

BABERGH DISTRICT COUNCIL

BABERGH CABINET

MINUTES OF THE MEETING OF THE BABERGH CABINET HELD IN ELISABETH ROOM - ENDEAVOUR HOUSE, 8 RUSSELL ROAD, IPSWICH ON THURSDAY, 10 JANUARY 2019

PRESENT: John Ward - Chair

Simon Barrett	Frank Lawrenson
Derek Davis	Jan Osborne
Kathryn Grandon	Nick Ridley

IN ATTENDANCE:

Councillors:

Clive Arthey	Alastair McCraw
Sue Carpendale	Adrian Osborne
John Hinton	

Officers:

Chief Executive (AC)
Strategic Director (KN)
Assistant Director – Law and Governance (EY)
Assistant Director – Corporate Resources (KS)
Assistant Director – Planning and Communities (TB)
Assistant Director – Environment and Commercial Partnerships (CF)
Corporate Manager – Financial Services (ME)
Corporate Manager – Countryside and Public Health (PG)
Corporate Manager - Homeless Prevention and Financial Inclusion (HS)
Business Improvement Manager (DC)
Senior Finance Business Partner (SB)
Business Performance and Improvement Officer (NA)
Acting Senior Governance Support Officer (HH)

95      APOLOGIES FOR ABSENCE

95.1 Apologies for absence were received from Councillors Margaret Maybury and Tina Campbell.

96      DECLARATION OF INTERESTS BY COUNCILLORS

96.1 There were no declarations of interest.

97      BCA/18/53 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 13 DECEMBER 2018

**It was RESOLVED:**

**That the minutes of the meeting held on 13 December 2018 be confirmed as a true record.**

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

98.1 There were no petitions received.

99 QUESTIONS BY COUNCILLORS

99.1 None received.

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

100.1 A draft minute of the Overview and Scrutiny Committee meeting held on 17 December 2018 and a recommendation from the Overview and Scrutiny Committee was attached to item 12, Extension of the Serco Contract 2021 - 2018, Report BCa/18/58.

101 FORTHCOMING DECISIONS LIST

101.1 The Cabinet was informed that the Joint Local Plan was not being presented to Full Council this month, but Members were reminded of the briefing taking place on Monday 14 January 2019.

101.2 Councillor Lawrenson asked when the Waldingfield conservation appraisal was coming forward. He understood there had been some debate as to which Committee the appraisal should be presented to and that there were other conservation appraisals which were expected to be completed and presented to Committee.

101.3 The Assistant Director for Law and Governance believed it to be a planning matter but would confirm the correct procedure for Conversation Appraisals outside of the meeting.

101.4 It was confirmed that the Disabled Facilities Grant report would be added to the Forthcoming Decisions List.

102 BCA/18/54 DRAFT GENERAL FUND BUDGET 2019/20 AND FOUR YEAR OUTLOOK

102.1 Councillor John Ward, Cabinet Member for Finance, introduced report BCa/18/54 and stated that the General Fund Budget and the Housing Revenue Account Budget were now separate reports. Major points in the budget were detailed including:

- The projections for the Four-year Outlook was detailed in section 8 and, table 19, at paragraph 8.23, and that the accumulative deficit at the end of this period was £671,000.
- The new homes bonus receipts had been used and £3.375 million excluding these receipts.
- The general fund draft budget required all of the anticipated 2019/20 new homes bonus receipts of £683,000.

