

Public Document Pack



	MID SUFFOLK CABINET
PLACE	Britten room - Endeavour House, 8 Russell Road, Ipswich
DATE	Monday, 5 March 2018 at 2.30 pm

Members

Chair: Nick Gowrley
Vice Chair: John Whitehead

Gerard Brewster
David Burn
Julie Flatman
Glen Horn

Penny Otton
Andrew Stringer
David Whybrow
Jill Wilshaw

REVISED AGENDA

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Please note the most up to date version can be found via the website:

<http://www.babergh.gov.uk/the-council/forthcoming-decisions-list/>

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	<p>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 authors of the reports proposed to be considered in Part II of the Agenda are satisfied that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
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This is an urgent decision

The decision is urgent and cannot reasonably be deferred because previous delegation did not allow for additional capacity to be appointed to the Board, necessary at the initial stages. After the Cabinet meeting, if the decision is made, under paragraph 17 of the Overview and Scrutiny Procedure Rules within Part 3 of the Council's Constitution the decision will be exempt from call-in on the grounds of urgency.

This decision will be taken in private as it contains exempt information by virtue of which the Council are likely to exclude the public during the discussion of the agenda item to which the reports relates. The description of the exempt information under Schedule 12A of the Local Government Act 1972 (as amended) is as follows: -

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Note - the next meeting will be held on Monday 9 April 2018 at 2:30pm in the Britten Room, Endeavour House.

Introduction to Public Meetings

Babergh/Mid Suffolk District Councils are committed to Open Government. The proceedings of this meeting are open to the public, apart from any confidential or exempt items which may have to be considered in the absence of the press and public.

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact the Governance Officer, Sophie Moy on: 01449 724682 or Email: sophie.moy@baberghmidsuffolk.gov.uk

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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.
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Agenda Item 3

MID SUFFOLK DISTRICT COUNCIL

Minutes of the meeting of the **MID SUFFOLK CABINET** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Monday, 5 February 2018 at 2:30pm

PRESENT:

Councillor: Nick Gowrley – Chair
John Whitehead – Vice Chair

Councillors:	Gerard Brewster	David Burn
	Julie Flatman	Glen Horn
	Penny Otton	Andrew Stringer
	Jill Wilshaw	David Whybrow

In attendance:

Councillor Rachel Eburne
Councillor Diana Kearsley
Councillor Sarah Mansel
Councillor John Matthissen
Councillor Suzie Morley

Assistant Director – Planning for Growth (TB)
Corporate Manager – Open for Business (LC)
Corporate Manager – Finance (ME)
Assistant Director – Communities and Public Realm (JF)
Corporate Business Co-ordinator (SM – notes)
Interim Strategic Director (KN)
Infrastructure Officer (NP)
Corporate Manager – Asset Manager (JP)
Corporate Manager – Democratic Services (JR)
Assistant Director – Finance (KS)
Strategic Director (JS)
Professional Lead – Key Sites and Infrastructure Manager (CT)

73 APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Barker.

74 TO RECEIVE ANY DECLARATIONS OF PECUNIARY OR NON-PECUNIARY INTEREST BY COUNCILLORS

74.1 Councillor Kearsley declared a non-pecuniary interest in Agenda Item 12 “MCa/17/45 - Wingfield Barns Community Interest Company (WBCIC) Update Report” as Chairman to WBCIC.

74.2 Councillor Brewster and Councillor Gowrley declared non-pecuniary interests in Agenda Item 13 “MCa/17/46 - Regal Theatre Stowmarket Improvement Project” as

Stowmarket Town Councillors.

- 74.3 Councillor Horn declared a non-pecuniary interest in Agenda Item 17 “Local Tourism Strategy Review” as the Chair and a Trustee of the Museum of East Anglian Life.

- 74.4 Councillor Stringer declared non-pecuniary interests in Agenda Item 14, Wingfield Barns Community Interest Company (WBCIC) update report and Agenda Item 18 “Strategic Acquisition of Property” as a Director of the John Peel Centre who dealt with arts and administration.

75 **MCA/17/38 - CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 8 JANUARY 2018**

The minutes of the meeting held on 8 January 2018 were confirmed as a correct record subject to within paragraph 72.2 the words “it was agreed amendments” be removed.

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

None received.

77 **QUESTIONS BY COUNCILLORS**

- 77.1 The following questions were received:

77.2 **Councillor John Matthissen to Councillor Glen Horn**

“What is our Service Level Agreement for the IT service provided by Suffolk County Council, and what has the performance been over the years 2015/16, 2016/17, and since the move to Ipswich.”

Response from Councillor Morley as the Lead Member

“We are working closely with the SCC IT service to review the partnership and accompanying performance measures. The performance measures have not been reviewed recently, and due to a number of changes within SCC IT, both in terms of their processes, level of resources and the tools they use to measure performance, comparisons over the period requested would be very difficult to provide and unlikely to represent an accurate picture of the service actually provided. SCC IT have confirmed that their average measurement of customer satisfaction across all customers is as follows:

2015 - 89%
2016 - 91%
2017 - 89%

Information from August 17 to January 18 demonstrates all of our calls raised (including immediate help desk queries as well as additional requests for new services) over the last 6 months, on average approximately 44% are resolved within

24 hours and 70% of calls are resolved within one week. We will be working with SCC IT to further analyse this data.

Taken from table below:

	Aug	Sept	Oct	Nov	Dec	Jan
Resolved in 24 hours	398	296	340	322	202	240
% resolved in 24 hours	49.20%	38.10%	42.71%	42.93%	49.88%	45.03%
Resolved in 1 week	554	518	563	525	292	387
% resolved in 1 week	68.48%	66.67%	70.73%	70.00%	72.10%	72.61%
Resolved in 2 weeks	625	627	649	593	330	465
% resolved in 2 weeks	77.26%	80.69%	81.53%	79.07%	81.48%	87.24%

Councillor Matthissen then asked a supplementary question requesting that comparisons and a review of the partnership were put in place as his personal experience had not been the same as what had been quoted. Councillor Morley stated she had asked the “facts and stats” team to monitor data regarding our usage of IT and she would also keep an eye on the issue.

77.3 Councillor John Matthissen to Councillor Jill Wilshaw

“When will the Quarter 3 housing delivery statistics be published, and if they have already been published then what are the statistics?”

Response from Councillor Wilshaw

“Q3 Housing delivery statistics have been updated on Connect and can be found at: <https://suffolknet.sharepoint.com/sites/BMSDCDemo/housingdeliveryprogramme/SitePages/Performance.aspx>”

Councillor Matthissen responded by saying he was asking for a single number and did Councillor Wilshaw agree this was crucially important in respect of the Council’s finances and residents? Councillor Wilshaw replied that she understood the importance.

77.4 Councillor John Matthissen to Councillor John Whitehead

“Staff turnover: how many staff have left from 01/04/17 to 31/12/17 by Department? As the East of England LGA are willing to provide a benchmarking report, will you request one?”

Response from Councillor Whitehead

“For the first part of the question please see the table below:

LEAVERS APRIL - DECEMBER 2017 BY SERVICE AREA

<u>Service Area</u>	<u>Number</u>
BMBS	4

Building Control	4
Business Improvement	1
Commissioning & Procurement	1
Countryside & Public Realm	3
Customer Services	9
Democratic Services	4
Development Management	11
Financial Services	1
Housing Options	2
Housing Solutions	1
HRA Finance	1
Information Management & ICT	26
Internal Audit	1
Open for Business	3
Property Services	8
Senior Leadership Team	2
Shared Legal Service	2
Strategic Planning	3
Strong & Safe Communities	2
Supported Housing	5
Sustainable Environment	2
Tenancy Services	1
	<hr/>
	97
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For the second part this is not a service that is provided within the Council’s annual subscription to the East of England LGA, so there would be an additional cost to the council to request that some benchmarking is undertaken on our behalf. In thinking about and developing performance measures within my portfolio, we will look at the HR data and consider what we want to measure and report on a regular basis, but any benchmarking would need to demonstrate value for money and we need to remember that our Chief Executive, in his Head of Paid Service role, is responsible for staffing arrangements within the Council.”

Councillor Matthissen felt it had been previously established regular information on staff would be provided in the future. Councillor Whitehead explained they were looking into how this could be incorporated within the Quarterly outturn reports.

77.5 Councillor John Matthissen to Councillor Jill Wilshaw

“My question about Universal Credit last year, specifically regarding what we had learned from Waveney DC, was never properly answered. What have we learned from Waveney regarding rent arrears, Council Tax arrears and staffing pressures, bearing in mind that Universal Credit full roll-out is now scheduled for May this year. Will we increase our funding to Citizens Advice centres serving the District?”

Response from Councillor Wilshaw

“We have been in regular contact with Waveney District Council, and they have shared their experiences in respect of managing customer service calls and visits to their walk in centres. They have shared written communications sent to residents, and how they have worked with the Department for Work and Pensions (DWP) and other agencies. Waveney has its own unique challenges in response to Universal Credit (UC) for example the volume of seasonal workers.

We have been actively working for the past year on our approach to the implementation of UC. This has included partnership meetings with the Citizens Advice Bureau (CAB), and DWP amongst other key stakeholders. Sudbury in Babergh went to ‘Universal Credit full service’ in October 2017 and we have seen no significant rise in rent arrears as a result. I am not aware of any plans to increase our funding to the Citizens Advice Centres serving our districts as a result of Universal Credit.”

Councillor Matthissen felt this response did not answer what had been learnt from Waveney District Council as to how much their customer service and visits went up if any. He accepted Sudbury had had its own challenges. Councillor Wilshaw explained it was a unique situation as they were the first to manage customer service calls and as such had encountered problems. Mid Suffolk were much further down the line but were also monitoring Sudbury.

Councillor Otton asked what the rationale was behind having all of the Joint Member Briefings in the future in Bildeston?

The Leader of the Council, Councillor Gowrley explained the rationale had been to try and increase the attendance of the Joint Member Briefings and as such it had been suggested an out of Ipswich centre might be more acceptable. This had proven not to be the case and as such all Member Briefings would now move back to Endeavour House, Ipswich.

Councillor Otton responded by requesting the financial difference between holding them at Endeavour or out in the district. The Leader of the Council agreed to report this information back once known.

78 MCA/17/39 - MATTER REFERRED BY THE JOINT OVERVIEW AND SCRUTINY COMMITTEE

78.1 Councillor Eburne introduced the report and explained the Shared Legal Service had been scrutinised. This had highlighted real issues in performance. The Joint Overview and Scrutiny Committee had therefore requested a response be received, hopefully with an improvement in performance. This item had been difficult to scrutinise as no business plan nor savings/benefits had been identified in the first instance.

78.2 The recommendation was proposed by Councillor Wilshaw and seconded by Councillor Flatman.

By an unanimous vote

It was RESOLVED:-

- (1) That prior to any future shared services or partnership working arrangements, a full and proper business case be prepared and be presented to the Overview and Scrutiny Committees for pre-scrutiny

Reason for Decision:

To ensure that Overview and Scrutiny Members are provided with a full and proper business case in relation to future shared services or partnership working arrangements.

79 MCA/17/40 - FORTHCOMING DECISIONS LIST

- 79.1 The Forthcoming Decisions List was noted and it was agreed the latest version provided more clarity.
- 79.2 It was discussed for future agenda packs that if there were late papers these should be provided in a "late paper bundle" which were numerically numbered, the number of "intentionally left blank" pages were unacceptable and "Environmental Implications" should be included in reports.
- 79.3 The Corporate Manager for Democratic Services explained work was currently taking place on a report template, which would include an Environmental Impact section.

80 MCA/17/41 - JOINT TREASURY MANAGEMENT STRATEGY 2018/19

- 80.1 Councillor Whitehead, the Cabinet Member for Finance, introduced report MCA/17/41 and moved the recommendation which was seconded by Councillor Horn.
- 80.2 It was questioned whether there was any additional information available on the repayment of loans before maturity and whether this entailed heavy premiums? Also whether any risk was involved in dealing with large contractors, whether investments were at risk.
- 80.3 Councillor Whitehead, with help from the Assistant Director for Finance, explained the Council had fixed interest rate loans which were looked at on an individual basis and were kept up to review with Treasury Management advisors. The Council did not invest in large contractors, such as those who had recently featured in the media.
- 80.4 It was noted there had been no mention of the return received in investments, therefore in the future any strategy documents should include this detail rather than be reactive.

By a unanimous vote

It was RESOLVED:-

- (1) That the Treasury Management Strategy for 2018/19 including the Annual Investment Strategy as set out in Appendix A to paper JAC/17/15 be approved.
- (2) That the Treasury Management Policy Statement set out in Appendix B to paper JAC/17/15 be approved.
- (3) That the Treasury Management Indicators set out in Appendix E to Paper JAC/17/15 be approved.
- (4) That the Prudential Indicators and Minimum Revenue Provision Statement set out in Appendix F (subject to an amendment to correct the figures in the Capital Financing – General Fund for Mid Suffolk to reflect the error identified by the Committee) and Appendix G to Paper JAC/17/15 be approved.
- (5) That the key factors and information relating to and affecting Treasury Management activities set out in Appendices C, D and H to Paper JAC/17/15 be noted.

Reason for Decisions:

To ensure that Members approve the Treasury Management Strategy for 2018/19, including the Annual Investment Strategy.

81 MCA/17/42 - JOINT MEDIUM TERM FINANCIAL STRATEGY AND 2018/19 BUDGET

- 81.1 Councillor Whitehead, the Cabinet Member for Finance, introduced report MCA/17/42 and moved the recommendation which was seconded by Councillor Burn.
- 81.2 Councillor Otton felt she could not support the proposals as they stood. As such both herself, Councillor Gowrley, Councillor Whitehead would meet to discuss her proposals. She was concerned over the £30,000 set aside for supported living which would penalise residents in sheltered housing as well as an increase in being able to reduce the £200,000 rent loss on council homes and would like to see some work produced on this. £19,000 had been spent on disabled facilities grants, Suffolk County Council had publicly stated that the organisation which they had employed to deal with these had not performed as expected. It was noted sheltered housing came under the HRA and as such had no impact on the Council Tax.
- 81.3 Concern was also raised within paragraph 11.10 of the report, in respect of business rates not being kept separate, also the Growth and Efficiency budget should list where funds had been spent as had been the case in the past. Councillor Whitehead, with the help from the Assistant Director of Finance, explained growth initiatives had been put to Government and agreement reached at the Suffolk Leaders meeting. A further update to be given at Council. Concern was raised that Mid Suffolk should be able to influence whether the £750,000 be spent rather than delegating to the Public Sector Leaders. It was reiterated that Mid Suffolk would decide in both an open and transparent way and as such would come back to Cabinet for approval.

81.4 It was pointed out within the January 2018 Cabinet minutes, which had been approved, that paragraph 72.2 said the budget would include the average underspends however no reference had been made. It was noted much had been obtained from extra income and it was variable therefore to put comparative detail into the report would prove difficult.

It was RESOLVED:-

- (1) That the Joint Medium Term Financial Strategy (MTFS) and Budget proposals set out in the report be approved.
- (2) That the final General Fund Budget for 2018/19 is based on a council tax increase of 0.5%, an increase of 81p per annum for a Band D property to support the Council's overall financial position be approved.
- (3) That the Housing Revenue Account (HRA) Investment Strategy 2018/19 to 2022/23 and HRA Budget for 2018/19 be agreed.
- (4) That the mandatory decrease of 1% in Council House rents, equivalent to an average rent reduction of £0.83 a week, as required by the Welfare Reform and Work Act be implemented.
- (5) That the Sheltered Housing Supported people cost of £3 per week be removed and Service charges be increased by £5 per week for each scheme (set at £4 cap per week last year) meaning a net increase of £2 per week to tenants. This will reduce the subsidy by £30k.
- (6) That Sheltered Housing utility charges are kept at the same level.
- (7) That in principle, Right to Buy receipts should be retained to enabled continued development and acquisition of new council dwellings.
- (8) That garage rents are kept at the same level.
- (9) That the revised HRA Business Plan in Appendix E be noted.
- (10) That the Capital Programme in Appendix D be agreed.
- (11) That the offer to participate for Mid Suffolk in the Business Rate Pilot for 2018/19 as set out in paragraph 11.9 to 11.10 in the report be accepted.

Reason for Decisions:

To ensure that Members approve the budget proposals for 2018/19, Medium Term Financial Strategy and the Council Tax for 2018/19.

82 MCA/17/43 - COMMUNITY INFRASTRUCTURE LEVY (CIL) - FRAMEWORK FOR CIL EXPENDITURE

82.1 Councillor Whybrow, the Cabinet Member for Planning, introduced report MCA/17/43 and moved the recommendation which was seconded by Councillor Flatman.

- 82.2 Councillor Whybrow gave thanks to the team for their recent member briefing which he found to be excellent. He also explained three workshop dates had been set for 5pm on 12/13/15 February 2018 which would allow time to report back to March Cabinet and Full Council in April. The first bid round was due in May 2018 but more time may be required. The Panel of members would comprise of Councillors Whybrow, Brewster and Stringer from Mid Suffolk.
- 82.3 On page 167, the level of delegation was questioned and as to why there would be no appeal process. It was explained details would be worked through at a later date, via the Joint Member Panel.
- 82.4 The Infrastructure team requested that all enquiries in the future, in respect of Section 106 agreements, be diverted to themselves in the first instance in order for them to be aware of potential spend.

