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Arthur Charvonia

Chief Executive

Babergh District Council

Endeavour House, 8 Russell Road, Ipswich IP1 2BX

DX NO: 85055 Exchange: Babergh

Website: www.babergh.gov.uk

TO: THE CHAIRMAN AND MEMBERS OF
BABERGH DISTRICT COUNCIL

Dear Sir/Madam

A Meeting of the Babergh District Council will be held in the King Edmund Chamber - Endeavour House, 8 Russell Road, Ipswich on **Tuesday, 19 June 2018 at 5.30 pm**

For those wishing to attend, prayers will be said at 5:25 p.m. prior to the commencement of the Council meeting.

Yours faithfully

Arthur Charvonia
Chief Executive

The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded.

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AGENDA

PART 1

ITEM	BUSINESS	Page(s)
1	<u>APOLOGIES FOR ABSENCE</u> To receive apologies for absence.	
2	<u>DECLARATION OF INTERESTS BY COUNCILLORS</u>	
3	<u>BC/18/6 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 24 APRIL 2018</u>	1 - 24
4	<u>BC/18/7 TO CONFIRM THE MINUTES OF THE ANNUAL MEETING HELD ON 22 MAY 2018</u>	25 - 30
5	<u>ANNOUNCEMENTS FROM THE CHAIRMAN AND LEADER</u>	
6	<u>TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES</u> In accordance with Council Procedure Rule No. 10, the Chief Executive will report the receipt of any petitions. There can be no debate or comment upon these matters at the Council meeting.	
7	<u>QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES</u> The Chairmen of Committees to answer any questions by the public of which notice has been given no later than midday three clear working days before the day of the meeting in accordance with Council Procedure Rule No. 11.	
8	<u>QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES</u> The Chairman of the Council, the Chairmen of Committees and Sub-Committees and Portfolio Holders to answer any questions on any matters in relation to which the Council has powers or duties or which affect the District of which due notice has been given in accordance with Council Procedure Rule No. 12.	
9	<u>BC/18/8 RECOMMENDATION FROM THE INDEPENDENT REMUNERATION PANEL</u> Independent Remuneration Panel	31 - 56

ITEM	BUSINESS	
		<u>Page(s)</u>
10	<u>BC/18/9 DISBANDMENT OF JOINT HOUSING BOARD</u> Cabinet Member for Housing	57 - 60
11	<u>APPOINTMENTS</u> To note the following appointment: Planning Committee Michael Creffield (replacing Sue Ayres)	
12	<u>BC/18/10 BABERGH DC HQ REGENERATION PROJECT - APPROVAL OF RECOMMENDED OPTION (Part 1)</u> Cabinet Member for Assets and Investments	61 - 128
13	<u>EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)</u> To consider whether, pursuant to Part 1 of Schedule 12A of the Local Government Act 1972, the public should be excluded from the meeting for the business specified below on the grounds that if the public were present during these items, it is likely that there would be the disclosure to them of exempt information as indicated against each item. The author(s) of the report(s) proposed to be considered in Part 2 of the Agenda are satisfied that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	
PART 2		
14	<u>BC/18/10 BABERGH DC HQ REGENERATION PROJECT - APPROVAL OF RECOMMENDED OPTION (Part 2) (Exempt information by virtue of Paragraph 1 of Part 1)</u> Cabinet Member for Assets and Investments	129 - 154
15	<u>BC/18/11 TO CONFIRM THE CONFIDENTIAL MINUTE OF 24 APRIL 2018 MEETING</u>	155 - 158

Note: The date of the next meeting is Tuesday 24 July 2018 at 6.00 p.m.

Introduction to Public Meetings

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2. Follow the signs directing you to the Fire Exits at each end of the floor.
3. Do not enter the Atrium (Ground Floor area and walkways). If you are in the Atrium at the time of the Alarm, follow the signs to the nearest Fire Exit.
4. Use the stairs, not the lifts.
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Agenda Item 3

BABERGH DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE BABERGH COUNCIL HELD IN KING EDMUND CHAMBER - ENDEAVOUR HOUSE, 8 RUSSELL ROAD, IPSWICH ON TUESDAY, 24 APRIL 2018

PRESENT: Peter Burgoyne - Chairman

Clive Arthey	Sue Ayres
Melanie Barrett	Simon Barrett
Tony Bavington	Peter Beer
Sue Burgoyne	Tom Burrows
David Busby	Tina Campbell
Sue Carpendale	Michael Creffield
Luke Cresswell	Derek Davis
Siân Dawson	Alan Ferguson
Kathryn Grandon	John Hinton
Michael Holt	Bryn Hurren
Jennie Jenkins	Richard Kemp
Margaret Maybury	Alastair McCraw
Mark Newman	John Nunn
Adrian Osborne	Jan Osborne
Lee Parker	Peter Patrick
Stephen Plumb	Nick Ridley
David Rose	William Shropshire
Ray Smith	Fenella Swan
John Ward	

39 APOLOGIES FOR ABSENCE

39.1 Apologies for absence were received from Councillor Gasper, Councillor Lawrenson, Councillor Long, Councillor Steer and Councillor Williams.

40 DECLARATION OF INTERESTS BY COUNCILLORS

40.1 There were no declarations of interest.

41 BC/17/31 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 20 FEBRUARY 2018

It was Resolved:-

That subject to pages 14 and 16 being amended to read Councillor A Bavington the Minutes were approved as a true record.

42 BC/17/32 ANNOUNCEMENTS FROM THE CHAIRMAN AND LEADER

42.1 The Leader reported that the Chief Executive, the Assistant Director for Planning and himself had attended a meeting arranged by James Cartlidge MP with Sajid Javid to discuss housing delivery.

A two-page briefing had been prepared to explain the current situation and contained information about the applications the Council had approved, houses built and major stalled sites, along with an explanation of why the Council didn't have a 5-year land supply and what the Council was currently doing about it with a list of things the Council would like or need.

42.2 Sajid Javid had agreed to help with three of these, which could prove to be very useful for the Council. These were:

1. To assist the Council should it wish to implement a CPO against a stalled site.
2. To assist the Council with expediting the new Joint Local Plan.
3. To support the Council if it were able to put together a local housing deal with partners (e.g the wider Ipswich HMA) to increase the HRA borrowing headroom.

42.3 The Leader added that he felt that this was a good meeting and he would be keeping in communication with the Minister about progressing these items.

42.4 The Leader reminded the Council about the presentation of the iESE 2018 Public Sector Transformation Awards that was taking place at 10.30am on Tuesday 1st May.

42.5 The Leader also took the opportunity to welcome Cllrs Davis and Lawrenson to the Cabinet and thanked Cllr Parker for his contribution to Cabinet.

43 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

43.1 There were no petitions reported to Council.

44 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

44.1 There were no questions submitted from the public.

45 QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

45.1 Questions were asked in accordance with Council Procedure Rule No.12.

45.2 The Chairman informed Council that in the absence of Councillor Williams a written response would be circulated.

Question 1

Councillor Williams to Councillor Ridley (Cabinet Member for Assets and Investments)

1. Please supply a full copy of the Asset register of Babergh District Council before the office move to Needham Market and Endeavour

House, itemising description and book values for each.

2. Please supply a full copy of the Asset register of Babergh District Council after the office move to Needham Market and Endeavour House to the current date itemising description and book values for each.
3. Please supply a full listing of the Assets appearing in 1 above but not 2, along with:
 - 3.1 Their current location and to whom sold and/or donated by full name and address;
 - 3.2 If sold, the amount agreed as consideration and the amount paid; and a full explanation as to why assets were given away or sold at less than book value.
4. Whether any assets in 3 above could be recovered and at what cost.
5. Whether there are any assets now held in Hadleigh, Needham Market and Endeavour House and if so please supply a full description with their acquisition cost and current book values.
6. Can you please supply also:
 - 6.1 The cost of the move to Endeavour House in actual terms with a breakdown; (A)
 - 6.2 The current annual running costs of operating from Endeavour House; (B)
 - 6.3 The annual running costs of operating from Corks Lane in its final full financial year (C); and
 - 6.4 The projected annual saving or loss (D) where:
$$(A + B) - (C) = D$$
 - 6.5 The projected saving or loss over the next 5 years.
 - 6.6 The projected costs of a return to Corks Lane.
 - 6.7 The projected annual loss to the economy of the move from Corks Lane to Endeavour House for:
 - 6.7.1 Hadleigh
 - 6.7.2 Babergh District
 - 6.8 The extent to which the Council analysed the data available to it whether in actual or projected terms) in 6 (but not 6.6) above before deciding to move to Endeavour House.

6.9 Details of any reports commissioned as to the effect on the community and its views of the move to Endeavour House and all conclusions drawn therein on the representational benefits /disbenefits of operating the HQ of Babergh District Council outside and from one end of the constituency (Ipswich).

6.10 When I attended the Joint Audit and Standards Committee on 12th March I was made aware that Babergh Residents in large numbers were turning up at Endeavour House expecting to have their issues dealt with. They were being told to go to Stowmarket and Sudbury. I discovered this by listening to the complaints in the queue of people before me and by questioning the receptionist. I find this entirely unsatisfactory. When will the initiative be taken to reposition our HQ back into our District and in a Central location?"

Response Councillor Ridley (Cabinet Member for Assets and Investments)

Question 1 – 5 - Please refer to the attached written response from Councillor Ridley on 20th February 2018, which was the same response provided by the Officer at the Joint Audit and Standards meeting on the 12th March 2018.

Question 6.1 – 6.5 - Please refer to report BOS/17/37 All Together Programme, presented to Babergh Overview and Scrutiny Committee on 19th March 2018.

Question 6.6 – 8 - Please refer to the attached written response from Councillor Ridley on 20th February 2018.

Response Question 6.9 Councillor Davis (Cabinet Member for Organisational Delivery)

I welcome Cllr Williams' question and share his concerns and to a lesser degree his experience with Babergh residents not being able to access officers.

Indeed having to make a two hour bus journey to get to Stowmarket or Sudbury from the outer reaches of the district, such as Shotley or Brantham, and it is not much quicker from East Bergholt is not the service we should be providing.

Following a question from Cllr Creswell at cabinet recently it was resolved that we shall look at the viability of a cut down service in Hadleigh and perhaps then rolling a similar service out to other areas within the district.

Hopefully we can find a way of providing an even better service than before the move to Endeavour House.

We are currently reviewing our Customer Access Strategy and will be reporting back to Cabinet in July. We are committed to providing excellent customer services and so are exploring, through this review, how to take advantage of other opportunities to provide further self-service facilities across the district.

We have asked the Facilities Management company Vertas, who are responsible for managing Endeavour House reception, to record details of the number of Babergh & Mid Suffolk customers presenting at Endeavour House and the nature of their enquiries. This will allow us to monitor the situation accurately and respond accordingly. Although we have not designed Endeavour House to be a customer service centre, we will of course support customers coming here, without them needing to re-present at Stowmarket or Sudbury.

As for relocating back into the district, as much as many people may prefer that. It is highly unlikely in the foreseeable future. More detailed plans for the re-use of the Corks Lane site have also been consulted on recently and will be coming to Councillors for decisions in the next few months. In all the circumstances, therefore, and having signed a 10-year lease with Suffolk County Council, it would not be prudent to move our HQ again, within six months of moving to Endeavour House.

Question 2

Councillor Bavington to Councillor Osborne (Deputy Leader and Cabinet Member for Housing)

1. What is the total number of empty homes in the Babergh District?

Response:- 319 empty six months plus, correct at end Feb 18. These are 'normal' empties and do not include those going through probate, people in hospital/care etc.

2. How many have been vacant for two years or more?

Response:- 84

3. How many have been vacant for five years or more?

Response:- 0

4. How many have been vacant for ten years or more?

Response:- 0

5. How many of the total have been brought back into use?

Response:- In respect to the total number of properties brought back in to use, between April 2017 and February 2018, the number of short term empty properties, has increased. The difference between those empty six months to two years between March 2017 and February 2018 rose by 55 as an accumulative.

For those properties empty more than 2 years, 29 were returned to use between April 2017 to Feb 2018.

For further information, of those empty more than 2 years, in the year 2015/16, 47 properties were returned to use and in 2016/17, 64 properties were returned to use.

6. How many EMDOs have been made in the last year? How many cases were prepared and what stage of preparation did they reach and why were they not proceeded with?

Response:-

0. For info, cases were prepared for Compulsory Purchase Orders, but these did not proceed.

An Empty Dwelling Management Order is a piece of legislation which allows Local Authorities to take over the management of an empty property where the following criteria can be proven:

- The property has been wholly unoccupied for at least 6months
- There is no reasonable prospect of the property being returned to use by the owner
- The property is a habitable standard or can be made habitable at a 'reasonable cost'
- The LA can demonstrate that the property will be occupied following the EDMO.

The LA must apply to a Residential Property Tribunal to secure an EDMO and are seen as a last resort when returning properties back to use. They can be in place no more than 7 years.

The legislation is complex and difficult to use which is why nationally they are seldom used.

BDC use advice and guidance together with financial assistance to encourage owners of empty properties to return them to use.

7. What is the present total number of families on our waiting list and how many of those families might be housed if EMDOs were made on all homes that fall under this power? Can you confirm how many households might be housed?

Response:- 927 households on Babergh's housing register

It would be impossible to answer this question without knowing exact property details of each empty together with family size of those on the waiting list, not to mention whether the empty properties were in the location requested by those on the waiting list.

Supplementary Question:-

Can the Portfolio holder confirm that EDMO's have actually been considered and have been rejected and does she continue to monitor the situation to see whether it would be appropriate in any particular circumstances to use one.

Response from Councillor Osborne Cabinet Member for Housing:

They have been considered but because of the complex legislation and the failure sometimes to get them through and also to take into consideration that those properties can only be occupied under that order for a period of seven years, Babergh haven't taken them up. There is no reason why we cannot look at that again and in fact under the development of the new housing strategy that is something we can look at and take into consideration on how we actively and innovatively work to bring empty properties into occupation. A lot of work has been done by the homeless team as well as with private landlords to assist in the new Homelessness Act and to make sure the Council is compliant. I would be happy to meet with you at a later date to discuss in detail the work that is being done.

Question 3

Councillor Shropshire to Councillor Ward (Cabinet Member for Economy)

- a) How much does it cost to run the Lavenham Tourist Information Centre (TIC)?
- b) How much money, (sensible estimation will suffice), that Tourism in Lavenham brings into the local economy?
- c) How many jobs in Lavenham are supported by Tourism?

Response

- a) **Lavenham TIC consistently runs at an overall deficit of around £60k net annual cost to Babergh DC (net cost projection of £57,320 for 18/19). This amount does not include Finance Team calculated recharges estimated at £43,250 for 18/19. That would make a total overall annual cost of £100,570 for 18/19.**
- b) **We commission annual district wide 'Volume and Value' data on Economic Impact of Tourism. We last sought a specific destination and market town drill down of this study in 2015 (which included Lavenham), as it is quite costly.**

This concluded that Lavenham generated a total direct and direct tourism value of £6.51m to the local economy, with Babergh overall generating £183.86m.

- c) That same study indicated 113 FTE jobs directly related to tourism for Lavenham (out of 2990 FTE all of Babergh), and 155 as all tourism related FTE for Lavenham (out of 4174 all Babergh).**

Supplementary Question from Councillor Shropshire

When somewhere like Lavenham which relies so heavily on tourism, would it not be a sensible suggestion for those facts to be given to both the district councillor and perhaps the parish council before decisions are made so that the ease of the decision can be fed into the community rather than being told one day that the information centre is being shut?

Response

Thank you the paper that went to Cabinet was a restrictive paper because of the HR implications, once the decision was taken the information was then provided.

Question 4

Councillor Hinton to Councillor Ward (Leader of the Council)

As the “Merger” has been put on hold for the foreseeable future, and there was a motion passed by Babergh Council in December 2017 forbidding the expenditure of any monies or officer time on merger work in the financial year 2018 – 2019, how has the “Draft business case” on Merger recently circulated been financed and how much has actually been spent in financial and officer time (we are after all a joint officer structure with apportioned cost, but separate constitutional and financial bodies,) on the 82 page document?

Response from the Leader of the Council:

The draft business case, which has been circulated to all Councillors for information, was developed in accordance with the decision of Cabinet on 7 December 2017.

No direct costs have been incurred in drafting the business case. Staff time has of course been used to draft the business case but as officers do not record their time it is not possible to quantify this with any accuracy however apart from the recent publication on the website the costs of preparation of the business case was incurred in the financial year 2017 to 18.

Supplementary

Bearing in mind in the answer to the previous question which stated that £43K was recharges for the Lavenham TIC for officers time. How is it that they can work out officers time spent on something like the TIC but something like an 82 page document for a business case they are unable to. Added to which it does state on the first line of the business case that Babergh and Mid Suffolk have prepared this business case to test the opinion of generating a new single Council, they were already testing that opinion with a telephone survey.

Response:

To answer the second part of that the business case was and the telephone survey were quite clearly stated as being two separate parts of the work we were doing to evaluate the viability and case for merger so they were separate and they were always intended to be two different and separate activities, starting with the telephone survey and continuing on with the business case, one informing the other. In terms of the officer time, with the Lavenham TIC that and a number of other service areas have been broken down in terms of their recharges but that hasn't been possible with the business case simply because the way the work was carried out and the case was prepared but as I did state earlier that time was principally almost exclusively incurred in the financial year 2017/18 where the motion doesn't apply.

46 TO RECEIVE REPORTS FROM CABINET MEMBERS

- 46.1 Councillor Ward introduced the reports and informed Council that the presentation of the quarterly Cabinet member reports was an initiative that both Council Cabinets had agreed to provide in order to improve information about what each Portfolio was doing. The reports were for information only but Councillor Ward invited questions from Councillors and said that these would either be answered now or in writing or Councillors could approach the portfolio holders for a 1:1 discussion if required.

Questions

Question 1: Councillor Bavington to Councillor Ward

In the Timetable of meetings 2017/18 a Babergh District Council Cabinet Briefing is shown and is taking place about two weeks before each Cabinet meeting please tell the Council in as much detail as possible what form these briefings take, for example but not exclusively do they consist of a cosy fireside chat between the Cabinet and the Chief Executive without papers or other officers present or do they replicate the full Executive arrangements for a committee or a cabinet with a full range of officers present, a written agenda and written papers, or something in between. If written papers and agendas are involved are these subject or have they been subject of freedom of information requests?

Response from Councillor Ward, Leader of the Council:

In many respects Cabinet briefings are exactly what they say on the tin. They are an informal opportunity for Cabinet Members to collectively discuss emerging ideas or work that they may have been developing in principle with their respective Assistant Directors so there is collective accountability by the Cabinet. The meetings themselves are usually attended by the Chief Executive, the Strategic Directors and then relevant Assistant Directors depending on the topics under discussion. The meeting usually takes 3 forms, firstly to review draft Cabinet reports just prior to publication, secondly to ensure work scheduled in the forthcoming decisions list is on track, and thirdly to provide opportunity to consider other items that the Cabinet would like to see on the forthcoming decisions list in future. The papers involved in the meetings are not subject to the FOI process under the exemption of necessity to hold a full and frank discussion on their contents.

Question 2: Councillor Bavington to Councillor Ward

In the Timetable of meetings 2018/19 the current year a BDC briefing is not shown as taking place about two weeks before each cabinet meeting, does this mean 1. cabinet briefings will no longer take place from May 2018 perhaps that should be April. 2. If not how will Cabinet Members manage without briefings from officers. 3. If so what is there form again in full detail as above and 4. if so why are the meeting dates not shown on the timetable of meetings. Are they to become so secret that we the elected members of the council may not even know they are taking place?

Response from Councillor Ward, Leader of the Council:

Cllr Bavington there is no conspiracy of secrecy I can assure you. As I have explained the purpose of the Cabinet briefings it is clear that they are an essential part of the process and will remain an the essential part of the process but the Cabinet briefings are both on the 2017/18 and 2018/19 Timetables on Connect for information for Councillors and officers, however they are not on the public version on the website as they are not public meetings.

Supplementary Question

Well they are not on the calendar of meetings paper that I was given and I am old enough to have a fireside and to rely upon the papers that I am sent. I happen to have a copy of the cabinet briefing papers for a meeting some time ago and of course I cannot reveal my sources to how I came by that but it appears to me to be a complete pre-cabinet piece. It has an agenda it has apologies it has papers it has minutes it has everything else and it seems to me particularly having attended many cabinet meetings and heard cabinet members saying I have nothing to say in this meeting I am happy with the briefing that I have had, it seems to me that this is full cabinet in secret, I don't think we should be doing that, I don't think the law should allow us to do that, and I think we should have cabinet meetings that actually take place in public and are real meetings taking in public, don't you think so?

Response from Councillor Ward, Leader of the Council:

Yes I do and we do have real Cabinet meetings with Cabinet decisions that take place in public but I will draw your attention to the first purpose of the briefing and that is to review the draft cabinet reports just prior to their publication so obviously we are going to have a full set of Cabinet papers but they are only draft Cabinet papers and quite frequently there are changes to those before the actual Cabinet meeting itself.

Question 3: Councillor S Barrett to Councillor Ward, Leader of the Council

I was surprised at the announcement regarding Lavenham TIC where did this decision come from it wasn't on the work programme - does the Cabinet know what it is doing?

Response from Councillor Ward, Leader of the Council:

The issue regarding the Lavenham TIC was on the Forward Plan for Cabinet, it was a pink paper because there were sensitive issues that we had to discuss with the staff but having done that we have informed Members including the ward Member and in terms of the overall tourist strategy yes we are working on an overall tourism strategy but the future of one TIC is only a small part of that, there is a wider tourism strategy and as you have heard from me earlier there are considerable savings to be made from the Lavenham TIC there is no justification for continuing it in its present form and I am sure if you were still Cabinet Member for the Economy you would be supporting that decision. We are looking at alternative tourist information provision just as I stated earlier other Councils elsewhere are doing and we will have something in place for Lavenham.

Question 4: Councillor Ferguson to Councillor Campbell, Cabinet Member for Environment

What assurances can you give me and the context of the option for extending the SERCO contract by 7 years. Anyone who reads the papers at the moment will see that Capita is in serious problems they are outsourcing, SERCO have had their own problems with outsourcing so a 7 year commitment to SERCO for this particular service I think would be unwise it would be cavalier this is a low margin business and I would judge it to high risk, even though they are only providing the manpower so what I would like to know from the Cabinet Member is what risk analysis she has done and if I can read from something in the paper this morning – local authorities have said they have contingency plans in place should suppliers run into financial difficulties that is exactly what is happened with Capita this week, I can see that happening potentially with SERCO because SERCO has been there before so I would like to know what contingency plans we have in place and I would like to know what price indexation has been put in place for the next 7 years on that contract to make sure the SERCO is adequately covered for salaries which it is difficult to predict at the best of times?

Response from Councillor Campbell, Cabinet Member for Environment:

We are going to be looking at three options, one is to retain the contract which is under review at the moment with new routes being worked out, to take the service inhouse or to partnership with another neighbouring Council. This will take a while to work out the contract isn't due until April 2019 and it will be a 2-year process. I can't give you answers to the other questions off hand but I will get back to you on it.

Question 5: Councillor Hinton to Councillor Ridley, Cabinet Member for Planning

I shall be addressing agenda item 8 CMU1 with comments on page 21 and 22 concerning the disposal and potential regeneration of the old Council offices at Corks Lane. Basically the final preferred plan as it states at the top of page 22 will be put before councillors for their approval and authority for officers to submit a planning application, will that include unlike the papers that have been put before the public any form of justification as to why option 2 rather than options 1 or 3 has been chosen because at the moment it seems like a rather arbitrary allocation of the options and it is says that the plans are progressing well so presumably they have got that information and that should be available to us.

Response from Councillor Ridley, Cabinet Member for Planning:

As Cllr Hinton will know there have been 2 consultations with people in Hadleigh and I understand that those have been very positive I have to say in favour of what is being put forward as the likely application to that particular site. There was I believe a meeting this morning which I was not at which I think our Leader was at which again was on this particular issue and I am perfectly satisfied that we are looking in a proper way at all the options and that the option that we have before us is one that we have looked at after proper advice has been given. Quite clearly we need to take a decision and in order to take that decision we shall have to resubmit a planning application eventually but it will come before the full Council before we in fact go out to submit it to a planning application. I think the timetable is probably planning for some time in the early autumn, that is all I can tell you at the moment.

Question 6: Councillor Hinton to Councillor Campbell, Cabinet Member for Environment

On CMU4 page 33 where under 3.4 environmental protection and environmental management there is a whole paragraph starting BEE Anglia Business Energy Efficiency Anglia through our membership of Suffolk climate change partnership Mid Suffolk businesses have benefitted it goes on to talk about lots of businesses mainly in Mid Suffolk there is not one single mention of Babergh district council anyway on the rest of that page. Could she explain why that is the case and does that we mean that we have actually done nothing in Babergh and if so what have we been doing with our time?

Response from Councillor Campbell, Cabinet Member for the Environment:

The paragraph begins by saying that officers are leading a project to obtain 100% grant from Highways England for the 20-mile interval rapid charging points for electric vehicles, so they have been working on that. There is plenty going on here and I am bit baffled by the question. There is work on the national grid we have been looking at battery storage in the leisure centre which is coming up soon, several things are being looked at to make the whole area more energy efficient as you know the housing has had solar panels put on. There is plenty going on with fly tipping, litter prevention, there has been £10K to go towards a scheme to try to prevent the litter that collects along the highways but basically that goes down to education and we need to have a policy in place to prevent this and educate people to take pride in their environment.

Supplementary Question

On page 33 starting on para 3.4, the second paragraph of that yes there are going to be rapid charging points put along the A11 none of it in our district, A14 very little of it in our district it skirts one part of it, A12 yes it comes up through I don't know how many electric charging points we are going to have on that stretch between the Essex border and Copdock Mill. That is the first paragraph but it then goes on to talk about the business energy efficiency Anglia and talks about Mid Suffolk businesses benefitting, it talks about grants being put out 35 businesses in Mid Suffolk have received free audits, there is not one single mention of Babergh, the climate change partnership, SCCP in brackets, Mid Suffolk District Council together with other Suffolk authorities have been awarded almost 2.8 million. No mention of Babergh. Is this a report that was destined for Council at Mid Suffolk or it is supposed to be a report for us?

Question 7: Councillor Busby to Councillor Patrick, Cabinet Member for Finance

CMU5 on page 37, which is for Cllr Patrick, 3.4 at the bottom, we are talking about the 3rd quarter so that is ending September to December, even December is four months out of date, but here we are we are talking about it, just in one line there is £1.227 million favourable variants on our general fund. I thought we were short of money. £1.227 million variants how many percentage points on council tax is that at £50K equalling 1%, that is a lot of variants, I think it deserves a bit more of an explanation than we were lucky, and we have just put into the pot somewhere.

Response from Councillor Patrick, Cabinet Member for Finance:

I think it should be understood Chairman that we were asked to produce reports on the activities which we as a Cabinet have been undertaking in the 6-9 months up until the time of the publication of these reports which was at least a month ago. And a lot of background data has been included in it for the edification of Members opposite and for our back benchers, so if they often wonder what we have been doing with our time and indeed what the officers have been doing with their time we have been trying to put something together and there is an awful lot of stuff here.

Now had the worthy Councillor attended the Cabinet meeting on 8 March he might have been there I don't know, but if he comes to these Cabinet meetings and see's our progress reports, Cllr Anthony Bavington certainly comes, you will understand how the movement of monies progresses and how we deal with it quarter to quarter and in fact at the next Cabinet meeting we will be having our out-turn for the year, please do come. This £1.227 million favourable variants, admirable that it is I am afraid it is already accounted for, we have had to allocate to cover deficits elsewhere, we have put monies aside to cover known deficits and to be prepared for areas of expenditure where we do actually have a reasonable expectation of problems so we are being careful and sound as I hope you would expect a good chartered accountant to be.

Question 8: Councillor Hurren to Councillor Campbell, Cabinet Member for the Environment

CMU4, 3.7 second paragraph, the food and safety service involved in an investigation into 3 linked cases of legionnaires disease, could we possibly know a little more about this, are they all on the same premises is it 3 different places and could we have an update please of where we are with that.

Response from Councillor Campbell, Cabinet Member for the Environment:

Anywhere there is water and the public are involved the water must be run for 30 seconds because legionnaires exists in that and it is like a flu virus so everywhere where the public comes in all these water facilities have to be tested, it is there everywhere, I have actually done the training and I would advise everyone even getting into your own shower in the morning run it for 30 seconds before you use it, there is nothing we can do about it, it is something that exists as a microcosm. It has been cleared, there was a scare at one particular place but I think it has all been resolved and these are stringent tests it is something that we have to be extremely careful about it and I would urge every individual to always take these precautions.

Question 9: Councillor Hurren to Councillor Patrick

CMU5, 4.8 the conditions of working together staff survey Peter. I would love to know what the questions were and I would love to have a more detailed report of the answers, is it possible to have that may I ask?

Response from Councillor Patrick, Cabinet Member for Finance:

Yes you may ask Cllr, the responses are currently being considered by the Senior Leadership Team, they will then be discussed with members of staff and they will be made available to yourselves in due course, probably in two months' time.

Supplementary Question

The first part of the questions Chairman was could I be informed of what the questions actually were, how was this phased? You can ask genuine questions of staff in the form of a consultation or it could be one of these more Comres types things which I feel I would be quite unhappy with and I would state as a long term

Councillor who knows a lot of staff and does walk the floor a bit, I can tell you that probably in excess of 50% of our staff in the customer access points are seeking other jobs. Now that is a quite a serious statement to make and I think that shows a high level of dissatisfaction amongst those we employ. I notice in the annual statement in the pictures there was a picture of a lorry saying we have moved to Endeavour House, but it didn't show what had fallen off the lorry did it and I would be very interested to know the result of this survey amongst our staff and I would definitely like to see the questions and how they were served.

Response from the Chief Executive:

I just wanted to give some reassurance to Councillors I have got absolutely no vested interest in asking staff any questions that don't illicit honest and detailed answers so we can learn, develop and grow as an organisation. The questions asked were long, there were lots of them, they were carefully asked in a way that wouldn't provide any leading answers and also provide detailed balanced answers so people could respond for example do they strongly agree with issues or do they strongly disagree with issues or honestly did they not know either way. In addition to that free text so that they could give full detailed answers in relation to every single question, that's why it is going to take some time to properly analyse it. I don't know when we last held a staff survey, there certainly hasn't been one since I have been here. I think it is a positive step forward and the intention is that we learn from that in order to make sure that we continue to improve how we operate. I don't know where the stats come from in terms of customer access points and 50% looking for new jobs. I don't recognise that in any way shape or form, if it is true I am more than more than happy to talk to those staff but as I say I don't recognise that in any way, shape or form. Not least because as you will be aware for example the customer access staff in Sudbury are not our employees.

