

MID SUFFOLK DISTRICT COUNCIL

Minutes of the meeting of the **MID SUFFOLK COUNCIL** held in the Virtual Meeting on Thursday, 23 July 2020

PRESENT:

Councillor: Lavinia Hadingham (Chair)

Councillors:	Oliver Amorowson	Gerard Brewster
	David Burn	Terence Carter
	James Caston	Rachel Eburne
	Paul Ekpenyong	John Field
	Julie Flatman	Jessica Fleming
	Dr Helen Geake	Peter Gould
	Kathie Guthrie	Matthew Hicks
	Barry Humphreys MBE	Sarah Mansel
	John Matthissen	Andrew Mellen
	Richard Meyer	Suzie Morley
	David Muller	Mike Norris
	Penny Otton	Timothy Passmore
	Stephen Phillips	Dr Daniel Pratt
	Harry Richardson	Keith Scarff
	Andrew Stringer	Wendy Turner
	Rowland Warboys	Keith Welham
	John Whitehead	

In attendance:

Guest(s): Chris Haworth, Chair of CIFCO Capital Ltd.
Henry Cooke, CIFCO Director,
Mark Sargeantson, CIFCO Director
Nigel Golder, Director – Strategic Asset Management, Jones Lange LaSalle.

Officers: Chief Executive (AC)
Strategic Director (KN)
Assistant Director - Assets and Investments (EY)
Assistant Director – Planning and Communities (TB)
Assistant Director - Environment and Commercial (CC)
Assistant Director - Economic Development & Regeneration (FD)
Assistant Director - Housing (GF)
Assistant Director – Corporate Resources and Section 151 Officer (KS)
Assistant Director - Law and Governance and monitoring Officer (EY)
Corporate Manager - Strategic Planning (RH)
Corporate Manager - Governance and Civic Office (JR)
Senior Governance Support Officer (HH)

Apologies:

None

102 DECLARATION OF INTERESTS BY COUNCILLORS

102.1 The following local non-pecuniary interests for Councillors appointed to the Council's companies were noted: -

102.2 Councillor Meyer declared a local non-pecuniary interest as Director of CIFCO Capital Ltd.

102.3 Councillors Brewster, Ekpenyong, Gould, and Meyer declared local non-pecuniary interests as Directors of MSDC (Suffolk Holdings).

103 MC/19/44 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 27 FEBRUARY 2020

It was RESOLVED:-

That with the following amendments, the Minutes of the meeting held on 27 February 2020 be confirmed and signed as a true record at the next practicable opportunity:

Page 19 - Councillor Mansel's supplement question: change Neighbourhood Plan to Joint Local Plan.

Paragraph 92.14 - amend to: Over the next 30 years the Council should replace stock sold to the Right to Buy Scheme.....

Paragraph 93.12 - amend to: ...and had ensured Councillors would ensure that clients would receive the increase from Housing Benefits.

104 MC/19/45 CHAIRMAN'S ANNOUNCEMENTS

104.1 Councillor Hadingham, the Chair of the Council referred to Paper MC/19/45, which was for noting.

105 LEADER'S ANNOUNCEMENTS

105.1 The Chair of the Council invited the Leader to make her announcements.

105.2 Councillor Morley made the following announcements:

I would like to begin today by taking a moment to reflect on the effect that the coronavirus pandemic has had on our lives and on our district.

Our world has changed dramatically in the course of just a few months – and we have had to adapt quickly in order to support our residents and communities.

The virus has affected us all, leaving an indelible gap for those who have lost friends and family. Our thoughts and sympathies are with everyone who has lost loved

ones during this time.

I doubt any of us could have accurately predicted the events of recent months, or the role that we would come to play – and continue to play – in supporting our residents, communities, and businesses through lockdown and beyond.

I would like to take a moment to thank my fellow councillors, who – regardless of political persuasion - have united to support our towns, parishes, and communities through this crisis.

I would also like to pay tribute to our council officers, working long hours on the frontline or behind the scenes to support those most in need and to keep our services running for residents.

And I would like to recognise the resilience of our amazing communities – whose rallying efforts have truly demonstrated why Mid Suffolk is a place I am proud to call home.

Together, we have protected the most vulnerable members of our communities.

Together, we have supported our businesses and economy.
And together, we have kept essential services running safely throughout.

The ways in which we have supported the district are too varied to list in full, but to give just a few headlines:

Our council has provided community groups across Mid Suffolk with more than £91,000 in financial support in order to help *them* to help *others* – including over £16,000 for the district's foodbanks.

The Home But Not Alone helpline – manned by redeployed council officers to provide 7-day a week support through the height of the crisis – has taken almost 1,000 calls from people in need of food, medical supplies or advice.

