

MINUTES OF THE MEETING OF THE BABERGH COUNCIL HELD IN KING EDMUND CHAMBER - ENDEAVOUR HOUSE, 8 RUSSELL ROAD, IPSWICH ON TUESDAY, 18 DECEMBER 2018

PRESENT: Barry Gasper - Chairman

Clive Arthey	Sue Ayres
Simon Barrett	Tony Bavington
Peter Beer	Peter Burgoyne
David Busby	Sue Carpendale
Michael Creffield	Luke Cresswell
Derek Davis	Siân Dawson
Kathryn Grandon	John Hinton
Michael Holt	Bryn Hurren
Richard Kemp	Frank Lawrenson
James Long	Margaret Maybury
Alastair McCraw	John Nunn
Adrian Osborne	Jan Osborne
Lee Parker	Stephen Plumb
Nick Ridley	Harriet Steer
Fenella Swan	John Ward

The following Members were unable to be present: Melanie Barrett, Sue Burgoyne, Tom Burrows, Tina Campbell, Alan Ferguson, Jennie Jenkins, Mark Newman, Peter Patrick, David Rose, William Shropshire, Ray Smith and Stephen Williams

78 APOLOGIES FOR ABSENCE

78.1 Apologies for absence were received from Councillor Melanie Barrett, Councillor Sue Burgoyne, Councillor Burrows, Councillor Campbell, Councillor Ferguson, Councillor Jenkins, Councillor Newman, Councillor Patrick, Councillor Rose and Councillor Smith.

79 DECLARATION OF INTERESTS BY COUNCILLORS

79.1 There were no declarations of interest.

80 BC/18/29 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 23 OCTOBER 2018

It was Resolved: -

That subject to the spelling of Sarah Wilcock's name being amended on page 11 of the Minutes, the Minutes were approved as a true record.

81.1 The Chairman introduced his report for noting and added that he and the Vice Chair had carried out fourteen functions since the last Council meeting, which had been a hectic schedule but very worthwhile.

81.2 The Chairman then invited the Leader to present his report.

81.3 The Leader updated Council on the question and answer sessions that had been held out in the district. The final four question and answer sessions had been held in Lavenham, Pinewood, Capel and Brantham. These all followed a familiar theme with planning enforcement and highways' issues being at the fore. As a result of the meetings, the Leader had met with the Suffolk County Council Cabinet Member for Highways and the Highways Department, and had been able to provide a lot of background information to parishes about how applications were assessed and the national criteria that applied when assessing the impact of development on highways, along with the Suffolk County Council's speed limit policy and National Sources for Traffic Speed and Accident Data.

81.4 The Leader and Deputy Leader had also been asked about the Council's call centre performance and the availability of face to face services, both of which were a focus for continual improvement.

81.5 The Leader reported that attendance at those meetings had been variable. Where the attendance had been poorest it was planned to arrange another meeting, it was also intended to accept East Bergholt's invitation for a return visit in the New Year.

81.6 The Leader also provided Council with an update concerning activities resulting from the Council's adoption of the mental health motion at the Council meeting in October. Cllr Osbourne had been appointed as the Member Champion and the Assistant Director for Planning for Growth and the Assistant Director for Corporate Resources had been appointed as the lead officers. Training and other activities had also been carried out to support this.

81.7 The Leader commented on the proposals for the Sudbury Bypass. The Leader was disappointed that the cost benefit ratio for a Sudbury Bypass was now much lower due to a greatly reduced assessment of the benefits suggested by the new modelling criteria, meaning it was not a viable and affordable option at this time. However, building a bypass remained a firm aspiration as it was strongly believed that the benefits would increase quickly as Sudbury continued to grow. A bypass was very much part of Babergh's Sudbury vision for prosperity and the Leader was pleased that the study suggested that improvements to traffic flow in the town could be achieved in the short term through changes to key junctions. The Council would work with Suffolk County Council to prioritise these and take them forward for Sudbury. It was estimated that delivery of these improvements would cost in the order of £10m and options would now be explored in more depth to enable funding to be sought for the scheme.

The Leader would be making an application to Suffolk Public Sector Leaders for some of the money originally allocated to the bypass report to be redirected towards these improvements.