- Reliance of reserves amounted to £580,000 to achieve a balanced budget.
  - Council Tax increase would be continued at the maximum level allowed at £5 per year for a band D property for the next 2 years and 3% for the following 2 years.
  - A growth of 1.64% in the band D equivalent, the number of properties for 2019/20 and 1.5% per annum, thereafter, ensured that council tax revenues would help offset the ongoing cost pressures.
  - A provisional Finance settlement of £273,000 was outlined in paragraph 4.9 to 4.11.
  - An additional investment in CIFCO of £25 million was budgeted to produce a net income after interest charges of £109K next year 19/20 and £327K in 20/21 and then an ongoing £435K in the years thereafter.
  - The capital programme showed that investment faced equally over the two years 19/20 and 20/21 as set out in appendix B.
  - Section 11 detailed a discretionary carer council tax discount of 100%.
  - A secondary empty property premium would be introduced with a maximum premium of 100% in 2019/20 as outlined in paragraph 12.9.
- 102.2 Councillor Ward **MOVED** the recommendations in the report which was **SECONDED** by Councillor Simon Barrett.
- 102.3 Councillor Barrett asked for clarification of the New Homes Bonus which was part of the revenue income. He referred to the figures in paragraph 8.9 which indicated that if 150 houses were deducted from the total number of houses, then only 63 houses were left to generate income.
- 102.4 The Assistant Director – Corporate Resources, explained that Table 5 showed the actual monetary amounts and not the number of houses, so the actual 7 new homes bonus income was £63,000 for each of the four years.
- 102.5 Councillor Barrett asked if this meant that there had to be more than 150 new homes built before the Council would be able to collect any money.
- 102.6 The Chief Executive explained that the Government had intended the New Homes bonus to be an additional grant to encourage developments. The homes in the table would be equivalent to a Band D development but could in reality be a combination of the size of the houses built and council tax bands.
- 102.7 Councillor Derek Davis asked for clarification of numbers for the New Home's Bonus on page 23, table 10. The Assistant Director had mentioned £63,000 but in table 10 the figure was £683K
- 102.8 The Assistant Director – Corporate Resources responded that the £63K was the new funding which was received for each of four years, starting in 2017/18. Payments were received every four years and the total funding in 2019/20 will be £683K.

- 102.9 Questions were raised in relation the Business Rates and if there would be relief for smaller business with income under £51,000. There was a number of national relief grants to help smaller business. However, there will be a new discretionary Business Rates relief available for retail businesses, but the application of this relief will be financed by government and so won't have a financial impact on the council.
- 102.10 It was established that the Transformation Fund still existed, and that funds were built by surplus in the budget.
- 102.11 Councillor Kathy Grandon referred to table 11, page 28 and asked it was the same properties being empty and if the Council received any Council tax from these properties.
- 102.12 The Assistant Director would provide an answer to this outside of the meeting.
- 102.13 Councillor Jan Osborne was concerned for the Citizen Advice Bureau (CAB) as the funding for this service had been cut from the Suffolk County Council's Budget. She asked if any extra funding had been allocated in the Budget to support CAB.
- 102.14 The response from officers explained that Suffolk County Council (SCC) was still in the process of setting the budget for the County and until this had been finalised the amount of funding for CAB was not available.
- 102.15 Councillor Frank Lawrenson was concerned about the financial challenge for the Council in relation to the investments in the retail property market made by CIFCO. He referred to recommendation 3.3 and felt that a decision for investing should be deferred to April 2019 due to the current financial market and Brexit.
- 102.16 Councillor John Ward, Cabinet Member for Finance, stated that CIFCO was no making high risk investment, but long-term investments, which was prudent under the current circumstances. He stated had confidence in the Board of Directors for CIFCO.
- 102.17 Councillor Nick Ridley supported this and said that the timing was important as the Cabinet needed to authorise the funds now in order to meet the planned investments of the next couple of years for CIFCO.
- 102.18 The Chief Executive stated that the investment was for next couple of years and that the Business Plan for CIFCO would be presented to Full Council for approval. Recommendation 3.3 approved the funding, but Council would approve how the funding would be invested via the Business Plan.
- 102.19 Councillor Barrett referred to paragraph 6.5, page 12 and the inclusion of 'social value'. He felt this was not appropriate for a financial report.