By a unanimous vote.

It was RESOLVED:-

- (1) That the current thinking around a framework for CIL expenditure be noted and used as a basis for development of a detailed CIL expenditure framework.
- (2) That the creation of a Panel comprising of three Members from each Council to shape the development of a detailed CIL expenditure framework be approved.
- (3) That the framework be returned to Cabinet for consideration and agreement before being presented to Full Council as a key decision for both Councils.

Reason for Decisions:

To ensure member involvement in the development of the framework before this is presented to Full Council for approval.

83 MCA/17/44 - JOINT BABERGH MID SUFFOLK ECONOMIC DEVELOPMENT "OPEN FOR BUSINESS" STRATEGY

- 83.1 Councillor Brewster, the Cabinet Member with responsibility for Economy, introduced report MCA/17/44 and moved the recommendation which was seconded by Councillor Horn.
- 83.2 Members wished to see within paragraph 1.77, paragraph 6.4, the inclusion of once relevant education and training skills were gained students were then encouraged to stay within the District. Disappointment was expressed that within paragraph 6.10 other local railway stations, such as Elmswell, Thurston, Needham Market had not been mentioned as it was critical they remain and be fit for purpose. It was agreed this would be included.
- 83.3 It was also felt this was an opportunity to include an enhancement objective for the general economy of the area. In respect of environment it was felt it conflicted with 5.2H and as such the wording should be revised. It was agreed 5.2H would be further enhanced.

By a unanimous vote.

It was RESOLVED:-

- (1) That the Joint Babergh Mid Suffolk Economic Development “Open for Business” Strategy attached as Appendix A in the report be endorsed.

Reason for Decisions:

To accessibly set out the local strategic approach towards meeting and positively impacting upon district level and broader economic challenges, and expressing our offer to the business community.

84 MCA/17/45 - WINGFIELD BARNS COMMUNITY INTEREST COMPANY (WBCIC) UPDATE REPORT

- 84.1 Councillor Flatman, the Cabinet Member for Communities, introduced report MCA/17/45 and moved the recommendation, subject to an amendment in 2.4 to read “a maximum total of £18,000”, which was seconded by Councillor Brewster.
- 84.2 It was questioned as to whether the heating system should be maintained? It was pointed out that, Mid Suffolk District Council, as landlords, should look after their assets.
- 84.3 It was proposed to amend the recommendation in 2.7 to read “consideration of lease”, this was seconded.
- 84.4 It was questioned whether a break clause should be included as part of the lease but it was felt it would be up to WBCIC to prove itself sustainable.
- 84.5 It was noted that an annual maintenance budget be established in the first instance and managed by Property Services.

It was RESOLVED:-

- (1) That the current revenue budget of £6000 (which provides support for the WBCIC) is transferred to the Communities Grant budget.
- (2) That the initial grant payment of £6000 is made to WBCIC for 2018/19.
- (3) That a further £12000 of grant funding be made available to WBCIC to apply for during the next two years. To apply for this additional grant WBCIC will need to include a business case as part of the application which outlines how the organisation will achieve sustainability.
- (4) That a maximum total of £18000 will be the final revenue grant support made available by MSDC to WBCIC.
- (5) That the rental charge for 2018/19 is waived in keeping with the terms of the WBCIC lease.

- (6) That an annual revenue budget of £15000 is established to meet landlord obligations at the Wingfield Barns site and that this budget is administered by Property Services.
- (7) That further work is carried out to explore, the potential for a new cost effective and efficient heating system for the site and consideration of the lease to enable subletting of some of the parts of the site by the WBCIC.

Reason for Decisions:

To ensure that Members approve the grant funding to the WBCIC

85 MCA/17/46 - REGAL THEATRE STOWMARKET IMPROVEMENT PROJECT (PART 1)

- 85.1 Councillor Whitehead, the Cabinet Member for Finance, introduced report MCA/17/46 and moved the recommendation with amendments as follows:
- 85.2 Within recommendation 2.2 the words “(as per paragraphs 3.2, 4.2 and 4.3)” be included and an additional recommendation of 2.4 be added “To establish with Stowmarket Town Council an integrated project team to ensure project delivery.” This was seconded by Councillor Whybrow.
- 85.3 Members considered that this would bring both economic, social and community benefits if this project commenced and thought it was good to see a document which funded something tangible which would change the town for the better.

By a unanimous vote

It was RESOLVED:-

- (1) That Option 3 (as per paragraph 8.6 of the report), the funding of up to £2.56m, (Loan and Grant) from the Transformation Fund, to support the redevelopment of the Regal Theatre and the regeneration of Stowmarket Town Centre be approved.
- (2) That the Section 151 Officer, in consultation with the Monitoring Officer and the Cabinet Member for Finance, negotiates and enters into a legal agreement between Mid Suffolk District Council and Stowmarket Town Council for a £1m loan and £1.56m capital grant (as per paragraphs 3.2, 4.2 and 4.3) be authorised.
- (3) That funding of up to £15000 from the Transformation Fund, for the remodelling of Ipswich Road car park (referred to in paragraphs 10.6 and 10.7 of the report) which will result in a reduction of, no more than, 10% of the total number of parking spaces available be approved.
- (4) To establish with Stowmarket Town Council an integrated project team to ensure project delivery.

Reason for Decisions:

The recommendations to support the redevelopment and financial sustainability of the Regal Theatre, the regeneration of Stowmarket Town Centre and provides wider social and economic benefits to Stowmarket and the surrounding areas.

86 **MCA/17/48 - STRATEGIC ACQUISITION OF PROPERTY - PART 1**

87 **EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)**

By a unanimous vote

It was RESOLVED:

That 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 was likely there would be the disclosure to them of exempt information as indicated against each item. The authors of the reports proposed to be considered in Part II of the agenda were satisfied that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

88 **MCA/17/46 - REGAL THEATRE STOWMARKET IMPROVEMENT PROJECT (PART 2)**

By a unanimous vote.

It was RESOLVED:-

- (1) The recommendation as set out in the report MCA/17/46 – Part 2 be approved subject to minor amendments

89 **MCA/17/47 - LOCAL TOURISM STRATEGY REVIEW**

Members agreed that this item be deferred until the next Cabinet meeting on the 5 March 2018 due to wider implications which had arisen and further options to be explored.

90 **MCA/17/48 - STRATEGIC ACQUISITION OF PROPERTY - PART 2**

By a unanimous vote.

It was RESOLVED:-

The recommendation as set out in the report MCA/17/48 be approved, subject to a minor amendment, and that the decision was taken on the grounds of urgency and as such cannot reasonably be deferred as the property will be auctioned before the next scheduled Cabinet meeting and the cost was likely to exceed the key decision threshold. Under paragraph 17 of the Overview and Scrutiny Procedure Rules within Part 3 of the Council's Constitution **THIS DECISION IS EXEMPT FROM CALL-IN ON THE GROUNDS OF URGENCY.**

The business of the meeting was concluded at 4:50pm.

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Chair (date)

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

March to August 2018 (Published 20 February 2018)

Unique Ref No:	Decision Maker & Decision Date	Subject	Summary	Contacts:		Key Decision?	Confidential?
				Cabinet Member(s)/MSR	Officer(s)		
CAB08	Cabinet 5/8 March 2018	Local Tourism Strategy Review	To approve the Local Tourism Strategy Review	John Ward Gerard Brewster	Lee Carvell 01449 724685 lee.carvell@babberghmid.suffolk.gov.uk	Yes	<i>This report will be heard in private as per Paragraph 3,4, 6 of Part I of Schedule 12A of the Local Government Act 1972, as it 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</i>
CAB13	Cabinet 5/8 March 2018	BMS Invest – Consolidated Performance, Risk and Governance Report	To approve the BMS Invest – Consolidated Performance and Risk Report	Nick Gowrley John Ward	Lou Rawsthorne 01449 724772 Louise.rawsthorne@babergghmidsuffolk.gov.uk	Yes	<i>This report will be heard in private as per Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as it 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</i>
CAB15	Cabinet 5/8 March 2018	Quarter Three Budgetary Control	To approve the Quarter Three Budgetary Control	Peter Patrick/John Whitehead	Katherine Steel 01449 724806 Katherine.steel@babergghmidsuffolk.gov.uk	Yes	No
CAB16	Cabinet 5/8 March 2018	CIL Expenditure Framework	To approve the CIL Expenditure Framework	David Whybrow/Lee Parker	Christine Thurlow 07702996261 christine.thurlow@babergghmidsuffolk.gov.uk	Yes	No
CAB17	Cabinet 5 March	The acquisition of accommodation in Stowmarket to provide additional temporary accommodation units	To approve the acquisition of accommodation.	Jill Wilshaw	Heather Sparrow 01449 724767 Heather.sparrow@babergghmidsuffolk.gov.uk	Yes	<i>This report will be heard in private as per Paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as it 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</i>

CAB18	Cabinet 9/12 April	To consider Battery Storage at all the Leisure Sites	To approve the Battery Storage at the Council's Leisure Facilities	David Burn Tina Campbell	Chris Fry 01449 724805 Chris.fry@babberghmidsuffolk.gov.uk	Yes	No
CAB19	Cabinet 9/12 April	Review of Statement of Community Involvement	To review the Statement of Community Involvement	David Whybrow Lee Parker	Robert Hobbs 01449 724812 robert.hobbs@babberghmidsuffolk.gov.uk	Yes	No
CAB20	Cabinet 9/12 April	Food and Safety Service Plan	To agree the way services will be delivered as required by the Food Standards Agency Framework Agreement and the Health and Safety Executive National Local Authority enforcement code.	David Burn Tina Campbell	John Grayling 01449 724722 John.grayling@babberghmidsuffolk.gov.uk	No	No
CAB21	Cabinet 8/10 May	End of Year Risk Progress Report	To provide an update on the Significant Risk Register and progress of risk management during 17/18	Glen Horn Peter Patrick	Claire Crascall 01449 724570 Claire.crascall@babberghmidsuffolk.gov.uk	No	No
CAB22	Cabinet 4/7 June	Quarter 4 Performance Exception Report	To seek agreement that the performance report and the performance outcome information adequately reflects the Councils performance.	Glen Horn Peter Patrick	Karen Coll 01449 724566 Karen.coll@babberghmidsuffolk.gov.uk	No	No
CAB14	Cabinet 6/9 August 2018	Review of Housing Allocations Policy	To gain approval for changes to the Housing Allocations Policy	Jan Osborne Jill Wilshaw	Sue Lister 01449 724758 Sue.lister@babberghmidsuffolk.gov.uk	Yes	No
CAB11	Council 26 July 2018 Cabinet 6 August 2018	Regeneration Proposal – Former Mid Suffolk District Council Headquarters Site, Hurstlea Road, Needham Market	For debate by Council, determination by Cabinet	Nick Gowrley	Lou Rawsthorne 01449 724772 Louise.rawsthorne@babberghmidsuffolk.gov.uk	Yes	<i>This report will be heard in private as per Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as it 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.</i>

CAB12	Council 24 July 2018 Cabinet 9 August 2018	Regeneration Proposal – Former Babergh District Council Headquarters Site, Corks Lane, Hadleigh	For debate by Council, determination by Cabinet	John Ward	Lou Rawsthorne 01449 724772 Louise.rawsthorne@babergmidsuffolk.gov.uk	Yes	<i>This report will be heard in private as per Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as it 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</i>
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Key:

 Babergh District Council Only
  Mid Suffolk District Council Only
  Joint – Mid Suffolk and Babergh District Councils

Only If you have any queries regarding this Forward Plan, please contact Sophie Moy on 01449 724682 or Email: Sophie.moy@babergmidsuffolk.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 01449 724694 or Email: emily.yule@babergmidsuffolk.gov.uk. Any such representations must be received at least 10 working days before the expected date of the decision.

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Agenda Item 8

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

From: Cabinet Member for Planning	Report Number: MCa/17/51
To: Mid Suffolk Cabinet	Date of meetings: 5 March 2018

COMMUNITY INFRASTRUCTURE LEVY (CIL) - CIL EXPENDITURE FRAMEWORK

1. Purpose of Report

- 1.1 Reports were presented to Cabinet for both Councils on 5th February (MSDC) and 8th February (BDC) to describe the current thinking around a joint CIL Expenditure Framework (see Background Documents below).
- 1.2 At both Cabinet meetings it was agreed that a joint Member Panel of six Members (three from each Council) be formed to shape and influence the detailed CIL Expenditure Framework. This Member Panel comprising Gerard Brewster, David Whybrow, Andrew Stringer, Lee Parker Frank Lawrenson and Clive Arthey met on three occasions during the week beginning 12th February. Agreement was reached about the detail of the framework together with a timeline for its implementation. The proposed scheme comprises Appendix A to this report with Appendix E.
- 1.3 A Communication Strategy for the framework has also been devised by the Joint Member Panel. This forms Appendix B to this report. All appendices are provided for consideration and agreement by Cabinet (except for appendices C and D which are already approved in January 2016) before being presented to both Full Councils for adoption.
- 1.4 Options - there is a diverse spectrum of approaches to CIL expenditure across the country from Unitary Authorities who have absorbed CIL into their individual Capital Programmes to others who ringfence all funds to be spent locally. A range of different approaches was identified in Appendix A of the Framework for CIL Expenditure report provided to Cabinet's on 5th and 8th of February 2018 and discussed in full during the workshops with the member advisory panel.
- 1.5 This report therefore seeks to obtain Cabinet approval of the detailed CIL Expenditure Framework (Appendix A) and the CIL Expenditure Framework Communications Strategy (Appendix B) and the timeline for implementation and Review Appendix E).

2. Recommendations

- 2.1 That Cabinet approve the detailed CIL Expenditure Framework (including details of implementation and review) forming Appendices A and E to this report and the joint CIL Expenditure Framework Communications Strategy (Appendix B) and refer the proposals to Full Council for final adoption. (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)

- 2.2 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 Councils have to agree their own approach.

3. Financial Implications

- 3.1 The development of a detailed framework for CIL expenditure for consideration and adoption by both Councils is required as there is no set approach for CIL expenditure prescribed either by Central Government or through the CIL Regulations 2010 (as amended).
- 3.2 As such all Councils across the country where a CIL charging regime has been adopted and is being implemented have brought in their own schemes for how CIL monies are spent.
- 3.3 The CIL Regulations stipulate that CIL monies which are collected must be spent on Infrastructure. Each Council is required to publish a list of infrastructure that they will put the CIL towards. These lists, known as the "Regulation 123 lists", were adopted and published in January 2016. These documents (which are different for both Councils) constitute Appendix C and D to this report.
- 3.4 As such the development and adoption of a CIL expenditure framework is critical to the funding of infrastructure to support inclusive growth and sustainable development.

4. Legal Implications

- 4.1 Any detailed framework for CIL expenditure must be legally sound and robust and thereby not at risk of challenge. A legal representative from the Councils Shared Legal Service has attended each of the Joint Member workshop sessions and agreed the background documents to this report. This report has also been endorsed as being sound and legally compliant by the Councils Shared Legal Service prior to its consideration by both Cabinets and future adoption by both Councils.
- 4.2 CIL is collected and allocated in accordance with the CIL Regulations 2010 (as amended). Each Council retains up to 5% of the total CIL income for administration of CIL. From the remainder, 15% is allocated to Parish or Town Councils but where there is a Neighbourhood Plan in place this figure rises to 25%. For those parishes where there is no Parish or Town Council in place the Council retains the monies and spends the CIL Neighbourhood funds through consultation with the Parish.
- 4.3 Since the implementation of CIL for both Councils on 11th April 2016 there have been three payments to Parish Councils, in October 2016, April 2017, and October 2017 (<http://www.babergh.gov.uk/planning/community-infrastructure-levy-and-section-106/community-infrastructure-levy-cil/cil-reporting/>)

- 4.4 Regulation 62 of the CIL Regulations 2010 (as amended) requires CIL charging authorities to publish monitoring statistics for collection allocations and expenditure of CIL monies by 31st of December for each year. The 2017 Monitoring Report for both Councils is published on our websites (see below).

<http://www.babergh.gov.uk/assets/CIL-and-S106-Documents/Babergh-District-Council-CIL-Monitoring-Report-2016-17.pdf>

<http://www.babergh.gov.uk/assets/CIL-and-S106-Documents/Mid-Suffolk-District-Council-CIL-Monitoring-Report-2016-17.pdf>

5. Risk Management

- 5.1 This report most closely links with Strategic Risk no. 1d – Housing Delivery: If we do not secure investment in infrastructure (schools, health, broadband, transport etc.), then development is stifled and/or unsustainable.