81.8 The Leader informed Council that he had recently visited the Royal Mail's delivery office in Hadleigh, to see first-hand the operation of delivering Christmas post and to pass on early Season's Greetings to the staff. The Leader had found it very interesting seeing how smoothly the whole thing works and the banter and camaraderie amongst the staff was excellent.

81.9 Lastly the Leader told Council that the Electoral Changes' Order for Babergh has made it's passage through parliament so the elections in May next year would be based on the new 32 wards.

81.10 Councillor Bavington asked about the attendance at the question and answer sessions and what was classed as good attendance and what was classed as poor attendance?

81.12 In response the leader informed Council that the attendance at East Bergholt (157 members of the public) was good compared to Long Melford (0 members of the public) was poor.

81.13 Councillor Hinton asked the Leader if he felt that the attendance of the meetings was anything to do with the reliance on the Parish Councils to promote them?

81.14 In response the Leader informed Council that they had not just relied on parish councils to promote the question and answer sessions and had arranged for leaflets to be printed and distributed. The sessions were also promoted through the press, so a variety of means had been used, however there had been lessons learnt through this process and improvements would be put in place going forward.

81.15 Councillor Hurren asked that with the Sudbury by pass not going ahead in the near future whether the possibility of a park and ride service for Sudbury could be explored.

81.16 The Chairman thanked the Leader for his report.

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

82.1 There were no petitions received.

83 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

83.1 There were no questions received from the public.

84 QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

84.1 There were no questions received.

85 BC/18/31 OVERVIEW AND SCRUTINY COMMITTEE REPORT

85.1 The Chairman of Overview and Scrutiny presented his report and informed Council that the report focused on the five items that had been presented to the Committee at the meeting in November.

85.2 The principle item had been reviewing the first round of the bidding for the Community Infrastructure Levy, findings had been fed back to the Joint Member Panel for them to take forward to continue to develop the bidding process for the future. The Committee had also reviewed reports on the Homelessness Reduction Act and the Homelessness Prevention Fund Policy, the Committee had commended the Corporate Manager and her team, for the work that had been carried out so far, in preparation for the implementation of the Homelessness Reduction Act which had seen the work of the team quadruple. It was suggested that a further review be undertaken in another six months. The final two topics were in the form of information bulletins the first for the Community Strategy Engagement Process and the final item was on Corks Lane. As the Committee did not have the full information presented to it, the Committee did not feel it could go any further than note the preference for option 4 in the report relating to Corks Lane.

85.3 Councillor Maybury asked if the Scrutiny Committee could look at the question of disabled bus stop funding when it next reviewed the Community Infrastructure funding process.

85.4 In response the Chair of Scrutiny informed Council that the Committee would only be looking at the bidding process to ensure that the process was fair and reasonable any issues that fell outside of this process should be directed to the CIL Team.

85.5 Councillor Bavington asked the Chair of Scrutiny if he was satisfied that the Housing Reduction Act report was only funded for two years.

85.6 In response the Chair of Scrutiny stated that from a scrutiny point of view they were glad to hear that it was funded for as much as two years, however any concerns related to funding should be directed to the Corporate Manager.

85.7 Councillor Bavington also asked the Chair if the Committee had been happy with the proposals for the Community Engagement Strategy and what councillors would be involved?

85.8 In response the Chair of Scrutiny informed Council that it was envisaged that there would be a broad cross section of councillors involved in the process, however it was a question of trying to get a balance between getting it done reasonably quickly and trying to satisfy everybody that wanted to be involved.

He was confident though, that anybody who wished to make any representations towards the engagement process would be very welcome to do so.

85.12 The Chairman thanked Councillor McCraw for his report.

86 RECOMMENDATIONS FROM COMMITTEES

87 JAC/18/8 HALF YEAR REPORT ON TREASURY MANAGEMENT 2018/19

87.1 The Deputy Section 151 Officer introduced the report and informed Council that at its meeting on the 12 November, the Joint Audit and Standards' Committee considered Paper JAC/18/8. A revised page was circulated at the meeting showing a corrected breakdown for Mid Suffolk's Treasury Investment Portfolio and this was included in paragraph 1.5 Appendix C page 37 in the papers. The report explained in more details the factors affecting the strategy and activities including the regulatory framework, economic conditions, interest rates and liquidity risk. Banking activities were undertaken within the daily bank account limits. Babergh reduced its short-term debt by £3m. All investment activities undertaken were in accordance with the approved counterparty list. Investments by both councils in Funding Circle had reduced as unallocated funds had been reclaimed. For Babergh this was £208K out of the £638K previously invested. Funds would continue to be withdrawn as existing loans were paid off and alternative solutions explored. The Council had complied with the upper limits for interest rate and exposure. The investment activity undertaken for the year was done so in priority order of security and liquidity over yield as prescribed in the Treasury Management Strategy. There were no amendments to the recommendations.