- 102.20 Members discussed the issue and it was generally agreed that social value was part of the how the Council operated. Improvements to the lives of the residents included not just investment in services and local economy but also the possibility of these bringing other benefits such as apprenticeships.
- 102.21 In a related question to the above it was clarified that the investments of CIFCO were not intended for residential property investments, but that other investment vehicles, such as the joint venture with NORSE, were used for this purpose.
- 102.22 Councillor Davis stated that the Overview and Scrutiny committee had scrutinised the Business Plan for CIFCO in June 2018 and that he had attended this committee which had reassured him that CIFCO was managed properly.
- 102.23 He also thanked officers for the Budget briefing, which had improved his understanding of the budget.
- 102.24 Councillor Sue Carpendale asked for clarification of table 8, page 20, she was concerned about the reduction of staff costs in this table.
- 102.25 The Assistant Director – Corporate Resources explained that the reduction in staffing costs was a result in a reduction of the contribution to the Staff Pension Fund for next year. Also, there had been a reduction in the claims for disturbance travel allowance and that the previous predicted costs for this had been less the actual cost. This reduction of staff costs was therefore not directly related to a reduction in staff.
- 102.26 The Chief Executive informed Cabinet that a management review of the management structure was being undertaken and that there was an assumption that a further reduction in external consultancy and temporary staff would be implemented.
- 102.27 Councillor Alastair McCraw returned to the question of the investment of £25 million for CIFCO and the recommendation 3.3. He understood that it would take two years to invest £25 million and asked if it was assumed that in two years-time a further £25 million were to be invested.
- 102.28 Councillor Ward, Cabinet Member for finance, stated that the requirement for the additional £25 million would be address in the MTFS, but that there was not going to be a continued funding request for CIFCO.
- 102.29 Councillor Ridley added that it would be for the Council to decide in the future.
- 102.30 Councillor John Hinton made the following points for the report:
- That Endeavour House had been included as an asset
  - Stowmarket Customer Access points had also been included under the asset regenerations.

- That he required a clarification of figures in the section on Property Services (page 44) under the heading of Community Safety CCTV. The figures of the £1000 and £29,000 had been set to a total of £29,000.
- That the CCTV cameras in Hadleigh did not work.

102.31 Councillor John Ward, Cabinet Member for Finance, explained that the adding of figures in this section of the report was a rounding issue. He continued that Endeavour House and Stowmarket access point had been included because there were costs associated with the running of these premises and this was included as assets.

102.32 Kathy Nixon, Strategic Director, responded to the question regarding the CCTV in Hadleigh and informed Cabinet that currently the provision for the CCTV cameras in both Hadleigh and Sudbury were under review, which would be reported back to the Members at a later date. She was also aware that some of the Cameras in Hadleigh were not in working order, but that maintenance had been organised to address this issue.

102.33 A correction was made to paragraph 8.18, page 21: amend 2018 to 2020.

By a unanimous vote

**It was RESOLVED:**

- (i) **That the draft General Fund Budget proposals for 2019/20 and four year outlook set out in the report be endorsed for recommendation to Council on 19 February 2019, subject to further consideration at the next Cabinet meeting on 7 February 2019.**
- (ii) **That the draft General Fund Budget for 2019/20 was based on an increase to Council Tax of £5 per annum (10p per week) for a Band D property, which was equivalent to 3.15%, to support the Council's overall financial position, which would be considered further at the February Cabinet meeting.**
- (iii) **That a further £25m be invested in CIFCO as set out in paragraph 8.18.**
- (iv) **That a discretionary Care Leavers Council Tax discount of up to 100% be introduced from the 1 April 2019 as set out in section 11.**
- (v) **That the second empty property premium be increased as per the regulations set out in paragraph 12.9**

**Reason for Decision**

To bring together all the relevant information to enable Cabinet Members to review, consider and comment upon the Council's General Fund budget before the February Cabinet review and recommendations to Council.