Question 10: Councillor McCraw to Councillor Patrick

CMU5, in paragraphs 3.6 to 3.10 the paper refers to the business rates revaluation grant. I don't know if any other Members have had dealings with the VOA during the business rates revaluation in the course of last year, a very complicated process and one of the areas that was primarily hit, this is a necessary preamble by the way Mr Chairman, there will be a question. One of the primary areas hit was in the hospitality industry, I have one particular business within my ward which saw its base business rate quadrupled although with the application of a multiplier of 0.5% or around that, it only came up to just more than doubling it. I note that this paper refers to the money available nationally, the paper suggests in 3.8 that it has proven difficult to allocate all the grant. I would suggest and I would like to ask if this can be addressed, that one of the reasons it might have been difficult to allocate all the grant was that I don't think Members were made aware of the possibilities of this relief available to the businesses within their wards and I would like to ask Cllr Patrick if that information, and the process by which we would claim it for any businesses severely affected, could be made known to Members.

Response from Councillor Patrick, Cabinet Member for Finance:

I can assure you as one of the Members representing this Council on the Shared Revenues Partnership a considerable amount of time and effort was put in to making sure that this money provided by the government was actually dispersed and in the end approximately 170 businesses benefitted from the money we managed to actually disperse, the biggest amounts refunded were about £17K, there were an awful lot in the range of £1K to £3K but in some cases down to as little as £10 or £3 but we did manage to expend the money which we were intending to do. But I have to say when the matter was first tackled we found that we had too much left over so we have been bending over backwards to make sure that the money was properly dispersed and so companies, businesses that were not originally first in line to receive have been able to do so.

Supplementary Question

Can I ask Cllr Patrick how ward Members were involved in this process on the basis of our local knowledge?

Response:

I don't think that comes into it Councillor.

Question 12 Councillor Ferguson to the Chief Executive

It is page 34 of the document pack sent to Members. This page really to me is just full of alarm and warning bells, it is all about people, it says planning enforcement we have lost two senior officers but we can't recruit, Heritage services also lost two members of staff and can't recruit. There are IT failures with the new IDOX, the food & safety people are struggling with lack of touchdown points in Mid Suffolk. it says the neighbourhood plans officer hasn't been recruited because we couldn't get one of those and I believe that our planning teams are already light. So huge alarm bells to me and my question is whether it is to the Cabinet Member or the Chief Executive, I don't mind who answers it. I am looking for what light we have at the end of this tunnel, it would seem to me that all of these problems have come on us since we decided and moved down here rather than staying up in Hadleigh, so my question is what light do we have at the end of the tunnel that we are going to get over these huge manpower difficulties in recruiting people that we seem to have at the moment?

Response from the Chief Executive:

In terms of recruitment issues the challenges are very specific to planning and they are not new, they have got nothing to do with moving to Endeavour House. If you go back over a period of time for a long period we have struggled in terms of planning, that is not just an issue for Babergh or Mid Suffolk, it is an issue nationally. There is shortage of planners and so what you will see is a twofold element happening whereby planners are both moving between local authorities, which is not to be unexpected particularly as local authorities increase their pay to try and attract the limited resource but what you will also see is planners leaching, moving into the private sector

as well so we are attempting to do lots of things in that regard we have been more successful in recent times. As you identified, this report is a backwards look and was published as of March. We have been more successful in recruiting planners more recently but for the longer term Suffolk is working together as part of a graduate scheme to grow our own, so clearly that is a positive move that will take time as you would expect and clearly it is not just about recruitment it is about retention as well and so there is also other work underway across the board not just in relation to planning but for the whole organisation looking at how we can provide better reward and recognition scheme so it is not all about pay it is about the wider offer and opportunity that we provide to staff so that people not only want to come and work here in the first place but they also want to stay with us having made that decision. So there is light at the end of the tunnel but as you would expect at any point in time with the variety of services that we deliver and the variety of professions that we cover there will be some pinch points and at the moment planning in particular is one of those.

47 BC/17/33 COMMUNITY INFRASTRUCTURE LEVY (CIL) - CIL EXPENDITURE FRAMEWORK

- 47.1 Councillor Ridley introduced the report and **MOVED** the recommendations within it. He informed Council that it had been essential that a detailed expenditure framework was developed and a cross party Panel was set up to develop the proposed scheme. Some of the Panel's key outcomes was resolving the difference between strategic and local infrastructure and the amount of CIL money to be saved. The Panel had also agreed a communications strategy and timetable for delivery.
- 47.2 Councillor Ward seconded the report and reserved the right to speak.
- 47.3 Councillor Arthey stated that as a member of the Panel he had felt that it was an excellent piece of work and thanked the staff involved in the process for their hard work and support of the work of the Panel.
- 47.4 Councillor Busby welcomed the fact that ward Members would be involved in the process and asked if the 5% that the Council would receive for administration costs could be used to fund feasibility studies and infrastructure work?
- 47.6 In response the Key Sites and infrastructure Officer stated that the 5% CIL admin costs are already factored in against staff costs so had already been allocated. The Panel had discussed the issue of feasibility studies and had agreed that a feasibility study would not guarantee whether the project would actually come forward for a bid and that would therefore mean that money could therefore be wasted. However, there will be a review of the scheme and that could be revisited when that happens.
- 47.7 Councillor Bavington queried paragraph 4.2 in the report and asked if the 15% and 25% residual percentage that went to the Council were required by the government or whether it was a choice the Council had made at some point?

- 47.8 In response Councillor Ridley confirmed that it was part of the CIL regulations.
- 47.9 Councillor Hinton felt that in appendix A bullet point 2.1 the paragraph was very wordy and asked when applications came before the Planning Committee where an ask of the 1, 2, 3, list, or a potential ask of the 1,2,3, list from the County Council has been £350,000 and the CIL is only going to produce £250,000 so is it a CIL as in Babergh as a whole community or do we have to go back to some of the legal decisions recently and bring the boundaries down a bit? Also please can you clarify that anything over £150k has to be a Cabinet decision?
- 47.10 In response the Key Site and Infrastructure Officer stated that In connection with the first question in order to make residential development acceptable you need infrastructure in order to mitigate the harm from the development and the Panel were very clear on the fact that they felt that if communities were going to accept the growth then they ought to have the infrastructure to support the growth which would impact on their communities so if that's a little bit wordy in the document that's something when we go through the review we can look at and make that more simple and more clear if that would help. In terms of governance in relation to what the Joint Member Panel wanted to see, they felt that officers could make decisions on bids which met the bid criteria providing the spend was no more than £10,000 and so it was under £10,000. If there are any decisions that involve strategic infrastructure spend those will be Cabinet decisions, if its local infrastructure spend then the threshold for Cabinet to make a decision is £150,000. Because this is the first bid round we're going to produce a CIL business plan and that whole document will go to Cabinet to note the decisions where they need to be noted and then it will be made clear whether decisions need to be made by Cabinet.
- 47.11 Councillor Hinton asked if this wording could be clarified and simplified as it did not appear to cover that there is potential within the system that sustainable development appears to mean sustainable to the district rather than to the development itself because it means that if all the monies are going to be soaked up by a development at one end of the district there would be nothing left for anywhere else?
- 47.12 In response the Key Site and Infrastructure Officer stated that to support the CIL expenditure framework going forward, sensitivity testing was carried out to see whether the infrastructure could be provided from the growth projects that were coming forward. That sensitivity testing had captured all the developments of over 10 dwellings plus in both districts. What's clear is that with the 20% savings for strategic items then it is going to be very tight to provide the infrastructure. But there is a golden thread that runs through the expenditure framework and from the work of the Joint Member Panel it was quite clear that we were looking for collaborative forms of spend in order to land the necessary infrastructure. Officers have already been in touch with some parishes where we know that there will be big pieces of infrastructure that will be required and that is important to the community and it's important to the Council, we're very hopeful that we will be able to achieve what we need to achieve in order to get the infrastructure funded.

Clearly as you know, there is a review which will be happening at the same time as bid round 2 so anything we learn from bid round 1 and any nuanced changes to any of the documents can be picked up at that point.

- 47.13 Councillor Busby sought assurance that Overview and Scrutiny would regularly scrutinise the scheme.
- 47.14 In response Councillor Ridley confirmed that the scheme would be looked at very carefully and if any scrutiny was required of course that would be supported.
- 47.15 Councillor Ward stated that he was very impressed with the speed and thoroughness that both Members and officers had shown in producing this report and this was one example of where being inclusive and collaborative had produced a piece of work of immense value.

It was Resolved:-

- (i) That the detailed CIL Expenditure Framework (including details of implementation and review) forming Appendices A and E to the report and the joint CIL Expenditure Framework Communications Strategy (Appendix B) be approved as recommended by Cabinet.**

(Appendices C and D comprise the CIL "Regulation 123 lists" and were approved in January 2016 and accompany the other documents for reference purposes only)

- (ii) That the Joint Member Panel (alongside Overview and Scrutiny) inform the Review of the CIL Expenditure Framework within the timescales contained in the Appendix E to this report.**

Reason for decision: Community Infrastructure Levy (CIL) monies have been collected since the implementation of CIL in April 2016. There is no prescribed way for Councils to decide upon the spend of money collected through CIL so the Council has to agree its own approach.

48 BC/17/34 STATEMENT OF COMMUNITY INVOLVEMENT REVIEW

- 48.1 Councillor Ridley introduced the report and informed Council that the Statement of Community Involvement was a joint planning document with Mid Suffolk that explained how the Council would engage with the public and other stakeholders in the preparation of planning documents and in determining planning applications. The current version of the Joint Statement of Involvement for the two Councils was published in March 2014. It had been necessary to update this document to reflect greater use of the Councils website, the move to Endeavour House and the opening of the Customer Access Point in Sudbury, to also reflect the support offered to Neighbourhood Planning Groups in producing a neighbourhood plan, to acknowledge the introduction of the Community Infrastructure Levy, and to detail the introduction for pre-application charging service. The 2017 planning regulations also introduced the requirement to review the Statement of Community Involvement every 5 years.

This Statement of Community Involvement draft update will inform the preparation of the wider communities and communications strategies being prepared by both Councils. It is recommended that a 4-week public consultation is undertaken on the draft update in May and June, a final decision would come back to Council for adoption later this year.

- 48.2 Councillor Ridley then **MOVED** the recommendations in the report.
- 48.3 Councillor Ward seconded the recommendations and reserved the right to speak.
- 48.4 Councillor Busby raised concerns relating to public access.
- 48.5 Councillor Ridley whilst accepting that there had been some problems with the website stated that we were now in a digital age with many people preferring to use digital access to Council services and this needed to be recognised in the Statement of Community Involvement.
- 48.6 Councillor Davis added that whilst he accepted that there were problems contacting the Council as the Cabinet Member responsible for Communications he would be working hard with officers to address the problems.
- 48.7 Councillor Bavington added that he had tried to contact the Council about any urgent ward matter and had not been able to contact any officer and he felt that the technology was worse.
- 48.8 In response the Chief Executive stated that he wanted to address the points that had been raised but also reminded Members that the report was about the Statement of Community Involvement in relation to planning. In terms of contacting officers, changes have been made in which the chasing system works, a call hunting system has been introduced and when a mobile phone is engaged or not answered the phone will automatically move on to the next mobile phone in the hunt group.
- 48.9 Councillor Hinton felt that a four-week consultation period was not sufficient to consider an extensive document especially when a lot of it will have to go before parish councils.

It was Resolved:-

- (i) **That Council note the draft update to the Babergh and Mid Suffolk Statement of Community Involvement: Planning Issues, which updates the March 2014 adopted version.**
- (ii) **That Council agree to public consultation for four weeks during May and June on the Babergh and Mid Suffolk Statement of Community Involvement: Planning Issues (Draft Update, April 2018)**

- (iii) That the Corporate Manager – Spatial Planning Policy be authorised to make minor technical and formatting amendments to the Babergh and Mid Suffolk Statement of Community Involvement: Planning Issues (Draft Update, April 2018) prior to consultation.

49 BC/17/35 PAY POLICY STATEMENT FOR 2018/19

- 49.1 Councillor Patrick introduced the report on behalf of the Chief Executive. Commenting further he went on to say that the report sets out the Pay Policy Statement for 2018/19 which under the Localism Act 2000 has to be reported to Council on an annual basis. The report sets out information about the remuneration of Chief Officer, the lowest paid employees, and the relationship between the two. The main change in the statement compared with 2017/18 was the removal of the role of Deputy Chief Executive from the structure with effect from 1 April 2018.
- 49.2 Councillor Patrick then **MOVED** the recommendations in the report.
- 49.3 Councillor Ward seconded the report and reserved the right to speak.
- 49.4 Councillor Arthey queried the gender pay gap and drew attention to the results for Babergh as female pay was nearly 23% lower than male pay and asked what the reasons were behind this?
- 49.5 In response the Chief Executive advised that Government had introduced the requirement for Councils to have openness and transparency in relation to any gender pay gap and that is why the information had been included within the covering report even though it did not form part of the pay policy itself. On that specific point the Council was obliged to report for Babergh and separately for Mid Suffolk. As Council was aware, doing so was a nonsense because the basis on which each individual member of staff happened to be employed differed, he happened to be a Babergh employee, colleagues may happen to be Mid Suffolk employees but everybody works for both so you could only really get a true picture of the gap by looking at the two combined Councils because looking at the two separately tells you nothing but the Council was obliged to report it in that way and that's why the figures that Council were looking at, specifically for Babergh really are meaningless. To comply with the regulations a snap shop was taken in March 2017, now that it is beyond 31st March 2018 this can now be recalculated to give the Council an updated position.
- 49.6 Councillor Bavington requested that going forward the actual figures were included in the report and whether the gender pay gap was closing over time.
- 49.7 Councillor Melanie Barrett asked following the recent redundancy of the Deputy Chief Executive if, in future, recruitment was made to that that post would approval need to be sought from full Council?

- 49.8 In response the Chief Executive informed Council that if he were to bring forward any significant change to the structure of the Senior Leadership Team, creating a new Deputy Chief Executive post would be a significant change, that would come forward to full Council and in addition to that all Senior Leadership Team appointments are made by Councillors so Councillors would both be involved from a full Council perspective in agreeing the structure but then more specifically in any appointment. He also gave his assurance that he had no intention to do so.
- 49.9 Councillor Melanie Barrett also queried whether it would be possible to seek a settlement agreement with an employee and if there was a policy that prevented a settlement being offered to someone with less than 2 years' service who couldn't claim unfair dismissal in any case.
- 49.10 The Chief Executive replied that if they had not got continuity of service, so if they've not got any acquired rights by virtue for example of having worked elsewhere within local government, and it was simply their first job with the Council within a 2 year period and then they disappeared the Council wouldn't be looking to any settlement agreement.

It was Resolved:-

That the proposed Pay Policy Statement for 2018/19 attached as Appendix A to the report be approved.

50 BC/17/36 POLITICAL BALANCE AND COMPOSITION OF COMMITTEES

- 50.1 The Monitoring Officer introduced the report and informed Council that following a change to the membership of the political groups, Council was being asked to approve the recalculated composition of the Committees.
- 50.2 Councillor Busby queried why the Cabinet was not included in the calculation for Committee places?
- 50.3 In response the Monitoring Officer informed Council that Cabinet was not a Committee of the Council and the legislation that was used to calculate the composition places only related to Committees of the Council.

On the proposal of Councillor Ward and seconded by Councillor Hinton

It was Resolved:-

- (i) **That the Committees' size and numerical allocation of seats be approved as detailed in Appendix 1 to the report.**
- (ii) **That the revisions to the appointments to Committees as set out in Appendix 2 to the report be noted.**

51 APPOINTMENTS

51.1 On the proposal of Councillor Ward and seconded by Councillor Jan Osborne

It was Resolved:-

That Councillor Jenkins replace Councillor Ayres on the South Suffolk Leisure Trust Board.

52 EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)

It was RESOLVED:-

That under section 100(4) of the Local Government Act 1972, the public and the press be excluded from the meeting for item BC/17/37 on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of schedule 12A of the Act in the paragraph registered against the Item.

53 BC/17/37 BMS INVEST: PERFORMANCE, RISK AND GOVERNANCE UPDATE (EXEMPT INFORMATION BY VIRTUE OF PARAGRAPH 3 OF PART 1)

53.1 Councillor Ridley introduced the report and moved the recommendation within the report.

It was Resolved:-

That the performance report be noted and agreed as an accurate reflection of Babergh District Council's current performance across its investment portfolio.

The business of the meeting was concluded at 7.48 pm.

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Chairman

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Agenda Item 4

BABERGH DISTRICT COUNCIL

MINUTES OF THE ANNUAL MEETING OF THE BABERGH DISTRICT COUNCIL HELD IN KING EDMUND CHAMBER - ENDEAVOUR HOUSE, 8 RUSSELL ROAD, IPSWICH ON TUESDAY, 22 MAY 2018

PRESENT: Barry Gasper - Chairman

Clive Arthey	Sue Ayres
Melanie Barrett	Simon Barrett
Tony Bavington	Peter Beer
Peter Burgoyne	Sue Burgoyne
Tom Burrows	David Busby
Tina Campbell	Sue Carpendale
Luke Cresswell	Derek Davis
Alan Ferguson	Kathryn Grandon
Michael Holt	Bryn Hurren
Jennie Jenkins	Richard Kemp
Frank Lawrenson	James Long
Margaret Maybury	Alastair McCraw
John Nunn	Adrian Osborne
Jan Osborne	Peter Patrick
Stephen Plumb	Nick Ridley
David Rose	Ray Smith
Fenella Swan	John Ward
Stephen Williams	

1 ELECTION OF CHAIRMAN

1.1 On the proposal of Councillor Ward and seconded by Councillor Smith

It was RESOLVED:-

That Councillor Barry Gasper be elected Chairman of the Council for the Municipal year 2018/19.

Councillor Gasper paid tribute to Councillor Peter Burgoyne for his years of service as the outgoing Chairman to Babergh Council and the excellent job that Peter had made as first citizen of the district.

He then thanked everyone who had voted for him and said that it was an honour for him to be chosen as the new Chairman. He looked forward to working with residents and organisations across Babergh during the coming year. His chosen charity for the next year would be The Bumblebee Children's Charity. This was a specialist centre in Sproughton which provides support for babies and young children who have difficulties with movement and coordination.

Councillor Gasper thereupon made his Declaration of Acceptance of Office.

2 ELECTION OF THE VICE-CHAIRMAN

- 2.1 On the proposal of Councillor Ayres and seconded by Councillor Patrick

It was Resolved:-

That Councillor Adrian Osborne be elected Vice-Chairman of the Council for the Municipal year 2018/19.

Councillor Osborne thereupon made his Declaration of Acceptance of Office.

3 APOLOGIES FOR ABSENCE

- 3.1 Apologies for absence were received from Councillor Creffield, Councillor Dawson, Councillor Hinton, Councillor Newman, Councillor Parker, Councillor Shropshire and Councillor Steer.

4 DECLARATION OF INTERESTS BY COUNCILLORS

- 4.1 There were no declarations of interest.

5 BC/18/1 - TO CONFIRM THE MINUTES OF THE MEETING HELD ON 24 APRIL 2018 AS A CORRECT RECORD

It was Resolved:-

That the Minutes of the meeting held on 25 April 2018 be deferred until the next Council meeting.

6 BC/18/2 - ANNOUNCEMENTS FROM THE CHAIRMAN AND LEADER

- 6.1 The Leader announced that he and Councillor Jan Osborne had embarked on a series of engagement events around the district to give residents the opportunity to speak directly with the Council Leadership and for the Leadership to answer any questions and to address any concerns that residents may have. The first event was held in Sudbury with a very good turnout from the public illustrating that there was a demand for this type of direct engagement. Further events were planned throughout the year.
- 6.2 The Leader also announced that following a recent press release Babergh had been shortlisted for the East Anglia Building Excellence Awards 2018 for the best social or affordable new housing development category, thanks to their high quality design, visual impact on the area and their highly sustainable location. The award was for a development of 12 new affordable homes in Lavenham. The Leader added that this was testament to all the hard work of the officers involved.
- 6.3 Continuing further the Leader announced that as part of his approach to improve communications he would be creating a new Cabinet Portfolio Holder for Communications.

Councillor Grandon would therefore be joining the Cabinet to take up this appointment and would be working with the Corporate Manager for Communications on finalising and implementing the draft Joint Communications Strategy.

- 6.4 Finally the Leader announced that following the recent decision of Councillors Peter and Sue Burgoyne to form their own Group, the Babergh Unionists, the Conservatives and Babergh Unionists had now entered a formal coalition to continue as a majority Administration.

7 APPOINTMENTS

a Designation of Committees and Joint Committees

- 7.1 On the proposal of Councillor Bavington and seconded by Councillor Carpendale

It was Resolved:-

That the following Committees be appointed:-

- **Babergh Overview and Scrutiny Committee**
- **Planning Committee**
- **Babergh Licensing and Regulatory Committee**
- **Joint Audit and Standards Committee**
- **Joint Appointments Committee**

- b BC/18/3 - Political Balance and Composition of Committees and Constitutional Amendments

- 7.2 A revised Appendix B was tabled, the Chairman also referred to the proposed amendments to the Joint Audit and Standards Committee Terms of Reference.

- 7.3 The Monitoring Officer advised Council that following concerns relating to the recommendation to allocate named substitutes, that named substitutes were subsequently not appointed at this meeting and that this issue was discussed further by the Constitution Working Group as part of the review of the Constitution. She also referred to Terms of reference of the Constitution Working Group and informed Council that the Terms of Reference should be amended to read “the Constitution Working Group would consist of a Member from each political group”.

It was Resolved:-

- (i) **That the Committees' size and numerical allocation of seats be approved as detailed in the revised Appendix A to the report**
- (ii) **That Committee members be appointed as set out in Appendix B to the report subject to Councillor Alan Ferguson replacing Councillor Sian Dawson on the Licensing and Regulatory Committee and Councillor Sian Dawson replacing Councillor Alan Ferguson on the Joint Audit and Standards Committee.**

- (iii) That a Joint Constitution Working Group be established, that the scope of the review detailed in section 3 of the report be agreed and that a Councillor from each political group be appointed to the working group.
- (iv) That the amendments recommended by the Joint Audit and Standards Committee to its Terms of Reference be agreed.

c Election of Chairs and Vice-Chairs of Committees

It was Resolved:-

That the following Councillors be appointed as Chairs and Vice-Chairs to the Committees as shown below:

Overview and Scrutiny Committee	Chair Vice-Chair	Cllr A McCraw Cllr S Ayres
Planning	Chair Vice-Chair	Cllr P Beer Cllr M Holt
Licensing and Regulatory	Chair Vice-Chair	Cllr N Ridley Cllr R Smith
Joint Audit and Standards Committee	Chair Vice-Chair	Cllr J Jenkins Cllr T Burrows
Joint Appointments Committee	Chair Vice-Chair	Cllr J Ward Cllr J Osborne

d BC/18/4 - Appointments to Outside Bodies for 2018/19

It was Resolved:-

That Councillors be appointed to Outside Bodies as detailed in the revised Appendix A to paper BC/18/4.

e Appointment of Councillors to the Shared Revenues Partnership Committee

It was Resolved:-

That Councillors Jan Osborne and Peter Patrick be appointed as Members of the Shared Revenues Partnership and that Councillors Sue Ayres and Margaret Maybury be appointed as substitute Members for the Municipal year 2018/19.

f Appointments to the Suffolk Joint Standards Board

It was Resolved:-

That Councillors Bryn Hurren, Adrian Osborne and David Rose be appointed as Members of the Suffolk Joint Standards Board for the Municipal year 2018/19.

- g Appointments to the Joint Gypsy and Traveller Steering Group

It was Resolved:-

That Councillors Sue Ayres, Tony Bavington, Peter Burgoyne and Lee Parker be appointed to the Joint Gypsy and Traveller Steering Group for the Municipal year 2018/19.

8 BC/18/5 - ANNUAL REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE 2017/18

- 8.1 Councillor Gasper introduced the report and informed Council that the report covered the period since he had taken over as Chairman of the Scrutiny Committee and set out the comprehensive and detailed programme of review that had been undertaken. In short, the Committee had met every month and had scrutinised 22 topics, scoped 13 topics and tracked 9 topics through the information bulletin. In addition, the Committee had accommodated urgent subjects such as homelessness, risk assessments, housing voids and the five-year land supply. The Committee had also scrutinised a Member led Call-In which had been considered at an extraordinary meeting in October 2017. This meeting scrutinised the decision from Cabinet regarding working together and resulted in the decision being returned to Cabinet and a full Council debate.
- 8.2 The Chairman added that the scrutiny process had been undertaken in a spirit of cooperation with no political bias and the Chairman thanked all those Members who had taken part in the process. He also paid tribute to his deputy Chairman Councillor McCraw, the Committee Clerk and members of the Scrutiny Committee.
- 8.3 Councillor Ferguson paid tribute to the outgoing Chairman of the Committee stating that scrutiny was a vital part of the democratic process and said that Councillor Gasper had done a fantastic job as the Chair of Scrutiny. He also sought clarification relating to the work plan for 18/19 for June this year and the scrutiny of the Babergh and Mid Suffolk building services plan. The way it was written up it seemed to have focused on the voids, and he was concerned to make sure that Scrutiny also focused on the business plan that underpins that. He sought assurance that the Committee would be also looking closely at the business plan and not just focussing on voids in that particular element of scrutiny.
- 8.4 In response the new Chairman, Councillor McCraw, stated that these were two separate items, the voids issue was something that the Committee had been examining as a separate basis and although much of that was dealt with by BMBS, the BMBS business plan was a separate item and the Committee would be looking at that in June when it would look at the 12 month period since the implementation of the service.

It was Resolved:-

- (i) **That the Babergh Overview and Scrutiny Committee's Annual Report for 2017/18 be noted.**

(ii) That the Babergh Overview and Scrutiny Work Plan 2018/19 be approved.

9 EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)

This item was deferred.

10 TO CONFIRM THE EXEMPT MINUTE OF 24 APRIL MEETING

This item was deferred.

The business of the meeting was concluded at 11.57 a.m.

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Chairman

Agenda Item 9

BABERGH DISTRICT COUNCIL

To: BDC Council	Report Number: BC/18/8
From: Independent Remuneration Panel	Date of meeting: 19 June 2018
Officer: Janice Robinson Corporate Manager – Democratic Services	

RECOMMENDATION FROM THE INDEPENDENT REMUNERATION PANEL

1. PURPOSE OF REPORT

- 1.1 To consider recommendations from the Independent Remuneration Panel ('IRP') following a review of the Members' Scheme of Allowances after the Council introduced the new Leader/Cabinet governance model in May 2017.
- 1.2 A joint, cross party, panel of Councillors has reviewed the IRP's report. The panel of Councillors is in broad support of the IRP's report and has made some minor amendments, as detailed in red within section 2.

2. RECOMMENDATIONS

- 2.1 That Council considers whether it wishes to adopt all or part of the recommendations of the Independent Remuneration Panel (IRP), as reviewed by the joint, cross party, panel of Councillors, as set out below:-
- a) That the Basic (Ward Representation) Allowance be set at £5,000.
- b) That the Special Responsibility Allowances (SRA) be set at:-

Role	Multiplier	Amount
Chairman of the Council	1	£5,000
Deputy Chairman of the Council	0.5	£2,500
Leader of Council	2.5	£12,500
Deputy Leader of the Council	1.25	£6,250
Chair of Planning Committee	1	£5,000
Vice-Chair of Planning Committee	0.25	£1,250
Chair of the Joint Scrutiny Committee	1	£5,000
Vice Chair of the Joint Scrutiny Committee	0.5	£2,500
Chair of Joint Audit and Standards Committee	0.5	£2,500
Planning Committee Members	0.1	£500
Political Group Leaders	0.2	£1,000
Chair of Regulatory Committee	0.5	£2,500
Vice-Chair of Regulatory Committee	0.25	£1,250
Cabinet Member with Portfolio	1.25	£6,250
Cabinet Member without Portfolio	0.5	£2,500
Lead Member	0.5	£2,500

c) That with the exception of the SRA for Group Leaders, no Councillor will be entitled to claim more than two SRAs.

d) That the Travel and Subsistence Allowance be set at:-

Mileage Rate 45p per mile

Cycle Mileage Rate 27.7p per mile

Passenger Allowance 5p per mile

e) That the Childcare and Dependants Allowance be set at:-

Childcare Allowance up to £13 per hour (subject to a receipt)

Dependants Relative Care/Specialist Nursing Care Allowance up to £30 per hour (subject to a receipt)

2.2 That the revised Member Allowance Scheme will take effect from the date of creation of the Leader/Cabinet Model (23 May 2017).

2.3 That the revised Basic Allowance be increased in line with the Local Government Officer pay awards until the scheme is next reviewed in 2022 or earlier.

2.4 That a revised Members Allowances Scheme incorporating the decisions of the Council be prepared by the Monitoring Officer. Further, that the Monitoring Officer be authorised to make any typographical and other minor / consequential amendments prior to publication of the final document.

2.5 That the Council formally records its thanks to the Independent Remuneration Panel for their work in preparing the report.

3. KEY INFORMATION

3.1 Council appointed a pool of five people to form an Independent Remuneration Panel at the Council meeting in 24 October 2017.

3.2 In consultation with the Leader of the Council, the Corporate Manager for Democratic Services contacted the IRP members and provided them with Terms of Reference to carry out a focused review of the Members' Allowance Scheme following the adoption of a Leader/Cabinet model. The Terms of Reference are attached at appendix a.

3.3 An IRP was formed of three members, from a pool of five, under the Local Authorities (Members Allowances) (England) Regulations 2003. The IRP has undertaken an extensive review exercise including interviewing Councillors and officers, undertaking a questionnaire of Councillors and considering the schemes operated by other similar local authorities. The IRP also met on 9 occasions to deliberate their recommendations. This work has been supported by the Democratic Services Team. The IRP's report and recommendations are attached at Appendix B.

3.4 On receipt of the IRP's report a joint, cross party, panel of Councillors was convened to review the IRP's report on behalf of all Councillors. This panel consisted of Councillors Ward, Beer, McCraw and Arthey; together with Councillors Whitehead, Brewster, Eburne and Otton.