To date, we have helped more than 1,700 businesses across Mid Suffolk access more than £19m in funding through the Small Business Rates Relief Grant, Retail, Hospitality and Leisure Grant and Discretionary Grants.

And we continue to work with partners across our districts to get our high streets re-opened and trading safely.

- Emergency temporary accommodation has been found for all rough sleepers or those at risk of homelessness – with support in place to avoid them returning to the streets in future.
- Meanwhile, our waste teams have kept household and recycling collections going for the duration – despite increased demand during lockdown. Although temporarily suspended, garden waste collections are now back up and running too.

- Essential repairs and safety checks in our council houses have continued, keeping our tenants safe.
- Our public realm team has continued to ensure our facilities are maintained and safe to use in line with government guidelines.
- And our environmental health, enforcement, building control, and emergency planning teams continue to keep our residents safe.

All this has been achieved at pace by officers who have found themselves redeployed into new roles, or working remotely from their kitchen tables whilst home-schooling their children and juggling the same fears and challenges as those they have been working tirelessly to help.

This council meeting itself is, of course, another example of how we have *all* had to get used to new ways of working – with virtual meetings held publicly via livestreams to ensure democracy continues to be open and transparent.

I'm sure that during our emergency response, there will have been things that could have been done differently. There was no 'tried and tested' solution that we could simply take off the shelf and we needed to work quickly to meet unprecedented requirements. But I defy anyone to say that our councillors and officers have not given their all to support our communities when they needed us most.

As we now transition from the 'response' phase to 'recovery', our challenge is to build on the lessons we have learned from this experience and continue to work together to find ways to help Mid Suffolk safely recover and emerge from this crisis, stronger and more resilient than ever.

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

106.1 None received

107 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

107.1 None received.

108 QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

108.1 None received.

109 MC/19/46 OVERVIEW AND SCRUTINY COMMITTEE ANNUAL REPORT 2019/20

109.1 The Chair of the Council invited the Chair of Overview and Scrutiny Committee to present the Annual Report.

109.2 Councillor Welham said he was pleased to present the Annual Report, as Chair of the Mid Suffolk Overview and Scrutiny Committee, which was

located on pages 43 to 71 of the agenda papers.

The 2020/21 Work Plan was made up of a varied range of topics to scrutinise, but the work was disrupted, first by the General Election and by the viral pandemic. From mid-March all meetings were cancelled until suitable arrangements for virtual meetings could be made.

Most of the meetings held during the year have been joint meetings with Babergh Overview and Scrutiny Committee. Alastair McCraw, Chair of Babergh Overview and Scrutiny Committee and he had alternated chairing the meetings.

The agendas had included pre-scrutiny of items prior to Cabinet or Council decisions, scrutiny of topics selected by the Committee or requested by Council, presentations of important matters by senior officers and witnesses from outside the two authorities, and Information Bulletins requested by the Committee. The Joint Committee set up a Task and Finish Group to work with Members and Officers from other Suffolk authorities to scrutinise the work of Citizens Advice and provide recommendations to the Scrutiny Committees of the authorities taking part. This work was particularly helpful in providing a better understanding of the breadth of work covered by Citizens Advice as well as the pressures they are under and how they are funded.

Throughout the year the Committee had acted as a critical friend to officers by working with them to investigate improvements to service delivery. It had also continued to add value to the Council's decision-making process.

He thanked Henriette Holloway, Senior Governance Support Officer – Committee Services, and Jan Robinson, Corporate Manager – Governance and Civic Office, for their input and support throughout the year, also Keith Scarff, who had been Committee Vice-Chair throughout the year. He was grateful to Members of the Committee for their commitment, and to officers for providing clear and concise responses to requests for information. He also thanked Alastair McCraw, Chair of Babergh Overview and Scrutiny, his Vice-Chair Adrian Osborne and Members of that Committee for working collaboratively with the Mid Suffolk Committee.

The Committee had produced a draft work plan for 2020/21 and he was confident that monthly meetings from now through to April 2021 would enable scrutiny of topics delayed from Spring 2020 to be completed; other issues would be incorporated into the Work Plan and would be presented to Council in September.

109.3 Councillor Welham **MOVED** recommendation 3.1 but amend the date to 2019/2020, which Councillor Scarff **SECONDED**.

109.4 Councillor Otton referred to issues for Universal Credit, as a result of the Covid-19 pandemic and asked if the Committee would be undertaking further scrutiny of Universal Credit. To which Councillor Welham responded

that he would commit to undertake further scrutiny of Universal Credit in the future.

109.5 Councillor Eburne referred to the funding for Citizens Advice, agreed by Cabinet, and said she understood that the Citizens Advice would like an increase in funding from the Council.

109.6 Council Welham responded that further funding for Citizens Advice was the responsibility of the Cabinet Member.

It was RESOLVED: -

That the Mid Suffolk Overview and Scrutiny Committee's Annual Report for 2019/20 be noted.