103 **BCA/18/55 DRAFT HOUSING REVENUE ACCOUNT (HRA) BUDGET AND FOUR YEAR OUTLOOK**

- 103.1 Councillor Jan Osborne, Cabinet Member for Housing, introduced report BCa/18/55, and informed Members of the following correction:
- 103.2 Paragraph 1.1, page 49, 'General Fund' be corrected to 'Housing Revenue Account'.
- 103.3 Councillor Osborne then outlined the main issues in the report including:
- That a continuation of the 1% rent reduction would continue as required by the Welfare Reform and Work Act.
  - That the recent government announcement that local authorities could increase rents by a maximum of CPI (currently 2.6%) +1% for five years from 2020/21 will reduce the impact of these.
  - That the debt cap in October 2018 would be removed.
  - That the high value asset levy would not be introduced
  - That the Right to Buy forecast of a 437K increase in the 2019/20 revenue budget against last year was shown in the table 11.1.
  - Garage rents would remain at the same level as last year.
  - A project to reduce of the number of vacant garages would be implemented this year.
  - A reduction of the rents for housing tenants of 1% would be implemented from April 2019
  - Sheltered tenants would receive a 1% reduction in their rent and services charges would be kept at the current level.
  - It was recommended that an increase in utility charges of 5% should be implemented.
- 103.3 Councillor Osborne **MOVED** the recommendations in the report which was **SECONDED** by Councillor Nick Ridley.
- 103.4 Members asked for clarification of the project to reduce vacant garages.
- 103.5 Councillor Osborne responded that a project to identify vacant garages and explore the possibility of regenerating these for housing was being undertaken.
- 103.6 In response to questions Councillor Osborne would provide a list of vacant garages to Members outside of the meeting.
- 103.7 Councillor Nick Ridley asked for clarification of the cost for Babergh and Mid Suffolk Building Service (BMBS) and if the figure represented half of the cost of the Service for Babergh District.
- 103.8 The Assistant Director – Corporate Resources stated that this was correct as the split of the housing stock was approximately 50/50.

By a unanimous vote

**It was RESOLVED:**

- (i) **That the HRA Budget proposals set out in the report be approved.**
- (ii) **That the Housing Revenue Account (HRA) Capital Programme 2019/20 to 2022/23 and HRA Budget for 2019/20 be agreed.**
- (iii) **That the mandatory decrease of 1% in Council House rents, equivalent to an average rent reduction of £0.90 a week as required by the Welfare Reform and Work Act, be implemented.**
- (iv) **That garage rents be kept at the same level as last year.**
- (v) **That Sheltered Housing Service charges be kept at the same level as last year.**
- (vi) **That Sheltered Housing utility charges be increased by 5% (average £0.61 increase per week).**
- (vii) **That in principle, Right to Buy receipts should be retained to enable continued development and acquisition of new council dwellings.**
- (viii) **That the revised HRA Business Plan in Appendix B be noted.**

**Reason for Decision**

To bring together all the relevant information to enable Cabinet Members to review, consider and comment upon the Council's Housing Revenue Account budget before the February Cabinet review and recommendations to Council.

104 **BCA/18/56 HOMELESS PREVENTION FUND POLICY**

- 104.1 Councillor Jan Osborne, Cabinet Member for Housing, introduced report BCA/18/56 and stated that the current homelessness prevention fund policy was out of date and focused on the historic legislation. The new policy incorporated the new legislation and showed a commitment to prevention rather than cure homelessness.
- 104.2 The Council was grant funded through the flexible homelessness support grant by the MHCLG and in 2019/20 the Council would receive £10,600, which would increase to £25,000 in year 1 19/20 and £35,000 in year 2 20/21. Further funding was expected in 20/21.
- 104.3 The homelessness prevention fund would be used for a wide range of options and the policy was not too prescriptive about how the money was spent. It was necessary to be flexible, adaptable and creative when preventing homelessness.

- 104.4 In response to Members questions the Corporate Manager for Housing Solutions explained that when money was being lent to clients to pay back debt, the funds were not always recovered, and that evaluation of the individual circumstance was based on a case by case basis.
- 104.5 Questions regarding the effect of the Universal Credit was raised and the officer responded that some clients received both, but again this was based on each individual case.

