Changes) Order 2018 resulted in the abolition of West Somerset and Taunton Deane districts and the District Councils on 31 March 2019, and the creation of the new Somerset West and Taunton Council with effect from 1 April 2019.

A new auditor appointment would be needed for Somerset West and Taunton Council, as it would be a separate legal entity. PSAA has confirmed that Somerset West and Taunton Council was eligible to become an opted-in authority from 1 April 2019, for the remaining four years of the appointing period covering the accounts for 2019/20 to 2022/23. PSAA would anticipate appointing the firm already appointed from 2018/19 to maintain continuity of audit arrangements, subject to confirming independence and considering the views and joint working arrangements of the new authority.

During the discussion of this item no comments were made and questions asked.

RESOLVED that:-

The Shadow Executive agree that Somerset West and Taunton Council opts in to the PSAA scheme for procuring external audit services for the period 2019/20 to 2022/23.

49. **Appointment of SWAP Director 2019 - Shadow Exec. Report of The Interim Section 151 Officer.**

The purpose of the report was to consider the appointment of the South West Audit Partnership Director 2019.

The governance arrangements for South West Audit Partnership Ltd (SWAP) were approved at Full Council meetings of West Somerset Council (WSC) and Taunton Deane Borough Council (TDBC) in February and March 2013 respectively. The approved governance structure included a Members' Board and

a Board of Directors. This report requested a new officer appointment to the Board of Directors representing Somerset West and Taunton Council.

During the discussion of this item no comments were made and questions asked.

RESOLVED that

- 1) The Shadow Executive approves the nomination of the Head of Performance and Governance (Christine Fraser) as a Director of SWAP Ltd representing Somerset West and Taunton Council at the earliest practical date to be appointed by SWAP Ltd, and no later than 1 April 2019.
- 2) The Shadow Executive approves the nomination of the Governance Manager post holder as a Director of SWAP Ltd representing Somerset West and Taunton Council, from date to be determined by the Head of Performance and Governance (estimated mid-2019).

50. **Somerset Waste Board Constitution and Membership 2019/20. Report of The Specialist – Clienting.**

The purpose of the report is to consider the Somerset Waste Board Constitution and Membership 2019/20.

The report sets out proposed revisions to the Somerset Waste Board's constitution and membership for 2019/20 as a result of the future amalgamation of Taunton Deane Borough Council and West Somerset Council to create the new Somerset West and Taunton local authority. The proposed changes to the constitution and board membership will require the dissolution of the current Board and agreement to establish a new Waste Board with an amended constitution to reflect the revised membership. Subject to the Committee's approval to the proposals within the report.

During the discussion of this item Members made comments and statements and asked questions, and the following main points were raised:

- The financial contributions would not change with the creation of the New Council.
- This had been considered by the waste board and was a regularising of the creation of the New Council as a member of the partnership.
- The budget for next year was due to be decided in February with cost apportionment to be worked out.
- Adequate representation would be given for the representatives of the New Council.

RESOLVED that The Shadow Executive:-

- 1) Endorse the proposed revision to the draft Constitution, set out in Appendix A for the Somerset Waste Partnership Board and recommend this for approval by the Executive Committee.
- 2) Delegate authority to the Board's Treasurer in consultation with the Administering Authority's Monitoring Officer to update the Inter-Authority

Agreement (IAA), as set out in Appendix B, to reflect the various changes agreed previously by the Board.

- 3) Recommend that with effect from 1 April 2019 the current Board and its membership (comprising six partner authorities) is dissolved and to then agree the formation of a new Somerset Waste Board (comprising five partner authorities) and appoint members to that Board.
- 4) Delegate authority to the Monitoring Officer of the Administering Authority to take forward the above recommendations in conjunction with the partner authorities.

51. **Exclusion of Press and Public**

Resolved that the press and public be excluded during consideration of item 9 on the grounds that, if the press and public were present during the item, there would be likely to be a disclosure to them of exempt information of the class specified in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended as follows: The item contained information that could release confidential information that related to the financial or business affairs of any particular person (including the authority holding that information). It was therefore agreed that after consideration of all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

52. **Confidential Report - Leisure Operators Contract. Report of the Localities Manager**

The purpose of the report was to consider the confidential report relating to the Leisure Operators Contract.

The existing leisure contract was currently delivered by Greenwich Leisure Ltd (GLL) following their merger with Tone Leisure in 2016. The existing contract is for the management and operation of four sports and leisure centres and a golf course and high ropes facility – due to end on 31st July 2019.

The Authority advertised a new contract for an initial term (with the potential to extend by mutual consent) to operate the leisure centres in (Lot 1) and Lot 2).

The aim was that there would be no management fee payable from the Authority to operate the contract and that the Operator should take on additional repair and maintenance obligations when compared to the current situation.

The budget forecast for the provision of these services was set out, with additional ongoing budget provision for maintenance over the same period. The timetable aligned the contract with the council's financial years.

Following an extensive procurement process, the preferred operator was set out to manage the Lot 1 and Lot 2 facilities. The recommended operator submitted detailed financial bids.

When factoring the saving based on current payments by the Authority, the saving on maintenance responsibilities passed over to the new operator, the

receipts and payments of the management fees, and the one off transition costs this represents an improved financial position for the Authority over the initial life of the contract. In the event of an extension being awarded after this time then the saving would grow.

During the discussion of this item Members made comments and statements and asked questions, and the following main points were raised:

- There had been positive experience of the preferred supplier with other councils that had client relationships with them.
- Prices were not set to increase by no more than RPI within the next 20 months.
- The capital financing loan was for equipment replacement.
- Cleanliness of the facilities was a priority and there were heavy controls relating to this.
- No challenges were expected from the other bids for the contract.
- There was potential for future opportunities to be explored within the structure of contract
- Based on the opportunity put to market, this was considered a good deal.
- The hard work undertaken on the contract was commended.

RESOLVED that Shadow Council be recommended to approve:-

- 1) The contract award and associated leases of Lot 1
- 2) The contract award and associated leases of Lot 2.
- 3) Revisions to the MTFP to reflect the new budget profiling including the necessary transition costs.
- 4) The principle of capital financing loan with delegated authority to the S151 officer in consultation with the Leader of the Council to negotiate the final terms. Provision for such a loan would be included in the Capital Programme for 2019/20.

53. **Forward Plan**

The purpose of this item was to approve the Forward Plan.

RESOLVED that the Shadow Executive's Forward Plan be circulated to Members of the Shadow Executive after the meeting.

54. **Future Meeting Dates**

The next meeting date had been agreed:-

- Shadow Executive – 11 February 2019 at 4.30pm, Council Chamber, West Somerset house, Williton.

(The Meeting ended at 4.40 pm)