110 MC/19/47 DECISIONS TAKEN BY THE CHIEF EXECUTIVE DURING THE COVID-19 PANDEMIC LOCK-DOWN PERIOD UNDER DELEGATED POWERS IN ACCORDANCE WITH PART 2 OF THE CONSTITUTION

110.1 The Chair referred to report MC/19/47, which was for noting and invited the Monitoring Officer to present the report.

110.2 Emily Yule, Monitoring officer, outlined the reason for the decisions taken under delegated powers, which were predominately taken in the early stages of the of lock-down to support early responses to the Covid-19 Pandemic.

It was RESOLVED: -

That the Council notes the decisions taken under delegated powers by the Chief Executive as detailed in Appendix A.

111 MC/19/48 SPECIAL URGENT KEY DECISION (EXEMPT FROM CALL-IN) TAKEN BY THE CABINET MEMBER FOR ECONOMIC GROWTH DURING THE COVID-19 PANDEMIC LOCK-DOWN PERIOD UNDER DELEGATED POWERS IN ACCORDANCE WITH PART 1 OF THE CONSTITUTION

111.1 The Chair invited the Leader to introduce report MC/19/48, which was for noting.

111.2 Councillor Morley detailed the decision taken by her under delegated powers for the Discretionary Grant Scheme. She advised Members that the Scheme had so far supported 30 businesses across the district with over £240K grant funding.

It was RESOLVED: -

That the Council notes the decisions taken under delegated powers by the Cabinet Member for Economic Growth as detailed in Appendix A

112 TO REPORT BACK ON COUNCIL MOTION ON CLIMATE CHANGE

112.1 The Chair invited the Cabinet Member for Environment to present her update on the work of the Taskforce for Climate Change.

112.2 Councillor Fleming provided the following update:

On behalf of our Cabinet, I am delighted to report to this Council on actions taken by Cabinet regarding the Climate Change Motion agreed at Council on 25th July 2019. On 11th July, Cabinet unanimously approved a Carbon Reduction Management Plan, which is the product of 9 months of work by a joint cross-party Climate Change Task Force supported very ably by our officers. The decision took place at a simultaneous meeting of both Babergh and Mid Suffolk Cabinets at which both approved the same management plan, and we intend to work closely together with Babergh as well as other local authorities in Suffolk to take it forward. This plan is not an end goal in itself, it is the beginning of a path to better decision making and governance which will raise the profile and importance of the environment and our place within it; this is I believe what most people in this district and in Suffolk want.

The Management Plan is available through a link in the council agenda and I urge everyone, councillors and public alike, who may be listening in to our meeting to have a look at it.

The Cabinet's focus will now move to acting upon the initiatives within the plan and I look forward to the continued involvement and support of the task force members and all elected councillors as we embark upon this work together. Finally, on behalf of task force members I would like to thank our officers and all those who have supported the group, particularly Cassandra Clements, for the hard work that has gone into this project"

113 MC/19/49 LOCAL DEVELOPMENT SCHEME UPDATE

113.1 The Chair invited Councillor Burn, Cabinet Member for Planning, to introduce report MC/19/49.

113.2 Councillor Burn began by outlining the purpose of the Local Development Scheme (LDS), the key points in the report and the tight timeline outlined in Appendix A, which set out the time scale for the adoption of the Joint Local Plan.

113.3 Councillor Burn **PROPOSED** recommendation 3.1 in the report which was **SECONDED** by Councillor Guthrie.

113.4 Councillor Eburne queried if enough time had been incorporated into the plan for changes in housing numbers, population, the new stages of climate change and health and wellbeing, to which Councillor Burn responded that he assumed that this had been incorporated into the plan.

113.5 Councillor Stringer noted that the timetable was longer than four months ago

and asked for clarification on this.

113.6 Councillor Burn responded that the timetable from four months ago was out of date and had since been updated.

113.7 In response to Councillor Field's question regarding the Government's intention for changing the planning system, Councillor Burn responded that this would not have any influence on the timetable.

113.8 Councillor Otton asked for assurance that the Council's commitment to the Climate Change strategy would be incorporated into the LDS without affecting the timetable.

113.9 The Assistant Director for Sustainable Communities responded that officers and Members worked closely with the Climate Change Taskforce and the action plan was approved by the Cabinet and did not compromise the LDS. The emerging JLP was reflecting the commitments made by the Council for the Climate Change measures and some of the detail had to be added later as appendices.

113.10 Councillor Pratt referred to the work undertaken by the Biodiversity Task and Finish group and asked if this work would be taken into consideration in the JLP, to which Councillor Burn responded that he would be happy to discuss this further outside this meeting.