- 5.2 Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
<p>Failure to allocate expenditure such that if we do not secure investment in infrastructure (schools, health, broadband, transport etc.), then development is stifled and/or unsustainable.</p> <p>CURRENT RISK SCORE: 6</p>	Unlikely (2)	Bad (3)	<p>Adopted Community Infrastructure Levy (CIL), secure investment on infrastructure via the planning process (which includes S106). Creating the Infrastructure Delivery Plan as part of the Strategic Plan, Joint Local Plan with associated Infrastructure Strategy will ensure that infrastructure across both Councils is addressed, New Anglia LEP Economic Strategy, draft created.</p>
<p>Failure to produce a yearly Regulation 62 report would result in non-compliance with the CIL Regulations 2010 (as amended) and may mean that Members and the public are not aware of CIL income and expenditure activities.</p>	Highly Unlikely (1)	Noticeable /Minor (2)	<p>The Infrastructure Team produces the report which is checked and verified by Financial services/open to review by External Audit. Reminders are set to ensure the report is published by the statutory date. The format of the Regulation 62 Monitoring report is laid out in the CIL Regulations, so there is no risk in relation to the way the information is presented</p>

Failure to monitor expenditure such that CIL expenditure is not effective.	Unlikely (2)	Bad (3)	The software which supports CIL collection will be used to support CIL expenditure. In addition, it is envisaged that a yearly CIL Business plan (with a 6 month update) will be produced which will include details of all allocated and proposed CIL expenditure and this together with the software will be used for effective monitoring.
If too high a value is allocated into the Strategic 123 CIL Fund, there is a risk that there would be insufficient Local 123 CIL Funding available to deliver the infrastructure required to mitigate the harm, thereby ensuring sustainable development.	Unlikely (2)	Bad/ Serious (3)	The Infrastructure Team will continue to monitor all allocations of Regulation 123 CIL Funds and the CIL Expenditure Framework review will include this risk as a key element of the review to ensure the level set remains appropriate.
If 25% Neighbourhood CIL is automatically allocated to any parish/town councils where there is no Neighbourhood Plan in place, there is a risk that there would be insufficient 123 CIL Funding to allocate to the Strategic 123 CIL Fund and also the risk that there would be insufficient Local 123 CIL Funding available to deliver the infrastructure required to mitigate the harm, thereby ensuring sustainable development.	Unlikely (2)	Bad/ Serious (3)	The Infrastructure Team will continue to monitor all allocations of Neighbourhood CIL and Regulation 123 CIL Funds and the CIL Expenditure Framework review will include this risk as a key element of the review to ensure allocations of CIL remain appropriate and projects to make development sustainable are able to be delivered.

6. Consultations

- 6.1 There is no requirement upon the Council to formally consult on a detailed scheme of CIL expenditure. However, some briefings and soundings have occurred throughout the design process with key Infrastructure providers (Suffolk County Council, Officers from BMSDC and Health representatives).
- 6.2 Discussions with some Parish Councils have also occurred during the design process where questions have arisen. In addition, Parish Council briefings have also taken place (19th and 22nd February).
- 6.3 Regular Parish events will continue to be held to familiarise all with the detailed expenditure framework and how we can continue to work together to provide infrastructure for the benefit of our communities.

Assurances (for collection of CIL monies)

- 6.4 In September 2016 Internal Audit issued a report in relation to CIL governance processes. The Audit Opinion was High Standard and no recommendations for improvement to systems and processes were made. Table 5 provides a definition of this opinion:

Table 5

	Operation of controls	Recommended action
High standard	Systems described offer all necessary controls. Audit tests showed controls examined operating very effectively and where appropriate, in line with best practice.	Further improvement may not be cost effective.
Effective	Systems described offer most necessary controls. Audit tests showed controls examined operating effectively, with some improvements required.	Implementation of recommendations will further improve systems in line with best practice.
Ineffective	Systems described do not offer necessary controls. Audit tests showed key controls examined were operating ineffectively, with a number of improvements required.	Remedial action is required immediately to implement the recommendations made.
Poor	Systems described are largely uncontrolled, with complete absence of important controls. Most controls examined operate ineffectively with a large number of non-compliances and key improvements required.	A total review is urgently required .

- 6.5 On 18th December 2017 Joint Overview and Scrutiny received a fact sheet on collection and current thinking on CIL expenditure and questions were answered in relation to it. Members of that Committee were advised of the route map towards getting a framework for CIL expenditure formally considered. Members were advised that this would be a key decision for both Councils and would need to go to Cabinet and then full Council.
- 6.6 It is likely that a further internal audit of CIL collection will occur in quarter three of 2018, commencing September onwards (Audit Workplan 2018)

Assurances (for expenditure of CIL monies)

- 6.7 It is expected that internal audit will audit CIL expenditure processes and expenditure once any scheme is developed and look at it further once implemented.

7. Equality Analysis

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

8. Shared Service / Partnership Implications

- 8.1 The CIL Expenditure Framework is a joint framework albeit the monies for each Council are collected and allocated according to where the development is being carried out. Expenditure of Council CIL monies would also be spent in accordance with that Councils Regulation 123 list (which are slightly different for both Councils - see Appendices C and D).

9. Links to Joint Strategic Plan

- 9.1 The effective spending of CIL monies will contribute to all the three main priority areas that Councillors identified in the Joint Strategic Plan: Economy and Environment, Housing and Strong and Healthy Communities.

10. Key Information

- 10.1 Current thinking around a joint CIL expenditure framework was shared with Members through a Member Briefing on the 31st January 2018 which was based upon a report to both Cabinets on 5th and 8th February 2018.

- 10.2 Both Cabinets agreed on 5th and 8th of February to appoint a Joint Member Panel (consisting of 6 Members – three from each Council) to shape and influence the detailed CIL Expenditure Framework. Members discussed and agreed matters relating to the following: -

- Key Principles of the CIL Expenditure Framework
- Processes for a CIL Expenditure Framework
- Assessment and Prioritisation Criteria for expenditure
- Governance of the CIL Expenditure Framework
- A CIL Expenditure Framework Communication Strategy
- Timetable for Implementation of the CIL Expenditure Framework and its Review.

Conclusions of key information

- 10.3 The outcomes from these joint Member Panel discussions have been added to the other agreed information from the Cabinet reports on the 5th and 8th February (where relevant) to comprise the CIL Expenditure Framework (Appendix A).
- 10.4 The Timetable for the implementation of the CIL Expenditure Framework and Review constitutes Appendix E to this report and includes other key related information around the CIL expenditure cycle.
- 10.5 The Joint Member Panel have suggested that the Review of the CIL Expenditure Framework starts after the first Bid round has been completed in September 2018 and occurs at the same time as the second Bid round is happening such that the Review is completed by April 2019. (Appendix E refers)
- 10.6 In addition, the Joint Member Panel have indicated that the CIL Expenditure Framework should be the subject of scrutiny by Overview and Scrutiny after the first Bid round. Dates have been included for this in the forward workplan for Overview and Scrutiny on 18th and 22nd October 2018. (Appendix E) The Joint Member Panel have also indicated they wish to inform the Review going forward before its formal consideration.

This matter forms the second recommendation to this report above. Governance arrangements agreed by the joint Member Panel are included in Appendix A and the delegation for making Delegated decisions for the Community Infrastructure Levy falls to Assistant Director Growth under the Constitution for both Councils - Part 2 – Schedule of Specific Delegation to Officers.

- 10.7 A CIL Expenditure Framework Communications Strategy has been devised by Members for consideration (Appendix B).

11. Appendices

Title	Location
A The CIL Expenditure Framework	Attached
B CIL Expenditure Framework Communications Strategy	Attached
C Regulation 123 List for Babergh District Council	Attached
D Regulation 123 List for Mid Suffolk District Council	Attached
E Timetable for the implementation of the CIL Expenditure Framework and Review	Attached

12. Background Documents

- 12.1 The Cabinet report and Appendices (MSDC) dated 5th February 2018 is a background document to this report

<http://baberghmidsuffolk.moderngov.co.uk/documents/s8726/MCa1743.pdf>

- 12.2 The Cabinet report and Appendices (BDC) dated 8th February 2018 is a background document to this report

<http://baberghmidsuffolk.moderngov.co.uk/documents/s8778/BCa1748.pdf>

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The Community Infrastructure Levy Expenditure Framework

Babergh and Mid Suffolk District Councils

The Community Infrastructure Levy Expenditure Framework

1. Background

- 1.1 The development of a detailed framework for Community Infrastructure Levy (CIL) expenditure for consideration and adoption by both Councils is required as there is no set approach for CIL expenditure prescribed either by Central Government or through the CIL Regulations 2010 (as amended).
- 1.2 As such all Councils across the country where a CIL charging regime has been adopted and is being implemented have brought in their own schemes for how CIL monies are spent.
- 1.1 The CIL Regulations stipulate that CIL monies which are collected must be spent on infrastructure. Each Council is required to publish a list of infrastructure types that will be funded wholly or partially through CIL. These lists, known as the “Regulation 123 Lists”, were adopted by Babergh and Mid Suffolk and published in January 2016. These documents (which are slightly different for each Council) constitute appendices to this document and should be read in conjunction with it.
- 1.3 This CIL Expenditure Framework was agreed by Cabinet of both Councils (5th and 8th March 2018) and adopted by both Full Councils (24th and 26th April 2018) and constitutes the Community Infrastructure Levy Expenditure Framework for both Councils.
- 1.6 This document should also be read in conjunction with Babergh and Mid Suffolk’s CIL Expenditure Framework Communications Strategy which was also agreed by Cabinet of both Councils (on 5th March and 8th March 2018) and adopted by full Council of both Councils (on 24th and 26th April 2018).
- 1.7 This CIL Expenditure Framework will be kept under periodic review.
- 1.8 This document sets out the key elements and information relating to the CIL Expenditure Framework in a clear and concise format under the following headings: -
 - Key principles of the CIL Expenditure Framework
 - Processes of the CIL Expenditure Framework
 - Validation and screening of bids and prioritisation criteria of bids under the CIL Expenditure Framework (to allow bids to be considered and determined)
 - Governance of the CIL Expenditure Framework

2. Key principles of the CIL Expenditure Framework

2.1 These are: -

- The process should encourage openness and transparency of decision taking;
- CIL data must be 100% accurate and software database must have integrity and be “trusted”;
- Decisions must be compliant with the CIL Regulations 2010 (as amended) and expenditure must follow the CIL Regulation 123 Lists for each Council;
- The expenditure approach must be legally sound;
- Deliverability and Timeliness – a “can do” approach towards delivery of infrastructure to be employed;
- CIL expenditure should support The Joint Strategic Plan and The Joint Local Plan objectives and the Infrastructure Delivery Plan (which will underpin the Joint Local Plan) and link to other Council strategies including the Infrastructure Strategy;
- The apportionment of CIL Regulation 123 monies into two separate funds, Local Infrastructure, and Strategic Infrastructure Funds, would allow saving of monies towards strategic infrastructure projects for the betterment of either or both Districts and facilitate the prospect of collaborative spend with other funding organisations and or funding streams to achieve strategic infrastructure. The amount to be saved into the Strategic Infrastructure Fund would occur after the 5% administrative costs are removed and then the Neighbourhood portion of monies is taken out (either 15% for Parishes with no made Neighbourhood Plan or 25% where a Neighbourhood Plan is made). Following this 20% of the remaining CIL Regulation 123 monies would be saved into the Strategic Infrastructure Fund leaving the remaining 80% to go into the Local Infrastructure Fund
- Planning decisions to approve housing/employment development which carry Infrastructure to be provided by CIL and necessary for an approved growth project (those with planning permission and considered by Planning Committee) shall be supported and considered a priority so that the approved development which is ultimately carried out is sustainable.
- Publication of all expenditure, the CIL Business Plan and the CIL Expenditure Update document on the website, meaning information is readily accessible and transparent. A list of all Bids for CIL monies from either the Strategic Infrastructure Fund or from the Local Infrastructure fund will be published after each Bid round;
- CIL expenditure to be regularly audited, including The CIL Expenditure Framework Review;

- A Communications Strategy for the CIL Expenditure Framework is necessary and constitutes an appendix to this document;
- Infrastructure projects that are funded by each Council's CIL Regulation 123 funds (whether Strategic or Local) shall be carried out on publicly owned or controlled land/buildings or where public access is guaranteed unless exceptional circumstances apply;
- Spending outside each Councils geographical boundaries is acceptable where appropriate to the circumstances of the infrastructure to be provided and where there is clear benefit to the residents;
- No Member referral of cases to Cabinet for decision taking;
- Costs which will not be eligible for CIL expenditure are as follows;
 - Feasibility studies for infrastructure projects
 - Maintenance costs of infrastructure projects (except for that listed in the CIL Regulation 123 lists)
 - Interests on loans for projects
- No public speaking at Cabinet where decisions are either to be noted or made, and;
- Where offers of CIL Regulation 123 funds are made to authors of Bids the monies will be allocated to the infrastructure project for a period of no longer than 2 years whereupon the support for the Bid would be withdrawn and it would be necessary to reapply through the Bid process to secure CIL Regulation 123 funds to that project.

3. Processes of the CIL Expenditure Framework

3.1 The CIL Expenditure Framework will operate with the following approach:

- Use of the Councils' existing software
- The process is centred upon a bidding round with consideration on a bi-annual basis, with email submission of bids by Infrastructure Providers (including officers of Babergh and Mid Suffolk where appropriate) and all Parishes including Community Groups.
- The bi annual bid round cycle will be as follows:

Bid Round 1		
	May	Open 1 st – 28 th May

	June/July	Bids validated screened and assessed against prioritisation criteria
	August	Information collated for production of CIL Business Plan ready for presentation to Cabinet
	September	Consideration of CIL Business Plan by Cabinet. Letters issued confirming outcome of bids to applicants
Bid Round 2		
	October	Open 1 st – 28 th October
	November /December	Bids validated screened and assessed against prioritisation criteria
	January	Information collated for production of CIL Business Plan ready for presentation to Cabinet
	February	Consideration of CIL Business Plan Update by Cabinet. Letters issued confirming outcome of bids to applicants

- Full documentation of the process for lodging, consideration, and determination of the bids with supporting guidance documents for bid submission, bid application forms and prioritisation criteria to be used for assessment of the bids will be made available on the Councils' websites.
- The timetable for the bi yearly bid process will be clearly documented on the Councils' websites together with the inclusion of a flow chart and appropriate early notification of bid submission timescales (to facilitate bid submission) to all Infrastructure Providers (including officers of Babergh and Mid Suffolk where appropriate) and all Parish/Town Councils. Bids from Community Groups may also be received.
- **Distribution of CIL income** - The Councils will retain up to 5% of the CIL income received within each District (for administrative costs). This will be apportioned at the same time as the Neighbourhood CIL allocation to Parishes. The Neighbourhood CIL allocation to Parish/Town councils (either 15% or 25% subject to a cap*) occurs in April and October each year. On the same 6 monthly basis, the CIL Regulation 123 funds will be saved into two funding streams with the following apportionment and definitions:
 - **Strategic Infrastructure fund – 20 % of the CIL Regulation 123 fund will be held in this account**
 - **Local Infrastructure fund – 80% of the CIL Regulation 123 fund will be held in this account**

- **Definitions of Strategic and Local Infrastructure:**
 - **One or more of these elements constitute Strategic infrastructure:**
 - is of strategic economic or social importance to the local Authority Areas or region in which it would be located;
 - would contribute substantially to the fulfilment of any of the objectives of the Joint Strategic Plan, Joint Local Plan, Infrastructure Delivery Plan, The Joint BMSDC Economic ‘Open for Business’ Strategy, the Suffolk Framework for Growth, the Government’s Industrial Strategy or Local Enterprise Partnership (LEP) New Economic Strategy for Norfolk and Suffolk objectives or in any regional spatial and economic strategy in respect of the area or areas in which the development would be located;
 - would have a significant effect on the area of more than one planning authority;
 - requires authorisation at Cabinet level
 - will routinely be the subject of collaborative spend
 - Illustrated Examples include: strategic flood defence; hospitals and new rail infrastructure
 - **One or more of these elements constitute Local infrastructure:**
 - Local infrastructure is infrastructure types detailed on the Regulation 123 List which has been identified as being required to support granted planning permissions in order to make the development sustainable in planning terms – (this is allocated CIL 123 spend);
 - Local infrastructure relates to infrastructure projects which are meeting need at a local level, can easily be identified as compliant with the Regulation 123 List infrastructure types and which support the expansion, improvement, provision of local services for the people living or visiting within the local area
 - Illustrated examples include: extensions to early years, primary, secondary, or further education; bus stops and Real Time Passenger Information notice boards (RTPI); expansion of libraries or enhancement of the mobile library service; expansion to GP practices (where approved by NHS England); provision of leisure and community facilities, such as extensions to community buildings and leisure centres, provision of play equipment and areas, sports facilities and open space; and waste recycling facilities.