By a unanimous vote

**It was RESOLVED:**

**That Cabinet approved the introduction of this policy for 2019/20**

**Reason for Decision:**

By approving the implementation of the policy, it will enable the Housing Solutions Officers to prevent or relieve homelessness in more cases and reduce the demands on temporary accommodation.

105    BCA/18/57 JOINT COMMUNITIES STRATEGY

- 105.1 Councillor Jan Osborne, Cabinet Member for Housing introduced report BCa/18/57 on behalf of Councillor Margaret Maybury, Cabinet Member for Communities.
- 105.2 The strategy had been developed as a response to some of the bigger community related changes, which had taken place within the Districts and the challenges and opportunities that lied ahead.
- 105.3 Section 3 of the consultation version detailed the commitments for the strategy, which have been developed through focussed discussions with a cross party group of councillors, external partners, statutory agencies and staff. It was the intention to use the consultation period to clarify these and other issues to develop a more conventional strategy document.

Councillor Osborne **MOVED** the recommendations in the report, which was **SECONDED** by Councillor Nick Ridley.

- 105.4 In response to Members' questions the Assistant Director for Planning and Communities stated that the last bullet point on page 85 would be removed and that the questions would be more general.
- 105.5 Some Members was concerned that there were inconsistencies in the strategy and that it was lengthy.
- 105.6 The Assistant Director outlined the following in response to questions:
  - Social prescribing was one of the areas of activity articulated by the focus groups;

- Suffolk Costal and East Suffolk District Council both has a similar strategy;
  - Members had identified the need for a Community Strategy;
  - The current version was a ‘working’ progress document.
- 105.7 He continued that reliance of local residents was already a huge part of the Community and it was hoped that the strategy would give a sense of coherence of how to use the resources and to inspire residents to partake in volunteering. He recognised there was a continued pressure for more volunteers. Therefore, it was important that the grant schemes were facilitated to community groups to support them.
- 105.8 Councillor Frank Lawrenson stated that the use of open questions was likely to make the analysis a challenge. He also suggested that information about the statutory and discretionally services should be fed back to the community. He stated that this should be made clearer in the strategy.
- 105.9 Councillor Sue Carpendale asked if the strategy delivered social value. She also suggested communities provided feed-back on what was working in their communities.
- 105.10 Councillor Hinton enquired about the changing demographics and the difference between the two districts. The strategy was specific in relation to the estimated population growth between 2018 and 2036 and he could not get this to correlate with the number of houses being built.
- 105.11 The Assistant Director, Planning and Communities responded that the estimated population growth was from the statistics for Public Health and that the housing requirements were different due to the change of family structures. However, the strategy did not deliver an answer to housing development requirements and the document did not refer specifically to one district.
- 105.12 He continued that change in the population demographics would have a significant impact on areas such as volunteering and that some groups, such as the Over 65s and Over 85s were growing.
- 105.13 Although some Members felt the document was too long, they stated that they appreciated the development of a communities’ strategy and thanked the team for the work.

By a unanimous vote

**It was RESOLVED:**

- (i) **That the consultation approach and timetable for the Joint Communities Strategy described in paragraphs 10.5 and 10.6 be agreed.**

- (ii) That the Assistant Director for Planning and Communities, in consultation with the Cabinet Member for Communities, be given delegated authority to make any minor changes as necessary to the consultation version of the draft Communities Strategy prior to the Strategy going out for consultation.

**Reason for Decision:**

To ensure that Babergh District Council have an up to date Joint Communities Strategy which provided:

- Strategic leadership on the key community issues facing the districts;
- Coherent and joined up approaches to the way we work with our communities and with partners;
- Greater local accountability for decision making; and
- A more focused approach to community development which has the greatest impact.

