

## **BABERGH DISTRICT COUNCIL**

Minutes of the meeting of the **BABERGH CABINET** held in the King Edmund Chamber - Endeavour House, 8 Russell Road, Ipswich on Tuesday, 11 February 2020 at 5:30pm

### **PRESENT:**

Councillor: John Ward (Chair)

Councillors: Derek Davis  
David Busby  
Lee Parker

Clive Arthey  
Michael Holt

Officers: Chief Executive (AC)  
Strategic Director (KN)  
Assistant Director – Corporate Resources (KS)  
Assistant Director – Housing (GF)  
Operations Manager – Shared Revenue Partnership (AW)  
Deputy Monitoring Officer (JR)  
Governance Officer (CP)

### **213 APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Elisabeth Malvisi and Councillor Jan Osborne.

### **214 ITEMS OF BUSINESS**

The Leader of the Council advised Members that report BCa/19/39 Joint Area Parking Management Plan had been withdrawn from the Agenda.

### **215 DECLARATION OF INTERESTS BY COUNCILLORS**

There were no declarations of interests declared.

The Monitoring Officer confirmed that there was no need for a Cabinet Member to declare an interest as a Parish Councillor.

### **216 BCA/19/32 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 09 JANUARY 2020**

It was **RESOLVED:-**

**That the minutes of the meeting held on 09 January 2020 be signed as a true record.**

### **217 BCA/19/33 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 16 JANUARY 2020**

**It was RESOLVED:-**

**That the minutes of the meeting held on 16 January 2020 be signed as a true record.**

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

There were no petitions received.

**219 QUESTIONS BY COUNCILLORS**

There were no questions received.

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

The Leader advised Cabinet Members that apologies had been received from Councillor Alastair McCraw, Chair of the Babergh Overview and Scrutiny Committee. The Leader confirmed that the Overview and Scrutiny Committee had reviewed Reports BCa/19/34 General Fund Budget 2020/21 and Four-Year Outlook, and BCa/19/35 Housing Revenue Account (HRA) Budget 2020/21 and Longer-Term Outlook, and endorsed the recommendations contained in the reports. The members of the Overview and Scrutiny Committee thanked the Finance Team for their efforts in putting together the budgets.

Councillor Ward advised that the recommendations from the Overview and Scrutiny Committee regarding report number BCa/19/38 Outputs for 2019-23 to Support the Delivery of the Joint Corporate Plan, would be discussed alongside the report later in the meeting at the relevant point in the agenda.

**221 FORTHCOMING DECISIONS LIST**

The Forthcoming Decisions List was noted. The Chief Executive explained the rules regarding publishing of the Forthcoming Decisions List and timescales for key decisions.

**222 BCA/19/34 GENERAL FUND BUDGET 2020/21 AND FOUR-YEAR OUTLOOK**

The Cabinet Member for Finance introduced the report which had been presented to Cabinet in January, and updated Members on changes made since the previous meeting, including the updates contained in the tabled papers.

Councillor Ward proposed the recommendations contained in paragraphs 3.1 to 3.5 of the report.

Councillor Davis commended the Finance Team for producing a budget with no service cuts to residents and commented that the budget had a positive outlook for the coming year.

Councillor Arthey made reference to the hard work which had gone into the budget preparation before the meeting today.

The recommendations were seconded by Councillor Davis.

By a unanimous vote

**It was RESOLVED:-**

- 1.1 That the General Fund Revenue Budget proposals for 2020/21 and four-year outlook set out in the report and the updates tabled at the meeting be endorsed for recommendation to Council on 26 February 2020 as detailed below.**
- 1.2 That the General Fund Capital Budget proposals for 2020/21 and four-year outlook set out in the report be endorsed for recommendation to Council on 26 February 2020.**
- 1.3 That the General Fund Budget for 2020/21 is based on an increase to Council Tax of £5 per annum (10p per week) for a Band D property, which is equivalent to 3.1%, to support the Council's overall financial position.**
- 1.4 That from 1 April 2020 properties that are unoccupied and unfurnished (Class C discount) receive a 25% reduction for the first 28 days as set out in section 11 of the report.**
- 1.5 That the proposed Pay Policy Statement for 2020/21 as set out in section 12 of the report be endorsed for recommendation to Council on 26 February 2020.**

**Reason for Decision:** To bring together all the relevant information to enable Cabinet Members to review, consider and comment upon the Councils General Fund budget before recommendation to Council.