113.11 Members debated the report including:

- That the Council was dealing with constant change and it would be possible to add further appendices to the Local Development Scheme (LDS).
- Biodiversity could be incorporated into the LDS.
- That it was important to meet the dates set out in the timetable and ensure there were enough resources available to meet the deadlines.
- That due to constant change of policy from Central Government, it was difficult to produce a JLP and that the LDS should be approved to move forward by the use of supplements.
- That there was concern if a supplement planning document for biodiversity would carry the same weight as the JLP.
- That a supplement planning document would be part to the planning determination process.
- That some Members thought the timetable should be shorter.
- That the LDS was important in relation to planning appeals.

113.12 Councillor Burn reflected on some of the points made and that a review of the LDS should be reviewed, as soon as it was submitted. Because circumstances had changed, and the Council needed to move quickly. He would be happy to make representations to Government if this became necessary.

113.13 Recommendation 3.1 was put to Members for voting and the vote was **CARRIED.**

By 33 votes for and 1 Abstention.

It was RESOLVED: -

That the Babergh and Mid Suffolk Local Development Scheme (July 2020) (Appendix A) be agreed to be brought into effect from 31st July 2020.

114 MC/19/50 POLITICAL BALANCE AND COMPOSITION OF COMMITTEES

114.1 The Monitoring Officer informed Members that the amended political balance and composition of committees was a result of the forming of the Green and Liberal Democrats Group.

114.2 Councillor Eburne **PROPOSED** recommendations 2.1 and 2.2 in the report which was **SECONDED** by Councillor Field.

By a unanimous vote

It was RESOLVED: -

1.1 That the Committees' size and numerical allocation of seats be approved as detailed in Appendix A to the report.

1.2 That the Committee Members be appointed as set out in Appendix B to the report.

115 COUNCILLOR APPOINTMENTS

115.1 There were no Councillor Appointments.

116 MOTIONS ON NOTICE

117 TO CONSIDER THE MOTION ON NOTICE RECEIVED FROM COUNCILLOR PRATT

117.1 The Chair invited Councillor Pratt to move his Motion under agenda item 16a.

117.2 Councillor Pratt said that the Covid-19 Lockdown had highlighted how walking to work and cycling had become increasingly important for residents. It was beneficial for the environment and health and wellbeing. The Government's white paper for Decarbonising Transport aimed to doubling cycling and had set aside £1.2 billion to improve active modes of transport, such as walking and cycling. The Department for Transport had listed cycling for adults as a means of transport. However, in Mid Suffolk this had declined during the past five years from 5% in 2015 to ½% in 2018 and was now the lowest in Suffolk. Walking and Cycling were beneficial for health and wellbeing and it was important that easy access to exercises and activities could be incorporated into everyday life. Reduction in traffic congestion would also be beneficial not only to the environment, but also for health and wellbeing.

The Council had pledged an obligation to climate change, and the Council should publish its vision for cycling in the area. In order to apply for the Government funding the Council should ensure that it had a prioritised and costed list of routes across the District, which the Council could work through with Suffolk County Council.

The Council could play a vital role in working with local businesses and parishes to get local consensus for the most beneficial cycling routes. Further funding could also be achieved through CIL and Section 106 contributions.

The Motion would reduce emissions from road transport and the reduction of the carbon footprint from residents and it should not be understated that it would encourage people to cycle and recognise cycling as a viable option for transport and to enjoy opportunities for outdoor activities. It was on this basis that he asked Members to support this Motion:

Mid Suffolk District Council endorses the Government's goal to ensure there is a permanent shift in the numbers of people choosing to cycle and walk as opposed to using a car.

Using this goal as a guide, the Council will ensure there is sufficient officer resource to;

- *review and update the Cycling Strategy, in conjunction with Suffolk County Council as the Transport Authority,*
- *include a prioritised, costed list of routes across the districts that include existing and proposed cycle routes and different types of cycle route provision.*
- *review and update the Cycling Strategy every 3 years.*
- *be an automatic cycling consultee on planning applications*
- *seek funding through section 106 money.*

At the next review of Community Infrastructure Levy (CIL), the funding of cycle infrastructure will be included as an eligible project.

To support S106 and CIL bids, Council will work with partners on Supplementary Planning Guidance to seek developer contributions to link settlements to nearby towns and Key Service Centres with safe and sustainable active travel options.

