

Minutes of a meeting of the **SOUTH HOLLAND DISTRICT COUNCIL** held in the Council Chamber, Council Offices, Priory Road, Spalding, on Wednesday, 17 January 2018 at 6.30 pm.

PRESENT

R Grocock (Chairman)
H Drury (Vice-Chairman)

B Alcock	G K Dark	M D Seymour
G R Aley	L J Eldridge	S-A Slade
D Ashby	P C Foyster	E J Sneath
J R Astill	R Gambba-Jones	G J Taylor
J Avery	A Harrison	A C Tennant
M D Booth	J L King	J Tyrrell
C J T H Brewis	C N Johnson	J Whitbourn
P E Coupland	C J Lawton	P A Williams
T A Carter	J D McLean	A R Woolf
A Casson	A M Newton	C N Worth
M G Chandler	J L Reynolds	

Apologies for absence were received from or on behalf of Councillors F Biggadike, R Clark and G A Porter.

In Attendance: Chief Executive, Executive Director - Commercialisation, Executive Director – Place, Executive Manager – People and Public Protection, Executive Manager – Strategy and Governance, Environmental Services Manager, Financial Manager – Treasury (CPBS), Operations Benefits Manager (CPBS) and Democratic Services Lead Officer.

69. MINUTE'S SILENCE

The Chairman announced the sad news that Robin Woodthorpe passed away suddenly on the 28th December 2017 aged 36. Robin worked at Ayscoughfee Hall Museum and had been in service for three and a half years. He was a popular and respected member of the team who loved his job.

The Chairman also announced the death of former Councillor Marion Bamber who passed away on 26th December 2017 aged 85 years. Councillor Bamber was a District Councillor for Pinchbeck and Surfleet who served on the Council from 2003 to 2011.

Councillors held a minute's silence in memory of Robin Woodthorpe and Marion Bamber.

Action By

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

70. MINUTES

The Council considered the minutes of the meeting held on 1 November 2017.

DECISION:

That the minutes of the meeting held on 1 November 2017 be agreed as a correct record and signed by the Chairman.

71. DECLARATION OF INTERESTS.

With regard to agenda item 11 'Compass Point Business Services Options', Councillors Coupland and Newton informed the Council that they did not have a Disclosable Pecuniary Interest but in the interests of transparency they wished to declare that they were Directors of Compass Point Business Services. They would not vote on the recommendation.

With regard to agenda item 14 'Minimum Revenue Provision Policy 2017/18' Councillors Alcock, Ashby, Booth, Coupland, Drury, Lawton and Sneath informed the Council that they did not have a Disclosable Pecuniary Interest but in the interests of transparency they wished to declare that they were Directors of Welland Homes. They would not vote on the recommendation.

72. CHAIRMAN'S ANNOUNCEMENTS.

The Chairman welcomed Councillor Whitbourn to her first meeting of Council. Details of the Chairman and Vice-chairman's appointments were displayed in the Member's Room.

73. ANNOUNCEMENTS BY LEADER AND MEMBERS OF THE CABINET.

Councillor Coupland gave an update on local business rates relief. Money had been received from the Government and a discretionary scheme was in place. The Council had written to businesses but had not received many responses. This matter would be reviewed at the end of the month.

74. QUESTIONS ASKED ON NOTICE UNDER STANDING ORDER 6

There were no questions asked under Standing Order 6.

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

75. QUESTIONS ASKED WITHOUT NOTICE UNDER STANDING ORDER 7

Question to: Councillor Gambba-Jones
Question from: Councillor Foyster
Subject: Boston Road South Car Park, Holbeach

Councillor Foyster thanked Councillor Gambba-Jones for the work that had been undertaken on the Boston Road South Car Park. He asked whether the Parish Office could be informed of future works so that they were able to deal with any queries.

Cllr Gambba-Jones noted this request.

76. COMMITTEE MINUTES

Licensing Committee – 6 November 2017

DECISION:

That the minutes be received.

Committee of the Licensing Authority – 6 November 2017

DECISION:

That the minutes be received.

