

Public Document Pack



BABERGH CABINET

VENUE: Canteen, Council Offices, Corks Lane, Hadleigh

DATE: Thursday, 7 September 2017 at 9.30 a.m.

Members

Tina Campbell
Jennie Jenkins
Margaret Maybury
Jan Osborne

Lee Parker
Peter Patrick
John Ward

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. Any member of the public who attends a meeting and objects to being filmed should advise the Committee Clerk.

AGENDA

PART 1

ITEM	BUSINESS	<u>Page(s)</u>
1	<u>APOLOGIES FOR ABSENCE</u>	
2	<u>DECLARATION OF INTERESTS BY COUNCILLORS</u>	
3	<u>BCa/17/15 - TO CONFIRM THE MINUTES OF THE MEETING HELD ON 10 AUGUST 2017</u>	1 - 4
4	<u>TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PETITION SCHEME</u>	
5	<u>QUESTIONS BY THE PUBLIC</u>	
6	<u>QUESTIONS BY COUNCILLORS</u>	
7	<u>MATTERS REFERRED BY THE OVERVIEW AND SCRUTINY OR JOINT AUDIT AND STANDARDS COMMITTEES</u>	
8	<u>BCa/17/16 FORTHCOMING DECISIONS LIST</u>	5 - 12
9	<u>BCa/17/17 FINANCIAL MONITORING 2017/18 - QUARTER 1</u>	13 - 30

Cabinet Member for Finance – Peter Patrick

ITEM	BUSINESS	<u>Page(s)</u>
10	<u>BCa/17/18 LAWSHALL NEIGHBOURHOOD PLAN</u> Cabinet Member for Planning – Lee Parker	31 - 38

Please note that the next meeting is scheduled for Thursday 12 October 2017 commencing at 5.30 p.m.

For further information on any of the Part 1 items listed above, please contact Committee Services on 01473 826610 or via e-mail at Committees@baberghmidsuffolk.gov.uk.

Agenda Item 3

BABERGH DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE BABERGH CABINET HELD IN CANTEEN, BABERGH DISTRICT COUNCIL OFFICES, CORKS LANE, HADLEIGH ON THURSDAY, 10 AUGUST 2017

PRESENT: Jennie Jenkins - Chairman

Tina Campbell
Jan Osborne
Peter Patrick

Margaret Maybury
Lee Parker
John Ward

Cllr Jenkins welcomed to the meeting Jonathan Stephenson, the recently appointed Strategic Director, who will take up his post in October.

23 DECLARATION OF INTERESTS BY COUNCILLORS

None declared.

24 MINUTES

RESOLVED

That the Minutes of the meeting held on 13 July 2017 be confirmed and signed as a correct record.

25 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PETITION SCHEME

None received.

26 QUESTIONS BY THE PUBLIC

None received.

27 QUESTIONS BY COUNCILLORS

None received.

28 MATTERS REFERRED BY THE OVERVIEW AND SCRUTINY OR JOINT AUDIT AND STANDARDS COMMITTEES

None referred.

29 BCa/17/13 - FORTHCOMING DECISIONS LIST

Cabinet was advised that the Leisure Strategy report identified for the September meeting would be re-scheduled but that any specific matters requiring a separate report would be considered at the appropriate time. It was anticipated that the Public Realm report would be brought to the October meeting.

RESOLVED

That the content of Paper BCa/17/13, as updated at the meeting, be noted.

30 BCa/17/14 - HOME OWNERSHIP REVIEW

Jan Osborne, Cabinet Member for Housing, introduced the recommendations in the report and referred to the use of monies from the Transformation Fund to implement the Action Plan compiled by the Housing Quality Network (HQN).

Justin King, Consultant Project Manager, corrected the references to 'Council' in paragraphs 10.3, 10.4.5 and 10.4.11 of the report, which should read 'Cabinet' and responded to Councillors' questions about various aspects of the proposals, including the following:-

- The level of service to be provided – *to remain the same*
- The effect of the differences in charging regimes between the two Councils and levels of stock
- The opportunities to negotiate new leases when existing tenants request an extension – *expected within the next 10 years or so*
- The opportunity to consider buy back of leased properties on a case by case basis – *as set out paragraph 10.4.13 of the report.*

RESOLVED

- (1) That the introduction of a new lease agreement with revised terms to support moving closer to a cost neutral service and strengthened legal obligations be approved. Further, that the Assistant Director of Housing be delegated authority to revise the lease terms and conditions based on internal legal practice and advice.**
- (2) That a 'flat rate' Management Fee Structure of £279.00 per annum be implemented for new Leaseholders.**
- (3) That existing Babergh District Council Leaseholders be excluded from the increased Management Fee until such time as the lease can be reviewed and a revised charging mechanism implemented.**
- (4) That a fee structure for 27 types of administration charges set at the current sector average be implemented (as set out in Appendix One to Paper BCa/17/14).**
- (5) That administration charges be increased annually on 1 April by CPI, as at 30 September of the previous year, and a market review every 3 years.**
- (6) That a 15% Major Work fee of the total contractor costs for the planned works project be approved.**
- (7) That a revised operating model which projects a saving of £20,258, or 24% of existing structure costs, be approved.**

The business of the meeting was concluded at 5.45 p.m.

.....

Chairman

This page is intentionally left blank

FORTHCOMING DECISIONS LIST

(Key Decisions and other Executive Decisions for the period
September, October, November and December)

Published 29 August 2017

This list (Key Decisions and other Executive Decisions) contains details of all of the Key Decisions and other Decisions/Matters taken in private that are planned over the next four months.



It will be updated on a monthly rolling basis, and provides at least 28 clear days' notice of the consideration of any key decisions, and of the taking of any items in private. It is published in accordance with the Local Authorities (Executive Arrangements) Meetings and Access to Information) (England) Regulations 2012.

Page 5

A key decision means an executive decision which, pending any further guidance from the Secretary of State, is likely to:

- (a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, **significant** having regard to the relevant local authority's budget for the service or function to which the decision relates; or
- (b) to be **significant** in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.

A decision taker may only make a key decision in accordance with the requirements of the Executive Procedures set out in the Constitution.

Agenda Item 8

Consideration of Decisions

The majority of items will be considered at a meeting to which any member of the public may attend and observe, but may not speak. Any items marked with an asterisk * and categorised as an “Exempt Report” may be taken in private, if the related documentation contains “Exempt” or “Confidential” Information as defined in Schedule 12A of the Local Government Act 1972.

The categories of exempt information are:-

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the authority proposes a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or b) to make an order or direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Page 8
Cabinet Members will consider information on key decisions through reports, associated appendices and schedules etc. Other documentation relevant to the decision being made may also be submitted for consideration. Subject to the “exemption and confidentiality” qualifications above, copies or extracts from any report or related documentation relating to a key decision will be available from the relevant Contact Officer listed in the this Plan.

BABERGH DISTRICT COUNCIL PORTFOLIO HOLDER – CONTACT DETAILS

Name	Portfolio	Telephone No	E-mail Address
Cllr Jennie Jenkins	Leader of the Council – Assets and Investments	01206 262799	Jennifer.jenkins@babergh.gov.uk
Cllr Jan Osborne	Deputy Leader of the Council - Housing	01787 466096	Jan.osborne@babergh.gov.uk
Cllr Tina Campbell	Environment	01473 822290	Christina.campbell@babergh.gov.uk
Cllr Margaret Maybury	Communities	01787 464358	Margaret.maybury@babergh.gov.uk
Cllr Lee Parker	Planning	01787 376073	Lee.parker@babergh.gov.uk
Cllr Peter Patrick	Customers/Finance	01787 210346	Peter.patrick@babergh.gov.uk
Cllr John Ward	Economy	01787 210551	John.ward@babergh.gov.uk

MID SUFFOLK DISTRICT COUNCIL PORTFOLIO HOLDER – CONTACT DETAILS

Name	Portfolio	Telephone No	E-mail Address
Cllr Nick Gowrley	Leader of the Council – Assets and Investments	01449 774297	Nick.gowrley@midsuffolk.gov.uk
Cllr John Whitehead	Deputy Leader of the Council - Finance	01473 833279	John.whitehead@midsuffolk.gov.uk
Cllr Gerard Brewster	Economy	01449 073856	Gerard.brewster@midsuffolk.gov.uk
Cllr David Burn	Environment	01379 788712	David.burn@midsuffolk.gov.uk
Cllr Julie Flatman	Communities	01986 798661	Julie.flatman@midsuffolk.gov.uk
Cllr Glen Horn	Customers	07889 300907	Glen.horn@midsuffolk.gov.uk
Cllr David Whybrow	Planning	07799 068926	David.whybrow@midsuffolk.gov.uk
Cllr Jill Wilshaw	Housing	01449 781194	Jill.wilshaw@midsuffolk.gov.uk