87.2 Councillor Ward **MOVED** the recommendations in the report which Councillor Simon Barrett **SECONDED**.

87.3 Councillor Hinton drew attention to page 32 of the report and stated that where the report mentioned net borrowing it should read net liabilities.

87.4 The Deputy Section 151 Officer thanked Councillor Hinton for his valid point.

87.5 Councillor Busby sought clarification on Table 1 and Table 2 in the report as to why the net borrowing figures did not match in the two tables?

87.6 In response the Deputy Section 151 Officer informed Council that the top table reflected the balance sheet summary that included useable reserves as well as any borrowing that was required to be made. The table below that, reflected the actual borrowing that the Council had at the moment.

87.7 Councillor Bavington referred to the chart in 1.6 on page 43 of the report and the maturity structure of the borrowing of Babergh and Mid Suffolk and sought confirmation that Babergh's borrowing would be substantially lower than Mid Suffolk's because of the way Babergh had structured its borrowing in the first place.

87.8 In response the Deputy Section 151 Officer confirmed that when the money was due to be repaid Babergh had two options on how to repay it, they could either use their reserves to repay the loan or they could take out another loan. If it was the first option then Babergh would be in a better position.

It was Resolved: -

- (i) **That the Treasury Management Activity for the first six months of 2018/19 as set out in paper JAC/18/8 be noted.**
- (ii) **That it be noted that the Babergh District Council Treasury Management Activity for the first six months of 2018/19 was in accordance with the approved Treasury Management Strategy and that the Council had complied with all the Treasury Management's indicators for this period.**

88 BC/18/32 GAMBLING ACT 2005: STATEMENT OF PRINCIPLES THREE YEARLY ADOPTION

88.1 Councillor Ridley introduced the report and informed Council that every three years the Council was under a statutory obligation to revise, consult and re-adopt its gambling policy. The gambling policy document was the final revised draft following a comprehensive public consultation which had commenced in the Autumn and was recommended by the Licensing Regulatory Committee for adoption following a meeting of that Committee. The decision to adopt the amended policy may only be taken by full Council and cannot be delegated to officers or the Licensing and Regulatory Committee. The Gambling Statement of Principals Policy document must therefore be re-adopted and published by the 3 January 2019 to take effect from the 31 January 2019. It will then become the primary point of reference for councillors, officers, applicants and other responsible or interested parties for a further 3 years but maybe revised sooner if it was necessary.

88.2 Councillor Busby queried how the policy differed from other Councils?

88.3 In response the Chief Executive stated that the law required the Council to produce a local statement and therefore that was what was being presented tonight.

88.4 Councillor Ridley **MOVED** the recommendations in the report which Councillor Beer **SECONDED**.

It was Resolved:

That the draft revision Gambling Act 2005 "Statement of Principles document as attached at Appendix a of the report be adopted for publication and to take effect for three years (unless sooner revised) from 31st January 2019.

89 BC/18/33 PERFORMANCE OVERVIEW OF BABERGH DISTRICT COUNCIL (SUFFOLK HOLDINGS) HOLDING COMPANY

89.1 Councillor Busby, being a Board Member of Babergh District Council Suffolk Holdings Company declared a local non-pecuniary interest in Item BC/18/33.

89.2 Councillor Ridley, Chair of Babergh District Council Suffolk Holdings Company introduced the report and informed Council that the report provided the Council as a 50% shareholder in CIFCO Capital Limited with an update on the performance of its investment portfolio for the period April to December 2018 and provided an overview of the key activities that it would be focusing on over the next few months. The report had been brought to Council for noting only.

89.3 Councillor Ridley also stated that to date eight assets had been acquired with a fund of just over 70% invested at circa £35m. This provided the Council with a 10% equity value of £1.766m. This would bring a net revenue to Babergh District Council of £574K in 2018/19 as this equated to payment for around 17 Grade 4 staff. Since then Councillor Ridley reported that the Company had now got to the situation where subject to finality of negotiations the Company was now just about fully invested. The Company had in fact made the investments by December as was said originally. Councillor Ridley emphasised the importance of this in terms of providing income which was desperately needed in the Council.