- The apportionment of CIL Regulation 123 monies into two pots, Local Infrastructure and Strategic Infrastructure Funds, would allow saving of monies towards strategic infrastructure projects for the betterment of either or both Districts and facilitate the prospect of collaborative spend with other funding organisations and or funding streams to achieve strategic infrastructure. The division of monies between the two funds will occur in April and October each year.
- Current 6 monthly allocations to Parish/Town Councils (which occur in April and October) continue, and where CIL is received use a proactive approach to encourage collaborative spend using Parish Infrastructure Investment Plans document and approach (PIIPs) The Parishes apportionment of CIL monies will remain at 15% (where there is no Neighbourhood Plan) and 25% where a Neighbourhood Plan is made for two reasons;
 - to safeguard the ability to secure strategic infrastructure and make the 20% saving from the CIL 123 funds into the Strategic Infrastructure Fund
 - to ensure that the CIL infrastructure requirements on the growth projects are met such that development is therefore sustainable
- Collaborative approach towards expenditure working with Infrastructure Providers and Parishes to get projects delivered and to “add value” is important and supported
- Explore and secure funding from other funding streams (LEP and Government funding) to spend alongside CIL where appropriate, especially in connection with strategic infrastructure projects. Proactive work will be needed to identify and secure strategic infrastructure projects for both Districts.
- Proactive work will also need to occur around CIL infrastructure such that the Infrastructure to be provided by CIL from the Local Infrastructure Fund (together with the s106 items) are known (and can be understood in terms of viability and the level of affordable housing to be provided). This work will provide clarity around Bids which are likely to come forward for growth projects in the future.
- Funding bids must provide adequate evidence/information to provide necessary certainty on timely delivery – “oven ready” schemes will be given priority
- The production and publication of an annual CIL Business Plan (with an Update document during the second 6 months)
- CIL monies can be spent flexibly alongside s106 monies but expenditure of s106 monies must be in accordance with the terms of the s106 agreement
- Tiered approach to decision-taking involving some officer delegation and larger decisions by Cabinet

- All decisions to be final.
- No appeals process
- No Member referrals
- Only one Bid per project per bidding round
- After a refusal – no more Bids for this project unless funding circumstances are materially different – or a time period passes of not less than 1 year.
- Where Bids to be submitted, evidence of Community support shall be required (From Division County Councillor Ward District Member and Parish Council)
- Once Bids are validated and screened (see below) Officers will direct any appropriate Bids towards other funding streams where this is considered to be more appropriate (each Councils unspent s106 monies – where the terms of the Legal Obligation would allow that spend to occur
- Yearly Report on collections and expenditure required by Regulation 62 of the CIL Regulations 2010 (as amended) in addition to the yearly CIL Business Plan and 6 monthly up date
- Payment of successful bids to be in accordance with guidance to be published on the Councils' websites.

4. Validation and Screening of Bids and Prioritisation Criteria of Bids under the CIL Expenditure Framework (to allow Bids to be considered and determined)

4.1 Each Bid will be validated, screened, and prioritised as follows: -

4.2 **Validation criteria** is as follows: -

- All the questions the Bid application form must be fully completed (where information known)
- Valid Bids on Bid Submission template to new email address including the following:
 - Description of infrastructure, location, purpose?
 - Need /Justification?
 - Costs and funding streams for provision?
 - Quotations for works
 - How much financial support is sought from BMSDC and for what?

- Collaborative spend – yes/no and if yes give details?
- Who is leading on delivery?
- Delivery proposal and timescales?
- Will the Infrastructure be provided on Public or Private land? – has the Bidder obtained all the necessary permissions to implement the infrastructure?
- If the infrastructure needs planning permission - has this been sought and obtained?
- has any State Aid already been received or offered from other government sources?
- Consideration of future funding/maintenance once project is complete

4.3 Screening process is as follows: -

- Must follow the CIL Regulation 123 Lists for each Council where infrastructure to be provided
- Could this infrastructure bid be provided using other funding streams that the Councils have available? (e.g. s106? – if so can it be delivered using this without reliance on CIL funds)
- Any incomplete bids will be considered, and effort will be made to get the bid fully complete and capable of then being assessed against the priority criteria.
- Where appropriate, information will be checked or sought to verify the information within the bid
- Where there are CIL “asks” under Development Management decisions on major projects using delegated powers, these will be given automatic priority

4.4 Prioritisation criteria is as follows: -

- Infrastructure necessary for an approved growth project (those with planning permission) in order that development carried out is sustainable
- Positively scores against provisions /objectives of Joint Strategic Plan and/or Joint Local Plan and/ or Infrastructure Strategies or other BMSDC Strategies or external strategies BMSDC support and/or input into
- It represents key infrastructure (essential)
- Value for money
- Clear community benefits
- Community support
- Deliverability (“oven ready” schemes)
- Affordability (from CIL Funds)

- Timeliness
- By releasing CIL money can we achieve infrastructure provision through collaborative spend? (i.e. Infrastructure providers, Parish/Town Councils, BMSDC infrastructure provision, or LEP/Government funding)
- Supports housing and employment growth
- Have a package of measures been proposed and submitted which allow for ongoing maintenance of the infrastructure such that its longevity can be assured
- Must be based on the developing/adopted Infrastructure Delivery Plan unless circumstances dictate otherwise
- Does the provision of this infrastructure address a current inadequacy in infrastructure terms?
- By releasing funds, it would allow infrastructure to be realised such that our funds are like the last piece of the jigsaw puzzle
- Will the infrastructure be capable of being used by the wider community
- By provision of infrastructure it would unlock further opportunities within the District for housing and employment growth

5. Governance of the CIL Expenditure Framework

5.1 All decisions once validated screened and assessed and considered against the priority criteria will be collated and presented to Cabinet in the yearly CIL Business Plan which will be updated in the second 6 months of that year.

5.2 There will be tiered approach to decision taking in respect of bids submitted for Strategic Infrastructure Funds or Local Infrastructure Funds as follows: -

- **Delegated Decisions (to Assistant Director – Growth)**
 - a) Decisions to approve Infrastructure to be provided by CIL and necessary for an approved growth project (those with planning permission and considered by Planning Committee) in order that development which is ultimately carried out is sustainable. (Cabinet to note these decisions because of the likely amount of expenditure involved – over £150K)
 - b) Decisions to approve infrastructure projects the subject of bids where the amount of monies sought from the Local Infrastructure Fund is £10,000 or less
 - c) Decisions to refuse infrastructure projects the subject of bids where the amount of monies sought from the Local Infrastructure Fund is £10,000 or less
 - d) Decisions to carry forward Infrastructure projects the subject of bids to the next Bid Round where the amount of monies sought from the Local Infrastructure Fund is £10,000 or less

- e) Any decision which Officers consider may be of such significance or of a controversial nature such that Cabinet should take the decision in respect of the bid

Cabinet decisions

- a) Decisions to approve or refuse all Strategic Infrastructure Fund bids
- b) All other decisions to approve or refuse all other Local Infrastructure Fund bids which are not covered by the delegated decision taking outlined above under the delegated decisions listed above
- c) Noting of all decisions on bids where delegated decisions are taken.

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The Community Infrastructure Levy Expenditure Framework **Communications Strategy**

Babergh and Mid Suffolk
District Councils

The Babergh and Mid Suffolk Community Infrastructure Levy (CIL) Expenditure Framework Communications Strategy

1.0 Background

1.1 Following the decision by Babergh and Mid Suffolk Councils to implement Community Infrastructure Levy charging, both Councils have been charging for CIL liable development since 11th April 2016. A scheme for CIL expenditure has been devised and sits alongside this Communications Strategy

CIL collection

1.2 CIL is collected and allocated in accordance with the CIL Regulations 2010 (as amended). Each Council retains 5% of the total CIL income for administration of CIL. From the remainder, 15% is allocated to Parish or Town Councils but where there is a Neighbourhood Plan in place this figure rises to 25%

1.3 Regulation 62 of the CIL Regulations 2010 (as amended) requires CIL charging authorities to publish monitoring statistics for collection, allocation and expenditure of CIL monies by the 31st of December for each year (on the website for both Councils).

CIL Expenditure

1.4 The development of a detailed framework for CIL expenditure for consideration and adoption by both Councils has been devised as there is no set approach for CIL expenditure prescribed either by Central Government or through the CIL Regulations 2010 (as amended).

1.5 As such all Councils across the country where a CIL charging regime has been adopted and is being implemented have established their own schemes for how CIL monies are spent.

1.6 The CIL Regulations stipulate that CIL monies which are collected must be spent on infrastructure. Each Council is required to publish a list of infrastructures that will be all or partially funded through CIL. These lists, known as the "Regulation 123 Lists", were adopted by Babergh and Mid Suffolk and published in January 2016.

1.7 The CIL Expenditure Framework which sits alongside this Communications Strategy is critical to the funding of infrastructure to support inclusive growth and sustainable development.

1.8 The CIL Expenditure Framework for both Babergh and Mid Suffolk was considered by the Cabinets of both Councils on 5 and 8 March 2018 and adopted by both Full Councils on 24 and 26 April 2018. The implementation of the agreed CIL Expenditure Framework is scheduled to commence on..... As this expenditure for the provision of infrastructure affects both Districts communities, it is considered necessary to have a Communications Strategy to sit alongside the CIL expenditure Framework.

- 1.9 The CIL expenditures process will involve Bids being submitted for CIL Regulation 123 monies (from Infrastructure Providers including Officers of Babergh and Mid Suffolk where appropriate) and Parish Councils (including Community Groups) on a bi yearly basis.
- 1.10 Whilst some Bids will be determined on a delegated basis, some Bids will be determined by the Cabinet of the District Council where the Bid falls geographically.
- 1.11 Some of the information (including financial information) around the Bids when submitted may be commercially sensitive. However, it is intended that basic information concerning the infrastructure to be provided by the Bid will be capable of being placed on the Council's website together with outcomes both when the Bids are determined and when the infrastructure project has been completed. This information will be placed in both Councils yearly CIL Business plan (updated after the first 6 months of that year)
- 1.12 The key messages of this Communications Strategy reflect this position and strike a balance between openness and transparency and the need to safeguard any commercial sensitivity that may apply.

2.0 Aims of the Strategy

2.1 These are: -

- To identify the key messages and ensure these remain consistent throughout all communications which this Strategy covers.
- Establish the key stakeholders and determine the communication channels and tools needed to convey the key message.
- Set out the framework for communication in terms of where and when and how to deliver key messages.
- Identify opportunities for proactive communication and address circumstances when communication is necessary to address any CIL collection and expenditure issues.
- Identify any potential risks and put in place communication countermeasures to mitigate against these.

3.0 Key Messages and the Framework for Communication

General

- 3.1 These will relate to CIL expenditure (including CIL collection – see Background above). They will involve the process and any specific cases where Bids are made together with the outcome following decision taking.

- 3.2 Key messages will also include details of the completion of any infrastructure projects which are the outcome of successful Bids (for Strategic or Local infrastructure expenditure) where CIL monies are spent including infrastructure projects which are the subject of a collaborative spend (see CIL Expenditure Framework)
- 3.3 There will be regular briefings and workshops undertaken throughout each year in the following way for the following key organisations and people: -
- Twice yearly briefings on CIL collection and expenditure including updates on process and detailed CIL expenditure for all District Members
 - Twice yearly briefings on CIL collection and expenditure including updates on process and detailed CIL expenditure for all Parish and Town Councils within the two Districts (by holding Parish Briefings or Workshops in locations within both districts (which will change each year)
 - Yearly event for all Infrastructure providers (to be held on a Suffolk-wide basis if other authorities are willing and timescales allow). Otherwise Babergh and Mid Suffolk will engage once a year (on an event basis) and hold regular meetings with infrastructure providers as required throughout the remainder of the year.

Regular Communication - Frequency and type

- 3.4 Regulation 62 of the CIL Regulations 2010 (as amended) requires CIL charging authorities to publish monitoring statistics for collection, allocation and expenditure of CIL monies by the 31st of December for each year - this will be published on both Councils website).
- 3.5 Details of and payment of Neighbourhood CIL monies from both Councils CIL income to both Councils Parish Councils /Town Councils (see paragraph 1.2 above) will be undertaken twice yearly (April and October). For those Parishes where there is no Parish or Town Council in place both Councils retain the monies and spend it through consultation with the Parish. All Parishes (via the Clerks), all Ward and District Members will be advised twice yearly of the allocation of these monies via email with the relevant CIL allocation reports published on our Web site each April and October. All Babergh and Mid Suffolk staff will be notified either by email or through internal newsletter.
- 3.6 Details of the Councils' CIL Expenditure Framework, (including details of the yearly cycle of Bid submission, consideration) supporting Guidance Documents, Bid Application forms and prioritisation criteria (which will be applied to Bids) will be available on the Councils' web site in order to facilitate Bid submission. Clear information of the process including a flow chart will also be provided on both Councils' web site.

- 3.7 Email communication will be sent to all Infrastructure Providers (including officers of Babergh and Mid Suffolk) and all Parish and Town Councils who are also infrastructure providers to advise of the Bid process being open for the submission of Bids twice yearly. This will also be communicated through the Councils web sites and email notification to potential Bidders together with a general media release to encourage Bid submission.
- 3.8 Following validation of submitted Bids, the Ward Member(s), Division County Councillor for that Ward and the Parish Council (via the Clerk) shall be advised of the receipt of the validated Bid via email and be given 21 days to comment upon the submitted Bid.
- 3.9 A list of all validated Bids received will be placed on each Councils web site at the time that local consultation takes place containing basic information only to safeguard any commercial sensitivity.
- 3.10 For the duration of the Bid when it is validated, during consultation and under consideration until decision taking there will be no comment on individual Bids or comments made following consultation except for affected Infrastructure Providers, the District and County Councilor for the Ward affected and the affected Parish or Community Group or the author of the Bid. (This will allow resources to be directed towards consideration of and determination of the Bids). No proactive press statements will be made during this time.
- 3.11 After the decisions have been made on the Bids whether delegated or by Cabinet all authors of the Bids, all Parishes, all Members and County Division Councilors affected by the Bids will be advised by email of the decision of the Bids (whether approved or not and/or whether held in abeyance and carried forward to the next Bid round for a particular reason).
- 3.12 All authors of successful Bids will receive an offer letter and an acceptance form which would need to be signed and returned and which would make the terms of the Bid decision clear. The web site will be duly updated with the decisions on the Bid and appropriate press/media coverage will be undertaken involving joined up communication for all organisations where collaborative spend is involved. When all press releases are devised – paragraphs 7.3 and 7.4 will be taken into account and the Communication will reflect the inclusion of District Ward Members and other key organisations particularly in the case of the latter where collaborative spend is involved.**
- 3.13 A yearly CIL Business Plan will be presented to both Councils Cabinet and approved within 6 months of the Bid round being opened. It will be formally updated during the following 6 months (through presentation of the updated document to both Councils Cabinets). The CIL Business Plan will contain details of CIL collection, details of all Bids approved or otherwise, any carried forward for particular reasons, any allocated spend

whether collaborative or not with details of delivery (of the infrastructure project) and timescales and any details of delegated decision or cabinet decisions for infrastructure. Our key audience will be advised by email and the CIL Business Plan and updated CIL Business Plan will be made available on both Councils web sites.

4.0 Key Audience

4.1 These are: -

- Infrastructure Providers (including Officers of Babergh and Mid Suffolk)
- All District Members
- County Council Member (of the Ward affected by any Bids)
- All Parish Councils
- Community Groups where Bids are made
- Local Residents in both Districts
- Leaders and Cabinet Members of both Babergh and Mid Suffolk
- Joint Chief Executive
- All Staff (including all Strategic Directors, Assistant Directors, Corporate Managers and Professional Leads)
- Media

5.0 Communication Channels

5.1 These are: -

- District Councils websites
- Emails to our Key Audience
- Town and Parish Council Meetings
- Leader and Portfolio Holder briefings
- District Council Member Briefings

- Parish and Town Council briefings and workshops
- Media releases
- Social media (Facebook, Twitter)
- Town and Parish Council newsletter
- Working Together, Connect.

6.0 Communication Tools

- 6.1 Many of our audience already receive a number of communications from us across a range of subjects and projects. To help ensure our communication on CIL is easily recognisable and read, it will be necessary to clearly identify the purpose of the communication at the top of the key message.
- 6.2 Templates for emails, and updates will also be developed to ensure clarity of message. Our website will identify through a flow chart about how the process will work and when Bid submission and decision taking will occur.
- 6.3 Social media will also be a key channel for communicating with our audiences and to help ensure these messages are recognised is intended to use the CIL expenditure and CIL collection hashtag for each Twitter and Facebook update where appropriate.

7.0 Spokespeople

- 7.1 For CIL collection information will be communicated through the Councils website and this will be regularly updated subject to the other requirements in this document.

For Strategic Infrastructure Expenditure – which has considerable impact on each District suggest the following: -

- Cabinet Member for Planning BDC
- Cabinet Member for Planning MSDC

For Local Infrastructure Expenditure which has less significant impact on the District suggest the following: -

- Cabinet Member for Planning BDC
- Cabinet Member for Planning MSDC

- 7.2 **With every decision on submitted Bids or where Infrastructure projects are delivered the District Ward Member for the Community where the Infrastructure is to be provided must be included in the Key message.**
- 7.4 **Where proactive or reactive Key messages are delivered these must be managed so that where the Bids involve collaborative spend the different organisations working in collaboration must be part of the Key message and the key message is effective and joined up (including the District Ward Member)**
- 8.0 **Risks**
- 8.1 The successful delivery of Infrastructure projects across both District Councils are important for a number of reasons. Not only are these projects aligned with a range of our key strategic priorities but the infrastructure that is provided will mitigate any harm from new development and make that development sustainable. In addition, some infrastructure projects may address current infrastructure inadequacy or deliver a Parish or community infrastructure initiative. As such they will be the focus of a great deal of interest from our key audience and may generate media interest and engagement on a wider level
- 8.2 All this audience is invested in the outcome of these projects for a variety of reasons. (financial, social and economic). This will bring these projects under very close scrutiny and we need to acknowledge that failure to effectively communicate with our audience could have a significant impact on its success and the reputation of both Councils.
- 8.3 It is also important to recognise that communication needs to be accurate and clear and both Councils will take appropriate measures to correct any factual inaccuracies should they occur.