Forthcoming Decisions list (KEY, EXEMPT AND OTHER EXECUTIVE DECISIONS)

September to December 2017

Status	Subject	Summary	Decision Maker & Decision Date	Contacts:		Reason for Inclusion
				Portfolio Holder(s)	Officer(s)	
New	Lawshall Neighbourhood Plan	For comment and agreement	Cabinet 7 September 2017	Lee Parker	Paul Bryant/Paul Munson 01449 724771 Paul.bryant@babberghmidsuffolk.gov.uk	
New	Quarter one Budgetary Control	For comment and agreement	Cabinet 7 September 2017	Peter Patrick	Katherine Steel 01449 724806 Katherine.steel@babberghmidsuffolk.gov.uk	Key Decision
Amended	Quarter One Budgetary Control	For comment and agreement	Cabinet 9 October 2017	John Whitehead	Katherine Steel 01449 724806 Katherine.steel@babberghmidsuffolk.gov.uk	Key Decision
New	New Economic Strategy for Norfolk and Suffolk	To agree the proposals for endorsement	Cabinet 9/12 October	John Ward Gerard Brewster	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Key Decision
New	New Anglia Strategic Economic Plan	To endorse the final strategy	Cabinet 9/12 October	John Ward Gerard Brewster	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Key Decision
Amended	Leisure Strategy	For comment and agreement	Cabinet 9/12 October 2017	Julie Flatman/ Margaret Maybury	Chris Fry 01449 724805 Chris.fry@babberghmidsuffolk.gov.uk	Key Decision
Amended	Regeneration Proposal Business Case	EXEMPT	BDC Cabinet 12 October 2017 BDC Council 24 October 2017	John Ward	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Key Decision - Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as contains information relating to the financial or business affairs of any particular person (including the Council) with regards to detailed financial information to enable negotiated acquisitions.

New	Investment and Commercial Delivery	EXEMPT	BDC Cabinet 12 October 2017 BDC Council 24 October 2017	John Ward	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Key Decision - Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as contains information relating to the financial or business affairs of any particular person (including the Council) with regards to detailed financial information to enable negotiated acquisitions.
Amended	Land Acquisition – Business Case	EXEMPT	MSDC Cabinet 9 October 2017 MSDC Council 26 October 2017	Gerard Brewster	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Key Decision - Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as contains information relating to the financial or business affairs of any particular person (including the Council) with regards to detailed financial information to enable negotiated acquisitions.
New	Investment and Commercial Delivery – New Business Model	EXEMPT	MSDC Cabinet 9 October 2017 MSDC Council 26 October 2017	Gerard Brewster	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Key Decision - Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as contains information relating to the financial or business affairs of any particular person (including the Council) with regards to detailed financial information to enable negotiated acquisitions.
Amended	Future Options HQ Sites	To agree and recommend to Full Council for adoption	Cabinet 9/12 October 2017 Council 24/26 October 2017	Nick Gowrley Jennie Jenkins	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	
Amended	Public Realm Transformation Project	EXEMPT	Cabinet 6/9 November 2017	David Burn Margaret Maybury	Peter Garrett 01449 724944 peter.garrett@babberghmidsuffolk.gov.uk	Key Decision - Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as contains information relating to the financial or business affairs of any particular person (including the Council) with regards to detailed financial information to enable negotiated acquisitions.-
New	Council Tax Reduction Scheme (CTRS) – Amendments from April 2018	To agree and recommend to Full Council	Council 24/26 October	John Whitehead Peter Patrick	Katherine Steel 01449 724806 Katherine.steel@babberghmidsuffolk.gov.uk	To seek approval to go out to public consultation on options for changes – recommendation to Full Council
New	2018/19 Budget Report	For comment and agreement	Cabinet 4/7 December 2017	Peter Patrick John Whitehead	Katherine Steel 01449 724806 Katherine.steel@babberghmidsuffolk.gov.uk	Key Decision

Amended	Quarter Two Budgetary Control	For comment and agreement	Cabinet 4/7 December 2017	Peter Patrick John Whitehead	Katherine Steel 01449 724806 Katherine.steel@baberghmidsuffolk.gov.uk	Key Decision
Amended	Suffolk Framework for Growth – Housing, Economic and Infrastructure Strategies	To agree and recommend to Full Council for Adoption	Cabinet 4/7 December 2017	John Ward/Gerard Brewster	Ian Winslett Lou Rawsthorne 01449 724772 Louise.rawsthorne@baberghmidsuffolk.gov.uk	
New	Half Yearly Performance Report – April to September '17	For comment and agreement	Cabinet 4/7 December 2017	Peter Patrick Glen Horn	Karen Coll 01449 724566 Karen.coll@baberghmidsuffolk.gov.uk	
New	Neighbourhood Plan Update	For comment and agreement	Cabinet TBA	David Whybrow/ Lee Parker	Paul Bryant/Paul Munson 01449 724771 Paul.bryant@baberghmidsuffolk.gov.uk	Key Decision
New	Introduction of Fixed Term Tenancies	For comment and agreement	Cabinet TBA	Jan Osborne/ Jill Wilshaw	Sue Lister 01449 724758 Sue.lister@baberghmidsuffolk.gov.uk	Key Decision

If you have any queries regarding this Forward Plan, require further information about Council or Committee meetings, please contact the Governance Team on 01449 724673/01473 826610 or Email: CommitteeServices@babergh.gov.uk

If you wish to make any representations as to why you feel an item that is marked as an “exempt” or confidential item should instead be open to the public, please contact the Monitoring Officer on 01473 825891 or Email: emily.yule@baberghmidsuffolk.gov.uk. Any such representations must be received at least 10 working days before the expected date of the decision.

Arthur Charvonia

Chief Executive

Babergh and Mid Suffolk District Councils

If you require this document in large print, audio or Braille or in a different language, please contact the Governance Team on 01449 724673/ 01473 826610 or email CommitteeServices@babbergh.gov.uk

This page is intentionally left blank

Agenda Item 9

BABERGH DISTRICT COUNCIL

From: Cabinet Member - Finance	Report Number: BCa/17/17
To: Cabinet	Date of meeting: 7 September 2017

FINANCIAL MONITORING 2017/18 – QUARTER 1

1. Purpose of Report

- 1.1 Based on the financial performance of the Council during the first 3 months of this financial year and latest information, a reporting by exception approach has been adopted to reviewing income and expenditure budget variances in the first quarter of the year.

2. Recommendations

- 2.1 That the potential or likely variations in relation to the General Fund, Housing Revenue Account and Capital Programme compared to the Budget be noted.
- 2.2 That, subject to any further budget variations that arise during the rest of the financial year, the following net transfers of £696k be noted:
- a) The balance of the General Fund surplus of £257k referred to in section 11.8 of the report be transferred to the Transformation Fund;
 - b) Transfer of £102k, being the favourable variance for the Materials Recycling Facility (MRF) to a new earmarked Waste reserve, referred to in section 11.8 of this report;
 - c) Transfer of £337k, being the 2016/17 surplus on the Business Rates Collection Fund to the Business Rates Equalisation reserve, referred to in section 11.8 of this report.
- 2.3 That the revised 2017/18 Capital Programme referred to in Appendix B and section 11.15 be approved.

3 Financial Implications

- 3.1 These are detailed in the report.

4 Legal Implications

- 4.1 There are no specific legal implications.