89.4 The Chairman thanked Councillor Ridley for his report which was dually noted by Council.

90 ELECTION OF A VICE-CHAIR FOR JOINT AUDIT AND STANDARDS COMMITTEE

90.1 The Chairman called for nominations for the election of the Vice Chair for Joint Audit and Standards Committee.

90.1 On the proposal of Councillor Ward and seconded by Councillor Ridley a nomination for Councillor Patrick was **MOVED**.

90.2 On the proposal of Councillor Bavington and Seconded by Councillor Davis a nomination for Councillor Hinton was **MOVED**.

90.3 These nominations were **PUT** to the meeting and voted on. The nomination for Councillor Patrick was **CARRIED**.

It was Resolved:-

That Councillor Patrick be appointed Vice- Chair for the Joint Audit and Standards Committee until the Annual Council meeting 2019.

91 COUNCILLOR APPOINTMENTS

It was Resolved: -

- (i) That Councillor Hinton be appointed to the Joint Audit and Standards Committee**
- (ii) That Councillor Dawson replace Councillor Alan Ferguson on the Licensing and Regulatory Committee.**

MOTION ON NOTICE

92.1 On the proposal of Councillor Cresswell and seconded by Councillor Bavington the following Motion was **MOVED:-**

This Council will:-

1. Develop a robust strategy to make Babergh a 'single-use plastic free' authority by the end of 2019, including an end to the purchase and procurement of single use plastics through supply chain;
2. End the sale and provision of single use plastic products such as bottles, cups, cutlery, disposable coffee cups and drinking straws in council buildings; and
3. Investigate the possibility of requiring pop-up food and drink vendors at Council events to avoid disposable plastic items as a condition of their contract.
4. Become a member of the keep Britain tidy network.
5. Explore the idea of putting on-street recycling bins in Sudbury and Hadleigh town centres to help people recycle on the go. The new bins will enable people to recycle cans, paper and card, plastic and glass items.

92.2 In his introductory speech, Councillor Cresswell ask Council to consider the problem of plastic following the recent publicity of global issues caused by plastic. The first part of the motion called on the Council to develop a robust strategy to make Babergh a single use plastic free authority by the end of 2019, including an end to the purchase and procurement of single use plastics through the supply chain.

92.3 Commenting further Councillor Cresswell stated that the second part of the motion to end the sale and provision of single use products in the building would be a lot easier to adopt now that the County Council had committed to not using single use products in the building. The third part of the motion was to investigate the possibility of requiring pop up food and drink vendors to avoid plastic items were possible at Council events and to become a member of the Keep Britain tidy network. Lastly the motion asked that the Council explore the idea of putting on street recycling bins in Sudbury and Hadleigh town centres, other councils had already invested in these type of schemes and it would be share good practice.

92.4 Finally Councillor Cresswell stated that it would be good for Babergh to follow the County Council's stance on this, but also felt that Babergh could lead in this way also to ensure that Babergh was a clean and tidy area with high recycling rates which other Council's aspired to.

92.5 The Chairman under Part 3 Council Procedure Rules 13.6 referred the Motion to Cabinet without further debate.

92.6 Councillor Ward raised a point of information and informed Council that on the matter of the recycling bins, the Council had ordered a couple of conversion kits to convert two bins in Sudbury to be able to take cans and plastic bottles and the trial was already under way. However, Councillor Ward stated that whilst the trial would address the concerns that had been raised and would send a positive message from the behavioural point of view, the result of the trial may have little impact on recycling in the town centre because it was likely that there would be a high level of contamination. Councillor Ward also made reference to the announcement from central government regarding the new National Resources and Waste Management Strategy.

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

On the proposal of Councillor Burgoyne and seconded by Councillor Lawrenson

It was Resolved:-

That pursuant to Part 1 of Schedule 12A of the Local Government Act 1972, the public be excluded from the meeting for the business specified in the Minutes on the grounds that if the public were present during discussion of this item, it is likely that there would be disclosure to them of exempt information as indicated.