The Strategy will also look to –

- *Identify existing gaps in the cycle network*
- *Identify opportunities to work with partner organisations*
- *Consult and work with parish councils, businesses, residents and local community groups to determine and map routes, and prioritise cycling infrastructure*

- *Identify specific issues that require improvement to enhance the wider cycle network*
- *Improve facilities for cyclists to encourage greater cycling for leisure as well as commuting.*
- *Ensure funds for walking and cycling routes and cycling infrastructure are agreed in the drawing up of new S106 agreements.*
- *Provide high quality, secure and sheltered cycle parking facilities for our Leisure and Fitness Centres and ensure recreation grounds, car parks, shopping centres and open spaces have adequate cycle parking, including some e-cycle charging points.*
- *Use pragmatic approaches to secure safe cycling routes in urban areas where building new infrastructure is not feasible, for example by creating 'quiet neighbourhoods' by stopping through traffic and the pedestrianisation of town centres*

117.3 Councillor Pratt **MOVED** the Motion which was **SECONDED** by Councillor Mansel.

117.4 Councillor Amorowson asked how much behaviour change programmes would be part of this Motion.

117.5 Councillor Passmore asked if it was currently possible for the Council to fund cycling paths through CIL and Section 106 agreements.

117.6 The Assistant Director - Sustainable Communities clarified that cycling path highways were not part the CIL funding scheme, but that Section 106 contributions could be funding future foot paths in the District.

117.7 Councillor Fleming proposed an **AMENDMENT** to the Motion and said that as Cabinet Member for Environment, she was committed to promoting sustainable and safe means of travel and that as a result of Covid-19 Pandemic, it would be possible to build on behavioural changes. She proposed a Sustainable Travel Plan rather than a Cycling strategy, which would be collaborated upon with Suffolk County Council, the key partner in implementing this plan. The action plan would enable development of meaningful projects, costed and consulted upon and would be deliverable, subject to securing suitable funding. She believed that the Council was committed to getting residents active and for the Council to lead the way for developing sustainable travel across Suffolk. She referred to the amendment as detailed in the Agenda and **PROPOSED** the amendment to the Motion, which was **SECONDED** by Councillor Flatman.

Mid Suffolk District Council endorses the Government's goal to ensure there is a permanent shift in the numbers of people choosing to cycle and walk as opposed to using a car.

Using this goal as a guide, the Council will ensure there is sufficient resource to:

- *Develop and review a Babergh and Mid Suffolk Councils Sustainable Travel Action Plan, in partnership with Suffolk County Council as the Transport*

Authority,

- include a prioritised, costed list of routes across the districts that include existing and proposed cycle routes and different types of cycle route provision.
- review and update the *Babergh Mid Suffolk Councils Sustainable Travel Action Plan* every 3 years.
- be an automatic *sustainable travel* consultee on planning applications
- seek funding through section 106 money *and external funding sources*.

At the next review of Community Infrastructure Levy (CIL), *consider the funding of agreed cycle infrastructure as eligible projects under the CIL Position Statement for both Councils alongside a comprehensive assessment and production of a funding and delivery strategy which considers all other funding opportunities that exist. The CIL Expenditure Framework review must be subject to the current viability assessment, confirming that this inclusion of cycling within CIL expenditure would make the existing or any new CIL charges viable and in turn therefore make the cycling infrastructure deliverable*

To support S106 and CIL bids, Councils will work with partners on supplementary guidance on planning to seek developer contributions to link settlements to nearby towns and Key Service Centres with safe and sustainable active travel options.

The *Action Plan* will also look to –

- *Identify opportunities to progress Sustainable travel across the Districts*
- *Identify existing gaps in the walking and cycling network*
- *Identify opportunities to work with partner organisations to develop sustainable travel options*
- *Consult and work with parish councils, businesses, residents and local community groups to determine and map routes and prioritise walking and cycling infrastructure.*
- *Identify specific issues that require improvement to enhance the wider sustainable travel network.*
- *Seek to improve facilities for walkers and cyclists to encourage greater walking and cycling for leisure as well as commuting.*
- *Develop a Funding strategy to sit alongside the Sustainable travel Action Plan detailing how each priority action could be funded and ensure a pipeline of core projects is developed and costed including where appropriate from new S106 agreements.*
- *Provide high quality, secure and sheltered cycle parking facilities for our Leisure and Fitness Centres and ensure recreation grounds, car parks, shopping centres and open spaces have adequate cycle parking, including some e-cycle charging points.*
- *Review opportunities to secure safe cycling routes in urban areas where building new infrastructure is not feasible, for example by creating ‘quiet neighbourhoods’ by stopping through traffic and the pedestrianisation of town centres.*
- *Work in partnership with SCC regarding improved public transport across the Districts and consider new forms of sustainable travel such as e bikes and e*

scooters if appropriate locations.

117.8 The Chair asked if Councillor Pratt accepted the amendment and he responded that he accepted the amendment as detailed in the Agenda.

117.9 Councillor Morley **PROPOSED** a second amendment, to remove the words: '*as opposed to using a car*', which was **SECONDED** by Councillor Richardson.

117.10 Councillor Pratt did not accept this amendment.

117.11 Councillor Eburne asked for a 'point of order' and queried which amendment Members were voting for.

117.12 The Monitoring Officer clarified that the Motion with the first amendment, was accepted by the Councillor Pratt, the proposer, and therefore had become the substantiated Motion and that Members would now be debating the second amendment, which was to remove the words '*as opposed to using a car*'.