## **223 BCA/19/35 HOUSING REVENUE ACCOUNT (HRA) BUDGET 2020/21 AND LONGER-TERM OUTLOOK**

The Cabinet Member for Finance introduced the report and highlighted the changes made since last presented to Cabinet.

The recommendations in the report were proposed by Councillor Ward.

In response to a query from Councillor Arthey, the Assistant Director for Corporate Resources confirmed the correct figure for the annual monetary increase in council house rents.

Councillor Arthey acknowledged the amount of work carried out in preparing this budget and seconded the recommendations in the report.

Councillor Busby enquired if there were plans to increase council house rents annually in future. The Assistant Director for Housing confirmed that this would be a decision to be made based on the HRA figures at the time of budget setting.

By a unanimous decision

**It was RESOLVED:**

- 1.1 That the HRA revenue budget proposals for 2020/21 and longer-term outlook set out in the report and the updates tabled at the meeting be endorsed for recommendation to Council on 26 February 2020 as detailed below.
- 1.2 That the HRA capital budget proposals for 2020/21 set out in Appendix A in the report be endorsed for recommendation to Council on 26 February 2020.
- 1.3 That the CPI + 1% increase of 2.7% in Council House rents, equivalent to an average rent increase of £2.38 a week be implemented.
- 1.4 That garage rents are kept at the same level as 2019/20.
- 1.5 That Sheltered Housing Service charges be increased by £2 per week to reduce the subsidy by £26k.
- 1.6 That Sheltered Housing utility charges are kept at the same level as 2019/20.
- 1.7 That the budgeted surplus of £334k be transferred to the HRA reserves in 2020/21.
- 1.8 That in principle, Right to Buy (RTB) receipts should be retained to enable continued development and acquisition of new council dwellings.
- 1.9 That the revised 30-year HRA Business Plan in Appendix B of the report be noted.

**Reason for Decision:** To bring together all the relevant information to enable Cabinet Members to review, consider and comment upon the Councils Housing Revenue Account budget before recommendations to Council.

**224 BCA/19/36 JOINT CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGIES 2020/21**

The report was introduced by the Leader of the Council who provided Members with an overview of the appendices to the report which included the Joint Capital Strategy, Joint Investment Strategy, Joint Treasury Management Strategy, Treasury Management Indicators, Economic Outlook and Interest Rate Forecast, Existing Borrowing and Investments, Treasury Management Policy Statement and Minimum

## Revenue Provision Statement.

Councillor Ward proposed recommendations 3.1 to 3.7 of the report and explained that recommendation 3.8 had been proposed by the Joint Audit and Standards Committee. Councillor Ward commented that although he understood the sentiment behind this recommendation, he believed that the primary focus of the Council's investments was to maximise returns to ensure income was available to guarantee services to residents.

Councillor Arthey queried the aim of recommendation 3.8 and commented that it was unclear what change was needed. Councillor Ward confirmed that the Joint Audit and Standards Committee's debate had focussed on whether oil and gas companies were appropriate companies for the Council to invest in.

Councillor Parker expressed reservations regarding the wording of the recommendation which he felt was unclear.

Councillor Busby agreed that the wording of the recommendation was unclear however he understood the sentiment that there was more than one aspect to investments which should be considered.

Councillor Holt commented that he felt the wording of the recommendation had no meaning or definition and would support removal of the recommendation.

In response to a question from Councillor Parker, the Chief Executive advised that he believed the lease referred to in Appendix B, Paragraph 3.10 was 24 years however confirmation would be provided.

Councillor Davis seconded Councillor Ward's proposal of recommendations 3.1 to 3.7 of the report.