Babergh and Mid Suffolk District Councils
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COMMUNITY INFRASTRUCTURE LEVY BABERGH DISTRICT COUNCIL



Regulation 123 Infrastructure list January 2016

Regulation 122 and 123 of the Community Infrastructure Levy Regulations 2010 (as amended) places limitations on the Council's ability to use planning obligations to fund the provision of infrastructure across the district.

As a charging authority, **Babergh District Council** is required by Regulation 123(2) to publish a list of infrastructure projects or types of infrastructure that it intends will be, or may be, wholly or partly funded by CIL. The order of infrastructure items within the list do not imply or signify any order of preference or priority for CIL funding.

The CIL Regulation 123 List will be expected to be subject to review once a year, as part of the ongoing and continuous monitoring of CIL collection and spend.

Where site-specific exclusions are identified, they will be subject to statutory tests set out under Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended), which stipulates:

"A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:

- a) Necessary to make the development acceptable in planning terms*
- b) Directly related to the development; and*
- c) Fairly and reasonably related in scale and kind to the development."*

Infrastructure across the district that may be wholly or partly funded by Community Infrastructure Levy funds, except for the listed strategic sites
Provision of passenger transport
Provision of library facilities
Provision of additional pre-school places at existing establishments
Provision of primary school places at existing schools
Provision of secondary, sixth form and further education places
Provision of health facilities
Provision of leisure and community facilities
Provision of 'off site' open space
Strategic green infrastructure (excluding suitable alternative natural greenspace)
Maintenance of new and existing open space and strategic green infrastructure
Strategic flooding
Provision of waste infrastructure

It is expected that the proposed development of the strategic sites at Chilton Woods, Sudbury/Gt. Cornard; strategic broad location for growth - East of Sudbury / Gt Cornard; Lady Lane, Hadleigh; Babergh Ipswich Fringe; Brantham Regeneration Area will provide all the necessary infrastructure for each site through planning obligations (and not Community Infrastructure Levy) relating specifically to those developments.

CIL funding will not be spent on specific planning obligations required with the following strategic sites:

- Chilton Woods, Sudbury
- Strategic broad location for growth - East of Sudbury / Gt Cornard
- Lady Lane, Hadleigh
- Babergh Ipswich Fringe
- Brantham Regeneration Area

Babergh District Council as Charging Authority is required to pass a set percentage (15% or 25%) of CIL funds generated onto local communities in line with the Regulations. The money passed onto local communities can be spent on a wider remit than detailed on the Regulation 123 List but must be used to support the development of the area.

**Regulation 123 Infrastructure list
January 2016**

Regulation 122 and 123 of the Community Infrastructure Levy Regulations 2010 (as amended) places limitations on the Council’s ability to use planning obligations to fund the provision of infrastructure across the district.

As a charging authority, **Mid Suffolk District Council** is required by Regulation 123(2) to publish a list of infrastructure projects or types of infrastructure that it intends will be, or may be, wholly or partly funded by CIL. The order of infrastructure items within the list do not imply or signify any order of preference or priority for CIL funding.

The CIL Regulation 123 List will be subject to review at least once a year, as part of the ongoing and continuous monitoring of CIL collection and spend.

Where site-specific exclusions are identified, they will be subject to statutory tests set out under Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended), which stipulates:

“A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:

- a) Necessary to make the development acceptable in planning terms*
- b) Directly related to the development; and*
- c) Fairly and reasonably related in scale and kind to the development.”*

Infrastructure across the district that may be wholly or partly funded by Community Infrastructure Levy funds, except for the listed strategic sites
Public transport improvements
Provision of library facilities
Provision of additional pre-school places at existing establishments
Provision of primary school places at existing schools
Provision of secondary, sixth form and further education places
Provision of health facilities
Provision of leisure and community facilities
Provision of ‘off site’ open space
Strategic green infrastructure (excluding suitable alternative natural greenspace)
Maintenance of new and existing open space and strategic green infrastructure
Strategic flooding
Provision of waste infrastructure

It is expected that the proposed development of the strategic sites at Chilton Leys, Stowmarket; Ashes Farm, Stowmarket; Farriers Road, Stowmarket; Union Road, Stowmarket; Lake Park, Needham Market and Eye Airfield will provide all the necessary infrastructure for each site through planning obligations (and not Community Infrastructure Levy) relating specifically to those developments.

CIL funding will not be spent on specific planning obligations required with the following strategic sites:

- Chilton Leys, Stowmarket
- Ashes Farm, Stowmarket
- Farriers Road, Stowmarket
- Union Road, Stowmarket
- Lake Park, Needham Market
- Eye Airfield

Mid Suffolk District Council as Charging Authority is required to pass a set percentage (15% or 25%) of CIL funds generated onto local communities in line with the Regulations. The money passed onto local communities can be spent on a wider range of things than detailed on the Regulation 123 List but must be used to support the development of the area.

Timetable for Implementation of CIL Expenditure Framework and Review

- Sign off of by CIL Expenditure Framework and Communication Strategy by Cabinet – 5th and 8th March
- Members Briefing 14th March at 5.30pm - (update on the work of the Joint Member Panel and the CIL expenditure scheme and the Communications Strategy)
- Full Council sign off of the CIL Expenditure Framework and Communication Strategy on the 24th and 26th April
- Launch Bid round - start 27th April (prepare documents guidance etc Feb to April)
- Bid round opens 1st May -31st May
- Consultation on the Bids starts June
- Validation and Screening of all Bids and prioritisation of Bids – June and July
- Prepare report to Cabinet where decisions need to be made together with the CIL Business plan – June and July
- Meeting of the Joint Member Panel – in July 10th July or the 17th July date to be confirmed at 5pm – progress meeting and scope of any Review
- Member Briefing in July - possible date 25th July at 5.30pm
- Next round of Parish Briefings July onwards?
- Preparation for presentation of decisions and CIL Business Plan in August for September Cabinet
- CIL Business Plan and decisions on first Bid round where decisions are to be made by Cabinet on the 10th September and 13th September
- Review scoping and start - Meeting of the Joint Member Panel Review 18th or 20th September at 5pm
- Review by Overview and Scrutiny – 18th and 22nd October
- Second Bid round – starts 1st October -30th October
- Parish Pay outs to Parishes by 28th October together with apportionment of 5% for Admin and 20% saving in the Strategic Infrastructure Fund with the remainder of the monies going into the Local Infrastructure Fund
- Validation and Screening of all Bids and prioritisation of Bids – November and December 2018
- Regulation 62 report to Cabinet to note about CIL collection and expenditure (5th and 8th November or 10th and 13th December
- Prepare Update report to Cabinet where decisions need to be made relating to the CIL Business plan – November and December
- Preparation for presentation of decisions and CIL Business Plan in January 2019 for February 2019 for Cabinet for 4th and 7th February or March 4th or 7th March 2019
- Review of CIL expenditure framework completed in April 2019 (with scope timetable to be established for Review between September 2018 and April 2019)
- Parish Pay outs to Parishes by 28th October together with apportionment of 5% for Admin and 20% saving in the Strategic Infrastructure Fund with the remainder of the monies going into the Local Infrastructure Fund
- Launch Bid round 3 - end of April
- Bid round starts on the 1st May-31st May

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Agenda Item 9

MID SUFFOLK DISTRICT COUNCIL

From: Cabinet Member - Finance	Report Number: MCa/17/52
To: Cabinet	Date of meeting: 5 March 2018

FINANCIAL MONITORING 2017/18 – QUARTER 3

1. Purpose of Report

- 1.1 Based on the financial performance of the Council during the first 9 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 half 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 £1,158k be noted:
- a) The balance of the General Fund surplus of £938k referred to in section 11.7 of the report be transferred to the Business Rates Equalisation reserve to support the 2017/18 deficit on the Business Rates Collection Fund which will materialise in 2018/19.
 - b) Transfer of £78k, being the favourable variance for Planning legal costs to the earmarked reserve, referred to in section 11.8 of this report.
 - c) Transfer of £175k, being the £75k favourable variance for Homelessness and the additional £100k contribution to the earmarked homelessness reserve, referred to in section 11.8 of this report.
- 2.3 The transfer of £100k from HRA Strategic Priorities Reserve to the “Big20” earmarked reserve, referred to in section 11.22 of this report.

Reason for Decisions: To ensure that Members were kept informed of the current budgetary position for both the General Fund and HRA.

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 is 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 is 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 Mid Suffolk District Council approved the Joint Medium Term Financial Strategy (MTFS). This confirms the direction of travel, in that the Council continues 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 income
 - 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 Mid Suffolk the funding gap for 2018/19 is approximately £0.4m and over the next three years that total funding gap is estimated to be £0.9m. Work will continue 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 become self-sufficient from government funding such as New Homes Bonus.

- 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 3 Position

11.1 Based upon financial performance and information from April to December (with emerging trends extrapolated to the end of the financial year) and discussions with budget managers, 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 December, collection rates were 86%, compared with 86.16% 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 (£0.4m), baseline business rates (£2m) and New Homes Bonus (£2.03m) 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 December, collection rates were 85.89% compared with 85.37% for the same period last year. The level of Section 31 grants notified to the Council to compensate for national business rate relief is greater than expected by £269k.
- (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 £76k is anticipated, this is despite the reduction in the rateable value of the Army Air Corps, Wattisham Station totalling £1.5m, backdated to 1 April 2010. The anticipated Collection Fund deficit for 2017/18 is £957k which will impact 2018/19.

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 of £100k will be exceeded, resulting in a favourable variance of £186k, a decrease of £144k since Quarter 2 due to a number of redundancies. To improve the level of accuracy when forecasting redundancies, Finance has been working closely with HR to develop a more robust process. A breakdown of staffing variances for each Service Area is shown in section 11.8 below. For 2018/19, the vacancy management figure has been reviewed to reflect actual experience and increased to £210k (this is equal to a 2.5% turnover of staff).
- b) Included within the 2017/18 budget is a generic savings target of £100k 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 will be reduced by £20k per year until it is completely removed in 2022/23, 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 £1,158k means that the Council is able to supplement earmarked reserves - £175k to the Homelessness grant reserve, £45k to the Planning reserve and a substantial contribution to the Business Rates Equalisation reserve of £938k to fund the Council's contribution to the anticipated deficit of £957k in 2018/19.

11.8 The table below shows the main items that are included in the overall net favourable variance of £1,158k. The forecast variances identified within this report have been taken into consideration when setting the budgets for 2018/19.

The numbers associated with the ongoing revenue costs for the All Together programme are now included and results in a net cost pressure of £106k

Explanation	Quarter 2 Amount (£) Favourable / (Adverse)	Quarter 3 Amount (£) Favourable / (Adverse)	Change (£) 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 £13k. This is due to a part year saving for a full-time vacancy. The post was recruited to during September 2017. This saving is for 2017/18 only. Other items (net) – a favourable variance of £10k 	24	23	(1)
<u>Public Access</u> <ul style="list-style-type: none"> Employee costs - a favourable variance of £53k. This area of the Council has a high turnover of employees due to the nature of the Customer Services function, resulting in a small number of vacant posts. In Quarter 2 it was estimated that all vacant posts would be recruited to before the end of the year, this was not realistic. 	16	53	37
<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. 	17	17	-
<u>Public Realm</u> This area of the Council's work is currently under review. It is therefore likely that the forecasts included are subject to change as the review is finalised.			
<u>Open Spaces (incl. Countryside Development)</u> <ul style="list-style-type: none"> Due to a number of vacant posts (3.6 fte all with the exception of one shared 50:50), employee costs are expected to result in a favourable variance of £32k. Plant and vehicle costs – an adverse variance of £58k is anticipated. This area is difficult to predict and is very much dependent on a number factors such as the cost of fuel, vehicle repairs etc. This variance can be offset partly by the favourable variance in Street and Major Road Cleaning. An adverse variance of £52k can be attributed to an income shortfall. This is an improvement of £41k since Quarter 2. The budget in this area has been reviewed for 2018/19. Other items (net) – a favourable variance of £10k. 	(10)	(68)	(58)

Car Parks <ul style="list-style-type: none"> £99k favourable variance due to a significant under spend on premises related expenditure including business rates (£21k). The budget has been adjusted for 2018/19. The favourable variance offsets an income shortfall of £33k which has arisen due to the closure of Morrisons last year. Income is gradually increasing, however, it is not yet forecast to reach the same level as when Morrisons was open. Other items (net) – an adverse variance of £11k 	40	55	15
Street and Major Road Cleansing <ul style="list-style-type: none"> Employee costs – a favourable variance of £8k due to a vacancy. Plant and vehicle costs – a favourable variance of £29k is anticipated, an increase of £19k since Quarter 2. This area is difficult to predict and is very much dependent on a number of factors such as the cost of fuel, vehicle repairs etc. This can be utilised to reduce the adverse variance that has arisen in Open Spaces. Other items (net) a favourable variance of £8k. 	18	45	27
Other items (net) – a favourable variance of £20k	16	20	4
<u>ICT</u> <ul style="list-style-type: none"> Employee costs – a favourable variance of £38k is anticipated. Included within this variance are 3 full-time vacant posts which are no longer required due to the transfer of functions to SCC IT. This will be an ongoing saving in 2018/19. Also included is an adverse variance of £40k for the cost of redundancy. Additional service requirements from Suffolk County Council regarding staffing – backfill for maternity cover plus the deployment of additional equipment in relation to the move to Endeavour House is expected to result in an adverse variance of £48k. This is a new variance, not previously reported at Quarter 2. Other items (net) – a favourable variance of £12k. 	47	2	45
Corporate Resources			
<u>Commissioning and Procurement</u> <ul style="list-style-type: none"> Employee costs - £40k favourable variance. The 2017/18 budget includes provision for two new Grade 6 Business Partner roles. One of these 	37	55	18

<p>posts has now been offered as an ongoing saving, the other post will be recruited to, but it is anticipated that there will be an 11-month saving.</p> <ul style="list-style-type: none"> • Other items (net) – a favourable variance of £15k. 			
<p><u>Finance</u></p> <ul style="list-style-type: none"> • The increase in volume of payment cards for housing rents and the postage method by which these cards are issued to tenants has resulted in an adverse variance of £49k. The Finance team is working with the service provider to seek recompense for the higher than expected postage costs. Discussions are also underway with the Housing Corporate Manager to actively promote the use of Direct Debit as the preferred payment method. 	-	(49)	(49)
<p><u>HR and Organisational Development</u></p> <ul style="list-style-type: none"> • Employee costs – the Council has employed a number of interns during the course of the year. This was not budgeted for in 2017/18 resulting in an adverse variance of £13k. This has been amended for the 2018/19. • A review of training requirements for the Council has been undertaken since the last quarters report to Cabinet. This has resulted in a favourable variance of £20k. £10k of which has been reflected in the budgets for 2018/19. • Other items (net) – an adverse variance of £12k 	11	(5)	(16)
Environment and Projects			
<p><u>Building Control</u></p> <ul style="list-style-type: none"> • Employee Costs – a favourable variance of £21k which can be attributed to one vacancy. • Income shortfall – an adverse variance of £126k is anticipated despite an uplift in fees of 5% from September 2017. As reported in Quarter 2, the variance can be attributed in part to a budget error where VAT of £80k was included, inflating the overall calculation of income to be received in year. A 5% increase in Building Control applications was also factored in to the 2017/18 budgets, but has not been reflected by the actual applications received to date as the service has seen a slight decrease in market share of £46k. These issues have now been resolved and the correct budgets set for 2018/19. • Other items (net) – a favourable variance of £3k. 	(94)	(102)	(8)
<p><u>Leisure Contracts</u></p> <ul style="list-style-type: none"> • An expected revision of the contract indices for the Mid Suffolk Leisure Centre is forecast to result in a favourable variance of £16k. 	16	16	-

<p><u>Waste</u></p> <ul style="list-style-type: none"> • £109k favourable variance for the Material Recycling Facility (MRF). The gate fee is recalculated each April making it difficult to accurately reflect 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. Mid Suffolk already has an earmarked waste reserve containing £159k. This earmarked reserve is utilised to smooth year on year changes so that the core budget can remain relatively stable. As the waste reserve does not need to be supplemented in 2017/18, it is therefore recommended that the favourable variance of £109k be transferred to the Transformation Fund this year. • 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 has been adjusted for when setting the budget for 2018/19. • Garden Waste – following recent housing growth, subscriptions to the Garden Waste Collection Service has increased. Surplus income of £41k is expected. • Trade waste – surplus income of £77k is anticipated. Mid Suffolk’s customer base is expected to grow following continued advertising and promotional activities. • Other items (net) –a favourable variance of £28k. 	245	233	(12)
Investment and Commercial Delivery			
<p><u>Open for Business</u></p> <p>Tourism</p> <ul style="list-style-type: none"> • Based on current income levels for the sale of goods and services, a shortfall of £20k is expected. • A £16k underspend is forecast for supplies and services (£5k on contracted services and £10k on print costs for the South and Heart of Suffolk marketing campaign). A review of how this service area is currently provided is being undertaken. Any budget adjustments required have been made for 2018/19. <p>Licensing</p> <ul style="list-style-type: none"> • Employee costs, a favourable variance of £20k is expected as a result of one vacant post (1 fte). <p>Other</p>	32	13	(19)