5 Risk Management

- 5.1 This report is closely linked with risk numbers 5e and 5f of the Council's Significant Risk Register – If we do not understand our financial position and respond in a timely way, then we will be unable to deliver the entirety of the Joint Strategic Plan or the ambition of the HRA 30 year business plan. Other key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If the forecast savings and efficiencies are not delivered then it will have a detrimental impact on the resources available to deliver services and the strategic priorities	3 - Probable	2 - Noticeable	Monitored throughout the year by Finance Teams, Corporate Managers and Assistant Directors
If economic conditions and other external factors change for the worse then it could have an adverse effect on the Councils financial position	3 - Probable	2 - Noticeable	Focus is on monitoring key income and expenditure streams – but Government changes and economic conditions continue to affect costs and income for a number of services
If the Capital Programme delivery not on target then the strategic priorities will not be delivered as anticipated	2 - Unlikely	2 - Noticeable	Regular monitoring by key officers

6 Consultations

- 6.1 Consultations have taken place with Assistant Directors, Corporate Managers and other Budget Managers as appropriate

7 Equality Analysis

- 7.1 An equality analysis has not been completed because there is no action to be taken on service delivery as a result of this report.

8 Shared Service / Partnership Implications

- 8.1 Both authorities continue to work closely together with particular attention given to sharing integration costs and savings between the two Councils, which will be reflected in the financial outturn for the year.

9 Links to Joint Strategic Plan

- 9.1 Ensuring that the Councils make best use of their resources is what underpins the ability to achieve the priorities set out in the Joint Strategic Plan. Specific links are to financially sustainable Councils, managing our corporate and housing assets effectively, and property investment to generate income.

10 Key Information

Strategic Context

- 10.1 In February 2017 Babergh District Council approved the Joint Medium Term Financial Strategy (MTFS). This confirms the direction of travel, in that the Council continues to develop a new business model to respond to the financial challenges.
- 10.2 The strategic response to those challenges, to ensure long term financial sustainability, is set out in six key actions:
- a) Aligning resources to the Councils' refreshed strategic plan and essential services
 - b) Continuation of the shared service agenda, collaboration with others and transformation of service delivery
 - c) Behaving more commercially and generating additional
 - d) Considering new funding models (e.g. acting as an investor)
 - e) Encouraging the use of digital interaction and transforming our approach to customer access
 - f) Taking advantage of new forms of local government finance (e.g. new homes bonus, business rates retention)
- 10.3 The details within the Joint MTFS show that for Babergh the funding gap for 2018/19 is approximately £0.4m and over the next three years that total funding gap is estimated to be £1.8m. These figures are currently being revised as part of early work for the 2018/19 budget setting process. Work has commenced on closing this gap by identifying and modelling the outcomes of various initiatives as part of the delivery of the Joint Strategic Plan.
- 10.4 The nature of local government funding has changed in recent years. There is less core funding in the form of Revenue Support Grant (RSG) and more incentivised and one-off funding like New Homes Bonus and retention of business rates. The business rates income is more uncertain than RSG, where appeals and the changing number of businesses within the district impact on the income that is available to the Council. This was reinforced with the 2016/17 outturn position. It is also important that capital resources are used in ways to support the new business model. The Council is looking to use its assets and borrowing capacity to generate income from alternative sources in order to protect key services and with the aim of becoming self-sufficient in relation to income that the Council can generate itself.

- 10.5 The total estimated core funding for future years is not a fixed guaranteed amount as it is dependent on variations in business rates income. This is carefully monitored and the volatility and risks, for example, rate relief for schools converting to academies and the level of appeals, will affect the amount of income received.
- 10.6 The outcome of these changes and uncertainties is that predicting the resources available to the Council over a period of time is more challenging, so more annual variances against budget will be seen as we develop our financial management skills and processes to fit the new funding environment. Members should therefore focus on whether strategic priorities are being achieved rather than in year variances.

11 Quarter 1 Position

11.1 Based upon financial performance and information from April to June (with emerging trends extrapolated to the end of the financial year) and discussions with budget managers and Assistant Directors, key variations on expenditure and income compared to budget have been identified.

11.2 The report covers:

- The General Fund Revenue Budget
- The HRA Revenue Budget (Council Housing)
- Both the General Fund and HRA Capital programmes.

11.3 Budget monitoring is a key tool and indicator on the delivery of the council's plans and priorities for the year. There will, of course, always be reasons why there are variances such as:

- Economic conditions and those services that are affected by demand
- Base budgets being over or understated (a number were identified in the 2016/17 financial outturn report to Members)
- Uncertainties relating to funding or other changes that were not known at the time the Budget was approved.

11.4 Taking each area in turn, the position on key aspects of the 2017/18 budget is summarised below:

General Fund Revenue Account

11.5 In relation to funding:

- (a) Council Tax (£5m): At the end of June, collection rates were 30.19%, compared with 30.03% for the same period last year. The collecting of council tax remains challenging, especially from those receiving council tax reductions under the Local Council Tax Reduction Scheme (LCTR).

Recovery Action is varied and is a high priority for the Shared Revenues Partnership (SRP).

- (b) Government Grants: RSG (£0.5m), baseline business rates (£1.9m) and New Homes Bonus (£1.2m) were allowed for in the Budget. RSG and NHB are fixed but the actual amount of business rates will vary.
 - (c) Business Rates: At the end of June, collection rates were 28.77% compared with 27.19% for the same period last year. The level of Section 31 grants notified to the Council to compensate for national business rate relief is higher than budgeted by £60k.
 - (d) Based on current projections from Suffolk County Council it is estimated that the final Business Rates Pool position will be better than expected. A favourable variance of £133k is anticipated.
- 11.6 On a reporting by exception basis, a review of expenditure and income budget variances was undertaken. There are two corporate savings targets as detailed below;
- a) It is currently anticipated that the vacancy management savings target of £100k will be exceeded, resulting in a favourable variance of £267k. A breakdown by individual Service Area is shown in section 11.8 below. From 2018/19, the vacancy management target will be reviewed to reflect actual experience and could increase to £176k (this is equal to a 2.5% turnover of staff).
 - b) Included within the 2017/18 budget is a generic savings target of £80k for non-pay expenditure. Further details of the actual non-pay variances are outlined in section 11.8 below. From 2018/19 onwards, this target budget will reduce by £20k per year until it is completely removed in 2021/22, as savings are better identified and monitored in individual service areas rather than against a corporate target.
- 11.7 The overall net favourable variance of £696k means that the Council is able to supplement earmarked reserves - £102k to the Waste reserve for the Material Recycling Facility (MRF gate fee, £337k to the Business Rates Equalisation reserve and make a contribution to the Transformation Fund of £257k.
- 11.8 The table below shows the main items that are included in the overall net favourable variance of £696k. The forecast variances identified within this report will be taken into consideration when setting the budgets for 2018/19. The numbers associated with the All Together programme are being finalised and will be reported in the quarter two monitoring report.

Explanation	Quarter 1 Amount (£,000) Favourable / (Adverse)
Communities and Public Access	
<u>Policy and Strategy (Health and Wellbeing)</u> <ul style="list-style-type: none"> Employee costs – a favourable variance of £9k. This is due to a part year saving for a full-time vacancy. The post has since been recruited to and will commence in September 2017. This saving is for 2017/18 only. Other items (net) – a favourable variance of £4k 	13
<u>Public Access</u> <ul style="list-style-type: none"> Employee costs - a favourable variance of £27k. This area of the Council has a high turnover of employee's due to the nature of the Customer Services function resulting in a small number of vacant posts. 	27
<u>Communications</u> <ul style="list-style-type: none"> Employee costs – this favourable variance is attributable to staff vacancies. A review of the structure has been undertaken to ensure that it is fit for the needs of the organisation and is now being recruited to. 	14
<u>Public Realm</u> This area of the Council is currently under review. It is therefore likely that the forecasts included are subject to change as the review is finalised.	
<ul style="list-style-type: none"> Open Spaces (inc Countryside Development) – due to a number of planned vacancies (5fte shared 50:50) employee costs are expected to result in a favourable variance of £27k. 	27
<ul style="list-style-type: none"> Street and Major Road Cleansing – analysis of income levels over the past 3 years specifically for the emptying of dog and litter bins for Town and Parish Councils has shown that the budget is far from achievable, this will be adjusted when setting the 2018/19 budget. An adverse variance of £26k is therefore expected for 2017/18. 	(26)
<ul style="list-style-type: none"> Car Parks – an adverse variance of £48k is anticipated. £37k of which is due to a reduction in excess notice fines at Sudbury car parks. This will be adjusted when setting the budgets for 2018/19. £27k can be attributed to an increase in business rates following the April 2017 revaluation, which will also be adjusted in the 2018/19 budget. A number of smaller items comes to a favourable variance of £16k, which partly offset the adverse variances. 	(48)