106    BCA/18/58 EXTENSION OF SERCO CONTRACT 2021 - 2028

- 106.1 Councillor John Ward, Cabinet Member for Finance and Leader introduced report BCa/15/58 for Councillor Tina Campbell, Cabinet Member for Environment.
- 106.2 He stated that the purpose of the report was to agree an extension of the joint household waste contract, which expired in April 2021 with the existing provider SERCO. Councillor Ward provided a brief summary of the contract including:
- Currently the Council and SERCO were undertaking a review whereby both parties needed to decide whether there would be an extension and notice to cease or extend the contract needed to be determined by the 1 April 2019.
  - SERCO estimated that two additional rounds would be needed for the extension to the contract and this equated to additional contract payments of £265,000 a year.
  - The extension option with SERCO would include the addition of certain key performance indicators which were appended to the report.
  - This report and the Eunomia report had been scrutinised by both Councils' Overview and Scrutiny committees, and both committees had provided a unanimous recommendation to endorse the recommendations in the report (Appendix C).

Councillor Ward **MOVED** the recommendations in the report, which was **SECONDED** by Councillor Frank Lawrenson

106.3 Members agreed that the document was well presented and carefully analysed. Problems with waste collection were generally resolved satisfactorily.

By a unanimous vote

**It was RESOLVED:**

- (i) **That approval was given to extend the current Household waste and Recycling contract with Serco for a further 7-year period from 2021 to 2028**
- (ii) **To delegate to the Assistant Director, Environment and Commercial Partnerships, in consultation with the Cabinet Members for Environment, to finalise the extension agreement and enter into contract with Serco for an additional 7 years from 2021-2028.**

**Reason for Decision:**

The decision to extend the current contract offers good value to the Councils and has a lower cost than any other option.

107 BCA/18/59 THE ADOPTION OF A SET OF PRINCIPLES FOR THE MANAGEMENT OF COUNCIL OWNED TREES

107.1 Councillor John Ward, Cabinet Member for Finance and Leader introduced report BCa/15/58 for Councillor Tina Campbell, Cabinet Member for Environment.

107.2 Both Babergh and Mid Suffolk owned an extensive stock of trees, which was in excess of 20,000 recorded individual trees.

107.3 In 2017 the White Young and Green report identified that there were no clear policies or procedures relating to trees and their management. This sometimes led to potential conflict with respect as to how the council tree stock was managed. Trees and their management performed a topic that was considered by the multi -party public realm task and finish group in 2018 and the draft tree principles for council owned trees was developed from discussions held at several other meetings.

107.4 Councillor Ward **MOVED** the recommendations in the report, which was **SECONDED** by Councillor Frank Lawrenson.

107.5 Councillor Frank Lawrenson stated that a policy on how the Council managed trees was needed and thought the policy was extremely good.

107.6 Members agreed with Councillor Lawrenson.

107.7 In response to questions regarding who managed trees, it was clarified by the Corporate Manager for Countryside and Public Realm that it would be the responsibility on whomever owned the land on which the tree was growing.

The Council would make sure that any planted trees would have that proper protection and it was the duty for the landowner to make sure that any trees and other facilities on the land were fit for purpose and safe for people visiting that land.

By a unanimous vote

**It was RESOLVED:**

- (i) That the Cabinet approved the set of principles for the management of the council owned trees (Appendix A), subject to an amendment to clarity that the land owner had responsibility for maintaining any Community planted trees
- (ii) That the Cabinet recommended the increase in operational budgets outlined in 6.3

**Reason for Decision:**

The decision to agree the principles will allow the Councils to adopt a fair and consistent approach to the management of Council owned trees enabling clear guidance on how the tree resource is to be more sustainably managed.

**Alternative Options Considered and Rejected:**

Both Councils have the option of not agreeing a set of principles or agreeing an amended set of principles subject to the direction of Cabinet.

108 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 be excluded from the meeting for the business specified in the report on the grounds that if the public were present during that item, it is likely that there would be disclosure to them of exempt information.**

109 BCA/18/60 TO CONFIRM THE CONFIDENTIAL MINUTE OF 13 DECEMBER 2018 MEETING

By a unanimous vote.

**It was RESOLVED:**

**That the confidential minute of the meeting held on 13 December 2018 be confirmed as a true record.**

The business of the meeting was concluded at 11:35 am

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Chair (& Date)