<ul style="list-style-type: none"> Other items (net) – an adverse variance of £3k. 			
<u>Housing Development and Regeneration</u> <ul style="list-style-type: none"> The purchase of Paddock House and Needham and Stowmarket Middle Schools as part of the Councils investment and regeneration programme, has resulted in significant revenue expenditure that was not part of the original business case. An adverse variance of £198k is anticipated and includes both ongoing costs such as business rates and one-off costs such as securing the sites. Ongoing costs of approximately £113k have been included in the budgets for 2018/19. Other items (net) – an adverse variance of £26k. 	(220)	(224)	(4)
Law and Governance			
<u>Information Management</u> <ul style="list-style-type: none"> An adverse variance of £66k on employee costs is expected. An increase of £22k since Quarter 2 mainly due to the cost of redundancy within the service. The overall adverse variance is attributable to the re-allocation of resources from the capital element of the JOSIE project to revenue. Land Charges – despite the increased level of activity in the housing market and consequently the increase in the number of searches carried out by the land charges team, a number of these were ‘no fee’ personal searches. An income shortfall of £46k is therefore anticipated, this is an increase of £12k since the previous quarter. Other items (net) – a favourable variance of £6k. 	(79)	(106)	(27)
<u>Internal Audit</u> <ul style="list-style-type: none"> Employee costs – an adverse variance of £9k. 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 has reviewed resource requirements. An External Quality Assessment (EQA) will be carried out in February 2018. The EQA is a means to measure Internal Audit’s compliance against the Public Sector Internal Audit Standards (PSIAS). An adverse variance of £2k is expected. 	(10)	(11)	(1)
<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 was not the case, the roles ended in October 2017 and an adverse variance of £30k is expected. 	(22)	(6)	16

<p>This is an increase of £10k since the previous quarter and is due to redundancy costs.</p> <ul style="list-style-type: none"> • Legal expenses – expenditure relating to the provision of legal services is charged directly to the service area in which the work took place resulting in a favourable variance of £40k. This variance was not identified in the previous quarter nor was it identified as a savings opportunity for the 2018/19 budget. This will be corrected for the 2019/20. • Other items (net) an adverse variance of £16k 			
<p>Planning for Growth</p>			
<p><u>Development Management</u></p> <ul style="list-style-type: none"> • It is anticipated that employee costs will result in a favourable variance of £3k. There is significant change planned in this area i.e. posts being recruited to and service requirements being reviewed. • Legal costs awarded for appeals – an under spend of £78k is anticipated. Due to its unpredictable nature, it is recommended that an earmarked reserve be set up to ensure that the core budget can remain relatively stable and the reserve is utilised to smooth year on year changes as referred to in paragraph 2.2 of this report. It is recommended that this favourable variance be transferred to the earmarked reserve. • 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. It goes on to explain that 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 continues to see an increase in planning applications which is likely to result in a favourable variance of £504k, an improvement of £68k since the previous quarter. This follows a more cautious approach to the forecast than previously used. • Following the introduction of pre-application charges in July 2017 analysis of current income levels indicates a favourable variance of £56k. The budget for 2018/19 reflects this new income stream. • Other items (net) – a favourable variance of £29k 	501	670	169

<u>Strategic Planning, Sustainable Environment and Heritage</u>	275	200	(75)
<ul style="list-style-type: none"> • The staffing resources required in this area continues to be reviewed and as a result vacant posts have been held, this does not impact on the delivery of the Local Plan. As part of the review, it has also been possible to fund the Infrastructure Team (CIL team) from this core budget as opposed to the Transformation Fund. All staff costs associated with the team have been 'backdated' to the start of 2017/18 and are included within this revised variance. It is therefore anticipated that employee costs will remain under spent and result in a favourable variance of £152k, an increase of £29k since the previous quarter. • At Quarter 2 a favourable variance of £128k was reported for Professional fees and legal costs associated with the Joint Local Plan, this will now be carried forward for use in 2018/19 so will not contribute towards the overall favourable position of the Council. • Other items (net) – a favourable variance of £48k. 			
Supported Living			
<u>Business Improvement (Corporate)</u> <ul style="list-style-type: none"> • This area is currently under review meaning that the favourable variance of £10k for employee costs is subject to change. 	(9)	10	19
<u>Property Services</u> <ul style="list-style-type: none"> • Creeping Road Depot – an adverse variance of £27k is anticipated, the overall variance can be attributed to the cost of legionella testing, the cost of tools and equipment plus ad hoc works to ensure that the site is fit for purpose. This work would still have been required, it has just been 'fast tracked' in readiness for the move, hence it not be included as part of the All Together programme. • Following the move to Endeavour House, the Headquarters building in Needham Market will require 24-hour security. It is anticipated that this will result in an adverse variance of £48k. • Employee costs - a number of changes were required to the Capital Projects Team staffing budget. Unfortunately, these changes were identified too late in the 2017/18 budget setting process. The actual forecast spend better reflects how the team is spending its time which has resulted in an adverse variance of £24k. 	(69)	(99)	(30)

<p><u>Photo Voltaic (PV) Panels (Feed In Tariff Income)</u></p> <ul style="list-style-type: none"> To enable receipt of the Feed in Tariff (FiT) income all properties must be registered with Ofgem. There are a number of properties where PV panels have been installed, but are still awaiting registration. Any income due will be backdated to when the panels were installed. Following work with the service area, it has been possible to calculate a conservative forecast which results in a net favourable variance of £95k. This includes limited costs for necessary repairs. 	95	95	-
<p><u>Homelessness</u></p> <ul style="list-style-type: none"> Following the introduction of the Homelessness Reduction Act 2017 (HRA) in April 2017, the Council received a ringfenced grant of £58k. In December 2017, a further grant of £38k was received. There are many implications arising from the new legislation, the most significant change being new prevention duties. As a result, it has been necessary to increase staff resources in the homelessness team to ensure the Councils new responsibilities are fulfilled. This will result in an adverse variance of £23k. Other items (net) – a favourable variance of £2k. <p>It is recommended that the total net favourable variance of £75k be transferred to an earmarked reserve for use in 2018/19 and beyond. A further contribution of £100k is also recommended.</p>	35	75	40
Other			
<p><u>All Together</u></p> <ul style="list-style-type: none"> Utilising existing budgets for expenditure such as gas, electricity plus general building costs for the Headquarters site, a favourable variance of £47k is anticipated. This will be used to support the ongoing revenue costs for the All Together programme for which a current estimate of £153k is expected. One-off costs associated with the programme are forecast to be £407k which will be met from the Transformation Fund. 	(106)	(106)	-
Other items (net) – an adverse variance of £150k	(123)	(150)	(27)
<p><u>Capital Financing Costs</u> An adverse variance of £79k 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 £166k, an improvement of £123k since the previous quarter. 	(86)	(79)	7

<ul style="list-style-type: none"> • Net interest payable / receivable – a favourable variance of £35k. • CIFCO – a net adverse variance of £213k is anticipated, a reduction of £75k since Quarter 2. This results from a change in timing of purchases compared to the budget assumption. • Minimum Revenue Provision (MRP) – an adverse variance of £67k is predicted. It has been identified that the budgets for 2017/18 did not include an amount for either the PV panels nor land assembly. This has been corrected as part of the budget setting process for 2018/19. 			
<u>Business Rates</u> The net favourable variance of £581k is made up of four key elements. These are detailed below;			
<ul style="list-style-type: none"> • Timing difference for the distribution of the 2016/17 deficit on the Collection Fund £137k 	(137)	(137)	-
<ul style="list-style-type: none"> • 2017/18 Baseline business rates less Government tariff has resulted in a favourable variance of £398k. The reduction of £161k since Quarter 2, is due to Mid Suffolk falling into a levy position. 	559	398	(161)
<ul style="list-style-type: none"> • Business Rates Pooling Benefit – an estimated pooling benefit of £155k is expected, this a favourable variance of £76k. As referred to in paragraph 11.5 (d). 	118	76	(42)
<ul style="list-style-type: none"> • S31 Business Rates Grant – a favourable variance of £244k, an increase of £269k since the previous quarter. As referred to in paragraph 11.5 (c) 	(25)	244	269
TOTAL FAVOURABLE VARIANCE	1,112	1,158	47

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.

MID SUFFOLK	£'000
Balance at 31st March 2017	8,238
New Homes Bonus Contribution	2,028
Business Rates Grant	844
Total contributions 2017/18	2,872
Revised Balance Available	11,110
LESS;	
Funding 2017/18 budget	(267)
Community Capacity Building	(250)
Delivery Plan projects - Staffing	(428)
Actual year to date spend (April - Dec 2017)	(714)
Current commitments	(43)
PLUS:	
Balance on Procurement Reserve no longer required, therefore transferred to Transformation Fund	16
Balance at 31st March 2018	9,424

Commitments will continue to be reviewed to ensure the key priorities are supported.

General Fund Capital

- 11.12 Capital resources should be aligned to the Council's 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 Following approval by Full Council in April 2017 to set up a holding company, activity to invest the £25m for the Capital Investment began with its first purchase in December 2017. It is anticipated that at least £12.5m will be spent in 2017/18 with the remainder being invested in 2018/19.
- 11.15 Capital expenditure for the period April to December 2017 totals £1.5m, against a revised programme (including carry forwards) of £6m, excluding the £25m, as set out in Appendix B. The main variances to date are set out below:
- Land Assembly, Property Acquisition and Regeneration – favourable variance of £1.7m.

A number of significant investment projects, including the regeneration of the HQ sites and the affordable housing programme are moving forward and will require further capital funding as they progress over the next 6 months.

- Grants for Affordable Housing – it is anticipated that this budget (£500k) will be carried forward at the end of the year for use in 2018/19 and beyond. As the amount is significant, the decision was made not to include any new budget allocation in the Capital programme for 2018/19 onwards.
- Mid Suffolk Leisure Centre and Stradbroke Pool - a favourable variance of £219k is anticipated. However, this is very much dependent on the outcome of the Strategic Leisure Review. The forecast favourable variance for Mid Suffolk Leisure Centre general repairs will be used to partially offset the forecast adverse variance expected for the roof repairs.
- ICT – the majority of the forecast favourable variance (£246k) 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, the majority of work has been completed with just a few minor elements left to finalise before the end of the financial year.
- All Together – an adverse variance of £72k is expected. Anticipated costs include equipment requirements for Endeavour House, Customer Access and Touchdown Points.
- Property Services – a favourable variance of £111k is forecast in relation to Corporate Buildings, Carbon Reduction etc. This underspend can be utilised to support the work surrounding the All Together programme.

Housing Revenue Account (HRA - Council Housing)

11.16 In relation to the HRA Revenue Budget, the position on key activity areas is as follows:

Explanation	HRA Qtr 3 Amount (£,000) Favourable / (Adverse)	HRA Qtr 3 Amount (£,000) Favourable / (Adverse)	HRA Qtr 3 Amount (£,000) Favourable / (Adverse)
	Worst	Medium	Best
Dwelling Rents and other income – Budget £15.5m			
<ul style="list-style-type: none"> • Dwelling rents – an adverse variance of £162k rental income is expected due to right to buys and voids being higher than forecast and new homes being sold as Shared Ownership. 	(267)	(267)	(267)

<ul style="list-style-type: none"> • Service charges – properties due to be de-sheltered in April 2017 were not removed from the service charge calculation in the 2017/18 budgets in error. This is likely to result in an adverse variance of £107k. • Non-dwelling income - due to rents on garages being higher than anticipated, a favourable variance of £30k is anticipated. • Other Income – due to income for an easement we are forecasting a favourable variance of £17k • Interest received – an overstated budget has resulted in an adverse variance of £45k 			
Repairs and Maintenance - Budget £2.7m			
<ul style="list-style-type: none"> • Cyclical Repairs - a £157k favourable variance is expected due to a duplicate repairs budget – expenditure was included for external contractors as well as for BMBS carrying out the work. • Property Services – a favourable variance is forecast because of an underspend due to lower than estimated expenditure on work undertaken by BMBS (Building Services). The favourable variances, reflected as a loss of income for BMBS, are as follows; <ul style="list-style-type: none"> • Best case scenario will produce a favourable variance of £321k • Medium case scenario will produce a favourable variance of £164k • Worst case scenario will produce a favourable variance of £40k. 	157	157	157
BMBS – Budget Deficit (£225k)			
<ul style="list-style-type: none"> • The budgets for BMBS have been reviewed following its inception in April 2017. The first half produced little factual evidence of its income and expenditure. This was as a result of the significant investment required in embedding a fundamentally new service delivery model. 			

<p>Using the original Business plan as the budget for 2017/18 we have identified that assumptions made with respect to forecasted income and expenditure were ambitious considering the levels of investment required to introduce the BMBS model.</p> <p>A Project team consisting of the HRA Accountant, Assistant Director and BMBS Corporate Manager has revised forecasts for 2017/18. These are based actual income and expenditure for both Quarters 1, 2, and 3, out turns for previous years and a cautious approach.</p> <ul style="list-style-type: none"> • To create visibility from this piece of work, three scenarios based on worst, medium and best cases for this year end have been produced, refer to Appendix C <ul style="list-style-type: none"> ○ Worst Case scenario - £379k adverse variance. A forecast income shortfall of £751k offset by reduced expenditure of £372k. ○ Medium Case scenario - £297k adverse variance. A forecast income shortfall of £569k offset by reduced expenditure of £272k. ○ Best case scenario - £263k adverse variance. A forecast income shortfall of £501k offset by reduced expenditure of £238k. • Significant work is being undertaken to remedy this position through; <ul style="list-style-type: none"> • Ensuring income is accurately being recouped and extracted from software used. • Increasing productivity • Cleansing data • Developing new ways of working • Appointing to vacant job roles • Reducing costs and increasing income 	(263)	(297)	(379)
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Management and other costs – Budget £3m			
<ul style="list-style-type: none"> • General Management – an adverse variance of £60k is predicted. It was identified that the 2017/18 budget did not include an amount for Holiday accruals, redundancy costs and NPS Fees. • Special Management – an adverse variance of £36k. This is due to the redundancy costs of £23k not being included in the Budget and an increase in repairs costs of £20k. This has been offset by a reduction in Community alarm costs of £7k. 	(96)	(96)	(96)
Funding the Capital Programme - Budget £5.6m			
<ul style="list-style-type: none"> • RCCO – a forecast favourable variance of £118k (£400k Q2) can be attributed to expected underspend in capital maintenance. See 11.21 for the breakdown of the movement in variance from Q2. 	118	118	118
Borrowing and associated costs – Budget £2.8m			
<ul style="list-style-type: none"> • Loan repayments – a favourable variance of £324k is anticipated due to the recalculation of the interest on internal loans within the HRA business model. These are short term loans with other LA's and the HRA business model was forecasting a charge of 3.5% but this has now been reduced to a contingent amount of 0.5%. 	324	324	324
HRA Deficit - Budget transfer from reserves (£714k)			
<ul style="list-style-type: none"> • The Surplus/(Deficit) figure will alter depending on the net total of the above variances. As we have three different scenarios for BMBS this will also be shown as Worst/Medium/Best for comparison. <ul style="list-style-type: none"> ○ Worst case. The total of the above variances will reduce the net budget deficit to (£702k). 	12		

<ul style="list-style-type: none"> ○ Medium case. The total of the above variances will reduce the net budget deficit to (£612k). ○ Best case. The total of the above variances will reduce the net budget deficit to (£537k). 		102	177
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Any areas where budgets have been over or under stated were reviewed as part of the 2018/19 budget setting process.

11.17 The recent Government announcement that LA's can increase rents by CPI +1% for five years from 2020/21 has been amended in the HRA business model. This was reflected in the Budget 2018/19 MTFS report.

11.18 A successful legal challenge by NPS (Norfolk Property Services) in relation to a specific termination clause in a former contract has resulted in a cost pressure of £110k. This has been absorbed within management and other costs.

11.19 The decision to apply a LHA cap on housing benefits paid to Supported and Social Housing tenants has now been scrapped which will relieve pressure on the anticipated rent arrears this would have caused.

11.20 No further updates have been issued by the Government regarding the sale of high value council houses levy, but this continues to be monitored, and once details are fully known and understood a further review of the business plan will be undertaken.

HRA Capital

11.21 Investment plans for this year total £8.6m (including carry forwards of £0.6m) as set out in Appendix B. A favourable variance of £118k is forecast the breakdown of which is below:-

- Planned maintenance variance of £11k favourable is due to the change in policy to carry out a 20% stock condition survey this year. Ridge has been appointed to carry out the work by February 2018 when a robust 30-year Capital programme can be developed.

The original Q2 forecast of £400k favourable variance has been reduced by £390k mainly following a contract for roofing (£264k) being entered into earlier than anticipated and an increase in fencing and structural repairs.

- ICT is forecasting a £70k favourable variance due to reduced consultancy costs, as we have taken on some work in-house, and the number of days Capita, who own the Open Housing system, have been able to support us.
- Unity Redevelopment programme has completed £37k under budget.
- New builds and acquisition expenditure is forecast to be in line with Budget.

HRA Reserves

11.22 The HRA Assistant Director has initiated a new innovative scheme called the “Big 20” for both Babergh and Mid Suffolk District Councils. The aim of the scheme is to encourage HRA employees to produce ideas of how the HRA can save money, create income, improve services, etc.

The Housing Management Team will look at the ideas at and a maximum amount of £10k per scheme will be available to investigate and fund the best ideas based on certain criteria (costs vs returns, capacity, legality, if it meets strategic priorities, etc.).