- 3.5 These Councillors are in broad support of the IRP's report but are suggesting some minor amendments to the IRP's recommendations. These amendments, as highlighted in section 2 above, were not all unanimously supported by the whole panel of Councillors. A summary explanation of the amendments is set out below:
- 3.6 Deputy Leader of the Council – despite the IRP making no change to the multiplier for the Deputy Leader it is proposed to reduce the multiplier to 1.25 in order to bring it in line with other deputy / vice roles where the multiplier applied is half of the multiplier for the main role.
- 3.7 Cabinet Member without Portfolio and Lead Members – it is proposed to have fewer tiers of multiplier used within the Cabinet. To reflect the full role of Cabinet Members, even without a portfolio, it is proposed to increase this multiplier to 0.5 and to align the multiplier for Lead Members by reducing it to 0.5
- 3.8 Chairman and Vice Chairman of Overview & Scrutiny – to reflect the increased function of Overview & Scrutiny in holding the Cabinet to account, and its broader remit than the Audit & Standards Committee; it is proposed to increase the multiplier for the Chairman and Vice Chairman of the joint Overview & Scrutiny Committee to 1 and 0.5 respectively.
- 3.9 Members of the Planning Committee – in recognition of the significant annual workload of these Committee members it is proposed to apply a multiplier of 0.1 for each committee member.
- 3.10 Vice Chairman of Licensing – in order to be consistent with other vice chairman roles it is proposed to increase the multiplier to 0.25
- 3.11 Multiple Special Responsibility Allowances ('SRA') – the Panel considered that holding more than one SRA position does generate a greater workload which should be reflected in the Allowance Scheme but that there should be a limit in place. It is therefore recommended that, with the exception of the SRA for Group Leaders, no Councillor will be entitled to claim more than two SRAs.
- 3.12 Childcare and Dependents Allowance – the panel disagreed that these allowances should only be claimed for 'professional care' as long as any claims are supported by receipts.

4. LINKS TO JOINT STRATEGIC PLAN

- 4.1 This decision will support the "Strengthened and clear governance to enable delivery" element of overarching **Enabled and Efficient Organisation** priority for the Councils.

5. FINANCIAL IMPLICATIONS

- 5.1 There is provision in the budget for the proposed amendment to the Scheme of Allowances based on Council accepting the recommendation of the IRP.
- 5.2 A one-off cost of approximately £1,800 has been incurred for expenses associated with the IRP process, for which there is budgetary provision.

6. LEGAL IMPLICATIONS

- 6.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations"), the Council is required to establish and maintain an Independent Remuneration Panel to make recommendations to it about the allowances to be paid to Members. It is important that the Council fully considers the views of the IRP before any decisions are made in respect of changes to the Scheme of Allowances for Councillors. To assist all Councillors a joint, cross party, panel of Councillors has therefore carefully reviewed the IPR's report.

7. RISK MANAGEMENT

- 7.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No.5C *Failure to develop clear governance arrangements that enable the right decisions to be taken that are appropriate for the environment that we are operating in*. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Inability to attract candidates to become district Councillors	Unlikely (2)	Noticeable (2)	The Council reviews its allowance scheme at least every 4 years in line with statutory requirements

8. CONSULTATIONS

- 8.1 The IRP consulted, by personal interview, with the Chief Executive, Strategic Directors, Leader of Babergh District Council and a BDC non-Cabinet member (at the time) to gain their perspective on Councillor role requirements and time commitments under the leader/cabinet decision making model.

9. EQUALITY ANALYSIS

- 9.1 The recommended changes to the Scheme of Allowances are most likely to have positive equality impacts, for example by increasing the dependents' care allowances.

10. SHARED SERVICE / PARTNERSHIP IMPLICATIONS

- 10.1 This review has been commissioned for both Council's following the adoption of a Leader/Cabinet Governance Model.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 There are no environmental implications arising from this report.

12. APPENDICES

Title	Location
(a) Terms of Reference	Attached
(b) Independent Remuneration Panel Report	Attached
(c) Appendix to Independent Remuneration Panel Report (Summary of scoring matrix)	Attached
(d) Appendix of comparable district council allowances	Attached
(e) Average Charts	Attached

13. BACKGROUND DOCUMENTS

- 13.1 Existing Babergh District Council Scheme of Member Allowances.

<http://baberghmidsuffolk.moderngov.co.uk/documents/s9653/Members%20Allowance%20Scheme.pdf>

- 13.2 Report to Council 24 October 2017 Appointment of An Independent Remuneration Panel.

<http://baberghmidsuffolk.moderngov.co.uk/documents/s7535/BC1718%20IRP.pdf>

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INDEPENDENT REMUNERATION PANEL

TERMS OF REFERENCE

1. Background

1.1 The principal legislation/guidance governing modern day member allowances is: -

- the Local Government and Housing Act, 1989 Section 18 (as amended by the Local Government Act, 2000) - the underlying authority for basic, special responsibility and child and dependent carers' allowances
- the Local Government (Members Allowances) Regulations 2003
- Government Guidance issued at the time of the 2003 consolidated Regulations;

1.2 Under the provisions of this legislation, local authorities are required to make a Scheme of Allowances and can exercise local discretion as to the amounts to be paid under their Scheme. Local authorities must also establish and maintain an independent Panel to make recommendations to the council on allowances matters. Local authorities must have regard to the recommendations of its Independent Panel in determining allowances matters.

1.3 The following chart summarises the legal provisions relating to individual types of allowance. It includes the list of duties for which allowances are payable.

Mandatory	Optional			
Basic Allowance	Special Responsibility Allowance	Dependent Carers' Allowance	Travelling and Subsistence Allowance	Co-optees Allowance
<p>There must be a basic allowance and it must be the same amount for every member.</p> <p>The level of allowance must be set each year.</p> <p>The basic allowance must be payable pro-rata.</p> <p>The Scheme may withhold pro-rata a portion of basic allowance covering a period of suspension or partial suspension</p>	<p>The Scheme may provide SRAs to members in one or more of the following categories:</p> <p>a. Leader or deputy Leader of a political group;</p> <p>b. Executive member;</p> <p>c. Chairman of a committee, sub committee, joint committee or sub committee of a joint committee;</p> <p>d. Representative of the LA at another body's meeting;</p> <p>e. Member of a committee or sub committee that meets frequently or sits for lengthy periods;</p>	<p>Payable to cover expenses in arranging care for dependents as a result of:</p> <p>a. Attending official committee, sub committee meetings and attending other bodies as authority rep.</p> <p>b. Attending meetings authorised by the authority, a committee, sub committee of joint committee;</p> <p>c. Attending meetings of an authority association the authority is a member of;</p> <p>d. Attending executive meetings;</p>	<p>Payable for motorised and non-motorised travel in connection with duties specified in the scheme and within one or more of the following categories:</p> <p>a. Attending official committee, sub committee meetings and attending other bodies as authority rep.</p> <p>b. Attending meetings authorised by the authority, a committee, sub committee of joint committee;</p> <p>c. Attending meetings of an authority association the authority is a member of;</p>	<p>Payable for attendance at conferences and meetings.</p> <p>If the member is chair of an overview and scrutiny committee with delegated education functions, the co-opted allowance must be at least equal to any SRA payable to any other committee or sub committee chair.</p> <p>Co-optees Allowance applies to members of an authority's committees and sub committees who are not members of the authority.</p>

Appendix A

	<p>f. Spokesperson of a political group on a committee or sub committee;</p> <p>g. Member of an adoption panel;</p> <p>h. Member of a committee or sub committee with any licensing responsibilities;</p> <p>i. Carrying out any other activity involving time and effort equal to or greater than any of the above.</p> <p>The level of SRA can be variable.</p> <p>If the authority does pay any SRAs then if there is an opposition group, at least one opposition member must receive an SRA under category a. or f. above</p>	<p>e. Performance of duties requiring member presence under section 135 of LGA 1972;</p> <p>f. Performance of any duty involving official inspection or authorisation of inspection of premises;</p> <p>g. Performance of any duty relating to arrangements for pupil attendance at non-maintained special schools;</p> <p>h. Any other duty involving discharge of functions of the authority or any of its committees and sub committees.</p>	<p>d. Attending executive meetings;</p> <p>e. Performance of duties requiring member presence under section 135 of LGA 1972;</p> <p>f. Performance of any duty involving official inspection or authorisation of inspection of premises;</p> <p>g. Performance of any duty relating to arrangements for pupil attendance at non-maintained special schools;</p> <p>h. Any other duty involving discharge of functions of the authority or any of its committees and sub committees.</p> <p>All committee or sub committee members are counted as authority members.</p> <p>The Authority includes waste disposal authorities and joint boards on which any relevant body in category a. to h. is represented.</p>	
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2. Scope of Review

- 2.1 The Independent Review Panel (IRP) are asked to review members allowances in the context of changes to local governance arrangements. Both Babergh and Mid Suffolk have changed their governance arrangements and adopted a Leader/Cabinet model. These arrangements came into effect after the Annual Council meeting back in May 2017 and it is suggested that the whole of both schemes is reviewed to consider the altered roles of Cabinet Members, Lead Members and Committee Chairs. Mid Suffolk District Council also currently has Lead Members with special responsibilities that attract a Special Responsibility Allowance.
- 2.2 The Panel (as stated in Government Guidance) is to make recommendations to both the local authorities on:
- the level of basic allowance;
 - which duties or responsibilities should lead to the payment of special responsibility allowances and the amount of such allowances;
 - the duties for which travelling, and subsistence allowances can be paid and the amount of those allowances;
 - the level of co-optees' (or non-councillor) allowance (an example of a non-councillor would be the independent members appointed to serve on a Council's Standards Committee);

Appendix A

- whether the Scheme of Allowances should include an allowance for expenses of councillors in arranging child care or dependent relative care and if so the level of that allowance;
- whether there should be any backdating of an allowance to the start of the financial year, in the event of any change to allowances mid-year;
- the nature of any index by which allowances are updated annually and for how long any such an index should apply;

(NB councillors are no longer eligible to join the Local Government Pension Scheme – effective April 2014).

2.3 It is proposed that the two reviews are run concurrently.

Author Jan Robinson

27th November 2017

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BABERGH DISTRICT COUNCIL

From : Independent Remuneration Panel

Report Number : Appendix B

To: Council

Date of Meeting : 19 June 2018

REPORT TO BABERGH DISTRICT COUNCIL FROM THE INDEPENDENT REMUNERATION PANEL (IRP) - MAY 2018

1. Introduction and Terms of Reference (attached at appendix A)

1.1 The Independent Remuneration Panel (IRP) was appointed to review and make recommendations to Babergh District Council regarding Members allowances following the introduction of a leader/cabinet governance model in May 2017. The Panel has undertaken a review of the following elements of the members allowance scheme:

- Basic Allowance (Ward Representation)
- Special Responsibility Allowance
- Child/Dependant Care Allowance
- Travel and Subsistence Allowance

2. Members of the Panel

2.1 The Independent Remuneration Panel consists of three members:

- Sandra Cox – Chair
- Karen Forster
- Ivor Holden

3. Approach and Methodology

3.1 The IRP was given the task of carrying out a review of the Member Allowance Scheme after the introduction of a Leader/Cabinet governance model in May 2017.

3.2 The Panel considered how best to gain the information it needed to make such recommendations. After discussion it decided the best way was through research and consultation.

3.3 The research element of the review consisted of analysis of both historical and contextual information sources including:

- Demographic information for both Babergh and Mid-Suffolk District Councils;
- Any demographic changes that may occur in the near future for both councils;
- Budgets, income and expenditure, for both councils;
- Comparisons with other East Anglian Councils spend on allowances;
- Nationwide statistic of comparable councils;
- Analysis of Councillor training provision and needs;
- Comparison of planning demands;
- Cost to Councillors and time demands of the move to Endeavour House;
- IT consumables;

- Investigation of care costs;
 - the current and past schemes of allowances.
- 3.4 The Panel devised two questionnaires, the second of which was necessary as there were no current role descriptors available.
- The first was given to all Councillors to seek their views on the current scheme, their role and how it had changed since the introduction of the Leader/Cabinet model.
 - The second was given to various Officers and Councillors asking them to numerically evaluate the duties and skills needed for the various Councillor roles that had a Special Responsibility Allowance (SRA).
- 3.5 The Panel also consulted by personal interview with the Chief Executive, Strategic Directors, Leader of Babergh District Council and a BDC non-Cabinet member at the time to gain their perspective on Councillor role requirements and time commitments under the leader/cabinet decision making model.
- 3.6 As there are no current role descriptors for the posts with SRAs the Panel used the information gathered from the interviews above and other statistical evidence to evaluate what the SRAs should be. The Panel would like to suggest that both councils consider if it was appropriate for role descriptors to be put in place.
- 3.7 The Panel felt it needed a cross check to verify the decisions it had made. To this end it devised a spreadsheet which required Councillors and Officers to score each role for skills, knowledge and training needed to fulfil each role. From these individual sheets the Panel then compiled an average chart which could be used to cross check decisions made from information gathered – (Appendix E).
- 3.8 The averages sheet, when put against the decisions the Panel had made, produced a very similar picture of how the SRA roles fit within the leader/cabinet decision making model.

4. Recommendations

- 4.1 The Panel in making their recommendations also noted the similarity between the two councils and discussed the joint working relationship that Mid Suffolk District Council has with Babergh District Council, including sharing one headquarters, sharing the same Chief Executive and staffing structure, joint committees, joint briefings and member training and agreed that based on this relationship there was merit in aligning the two Member Allowance Schemes. This is also in line with other councils that share officers, such as Suffolk Coastal and Waveney District councils. The Panel have therefore recommended the same Members Allowances Scheme across both councils. The Panel understood that a new, wider and more detailed training programme was being put in place and would like to commend both Councils for recognising and responding to this need.
- 4.2 Taking this into account, and the information gained from the sources mentioned above, the Panel therefore recommend the following changes are made to the Members Allowance Scheme:-

Basic Allowance

- 4.3 The Panel recommends that the Basic Allowance be raised from £4,000 to £5,000 per annum. The Panel based this recommendation on analysis of:
- the responses to their questionnaire,
 - consideration of the current living wage,
 - the amount of time councillors spend on their constituency work and council meetings,
 - the additional and on-going member training needed following the implementation of the new governance arrangements and increasing demand on their skills there will be in the future;
 - the demanding nature and complexity of their work,
 - and the travelling time to attend meetings whether at Endeavour House or within the districts.
 - Analysis was also undertaken of similar authorities according to the CIPfA groupings of councils and both councils' basic allowance was found to be at the lower end compared to other councils (Attached at appendix d)
- 4.4 The Panel also recommended that the Scheme be index linked to officer pay increases from May 2018 for the next four years or until the Scheme was reviewed if earlier.

Special Responsibility Allowances

- 4.5 The Panel recommended that the SRA's be calculated as a multiplier of the new basic allowance to give a formula for the future. This is in line with other councils. This will mean that all allowances will be raised when the Basic Allowance is raised.
- 4.6 The Panel were made aware that there were no up-to-date role descriptors for SRA positions and so had to base its decisions upon information gained through interviews, statistical research and comparisons. It was aware too that this was not secure evidence and the Panel felt it needed a methodology for cross checking the value of SRAs.
- 4.7 To do this it devised a scoring sheet giving values between 0-5 for various amounts of knowledge, skills and training needed to perform each role successfully. These were issued to some Councillors and Officers. These spreadsheets gave a total score for each of the Special Responsibility Allowances which could be set against the decisions it had already made. The Panel considered this to be an appropriate way to cross check SRA decisions made from information collected elsewhere. It was pleased to see that the scoring was in line with its recommendations and has given it confidence in its decisions. (appendix e)
- 4.8 The Panel also recommended that the Regulatory Committees Chair's allowance should be aligned with all other Chairs e.g. that the Chairs will now be paid 50% of the basic allowance and the vice chairs 25% of the basic allowance.
- 4.8 The Panel also agreed that whilst the legislation did not explicitly prevent councillors from being able to claim more than one SRA, most other local authorities restricted their members to one SRA. To the Panel's knowledge no other district council in the East Anglian area allows multiple SRA's to be claimed. Restricting SRA payments to only

one per person would also help to save costs and offset the rise in other payments. It is therefore recommended that, as at present, only one SRA should be paid to any one Member. Where two SRAs are applicable the higher rate SRA shall be applied.

- 4.9 The Panel felt that, given its recognition of the close working and structures of both Councils, there was a need to bring some SRAs for both Councils into alignment. These were as follows:

4.9.1 The Panel recommended that the Regulatory Committee Chair's allowance should be aligned with all other Chairs e.g. that the Chairs will now be paid a multiplier of 0.5 times the basic allowance, giving an SRA of £2,500, and the vice chairs 0.25 times the basic allowance, giving an SRA of £1,250.

4.9.2 The Panel debated whether the Vice Chair of the Joint Audit and Standards Committee should be paid an allowance as there were already two chairs (one from each Council) who alternated the Chair between them which meant that the vice chairs rarely had to chair meetings. The Panel therefore recommended that the vice chairs should not receive an allowance.

4.9.3 The Panel discussed the payment for the Chairs' of Planning and looked at the number of planning applications dealt with and also compared these with the number dealt with by Babergh's Planning Committee. They felt that the work load was significant for both committees. They recommended a multiplier of 1 times the basic allowance giving an SRA of £5,000.

4.9.4 The Panel discussed whether Planning Committee members should be paid and agreed that after analysis of their information of the hours and time spent on the committees that Planning Committee members should not be paid an additional SRA.

4.9.5 The Panel carefully analysed the information relating to the work carried out by Portfolio Holders (using information provided by the Questionnaires, evaluation sheets, interviews and comparisons with other councils) and recommended that Portfolio Holders receive a multiplier of 1.25 times the basic allowance giving an SRA of £6,250.

4.9.6 The Panel recognise the additional work carried out by Group Leaders in relation to the changing governance arrangements and recommends that they receive a multiplier of 0.20 times the basic allowance.

- 4.10 The final recommendations for the SRA's are listed below:-

SPECIAL RESPONSIBILITY ALLOWANCES	Current Amount	Proposed Amount	Basic Allowance Multiplier	Number of Councillors
Chairman of the Council	£4,000	£5,000	1.00	1
Deputy Chairman of the Council	£2,000	£2,500	0.50	1
Leader of Council	£8,000	£12,500	2.50	1
Deputy Leader of the Council	£4,000	£7,500	1.50	1

Chair of Planning Committee	£4,000	£5,000	1.00	1
Vice-Chair of Planning Committee	£1,000	£1,250	0.25	1
Chair of the Scrutiny/Joint Scrutiny Committee	£2,000	£2,500	0.50	1
Vice Chair of the Scrutiny Committee	£0	£1,250	0.25	1
Chair of Joint Audit and Standards Committee	£2,000	£2,500	0.50	1
Planning Committee Members	£400	£0	0	14
Political Group Leader	£750	£1,000	0.20	4
Chair of Regulatory Committee	£4,000	£2,500	0.50	1
Vice-Chair of Regulatory Committee	£1,000	£1,250	0.25	1
Cabinet Member with Portfolio	£2,000	£6,250	1.25	7

Child/Dependent Care Allowances

- 4.11 The Panel felt that it was important to support Councillors who had the responsibility of children or of someone else who was dependant on them and needed care in their absence, which could range from mild illness to the need for very demanding and responsible care. They were particularly minded to support those who had these responsibilities and who wished to serve their communities but could not consider standing because of the obstacle of the cost of caring for their dependents in their absence on Council business.
- 4.12 The Panel considered the different caring roles and the level of training needed to provide such services. They agreed that the level of training required should be reflected in the payments made. For example, the rate for ordinary child care should be lower than that of specialist or trained nursing care.
- 4.13 The Panel decided that their recommendation should be based on locally researched professional charges.
- 4.14 The Panel agreed that these payments should not be paid to a family member, friend or neighbour but should be used to pay for professional care. They also reiterated that reimbursement would only be paid on the production of a receipt.
- 4.15 The IRP recommends that the Child Care Allowance be increased to £13 per hour subject to a receipt and the Dependant Relative Care/Specialist Nursing Care allowance be increased to £30 per hour subject to a receipt. This is to make the allowances more realistic and to align them with most other East Anglian Councils.

Travel Allowances

- 4.16 The current mileage rate of 45p per mile to remain the same.

- 4.17 The current cycle mileage rate of 27.7p per mile to remain the same.
- 4.18 The current passenger allowance be raised from 3p per mile to 5p per mile to align with most other East Anglian Councils.
- 4.19 The Panel wished to clarify that travel expenses would be paid for District Councillors attending Parish Council meetings, as the district ward representative for that area, with the exception of when the District Councillor was also a Parish Councillor for that Parish Council.
- 4.20 The Panel also wished to clarify that travel expenses would not be paid for attendance at single party group meetings.

Subsistence Allowances

- 4.21 After discussion the Panel decided to recommend that Breakfast, Lunch and Tea allowances to be removed as they are normally provided at conferences or meetings and to align with most other East Anglian district councils.
- 4.22 The Panel also recommended that the Evening Meal Allowance be increased to £20 as a more realistic price to be able to obtain an evening meal and to also align with most other East Anglian district councils, with a caveat that if a meal had to be bought for a higher price, for instance in London, a claim can be made with appropriate approval from the Democratic Services Corporate Manager.
- 4.23 The Panel recommended that the Overnight Subsistence Allowance be removed as the Panel agreed that this type of subsistence would usually be booked through the Council to take advantage of group rate. A caveat should be made that on an individual basis by a councillor in an emergency the actual cost of an hotel and meals could be claimed with the agreement of the Democratic Services Corporate Manager with receipts to be produced when claiming.

Title	Babergh			Mid Suffolk			Diff.	Proposed		Comments
	Current budget			Current Budget				Babergh	Mid Suffolk	
	Allowance	Qty	Total Cost	Allowance	Qty	Total Cost				
Basic Allowance	£ 4,000.00	43	£ 172,000	£ 4,000.00	40	£ 160,000	£0.00	£ 5,000	£ 5,000	
Chairman of the Council	£ 4,000.00	1	£ 4,000	£ 4,000.00	1	£ 4,000	£0.00			
Deputy Chairman of the Council	£ 2,000.00	1	£ 2,000	£ 2,000.00	1	£ 2,000	£0.00			
Leader of the Council	£ 8,000.00	1	£ 8,000	£ 10,000.00	1	£ 10,000	-£2,000.00			
Deputy Leader of the Council	£ 4,000.00	1	£ 4,000	£ 6,000.00	1	£ 6,000	-£2,000.00			
Chairman of Planning/Development Control	£ 4,000.00	1	£ 4,000	£ 4,000.00	2	£ 8,000	£0.00			
Vice-Chairman of Planning/Development Control	£ 1,000.00	1	£ 1,000	£ 1,000.00	2	£ 2,000	£0.00			
Chairman Joint Scrutiny	£ 2,000.00	1	£ 2,000	£ 2,000.00	1	£ 2,000	£0.00			Meets 3 x p.m.
Vice Chairman Joint Scrutiny	£ -		£ -	£ -		£ -	£0.00			Does take on items
Chairman Audit & Standards	£ 2,000.00	1	£ 2,000	£ 2,000.00	1	£ 2,000	£0.00			2 meetings each as they are joint
Vice Chairman Audit & Standards	£ -		£ -	£ -		£ -	£0.00			Doesn't do anything unless a chair is absent as the chairs are the std. vice chairs for each other.
Chairman of Regulatory Committee	£ 4,000.00	1	£ 4,000	£ 1,000.00	1	£ 1,000	£3,000.00			Attend a lot of hearings
Vice Chairman Regulatory Committee	£ 1,000.00	1	£ 1,000	£ 1,000.00	1	£ 1,000	£0.00			Attend a lot of hearings
	£ 2,000.00	8	£ 16,000	£ 4,000.00	9	£ 36,000	-£2,000.00			NB. Does not include Leader & Deputy Leader
Cabinet Member without portfolio	£ -	0	£ -	£ 1,000.00	3	£ 3,000	-£1,000.00			
Member with Special Responsibility	£ -	0	£ -	£ 3,000.00	5	£ 15,000	-£3,000.00			
Planning Committee Members	£ 400.00	14	£ 5,600			£ -	£400.00			
Political Group Members	£ 750.00	3	£ 2,250	£ 400.00	3	£ 1,200	£350.00			£40 for each member of group.
Task Group Chairman	£ -		£ -			£ -	£0.00			
Panel Chairman	£ -		£ -			£ -	£0.00			
Chairman of Joint Appointments, Joint Health & Safety, Joint Staff Consultation	£ -		£ -	£ -		£ -	£0.00			
		78	£ 227,850		72	£ 253,200				

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Title	Babergh											
	Current				Proposed				Difference			
	Allowance	Qty	Total Cost		Allowance	Qty	Total Cost		Allowance	Qty	Total Cost	
Basic Allowance	£ 4,000.00	43	£ 172,000		£ 5,000.00	43	£ 215,000		£ 1,000.00	0	£ 43,000	
Chairman of the Council	£ 4,000.00	1	£ 4,000	1.00	£ 5,000.00	1	£ 5,000	1.00	£ 1,000.00	0	£ 1,000	
Deputy Chairman of the Council	£ 2,000.00	1	£ 2,000	0.50	£ 2,500.00	1	£ 2,500	0.50	£ 500.00	0	£ 500	
Leader of the Council	£ 8,000.00	1	£ 8,000	2.00	£ 12,500.00	1	£ 12,500	2.50	£ 4,500.00	0	£ 4,500	
Deputy Leader of the Council	£ 4,000.00	1	£ 4,000	1.00	£ 7,500.00	1	£ 7,500	1.50	£ 3,500.00	0	£ 3,500	
Chairman of Planning	£ 4,000.00	1	£ 4,000	1.00	£ 5,000.00	1	£ 5,000	1.00	£ 1,000.00	0	£ 1,000	
Vice-Chairman of Planning	£ 1,000.00	1	£ 1,000	0.25	£ 1,250.00	1	£ 1,250	0.25	£ 250.00	0	£ 250	
Chairman Joint Scrutiny	£ 2,000.00	1	£ 2,000	0.50	£ 2,500.00	1	£ 2,500	0.50	£ 500.00	0	£ 500	
Vice Chairman Joint Scrutiny	£ -		£ -		£ -		£ -		£ -	0	£ -	
Chairman Audit & Standards	£ 2,000.00	1	£ 2,000	0.50	£ 2,500.00	1	£ 2,500	0.50	£ 500.00	0	£ 500	
Vice Chairman Audit & Standards	£ -		£ -		£ -		£ -		£ -	0	£ -	
Chairman of Regulatory Committee	£ 4,000.00	1	£ 4,000	1.00	£ 2,500.00	1	£ 2,500	0.50	-£ 1,500.00	0	-£ 1,500	
Vice Chairman Regulatory Committee	£ 1,000.00	1	£ 1,000	0.25	£ -	1	£ -	0.00	-£ 1,000.00	0	-£ 1,000	
Cabinet Member with Portfolio	£ 2,000.00	8	£ 16,000	0.50	£ 6,250.00	8	£ 50,000	1.25	£ 4,250.00	0	£ 34,000	
Cabinet Member without Portfolio			£ -		£ -		£ -		£ -	0	£ -	
Member with Special Responsibility			£ -		£ -		£ -		£ -	0	£ -	
Planning Committee Members	£ 400.00	14	£ 5,600	0.10	£ -	14	£ -	0.00	-£ 400.00	0	-£ 5,600	
Political Group Leaders	£ 750.00	3	£ 2,250	0.19	£ 1,000.00	3	£ 3,000	0.20	£ 250.00	0	£ 750	
Task Group Chairman	£ -		£ -		£ -		£ -		£ -	0	£ -	
Panel Chairman	£ -		£ -		£ -		£ -		£ -	0	£ -	
Chairman of Joint Appointments, Joint Health & Safety, Joint Staff Consultation	£ -		£ -		£ -		£ -		£ -	0	£ -	
			£ 227,850				£ 309,250				£ 81,400	

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Title	Mid Suffolk										
	Current				Proposed				Difference		
	Allowance	Qty	Total Cost		Allowance	Qty	Total Cost		Allowance	Qty	Total Cost
Basic Allowance	£ 4,000.00	40	£ 160,000		£ 5,000.00	40	£ 200,000		£ 1,000	0	£ 40,000
Chairman of the Council	£ 4,000.00	1	£ 4,000	1.00	£ 5,000.00	1	£ 5,000	1.00	£ 1,000	0	£ 1,000
Deputy Chairman of the Council	£ 2,000.00	1	£ 2,000	0.50	£ 2,500.00	1	£ 2,500	0.50	£ 500	0	£ 500
Leader of the Council	£ 10,000.00	1	£ 10,000	2.50	£ 12,500.00	1	£ 12,500	2.50	£ 2,500	0	£ 2,500
Deputy Leader of the Council	£ 6,000.00	1	£ 6,000	1.50	£ 7,500.00	1	£ 7,500	1.50	£ 1,500	0	£ 1,500
Chairman of Development Control	£ 4,000.00	2	£ 8,000	1.00	£ 5,000.00	2	£ 10,000	1.00	£ 1,000	0	£ 2,000
Vice-Chairman of Development Control	£ 1,000.00	2	£ 2,000	0.25	£ 1,250.00	2	£ 2,500	0.25	£ 250	0	£ 500
Chairman Joint Scrutiny	£ 2,000.00	1	£ 2,000	0.50	£ 2,500.00	1	£ 2,500	0.50	£ 500	0	£ 500
Vice Chairman Joint Scrutiny	£ -	1	£ -		£ 1,250.00	1	£ 1,250	0.25	£ 1,250	0	£ 1,250
Chairman Audit & Standards	£ 2,000.00	1	£ 2,000	0.50	£ 2,500.00	1	£ 2,500	0.50	£ 500	0	£ 500
Vice Chairman Audit & Standards	£ -	1	£ -		£ -	1	£ -	0.00	£ -	0	£ -
Chairman of Regulatory Committee	£ 1,000.00	1	£ 1,000	0.25	£ 2,500.00	1	£ 2,500	0.50	£ 1,500	0	£ 1,500
Vice Chair Regulatory Committee	£ 1,000.00	1	£ 1,000	0.00	£ -	1	£ -		-£ 1,000	0	-£ 1,000
Cabinet Member with Portfolio	£ 4,000.00	9	£ 36,000	1.00	£ 6,250.00	9	£ 56,250	1.25	£ 2,250	0	£ 20,250
Cabinet Member without portfolio	£ 1,000.00	3	£ 3,000	0.25	£ 1,250.00	3	£ 3,750	0.25	£ 250	0	£ 750
Member with Special Responsibility	£ 3,000.00	5	£ 15,000	0.75	£ 3,750.00	5	£ 18,750	0.75	£ 750	0	£ 3,750
Development Control Committee Members			£ -		£ -		£ -		£ -	0	£ -
Political Group Leaders	£ 400.00	3	£ 1,200	0.10	£ 1,000.00	3	£ 3,000	0.20	£ 600	0	£ 1,800
Task Group Chairman			£ -		£ -		£ -		£ -	0	£ -
Panel Chairman			£ -		£ -		£ -		£ -	0	£ -
Chairman of Joint Appointments, Joint Health & Safety, Joint Staff Consultation	£ -		£ -		£ -		£ -		£ -	0	£ -
			£ 253,200				£ 330,500				£ 77,300

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Babergh District Council	87,917	£ 4,000	£ 4,000	£ 2,000	£ 8,000	£ 4,000			£ 8,000	£ 4,000	£ 4,000	£ 1,000	£ 2,000	No SRA	£ 2,000	No SRA					£ 400
Mid Suffolk District Council	97,611	£ 4,000	£ 4,000	£ 2,000	£ 10,000	£ 6,000					£ 4,000	£ 1,000	£ 2,000		£ 2,000						
Mid Devon District Council	78,335	£ 4,865	£ 2,433		£ 14,595	£ 7,298	£ 6,081				£ 6,081		£ 6,081				£ 3,649		£ 1,216		
East Cambridgeshire District Council	85,097	£ 5,300	£ 4,200	£ 1,100	£ 6,000	£ 2,000					£ 3,000	£ 1,500									
Melton Borough Council	50,770	£ 4,710			£ 12,530	£ 4,004					£ 4,004	£ 1,180									
South Norfolk	125,978	£ 4,676	£ 6,079	£ 1,403	£ 12,158		£ 6,079	£ 2,806			£ 6,079	£ 1,403	£ 4,676	£ 1,403		£ 1,403					
North Dorset	69,348	£ 4,605	£ 2,304		£ 10,362	£ 8,061		£ 6,909			£ 5,757	£ 1,152			£ 2,304						
South Northamptonshire Council	86,350	£ 4,933	£ 5,115		£ 18,987	£ 9,493	£ 6,328				£ 3,797	£ 1,898			£ 1,898						
Hambleton	89,748	£ 6,050	£ 4,538		£ 24,200	£ 12,100	£ 9,075				£ 6,050		£ 4,538		£ 1,512						

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BABERGH

Job Title		Research	Training Required	Spec. Subject Knowledge	Hours Req.	Specialist Finance Knowledge	Strategic Communication	Working with Media	Specialist Law Knowledge	Leadership Role	Chairing Role	Liaising with public	Attending Meetings	
Chairman	2	2	2	3	2	3	4	3	4	4	4	4	36	44
Vice-Chairman	1	2	2	2	1	2	3	2	3	3	3	3	27	33
Leader	4	4	5	5	4	5	5	4	5	5	5	5	54	66
Deputy Leader	3	3	3	4	3	4	3	3	4	3	3	4	40	44
Chairman of Planning	5	5	5	4	2	3	3	4	4	5	4	4	48	44
Vice-Chairman of Planning	4	4	4	3	2	2	2	3	3	3	3	4	38	28
Chairman Joint Scrutiny	4	4	4	3	2	3	3	3	4	5	3	4	41	33
Vice Chair Joint Scrutiny	3	3	3	3	2	2	2	3	3	3	2	3	35	22
Chair Audit & Standards	4	3	4	3	3	3	2	3	4	4	2	3	39	33
Vice Chair Audit & Standards	3	3	3	3	3	2	2	3	3	3	2	3	32	22
Chairman of Regulatory Committee	4	4	4	3	2	2	2	3	2	3	3	3	36	44
Vice Chair of regulatory	3	3	3	3	1	2	2	3	2	3	3	3	33	28
Portfolio Holder	4	3	4	4	3	4	4	3	3	3	4	4	42	33
Planning Committee Members	3	4	4	3	1	1	1	2	1	1	2	4	28	24
Group Leaders	3	2	2	3	3	3	3	2	3	3	3	4	34	26
General Member	3	2	2	2	1	2	2	1	1	1	4	1	22	

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Agenda Item 10

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

TO:	BDC COUNCIL MSDC COUNCIL	REPORT NUMBER: BC/18/9
FROM:	Cabinet Member for Housing	DATE OF MEETINGS: 19 June 2018 21 June 2018
OFFICER:	Gavin Fisk Assistant Director - Housing	

DISBANDMENT OF JOINT HOUSING BOARD

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to gain agreement from the Council that the Joint Housing Board be disbanded and to describe the alternative form of tenant engagement that is being pursued.