<ul style="list-style-type: none"> Public Conveniences – a favourable variance of £19k can be attributed to a forecast underspend against repairs and maintenance costs (£16k) and business rates (£3k). Discussions are ongoing regarding the future role that the Council plays in managing these assets. 	19
<ul style="list-style-type: none"> Other items (net) - an adverse variance of £15k 	(15)
Corporate Resources	
<u>Commissioning and Procurement</u>	33
<ul style="list-style-type: none"> Employee costs - £30k favourable variance. The 2017/18 budget includes provision for two new Grade 6 Business Partner roles. One of these posts has now been offered as an ongoing saving, the other post will be recruited to, but it is anticipated that there will be a 6-month saving. Other items (net) – a favourable variance of £3k 	
Environment and Projects	
<u>Building Control</u>	(6)
<ul style="list-style-type: none"> Employee Costs – a favourable variance of £13k which can be attributed to one vacancy (1fte). Income shortfall – an adverse variance of £22k is anticipated. This can be attributed to a budget error where VAT was included in the overall calculation of income to be received in year. This will be adjusted for as part of the 2018/19 budget setting process. Other items (net) – a favourable variance of £3k 	
<u>Waste</u>	62
<ul style="list-style-type: none"> £102k favourable variance for the Material Recycling Facility (MRF). The gate fee is re-calculated each April making it difficult to accurately budget for the price per tonne. In recent years the basket price has changed from £5/tonne to £12/tonne and is very much dependent on the world market. It is proposed therefore, that this favourable variance is transferred to an earmarked reserve to ensure that the core budget can remain relatively stable and the reserve is utilised to smooth year on year changes. Glass Collection – this service was introduced in 2016/17 as a new income stream. When the budget was set for 2017/18 it was updated to reflect the income, but not the expenditure. The glass collection service is a viable one and the expected adverse variance of £22k will be adjusted when setting the budget for 2018/19. Textile Recycling – an adverse variance of £8k is expected. The price per tonne is approximately £95 / tonne less than was budgeted for. Other items (net) – an adverse variance of £10k 	

Investment and Commercial Delivery	
<u>Housing Development and Regeneration</u> <ul style="list-style-type: none"> Employee costs – an adverse variance of £9k can be attributed to the cost of covering a member of staff who is on maternity leave. Other items (net) – an adverse variance of £1k 	(10)
<u>Borehamgate</u> <ul style="list-style-type: none"> Income shortfall of £15k is anticipated due to the budget allocation reflecting 100% occupancy which is unrealistic in practice. Further work will be carried out by the Finance Team and Service to take into account a vacancy factor for 2018/19 onwards. 	(15)
<u>Open for Business</u> <p>Tourism</p> <ul style="list-style-type: none"> A favourable variance of £6k can be attributed to surplus income from the sale of goods and services. <p>Licensing</p> <ul style="list-style-type: none"> Employee costs - a favourable variance of £13k is expected as a result of one vacant post (1 fte). Professional and consultancy fees – a favourable variance of £14k. This budget is utilised for driver DBS checks and will be reviewed as part of the budget setting process for 2018/19. Other items (net) – a favourable variance of £12k 	45
Law and Governance	
<u>Information Management</u> <ul style="list-style-type: none"> An adverse variance of £26k on employee costs. This is due to the re-allocation of resources from the capital element of the JOSIE project to revenue Other items (net) – an adverse variance of £2k 	(28)
<u>Internal Audit</u> <ul style="list-style-type: none"> Employee costs – an adverse variance of £14k. The need for an additional Grade 5 post was identified after the 2017/18 budget was set. This post was filled and has since become vacant. The Corporate Manager will review resource requirements in 3 months time. 	(14)
<u>Shared Legal Services</u> <ul style="list-style-type: none"> Employee costs - there were two roles where it was anticipated that these would cease once the Shared Legal Services model was live. This has not been the case and it is expected to result in an adverse variance of £17k. These roles will now end in October 2017. Other items (net) an adverse variance of £8 	(25)

Planning for Growth	
<u>Development Management</u> <ul style="list-style-type: none"> It is anticipated that employee costs will be under spent and result in a favourable variance of £54k. There is significant change planned in this area i.e. posts being recruited to and service requirements being reviewed. Legal costs awarded for appeals is expected to be higher than budget resulting in an adverse variance of £66k. This is based on recent levels of activity. The Council's Joint Strategic Plan places a clear priority on the delivery of more of the right type of housing, of the right tenure, in the right places. The Council is seeking to significantly increase supply and expand our 'market making' role in terms of creating the right conditions for developers to work with communities to deliver more housing. Following this commitment, the Council has continued to see an increase in planning applications which is likely to result in a favourable variance of £91k. Other items (net) – an adverse variance of £17k 	62
<u>Strategic Planning</u> <ul style="list-style-type: none"> The staffing resources required in this area is under review and as a result vacant posts have been held, but this does not impact on the delivery of the Local Plan. It is therefore anticipated that employee costs will be under spent and result in a favourable variance of £44k. 	44
<u>Sustainable Environment</u> <ul style="list-style-type: none"> Employee costs – a favourable variance of £22k. This is another area where resourcing is being reviewed, so the position will need to be reviewed further at Quarter 2. Other items (net) – an adverse variance of £7k. 	15
Supported Living	
<u>Business Improvement (Corporate)</u> <ul style="list-style-type: none"> This area is currently under review meaning that the adverse variance of £20k for employee costs is subject to change. The variance is due to allowing an agency resource to cover for maternity leave. 	(20)
<u>ICT</u> <ul style="list-style-type: none"> Employee costs – a favourable variance of £49k is anticipated. There are currently 3 vacant full-time posts which are no longer required due to the transfer of functions to SCC IT. This will be an ongoing saving in 2018/19. 	49

<p><u>Property Services</u></p> <ul style="list-style-type: none"> • Belle Vue House – in November 2016, the Council asked and then supported the Sudbury Citizens Advice Bureau to relocate to new premises. As a result of the property now being empty, we are expecting an adverse variance of £18k. This can be attributed to business rates (£5k) and £13k loss of rental and service charge income. The budget for 2018/19 will be adjusted accordingly. • Other items (net) – an adverse variance of £4k 	(22)
<p><u>Photo Voltaic (PV) Panels (Feed In Tariff Income)</u></p> <ul style="list-style-type: none"> • Following the extensive installation programme which began in 2014/15, there are still a number of properties (39) where PV panels have been installed, but are still awaiting registration. To enable receipt of the Feed in Tariff (FiT) income all properties must be registered with Ofgem. Any income due will be backdated to when the panels were installed. The income will be received by November 2017/18. As yet, it has not been possible to accurately forecast what the Council is due to receive as there are seasonal variations, so for Quarter 1 no budget variance has been forecast. Finance will work closely with the Corporate Manager in this area to provide an update at Quarter 2. 	
Other	
Other items (net) an favourable variance of £39k	39
<p><u>Capital Financing Costs</u></p> <p>A favourable variance of £94k is anticipated. This can be broken down as follows;</p> <ul style="list-style-type: none"> • Net investment income i.e. CCLA, UBS – a favourable variance of £80k • Net interest payable / receivable – a favourable variance of £14k. 	94
<p><u>Business Rates</u></p> <p>The net favourable variance of £382k is made up as follows:</p> <ul style="list-style-type: none"> • Timing difference for the distribution of the 2016/17 surplus on the Collection Fund £337k. • 2017/18 Baseline business rates less Government tariff has resulted in an adverse variance of £148k. • Business Rates Pooling Benefit – a favourable variance of £133k. As referred to in paragraph 11.5 (d). • S31 Business Rates Grant - higher than budget by £60k. As referred to in paragraph 11.5 (c) <p>It is recommended that the sum of £337k, relating to the 2016/17 Collection Fund surplus, be transferred to the Business Rates Equalisation reserve as referred to in paragraph 2.2 of this report.</p>	382
TOTAL FAVOURABLE VARIANCE	696

Transformation Fund

- 11.9 A review of Transformation Fund commitments has been undertaken with the support of the Senior Leadership Team, Corporate Managers and Finance.
- 11.10 The table below provides a high-level summary of the anticipated movement in the Transformation Fund during 2017/18. A more detailed breakdown is shown in Appendix A.
- 11.11 Transformation Projects that were completed prior to 2017/18 are no longer shown in detail in this report.

