

Shadow Executive (Cabinet)

Minutes of a meeting of the **Shadow Executive (Cabinet)** held on **Tuesday 10 July 2018** at **6.00 pm** in the **Council Chamber, District Offices, College Heath Road, Mildenhall, IP28 7EY**

Present: **Councillors**

Chairman John Griffiths (Leader of the Shadow Council)

Vice Chairman James Waters (Deputy Leader of the Shadow Council)

David Bowman
Ruth Bowman J.P.
Carol Bull
Andy Drummond
Stephen Edwards
Ian Houlder

Sara Mildmay-White
Robin Millar
Alaric Pugh
Joanna Rayner
Lance Stanbury
Peter Stevens

In attendance:
Simon Cole

4. **Apologies for Absence**

An apology for absence was received from Councillor Robert Everitt.

5. **Minutes**

The minutes from the meeting held on 5 June 2018 were confirmed as a correct record and signed by the Chairman.

6. **Open Forum**

No non-Cabinet Members in attendance wished to speak under this item.

7. **Public Participation**

There were no questions/statements from members of the public.

8. **West Suffolk Council - Setting the Strategic Context for the Development of the 2019/2020 Budget and Medium Term Financial Plans (Report No: EXC/SA/18/002)**

The Shadow Executive (Cabinet) considered this report which set out the strategic context (proposed principles, approach and timescales) for the development of the 2019/2020 budget and the medium term financial plans for the new West Suffolk Council from 1 April 2019.

On 12 June 2018, the West Suffolk Shadow Council had agreed the Single Council Implementation Plan which outlined how the functions and responsibilities of Forest Heath and St Edmundsbury Councils would transfer to the West Suffolk Council on 1 April 2019. The Shadow Council's responsibilities included the adoption of policy and strategy and to set a budget precept for the West Suffolk Council on 1 April 2019.

This report set out the strategy context against which the 2019/2020 budget and medium term financial plans were proposed to be developed between now and the formal Council Tax and budget meeting of the Shadow Council in February 2019.

The report also proposed that the West Suffolk Shadow Executive supported both the Leader and Deputy Leader (the Leaders) in writing to the Ministry for Housing, Communities and Local Government (MHCLG) on behalf of the West Suffolk Shadow Executive confirming the West Suffolk Council's plans for a seven year Council Tax harmonisation period, whilst also taking into account its Implementation Plan Five Key Principles.

Councillor Stephen Edwards also wished to express his thanks, at this stage, to the Finance Team for the production of these financial documents.

Therefore, it was:

RECOMMENDED TO SHADOW COUNCIL: (17 July 2018)

That:-

1. The West Suffolk Strategic Framework (subject to rebranding; wording changes from "councils" to "council" and other consequential amendments, which will be completed by Officers) as its Strategic Framework from 1 April 2019, be adopted.
2. Both the West Suffolk Medium Term Financial Strategy, contained at Appendix A and West Suffolk Capital Strategy contained at Appendix B to Report No: EXC/SA/18/002 as its strategic financial framework from 1 April 2019, be adopted.
3. The key principles and approach for the development of the 2019-2020 budget and medium term financial plans for West Suffolk Council as set out in Section 3 of Report No: EXC/SA/18/002, be supported, including the consideration of a further report (setting out the proposed approach to achieve

these principles) to the Joint Informal Performance and Audit Scrutiny Committee on 25 July 2018.

and

RESOLVED:

4. That both Leaders write to the Ministry of Housing, Communities and Local Government (MHCLG) on behalf of the West Suffolk Shadow Executive, confirming the West Suffolk Council's plans, taking into account its implementation plan five key principles for a seven year council tax harmonisation period.

9. **West Suffolk - Local Council Tax Reduction Scheme 2019/2020 (Report No: EXC/SA/18/003)**

The Shadow Executive (Cabinet) considered this report, which reviewed the West Suffolk Local Council Tax Reduction Scheme (LCTRS) and proposals to take effect from 1 April 2019.

Since 1 April 2013, St Edmundsbury and Forest Heath Councils had operated a Localised Council Tax Reduction Scheme (LCTRS) to replace the previous, centrally administered Council Tax Benefit. These initial schemes required working age claimants to pay 8.5% more of the council tax charge than previously. This requirement had been continued over the subsequent five financial years to 2018-2019. The Councils had also protected War Pensioners from the reduction in maximum benefit and removed the Second Adult Rebate for working age claimants.

Each year the Council was required to review its LCTRS and this report advised the Shadow Executive (Cabinet) about the conclusion of the 2018 annual review and the resultant proposals for the LCTRS to take effect from 1 April 2019 under the new West Suffolk Council.

Therefore, it was:

RECOMMENDED TO SHADOW COUNCIL: (17 July 2018)

That the West Suffolk Local Council Tax Reduction Scheme for West Suffolk be approved, to take effect from 1 April 2019 as attached at Appendix A and as detailed in Section 5 of Report No: EXC/SA/18/003.