Performance Monitoring Panel – 7 November 2017

DECISION:

That the minutes be received.

Planning Committee – 8 November 2017

DECISION:

That the minutes be received.

Policy Development Panel – 5 December 2017

DECISION:

That the minutes be received.

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

Planning Committee – 6 December 2017

DECISION:

That the minutes be received.

Governance and Audit – 14 December 2017

DECISION:

That the minutes be received.

77. REPORT FROM THE CABINET MEETING HELD ON 21 NOVEMBER 2017

The Council considered the report of the meeting of the Cabinet held on 21 November 2018 which enclosed the joint report of the Portfolio Holder for Place and the Executive Director Place. The report provided members with an update on the outcome of the Garden Waste Collection trial, and sought approval to formalise this service into the base budget.

ES

Councillors discussed the proposal to review the purple sack garden waste disposal scheme and noted that this had the potential be controversial. The Portfolio Holder confirmed that Councillors would be informed of the outcome of the review.

DECISION:

1. That approval be given for the Garden Waste Collection Scheme to become a formal offered service within target areas (not all of the district);
2. That approval be given to extend the Garden Waste Collection Scheme to two collection routes from 1 April 2018;
3. That the purple sack garden waste disposal service is reviewed in lined with the extension of the Garden Waste Collection Scheme;
4. That £240,000 is released from the Investment and Growth reserve in 2017/18 in order to finance the capital requirements (one vehicle and wheeled bin provision) for a second route to the garden waste collection scheme;
5. A further £165,000 is approved as a commitment from the Investment and Growth reserve in 2021/22 in order to

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

finance the capital requirements (replacement vehicle); and

6. That in Year 1 (2018/19), based on the mid case scenario (Table 3, Option 2), the revenue budget is increased by up to £90,000 (net expenditure), that the funding for this initial investment is taken from the Investment and Growth Reserve, and that the revenue budgets will be reviewed and adjusted in accordance with demand during 2018/19.

78. KEY DECISION PLAN

Consideration was given to the Key Decision Plan.

DECISION:

That the Key Decision Plan be noted.

79. COMPASS POINT BUSINESS SERVICES OPTIONS

Councillors gave consideration to a report by the Deputy Leader of the Council and Deputy Leader of the Cabinet setting out proposed actions to implement the preferred option for the future of Compass Point Business Services (CPBS).

MS

It was noted that on 1 November 2017, the Council considered a report from the Deputy Leaders which set out future options for CPBS. The options, identified by Grant Thornton on behalf of this Council and East Lindsey District Council, were:

- a. To continue the company arrangement as currently in place
- b. To continue the arrangement and consider any recommendations to update the arrangements and further improve outcomes
- c. To disestablish the company and consider an alternative shared service model of provision.

Council approved (b) above. This option would therefore see the company continue to deliver the contracted services to both councils, but would also see a number of changes to the way the company is operated and managed:

- Governance changes in terms of board membership and how the councils engage with the company at both strategic and operational levels

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

- Changes to organisational design intended to drive efficiencies and reduce the cost base of the company.
- Working capital injection which will tie in closely with the organisational design work mentioned above.

East Lindsey District Council had also approved option (b) at 1.1 above. Since the Council meeting in November, senior members and senior officers of both councils had met to discuss next steps.

Councillors agreed a proposed approach based upon those discussions which took into consideration:

- Governance Changes
- Organisational Design
- Capital Investment
- Contract Extension

In discussing the report, Councillors referred to recommendation 5a – the appointment of two non-voting advisors – and requested that these appointments be approved by shareholders.