94 RECOMMENDATION FROM CABINET

a BC/18/34 BABERGH FORMER HQ SITE DEVELOPMENT

94a.1 Councillor Lawrenson introduced the report and **MOVED** the recommendations in the report which Councillor Simon Barrett seconded.

94a.2 In his presentation Councillor Lawrenson informed Council that the plans for the future of the former offices at Hadleigh and the former care home at Angel Court included 78 new homes of which 27% were affordable giving a total of 21 affordable homes. The Council had been determined to leave the former offices empty for as little time as possible and the planning application was one of the next steps in bringing the site back into use.

94a.3 Commenting further Councillor Lawrenson said that following the Cabinet decisions to set up a joint venture company with the Norse Group a company wholly owned by Norfolk County Council, to assist the Council in the delivery of high quality energy efficient housing within the district, the report was seeking total funding of £3.77m in the form of a loan to deliver the scheme as set out in the financial section of the report. The special purpose vehicle would be known as Babergh Growth.

94a.3 Councillor Arthey queried why the figures in the report did not include the Angel Court development?

94a.4 in response Councillor Lawrenson confirmed that the figures were not included in the report and would be included in the HRA funding.

94a.5 Councillor Arthey sought further clarification on what the figures did include?

94a.6 In response The Strategic Director for Resources confirmed that the figure included all of the planning stages from 1 to 3 the RIBA stage, however the figure did not include the cost of security for the site. Going forward once Babergh Growth had been set up, the security costs would be within that budget.

94a.7 Councillor Kemp stated that he found the figures confusing and asked where the acquisition and conversion costs were reflected?

94a.8 In response the Strategic Director for Resources confirmed that the figure for the value of the site was based on external validation and had concluded that there was a notional value of zero for the site, with a projected return profit out of the investment of £800k.

94a.9 Councillor Arthey asked what the impact in terms of the viability of the redevelopment would be if the headquarters site had to provide affordable housing rather than the existing hybrid arrangement.

94a.10 In response Councillor Simon Barrett stated that the situation would be the same if you were in the private sector, if you had a site that you were unable to put affordable housing on it you would normally pay a commuted sum and that was what effectively Angel Court was becoming, to enable the delivery of affordable housing.

94a.11 Councillor Busby raised concerns about the viability of Norse and asked if a full due diligence process had been undertaken?

94a.12 The Strategic Director for Resources confirmed that full due diligence of the company had been undertaken, which had confirmed that the Company was very stable and growing.

94a.13 Councillor McCraw sought clarification on how the Joint Venture Company would work on a structural basis with the Council, whether the £3.77m would be the total exposure to the Council and what options were being considered for the private rental income aspect?

94a.14 In response Councillor Lawrenson stated that the £3.77m was the cashflow requirement and not the extent of the liability. The Strategic Director for Resources added that in terms of the relationship with Norse, the joint venture company would be set up using Suffolk Holdings Ltd. The governance arrangements would be very similar to CIFCO and as a deadlock company no voting would take place. The report also highlighted the objectives, The Strategic Director emphasised the importance of those objectives and that they were set at the beginning to ensure that the Council gave a clear indication of what they wanted to achieve. With regards to the options for the tenure, there was an obvious assumption that it was a market led scheme for sale. The Council was highly likely to retain the freehold to a number of apartments and there might be leaseholds to the owners or tenants for up to 125 years so there was lots of potential and there would definitely be different tenures on the site based on the best options for the site.

94a.15 Councillor McCraw raised the issue of the profitability of the site and asked if the original consultation costs had been taken into account?

94a.16 In response the Chief Executive stated that the sum of between £500k and £600K had been a notional sum which he believed was actually a total that included Mid Suffolk as well. However, he would need to check and confirm this, but he certainly would have expected that some of the costs that had been discussed would come out of this.

94a.17 Councillor McCraw also asked who would be responsible for agreeing the freehold of the apartments.

94a.18 In response the Chief Executive confirmed that it would be the Board of the new Company that would make those type of decisions based on the finances placed before them and the Articles of the Company which had not been created yet.

It was Resolved: -

That capital funding of £3.77m as set out in section 6 of the report be approved, to enable funding to be provided to Babergh Growth, in the form of a loan to enable the development of the former HQ site within Hadleigh.

At the request of Councillor Kemp his vote against the recommendations was recorded.

The business of the meeting was concluded at 7.18 pm.

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Chairman