10. **West Suffolk Council Tax Technical Changes - Including Empty Property Reliefs and Premiums Changes (Report No: EXC/SA/18/004)**

The Council's Monitoring Officer explained that this report would be addressing the issue of empty property relief. Therefore consideration would need to be given to the declaring of interests where Councillors were also landlords. The Monitoring Officer explained the principle that Councillors should not take part in a decision at a council meeting assessing a matter related to the general private sector housing market, where, at the time the decision was made, they would financially gain or lose as a landlord as a

result of the decision. Where Councillors considered that this applied to them, they should declare a local non-pecuniary interest.

The Monitoring Officer also explained that the Councils' Standards Committee would be considering, at their meeting on 16 July 2018, the awarding of dispensations which would then allow a Councillor to take part in discussion/voting where they had a disclosable pecuniary interest in this issue.

Councillor James Waters then declared a local non-pecuniary interest as a landlord in the private sector housing market and remained in the meeting, but did not participate in the discussion or voting thereon.

The Shadow Executive (Cabinet) considered this report which explained that since April 2013, Councils have had the discretion to charge up to 100% for some previously exempt properties; to charge up to 100% in respect of furnished empty properties (holiday homes); to charge up to 100% in respect of second homes and to charge up to 50% empty homes premium for properties that had been empty for over two years. In offering these new powers, the Government were seeking to influence owners to bring empty homes back into use, as well as the ability for councils to increase council tax income.

As part of the 2017 Government budget, it was announced that the Government would be implementing new flexibilities in respect of charging an additional 50% Council Tax on long term empty property premiums. It was anticipated that this would come into effect on 1 April 2019 and these powers would provide local authorities with the ability to implement a scheme that would enable 200% Council Tax charge on properties that had been empty for longer than two years (deemed as a long term empty property).

Paragraph 1.4 of the report set out the differences between the current schemes and the approach proposed for the West Suffolk Council. As the second homes element was already aligned, it had been proposed that this continued into the West Suffolk Council.

Therefore, it was:

RECOMMENDED TO SHADOW COUNCIL: (17 July 2018)

That:-

1. The West Suffolk Council Tax Technical Changes – Second Homes set out in Section 1.4 of Report No: EXC/SA/18/004, from 1 April 2019, be approved.
2. The West Suffolk Council Tax Technical Changes – Empty Property Reliefs as set out in Section 1.4 of Report No: EXC/SA/18/004, from 1 April 2019, be approved.
3. Subject to the coming into force of legislation accordingly on 1 April 2019, an additional 50% Council Tax premium on long term

properties raising the current premium to 200% as set out in Section 1.4 of Report No: EXC/SA/18/004, be approved.

11. **West Suffolk Discretionary Rate Relief Guidelines (Report No: EXC/SA/18/005)**

The Shadow Executive (Cabinet) considered this report which requested the approval of a West Suffolk Discretionary Rate Relief Scheme from 1 April 2019.

Business Rates legislation stipulated that some organisations qualified for 'Mandatory Rate Relief'. Examples of which include charities, organisations that meet the condition of Charitable Purpose and registered community amateur sports clubs. A further category of Mandatory Rural Rate Relief was also available to sole Post Offices, general stores in certain rural populations. Local authorities had the ability to grant Discretionary Rate Relief, either to 'top up' the Mandatory Rate Relief or to give Discretionary Rate Relief.

The guidelines for determining Relief were not intended to be a rigid set of rules. Neither were all the guidelines applicable to every organisation. Each case was judged on its merits, taking into account the contribution which each organisation/business made to the West Suffolk strategic priorities.

The proposed draft guidance, as set out in Appendix A, would become the West Suffolk Council Discretionary Rate Relief Guidance from 1 April 2019. It brought together the previous Forest Heath and St Edmundsbury schemes, with some changes to align areas where there were currently differences (as set out in Section 2 of the report).

The Shadow Executive were also informed of further additional wording, for inclusion within paragraph 33. of the proposed West Suffolk Discretionary Rate Relief Scheme, to take account of the Government's intention to double the Mandatory Rural Rate Relief. This proposed additional wording was circulated to the meeting for consideration by the Shadow Executive

Therefore, it was:

RESOLVED:

That the West Suffolk Discretionary Rate Relief Scheme, as set out at Appendix A to Report No: EXC/SA/18/005, be approved, subject to the following additional wording being inserted into paragraph 33.:-

'Government are intending to double Mandatory Rural Rate Relief to 100%. Legislation will be passed in due course. However, in the meantime, Government have funded local authorities to award 50% Discretionary Relief where an organisation qualifies for 50% Mandatory Relief. Therefore, properties that qualify for Mandatory Relief will also be awarded 50% Discretionary relief.'

12. **Shadow Executive (Cabinet) Decisions Plan: 1 July 2018 to 6 May 2019 (Report No: EXC/SA/18/006)**

The Shadow Executive (Cabinet) considered this report which was the Shadow Executive (Cabinet) Decisions Plan covering the period 1 July 2018 to 6 May 2019.

Members took the opportunity to review the intended forthcoming decisions of the Shadow Executive (Cabinet). However, no further information or amendments were requested on this occasion.

The Meeting concluded at 6.32 pm

Signed by:

Chairman