2. RECOMMENDATION

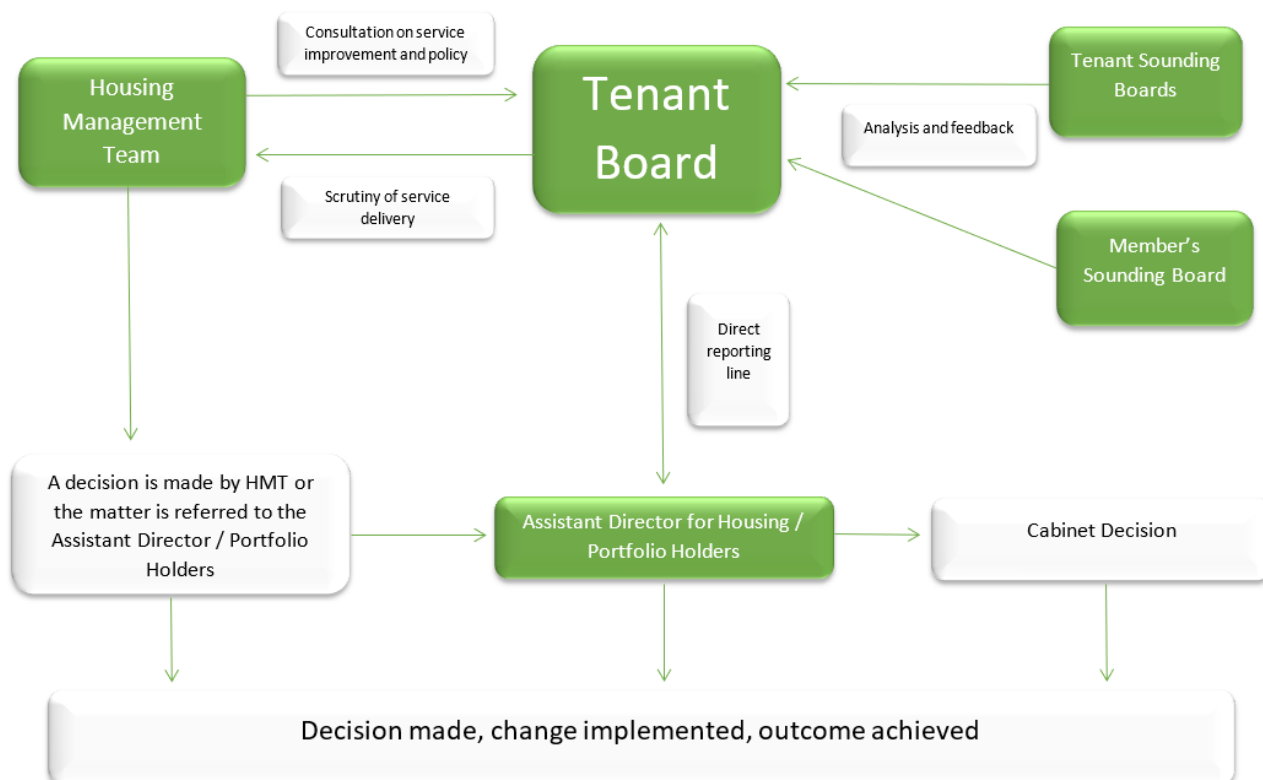
- 2.1 That the Joint Housing Board be disbanded.

3. KEY INFORMATION

- 3.1 In October 2016, the HQN began a review of the tenant engagement structure at Babergh and Mid Suffolk Councils, reporting its findings in July 2017. It concluded that Babergh and Mid Suffolk Councils were not fully compliant with the Tenant Involvement and Empowerment standard in that there was no tenant scrutiny of the housing service and no rigorous customer-led challenge, both of which are integral to the current regulatory framework. The method of engaging tenants at that time was through the Joint Housing Board and Tenant Forum.
- 3.2 A project was commissioned in October 2017 to explore ways to effectively involve tenants in the development and scrutiny of housing services and ensure that the Councils were fully compliant with the regulatory standard.
- 3.3 Following a series of consultations and workshops with tenants an alternative tenant engagement structure was developed that replaced the Joint Housing Board and Tenant's Forum with a single Tenant Board. This Board would be supported in its work by the Housing Management Team, a Member's Sounding Board, and *ad hoc* Tenant Sounding Boards, as per the diagram below:

Babergh and Mid Suffolk Councils

Tenant Engagement Structure



- 3.4 **The Tenant Board** will be a permanent group that will both scrutinize existing housing services and be consulted on proposed improvements to service delivery. Its members will be tenants of Babergh & Mid Suffolk Councils, and they will be recruited, rather than elected (in the past there has been difficulty attracting tenants to stand for election as tenant representatives. This has resulted in uncontested elections and by-elections).
- 3.5 **Tenant Sounding Boards** will be temporary groups brought together to explore a single issue relating to service delivery. For example, a small number of new tenants could be asked to discuss their experience of moving into one of our properties, and how that experience could be improved. The results of this would be reported to the Tenant Board.
- 3.6 **The Member Sounding Board** will be an informal group of Councillors who will support the Tenant Board with advice and guidance.
- 3.7 At its meeting on 19 March 2018, the Joint Housing Board considered the above structure and resolved:

3.2.1 That the disbandment of the Joint Housing Board and Tenant Forum be presented to the Tenant Forum and upon their agreement, a report be presented to Babergh and Mid Suffolk Full Councils on this matter.

3.2.2 That upon agreement from Babergh and Mid Suffolk Full Councils the Joint Housing Board and Tenant Forum be disbanded.

3.8 The Tenant Forum confirmed its agreement with the proposals on 30 April 2018, and voted in favour of disbanding in order to allow the creation of the new tenant engagement structure centred around the Tenant Board.

3.9 It is proposed that a Tenant Board be formed following the completion of the customer engagement review. The Board will be comprised of tenants and will be able to make recommendations both to the Housing Management Team as well as the Council and Cabinet.

4. LINKS TO JOINT STRATEGIC PLAN

4.1 This report supports the following outcomes within the joint strategic plan:

- Community led solutions to deliver services and manage assets
- Community volunteers are skilled and able
- Manage our housing assets effectively
- Alternative service delivery models
- Strengthened and clear governance to enable delivery
- Digital by design

5. FINANCIAL IMPLICATIONS

5.1 The current costs are associated with supporting the Joint Housing Board:

Staff support costs	£8,000
Costs of holding Joint Housing Board meetings	£350
Events / Marketing materials	£0

5.2 It is not anticipated that the disbandment of the Joint Housing Board will result in significant savings as the current expenditure will be redirected to alternative forms of tenant engagement.

6. LEGAL IMPLICATIONS

6.1 The Tenant Involvement and Empowerment standard requires housing providers to give their tenants a wide range of opportunities to influence and be involved in:

- Formulating policy and strategic priorities
- Decision-making about service delivery and service standards, including local offers
- Scrutiny of performance and making recommendations for improvement.

6.2 It is vital that the new structure meets this standard in order that Babergh and Mid Suffolk Councils are compliant.

7. RISK MANAGEMENT

7.1 Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If we do not have a formal mechanism for engaging tenants the Council may be unable to meet its duties as a landlord.	Highly unlikely – 1	Bad – 3	Creation of a tenant board, implementing outcomes of customer engagement review.

8. CONSULTATIONS

8.1 Consultation has been undertaken with the Joint Housing Board, tenants' forum and Cabinet Members for Housing.

9. EQUALITY ANALYSIS

9.1 An Equality Impact Assessment (EIA) is not specifically required for this report; however an EIA will be undertaken for the proposed tenant engagement activities. It is most likely that the proposed arrangements would have positive equality impacts.

10. ENVIRONMENTAL IMPLICATIONS

10.1 There are no environmental implications arising from this report.

11. APPENDICES

11.1 None.

12. BACKGROUND DOCUMENTS

12.1 None.

Agenda Item 12

BABERGH DISTRICT COUNCIL

TO:	BDC Council	REPORT NUMBER: BC/18/10
FROM:	Cabinet Member for Assets and Investments	DATE OF MEETING: 19 June 2018
OFFICER:	Jonathan Stephenson - Strategic Director & Anne Bennett - Corporate Manager	KEY DECISION REF NO: CAB12
Part 1		

BABERGH DC HQ REGENERATION PROJECT – APPROVAL OF RECOMMENDED OPTION

1. PURPOSE OF REPORT

- 1.1 In September 2016 Full Council made the decision to relocate from the HQ buildings in Corks Lane, Hadleigh to Endeavour House as the current HQ was not fit for purpose to fulfil modern local government functions with Mid Suffolk District Council.
- 1.2 In April 2017 Strategy Committee gave approval for the appointment of a design and planning team following a full and compliant procurement process. The appointment of the design and planning team was required to support with developing options for the future use of the existing headquarter building at Corks Lane and the associated Corks Lane and Bridge House Car parks; and to develop a programme of work which would ensure the successful delivery of a developed design, that would enable the determination of a detailed planning application for the site.
- 1.3 This report sets out the options that have been considered and explain the rationale for the recommended option.
- 1.4 The purpose of the report is to provide information on the proposed option for the sites development, to Full Council, to allow comments, following debate to be recorded and presented to Cabinet, prior to a decision being taken to submit a full planning application for the proposed option set out within 2.1 of this report (option 2) and within Appendix A.

2. OPTIONS CONSIDERED

- 2.1 Carter Jonas carried out an initial soft assessment of the site in February 2016 to indicate what uses might be targeted. These options were further explored by Ark consultancy and Carter Jonas has updated their Employment Viability Report and this can be found at appendix D:

COMMERCIAL OFFICE SPACE: Within a 7-mile radius of the site the office space that is available is significantly smaller than the council offices. Offices are taking on average 43 months to let and the demand for commercial office space in this location is extremely limited. If the building was to remain as commercial use, then a significant sized organisation would need to be attracted to the town. The likelihood of this being achieved is very small.

Ark contacted commercial agents who all confirmed this summary is correct. A Chartered Surveyors at Bury St. Edmunds who are a commercial agent specialising in finding clients for Class A and Class B use said that they had no suitable clients for the building and would find it extremely difficult to find one.

RETAIL: There would be very little demand for retail in this location. Shops in the High Street are regularly available to rent and local agents confirmed that Retail space at the Hadleigh office site was too far out of the town centre to be of any interest to potential clients. Class A use would not be attractive to their client base.

LEISURE USE: The location has the potential to take a small boutique hotel as part of a wider mixed-use development of the site, however the market for such hotels is weak with several recent bankruptcies in the sector. Ark contacted agents who specialise in finding sites for this type of use confirmed that the market for a Boutique Hotel would be small and currently they said it would be difficult to find a client for the site.

RESIDENTIAL: Hadleigh is an emerging town that is considered by many to be in good commuting distance to the City. There is good demand for housing with a significant sales premium over the towns close by such as Needham Market.

Residential Care could have a market in this location, however McCarthy and Stone currently have a scheme under development at 109 High Street, Hadleigh, Suffolk, IP7 5EJ. The flood plain situation for the site would also have a significant impact on the attractiveness of the site for a residential care use. A consultant specialising in finding sites for care home clients and although they said the site could be attractive to their clients the McCarthy and Stone consent together with the flood plain issues and the need to redevelop the existing list buildings would be a significant barrier to a care home operator considering the site.

General residential development of the site was seen as attractive to housing developers. Agents who specialise in finding sites for housing confirmed that if this site were to come forward as a site for housing there would be significant interest.

2.2 Soft market testing concluded that residential use of the site was the only viable option. Three residential options were therefore developed in November 2017:

Option 1 -Retention and conversion of ALL buildings: all listed, all of the 1980's extension buildings, Bridge House with new build adjacent to Bridge House and Corks Lane corner and car park

Option 2 (recommended option)-Retention and conversion of the listed buildings, part retention and conversion of the 1980's extension i.e. retention only of the 1980's extension that could be readily converted to residential, retention and conversion of Bridge House, new build adjacent to Bridge House, corner of Corks Lane and Corks Lane car park

Option 3 – Retention and conversion of the listed buildings, total demolition of the 1980's extension, demolition of Bridge House with new build being within the curtilage of the listed buildings, Corks Lane corner and car park and on and adjacent to site of Bridge House.

<p>3. RECOMMENDATION</p> <p>3.1 That the Council's comments on the proposed option for redeveloping the former Council HQ site at Corks Lane and the Bridge House and car parks, Option 2 (Section 2.1 of this report and Appendix G), be reported to Cabinet for consideration, prior to a decision being taken to submit a full planning application for the sites redevelopment.</p>
<p>REASON FOR DECISION</p> <p>This option provides for a comprehensive and sympathetic regeneration of the site whilst enhancing the significance and setting of the important listed buildings and preserves the character and appearance of the Conservation Area.</p>

4. KEY INFORMATION

- 4.1 At the Council meeting on 22 September 2016 Councillors considered and noted the key information relating to the development of the Hadleigh site in C/70/16 (Appendix A).
- 4.2 At that stage early market testing and early appraisal of the possible options for the sites had been undertaken. In September 2016, following a development appraisal report by Carter Jonas, Council approved proposals for officers to investigate the future options for the use of the Head Quarters site.
- 4.3 An OJEU advert was placed inviting expression of interest and 6 bidders were selected to interview. Both Council Leaders were part of the formal interview process with officers in April 2017.
- 4.4 In June 2017 Purcell Architects, Lawson Planning Partnership, Hoggarth Cooke and Morley Riches & Ablewhite were appointed to support the Council with design, planning advice, feasibility and financial viability appraisals of the options for future use.
- 4.5 The commission was for both Babergh and Mid Suffolk's HQ sites and the aim of the commission was to establish a redevelopment option for each of the sites which realises the potential market values of the sites and is acceptable in planning policy terms; alongside the requirement to deliver outcomes which meet the Councils' Joint Strategic Priorities and also consider the socio-economic impact relating to the closure of the offices.
- 4.6 An important outcome for the commission was to achieve the delivery of a solution that will prevent the sites lying dormant for an extended period of time; and provide residential development that creates apartments in the retained, converted buildings and new housing on the surrounding car park sites.
- 4.7 The project team have been developing proposals for the site. These proposals have been developed using the following mechanisms:
 - Site assessment and Pre-planning discussions
 - Market testing outcomes

- Viability testing and appraisal
- Sounding Board, Councillor, Town Council & public engagement comments

4.8 This report takes into consideration the detailed design and planning work and takes into consideration all survey work, additional market engagement and the financial appraisal of various options. All options included the retention of the 5 historic buildings on the site.

4.9 The brief was to provide a residential development, creating apartments in the retained, converted buildings and new housing on the surrounding car park sites.

4.10 The rationale for the extent of demolition of the 1980s consisted of defining which blocks of the existing office complex could be converted to residential use without compromise to the quality of created residential accommodation. This resulted in the proposal to demolish the council chamber (due to its bespoke design as a chamber and difficulty in conversion) and the associated deep plan areas of office and circulation. In addition, the existing refectory wing was proposed for demolition for the same reasons.

4.11 The proximity of the site to the River Brett imposes significant flood risk constraints. A detailed flood modelling has been undertaken to define the extents of the flood plain and the extent of development potential for the site, without building within the recognised flood plain.

4.12 New build options for the Corks Lane car park (to the west of the office buildings) were explored, testing housing of different types and apartments. However, much of the car park would need to be retained for parking to support the adjacent apartments (converted offices).

4.13 Options were developed for the Bridge House site, which retained and converted Bridge House with adjacent new build or proposed to demolish Bridge House. Following consultation with our traffic consultant, the position of Bridge House prohibits the use of the adjacent driveway (leading to the allotments) as two way road, which is instrumental to unlocking the development of the site. Furthermore, a detailed structural survey of Bridge House was undertaken by The Morton Partnership which defined the extent of structural works required to restore the building. This was cost prohibitive and therefore it is proposed to demolish Bridge House.

4.14 **Next Steps**

- Following approval from Cabinet a full detailed planning application will be submitted for approval (August);
- Section 106 Heads of Terms of Agreement (if any);
- During the planning determination period (13 weeks) a detailed business case will be prepared and presented to Council for a decision to be made on the delivery approach to the site, in readiness for the planning determination;
- Project start on site

4.15 **Project Benefits**

- The local economy will benefit from increased employment during the construction phase and increased foot fall for local shops and services in the long term.
- This scheme will provide outcomes which impact on the Councils Strategic Priorities by providing housing delivery.
- Comprehensive site reuse and redevelopment, including the retention and enhancement of the listed building significance and settings and preservation of the character and appearance of the Conservation Area
- The retention of the riverside walking routes
- Community Infrastructure Levy

5. LINKS TO JOINT STRATEGIC PLAN

5.1 The release of the former HQ sites for economic and housing purposes meets the following key strategic priorities:

- Property investment to generate income and regenerate local areas
- Making best use of land and buildings across the Suffolk system
- Further develop the local economy and market towns to thrive

6. FINANCIAL IMPLICATIONS (Further Information Contained in Part 2 – Restricted)

6.1 The costs of feasibility and design work being undertaken to support delivery of the regeneration of the headquarters site are included within previously approved capital and revenue budgets.

Revenue/Capital/ Expenditure/Income Item	2017/18	2018/19	2019/20
Purcell Contract (includes others subcontracted as full project team)	£109,082.41	£74,602.09	N/A
Other Surveys/land investigation & Consultation commissioned directly by the Council	£83,972.41	£26,640	N/A
Full Planning Application & listed building consent	N/A	£23,963	N/A

A business case for the regeneration of the headquarters site, which sets out the full financial implications, including any capital funding requirements, will be presented to Council for approval, at a future date, prior to moving forward with the regeneration of the site.

7. LEGAL IMPLICATIONS

- 7.1 All procurement for the project was advertised nationally and via the Office of journal of the EU (OJEU) using a two-stage process.
- 7.2 Subject to Cabinet approval a planning application will be made pursuant to Regulation 3 of the Town and Country Planning General Regulations 1992 (as amended).
- 7.3 All rights of way and ownerships have been rigorously investigated by solicitors and they have confirmed that the development of this option can be achieved.

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No. 4b Assets and Investments, Failure to Manage our corporate and housing assets effectively. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If we didn't explore fully the options for the former HQ site the Council may not achieve the best economic, social and financial outcomes from the site	Unlikely (2)	Medium (2)	Having the appropriate professional and technical experts to support the Council to ensure that the future options are fully appraised.
Other project risks:			
The project cannot be delivered within budget and within the agreed timescale. If projects are delayed could give rise to increased costs.	Unlikely (2)	Bad (3)	The project team have been working well together, all relevant surveys and site investigations have been carried out so that cost implications are known and it also serves to front load the planning application. Full consultation with stakeholders as the project has progressed have shaped the proposals.
The planning application is refused.	Unlikely (2)	Bad (3)	The pre- application has been very thorough.
There is a market downturn which means that the viability position is altered for the project.	Unlikely (2)	Bad (3)	The Council could consider using properties for private rent whilst the market recovers.

9. CONSULTATIONS

- Sounding board November 2017: A project sounding board consisting of Ward Councillors, the Council Leader, and representatives of the town council was established in November 2017 to provide important confidential input from representatives of the community. In November 2017, the site analysis, strategic and detailed briefs, concept designs and 3 site options were presented to the Sounding Board.
- Pre-application submissions were made to the Planning Authority and statutory consultees as follows – to Historic England in October 2017, to the Planning Authority (incorporating Suffolk CC as Local Lead Flood Authority, Highways and Place Services Historic Buildings/ Ecology Officers and the Strategic Housing Officer) in November 2017.
- Cabinet briefing and all member sessions – January 2018.
- Town Council meeting 13th February 2018.
- SDRP – March 2018, the consultant team engaged with the Suffolk Design Review Panel. Following a site visit, the site analysis, briefing and outline options were presented along with the developed, preferred option. The review panel provided useful feedback which has been reviewed and taken into account during the subsequent development of the proposals.
- Public consultation exhibitions of the proposals were held at Hadleigh Cricket Club Pavilion and at the Guild Room (Town Hall) on 11th and 18th April.
- Second sounding board – April 2018, the consultant team presented to the Sounding Board members, feeding back the responses from the SDRP and the public consultation.
- The advice from these bodies and the responses arising from the public consultation exhibitions, have been taken into account in developing the scheme design for the preferred option, including the associated site redevelopment mitigation strategies.

10. EQUALITY ANALYSIS

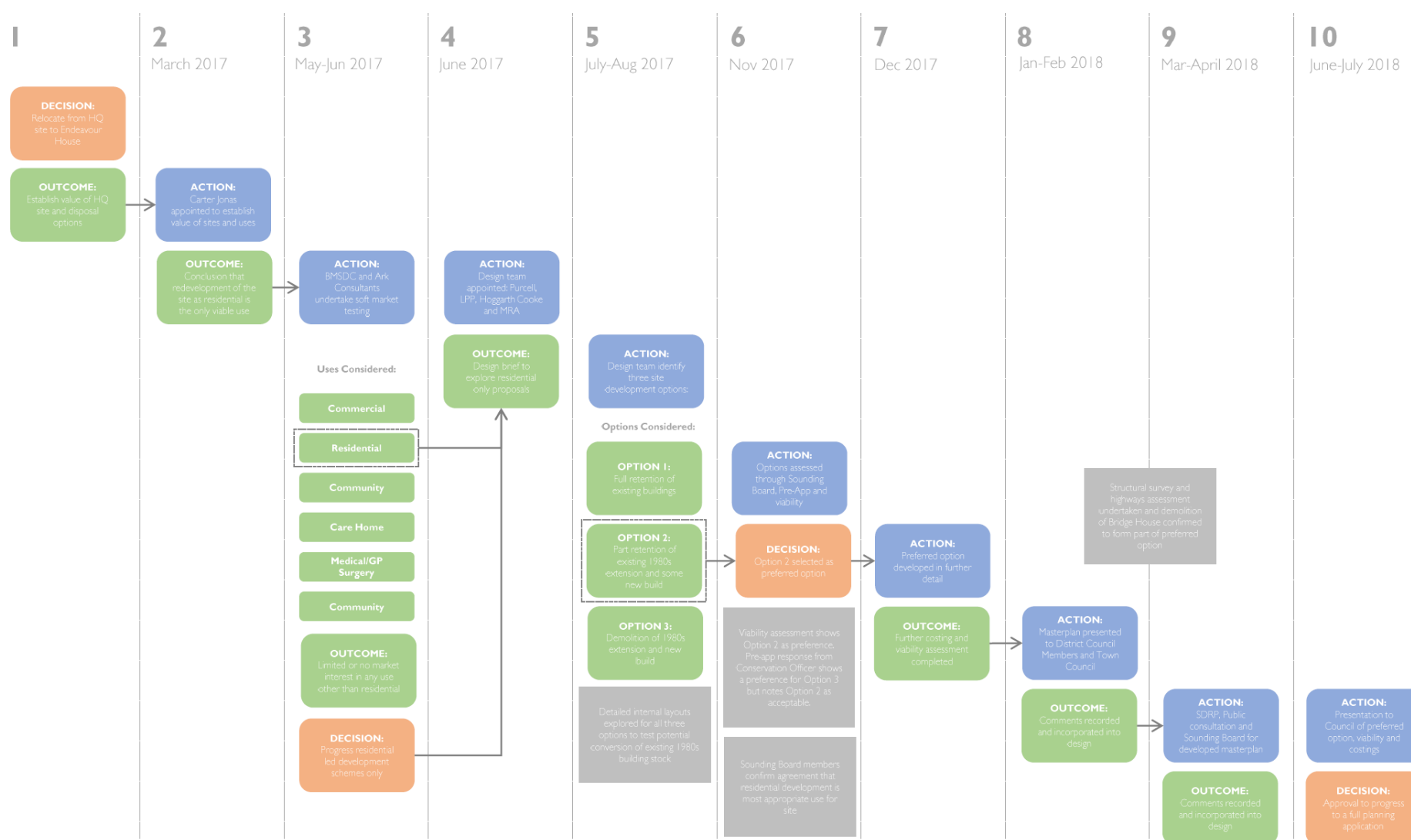
Equality Impact Assessment (EIA) not required as there are no equality issues arising from the contents of this report and the recommendations.

11. ENVIRONMENTAL IMPLICATIONS

The environmental implications of the project/build specifications will be set out in the report on the delivery of these proposals.

12. APPENDICES

Title	Location
(a1) Process Summary	Attached
(a) Paper C/70/16 Site Options	In Part 2 of the Report-Restricted
(b) Public Consultation Exhibition Boards	Attached
(c) LPP Summary of Consultation Responses	Attached
(d) CJ Employment Viability Report	Attached
(e) MRA Viability Information	In Part 2 of the Report-Restricted
(f) High Level Project Plan/ Timetable	Attached
(g) Drawing	Attached



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EXHIBITION ANNOUNCEMENT

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

Wednesday 11 April & Wednesday 18 April 2018

Drop in anytime from 3pm to 8pm

Wednesday 11 April

Hadleigh Cricket Pavilion
Friars Road, Hadleigh, IP7 6DF

Wednesday 18 April

Guild Room, Hadleigh Town Hall,
Market Place, Hadleigh, IP7 5DN

Representatives of Babergh District Council, Purcell Architects
& Lawson Planning Partnership will be on hand to answer your questions

INTRODUCTION

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

- Babergh & Mid Suffolk Council started working together in 2011 with one chief executive and a shared workforce to deliver better services at lower cost
- In 2016 Babergh members made the decision to relocate from the HQ buildings in Hadleigh to Endeavour House in Ipswich, sharing space with other public sector bodies including the County Council and also Clinical Commissioning Group
- The decision was a result of appraisals of the HQ site which showed that it was no longer fit for purpose to fulfil local government functions. The reasons for this included barriers to redesign, including listed building status, and poor connections to vital utilities: the cost of mitigating this and bringing it up to modern standards would be prohibitive
- As a result of the move Babergh and Mid Suffolk District Councils will save an estimated £5.8m over the next decade in HQ costs, which will be reinvested in council services
- Public facing services continue to be delivered within the district, including from a public access point in Sudbury



STRATEGIC BRIEF & AIMS

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

THE COUNCIL'S STRATEGIC AIMS & OBJECTIVES:

- Our Joint Strategic Plan set out our priorities to invest to generate income and regenerate local areas; make best use of land and buildings across the Suffolk public sector and financially sustainable councils
- The former Council offices are one of several redevelopments the council is leading to deliver as part of our assets and investments programme
- The redevelopment of the former office site must:
 - Support the strong and vibrant community in Hadleigh
 - Regenerate the site and deliver housing to meet local needs
 - Ensure development takes place within a reasonable timeframe



DETAILED BRIEF

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

THE STORY SO FAR...