Employees will then be given feedback on successful ideas and why other ideas are not being looked into further, so they remain engaged and encouraged to continue to produce ideas going forward.

To fund this scheme, we propose to transfer £100k from the Strategic Priorities reserve to an earmarked reserve called “Big20”. The balance in the Strategic Priorities forecast to be £3.9m at 31st March 2018.

12 Appendices

Title	Location
APPENDIX A – Transformation Fund	Attached
APPENDIX B – Capital Programme	Attached
APPENDIX C – BMBS scenarios	Attached

13 Background Documents

23 February 2017 Budget Report 2017/18 – C/03/17

13 October 2017 Financial Monitoring Quarter 1 – Mca/17/18

4 December 2017 Financial Monitoring Quarter 2 – Mca/17/32

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TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes	
				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	11,960	11,960	105,952	-20,148	
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	16,181	16,181	134,537	-1,748	A wide range of contribution to outcomes have been achieved including; the set-up of an Incorporated Company Structure including CIFCO Capital Ltd and progression of a range of key housing and regeneration projects including the affordable housing programme and other commercial projects
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	11,254	11,254	56,938	-12,062	Fulfilling obligation to provide the Local Planning Authority with appropriate advice in relation to Listed Building consents and planning permissions and to conserve and enhance the historic environment. The resource for this activity has been recognised as part of Councils' core functions and the post has therefore been incorporated within the core budget.
4	To support the installation of one or more Electric Vehicle (EV) charging points - Sudbury. Babergh only - Capital	James Buckingham	Mar-17	44,000	0	0	11,886	0	11,886	-32,114	2 installations located in key market towns at locations where there are 'gaps' in the national network.
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	22,000	5,794	0	4,633	0	10,428	-11,572	The town centre has seen an increase in footfall, leading to more visitors supporting the local economy. Stall numbers have risen from 3 to 12 regular traders. Most if not all of this investment will be recouped through increased revenue by end of the project.

TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes	
				BDC	MSDC	BDC	MSDC				
CONTINUING PROJECTS											
Business Growth											
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	38,279	38,279	273,778	-58,992	Significant deliverables towards Joint Strategic Plan and business growth priorities including visioning work in Sudbury and Stowmarket, Economic Strategy development, Enterprise Zone and other major products to increase jobs, business value, business rates base.
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	6,296	7,758	42,361	-6,639	To ensure the neighbourhood plan is successful through the examination and referendum process, i.e. the neighbourhood plan is adopted.
Page 75	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	10,000	40,000	0	Promoting the County visitor economy offer and brand - to increase visitor stay and spend. Supporting all levels of tourism businesses and groups. Supporting the transition from public sector funding to private sector led. All LAs contribute plus SCC and New Anglia LEP.
9	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	Place shaping and regeneration work in consultation with stakeholders and communities in our market towns and greater areas. Will lead to tangible delivery/action plans and tangible outputs and investment to stimulate growth and place identity.
10	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	4,898	4,898	-102	Putting MSDC on the map as a venue for nationally significant events and allowing our SME businesses to showcase their products, skills and contribution towards local and wider economic priorities .
11	NEW To support the development of a Technology Hub / Innovation Centre with the District by providing a project co-ordinator and for the fusing of a feasibility study. MSDC only	Lee Carvell	Oct-17	50,000	0	0	0	0	0	-50,000	Enabling MSDC to lead in this area to develop a 'tech hub offer' in the districts to retain, attract and grow SMEs. Business rates, jobs and place shaping benefits. Supports Enterprise Zone and Investment Strategy work.

TRANSFORMATION FUND – PROJECTS

APPENDIX A

		Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes
					BDC	MSDC	BDC	MSDC			
	CONTINUING PROJECTS										
	Business Growth										
	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	12,649	14,835	96,337	6,337	Dedicated coverage of the Stowmarket Locality including enabling direct engagement with Cedars Park CIC, working together with organisations supporting young people etc. Plus Supporting the Safe Agenda e.g. developing the opportunity to better inform and advice our Taxi Drivers across Babergh & Mid Suffolk on safeguarding and the prevent agenda, delivery of safeguarding training for both adults and children to our internal teams etc
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	12,525	12,525	45,761	-14,239	To provide expertise to carry out an options appraisal to assess the delivery of public realm service for both Councils. This is now complete and a separate report will be presented to cabinet.
	Increase staff resources - one day a week for the Tourism Development Officer role	Lee Carvell	Nov-16	9,000	1,765	1,765	3,020	3,020	9,571	571	Has enabled increased work with local tourism action groups, developing our links to regional tourism network, increasing visitor spend and stay.
	Efficient Organisation										
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	7,870	7,870	20,331	2,515	Activity has been recognised as part of Councils' core functions and the post has been incorporated in the core budget. An underspend in staffing costs in 2017/18 as a result of vacancies will cover the costs.
16	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	0	0	-9,257	Support for young people in employability and skills, helping them into jobs, improving their wellbeing and confidence and reducing pressure on benefits system. Supporting vital local facilities.
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	14,148	14,148	55,124	-41,728	Website up and running. Support for Public Access provision and Web development to in core budget 18/19 in Customer Services
18	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. INCLUDES TPMS	Carl Reeder	Sep-16	889,000	31,137	31,153	330,870	330,870	724,029	-164,971	Move to Endeavour House (EH) completed December 2017. Customer Access Points and Touch Down Points commenced use November 2017. Still decommissioning former HQ offices and finalising lease payments for EH. Full actual cost picture expected for Outturn

TRANSFORMATION FUND – PROJECTS

APPENDIX A

		Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes
					BDC	MSDC	BDC	MSDC			
CONTINUING PROJECTS											
Efficient Organisation											
19	Strengthening Governance through the implementation of the Leader- Cabinet form of Governance	Emily Yule	Mar-17	55,028	5,659	5,659	8,089	8,089	27,495	-27,533	Leader Cabinet model implemented, no additional costs expected
20	NEW To commissioning telephone polling (subject to Cabinet decisions) to explore the issue of Babergh and Mid Suffolk dissolving and becoming a new council.	Emily Yule	Oct-17	60,000	0	0	10,289	10,289	20,579	-39,422	Polling initiated. Awaiting feedback on the responses.
Housing Delivery											
21	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	9,353	14,016	45,505	-16,745	Bringing forward timely delivery of developer contributions (financial and non-financial mitigation secured by CIL and S106), triggered by commencement of development. Reduced incidence of commencement of development involving a breach of planning control - subsequent reduction in enforcement investigation and regularisation work for the Planning Enforcement and DM teams.
22	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	32,912	32,912	95,061	-109,939	
Housing Delivery/Business Growth											
23	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	67,313	58,215	300,685	-174,315	A wide range of contribution to outcomes has been achieved including; the set-up of an Incorporated Company Structure including CIFCO Capital Ltd and progression of a range of key housing and regeneration projects which include the affordable housing programme and other commercial projects
24	Creation of a new Infrastructure ODT to support and secure the implementation of CIL and effective operational processes. Staffing costs absorbed into Core Budget.	Bill Newman	Jul-15	235,000	126,755	107,403	0	0	234,159	-841	Both Councils are effective collection authorities for CIL. Further development of the expenditure side of CIL is required.

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TRANSFORMATION FUND – PROJECTS

APPENDIX A

	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes	
				BDC	MSDC	BDC	MSDC				
CONTINUING PROJECTS											
Housing Delivery/Business Growth											
25	External support to undertake Local Housing Needs Surveys	Bill Newman	Feb-16	20,000	2,709	2,709	0	3,740	9,158	-10,842	Has enabled the Councils and been really important in determining housing mix when considering planning applications.
26	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	6,585	6,585	87,937	-10,063	The CIL team continued the work and entered this into Exacom. Phase one of the project is complete with a further four phases to complete.
27	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	5,907	5,907	55,809	11,809	Published draft SHELAA in August 2017. Joint Local Plan consultation document published in August 2017. Neighbourhood plan designation maps produced. Improved data and knowledge on infrastructure.
General Transformation - other projects											
28	- Core Staffing not allocated to a specific project	Melissa Evans		585,858	147,636	168,222	78,272	78,272	472,402	-113,456	
29	- Other	Melissa Evans		50,000	16,643	33,171	0	2,100	51,914	1,914	
CONTINUING PROJECTS SUB-TOTAL				3,944,716	823,057	795,561	710,291	703,723	3,032,633	-912,083	
COMPLETED PROJECTS SUB-TOTAL -SEE BELOW				3,297,443	602,215	2,593,468	10,129	9,933			
				7,242,159	1,425,272	3,389,029	720,420	713,656	3,032,633	-912,083	
									42%		
BDC OUTSTANDING COMMITMENTS											
<i>Less staffing budgets already accounted for</i>											
BDC TOTAL OUTSTANDING COMMITMENTS											
MSDC OUTSTANDING COMMITMENTS											
<i>Less staffing budgets already accounted for</i>											
MSDC TOTAL OUTSTANDING COMMITMENTS											

TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes
				BDC	MSDC	BDC	MSDC			
COMPLETED PROJECTS										
Business Growth										
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	By including the collection of glass we were able to plug a gap in our service offering and reducing risk of clients elsewhere. At Service launch, in June 2016, there were 52 paying clients signed up. A total of 353 glass bins are now in place [Dec 2017] across both BDC and MSDC areas. An average of some 15 tonnes of glass is collected weekly and taken out of the general refuse stream per week saving some £63k pa in disposal costs. Overall the commercial collection service seen an increase of 15%
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	926	926	43,738	-4,262	Provided vital service resilience to Licensing who lost two members of staff in the same period including business continuity to customers who need licences to work/provide facilities and transport. It enabled key economic projects and networking to progress as resource was able to flex around higher priority work. This TF resource also directly helped with Open for Business events, business surveys and consultations
Accommodation Review - Phase 1 Analysis and Direction	Louise Rawsthorne	Jan-16	100,000	48,268	46,410	2,712	2,712	100,102	102	
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	Provided 'what we do' talks in an accessible/reusable format to aid awareness of what teams do, supports induction work and provides a more cohesive experience for customers (including businesses)

TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Dec 17		Total Spend	Variance - favourable / + adverse	Outcomes
				BDC	MSDC	BDC	MSDC			
COMPLETED PROJECTS										
Business Growth										
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 - NO LONGER REQUIRED	James Buckingham	Dec-16	200,000	0	0	0	0	0	-200,000	Although the scheme was viable, significant marketing and direct approaches to local businesses (resourced from core service budgets), found that the 65% reduction in Feed in Tariff payments by Central Government, combined with general uncertainty, discouraged businesses from committing to a 20+ year investment.
External support to create Joint Local Plan plus the building of the evidence base (DUPLICATE)	Bill Newman	Feb-16	45,000	0	0	0	0	0	-45,000	DUPLICATE
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	3,648	3,648	24,622	-15,378	
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	This funding helped us to deliver 27 Community events which were positioned to engage our communities on the positive case for growth and so to explain both the processes involved in strategic planning and also the irrefutable evidence that supported these plans. Over 700 people attended and we received more than 1,000 comments. This was an unprecedented response to the formal consultation of the draft local plan and indicates that this was the correct investment.
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	People employed to provide additional capacity to set up the Councils' new build programme, achieve planning permission, and access Homes and Communities Agency grant funding. Developed a client specification for the build contract. Worked through the procurement and tendering exercise for contractors. Ensured schemes were then built out on site. Also provided support when discussing the affordable housing requirements in schemes through section 106 agreements. This is up to March 2016. Development of homes by the Councils. Appropriate delivery of affordable housing through section 106 agreements.
COMPLETED PROJECTS CURRENT YEAR AS ABOVE SUB-TOTAL			297,471	93,116	162,968	10,129	9,933	276,146	-21,325	
COMPLETED PROJECTS PREVIOUS YEARS SUB-TOTAL			2,754,972	509,099	2,430,500	0	0	2,939,599	184,627	
COMPLETED PROJECTS TOTAL			3,297,443	602,215	2,593,468	10,129	9,933	3,215,745	-81,698	

APPENDIX B

MID SUFFOLK CAPITAL PROGRAMME 2017/18	Budget	Revised Budget inc Carry Forwards	Actual Spend Apr- Dec	Variance - budget LESS actual spend	Forecast Outturn	Variance to Forecast favourable /(adverse)
HOUSING REVENUE ACCOUNT	£'000	£'000	£'000	£'000	£'000	£'000
Capital Projects						
Planned maintenance	3,321	3,223	1,341	1,882	3,212	11
ICT Projects	85	280	74	206	210	70
Environmental Improvements	40	10	6	4	10	0
Unity Redevelopment		204	152	52	167	37
Disabled Facilities work	200	226	84	142	226	0
New build programme inc acquisitions	4,432	4,896	2,909	1,987	4,896	-0
Total HRA Capital Spend	8,078	8,839	4,566	4,273	8,721	118
MID SUFFOLK CAPITAL PROGRAMME 2017/18						
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000
Supported Living						
Mandatory Disabled Facilities Grant	300	489	241	248	489	0
Discretionary Housing Grants	100	100	51	49	100	0
Empty Homes Grant	100	210	59	151	210	0
Total Supported Living	500	799	352	447	799	0
Strategic Planning						
Grants for Affordable Housing	100	500	1	499	500	-0
Total Strategic Planning	100	500	1	499	500	-0
Sustainable Environment						
Streetlights/carpark light fittings to LED equivalents - TF funded	0	44		44	44	0
Total Sustainable Environment	0	44	0	44	44	0
Environment and Projects						
Replacement Refuse Freighters - Joint Scheme	170	170	183	-13	183	-13
Recycling Bins	100	136	59	77	80	56
Total Environmental Services	270	306	242	65	263	44
Communities and Public Access						
Planned Maintenance / Enhancements - Car Parks	204	201	1	200	77	124
Streetcare - Vehicles and Plant Renewals	81	81	140	-59	140	-59
Play Equipment	25	55	30	25	30	25
Community Development Grants	189	389	94	295	389	0
Total Communities and Public Access	499	726	265	461	636	90
Leisure Contracts						
Mid Suffolk Leisure Centre - structural repairs	43	44	0	44	1	43
Mid Suffolk Leisure Centre - roofing	170	167	33	134	367	-200
Mid Suffolk Leisure Centre - general repairs	200	200	0	200	0	200
Mid Suffolk Leisure Centre - car park	120	123	0	123	63	60
Stradbroke Pool - general repairs	98	119	3	116	4	115
Total Leisure Contracts	631	652	36	617	434	219
Capital Projects						
HQ - Equipment Renewals	20	20	0	20	0	20
Planned Maintenance - Corporate Buildings	82	81	2	79	40	41
Carbon Reduction	50	50	0	50	0	50
Installation of PV Panels on Housing Stock	0	2	20	-17	2	0
Total Capital Projects	152	153	21	132	42	111
Investment and Commercial Delivery						
Open for Business	30	30	0	30	0	30
Land assembly, property acquisition and regeneration opportunities	1,925	1,925	147	1,778	225	1,700
Total Investment and Commercial Delivery	1,955	1,955	147	1,808	225	1,730
Corporate Resources						
ICT - Hardware / Software costs	763	780	397	383	535	246
All Together	0	209	4	205	281	-72
CCTV	0	1	0	1	1	-1
Total Corporate resources	763	989	401	588	816	173
Delivery Programme Investment Opportunities	0	25,000	1,845	23,155	12,360	12,640
Total General Fund Capital Spend	4,869	31,124	3,310	27,814	16,118	15,006
Total Capital Spend	12,947	39,963	7,876	32,087	24,839	15,124