117.13 Members debated the second amendment including:

- That the removal of the words did not alter the contents of the Motion.
- That it would be a fundamental shift to the reduction of carbon dioxide, if the words were removed.
- That there was a division between utility and leisure cycling and that the aim of the substantiated Motion was to get people out of their cars and use the bike, as a mode of transport.
- That without the words the substantiated Motion would be pointless
- That there was a disregard for the fact that Mid Suffolk District was a rural area and that some residents had to rely on cars to get to shops, medical appointments and the inclusion of the words would make some people feel guilty.
- Some Members thought it was necessary to make people feel guilty to encourage them to get out of their cars.

117.14 Councillor Morley spoke on her amendment and said that for some, cycling was not an option, however as part of the Wellbeing and Health Strategy the initiative was to get people moving as quickly as possible to support their health and reduce the use of the car. She was prepared to withdraw her amendment.

117.15 Councillor Field thought that the substantiated Motion was an excellent Motion and had great value and followed the intentions of Mid Suffolk and Suffolk County Council. There clearly was a model shift in getting people to move out of cars and he **PROPOSED** to vote, which was **SECONDED** by Councillor Matthissen.

117.16 Councillor Mansel spoke as the seconder for the Motion and said that she was pleased with the substantiated Motion, as this would go some way to

get an integrated cycling transport network across Suffolk. This would make it easier for people to enjoy the beautiful countryside. She appreciated that in some rural areas of the District, people still needed cars and she did not expect people to cycle unrealistic distances to go shopping. She pointed out that there was a difference between utility and leisure cycling, and the aim was to get encourage people to use the bike as a mode of transport and to continue to do so.

117.17 Councillor Pratt summed up and said he agreed that the substantiated Motion was not to stop people using cars, as this would still be necessary for some, but to encourage people to utilise the use of bikes and shift the mode away from using the cars as transport. He thanked Councillor Fleming for the amendment which enriched the Motion.

117.18 The substantiated Motion was put to Members for voting and the vote was **CARRIED.**

By a unanimous vote.

It was RESOLVED: -

That Mid Suffolk District Council endorses the Government's goal to ensure there is a permanent shift in the numbers of people choosing to cycle and walk as opposed to using a car.

That using this goal as a guide, the Council will ensure there is sufficient resource to:

- **Develop and review a Babergh and Mid Suffolk Councils Sustainable Travel Action Plan, in partnership with Suffolk County Council as the Transport Authority,**
- **include a prioritised, costed list of routes across the districts that include existing and proposed cycle routes and different types of cycle route provision.**
- **review and update the Babergh Mid Suffolk Councils Sustainable Travel Action Plan every 3 years.**
- **be an automatic sustainable travel consultee on planning applications**
- **seek funding through section 106 money and external funding sources.**

That at the next review of Community Infrastructure Levy (CIL), consider the funding of agreed cycle infrastructure as eligible projects under the CIL Position Statement for both Councils alongside a comprehensive assessment and production of a funding and delivery strategy which considers all other funding opportunities that exist. The CIL Expenditure Framework review must be subject to the current viability assessment, confirming that this inclusion of cycling within CIL expenditure would make the existing or any new CIL charges viable and in turn therefore make the cycling infrastructure deliverable

To support S106 and CIL bids, Councils will work with partners

on supplementary guidance on planning to seek developer contributions to link settlements to nearby towns and Key Service Centres with safe and sustainable active travel options.

That the Action Plan will also look to –

- Identify opportunities to progress Sustainable travel across the Districts
- Identify existing gaps in the walking and cycling network
- Identify opportunities to work with partner organisations to develop sustainable travel options
- Consult and work with parish councils, businesses, residents and local community groups to determine and map routes, and prioritise walking and cycling infrastructure.
- Identify specific issues that require improvement to enhance the wider sustainable travel network.
- Seek to improve facilities for walkers and cyclists to encourage greater walking and cycling for leisure as well as commuting.
- Develop a Funding strategy to sit alongside the Sustainable travel Action Plan detailing how each priority action could be funded and ensure a pipeline of core projects is developed and costed including where appropriate from new S106 agreements.
- Provide high quality, secure and sheltered cycle parking facilities for our Leisure and Fitness Centres and ensure recreation grounds, car parks, shopping centres and open spaces have adequate cycle parking, including some e-cycle charging points.
- Review opportunities to secure safe cycling routes in urban areas where building new infrastructure is not feasible, for example by creating ‘quiet neighbourhoods’ by stopping through traffic and the pedestrianisation of town centres.

Work in partnership with SCC regarding improved public transport across the Districts and consider new forms of sustainable travel such as e bikes and e scooters if appropriate locations.