BABERGH	£'000
Balance at 31st March 2017	966
New Homes Bonus Contribution	1,212
Business Rates Grant	709
Total contributions 2017/18	1,921
Revised Balance Available	2,887
LESS:	
Funding 2017/18 budget	(1,362)
Delivery Plan projects – Staffing	(427)
Actual Year to date Spend (April – June 2017)	(225)
Current commitments	(189)
PLUS:	
Forecast underspend at 30 June 2017	257
Balance at 31st March 2018	941

Commitments in 2017/18 will continue to be reviewed to ensure the key priorities are supported.

General Fund Capital

- 11.12 Capital resources should be aligned to the Councils Strategic Priorities and desired outcomes. A zero based approach was adopted for the capital programme for 2017/18 to ensure that resources are aimed at delivering the council's strategic priorities.
- 11.13 With complex capital schemes it is difficult to accurately assess the level of payments that will be made during the financial year. The Council has also embarked on new projects e.g. building new homes where it is difficult to accurately predict at the planning stage how payments will fall. Members should therefore focus on whether overall outcomes are being achieved as a result of the capital investment rather than variances against the plan for a particular year.

11.14 Full Council approved the setting up of a holding company in April 2017. This means that the £25m for the Capital Investment Fund will begin to be invested this year.

11.15 Capital expenditure for the period April to June 2017 totals £0.3m, against a revised programme (including carry forwards) of £7.1m, excluding the £25m, as set out in Appendix B. The main variances to date are set out below:

- Kingfisher Leisure and Hadleigh Pool – a favourable variance of £411k is anticipated. However, this is very much dependent on the outcome of the Strategic Leisure Review
- Grants for Affordable Housing – a forecast underspend of £300k. The Council in the past has awarded capital grants to housing associations to facilitate the provision of additional affordable housing in the district. With the Council's ability now to build its own social housing through the HRA and the changing landscape for housing associations, the requirement for these grants to be used for that purpose has changed in recent years. This will be reviewed as part of the budget setting process for 2018/19.
- ICT – the majority of the forecast favourable variance of £243k can be attributed to the JOSIE project. When the 2017/18 budget was set it was anticipated that the project would take a full year to complete, it is however, expected to finish at the end of September 2017.
- Two new environmental initiatives totalling £88k for LED street and car park lighting and the Electric Vehicle Charging point in Sudbury have been included in the Capital Programme from Quarter 1. No budget variance is expected.

Housing Revenue Account (HRA - Council Housing)

11.16 The updated 30 year business plan was presented to Cabinet in July 2017. In relation to the HRA Revenue Budget, the position on key activity areas is as follows:

- Rent and other income (Budget £16.7m) - it is currently anticipated that there will be no significant variations to budget.
- Repairs and maintenance (Budget £2.1m) – responsive maintenance demand continues at a high level and the potential for overspend is currently forecast to be £70k mainly due to electrical testing on void properties not being budgeted for. The closer monitoring of budgets could allow us to realign these for Quarter 2.
- Management and other costs (Budget £3.4m) - no significant variations to budget have been identified.
- Funding the capital programme (Budget £5.6m) - subject to the actual level of capital spending for the year and year-end capital financing decisions, this is expected to be in line with the budget.

- Borrowing and associated costs (Budget £2.8m) - this is also expected to be in line with the budget.

11.17 Based on the above, potential overspends will be closely managed so that the approved budget is not affected.

11.18 The recent Government proposal that will impact upon the HRA regarding the sale of high value council houses levy is being monitored and once details are fully known and understood a further review of the business plan will be undertaken.

HRA Capital

11.19 Investment plans for this year total £14.5m (including Carry forwards of £4.9m) as set out in Appendix B. No variance to budget is forecast at this stage in the year.

12 Appendices

Title	Location
APPENDIX A – Transformation Fund	Attached
APPENDIX B – Capital Programme	Attached

13 Background Documents

21 February 2017 Budget Report 2017/18 – S109

Authorship:

Katherine Steel Assistant Director - Corporate Resources	(01449) 724806 katherine.steel@babberghmidsuffolk.gov.uk
Melissa Evans Corporate Manager Financial Services	(01473) 825819 Melissa.evans@babberghmidsuffolk.gov.uk
Sharon Bayliss Senior Business Partner	(01473) 825819 sharon.bayliss@babberghmidsuffolk.gov.uk
Tricia Anderson HRA Accountant – Professional Lead	(01449) 724680 Tricia.anderson@babberghmidsuffolk.gov.uk

TRANSFORMATION FUND – PROJECTS

APPENDIX A

	Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
					BDC	MSDC	BDC	MSDC		
CONTINUING PROJECTS										
Assets & Investments										
1	Strategic Leisure Review - comprehensive condition survey of all 4 leisure facilities to understand future costs requirements. Additional Resources for; Phase 1 - will be informed by the evidence from the strategic review of our built sports facilities and playing pitches (which is due to complete in October 2015), and will allow us to undertake a joint leisure strategy and investment plan for both Councils. Phase 2 - to undertake an independent review of the current contractual arrangements (with SLM and SSL) and deliver future delivery options in line with the strategy. This will involve a review of all existing legal and contractual documentation, leases and management agreements, options appraisal, and our capital investment strategy for these assets and for making recommendations Funding to pay for two Leisure Industry specialists (Project Manager for phase 1, external consultant for phase 2)	Chris Fry	May-16	126,100	44,801	37,231	6,630	8,273	96,935	-29,165
2	Capital Investment Strategy (CIS) – external professional advisers to support the development of the Capital Investment Strategy, as well as the associated governance framework and delivery model to support implementation of a Capital Investment Fund and provision of a fixed term post for two years - to provide direct specialist technical support to the establishment and implementation of the development and regeneration pipeline	Louise Rawsthorne / Jill Pearmain / Ann Bennett	Aug-16	136,285	51,088	51,088	3,588	3,588	109,350	-26,935
Business Growth										
3	Extension of fixed term Heritage & Design officer post for 2 years to support work on securing heritage assets	James Buckingham	Oct-15	69,000	17,215	17,215	4,011	4,011	42,451	-26,549
4	External support to create Joint Local Plan plus the building of the evidence base	Bill Newman	Feb-16	45,000	0	0	0	0	0	-45,000
5	Hadleigh Market - consultancy costs to test whether it is possible to develop and grow Hadleigh Market into a successful town market. BDC Only	Lee Carvell	Apr-16	10,000	5,794	0	1,000	0	6,794	-3,206
6	Additional Economic Development capacity to support a number of initiatives aimed at increasing economic growth e.g. key sites, market towns and engaging businesses - 18 month extension	Lee Carvell	Feb-17	332,770	98,670	98,551	12,686	12,712	222,619	-110,151
7	Extend the Enabling Officer, Community Led Planning post from mid-2016 until mid-2017	Bill Newman	Feb-16	49,000	8,184	20,123	0	3,111	31,418	-17,582
8	Retrospective funding for 2016/17 (year 2) and 2017/18 (year 3) of a three year contract for the 'Visit East Anglia / Visit Suffolk' contract which is due to finish in March 2018.	Lee Carvell	Oct-16	40,000	10,000	10,000	10,000	0	30,000	-10,000
9	NEW Town Visioning Engagement Project - the Open For Business Team will lead the work with local communities to deliver a Vision that can be used to inform later policy-making and decisions that affect the towns. The Vision is intended to establish a high-level aspiration for the towns, setting out the community's key desires and wishes for the town they would like to live in and for businesses to operate from. This is a new way for the communities to be involved in Strategic Planning of the towns (the innovation).	Lee Carvell	May-17	8,500	0	0	0	0	0	-8,500
10	NEW To provide support funding that enables local business to be promoted effectively at the Suffolk Show event being held in conjunction with the English National Sheepdog Trial 2017. Additional financial resource would enable a dedicated resource to professionalise the social media promotion, recruit traders and craftspeople and to organise the tourism showcase ensuring that the event is of value to our economy. MSDC only	Lee Carvell	May-17	5,000	0	0	0	0	0	-5,000