By a unanimous vote

### **It was RESOLVED:**

- 1.1 That the Joint Capital Strategy for 2020/21, including the Prudential Indicators set out in Appendix A of the report and the updates tabled at the meeting be endorsed for recommendation to Council on 26 February 2020 as detailed below.**
- 1.2 That the Joint Investment Strategy for 2020/21, as set out in Appendix B of the report and the updates tabled at the meeting be endorsed for recommendation to Council on 26 February 2020.**
- 1.3 That the Joint Treasury Management Strategy for 2020/21, including the Joint Annual Investment Strategy as set out in Appendix C of the report and the updates tabled at the meeting be endorsed for recommendation to Council on 26 February 2020.**
- 1.4 That the Joint Treasury Management Indicators as set out in Appendix D of**

**the report be endorsed for recommendation to Council on 26 February 2020.**

- 1.5 That the Joint Treasury Management Policy Statement as set out in Appendix G of the report be endorsed for recommendation to Council on 26 February 2020.**
- 1.6 That the Joint Minimum Revenue Provision Statement as set out in Appendix H of the report be endorsed for recommendation to Council on 26 February 2020.**
- 1.7 That the key factors and information relating to and affecting treasury management activities set out in Appendices E, F, and I of the report be noted.**

**Reason for Decision:** Local authorities are required to approve their Treasury Management Strategy (TMS), their Capital Strategy (including an overview of the TMS) and their Investment Strategy annually before the start of the financial year.

## **225 BCA/19/37 BUSINESS RATES DISCOUNTS POLICY**

Report BCa/19/37 Business Rates Discounts Policy was introduced by the Cabinet Member for Finance. The report contained details of the amendments to some business rate discounts which had been announced by the Government. The report also contained details of the current policy and explained the options available to implement the changes.

Councillor Ward advised Cabinet Members that the Shared Revenue Partnership would be issuing business rates bills on 11 March and to meet this timeline authority would need to be delegated to enable final decision making.

The recommendations were moved by Councillor Ward.

Councillor Holt commented that although these amendments were welcome a full re-evaluation of business rate discounts was still required by Government.

The recommendations were seconded by Councillor Holt.

By a unanimous vote

**It was RESOLVED:**

**That authority be given to the Assistant Director – Corporate Resources in consultation with the Cabinet Members for Finance and the Leaders to agree a local discretionary discount for pubs, update the current retail discount policy and extend the local newspaper discount, once the Government has provided the full details of the schemes.**

**Reason for Decision:**

To provide a discretionary retail discount, local newspaper discount and pub discount to support ratepayers in Babergh and Mid Suffolk.

To enable the implementation of the discretionary discount schemes.

**226 BCA/19/38 OUTPUTS FOR 2019-23 TO SUPPORT THE DELIVERY OF THE JOINT CORPORATE PLAN**

The Leader of the Council introduced the report which set out the key proposed outputs for 2019-2023. Members were advised that the outputs supported the six priorities of the Joint Corporate Plan, and that each of these priorities were supported by their own strategies.

Councillor Ward then introduced five new outputs contained in the addendum to the report which had been proposed following discussion with Mid Suffolk District Council.

Councillor Ward advised Members that an all Member Briefing would take place in March 2020 to enable Members to fully understand the Corporate Outputs.

The recommendations in the report and the addendum to the report tabled at the meeting were moved by Councillor Ward.

Councillor Arthey commented that the wording of the outputs contained in the addendum, in particular 1.2.1 and 1.2.5 were poorly worded. Councillor Arthey also commented that the additional outputs did not have any easily identifiable improvement measures.

Councillor Holt expressed concern over the lateness of these additional outputs and questioned whether they were necessary additions. In response the Chief Executive clarified that these outputs had been proposed by Mid Suffolk District Council and Babergh District Council were not obliged to agree them.

Councillor Parker and Councillor Ward agreed that the wording of the additional outputs were unclear.

The Chief Executive advised members that as the outputs were proposed by the opposition party at Mid Suffolk District Council and not yet agreed, details had not been finalised at the current time. However if the sentiments were endorsed they could be developed. Councillor Ward expressed his concern over the inclusion of the additional outputs.

Councillor Ward moved the recommendation in Report BCa/19/38. This was seconded by Councillor Holt.

By a unanimous vote

**It was RESOLVED:**

**1.1 That Cabinet agreed the outputs for 2019-23 set out in Appendix 1 of the**

**report.**

**Reason for Decision:** To ensure that Babergh and Mid Suffolk have appropriate plans in place to address the challenges and seize the opportunities facing the districts, and their organisations, for the foreseeable future.

**227 BCA/19/39 JOINT AREA PARKING MANAGEMENT PLAN**

This item was deferred with the agreement of the Chair.

The business of the meeting was concluded at 6:42pm.

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Chair (and date)