- A design and planning team is focussed on the regeneration & redevelopment of the two HQ sites
- The councils have carried out soft market testing to identify suitable options, exploring opportunities at the two HQ sites
- This process confirmed that demand for commercial office space in this location is extremely limited and that there was no demand from providers of care homes and hotels
- The assessment work has concluded that the only viable use for the site is residential

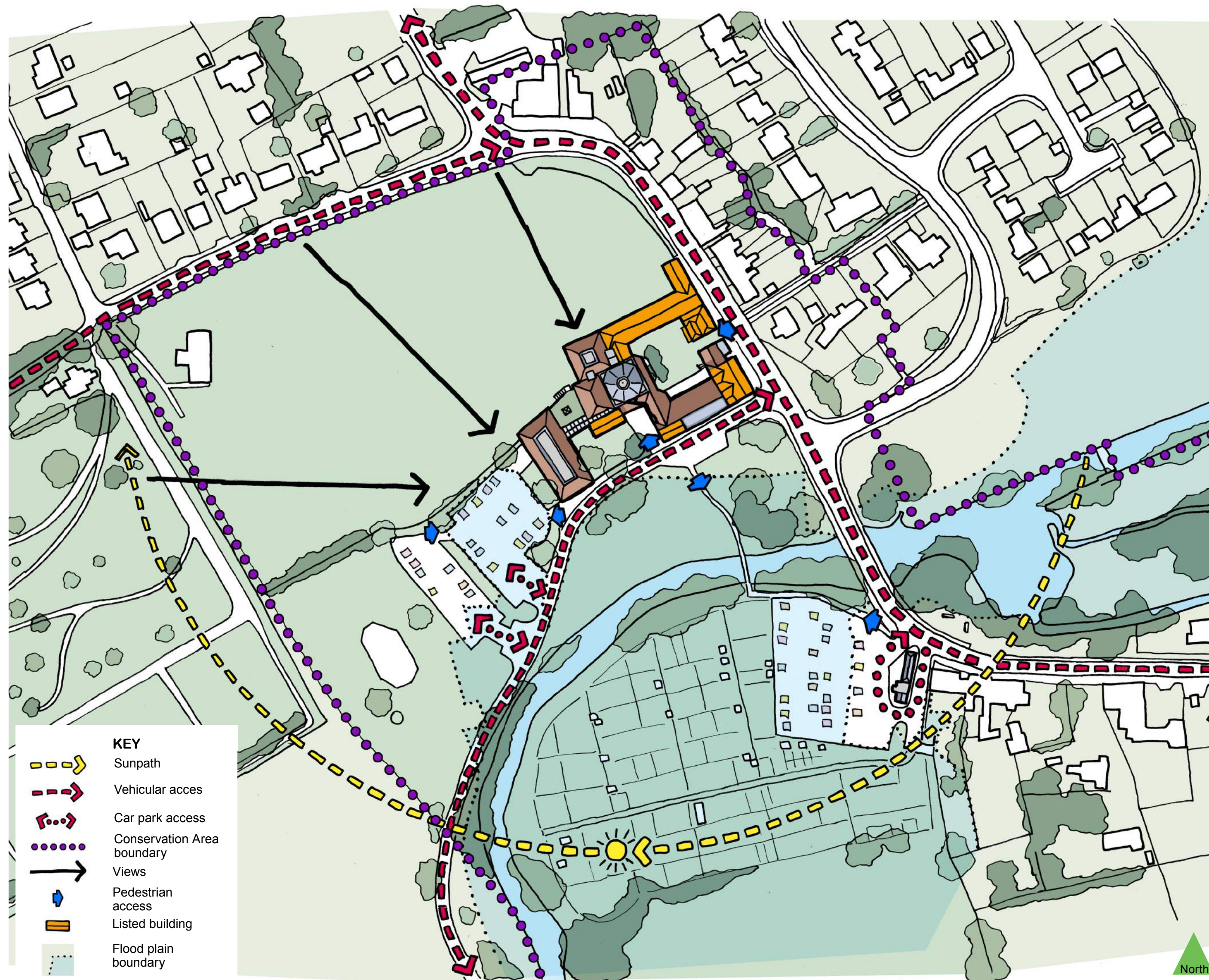


UNDERSTANDING THE SITE

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

CONSTRAINTS & OPPORTUNITIES

- Heritage (five historic buildings, including Grade II* and Grade II Listed properties)
- Bridge House in poor repair; restricts visibility to Bridge Street, access to the existing allotments and proposed dwellings
- All parts of the site lie within a Conservation Area
- Site north of the river lies within a Special Landscape Area
- Site south of the river lies within an Area of Archaeological Interest
- River Brett and associated flood risk zones
- Corks Lane, which incorporates a public right of way
- Access to the site
- Views of and from the site
- Surrounding open spaces (cricket ground, recreation area, green space)
- Vacant previously developed site with high redevelopment costs and related financial viability considerations



SITE DEVELOPMENT OPTIONS

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

OPTIONS DEVELOPED IN NOVEMBER 2017



OPTION 1

- Retention and conversion of the Listed buildings
- Retention and conversion of the 1980's extension
- Retention and conversion of Bridge House
- New build development on the Corks Lane car park, corner of Corks Lane and Bridge House car park



OPTION 2

- Retention and conversion of the Listed buildings
- Part retention and conversion of the 1980's extension
- Retention and conversion of Bridge House
- New build development on the Corks Lane car park, corner of Corks Lane and Bridge House car park



OPTION 3

- Retention and conversion of the Listed buildings
- Demolition of the 1980's extension
- New build development within the curtilage of the Listed buildings
- Demolition of Bridge House
- New build development on the Corks Lane car park, corner of Corks Lane and Bridge House car park

SITE DEVELOPMENT OPTIONS

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

OPTIONS DEVELOPED IN NOVEMBER 2017

ASSESSMENT OF THESE OPTIONS:

- The three options were assessed in the following ways:
 - Sounding board, comprising of local representatives
 - Scheme cost and financial viability comparison
 - Local planning authority pre-application advice including liaison with statutory consultees
- Option 2 was the preferred option, which has been developed further to form the current proposed masterplan



MASTERPLAN

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

MASTERPLAN - FACTS & FIGURES

- Total site area = 1.22 hectares / 3 acres
- Total number of new homes (houses and apartments) = 58
- Mix of 1, 2 and 3 bedroom apartments and 3 and 4 bedroom houses
- Housing density of 47 dwellings per hectare
- High quality private and public spaces, hard and soft landscaping
- Residents and visitor car / cycle parking and bin storage
- Memorial trees retained
- Green space and footpaths adjacent to the river to be retained



CREATING PLACE & ACHIEVING A SUSTAINABLE DEVELOPMENT

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

PROPOSAL BENEFITS:

- Retention of the listed buildings and enhancement of the setting and significance
- High quality housing sympathetic to the local character
- Improved public realm
- Retention of the riverside green space and informal walking routes
- Community Infrastructure Levy (CIL) payment towards education and healthcare to address any impacts arising to local services



New Build Housing



South Elevation



West Elevation

CONCLUSIONS & NEXT STEPS

PUBLIC EXHIBITION OF PLANS FOR THE FUTURE OF THE FORMER COUNCIL OFFICES

PLANNING BENEFITS, BROAD TIMESCALES & PROGRAMME

- Necessary regeneration which will achieve a sustainable development
- Mix of good quality housing & local community benefits
- Financially viable scheme to ensure regeneration is delivered within a suitable timeframe
- Planning and Listed building application(s)
- Business case & procurement process for delivery
- Listening to the community
- Scheme submission to Local Planning Authority estimated for late summer 2018
- Thank you for attending; your views are invited



BABERGH DISTRICT COUNCIL OFFICES, CORKS LANE, HADLEIGH – REDEVELOPMENT OF THE SITE FOR RESIDENTIAL LED PURPOSES

PUBLIC CONSULTATION – SUPPORT v OBJECTION SUMMARY OF 3rd PARTY REPRESENTATIONS

- In total, **132** persons attended across the two Public Consultation Exhibitions: 61 persons attended the event on Wednesday 11th April 2018 and signed the register; and 71 persons attended the second event on Wednesday 18th April and signed the register.
- In total, approximately 2% of the total population (8,253*) of Hadleigh attended the consultation exhibitions.
- In total **63** written responses have been received.
- The deadline for comments to be received for inclusion was 2nd May 2018.

	Question	Total number	Percentage
A	Number of persons who <u>agreed</u> in principle with the redevelopment of the vacant site for residential led purposes	50	79.4%
B	Number of persons who <u>did not agree</u> in principle with the redevelopment of the vacant site for residential led purposes	6	9.5%
C	Number of persons who <u>did not clearly indicate</u> whether or not they agreed in principle with the redevelopment of the vacant site for residential led purposes	7	11.1%
		Total 63	100%

*Population Figure Source: ONS 2011 Census as set out in Hadleigh Socio-Economic Profile (Parish Level) updated Jan 2016

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FORMER BABERGH DISTRICT
COUNCIL OFFICES

CORKS LANE HADLEIGH
IP7 6SJ

MAY 2018

EMPLOYMENT VIABILITY APPRAISAL

Reference: Employment Viability Appraisal – Former Babergh District Council Offices, Corks Lane, Hadleigh IP7 6SJ

Client: Babergh District Council

Carter Jonas Contacts:

Keith Fuller MRICS – Partner – Architecture & Building Consultancy

Ben Le Coq MRICS – Associate – Commercial Agency & Development

Ben Ward – MRTPI – Senior Planner – Planning & Development

Jacob Buckley – Mapping Technician

Tel: 01223 315716

Web: www.carterjonas.co.uk/commercial

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2.0 LIMITATIONS OF REPORT	6
3.0 THE BRIEF	7
4.0 PLANNING POLICY OVERVIEW.....	8
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6.0 RESTRICTIONS TO CONTINUED EMPLOYMENT USE	13
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1.0 EXECUTIVE SUMMARY

- The property, is located in a rural market town setting and not within an established employment setting such as a business park or town centre.
- The majority of people living within a 45 minute drive time to the property are aged 45 - 64 yrs, which may be seen as unfavourable to prospective employers seeking a broader spectrum of employees
- The percentage of degree qualified residents within the same 45 minute drive time radius identifies the fact that the majority are located close to major employment locations, with the property mostly adjacent to zones with 10-25% degree qualified people
- Major employment hubs (Bury St Edmunds, Colchester, Harwich, Felixstowe and Ipswich) are all accessible within a 45 minute drive time from the property and are therefore likely to be a more attractive destination for residents in the area where a greater number of employers are located offering a wider range of business types
- It is anticipated that the market demand for the office space in question will be limited to non-existent given long term market statistics for the area
- There is over 339,000 sq. ft. of available office space within a 10 mile radius of the property with a further 334,000 sq. ft. of office space that is proposed or under construction (all of which is to be delivered in close proximity to major employment hubs)
- There are a number of examples of similar sized, well-located and purpose built offices that have remained available on the market for over 5 years with St Clare House, Ipswich being vacant for over 10 years
- On average office disposals take no more than 2,300 sq. ft. per transaction with only 7 deals occurring over the last 5 years that have taken more than 10,000 sq. ft. – all of which occurred in Ipswich or Colchester
- The vast majority of leasing activity occurring over the last 5 years has occurred around Ipswich and Colchester. The only deals to occur in close proximity to Hadleigh were small in scale and ranged between 730 sq. ft. and 2,316 sq. ft.
- It is considered highly unlikely, if not impossible, that the office will be disposed of in a single letting given the fact that no office deals have occurred in the last 5 years that have involved the disposal of more than 20,000 sq. ft. in any one deal.
- Prevailing secondary office rents are low leaving little room for manoeuvre in order to cover the required refurbishment / subdivision costs
- There are very few known and suitable businesses in the area that would be large enough to take even a proportion of the property (should they have a desire to relocate) with the majority that have been identified being located in established employment hubs (e.g. Colchester and Ipswich)
- Office market conditions remain incredibly challenging with a number of factors working against a successful disposal of the space in question within a reasonable timescale

- The property was designed and constructed for a single occupier and any attempt to split the space for multiple occupiers (to meet any anticipated market demand) will significantly reduce the net lettable space to levels that are below industry standards
- All services to the property have been delivered as a single supply with major alteration required to incorporate separate services supplies or the introduction of sub-meters
- The property is considered to be unsuitable for conversion into alternative employment uses – such as a care home or hotel given the strict requirements that such operators hold and the inability to make them sit within the confines of the existing structure
- The demand for alternative employment uses has been tested through a market testing exercise run by ARK with property agents and care/ hotel operators approached. No forthcoming demand was identified throughout this process from these sectors.

2.0 LIMITATIONS OF REPORT

This report is provided for the purposes and use of the client. Carter Jonas LLP accepts responsibility to the client that the report has been prepared with the skill, care and diligence reasonably expected of a competent Chartered Surveyor but accepts no responsibility whatsoever to any party other than the client. Any such party relies on the report at their own risk.

This report should be read as a whole so that no part may be taken out of context.

The report has been prepared in accordance with the instructions received from Peter Buist at Purcell on behalf of Babergh District Council.

The report has been prepared by Ben Le Coq MRICS, Keith Fuller MRICS and Ben Ward MRTPI who have the relevant experience and knowledge to appraise the properties in this location.

This report is not intended nor is it suitable for secured lending purposes or for assessing the suitability of the property for loan security by a third party.

We have undertaken a visual inspection of the property as far as reasonably possible.

Any interpretation of legal documents and legal assumptions must be checked by the client's legal advisor. No responsibility or liability is accepted for the correct interpretation by Carter Jonas LLP of the legal position of the client or other parties or with regard to legal title. We have assumed the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and that good title can be shown. For the avoidance of doubt, these matters should be investigated by the client's legal representative. We have assumed that the property and its value would not be affected by any matters which would be revealed by a local search and replies to the usual inquiries, or by any statutory notice and neither the property, nor its condition, use, intended use are or would be unlawful.

We have not carried out any tests of drainage, electrical, plumbing or other service installations.

We have not undertaken any tests to establish whether deleterious, hazardous, inherently dangerous or unsuitable materials or techniques were used in the construction of the property or have since been incorporated. Therefore we are unable to confirm the property is free from such materials.

In the event of values being provided in this report – they are done so on the basis of the site being made available with suitable planning consent and on assumed occupational terms. They are not values of the sites being traded as going concerns, which would be subject to a different method of valuation.

2.1 SOURCES OF INFORMATION

Market statistics and trends have been sourced from Property Market Analysis LLP, CoStar, Estates Gazette Interactive and our own market knowledge of recent lettings / sales in the area.

3.0 THE BRIEF

The former council offices are currently vacant following the relocation of the Council towards the latter end of 2017. A project team led by Purcell has been appointed by Babergh District Council to prepare a full planning application for residential development of the BDC site at Hadleigh.

Carter Jonas has previously produced a Development Viability Report (February 2016) in respect of the site which looked at the likely market values for potential redevelopment options, and in so doing concluded that there is unlikely to be any market demand for office use on the site. This has been further confirmed by a soft market testing exercise undertaken by Ark which looked into office, hotel and care home uses in this location.

The Babergh Local Plan seeks to retain existing employment uses unless continued use is considered to be unsuitable or unviable (as stated in Policy EM24).

It has been agreed during pre-application discussions that a marketing campaign for the site is not required however the client (applicant) would still need to demonstrate that continued employment use is not suitable or viable to address the emphasis of Policy EM24. A detailed Employment Viability Report is therefore submitted in support of the planning application.

4.0 PLANNING POLICY OVERVIEW

4.1 THE DEVELOPMENT PLAN

The development plan comprises the saved policies of the Babergh Local Plan (2006) and the Babergh Local Plan Core Strategy & Policies (2014). Babergh District Council has adopted a number of Supplementary Planning Documents. The relevant SPDs are the Affordable Housing SPD (adopted 2014), Safeguarding Employment Land SPD (adopted 2008), the Suffolk County Council Parking Standards Supplementary Guidance (2014), and the Supplementary Planning Guidance on Provision of Outdoor Recreation Facilities & Open Space (adopted 2010).

4.2 THE CORE STRATEGY

The Core Strategy (CS) sets out a high-level strategic plan for the District from 2011 to 2031. Policy CS2 states that most development in the district will be directed to the largest towns and urban areas, including Hadleigh. Policy CS2 states that on land defined as the countryside development will be permitted in exceptional circumstances subject to a proven justifiable need. Policy CS6 provides for a mixed use urban extension to the town of Hadleigh for approximately 250 dwellings and up to 5.5ha of employment land.

Policy CS15 relates to “Implementing Sustainable Development in Babergh.” Relevant to this site are the policy’s requirements to:

- Protect or create jobs to strengthen the local economy and reduce out-commuting
- Ensure an appropriate level of services and facilities
- Protect and enhance biodiversity
- Make provision for open space
- Reduce exposure to risks of flooding
- Policy CS19 requires 35% affordable housing in residential developments.

4.3 SAVED POLICIES OF THE BABERGH LOCAL PLAN (2006)

The proposals map associated with the Babergh Local Plan (2006) shows the site as lying outside of the “Built up area boundary” of Hadleigh. In addition, it shows the site as being located within a “Special Landscape Area” as well as lying within Hadleigh Conservation Area.

Saved Policy HS04 indicates that new housing will be integrated into the defined areas of Towns and Villages. Outside of these areas, in the countryside, the policy states that existing land uses will remain “for the most part undisturbed.” As such, this policy when taken on its own would have the effect of precluding residential development on the subject site.

This must be weighed against the more recent Core Strategy and the presumption in favour of sustainable development outlined in paragraph 14 of the National Planning Policy Framework (2012) taking account of Babergh District Council’s acknowledged shortfall of deliverable housing sites against its five year requirement. According to the latest Annual Monitoring Report (2016-2017) dated June 2017, Babergh District Council claims that it has between 4.1 and 4.7 years of its five year housing land supply depending on the methodology used. This is against the adopted Core Strategy’s housing requirement whereas if land supply is assessed against the most recent Strategic Housing Market Assessment there is actually a 3.1 year housing land supply which represents a significant deficit. As such, decisions on planning applications for new homes in the district need to be taken in the context of the presumption in favour of sustainable development and only refused where the adverse impacts significantly and demonstrably outweigh the benefits or the NPPF itself indicates that

development should be restricted. In this case, the site is located in a conservation area and Footnote 9 is clear that the NPPF extends protection to heritage assets regardless of the particular five year land supply position.

Saved Policy EM24 states that proposals to redevelop or re-use existing vacant employment land for non-employment purposes will only be permitted if alternative employment uses have been fully explored by way of an agreed and sustained marketing campaign undertaking at a realistic price or, where agreed in advance, the applicant can demonstrate that the land, site or premises are inherently unsuitable or not viable for all forms of employment related use.

In relation to the application of Saved Policy EM24 Babergh District Council has adopted Supplementary Planning Document dating from 2008 entitled "Safeguarding Employment Land." This elaborates on the second rung of Policy EM24 which permits the loss of employment land where the site or premises are inherently unsuitable or not viable for all forms of employment related use. The SPD qualifies that in order to use this provision, the applicant must approach the local planning authority and agree the use of this route in advance. Subsequently, the applicant is required to employ appropriate commercial expertise to demonstrate that the land, site or premises in question are inherently unsuitable or not viable for all non-domestic forms of employment related use. The SPD states that the Council will consider the evidence provided and may enlist independent advice on the information the cost for which the applicant will be liable.

The SPD notes that although the retention of the site in employment use may not be viable at a particular moment in time, the economics of development may change over time and the site's potential for employment uses could become a viable proposition in the future. In this respect, such sites are still considered by the Council to have value as an employment resource.

The SPD continues that where an applicant can demonstrate that the redevelopment or refurbishment of an existing employment site is unviable, developers will be expected, subject to other policy considerations, to explore the prospect of a balanced approach to mixed-use development which incorporates an element of higher value uses to cross-subsidise employment uses. Where residential development is proposed the applicant or his agent need to explain why a mixed-use development is not feasible on a particular site. Where an industrial or business use is not feasible, leisure or community uses will be preferred.

It should be noted that Saved Policy EM24 and the corresponding SPD are now 10 – 12 years old and planning policy at the national level has moved on to a material degree. Paragraph 22 of the NPPF 2012 states that "planning policies should avoid the long term protection of sites for employment use where there is no reasonable prospect of the site being reused for that purpose. Where there is no reasonable prospect of the site being used for the allocated employment use, applications for alternative uses of land and buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities."

Given its comparatively rigid focus, Saved Policy EM24 is not wholly consistent with the more recent NPPF 2012 particularly in as much as the SPD indicates that alternative uses or mix of uses other than the existing or proposed use be considered in preference to residential, whereas Paragraph 22 of the NPPF is clear that where the existing use is shown to not have a reasonable prospect of continuing, alternative uses should be treated on their merits. Requiring that other uses or mixes of uses be explored before the site is brought forward for residential development is not consistent with treating alternative uses on their merits.

4.4 THE NATIONAL PLANNING POLICY FRAMEWORK (2012)

Paragraph 7 of the NPPF sets out three dimensions to sustainable development – economic, social, and environmental. The presumption in favour of sustainable development at paragraph 14 sets out that for decision-taking the presumption means when the development plan is absent, silent, or out

of date that planning permission be granted unless the adverse impacts significantly and demonstrably outweigh the benefits or the Framework itself indicates that development should be restricted.

Paragraph 17 sets out core planning principles. It states that the planning system should deliver the homes that the country needs and that every effort should be made to objectively identify and then meet housing need. Paragraph 17 also encourages the effective use of land by reusing land that has been previously developed provided it is not of high environmental value and to conserve heritage assets in a manner appropriate to their significance. Paragraph 17 continues by stating that the planning system should actively manage patterns of growth and make the fullest possible use of public transport, walking, and cycling as well as focusing significant development in locations which are or can be made sustainable.

The advice of Paragraph 22 in respect to the retention of employment land has been set out above in relation to local planning policy. Paragraph 34 states that development which generates significant movement should be located where the need to travel will be minimised and the use of sustainable transport modes maximised.

Paragraph 47 states that local planning authorities should aim to boost significantly the supply of housing and to that end identify a five year supply of deliverable housing sites plus an appropriate buffer. Paragraph 49 states that housing applications should be considered in the context of the presumption in favour of sustainable development and that relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.

Chapter 7 of the NPPF 2012 relates to requiring good design. It states that the Government attaches great importance to the design of the built environment and that planning policies and decisions should not attempt to impose architectural styles or particular tastes and should not stifle innovation, originality, or initiative.

Under the heading of Conserving and Enhancing the Natural Environment, Chapter 11 of the NPPF states that the planning system should aim to achieve net gains in biodiversity and protect and enhance valued landscapes. It also states at paragraph 111 that planning policies and decisions should encourage the effective use of land by re-using land that has been previously developed.

Chapter 12 of the NPPF relates to “Conserving and Enhancing the Historic Environment.” Paragraph 128 states that in determining applications, local planning authorities should require an applicant to describe the significance of any heritage assets affected, including any contribution made by their setting. The level of detail should be proportionate to the asset’s significance. Paragraph 129 states that local planning authorities should identify and assess the significance of any heritage asset that may be affected by the proposal and take the assessment into account when considering the impact of a proposal on a heritage asset.

Paragraph 132 states that when considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to that asset’s conservation. The more important the asset, the greater the weight should be attributed to its conservation. Paragraph 138 states that not all elements of a World Heritage Site or a conservation area will necessarily contribute to its significance. Loss of buildings which make a positive contribution to the conservation area should be treated either as substantial harm under paragraph 133 or less than substantial harm under paragraph 134.

Paragraph 134 states that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal, including securing its optimum viable use.

5.0 PROPERTY OVERVIEW

5.1 GENERAL DESCRIPTION OF THE PROPERTY

The freehold of the Babergh District Council office, Corks Lane, Hadleigh is owned by Babergh District Council.

The site contains an office building (B1 Use Class) of circa 33,113 sq. ft. (net) (this area is approximate and has been established from the VOA rating of the office) accessed separately from both Corks Lane and the B1070. The existing accommodation is principally set over ground and first floors with a small amount of space at second floor level. It comprises a mixture of building types which have been pieced together over time and are all linked internally.

The site on which the property is located extends to approximately 0.44ha (1.09 acres - northern site) with an additional 0.42ha (1.03 acres) on the southern plot to the south of Corks Lane – as can be seen in Figure 1. Note the former staff car park accessed off Bridge Street is excluded from this area calculation.



Figure 1 – Site Boundary / Location Plan – Existing Buildings

Internally it is currently divided into a series of private offices, meeting rooms, circulation areas and open plan offices. There is a large courtyard to the eastern side of the plot and a large landscaped area (referred to in the report as the Southern Plot) on the other side of Corks Lane.

Floor plans are provided on the following page – Figures 2 and 3.

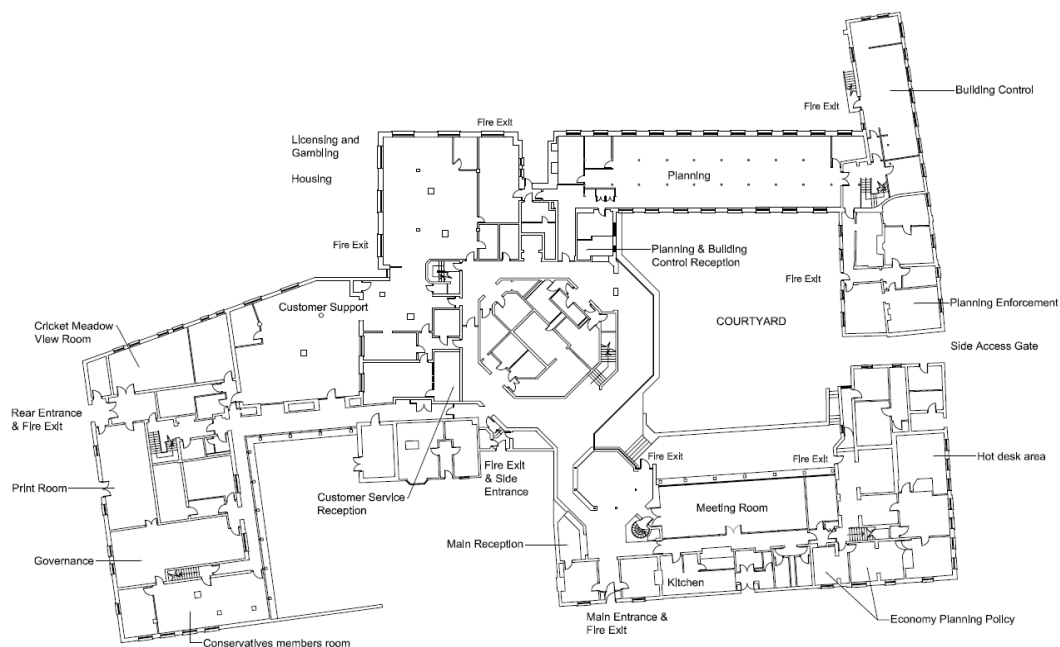


Figure 2 – Ground Floor Plan (Not to Scale)

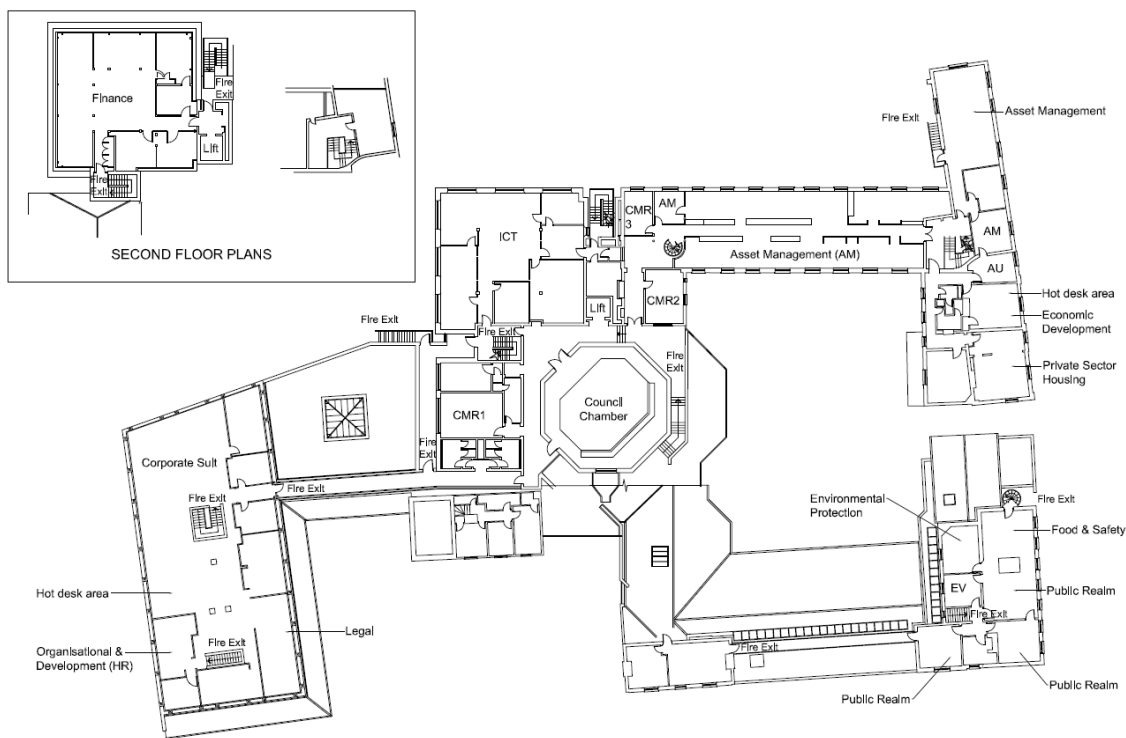


Figure 3 – First & Second Floor Plan (Not to Scale)

6.0 RESTRICTIONS TO CONTINUED EMPLOYMENT USE

6.1 PROPERTY LOCATION IN THE CONTEXT OF REGIONAL DEMOGRAPHICS & STATISTICS

6.1.1 Property Location

Babergh is a predominantly rural district and Hadleigh served as the administrative centre until the Council relocated to Ipswich in 2017. Nearby Sudbury is the largest town by population size. Commercial and employment activities within Babergh are concentrated primarily around Sudbury and Ipswich.

Hadleigh is the second largest town in Babergh although is still relatively small with a population of approximately 8,253 people according to the 2011 census. The historic character of the town, with the River Brett forming the western boundary, provides an attractive setting for a wide variety of shops and service facilities that includes a range of specialist shops that draw people from outside the immediate area and contribute to the visitor and tourist offer.

The shape of the town influences the location of the residential areas, which are contained to the northern, eastern and southern edges and are some distance from the town centre.

The A12 and A134 trunk roads, which run north to south across the district, are key transport corridors in the region. The A1071 bypasses the town and provides good access to the main employment area.