TRANSFORMATION FUND – PROJECTS

APPENDIX A

		Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
					BDC	MSDC	BDC	MSDC		
CONTINUING PROJECTS										
Business Growth										
11	Opportunity to support businesses within the District in benefiting from a photovoltaic array which can provide a percentage of their electricity needs and improve the environmental credentials of the business. The cost of an array can be prohibitive to these businesses but there is an opportunity for the Councils to fully fund the system and obtain a commercial return on the investment i.e. Feed in Tariff - Capital, shared 50:50	James Buckingham	Dec-16	200,000	0	0	0	0	0	-200,000
Community Capacity Building										
12	Additional locality capacity in the Communities Team - 40% BDC, 60% MSDC	Sue Clements	May-16	90,000	27,611	41,241	13,488	20,232	102,572	12,572
13	Delivery of the Public Realm Review which will transform the management and utilisation of our public realm assets which include Open Spaces, Amenity areas, car parks and Countryside assets.	Peter Garrett	Jul-16	60,000	10,355	10,355	7,209	7,209	35,129	-24,871
14	Increase staff resources - one day a week for the Tourism Development Officer role	Lee Carvell	Nov-16	9,000	1,765	1,765	1,139	1,130	5,799	-3,201
15	Buildings at risk - to support a targeted approach towards dealing with Heritage at Risk in Babergh and Mid Suffolk with the view to finding viable uses for those buildings at risk and reducing the overall number, to also support the planning transformation programme by producing information and guidance to support decision-making activities and the management of heritage assets. 12 month extension	James Buckingham	Feb-17	17,816	3,106	1,486	2,411	2,411	9,413	-8,403
16	NEW To extend the current room rental agreement with The Mix in Stowmarket from it's current end date of 31 March 2017 to match the final end of contract date of 31 December 2017. This will enable the delivery of the current Mygo contract to continue from the current location ensuring continuity for service users to the end of the project lifetime. MSDC only	Lee Carvell	Apr-17	9,257	0	0	0	9,257	9,257	0
Efficient Organisation										
17	Support for public access and streamlining information management for both the Councils external website and CONNECT	Carl Reeder	Oct-15	96,852	13,414	13,414	4,680	4,680	36,188	-60,664
18	3 Transformation Project Managers to support and assist in the delivery of a) the Channel Shift Programme - to enable the Councils to be ready digitally, b) Core Enablement Programme - help the business areas adopt core infrastructure changes and c) Accommodation and Public Access Programme - will focus on project managing the physical and logistical side of the project, planning the detail of solutions such as; Public Access points, Touch Down points etc	Carl Reeder	Sep-16	150,000	18,028	18,028	12,857	12,857	61,771	-88,229
19	ALL TOGETHER - majority of costs at this stage relate to scanning - to improve accessibility to both officers and members of the public by going 'paperless'. Ensure that all information is accessible electronically. The amount sought will be increased as part of the overall one-off costs of moving to Endeavour House when they are finalised.	Carl Reeder	Sep-16	46,400	31,137	31,153	64,415	64,414	191,118	144,718
20	Strengthening Governance through the implementation of the Leader-Cabinet form of Governance	Emily Yule	Mar-17	55,028	5,659	5,659	7,556	7,555	26,429	-28,599

TRANSFORMATION FUND – PROJECTS

APPENDIX A

	Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
					BDC	MSDC	BDC	MSDC		
	Housing Delivery									
21	Additional resources within the Strategic Housing Team to support housing growth	Bill Newman	Nov-14	187,000	74,587	74,787	0	0	149,373	-37,627
22	Delivery of a proactive monitoring and enforcement function, to support the work of the existing Planning Enforcement team and the new Infrastructure team - Shared Services Monitoring Officer 40% BDC 60% MSDC	James Buckingham	Feb-16	62,250	8,855	13,282	3,263	4,554	29,952	-32,298
23	Additional resources to enable Senior Planning Officer level to be released to support delivery of the planning transformation programme	Trevor Saunders	Oct-16	205,000	14,619	14,619	13,658	13,700	56,596	-148,404
	Housing Delivery/Business Growth									
24	Commissioning of external specialist feasibility / viability work on key sites as required, to be able to move them forward for approval and development to support economic and housing growth	Lou Rawsthorne	Jan-15	475,000	117,660	57,496	4,515	2,000	181,671	-293,329
25	Creation of a new Infrastructure ODT to support and secure the implementation of CIL and effective operational processes	Bill Newman	Jul-15	289,000	126,755	107,403	13,503	13,755	261,416	-27,584
26	External support to undertake Local Housing Needs Surveys	Bill Newman	Feb-16	20,000	2,709	2,709	0	0	5,418	-14,582
27	Additional staffing capacity to migrate historic and future developer contribution information to the new ICT system supporting the Community Infrastructure Levy	Bill Newman	Jun-16	98,000	38,086	36,681	2,658	2,658	80,083	-17,917
28	Building the evidence base for the Joint Local Plan - the requirement to hold and maintain accurate baseline information within GIS underpins the preparation of the Joint Local Plan and land allocation strategy.	Bill Newman	Aug-16	44,000	21,297	22,699	4,655	4,655	53,305	9,305
	General Transformation - other projects									
29	- Core Staffing not allocated to a specific project	Melissa Evans		457,000	147,636	168,222	19,530	19,530	354,917	-102,083
30	- Other	Melissa Evans		50,000	16,643	33,171	0	0	49,814	-186
	CONTINUING PROJECTS SUB-TOTAL			3,443,258	915,672	888,376	213,450	222,291	2,239,790	-1,203,468
	COMPLETED PROJECTS SUB-TOTAL -SEE BELOW			3,052,443	602,215	2,593,468	11,499	11,304	3,218,486	166,043
				6,495,701	1,517,887	3,481,844	224,949	233,595	5,458,275	-1,037,425
									84%	
	BDC OUTSTANDING COMMITMENTS									-616,416
	<i>Less staffing budgets already accounted for</i>									427,271
	BDC TOTAL OUTSTANDING COMMITMENTS									-189,145
	MSDC OUTSTANDING COMMITMENTS									-609,236
	<i>Less staffing budgets already accounted for</i>									433,171
	MSDC TOTAL OUTSTANDING COMMITMENTS									-176,065

TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
				BDC	MSDC	BDC	MSDC		
COMPLETED PROJECTS									
Introduction of Glass collection round for trade waste service (income generation project) - cost of vehicle and wheeled bins - Capital	Ollie Faiers	Dec-15	87,273	10,137	77,137	1,800	1,800	90,874	3,601
Additional capacity within the Licensing Team to enable the Corporate Manager to work on the Open for Business Project thereby supporting business to thrive and grow. Extension of 6 months	Lee Carvell	Jan-15	48,000	18,478	23,407	2,839	2,839	47,564	-436
Accommodation Review - Phase 1 Analysis and Direction	Louise Rawsthorne	Jan-16	100,000	48,268	46,410	2,372	2,372	99,422	-578
Open for Business - filming service area talks so that they are available to a wider audience	Lee Carvell	May-16	1,500	0	0	848	848	1,695	195
Housing Delivery									
Review leasehold and right to buy service to ensure fit for purpose for the future.	Gavin Fisk	Apr-16	40,000	8,663	8,663	3,445	3,445	24,217	-15,783
Community Engagement Planning - support for the Third Stage of the agreed programme to develop a coherent engagement plan to ensure the messages on growth to our communities are coherent and closely coordinated.	David Clarke	Feb-16	20,698	7,570	7,350	196	0	15,116	-5,582
COMPLETED PROJECTS CURRENT YEAR AS ABOVE SUB-TOTAL			297,471	93,116	162,968	11,499	11,304	278,887	-18,584
COMPLETED PROJECTS PREVIOUS YEARS SUB-TOTAL			2,754,972	509,099	2,430,500	0	0	2,939,599	184,627
COMPLETED PROJECTS TOTAL			3,052,443	602,215	2,593,468	11,499	11,304	3,218,486	166,043