DECISION:

- 1) That, subject to (3) and (4) below, and subject to the agreement of the CPBS Board and East Lindsey District Council, the contractual arrangements with CPBS and East Lindsey District Council be terminated and new contractual arrangements be entered into for an initial period of five years from 31 July 2018, with an option to extend for a further five years;
- 2) That Council notes the Leader's decision that Eversheds be instructed to prepare the necessary paperwork (including changes to the Shareholder Agreement) to effect the extension and any other necessary changes as a result of this and any subsequent decisions of the Council;
- 3) That in accordance with the Grant Thornton reports CPBS be required to deliver a level of efficiency savings, and resulting reduced cost base, to the satisfaction of both councils;
- 4) That CPBS be required to submit a business case for transformation, by 31 May 2018, for consideration by both

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

councils;

- 5) That, from 31 July 2018, the governance arrangements be amended by:
 - a. the addition of two non-voting advisors (finance and strategy) to the Company Board and that these appointments be approved by shareholders;
 - b. the establishment of a Partnership Group, comprising the appropriate portfolio holders from both councils, and supported by senior officers, to consider key strategic issues from the councils' perspectives;
 - c. the establishment of Joint SHDC and ELDC Client Officer meetings (and the CPBS Head of Operations where required) to ensure consistency at an operational level, with any intractable issues escalated to the Partnership Group;
- 6) That the Terms of Reference for the Partnership Group and the Joint Client Officer meetings be approved as per the appendix to the report;
- 7) That Council notes the Leader's decision that the Head of the paid Service be replaced on the Board with effect from 31 July 2018 by the Executive Director for Place; and
- 8) That, going forward, no statutory officer shall be appointed to the Board of Directors.

80. MEMORANDUM OF AGREEMENT BETWEEN SOUTH HOLLAND DISTRICT COUNCIL AND BRECKLAND COUNCIL

Consideration was given to the report of the Executive Member for Governance and Customer and the Deputy Leader of the Cabinet seeking to review the Memorandum of Agreement between South Holland District Council and Breckland Council.

On 1 April 2011, South Holland District Council and Breckland District Council entered into a Memorandum of Agreement. That document set out the purpose and aims of the shared management arrangements and the terms on which the Councils have agreed to operate the arrangements. A review of the Agreement took place at the end of 2014 and was subsequently varied on 9 January 2015.

Councillors noted that there had been a number of staffing structure changes since the original Memorandum of Agreement

SW
RB

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

was completed in April 2011 and subsequently varied in January 2015. In some service areas (examples being the Corporate Improvement and Performance Team and the Legal Team) it had been recognised that there can be benefits to sharing posts that are not part of the senior management structure. A key amendment to the Agreement was in recognition of this and other relevant updates.

DECISION:

- 1) That the Memorandum of Agreement attached at Appendix 1 to the report and as amended be approved and adopted
- 2) That the Terms of Reference of the Joint Appointments and Disciplinary Committee be amended by:
 - a) reducing the membership from the current eight members (four from each council) to six members (three from each council).
 - b) appointing a pool of six substitutes (three from each council)
 - c) amending the quorum to be six members

81. LOCAL COUNCIL TAX SUPPORT SCHEME 2018/19

Consideration was given to the report of the Portfolio Holder for Finance and Executive Director – Commercialisation which invited the billing authority to consider whether to revise its local Council Tax Support Scheme.

SH

Councillors considered details of the current scheme and the resultant levels of expenditure and agreed that no change to the scheme was necessary for 2018/19.

DECISION:

- 1) Continuation of the current Local Council Tax Support scheme for 2018/19, with up-rating in line with DWP's annual update of allowances and premiums for housing benefit.
- 2) Delegation to Executive Director – Commercialisation in consultation with Portfolio Holder for Finance to approve the final scheme policy in line with this report.

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

82. MINIMUM REVENUE PROVISION POLICY 2017/18

Consideration was given to the report of the Executive Director – Commercialisation (s151) proposing additional wording to the Minimum Revenue Provision (MRP) Policy Statement 2017/18 due to an omission.

SH

Councillors noted that the Council was required to pay off an element of General Fund capital spend each year through a revenue charge (minimum revenue provision). Communities and Local Government (CLG) regulations require Full Council to approve an MRP Policy Statement in advance of each year. The 2017/18 MRP Policy Statement was approved by Full Council on 22 February 2017.