118 TO CONSIDER THE MOTION ON NOTICE RECEIVED FROM COUNCILLOR EBURNE

118.1 The Chair invited Councillor Eburne to move her Motion under agenda item 16b.

118.2 Councillor Eburne said that the Motion was a proposal to halt all future investment from the Council in CIFCO, due to the following three reasons:

1. It was not the role of local government to be involved in commercial property speculation, nor was it the role of the Public Loan Board to be part of such activities. The Council had exploited a loophole in Government regulations, which had finally been recognised by Government. It had never been the intention for public funding to be used in property speculation.
2. CIFCO was flawed in matters of risk, as there was no expertise within the

Council to manage commercial properties and investments. It was not enough that the Council had outsourced management, consultants and advisors for CIFCO, as this did not push away all the responsibility that the Council had for the investments made using taxpayer's money. It was still the responsibility of the Council to make the decisions for allocating funding and loans for CIFCO and that the liability for the £25M invested so far was with the Council and those who elected the Councillors.

3. CIFCO was flawed as a matter of priority, when the Company was set up in 2017, the focus had been on how to build more affordable housing and properties for first time buyers and key workers in the District. However, CIFCO was set-up as a commercial company to buy properties outside the District for profit. Had the original funding been invested in 2016 there would now have been housing available for local people.

She felt that it was not right for a rural Council to own commercial properties outside the district for commercial gain.

She asked that Members listen to their constituents, and those who had contacted Members regarding concerns over CIFCO. She was frequently approached by members of the public some, who worked professionally in finance and property investment, had expressed concerns over the Council's involvement in this area. Questions were raised regarding the risk of the Council being involved in the commercial market and the amount of money invested in CIFCO. She felt that this was so far removed from the role of the Council.

The Council's reserves were higher now, than when the Council set-up CIFCO. and she felt that had this money been invested locally in building housing, they would have been occupied by residents who would have supported the local economy and infrastructure.

- 118.3 Councillor Eburne **MOVED** the Motion, which was **SECONDED** by Councillor Stringer:

1. *Halt all future investments in the Council's commercial property investment arm, CIFCO. For the avoidance of doubt, this means halt all purchases of any property from this day forward via CIFCO.*
2. *Subject to agreement with the S151 Officer that this can be done, use any of the agreed remaining borrowing authority (approximately £13 million from the Public Works Loan Board) to re-invest in local market housing within the district.*
3. *That this local market housing be constructed to provide:*
 - a. *Market homes, including bungalows, suitable for elderly residents to downsize*

- b. Market homes, including a majority one- and two-bedroom homes, suitable for young people and key workers to purchase*
- c. Market homes, suitable for investors to purchase for means of private rent for the above categories of residents.*

118.4 Members debated the Motion including:

- That the Council had elected Members as directors of CIFCO and the Holding Company.
- That the Company was set-up as a professional company and was managed as a going concern.
- That some Members who had been against setting up CIFCO, now supported the business.
- That other Members had been and were still opposed to CIFCO and the investments made into the commercial market.
- That questions regarding CIFCO often were raised at Parish Council meetings and that some residents were against the Council investing in CIFCO.
- That CIFCO was set up for generating an immediate income for the Council and had brought an income of £3M during the past three years to both Councils.
- That halting investment would remove an important part of the Council's income in times when other income resources were reduced.
- That the income from CIFCO supported the delivery of services to residents in the District.
- That there were always risks involved when investing, but that had to be set against the gain.
- That CIFCO was managed by professional people with years of experience in commercial investments.

118.5 Councillor Mellen thought the present performance had been influenced by the Covid-19 pandemic, however the last quarter had seen a collapse in the commercial sector. Online sales were up, and home working placed a lesser demand on future requirements for office space. The financial situation had been launched into uncharted territories. He thought that much had been made of the income for CIFCO, but the financial loss made by CIFCO had been disregarded and stated as a paper loss. He was concerned that the properties being bought by CIFCO would decrease in value and he thought that the Council should not continue to lend money to invest in CIFCO.

118.6 Councillor Otton had never supported CIFCO, as the investments were made outside the District. The Government would review all investments in property made by Council later this month and was expecting Council to use borrowed money to be used for housing regeneration and development of services. Covid-19 had caused people, who had never before claimed benefits, who would now be unemployed and need support. Investing in housing in the District would have supported employment and helped the people in the District.