The town does not have a railway station although bus services are available from Hadleigh to Ipswich, Sudbury and Colchester where trains can be taken.

6.1.2 Age Distribution

Analysis has been undertaken into the age distribution of residents within a 45 minute drive time to the property in order to build a picture of the number of prospective employees within a reasonable drive time catchment area (Figure 4).

It is evident that the office is situated in a 0-15 dominant age group although generally it is adjacent to 45-64 dominant age group zones.

The nearest populous areas (Sudbury, Bury St Edmunds, Ipswich, East Bergholt and Stowmarket) are predominantly 65+ i.e. above working age.

Principal clusters of 16-29 / 30-44 dominant age groups are, as would be expected, located around Colchester and Ipswich although there is a small 16-29 dominant age group to the north of the site around Wattisham Airfield.

These age population statistics are not favourable and highlight the lack of 'working age' people within reasonable commuting distances to the property. The statistics reinforce the fact that the property is situated in a relatively rural area with the proximity of Ipswich and Colchester have an impact by attracting a greater cluster of people that would fall within the right age brackets for employers located here.

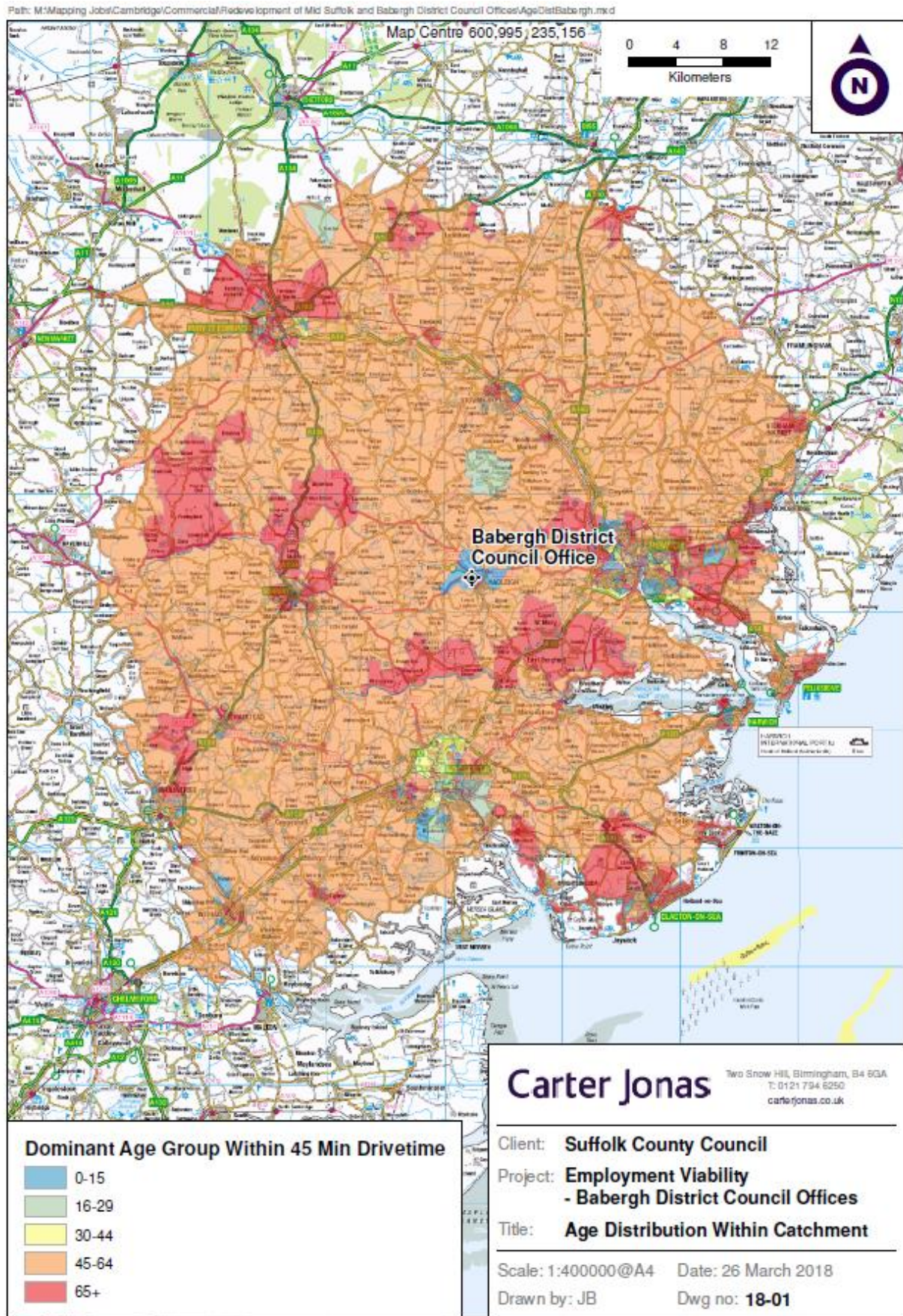


Figure 4 – Age Distribution within 45 Minute Drive Time Catchment

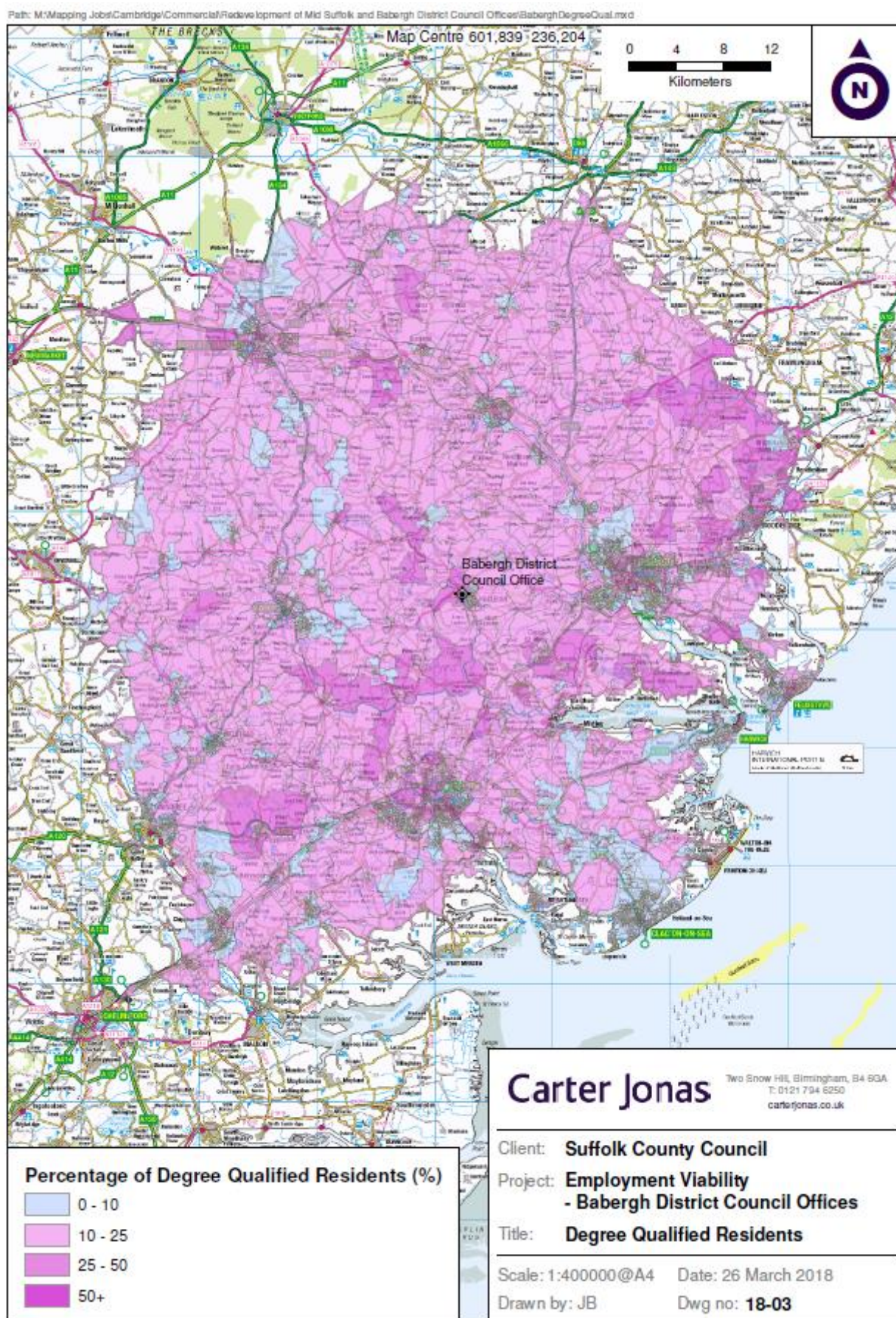
6.1.3 Percentage of Degree Qualified Residents

Analysis has been undertaken into the percentage of degree qualified residents within the same 45 minute drive time radius of the property (Figure 5).

This work has identified the fact that the office is located away from urban zones of 25%+ degree qualified people (Ipswich, Bury St Edmunds and Colchester) as well as larger rural zones (which are less populated therefore placing a greater emphasis in establishing an office in more populous zones).

Hadleigh is dominated by 10% to 25% degree qualified zones (the lowest two brackets) with the office itself is located within a 15% degree qualified zone. There are small pockets of 25-50% degree qualified zones however these appear to be outweighed by the dominant 10% to 25% degree qualified zones.

These statistics do not shed a positive light on the opportunity to attract prospective employees to the property with established clusters of degree qualified people within easy reach of more established employment locations including Colchester and Ipswich.



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Figure 5 – Degree Qualified Residents within 45 Minute Drive Time Catchment

6.1.4 Drive Time Distances

The two demographic analysis maps have been prepared on the basis of a 45 minute drive time distance to the property. They highlight the fact that there are a number of sizable towns within this area including Bury St Edmunds, Colchester, Harwich, Felixstowe and Ipswich. These well established and higher populated areas will strongly compete for office based companies that will often seek areas that are easily accessible by car and public transport and also offer a good mix of amenities in the area.

Prospective employees living within this 45 minute drive time area will, as a result, have access to a number of these competing locations and the full range of companies that are located there.

Certain types of businesses will be location sensitive for a number of reasons (above and beyond accessibility) with some seeking to cluster around similar organisations for knowledge sharing / cross selling of work but also due to the nature of their business and their core target customer base / market in which they operate.

Hadleigh will struggle to compete as a viable alternative to these core office / general employment hubs given its distance from them, its relative scale and amount of existing office space in the locality.

6.2 THE LOCAL OFFICE MARKET

6.2.1 Office Market Assessment Area

An assessment has been undertaken of the local office market based on a 10 miles radius from Hadleigh. This radius (as can be seen in Figure 6) encompasses parts of Ipswich, Colchester and Sudbury which are larger regional commercial centres. It is important to take this into account when analysing the market trends occurring and forecasts for the future.

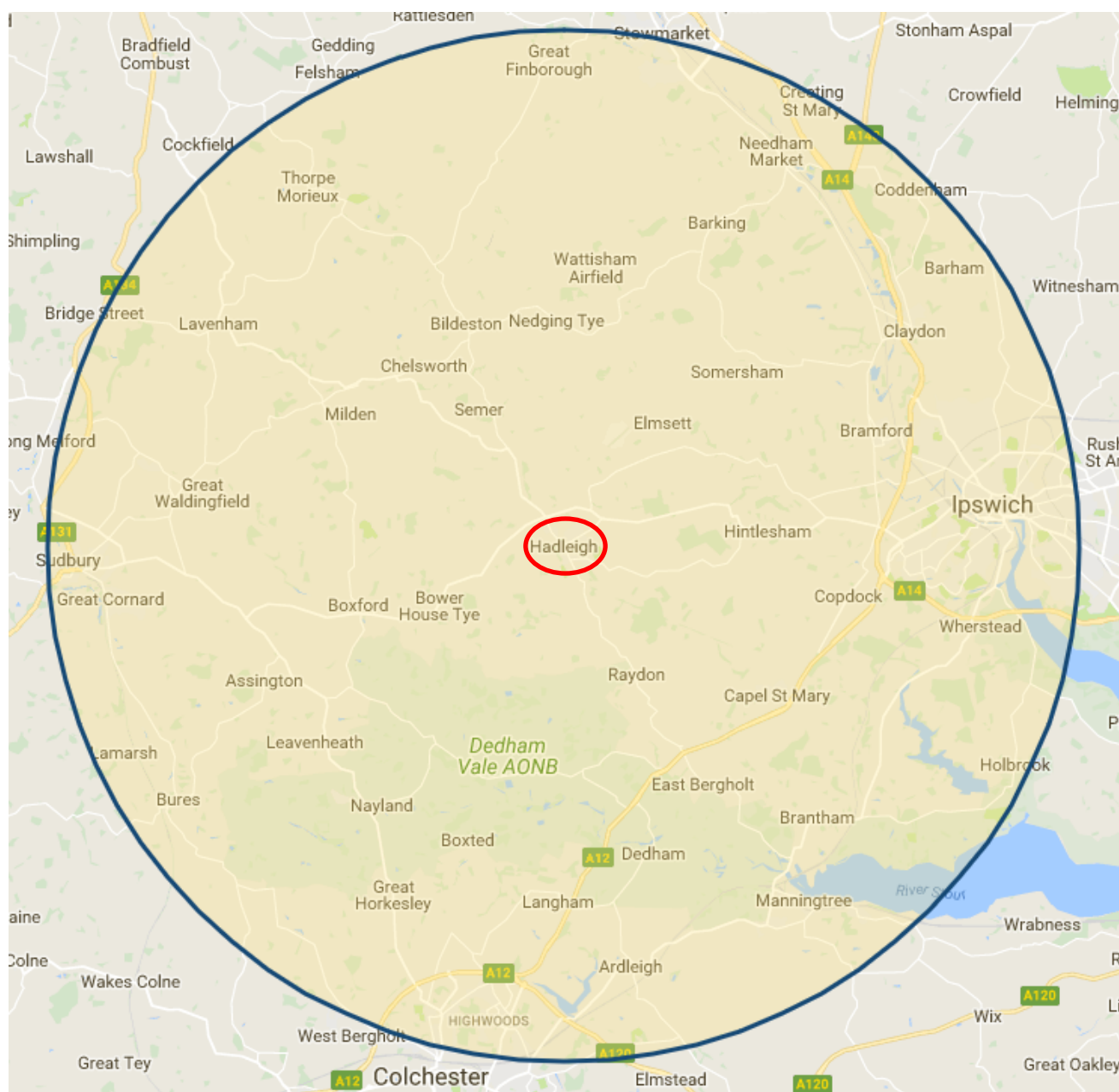


Figure 6 – Office Market Search Radius – Hadleigh + 10 Miles

6.2.2 Office Availability

Within a 10 mile radius of the town there are currently 598 existing and proposed offices providing over 5.11 million sq. ft. of office space which compares very closely to the five year average of 5.13 million sq. ft.

There are circa 581 existing offices suites (including those under renovation) providing around 339,219 sq. ft. of available space in total. The majority of existing and all available office space is located in established employment locations away from Hadleigh (as per Figure 7) with small clusters of existing office suites scattered around peripheral villages and towns.

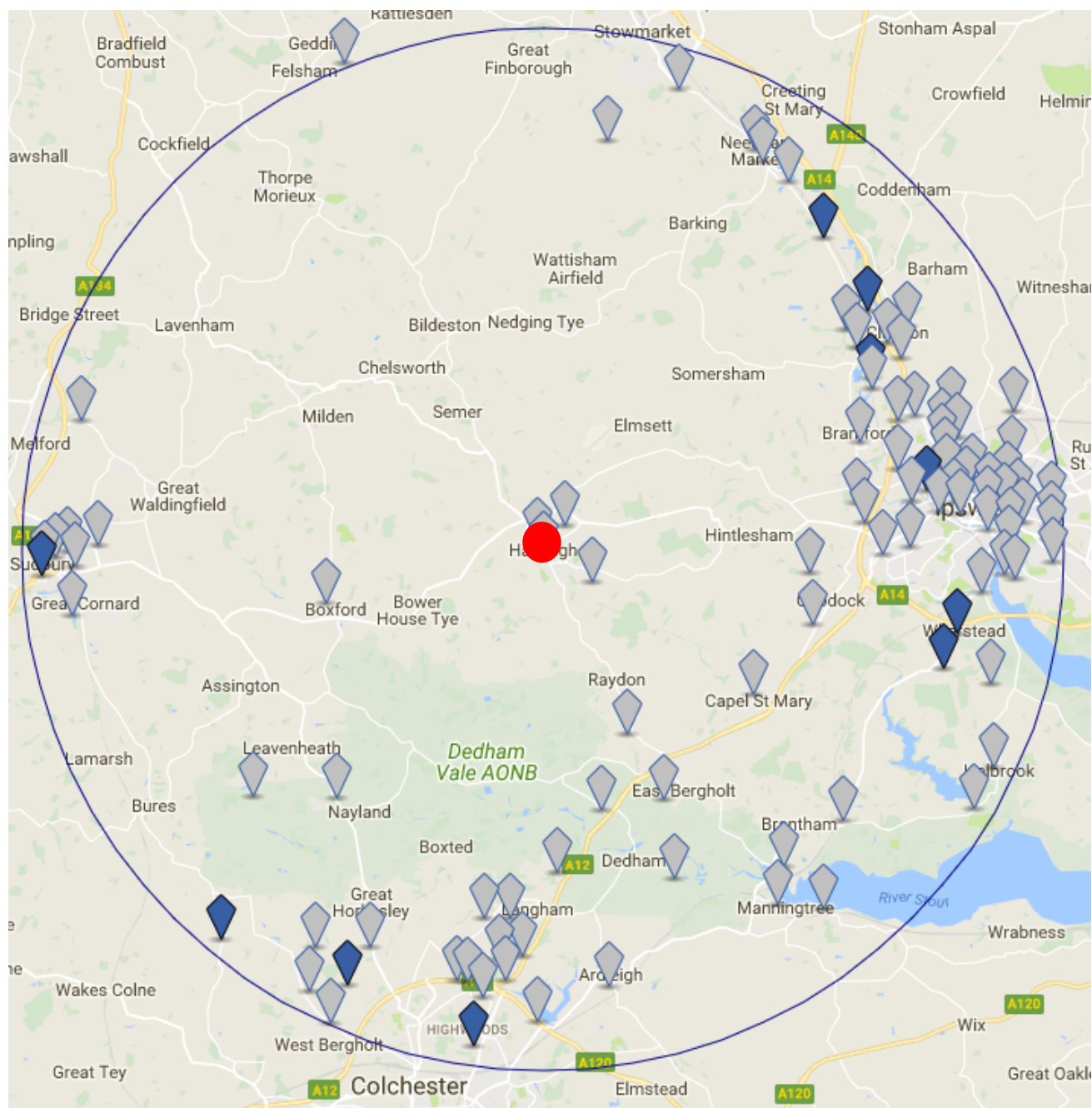


Figure 7 – Offices that are Existing and / or Under Renovation

(Dark Blue Markers = Available Space. Light Blue Markers = No Space Available)

Of the existing space available, the average available office / suite size is 2,476 sq. ft.

There are five offices currently on the market (for sale / to let) that are offering in excess of 20,000 sq. ft. These are:

Berkeley Business Centre, Connexions 159, Princes Street, Ipswich: 43,551 sq. ft. of modern, purpose built, office accommodation within walking distance of Ipswich railway station. Asking rent: £18.00 - £20.00 per sq. ft. Time on Market: 61 months (5+ years).



Figure 8 – Berkeley Business Centre, Connexions 159, Princes Street, Ipswich

St Clare House, Princess Street, Ipswich: 40,980 sq. ft. of purpose built office space in walking distance to Ipswich Railway Station. Asking rent: £5.95 per sq. ft. Time on Market: 45 months (3.75 years) on average (some spaces been on for up to 103 months (8.5+ years)).



Figure 9 – St Clare House, Princess Street, Ipswich

Franciscan House, 51 Princes Street, Ipswich: 32,000 sq. ft. of purpose built office space in the centre of Ipswich and in walking distance to Ipswich Railway Station. It is currently under renovation.



Figure 10 – Franciscan House, 51 Princes Street, Ipswich

Sulby House, North Street, Sudbury: 31,784 sq. ft. office with consent for residential conversion and on the market for sale. Time on Market: 9 months.



Figure 11 – Sulby House, North Street, Sudbury

Hyde Park House, 1 Crown Street, Ipswich: 20,199 sq. ft. of purpose built office space currently available located close to Ipswich town centre and in close proximity to Westerfield Railway Station. Asking rent: £12.50 - £13.00 sq. ft. Time on Market: 21 months on average (some spaces been on for up to 65 months (5+ years)).



Figure 12 – Hyde Park House, 1 Crown Street, Ipswich

In addition, there is a further 334,228 sq. ft. of office space that is either proposed or under construction although 116,273 sq. ft. of this space is available and on the market as such. This includes:

Building Address	Building Name	Building Park	Building Status	Rentable Building Area	Total Available Space (SF)
Crockatt Rd		Hadleigh Enterprise Park	Under Construction	4,260	4,260
Landseer Rd	Eagle House		Proposed	15,070	
7A-7C Little Blakenham	Broomvale Business Centre		Proposed	5,272	5,272
Lower Brook St	The Link		Proposed	150,000	
Manningtree Rd	The Pavilion	Dedham Vale Business Centre	Proposed	2,885	
Princes St	Birketts		Under Construction	50,000	
Old Ipswich Rd	Building 1	Hudson Park	Proposed	8,180	8,180
Old Ipswich Rd	Building 2	Hudson Park	Proposed	8,180	8,180
Old Ipswich Rd	Building 3	Hudson Park	Proposed	8,180	8,180
Old Ipswich Rd	Building 4	Hudson Park	Proposed	8,180	8,180
Old Ipswich Rd	Building 5	Hudson Park	Proposed	8,180	8,180
88-96 Princes St			Proposed	40,300	40,300
Severalls Ln	Axial House		Proposed	18,300	18,300
Summers Park	Dairy Barn Mews		Under Construction	7,241	7,241
TOTALS				334,228	116,273

As can be seen in Figure 13, the majority of this space is situated in Colchester or Ipswich with only one proposed office near Hadleigh – 4,260 sq. ft. of office space under construction at Hadleigh Enterprise Park. The location and scale of these offices further highlights the focus of the local market place on the core employment areas of Colchester and Ipswich.

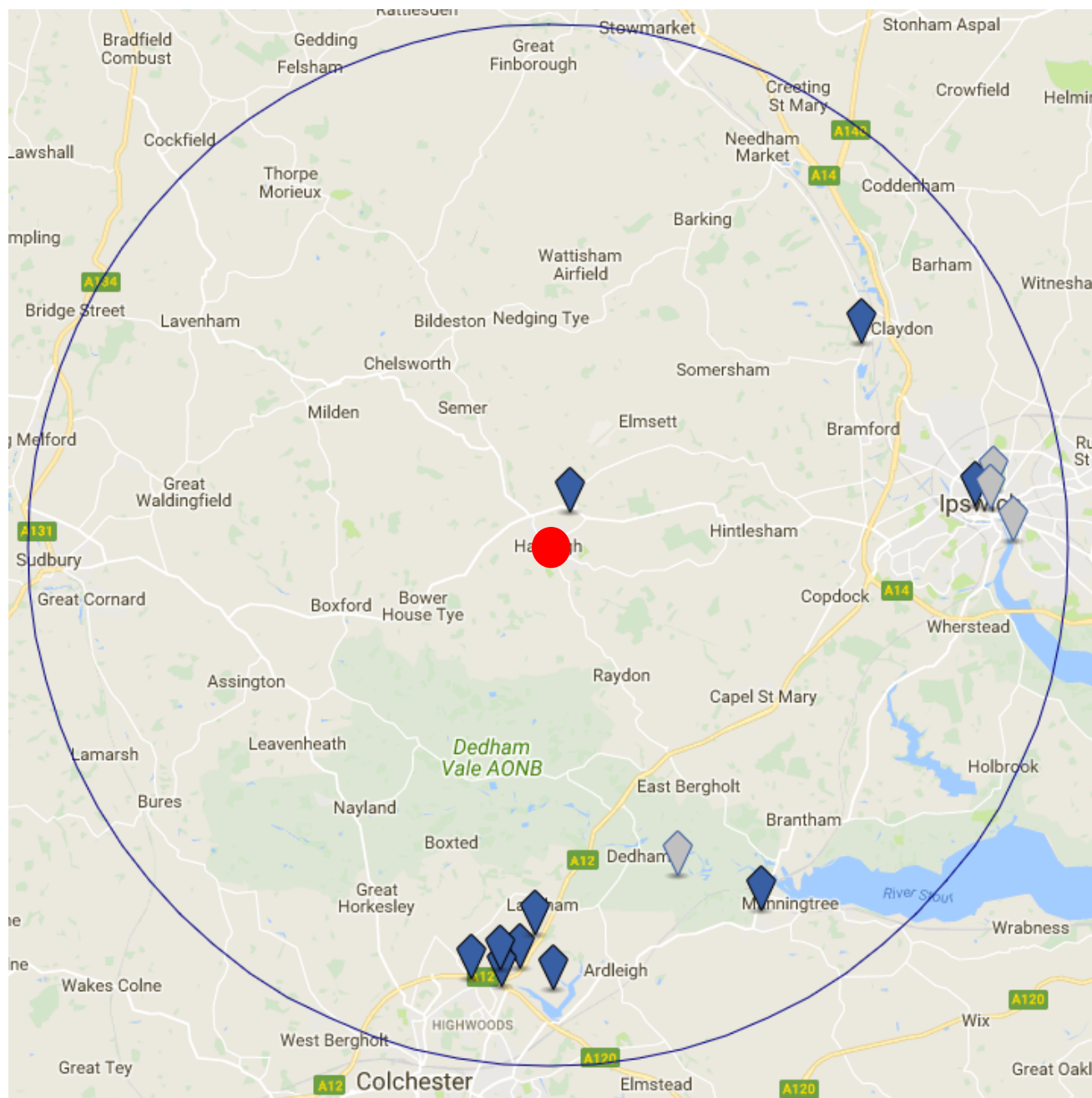


Figure 13 – Office Space that is Proposed or Under Construction

(Dark Blue Markers = Available Space. Light Blue Markers = No Space Available)

The level of availability within the area has risen slightly since 2016 (254,420 sq. ft.) and has started to return to levels of recent peaks – as per 2014 where circa 370,407 sq. ft. was available. There has been little change in the level of available space throughout 2017 (339,298 sq. ft.) and 2018 (350,720 sq. ft. to date).

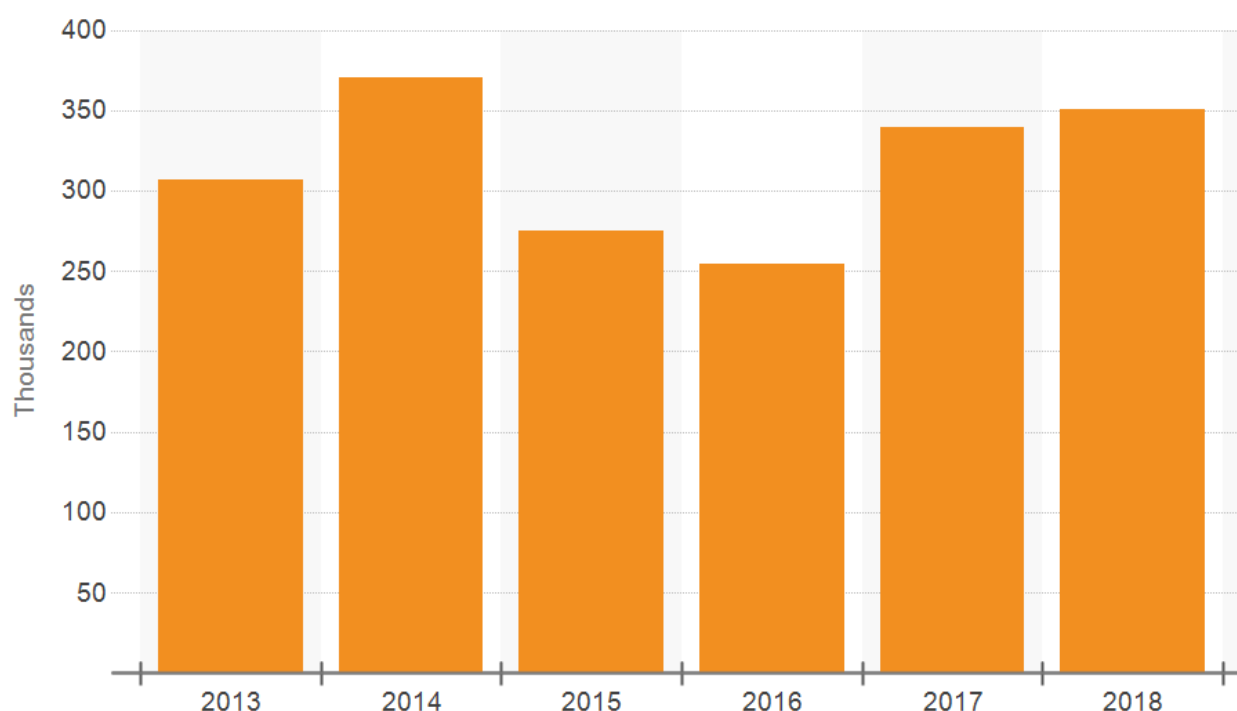


Figure 14 – Office Availability – Hadleigh + 10 miles

This level of availability is reflected in the availability rate (e.g. a percentage of the total amount of available space divided by the total amount of existing inventory) climbing to 6.8% in the current quarter from a recent 5 year low in Q4 2016 of 4.9%.