APPENDIX C

Mid Suffolk BMBS Scenario Results for revised Forecast 2017/18								
Code Description	MSDC Original Budget	MSDC Forecast Worst	MSDC Forecast Medium	MSDC Forecast Best		Difference W	Difference M	Difference B
8199 BMBS trading A/C								
H1001 Salaries	681,849	681,849	681,849	681,849		-	-	-
H1003 Overtime & Holiday Pay	-	-	-	-		-	-	-
H1011 ER NI Contribs	64,837	64,837	64,837	64,837		-	-	-
H1021 ER Pension Contribs	153,492	153,492	153,492	153,492		-	-	-
H1031 Agency Staff	-	-	-	-		-	-	-
H1041 Subsistence	883	883	883	883		-	-	-
H1043 Training	4,905	4,905	4,905	4,905		-	-	-
H1053 Misc Employee Costs	-	-	-	-		-	-	-
H1061 Savings contingency	- 26,667	-	-	-		26,667	26,667	26,667
H2001 Annual Bldg Maint Contracts	-	-	-	-		-	-	-
H2010 Repairs	280,000	-	-	-		- 280,000	- 280,000	- 280,000
H2014 BMBS Repairs Work	-	-	-	-		-	-	-
H2022 NNDR Payable	1,200	1,200	1,200	1,200		-	-	-
H2031 Electricity	-	-	-	-		-	-	-
H2042 Misc Premises Costs	221,987	2,816	5,632	8,447		- 219,171	- 216,355	- 213,540
H2048 Fire Prevention	-	1,000	1,000	1,000		1,000	1,000	1,000
H3001 Computer Eqpt Purchases	-	1,000	1,000	1,000		1,000	1,000	1,000
H3011 Telephone Costs	-	2,000	2,000	2,000		2,000	2,000	2,000
H3025 Postage	-	100	100	100		100	100	100
H3031 Equipment, Tools & Materials	455,781	100	100	100		100	100	100
H3032 Operating Lease Payments	-	643,852	740,430	772,623		188,071	284,649	316,842
H3033 Protective clothing	-	-	-	-		-	-	-
H3042 Contracted Services	140,921	-	-	-		-	-	-
H3054 Subscriptions	1,000	24,254	24,254	24,254		- 116,667	- 116,667	- 116,667
H3067 Transfer of Waste	1,000	1,000	1,000	1,000		-	-	-
H3068 Waste Disposal	4,000	1,000	1,000	1,000		-	-	-
H3071 Container Charges	1,500	4,000	4,000	4,000		-	-	-
H3106 Misc Supplies & Services Costs	-	1,500	1,500	1,500		-	-	-
H4001 Car Mileage Allowance	-	-	-	-		-	-	-
H4002 Essential User Allowances	-	1,000	1,000	1,000		1,000	1,000	1,000
H4003 Public Transport Costs	-	500	500	500		500	500	500
H4011 Lease Cars - Payment	-	60	60	60		60	60	60
H4014 Plant & Vehicle Fuel	99,448	75,215	75,215	75,215		75,215	75,215	75,215
H4015 Plant & Vehicle - Other costs	27,960	47,555	47,555	47,555		- 51,893	- 51,893	- 51,893
H4017 Vehicle Insurance Excess	-	27,960	27,960	27,960		-	-	-
H5000 Corporate Recharges In	72,107	-	-	-		-	-	-
Total expenses	2,186,203	1,742,078	1,841,472	1,876,480		- 372,018	- 272,624	- 237,616
H5005 Capital Income	- 588,600	- 161,035	- 185,190	- 201,294		427,565	403,410	387,306
H5006 Responsive Repairs (HRA Rev)	- 846,064	- 740,971	- 852,116	- 889,165		105,093	- 6,052	- 43,101
H5007 Voids Income	- 371,949	- 285,615	- 328,457	- 342,738		86,334	43,492	29,211
H5008 Other Housing Projects	- 29,921	-	-	-		29,921	29,921	29,921
H5009 Aids & Adaptations	- 98,100	- 16,774	- 19,290	- 20,129		81,326	78,810	77,971
H5010 Corporate Works GF	- 24,525	- 4,711	- 5,417	- 5,653		19,814	19,108	18,872
H7021 Payments to Tenants	-	273	314	328		273	314	328
H9501 Misc Income	-	- 4,010	- 4,612	- 4,813		- 4,010	- 4,612	- 4,813
H9998 Recharge to HRA	- 2,426	2,157	2,481	2,588		4,583	4,907	5,014
Total income	-1,961,585	-1,210,685	-1,392,288	-1,460,874		750,900	569,297	500,711
8199 BMBS trading A/C Total	224,618	531,393	449,184	415,606		378,882	296,673	263,095

From: Cabinet Member, Cllr David Burn	Report Number: MCa/17/53
To: Cabinet	Date of meeting: 5th March 2018

REPORT TITLE

Public Realm Transformation Project

1. Purpose of Report

- 1.1 To set out the Council’s principles for future Public Realm provision in Mid Suffolk.
- 1.2 To outline the findings of the Public Realm Review and endorse a programme of priorities for public realm services for 2018/19, in response to that review.
- 1.3 To agree Member involvement in the further development of public realm provision as part of the future Environment Strategy.

2. Recommendations

- 2.1 To note the findings of the Public Realm Review, including the overall conclusions that standards of street cleansing and grounds maintenance are generally good and that the in-house service in Mid Suffolk represents value for money.
- 2.2 To agree the priority actions for 2018/19, set out at paragraphs 13.1 – 13.4 of this report, to take forward public realm provision within Mid Suffolk.
- 2.3 To agree the principles for future Public Realm provision in Mid Suffolk, outlined at paragraph 12 of this report.
- 2.4 To agree to establish the following four cross-party Member Advisory Task and Finish Groups to:
 - (i) Develop standards and performance measures for public realm services;
 - (ii) Establish a policy for the adoption of open spaces and other public realm assets;
 - (iii) Review and extend the policy on trees; and
 - (iv) Develop a policy on public toilets.
- 2.5 To utilise the public realm principles and public realm policies in the development of both the emerging Environment Strategy and the emerging Communities Strategy.

REASON FOR DECISIONS: To set out the Council’s principles and plans for the future development of public realm services.

3. Financial Implications

- 3.1 There are no direct financial implications arising from this report. If proposals from the Member Advisory Task and Finish Groups give rise to new financial implications, these will be costed and presented to Cabinet alongside the Groups' recommendations.

4. Legal Implications

- 4.1 There are none associated with this report. Any legal implications arising from the work of the Member Advisory Task and Finish Groups will be reported to Cabinet alongside the proposals from these Groups.

5. Risk Management

- 5.1 The key risks are set out in the table below. There are no risks in the Corporate Significant Risk Register directly associated with this report.

GENERAL FUND			
Risk Description	Likelihood	Impact	Mitigation Measures
Lack of accurate and comprehensive data, to enable the completion of a robust business case, to determine the future delivery options for public realm services.	2 (Unlikely)	3 (Bad/Serious)	Ensure the appropriate systems and staff resources are in place to collect, monitor and manage key service data.
Insufficient resource to deliver the outcomes of the policy work on trees, public toilets and the adoption of open space and other public realm assets.	2 (Unlikely)	3 (Bad/Serious)	Resource implications of any proposals arising from the policy development work will be identified and reported to Cabinet alongside the recommendations.
Health and safety standards are unable to be met.	2 (Unlikely)	4 (Disaster)	Risk assessments and staff training were updated in February 2018. Ongoing reviews and action will be undertaken by the service area management team.

6. Consultations

- 6.1 During the Public Realm Review, the consultants (White Young Green, known as WYG) consulted councillors, internal officers and external partners, including town councils and those involved in community public realm projects.
- 6.2 There was a cross-party Member Advisory Working Group to support the review and WYG ran a separate dedicated workshop to which all Members were invited.
- 6.3 As well as running workshops for key stakeholders and carrying out some one-to-one interviews, WYG carried out unannounced 'secret shopper' visits to a number of key locations.

7. Equality Analysis

- 7.1 There are no equality issues arising from this report. Any potential changes in policy or service delivery will be assessed at the time and, if needed, an equality impact analysis will be carried out.

8. Shared Service / Partnership Implications

- 8.1 There are no immediate shared service/partnership implications contained within this report.

9. Links to Joint Strategic Plan

- 9.1 A high quality public realm, alongside effective engagement with local communities, links directly to all three priority areas in the Joint Strategic Plan, namely Economy and Environment, Housing and Strong and Healthy Communities. More specifically, it relates to the underpinning objectives of: developing community-led solutions to deliver services and manage assets; ensuring community volunteers are skilled and able; managing corporate assets more effectively; and outcome-based commissioning.

10. Background Information

Public Realm Services

- 10.1 Public Realm services include: street cleansing focused on town and village centres; litter picking on the verges of the main highways; maintenance of parks, open spaces, countryside sites and amenity areas owned by the Council; maintenance and administration of the Council's public car parks and public toilets; responsibility for trees and tree safety on council-owned land; and maintenance of play areas on council-owned land.
- 10.2 In Mid Suffolk these services are delivered by in-house public realm (includes both street cleansing and grounds maintenance) and countryside teams based at the Creting Road Depot in Stowmarket.
- 10.3 The gross budget for the service for 2018/19 is outlined at Figure 1 below. This illustrates the main gross budget figures for the Public Realm Service for 2018/19.

Heading	Mid Suffolk £
Community Development / Countryside	97K
Public Conveniences	19K
Street Cleansing (including HRA / other)	431K
Open Spaces (including HRA / other)	646K
Public Tree Programme	57K
Contributions / Donations	0
Footpaths	29K
Public Realm Review	0
Total Gross costs	1.27M

Figure 1: Public Realm Gross Budget for 2018/19

11. The Scope and Findings of the Public Realm Review

11.1 WYG were commissioned to carry out a review of public realm services across both Mid Suffolk and Babergh. The services in scope of the Public Realm Review included:

- Countryside;
- Arboriculture;
- Amenity areas, parks and open spaces;
- Street scene;
- A14 & A12 Highways verges work for the County Council;
- Playgrounds;
- Public conveniences; and
- Car parks (maintenance only).

Summary - Findings of the Public Realm Review

11.2 Overall, the review concluded that standards of street cleansing are good, that both the in-house and outsourced services in Mid Suffolk and Babergh respectively represent value for money and that there is a high level of participation by volunteers in maintaining the public realm. The review identified opportunities for efficiencies, particularly through the integration of the two Mid Suffolk in-house services, namely Mid Suffolk Public Realm Team and the Countryside Team. It also highlighted areas requiring greater attention, including policy development, improved data collection, increased focus on arterial roads in and out of the main towns and health & safety when working on 'A' roads.

The findings are set out in more detail below.

Specific Findings - Street Cleansing and Grounds Maintenance

- 11.3 Observation visits carried out by WYG in February 2017 highlighted that street cleansing and grounds maintenance standards were generally good. Observed standards were, however, found to be lower on the arterial roads into and out of main town centres.
- 11.4 The in-house service in Mid Suffolk was assessed as providing good value for money, based on:
- Cost;
 - Observed standards;
 - Benchmarking with other similar areas; and
 - Short term data on routine schedules and quantities.
- 11.5 WYG identified good practice within the service delivery approach, highlighting effective cross working between the MSDC in-house service and BDC Id Verde contractor, making use of the specialist skills in each service to mitigate the need for sub-contracting and additional external costs.
- 11.6 The service needs to improve operational data collection on service volumes and locations and to establish clear standards. This would further increase value for money assurance and support the building of a robust business case to assess options for the future delivery of public realm services.
- 11.7 Improvements should be made to better co-ordinate the activity between grounds maintenance and street cleansing teams to avoid litter shredding during grass cutting.
- 11.8 Health and safety practices should be reviewed for litter picking on verges along main roads, in accordance with national guidelines.
- 11.9 The public realm team carries out significant volumes of work on property owned by the Housing Service. It is recommended that the scope, standards, quantity and cost of work paid for through the Housing Revenue Account (HRA) is reviewed to make clear what the required standards are and to review the apportionment of charges between the HRA and General Fund.
- 11.10 The Council is advised to consider the impact of development of new sites on public realm provision and to review the approach to adoption of new sites and the impact that this may have on future service provision.
- 11.11 It was noted that the Service doesn't routinely monitor itself against performance measures or report to Members against defined performance indicators, and that this should be reviewed.

Specific Findings – Countryside Team

- 11.12 The majority of the current countryside team expenditure is in Mid Suffolk.
- 11.13 The countryside team maintains a range of countryside sites within Mid Suffolk including Needham Lake, Eye Castle, The Pennings in Eye, Claydon Wood and Scole Picnic Site.

WYG identified that many of the countryside team's functions could be delivered by the in-house public realm team and recommended that these teams should be integrated to improve efficiency and coordination.

- 11.14 The consultants noted that the functions undertaken by the countryside team in Mid Suffolk are rarely given the same high level of dedicated service by other councils.

Specific Findings - Trees

- 11.15 The council has a Tree Safety Policy but no clear policy on the approach to tree replacement. A more holistic tree policy should therefore be developed.
- 11.16 A new tree policy will also embrace the Council's endorsement of the Woodland Trust Charter and the newly introduced 'Trees for Life' initiative, whereby in future a tree will be planted to mark the birth of every new baby born in Mid Suffolk.

Specific Findings - Public Toilets

- 11.17 It was recommended that an analysis of the current council-funded public toilets should be carried out to understand, in detail, individual facility costs, footfall, need, the potential for asset transfer and the options for alternative delivery such as community schemes.

Specific Findings – Partnership with Communities, Town and Parish Councils

- 11.18 WYG acknowledged the Council's ongoing achievements in partnership working on the Public Realm and assessed that there was a relatively high level of positive community and volunteer involvement. Examples of partnership initiatives in Mid Suffolk in the last 18 months include:

- 44 community litter picks, releasing council resources to tackle hotspots;
- 100 volunteers litter picking in Stowmarket, Debenham & Barham;
- 39 Community Caretakers in place in MSDC, decreasing response times for litter problems;
- Partnership with Stowmarket Town Council to provide play sites;
- Establishment of the Pikes Meadow Friends Group;
- Community Volunteers at Eye Castle; and
- Volunteer activity at Needham Lakes.

- 11.19 WYG made no further general recommendations in respect of community involvement.

Specific Findings – Future Delivery of the Service

- 11.20 WYG identified that both the Mid Suffolk in-house arrangements and the Babergh external contract represented value for money. However, they recommended that a full options appraisal should be carried out across the two councils during 2018/19, when there would be the additional assurance of more comprehensive

data sets than were available during the period of the review. A business case would then be provided to both Cabinets to enable Members to take a decision about the best delivery approach for public realm services in the longer term.

- 11.21 Mid Suffolk will therefore continue with its current arrangements in the medium term, at least until the Babergh contract with Id Verde runs out in November 2021. It will decide on the future delivery arrangements beyond 2021 with the benefit of a full business case.
- 11.22 In the meantime, detailed work on volumes and standards will be carried out to support the development of the required comprehensive business case.
- 11.23 WYG noted that if the selected option for either council was to tender externally, this would require a lead in time of more than a year.

12. Proposed Principles for Future Public Realm Service Provision

- 12.1 A number of principles for the provision of Public Realm services have been developed and these have been informed by the findings of the Public Realm Review and feedback from the Public Realm Member Advisory Working Group. These are:
- A clean, green public realm environment, underpinned by a clear set of measurable standards;
 - A holistic approach to the public realm;
 - Efficiency and value for money in service delivery without compromising standards;
 - Co-ordination and, where relevant, integration between both internal (public realm team; countryside team) and external public realm (Suffolk County Council; Id Verde) and waste services (Serco) to maximise efficiency & effectiveness;
 - Increased partnerships with community volunteers, parish and town councils and businesses in the management and delivery of public realm services;
 - An environmentally friendly approach to the public realm in line with the emerging Environment Strategy and the Suffolk aspiration to be the greenest county;
 - A public realm that supports the promotion of the health and well-being of communities;
 - Effective, user friendly processes for residents to report public realm issues in line with the refreshed Public Access Strategy;
 - Future 'vehicles' to deliver public realm and broader waste services will be based on a comprehensive business case and sound evidence base;
 - Member and community engagement embedded in the development of public realm services; and
 - Aspirations and plans for the public realm will be integrated into the new Environment Strategy and the new Communities Strategy that will both be developed and agreed in 2018/19.

13. Key Actions

- 13.1 To address the findings of the Public Realm Review a comprehensive action plan has been developed and the main actions are summarised below.

Actions already underway

- 13.2 These are the immediate actions taken to quickly make improvements to key areas identified in the Review.

- An action plan has been developed in response to findings of the review.
- A new set of principles has been developed to underpin future public realm provision.
- Street cleansing standards have been surveyed on arterial roads in and out of main towns and an improvement programme for hotspots has been put in place.
- A co-ordinated approach to street cleansing and grounds maintenance schedules has commenced internally and officers are also in ongoing discussions with Suffolk County Council Highways Service.
- Health and safety risk assessments and practices for work on 'A' roads have been updated and additional staff training has been delivered.

Actions – February 2018 to October 2018

- 13.3 These are more substantive improvements to fill policy gaps, define standards, measurements and reporting and to improve data collection needed to develop the business case for future service delivery.

- Agree performance measures for the Public Realm and set targets.
- Integrate the in-house public realm and countryside teams and explore the viability of establishing a rapid response service.
- Establish a Public Realm/HRA service level agreement to confirm the scope of work, quantities and standards and review HRA/General Fund finance apportionment.
- Develop public toilets policy.
- Review and extend trees policy.
- Identify a schedule of public realm assets across the districts that could be offered to town and parish councils to manage.
- Develop an open space/public realm asset adoption policy to support this.
- Put in place systems to improve data collection for both in-house and outsourced services.
- Identify and quantify further savings from efficiencies.

Actions - November 2018 to March 2019

- 13.4 These actions will develop and present the options for future service delivery once the detailed data requirements have been collected and analysed.

- Carry out soft market testing.
- Develop a business case for future delivery of public realm services for both Babergh and Mid Suffolk post November 2021.

- Further strategic development of the Public Realm will be integrated into the new Environment Strategy and new Communities Strategy (strategies adopted during this period but work ongoing from now).

14. Member involvement in the Public Realm Element of the Environment Strategy

14.1 To provide greater opportunities for Members to be involved in the transformation of the service, the following actions are proposed.

- Introduce Officer/Member 'Town Walks' to review our public realm assets, beginning in June 2018.
- Establish the following four cross-party Member Advisory Task and Finish Groups to:
 - (i) Develop standards and performance measures for public realm services;
 - (ii) Establish a policy for the adoption of open spaces and other public realm assets;
 - (iii) Review and extend the policy on trees; and
 - (iv) Develop a policy on public toilets.
- Ask scrutiny Committee to carry out pre-cabinet scrutiny on the business case for the future approach for delivering public realm services.

15. Background Documents

Public Realm Review by White Young Green (WYG) – December 2017

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Agenda Item 12

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Agenda Item 13

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Agenda Item 14

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