When the MRP Policy was submitted for approval on 22 February 2017 a paragraph was added as follows:

“Any loans to Welland Homes and South Holland Local Housing Company which are classed as capital expenditure will increase the Council’s CFR. The Council will earmark the repayment of the loans to reduce the CFR and therefore will not apply MRP on such loans.”

The Council had made loans to Welland Homes and also purchased an equity stake in the Company. Both the loans and the purchase of equity are classified as capital expenditure and subject to MRP charges in accordance with the Council’s MRP Policy.

The purchase of equity in the Company was not referred to in the added paragraph above and it was therefore recommended that the following paragraph be added to section 2.3 of the MRP Policy contained in the Treasury Management Strategy 2017/18.

“Any equity investment made in Welland Homes and South Holland Local Housing Company which is classed as capital expenditure will increase the Council’s Capital Financing Requirement (CFR). The Council will earmark the proceeds from any sale of equity interest to reduce the CFR and therefore will not apply MRP on such equity investments.”

The recommended change to the MRP policy was submitted for scrutiny to Governance and Audit Committee on 14 December 2017 as part of the Mid Term Treasury Report 2017/18. The

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

Committee supported the recommendation and had referred the additional paragraph to Council as requested for approval.

DECISION:

- 1) That the following paragraph be inserted into section 2.3 of the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2017/18:

“Any equity investment made in Welland Homes and South Holland Local Housing Company which is classed as capital expenditure will increase the Council’s Capital Financing Requirement (CFR). The Council will earmark the proceeds from any sale of equity interest to reduce the CFR and therefore will not apply MRP on such equity investments.”

83. APPRENTICESHIP PROGRAMME

Consideration was given to the report of the Portfolio Holder for Governance and Customer and the Executive Manager – People and Public Protection which presented a proposed Apprenticeship Programme.

CB

Councillors considered and agreed the programme.

DECISION:

That the Apprenticeship Programme, as described in the report, be approved.

84. SHARED OFFICER TRAVEL SCHEME

Council considered a report by the Executive Director – Strategy and Governance seeking approval to introduce a new Shared Officer Travel Scheme to address an unanticipated tax and National Insurance liability.

Councillors noted that following a review of practices regarding travel expense/mileage claims for Shared Officers, and subsequent specialist advice from KPMG (specialist tax advisors), it had become clear that the Council(s) would need to change the way certain mileage claim payments were subjected to Tax and National Insurance contributions (NICs) to ensure HMRC compliance.

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

DECISION:

- 1) That Council agrees to implement a new Shared Officer Travel scheme for qualifying Officers to take effect from 01 February 2018
- 2) That delegated authority is given to the Chief Executive to designate new and existing posts as qualifying for the Shared Officer Travel Scheme (based on qualifying criteria), to include the discretionary placement of such posts within the scheme's management level tiers

85. CONSTITUTION AMENDMENTS

Consideration was given to a report by the Executive Manager – Governance seeking to make a number of amendments to the Constitution. Councillors agreed the proposed amendments as set out in the appendices to the report.

RB

DECISION:

That the amendments detailed in Appendices A to F of the report be approved and the Constitution be amended accordingly.

86. NOMINATIONS FOR COMMITTEES AND OTHER SEATS AND PROPOSED CHANGES TO THE CONSTITUTION.

Performance Monitoring Panel - It was noted that Councillor Grocock would be replaced on this Panel by Councillor Whitbourn.

LE

87. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

There were no urgent items.

88. EXCLUSION OF THE PRESS AND PUBLIC

DECISION:

That, under section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Schedule 12 (A) of the Act.

SOUTH HOLLAND DISTRICT COUNCIL -
17 January 2018

89. INSOURCING OF CLEARANCE AND MAINTENANCE SERVICES - TUPE TRANSFER

The Council considered a report by the Portfolio Holder for Place and Executive Director – Place seeking approval for the insourcing of work.

ES

DECISION:

That the recommendations set out in the report be approved.

(The meeting ended at 19:20 p.m.)

(End of minutes)