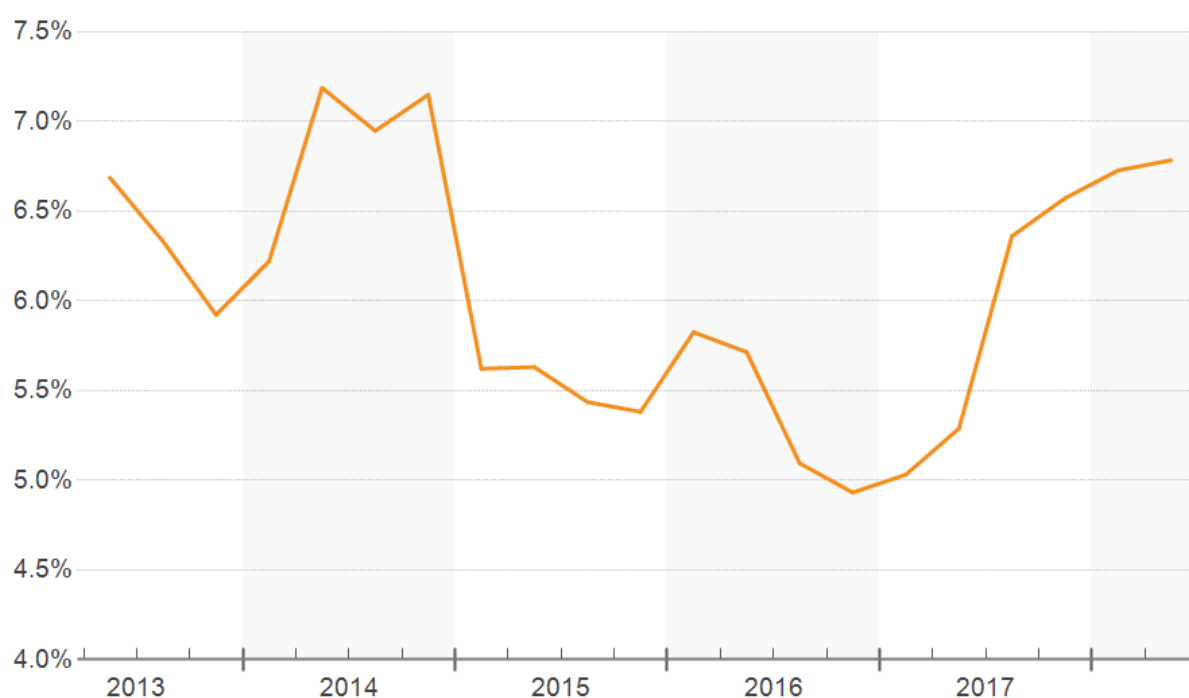


Figure 15 – Office Availability Rate – Hadleigh + 10 miles

6.2.3 Office Leasing Demand

In 2015 around 48,449 sq. ft. was let (as seen in Figure 16) which was followed by two years of better results with 59,931 sq. ft. in 2016 and 77,259 sq. ft. in 2017. This compares to the five year average of 67,800 sq. ft.

Over the last 5 years circa 395,490 sq. ft. has been leased with 171 deals recorded of between 141 sq. ft. and 19,966 sq. ft. resulting in an average deal size of 2,312 sq. ft.

The vast majority of office demand in the area has been at the lower end of the market with 86% of office deals taking less than 5,000 sq. ft. in any one deal.

There have only been 7 deals of 10,000 sq. ft. or over in the last 5 years (all of which occurred in Ipswich or Colchester – further confirming their dominance within the regional office market) including:

- **Elm House and Elm Court, 25 Elm Street, Ipswich:** 19,966 sq. ft. leased in September 2015.
- **Colchester Business Park, 900 The Crescent, Colchester:** 17,907 sq. ft. leased in January 2014.
- **Fitzroy House, 3 Crown Street, Ipswich:** 15,792 sq. ft. leased in April 2014
- **North Maltings & Kiln, Felaw Street, Ipswich:** 14,971 sq. ft. leased in March 2015
- **Crown House, Crown Street, Ipswich:** 10,000 sq. ft. leased in May 2017
- **St Vincent House, Cutter Street, Ipswich:** 10,000 sq. ft. leased in October 2014

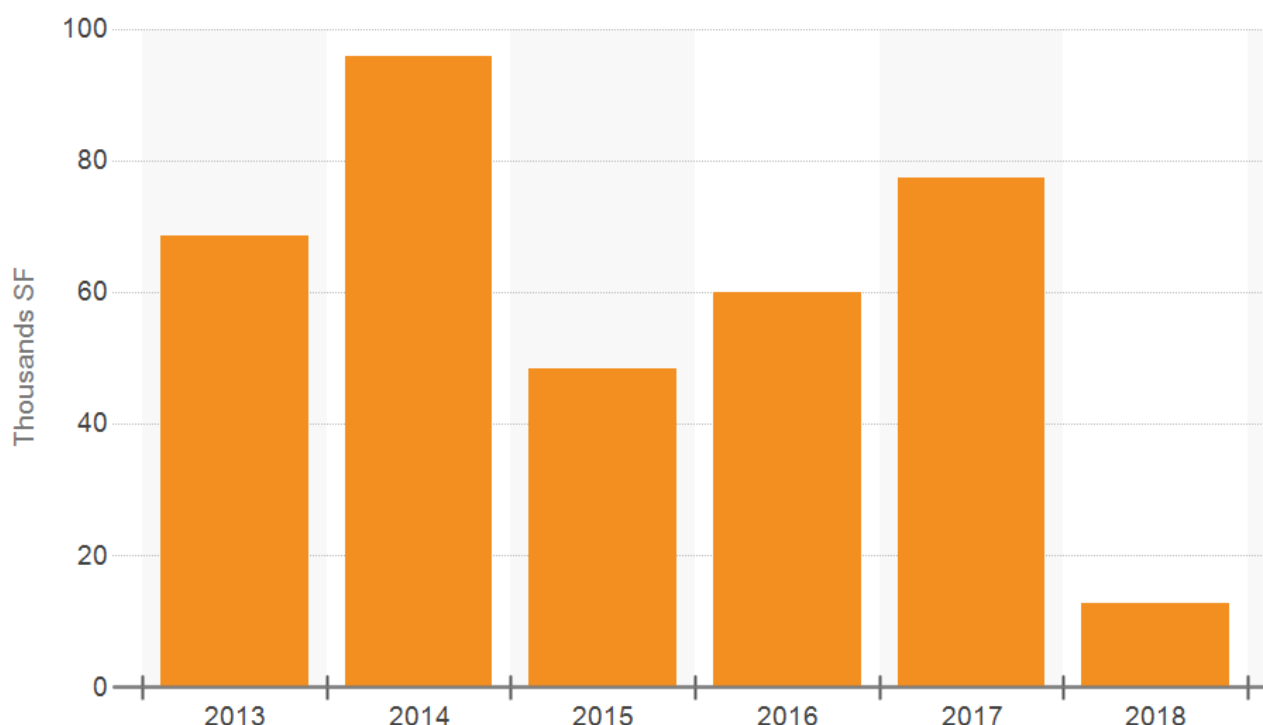


Figure 16 – Office Deals Done – Hadleigh + 10 miles

As is evident in Figure 17, the vast majority of leasing activity occurring over the last 5 years has occurred around Ipswich and Colchester. The only deals to occur in close proximity to Hadleigh were small in scale and included the disposal of 2,316 sq. ft. at 1-6 Hadleigh Enterprise Park back in June 2013 and 729 sq. ft. let at Cart Lodge Office, Hook Lane, Hadleigh in June 2015. The next closest disposals were in Sudbury or villages between Colchester and Ipswich.

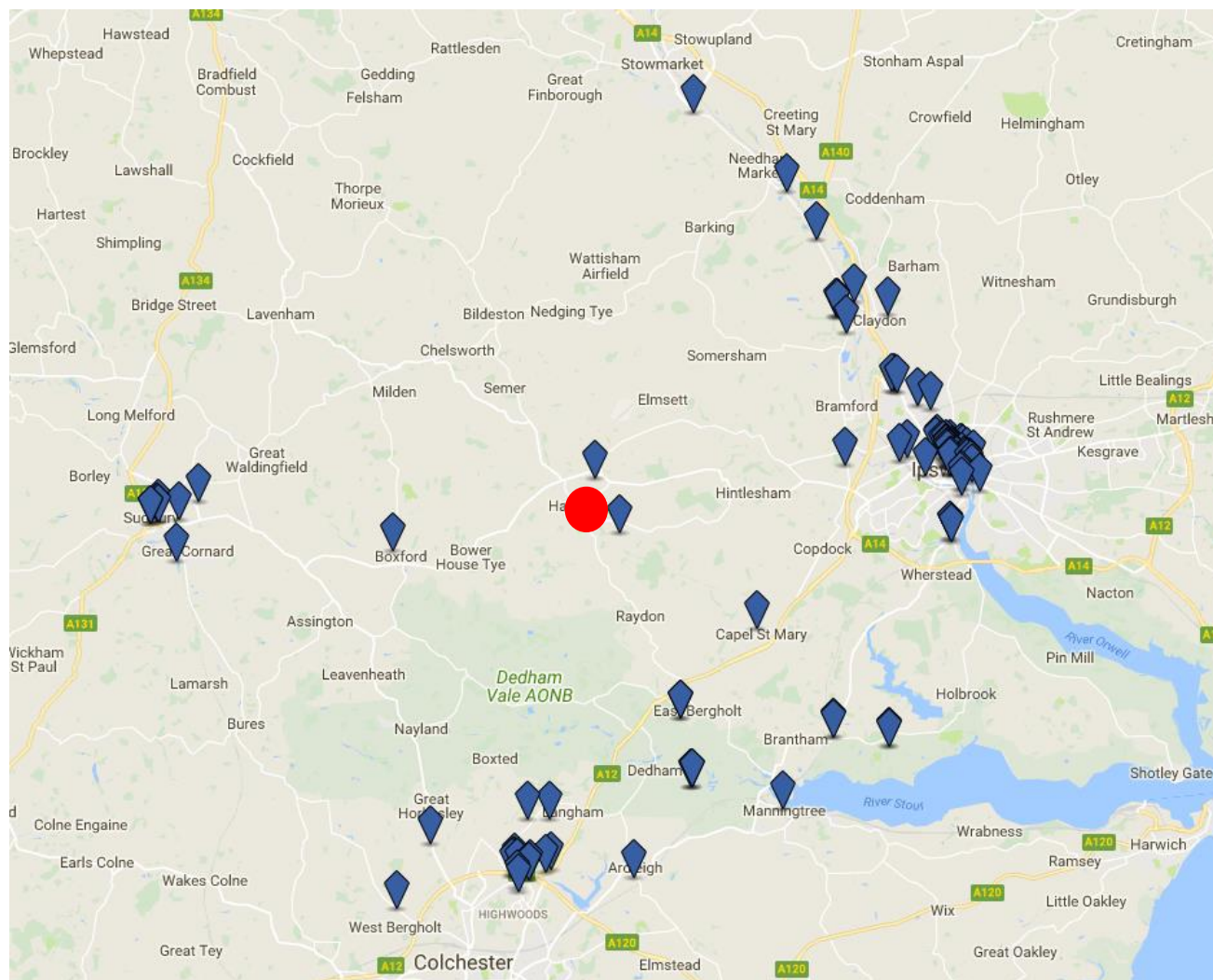


Figure 17 – Leasehold Office Deals Done – Hadleigh + 10 miles

Over the last 5 years, offices have remained on the market for 15 months (on average) before being let with the current quarter showing a slight improvement to this long-term average with property remaining available for circa 8 months (as per Figure 18).

The average number of months a property is on the market for has generally fallen since Q3 2016 mirroring the level of demand for space over the last couple of years across this search area.

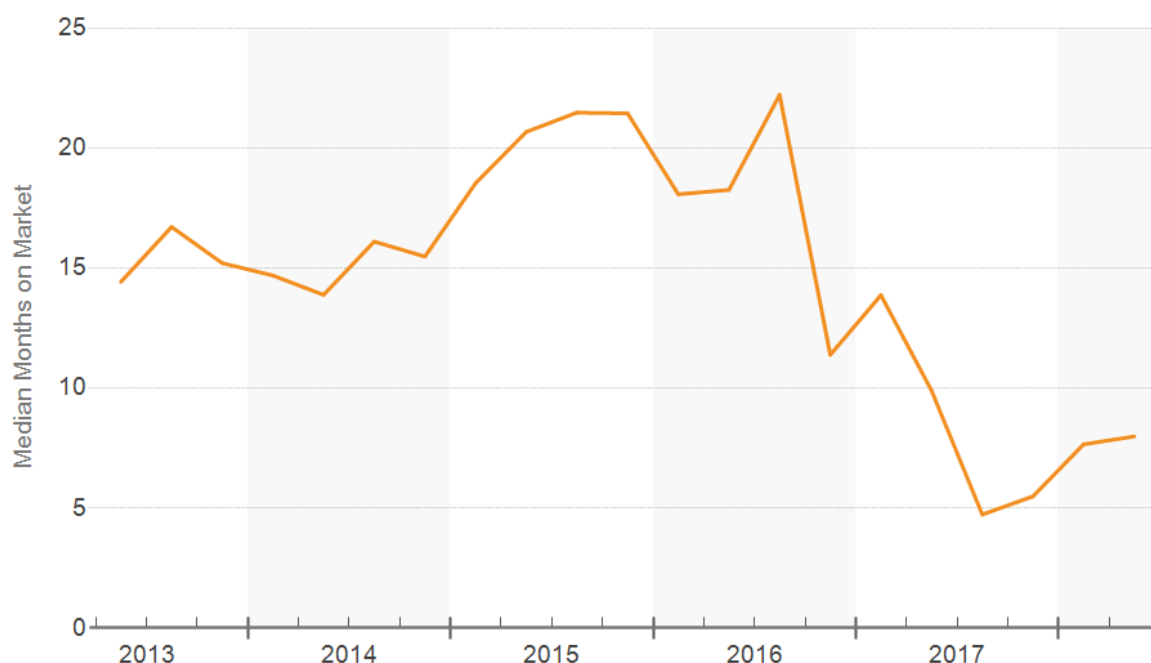


Figure 18 – Average Number of Months of the Market - Hadleigh + 10 miles

6.2.4 Office Rents

Average asking rents in the area are currently around £11.35 per sq. ft. which is a slight improvement following on from a recent low in Q2 2014 of £9.40 per sq. ft.

Average achieved rents, by comparison, currently stand at around £8.68 per sq. ft. with net effective rents around £8.11 per sq. ft. once rent free periods are taken into consideration.

These asking and achieved rents are considered to be reasonable: they are low by comparison to the wider region and reflect the general quality of office space on the market and the level of demand for it.

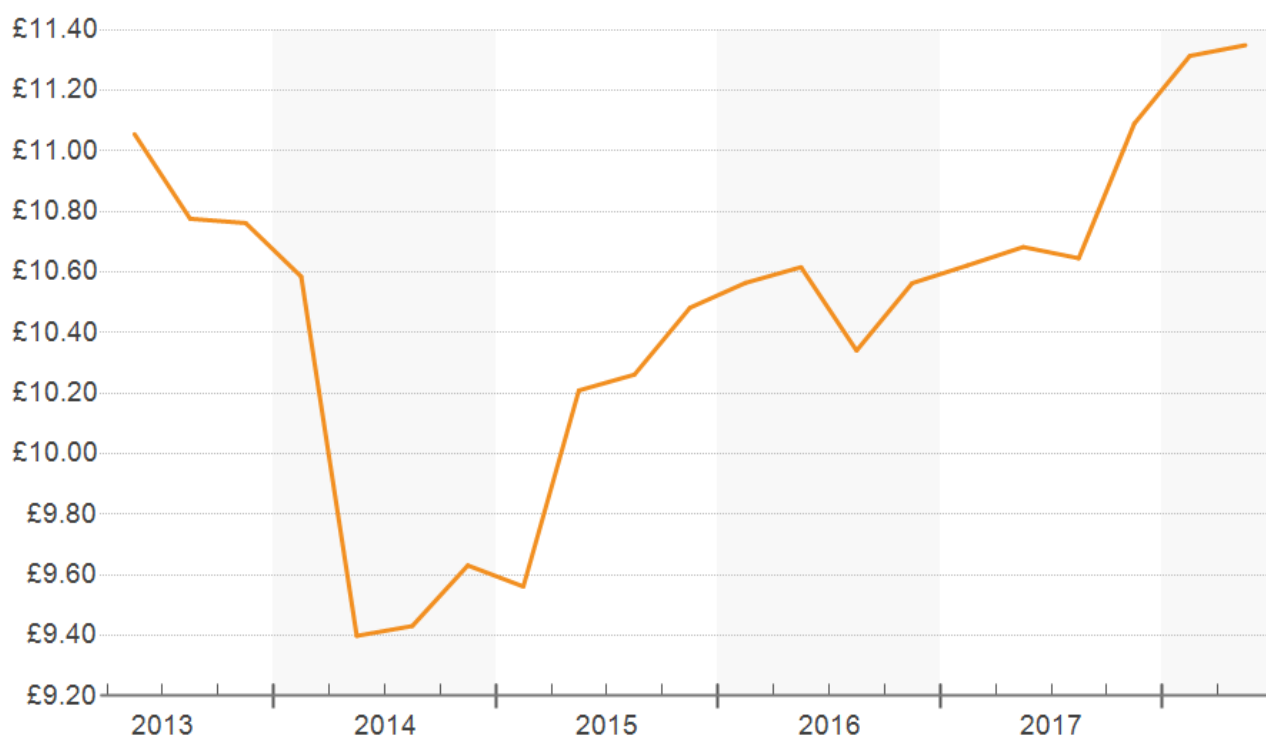


Figure 19 – Average Office Asking Rents – Hadleigh + 10 miles

6.2.5 Office Occupiers

Within 10 miles of the town there are around 386 known office occupiers in 233 buildings, although there are only 52 that occupy more than 5,000 sq. ft. in 42 buildings.

Of these larger occupiers, there are a number that could be considered suitable for the space in question (based on the nature of business that they conduct), however there would be very few (circa 7) that could occupy the space in its entirety as a single occupier. Although, in theory, a number could occupy the space based on their business type there is a strong chance that their business model would prevent them occupying a multi-occupier building with a number seeking their own independent space without shared facilities or receptions.

Furthermore, all of these known businesses are currently located in or in very close proximity to Ipswich and Colchester – on the periphery of the radius search area. This is likely to hamper any efforts to entice them to relocate further away from the town to a more rural location given the move away from direct public transport links and amenities.

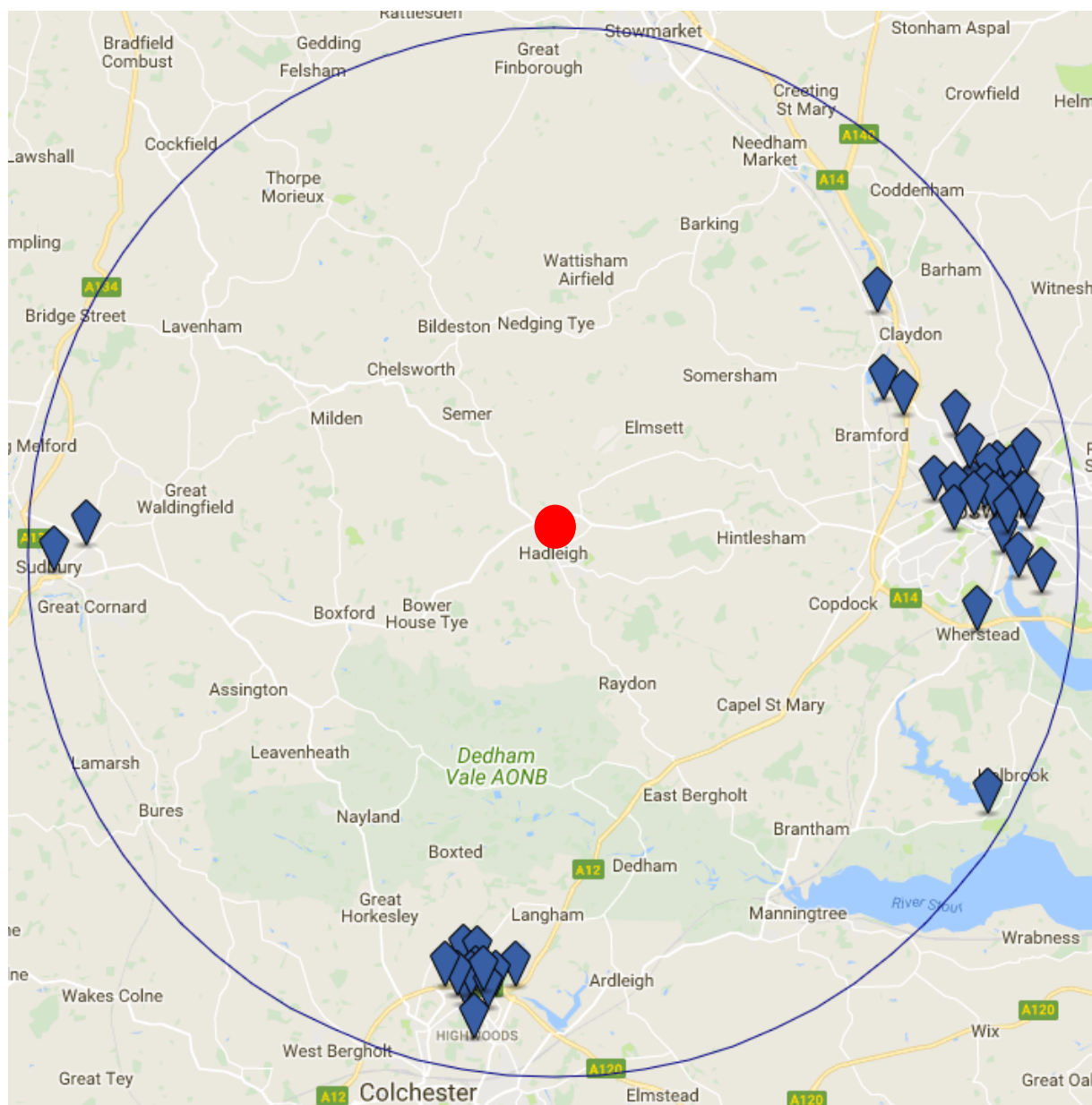


Figure 20 – Known Office Occupiers of more than 5,000 Sq. Ft. of Space

Known office occupiers of 5,000 Sq. Ft. or more:

Company Name	Building Name	Address	City	Post Code	SF Occupied	Industry Type
Larking Gowen Group		Claydon Business Park	Ipswich	IP6 0NL	7,440	Accountants
Scrutton Bland	Fitzroy House	3 Crown St	Ipswich	IP1 3HY	15,792	Accountants
Flowgroup plc	Suffolk Enterprise Centre	Felaw St	Ipswich	IP2 8SJ	14,726	Agri/Mining/Utilities
CloudFM Integrated Services Ltd		3 Charter Ct	Colchester	CO4 9YA	6,345	Business Services
Cobb Europe Ltd	The Beeches	Old Ipswich Rd	Colchester	CO7 7QY	6,680	Business Services

Craft Media	St Vincent House	1 Cutler St	Ipswich	IP1 1UL	5,400	Business Services
Derivco Ipswich	Crown House	Crown St	Ipswich	IP1 3HS	10,000	Business Services
Group Four	Former Volvo Site	Raeburn Road South	Ipswich	IP3 0ET	5,273	Business Services
ISG Plc	Jackson House	Eight-Six Sandyhill Ln	Ipswich	IP3 0NA	25,781	Business Services
Mosaic Publicity	Oyster House	Severalls Ln	Colchester	CO4 9PD	8,020	Business Services
MyGo	Fraser House	23 Museum St	Ipswich	IP1 1HN	5,295	Business Services
WS Training Ltd		37-43 Fore St	Ipswich	IP4 1JL	8,251	Business Services
Newsquest (Essex) Ltd		Brunel Way	Colchester	CO4 9XP	9,142	Communications
Sharedband Ltd		40-50 Princes St	Ipswich	IP1 1RJ	7,230	Communications
Ludologic Ltd	Crown House	Crown St	Ipswich	IP1 3HS	8,000	Computers/ Data Processing
Netscout	Fraser House	23 Museum St	Ipswich	IP1 1HN	5,550	Computers/ Data Processing
Atkins Ltd	Beacon House	53-65 White House Rd	Ipswich	IP1 5PB	9,166	Engineers/Architects
MLM Group Ltd	North Maltings & Kiln	Felaw St	Ipswich	IP2 8PN	14,971	Engineers/ Architects
The Chameleon Group		Brunel Way	Colchester	CO4 9NQ	21,372	Engineers/ Architects
Killik & Company LLP	Crown House	Crown St	Ipswich	IP1 3HS	9,000	Financial Institutions
New India Assurance Company	Crown House	Crown St	Ipswich	IP1 3HS	8,000	Financial Institutions
Essex County Council	Essex House	200 The Crescent	Colchester	CO4 9YQ	29,973	Government
Sudbury Town Council	Sudbury Town Hall	Market HI	Sudbury	CO10 1TL	6,447	Government
Suffolk Chamber of Commerce	Suffolk Enterprise Centre	Felaw St	Ipswich	IP2 8SJ	5,438	Government
Suffolk Constabulary		10-10a Museum St	Ipswich	IP1 1HT	6,096	Government
Suffolk County Council	Endeavour House	8 Russell Rd	Ipswich	IP1 2BX	133,638	Government
Suffolk County Council	Landmark House	White House Rd	Ipswich	IP1 5PB	57,489	Government
Direct Line Group Ltd		31 Princes St	Ipswich	IP1 1PU	8,371	Insurance
Willis Limited		15 Friars St	Ipswich	IP1 1TD	188,314	Insurance
Birketts	Birketts	Princes St	Ipswich	IP1 1PH	50,000	Law Firms
Fisher Jones Greenwood LLP		1 Charter Ct	Colchester	CO4 9YA	7,920	Law Firms
Gotelee Solicitors		31-41 Elm St	Ipswich	IP1 2AY	11,496	Law Firms

Linklaters		750 The Crescent	Colchester	CO4 9YQ	7,835	Law Firms
Prettys	Elm House & Elm Court	25 Elm St	Ipswich	IP1 2AD	19,966	Law Firms
Crown Mortgage Management Ltd	Crown House	Crown St	Ipswich	IP1 3HS	8,901	Personal Services
Turning Point	Sanderson House	17-19 Museum St	Ipswich	IP1 1HE	5,536	Personal Services
Nwes Property Services	Suffolk Enterprise Centre	Felaw St	Ipswich	IP2 8SJ	30,373	Real Estate
Savills		40-50 Princes St	Ipswich	IP1 1RJ	6,150	Real Estate
Spicerhaart Property Management Ltd		Brunel Way	Colchester	CO4 9XP	5,870	Real Estate
Eastern Electricity	Suffolk House	Civic Dr	Ipswich	IP1 2AN	60,000	Utility Provider
Town & Country Building Society	St Vincent House	St Peters St	Ipswich	IP9 2RX	15,177	Banking Services

6.2.6 Office Market Analysis – Conclusion

Hadleigh is evidently not a strong office location; particularly considering the dominance of Ipswich and Colchester which are both in close proximity and command a greater share of market demand for and supply of office space in the local area. This is partly due to their scale and established supply of good quality office space but also accessibility (train stations / better road connections etc.) as well as the extent of available amenities, all of which are sought-after by office occupiers.

Although Ipswich and Colchester are both relatively strong regional centres serving a cluster of local businesses, it is evident that the office market in the area has remained relatively flat over the last 5 years. There has been an increase in the amount of available office space in the last couple of years (linked in part to the delivery of a couple of small office developments that are under construction) and a slight increase in the number of deals done (an increase of circa 17,000 sq. ft. between 2016 and 2017).

This is further compounded by the relative absence of proposed office space in the area with only 116,000 being actively marketed at present (circa 2.3% of the existing office stock), which indicates a lack of confidence in the need for additional space in the market. This has, no doubt, been influenced by the amount of time that offices are spending on the market (15 months on average) with examples of both newly refurbished and second-hand stock of a similar scale to the subject property remaining on the market for between 5 and 8.5 years, despite reasonable asking rents and strong locations.

Although take up of office space in the last couple of years has improved slightly, it should be noted that the level of space transacted in 2017 was only marginally above the 5-year annual average (i.e. 9,500 sq. ft.) with the average deal size remaining small at only 2,312 sq. ft., and with 86% of office deals in the area involving the disposal of 5,000 sq. ft. or less. The subject property alone represents around 6 months' worth of office supply for the local area, with around 14 individual leasehold disposals required to fill it (based on average deal sizes for the area) over at least a 15-month period (based on the average time on the market), although it is likely to be considerably longer given the level and quality of available space elsewhere.

It is considered highly unlikely, if not impossible, that the office will be disposed of in a single letting given the fact that no office deals have occurred in the last 5 years that have involved the disposal of more than 20,000 sq. ft. in any one deal. Indeed, there have only been 6 disposals of more than 10,000 sq. ft. over this time, all of which have occurred in Ipswich or Colchester (again reinforcing the

appeal of these two locations) with the last being 10,000 sq. ft. disposed of at Crown House, Ipswich in 2017.

Average office asking rents have returned to recent peak levels (circa £11.28 per sq. ft.) following a recent dip to circa £9.40 per sq. ft. in Q2 2014, although average achieved rents are closer to £8.68 per sq. ft. This compares to asking rents on Berkeley Business Centre at £18.00 - £20.00 per sq. ft. which is new office accommodation but remains fully available and has done for some time.

Average asking and achieved office rents for second hand office accommodation in the area are relatively low and give little room for manoeuvre to cover the cost of refurbishment or subdivision which would no doubt be required if the subject property were put to the market, especially considering average deal sizes. There is, of course, scope to seek a higher than average rent for the refurbished space. However, any office suites would still be competing in a tough market with high quality office accommodation in more attractive locations and would be likely to struggle to secure interest, which does not bode well for the subject property given its location and layout.

Research undertaken into known office occupiers within a 10-mile radius of the property indicates that there are around 40 occupiers that could, based on their industry type, be considered suitable for the space. However, as they are all located in Ipswich or Colchester, it is considered highly unlikely that they would relocate to a more rural setting and to a property that would, for many, offer a more compromised layout by comparison to the typical quality of space available in these locations. Such a move would also take these occupiers away from easily accessible public transport and local amenities whilst also separating them from well-established clusters of employment areas and likeminded organisations. In addition, not all businesses will be happy to occupy multi occupied spaces with many now seeking their own independent space, not just from a client perception perspective but from a cost perspective associated with whole building service charges etc.

It is evident, having considered all the market trends over the last 5 years within a 10-mile radius of the property, that office market conditions remain incredibly challenging with a number of factors working against a successful disposal of the space in question within a reasonable timescale. Demand for office space is limited, with the majority of deals occurring being small in nature and focused on Ipswich and Colchester.

Providing an attractive enough relocation package to prospective occupiers will be challenging, particularly given the lack of amenities and access to public transport when compared to more established office locations.

Office suites of varying quality are remaining available on the market for at least 15 months (on average) with examples of good quality space still available after more than 5 years.

Average achieved office rents remain stable but at a level that leaves little room for growth, to cover the cost of refurbishment and / or subdivision of space (which will certainly be required when considering the average deal sizes occurring), given the fact that asking rent post completion of the works could quickly surpass those being sought on reasonable quality space elsewhere.

The chance of a single office disposal is very low given the lack of suitable sized occupiers in the area and average deal sizes. It would be necessary to split the building, which was designed for a single occupier, into parts (explored further in Section 6.4.3), a move that is likely to reduce the pool of prospective occupiers even further.