APPENDIX B

BABERGH CAPITAL PROGRAMME 2017/18	Budget	Revised Budget inc Carry Forwards	Actual Spend Apr- Jun	Variance - budget LESS actual spend	Forecast Outturn	Variance to Forecast favourable /(adverse)
HOUSING REVENUE ACCOUNT	£'000	£'000	£'000	£'000	£'000	£'000
Housing Maintenance						
Planned maintenance	4,288	4,484	199	4,285	4,484	0
ICT Projects	80	223	40	183	223	0
Environmental Improvements	50	1	0	1	1	0
Disabled Facilities work	200	228	29	199	228	0
Horticulture and play equipment	33	33	0	33	33	0
New build programme inc acquisitions	5,010	9,539	667	8,872	9,539	0
Total HRA Capital Spend	9,661	14,507	935	13,572	14,507	0
BABERGH CAPITAL PROGRAMME 2017/18						
GENERAL FUND						
	£'000	£'000	£'000	£'000	£'000	£'000
Supported Living						
Mandatory Disabled Facilities Grant	300	300	40	260	300	0
Discretionary Housing Grants	100	100	22	78	100	0
Empty Homes Grant	100	230	10	220	230	0
Total Supported Living	500	630	72	558	630	0
Strategic Housing						
Grants for Affordable Housing	100	400	0	400	100	300
Total Strategic Housing	100	400	0	400	100	300
Sustainable Environment						
Streetlights/carpark light fittings to LED equivalents	0	44	0	44	45	-1
EV charging point - Sudbury	0	44	0	44	44	0
Total Sustainable Environment	0	88	0	88	89	-1
Environment and Projects						
Replacement Refuse Freighters - Joint Scheme	0	0	0	0	0	0
Recycling Bins	75	99	7	92	99	0
Total Environment and Projects	75	99	7	92	99	0
Communities and Public Access						
Community Development Grants	117	302	14	288	307	-5
Play Equipment	50	100	0	100	50	50
Planned Maintenance / Enhancements - Car Parks	38	79	0	78	79	0
Total Community Services	205	481	15	466	435	45
Leisure Contracts						
Kingfisher Leisure Centre - changing room replacement	550	555	42	513	187	368
Hadleigh Sports and Swimming Pool - general	50	47	0	47	4	43
Total Leisure Contracts	600	601	42	560	191	411
Capital Projects						
Planned Maint / Enhancements - Hadleigh HQ	35	32	0	32	32	0
Planned Maint / Enhancements - Other Corp Buildings	48	48	0	48	48	0
Carbon Reduction	50	48	-5	53	48	0
Installation of PV Panels on Housing Stock	0	2	-20	22	0	2
Total Capital Projects	133	131	-24	155	128	2
Investment and Commercial Delivery						
Land assembly, property acquisition and regeneration opportunities	2,973	3,809	18	3,791	3,809	0
Total Investment and Commercial Delivery	2,973	3,809	18	3,791	3,809	0
Corporate Resources						
ICT - Hardware / Software costs	763	863	124	739	620	243
Total Corporate Resources	763	863	124	739	620	243
Delivery Programme Investment Opportunities	0	25,000	0	25,000	12,500	12,500
Total General Fund Capital Spend	5,349	32,102	253	31,848	18,601	13,501
Total Capital Spend	15,010	46,609	1,188	45,421	33,108	13,501

Agenda Item 10

BABERGH DISTRICT COUNCIL

From: Cabinet Member for Planning	Report Number: BCa/17/18
To: BDC Cabinet	Date of meeting: 7 September 2017

LAWSHALL NEIGHBOURHOOD PLAN

1. Purpose of Report

- 1.1 This report presents the findings of the Independent Examiner's Report on the content of the Lawshall Neighbourhood Plan Submission Draft document.
- 1.2 Subject to the implementation of the detailed recommendations contained within the Examiner's Report, it is proposed that the Neighbourhood Plan proceed to a local referendum.

2. Recommendations

- 2.1 That Lawshall Parish Council be requested to make the necessary modifications to the plan in accordance with the Examiner's recommendations.
- 2.2 That, subject to the satisfactory completion of the above, the Neighbourhood Plan be advanced to a local referendum covering the parish of Lawshall.

3. Key Information

- 3.1 The Localism Act, 2011 introduced the concept of neighbourhood plans. These are plans developed by local people for the community in which they live and work, and provide them with an opportunity to prepare planning policies and allocate land to shape the future of their area. Each plan consequently has its own character.
- 3.2 In December 2015 the application to designate the Lawshall Neighbourhood Plan Area was approved by the District Council. This enabled the parish council to prepare its plan. Following a series of community engagement events, the parish council published their 'pre-submission' draft plan for consultation in October 2016. The plan then underwent further revisions in response to comments received.
- 3.3 In January 2017 the parish council formally submitted their Neighbourhood Plan to the District Council. It was checked for compliance with the relevant legal requirements and a further six-week consultation was conducted between 13 February and 31 March 2017. During this period, seven consultees submitted representations on the plan.
- 3.4 In late April 2017 the examination of the plan commenced. This was conducted via written representations by a 'suitably qualified and experienced' person who was independent of the plan making process, and who had been appointed in consultation with the parish council.

- 3.5 During the examination process, questions were put by the Examiner to which both the parish and district council responded. Further discussions then took place with specific regards to undertaking a Habitats Regulation Assessment of the Plan which entailed two further rounds of public consultation. These took place between early June and early August.
- 3.6 On 23 August 2017 the Examiner's Final Report was issued. The plan is described as being "*well presented, distinct in style and general clearly written*". The Examiner goes on to say that the plan policies "*reveal a thoughtful approach to guiding the future sustainable development of the area.*" The Examiner did, however, make 17 recommendations on how the plan should be modified. The Examiner does not consider it necessary to extend the local referendum area. A compendium of the necessary modifications is appended this paper (Appendix 1). The recommended modifications are fully explained in the Examiner's Final Report at Appendix 2.
- 3.7 The District Council must now consider each recommendation, the reasons for them, and decide what action to take in response to each one. It must also come to a formal view about whether the Plan meets the 'Basic Conditions'.
- 3.8 The 'Basic Conditions' are set out in Paragraph 8(2), Schedule 4B of the Town and Country Planning Act, 1990. In order to satisfy them a Plan must:
- have regard to national policies and advice contained in guidance issued by the Secretary of State;
 - be in general conformity with the strategic policies contained in the Development Plan for the area;
 - contribute to the achievement of sustainable development; and
 - not breach, and be otherwise compatible with, EU obligations and human rights requirements.
- 3.9 The Examiner has concluded that, subject to the implementation of the suggested modifications, the Neighbourhood Plan meets the Basic Conditions and other statutory requirements and can proceed to a referendum. In the main the recommendations involve improving the wording of policies so that they are clear and unambiguous and can be used in a consistent manner by decision makers. The recommendations of note centre upon the following:
- The inclusion of larger scale maps of the five identified clusters (Policy LAW1).
 - Providing a clearer linkage between Policy LAW4 and Policy LAW9 with regards to development proposals outside the existing Built-up Area Boundary
 - Amending the wording in Policy LAW6 to provide greater clarity in terms of reference to the ten areas identified as important recreation and green space
 - Amending the title of Policy LAW10 to roll forward an existing designation as an 'Area of Landscape Sensitivity'
 - Amending the wording in Policy LAW12 to ensure that it takes account of national policy and that it will achieve sustainable development.
 - Amending the text under the section entitled 'Business and Enterprise' to make it clear that this section does not constitute planning policy in this plan.
 - Updating elements of the Proposals Map

- 3.10 Officers have assessed the content of the Examiner's Report and each recommendation and concur with its findings. It is therefore recommended to the Cabinet that all the modifications proposed be made by the Parish Council to ensure that to the Lawshall Neighbourhood Plan complies with the Basic Conditions. If the Cabinet agrees with this recommendation the District Council will need to publicise its decision (a 'Decision Statement') and move to a local referendum.
- 3.11 The Housing and Planning Act, 2016 has made it clear that the only modifications that the District Council can make at this stage are those required to ensure that:
- the plan is compatible with EU obligations,
 - the plan does not breach Convention Rights, or
 - those required for the purpose of correcting minor errors.

The District Council is therefore only able to exercise limited discretion at this point.

- 3.12 The task of modifying the plan falls to the Parish Council with assistance from the District Council. While there are no prescribed periods for this process, a copy of the plan, as modified, along with other specified documents will be required before the date of the local referendum can be confirmed.
- 3.13 Lawshall Parish Council has amended the text to its neighbourhood plan in line with the Examiner's recommendations. A 'track-change' copy of the plan is appended to this report (**Appendix 3**). The plan is therefore nearing the local referendum stage.
- 3.14 The referendum process is governed by the Neighbourhood Planning (Referendum) Regulations, 2012 (as amended). The Regulations set out that **not less than 28 working days' notice** must be provided of the date of the local referendum. At this stage the most likely date for the referendum to take place is Thursday 19 October 2017.
- 3.15 The Parish Council will be expected to promote the referendum but it should be noted that there are restrictions on the publication of promotional material, advertisements and expenses. The format of the Referendum question will be:

'Do you want Babergh District Council to use the neighbourhood plan for Lawshall to help it decide planning applications in the neighbourhood area?'

- 3.16 If more than 50% of those who vote in the referendum are in favour of the Neighbourhood Development Plan, then it must be brought into legal force and be 'made' (adopted) by the District Council. A further paper would be presented to Full Council to ratify the eventual outcome.

4. Financial Implications

- 4.1 The District Council receives £20,000 from the Department of Communities and Local Government for each neighbourhood plan once a referendum date has been set following a successful examination. This sum is paid to meet the District Council's costs and will be sufficient in this case.
- 4.2 If the Lawshall Neighbourhood Plan is successfully 'made' (adopted) the Parish Council will be eligible to receive 25% of any Community Infrastructure Levy receipts from development in its area.

5. Legal Implications

- 5.1 The Neighbourhood Plan has been prepared in accordance with the provisions of the Town and Country Planning Act, 1990, the Planning and Compulsory Purchase Act, 2004 and the Neighbourhood Planning (General) Regulations, 2012 (as amended). It has also had regard to the Environmental Assessment of Plans and Programmes Regulations, 2004 and the Conservation of Habitats and Species Regulations, 2010.
- 5.2 If 'made' (adopted), the Lawshall Neighbourhood Plan will become part of the Development Plan and, where relevant, used to determine planning applications.

6. Risk Management

- 6.1 This report most closely links with Significant Risk 3a - Failure to deliver Neighbourhood Plans. Further key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
The Neighbourhood Plan fails to receive support at the referendum stage.	Unlikely - 2	Bad - 3	The Parish Council is responsible for promoting the referendum.
Legal challenge to the content of the Neighbourhood Plan or Neighbourhood Development Order and/or judicial review of the District Council's decisions.	Unlikely - 2	Bad - 3	Ensuring that the relevant Regulations are followed and that the decision making processes are clear and transparent.

7. Consultations

- 7.1 The District Council undertook formal consultation on the content of the submission draft Lawshall Neighbourhood Plan between 13 February and 31 March 2017. Seven consultees submitted some 30 separate representations on the plan. These can be accessed via the link to **Appendix 4**.

8. Equality Analysis

- 8.1 There are no equality and diversity implications arising directly from the content of this report.

9. Shared Service / Partnership Implications

- 9.1 This report relates to matters affecting Babergh only.

10. Links to Joint Strategic Plan

- 10.1 The successful making (adoption) of the neighbourhood plan will enable the District Council to fulfil its corporate priorities, in terms of housing delivery, business growth and community capacity building.

11. Appendices

11.1 Appendix 1 - Summary of Recommendations (Attached)

11.2 Appendix 2 - Link to ... Examiners Final Report

<http://www.babergh.gov.uk/assets/Neighbourhood-Planning/Lawshall-NP-Exam-Report.pdf>

11.3 Appendix 3 - Link to ... Lawshall Neighbourhood Plan (Incorporating Examiner's Modifications)

<http://www.babergh.gov.uk/assets/Neighbourhood-Planning/Lawshall-NP-TrackChanges.pdf>

11.4 Appendix 4 - Link to ... Submission Draft Consultation Responses

<http://www.babergh.gov.uk/assets/Neighbourhood-Planning/Lawshall-NP-Sub-Reps.pdf>

12. Background Documents

12.1 Link to ... Lawshall Neighbourhood Plan Submission Draft

<http://www.babergh.gov.uk/assets/Neighbourhood-Planning/Lawshall-NP-Sub-Jan17.pdf>

Authorship:

Bill Newman	(01449) 724891 or (01473) 825712
Corporate Manager - Strategic Planning	Bill.Newman@baberghmidsuffolk.gov.uk

LAWSHALL NEIGHBOURHOOD DEVELOPMENT PLAN

Summary of Recommendations: Ann Skippers MRTPI (Independent Examiner)

NB: Where modifications are recommended by the Examiner they appear in **bold text**. Where she has suggested specific changes to the wording of the policies or new wording these appear in ***bold italics***.

Recommendations re Policy LAW1 [Settlement Planning Policy]

The policy meets the Basic Conditions and no modifications are recommended to the policy itself with one exception. In the interests of clarity it is also recommended that the Map on page 20 of the Plan be retitled:

- **Change the reference in the policy to “Policies Map” to “*Proposals Map*”**
- **Add a title “*Proposals Map for Policy LAW1*” to the map on page 20 of the Plan**
- **Include larger scale maps of each of the locations of each of the five clusters in the Plan**

Recommendation re Policy LAW3 [Housing Development Outside the BUAB]

Insert a reference to Policy LAW9 in Policy LAW3 in order to ensure the two policies are read together.

- **Reword the first bullet point under “Permission will not be granted where” to “*a proposal harms or undermines a Settlement Gap identified by Policy LAW9 or otherwise does not accord with that policy,*”**

Recommendation re Policy LAW4 [Housing Mix]

The policy refers to “the village”, but I consider that this should be the Parish so that local needs across the Plan area can be addressed.

- **Change the word “village” to “*Parish*” in the first sentence of the policy**

Recommendation re Policy LAW6 [Important Recreation and Green Space]

The policy is clear in its intent and the ten areas appropriately identified. The policy will in particular help to achieve sustainable development and subject to a modification to aid clarity, it meets the basic conditions.

- **Amend the last paragraph in the policy so that it reads: “Ancillary development relating to the primary use of the *areas identified above* will be supported provided that *the use and quality of the area is maintained or enhanced.*”**

Recommendations re Policy LAW9 [Settlement Gaps]

This clearly worded policy takes account of national policy and guidance in recognising the intrinsic character and beauty of the countryside and promoting and reinforcing local distinctiveness and will help achieve sustainable development. There are however two minor issues to address in respect of clarity and application of the Plan. To assist with clarity and to avoid doubt and argument at a later stage, I recommend ...

- **Replacing the words “significant views” in criterion iii. of the policy with “important views”**
- **Removing the arrow viewpoint to the north of Brands Lane from the Proposals Map**

Recommendations re Policy LAW10 [Special Landscape Area]

The policy is clearly worded and largely resembles [Babergh] Local Plan Policy CR04 with one subtle, but important difference that requires a modification to ensure the policy has sufficient flexibility and takes account of national policy.

- **Retitle the policy and change all references to “Special Landscape Area” within the policy, its supporting text, Proposals Map and anywhere else in the Plan to “Area of Local Landscape Sensitivity”**
- **Change the phrase “protect and enhance” in the first bullet point of the policy to “protect or enhance”**
- **Delete the following words from para’ 10.19 “...although we acknowledge the SLA designation ... Babergh Local Plan.” ending the sentence at “below”**

Recommendation re Policy LAW12 [Local Heritage Assets]

The last element of the policy requires modification to ensure that the policy takes account of national policy in the NPPF and that it will achieve sustainable development.

- **Change the last sentence of the policy to read: “Proposals for any works that would lead to *the loss of* or substantial harm to non-designated heritage assets should be supported by an *appropriate* analysis of the *significance of the heritage asset together with an explanation of the wider public benefits of the proposal.*”**

Recommendation re Policy LAW15 [Infrastructure]

To increase the flexibility within the policy to ensure that it does not introduce overly onerous requirements, a modification is recommended to ensure that it takes account of national policy.

- **Insert the words “*an appropriate and proportionate*” before “traffic impact assessment in the policy and delete the now redundant “a”**

Recommendations re Business and Enterprise chapter (para's 13.15 & 13.16)

These paragraphs could be interpreted as reading as a planning policy. To ensure that it is clear that they do not, two recommendations are recommended.

- **Add the words “*Whilst not subject to a policy in this Plan, proposals for:* [retain list i. to vi.] before “Thus proposals for :” and delete the then redundant “Thus” in paragraph 13.15**
- **Delete “However , large industrial units will not be welcomed.” from the end of paragraph 13.15**

Recommendations re the Proposals Map

A useful Proposals Map is included although the following changes are recommended:

- **Update the Folly Lane (south) map in the Character Assessment and update the Proposals Map so that both are the same to accurately reflect what is on the ground**
- **Include all three important views as indicated on the Bury Road map in the Character Assessment on the Proposals Map**

Ends