6.3 ALTERNATIVE EMPLOYMENT OPTIONS

In order to consider the viability of conversion into an alternative employment use it is necessary to not only appraise the suitability for conversion but also the demand for it in the market.

The only alternative, employment generating, uses that could be considered in situations like this are conversion into a hotel or a care home.

The care home sector is heavily regulated with any proposed designs for new homes having to take into consideration design features that are recommended by the Government's HAPPI Panel (Housing our Ageing Population: Panel for Innovation). This includes:

- Providing more light and space through the introduction of atriums
- Open plan apartments and larger windows
- Larger balconies
- Roof terraces and winter gardens wherever possible, so that residents can enjoy being outside all year round
- Adaptability and 'care ready' design
- Positive use of circulation space
- Shared facilities and 'hubs'
- Energy efficiency and sustainable design
- External shared surfaces and 'home zones'

Although it is not impossible to convert existing buildings in to care homes they do pose a considerably higher number of challenges for delivery by comparison to purpose built accommodation.

Retrofitting the existing building to accommodate the range of services and facilities to the right standards required will no doubt prove difficult including, for instance, the delivery of:

- Sufficiently sized and well-proportioned rooms with high levels of natural day light which have to be carved out of existing floor plates
- Ensuite bathrooms and potentially kitchens in each apartment with the delivery of services throughout the building whilst working around the confines of existing floor and ceiling voids
- Access to gardens; made harder by the position of the building on the site and its configuration which severely limits the amount of accessible outdoor space to parts of the southern and western boundaries

The layout of the building is inconsistent with the efficient floorplates generally sought in retrofit scenarios with a high chance of inefficient spaces being created (by default) which will be off putting to prospective operators.

The property relatively well situated although is on the edge of the town and about 0.5 miles from the core high street facilities. Despite this, it is necessary to consider it in the context of the wider setting, particularly from a demographic perspective.

According to the 2011 census there are circa 8,253 residents in the town with the wider catchment area primarily made up of small villages (before larger towns are reached including Sudbury, Colchester and Ipswich). A number of care home operators have minimum population requirements in order to ensure that there are sufficient numbers of people within reach of the proposed development (the average distance that a potential resident is likely to move from their existing home to a residential home being 8 miles). These include:

- Kingsley Heathcare: minimum population of 50,000 people
- Castleoak Care Developments: minimum population of 20,000 people
- Mercian Developments Ltd: minimum population of 20,000 people
- LNT Care Developments: minimum population of 10,000 people

These demographic statistics alone will rule out the town as a suitable location for a care home.

Indeed, a soft market testing exercise has been undertaken by Ark which explored the demand for alternative employment uses on the site (including a care home) with the inclusion of a care home within the site discounted due to the lack of operator interest in the area. McCarthy & Stone specifically commented that the demographics would rule out the site as an option for them.

Consideration has also been put towards the suitability of the property as a hotel. The bulk of activity in the hotel sector at present is being driven by the budget hotel market with Premier Inn and Travelodge leading the way. The majority of operators have set standards and requirements for room layouts and dimensions within which pre-designed rooms can be slotted into. In order for this to work, it is necessary to identify sites that can deliver uniform buildings that can accommodate these rigid format rooms. There is scope to convert existing office buildings to hotel accommodation although operators will look for efficient floor plates that can accommodate 300 sq. ft. (GIA) bedrooms either side of a central corridor and a linen room is needed on each floor.

Travelodge, for instance, have a series of set requirements which would need to be satisfied in order for an existing office to be considered suitable for conversion, this includes:

- Floor plate depth should be a minimum of 27m (length) x 12m (width) to a maximum of 16m
- Floor to ceiling height a minimum of 2.3m
- 'Grid' depth a minimum of 6m (such as window bays or columns)
- All bedrooms need openable windows or air conditioning
- All bedrooms need natural light
- Lifts must serve every floor
- No stepped access for customers or deliveries (ramp or same level)
- Dedicated staircase for customers' use, but will share fire escape stairs

Figure 21 shows a typical floor plan for a Travelodge hotel. It is clearly evident that the existing floor plate layout of the property (seen in Figure 22) is irregular in shape with differing areas of depth and length between sections. This will mean that the building is highly likely to fall short of the standard requirements sought by the likes of Travelodge with a number of areas that would be unusable. It will

also result in long travel distances between the main reception and rooms on the extremities of the building which are likely to be off putting.

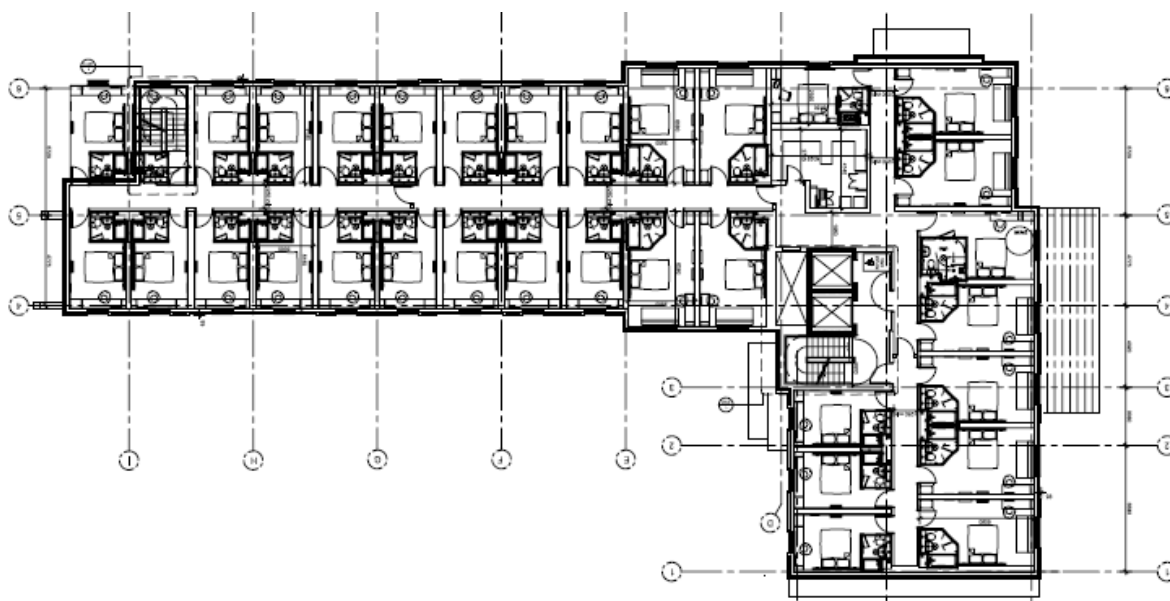


Figure 21 - Typical Floorplan - Travelodge Hotel

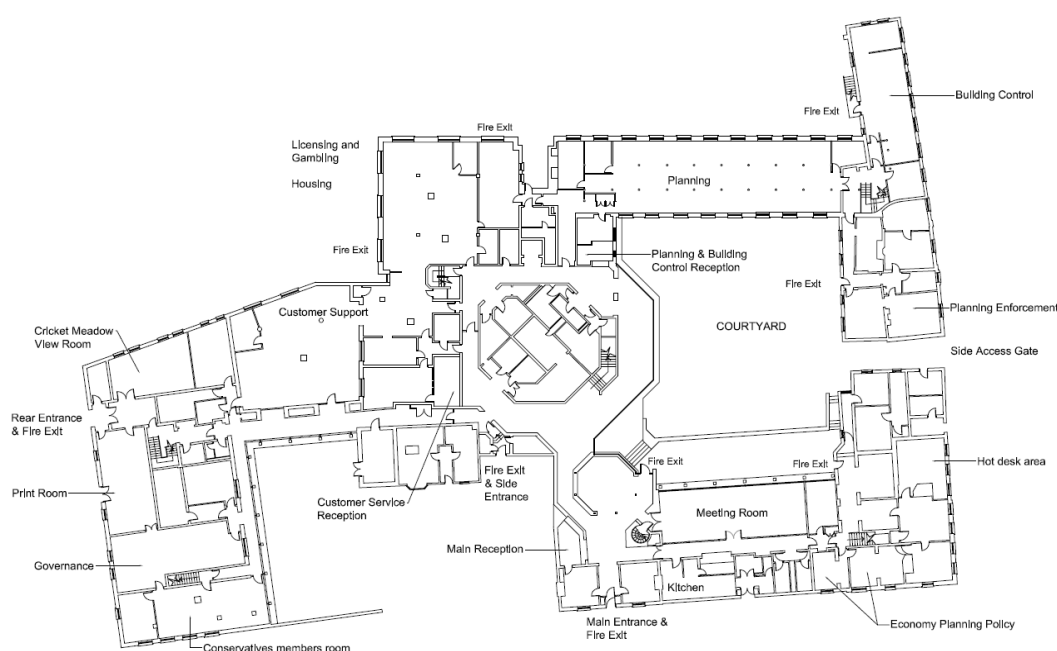


Figure 22 – Ground Floor of Subject Property

Hotel provision across Mid Suffolk and Babergh Districts focusses on smaller, independent providers supplemented by a good range of bed and breakfast ('B&B') accommodation. Travelodge, Premier Inn and Holiday Inn are well represented across the district. Premier Inn are proposing to build a 55 bedroom hotel at Prentice Road in Stowmarket (with similar sized hotels proposed elsewhere in the region) with Hadleigh considered too small a location to warrant a hotel; particularly with the proximity of provision in Sudbury and Ipswich capturing a lot of the local demand.

Travelodge has also been approached with confirmation received that they do not have a requirement for the area.

Although there appears to be scope to increase the number of smaller boutique hotels in the area (for which the property is substantially oversized) it is evident that the provision of new hotel accommodation is more likely to be successful in the larger towns in the district, (namely Sudbury, Colchester and Ipswich).

Considering these factors it is deemed highly unlikely that any plan to convert the property (or indeed the site) into hotel accommodation will be successful.

6.4 BUILDING SURVEY RESULTS

6.4.1 Overview

An inspection of the property has been undertaken to assess various aspects of its configuration, condition, divisibility and energy efficiency to understand its suitability for continued use as an employment facility.

The findings of this assessment have been outlined in the following sections.

6.4.2 Building History

The site includes four Grade II listed buildings, and one Grade II* listed building, registered in the 1950's and 1970s.

The former Council Offices building, which incorporates and links the listed buildings with a significant post war extension, was designed and developed in the early 1980s for the sole use of Babergh District Council (which was newly formed in 1974). Arup received a RIBA design award for the highly bespoke approach to the floor space solution in 1987. There have been subsequent modifications made to the property which mainly related to the internal configuration.

The site is located within a Conservation Area.

6.4.3 Building Configuration & Divisibility

The building is arranged on a rough figure six floor plate. Although some elements are open plan, a high proportion of the space is poorly configured for modern working practices with a number of small rooms and extensive linking corridors. There are limited communication and escape stairs with welfare areas clustered in central locations.

The footprint of the total building is arranged on the approximate basis of:

- Gross internal area of 4,700 m². (50,592 sq. ft.)

With the net lettable space broken down as:

- Ground floor – 2,100m² (22,605 sq. ft.)
- First floor and second floors – 1,200m² (12,917 sq. ft.)

The above gross to net areas results in a non-lettable area percentage of 30% (lower than average).

However, it is considered that there would be a significant further reduction in the lettable floor area if the building is divided for small suites and offices (up to a further 25% reduction). This percentage will increase further once the unique features within the building are taken into account, including the council chamber, which are not considered suitable for commercial letting.

Difficulty will occur in creating external access to parts of the building (e.g. there is a single main entrance / reception as it stands with limited options around the building to create additional and comparable points of access), the need for additional means of escape provision together with welfare facilities (such as toilets and kitchens) as well as the reduction in lettable space due to increased circulation areas.

As has been appraised within the analysis of the office market, it is considered highly unlikely that there will be demand from a single occupier to take the whole of the office. As such, the likelihood is

that the building would have to be subdivided in an attempt to create small enough office suites to meet market demand (considered to be in the region of 2,000 sq. ft. each). This, in turn, results in a number of issues that will inhibit this being a viable option to pursue.

The exercise of dividing the building to create a series of small office suites (e.g. walls / corridors / toilets and kitchens / service rooms / communal areas etc.) will result in a significant reduction in lettable floor area with a further 25% reduction in lettable floor space expected. This will reduce the lettable area from 70% to 45%; considerably lower than the building currently offers. This significant reduction in lettable space (combined with the cost of dividing the building and adding sufficient access / egress points) will have a severe impact on the viability of leasehold disposals given the reduction in space capable of being rentalised. This will be further hampered by the inability to charge a higher rent as any such move would outprice the property from the current market, resulting in unfeasibly long void periods.

The subdivision of the building into office suites that would be in line with market demand would create approximately 25 suites. As such, at least 25 different companies will have to be identified which would wish to take up a space within a multi occupied building and who would be prepared to share the cost of upkeep, a shared liability that may be off putting to small businesses.

6.4.4 Building Condition

While a full and intrusive building survey, survey of the structure and high-level access inspection has not been undertaken, it is evident that the condition of the building fabric is mixed with external elements requiring attention to maintain the water tightness and its décor. This excludes the replacement of some components with more energy efficient alternatives with issues/works required including:

- Flat roof replacement.
- Slipped and missing tiles.
- Guttering and rainwater goods overhaul.
- Glazing and joinery details.
- Render repairs.
- Brickwork and masonry details.
- Rising dampness.

Externally there is evidence of earlier brickwork repairs suggesting ongoing problems with the building envelope.

Internally the space looks aged with a full refurbishment and modernisation exercise required to make the space lettable. The full cost of this has not been appraised however will have to be taken into consideration, either in the form of rent free periods (allowing any ingoing occupiers to carry out the works themselves), through a capital contribution or by undertaking the work prior to marketing and disposal which would be wasted if a pre-let agreement cannot be secured.

6.4.5 Energy Efficiency

The purpose-built office elements of the building were constructed in 1980. It is thought that the building has remained largely unchanged since erection and will therefore be relatively inefficient in respect of both the building envelope and services including:

- Cavity walling lacking insulation.
- Windows, while double glazed, lack improved heat resistance.
- Roof/ceiling insulation of limited thickness.
- Floor slab lacking insulation.
- Lighting is generally old style florescent and inefficient.
- Heating provided by a gas fired multi boiler system.
- The building lacks any heat recovery.

A copy of the building's Display Energy Certificate and the most recent EPC have been requested. The ratings are expected to be low and well below the expected standards of construction today.

If the property has an EPC rating of F or G then current legislation will prevent it from being sold or let until sufficient energy efficiency improvement measures have been undertaken to increase its rating. Even if the property has an EPC rating in excess of this (e.g. D or E) it is expected that energy efficiency standards associated with the disposal of commercial properties will increase in the future and may therefore capture a building with such a rating. Refurbishment costs associated with this legislation will further impact on the viability of disposal given fact that they will have to be recovered through an increase in rent which may, once again, price the property out of the market.

6.4.6 Services

The services (electricity, water and gas) are configured as a single supply due to the building's previous occupation by a single occupier in an owner occupier arrangement.

For it to be subdivided, the various floor areas both vertically and horizontally would need to include major alteration to incorporate separate services supplies or the introduction of sub-meters.

Alternatively, the landlord would need to offer an inclusive rent with services included within the package alongside the associated management agreement. Such arrangements are often off putting to prospective occupiers that are sizable enough to take independent space where they would be in full control of utility costs incurred.

6.4.7 Asbestos

Given the age of the development it is possible that the building contains asbestos based products requiring removal or management as part of any disposal.

7.0 CONCLUSION

As has been outlined, the Babergh Local Plan (2006) and the Babergh Local Plan Core Strategy & Policies (2014) contain policies which seek to retain employment sites in employment use unless continued use is considered to be unsuitable or unviable. It has been agreed during pre-application discussions that a marketing campaign for the site is not required, however the client (applicant) would still need to demonstrate that continued employment use is not suitable or viable to address the emphasis of Policy EM24. The Employment Viability Report has highlighted a number of factors which demonstrate why the continued employment use is not suitable or viable. These include:

- The fact that the property is poorly located with unfavourable age and qualification related demographic statistics
- Office market statistics that demonstrate a lack of demand, small average deal sizes, low rental levels, lengthy void periods and limited numbers of sizable businesses that would be suitable for the space in question under a B1 Use Class
- A lack of demand from alternative employment generating end uses including care home & hotel uses
- The current building layout which restricts divisibility, requires refurbishment and energy efficiency improvements – all of which will incur costs which may price the property out of the market

Property Location / Demographics

The property is located in a rural market town setting and in a primarily residential area with a limited number of local amenities on offer. Access is restricted primarily to 'B roads' although regional A roads are relatively close by.

Any prospective occupier looking to use the property for employment purposes will strongly consider the age distribution of the local area as well as the percentage of degree qualified residents, both of which will influence their ability to attract and secure suitable staff for their business. It is evident that the property is situated in a 45-64 dominant age group zone which highlights the limited diversity of 'working age' people within reasonable commuting distances to the property (i.e. those within the 16-29 / 30 – 44 age brackets are not represented). Furthermore, the property is mostly adjacent to zones with 10-25% degree qualified people with the most highly degree qualified areas tending to be found around Colchester and Ipswich.

The unfavourable nature of these demographic statistics is compounded further by the drive time distances from the property and its immediate surrounds which highlight the ability to reach major and well established employment locations within a 45 minute drive time. The ability to easily access locations where there is a higher concentration and greater diversity of employers (and indeed suitably qualified and aged employees) will diminish the demand for an office in a setting that is disconnected from these principal centres.

Office Market Statistics

The level of demand for office space in the area has remained relatively flat over recent years with little proposed office space entering the market. Perhaps the most condemning statistics are those that relate to the length of time that offices have remained on the market without being let. These include new and purpose built offices, newly refurbished office suites and second hand stock with examples of some being on the market for a number of years. This is despite their more favourable locations and reasonable quoting rents for the area in which they are situated.

Average deal sizes in the area are small with little more than 2,000 sq. ft. let on average in any one transaction with very few examples of office disposals occurring of a comparable size to the property in question. Taking this into account, it is considered highly unlikely that the office could be disposed of in a single transaction, resulting in the need secure around 16 to 25 individual lettings to fill the property.

The amount of office space in question represents about 6 months' worth of office supply (by comparison to the average annual take up within a 10-mile radius of the property). This is a significant amount of space when compared with the amount that is leased over the course of a year in such a wide area.

Average achieved rents in the area are low by comparison to the wider region leaving little room for manoeuvre to cover refurbishment, repair and subdivision costs. In addition, there is stiff competition from high quality space located in well-established employment locations which is still well priced to try and attract the little demand that is there.

Alternative Employment Uses

Consideration has been put towards the conversion of the existing building into alternative employment uses including a care home or hotel.

It is evident that the existing building is unsuitable for conversion into either of these uses given constraints orientating from its irregular layout, the varying depths and lengths of sections across the floor plates, access to outdoor spaces and difficulties in delivering services within the confines of the existing floor plates.

Furthermore, soft market testing has been undertaken which has demonstrated a lack of demand for not only office space but also the alternative employment uses, with the size of the town proving too small for both care home providers and hotel operators. The proximity to other larger towns is also an issue with new hotels, for instance, being delivered in said locations.

Building Condition

The property is a sizable, highly bespoke purpose built, office which was designed and built for a single office occupier. Considering this, it does not lend itself well to subdivision with the reduction in net lettable space being at a level that is well below standards. The works required to create such a space will also be difficult, if not impossible, to achieve with a need for services to be split, additional toilets and kitchens installed, fire escapes created and corridors carved out of lettable space, works that will reduce the viability of re letting when the costs are weighed up against the likely rental returns. Any new layout would also have to have regard to preserving the significance of the listed buildings, which may in turn limit how those affected parts can be sub-divided.

The property itself is in need of refurbishment (externally and internally) with changes in energy efficiency legislation putting even greater pressure on the extent of works required.

The redevelopment of the site for residential led purposes is therefore considered to be justified and appropriate in planning and commercial terms.

Conversion of listed buildings, part conversion/demolition of 1980s extension & new build

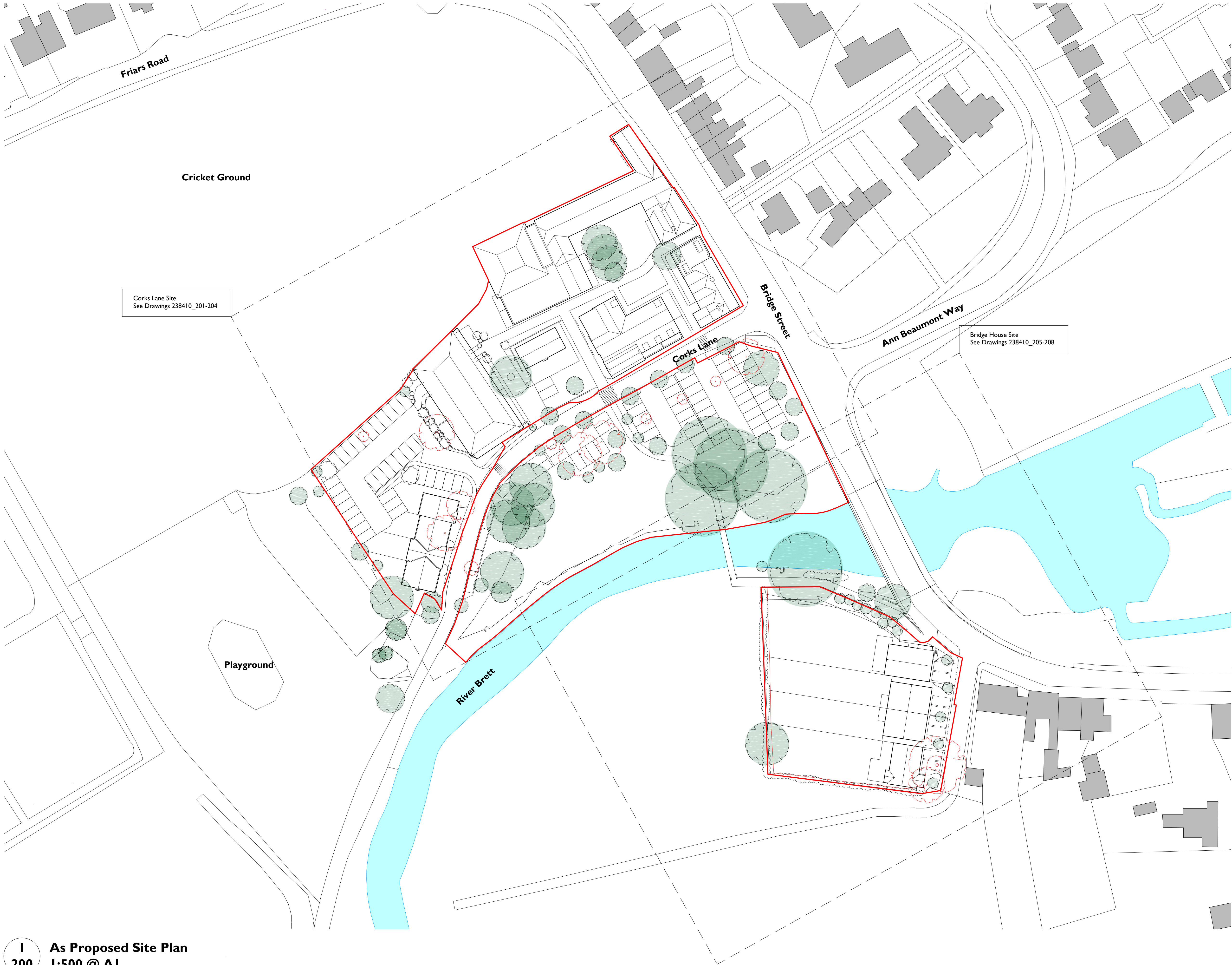


	Week Commencing	14.05.18	21.05.18	28.05.18	04.06.18	11.06.18	18.06.18	25.06.18	02.07.18	09.07.18	16.07.18	23.07.18	30.07.18	06.08.18	13.08.18	20.08.18	27.08.18	03.09.18	10.09.18	17.09.18	24.09.18	01.10.18	08.10.18	15.10.18	22.10.18	29.10.18	05.11.18	12.11.18	19.11.18
Week No		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Work Area																													
Planning & Public Consultation (LPP):																													
1 Preparation of further pre-application advice request (Policy Compliance)																													
2 Pre application advice submission to LPA																													
3 Council's pre-application advice (21 days)																													
*4 Review of public consultation responses & preparation of Public Consultation Statement																													
5 Review of technical reports																													
6 Preparation of Planning Statement																													
7 Preparation of planning application & listed building consent forms & documents																													
8 Submission of planning & Listed building applications to LPA																													
Monitoring/ negotiating applications & responding to consultee info requests (13 weeks following submission)																													
*10 Determination of planning & listed building applications - Grant PP, LBC & S106 Completion																													
Scheme Design (Purcell):																													
11 Scheme revisions following pre-application advice																													
12 Preparation of Design & Access Statement																													
13 DAS revisions following LPP review																													
Flood Risk & Drainage (Cannon CE & JBA):																													
14 Further Pre-App advice request/liaison with EA																													
15 Preparation of Flood Risk Assessment & Drainage Report																													
16 Updates following LPP review																													
Heritage & Archaeology (Purcell):																													
17 Updating of HIA following pre-application advice																													
Transport (Cannon):																													
18 Preparation of Transport Statement																													
19 Updates following LPP review																													
Ecology (Adonis)																													
20 Breeding Bird Surveys (March-June)																													
21 Bat Surveys (May to September)																													
22 Preparation of Ecological Impact Assessment & Mitigation Report																													
Site Investigation/ Contamination (REC):																													
23 Preparation of Site Investigation Report																													
24 Updates following LPP review																													
Arboricultural Assessment (Liz Lake):																													
25 Preparation of Tree Survey, AIA/AMS																													
26 Updates following LPP review																													
Utilities (Create):																													
27 Utilities report																													
28 Updates following LPP review																													
Costings & Viability Assessments (MRA & Hoggarth Cooke):																													
*29 Preparation of costings & viability reports (Toolkit Viability Assessment)																													
30 Updates during determination period to take account of S106 negotiation																													
Key Dates:																													
31 Cabinet Briefing Reporting Deadline																													
32 Cabinet/SLT meeting																													
33 Council Reporting deadline																													
34 Overview & Scrutiny Meeting																													
35 Council meeting																													
36 Cabinet Reporting Deadline																													
37 Cabinet Meeting - Approval to Planning Submission																													
38 Council Funding & Delivery Model Business Case - Reporting Deadline (tbc)																													
39 Council Funding & Delivery Model Business Case (tbc)																													

Notes:
There are no elections scheduled for 2018

Risks
*4 Publicised events held at Hadleigh Cricket Pavilion & Town Hall 11th & 18th April 2018 (3pm - 8pm)
*10 Assumes determination at the local level - LPA to confirm which DC Committee will be determining the applications - Requirements for referral to Sec of State tbc
*10 A/B - Babergh/ Mid Suffolk Development Control Committees A & B
*10 Planning permission would not be issued until Sec 106 Agreement finalised
*31 A separate Employment Viability Report has been prepared by Carter Jonas to address Saved Local Plan Policy EM24

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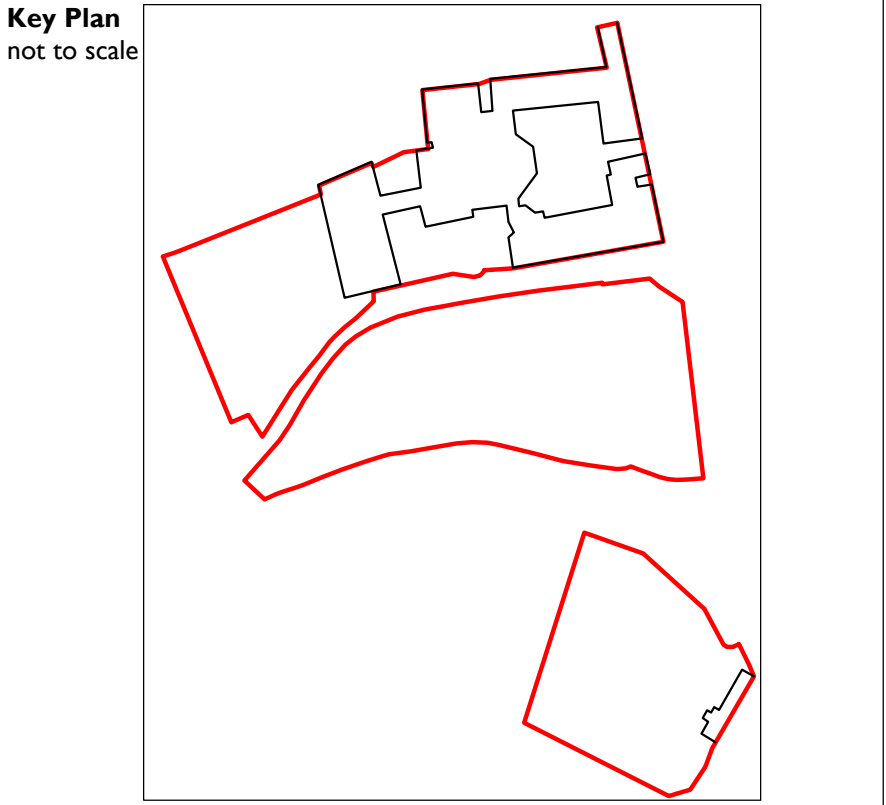
Notes:

Drawings are based on survey data and may not accurately represent what is physically present.

Do not scale from this drawing. All dimensions are to be verified on site before proceeding with the work.

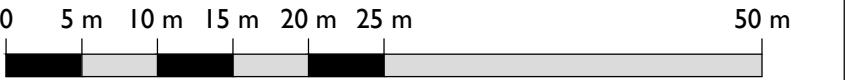
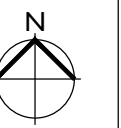
All dimensions are in millimeters unless noted otherwise.

Purcell shall be notified in writing of any discrepancies.



Notes:

Based on survey drawing ALS7894/250/01REVA Topographical A0 dated July 2017 provided by Anglia Land Surveys.



A 14/05/2018 JS PB

First Issue 22 Dec 2017 EL PB

ISSUE	DATE	DRAWN	CHECKED	DESCRIPTION
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CLIENT	Babergh District Council			
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PROJECT	Redevelopment of BDC Offices			
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DRAWING TITLE	As Proposed Site Plan			
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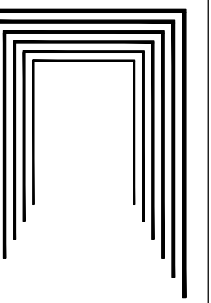
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JOB NUMBER	238410			
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REVISION	A			
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Agenda Item 14

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of the Local Government Act 1972.

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Agenda Item 15

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of the Local Government Act 1972.

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