- 118.7 Councillor Whitehead stated that there was a sound procedure in place to build a robust portfolio. The Council needed to be diverse to ensure resilience for further income for the medium-term financial position and that the programme was already in place for investment requirement for CIFCO.
- 118.8 Councillor Richardson referred to the loss incurred by CIFCO and that this was a paper loss, which was solely a loss on the balance sheet. He endorsed the trading and that CIFCO had performed well during the past few months despite the Covid-19 lockdown.
- 118.9 Councillor Ekpenyong thought that CIFCO was a successful investment vehicle for the Council. Mid Suffolk Growth was the vehicle for the redevelopment of the old HQ in Needham Market. He added that the Council would deliver 200 houses over the next three years.
- 118.10 Councillor Field was concerned about the risk and the possible financial losses. He thought that the Covid-19 Pandemic would drive the economy into another financial crisis, and this would have an impact on the investment made by CIFCO.
- 118.11 Councillor Warboys was concerned that the investment was for 50 years and would have to be managed by the next generation too. Investment schemes, which relied upon investments to make a return, was dependent on the value of the investments, which in CIFCO's case had decreased.
- 118.12 Councillor Welham informed Members that he had been contacted by a number of concerned residents regarding CIFCO. He thought that the Council should build homes, which provided jobs for local residents and not invest further in CIFCO.
- 118.13 Councillor Morley advised Members that the Council was building homes but that it was the lack of available land, which held up the process in the District.
- 118.14 Councillor Geake said that the amendment did not seek to withdraw from CIFCO, but to minimise the current risk by not investing further in the company. She thought that the Council should follow the Government's proposal and guidance from the Treasury Department regarding investment made by local authorities.
- 118.15 Councillor Meyer, as a Director of CIFCO, said that due diligence had been applied, when the company purchased properties. He thought that there were opportunities to grasp for long-term investments for future income.
- 118.16 Councillor Pratt considered what the future was for commercial properties in town centres. He thought that the Government would be condemning investments made by Councils and make them illegal.
- 118.17 The Chair intervened in the debate, as the meeting had exceeded its

constitutional time limit and asked for a proposer and seconder for an extension to the meeting.

118.18 Councillor Flatman **PROPOSED** that the meeting continued, which was **SECONDED** by Councillor Humphreys. The proposal was put to Members for voting and the vote was unanimous.

118.19 Members continued the debate and Councillor Stringer said that Members had been elected to be the decision makers and that half of Mid Suffolk's electorate had elected to move away from borrowing to speculate outside the District. He considered the consequences if the Council had not invested in CIFCO and invested in the District instead. He detailed how this would have provided an income stream based on local development and rental income from local businesses instead.

118.20 He continued that in 2016 the Council had £10M in reserves and today this figure was £17.6m. He could not understand why the Council had risked borrowing further. He asked that Members, the decision makers, moved away from investing further in CIFCO. This did not include selling the properties currently in the CIFCO portfolio, as this was not good business sense, but move to local housing investments for the future.

118.21 Councillor Eburne summed up the debate and thanked all Members for their contribution. This was not personal, the advisors and officers who undertook the investments were acting on behalf of the Council. She thought that it was unhelpful that some Members wrapped up both Councils in their arguments, which may not be apparent to the constituents and that quoting figures for both Babergh and Mid Suffolk was misleading. She addressed the issues around the reserves and that the increase of £7M did not support the argument that the CIFCO provided a much-needed income to the Council.

118.22 She was pleased with the fantastic debate and that Members had taken the time to provide considered responses and arguments and she hoped Members would support the Motion.

118.23 The Motion was put to Members for voting.

By 17 votes to 17 votes

The Chair advised Members that she would not be using her Chair's casting vote and the Motion therefore **FELL**

119 MC/19/51 CAPITAL INVESTMENT FUND COMPANY (CIFCO CAPITAL LTD) BUSINESS TRADING AND PERFORMANCE REPORT 2019/20 - PART 1

119.1 The Chair welcomed Chris Haworth, Chair of CIFCO Capital Ltd., Henry Cooke, CIFCO Director, Mark Sargeantson, CIFCO Director and Nigel Golder, Director – Strategic Asset Management, Jones Lange LaSalle.

119.2 She advised that she like to deal with this item mainly in the open session and

asked Members not to refer to individual tenants.

- 119.3 She then invited the Cabinet Member for Assets and Investments to introduce the report.
- 119.4 Councillor Gould said that the report detailed CIFCO Capital's performance over the last 12 months and the proposed business plan for the next 12 months. The business plan was a fundamental part of CIFCO's governance and ensured accountability to its shareholders. CIFCO had provided Babergh and Mid Suffolk Councils with approximately £3m of net income since its inception in 2017. Approximately £1.6m was received in the last financial year. CIFCO had collected over 70% of the March quarter rent and consequently were able to make the full debt repayment to the Councils in March. Whilst difficult times remain ahead with the continued impact of COVID 19, the proposed business plan sought to continue the investment of the 2nd tranche of funds approved by Council last year and in doing so to further diversify the portfolio away from High Street retail focusing on the industrial and alternative sectors and to continue to deliver and grow this important revenue stream for the Council and create a long term legacy for Council.
- 119.5 Councillor Gould **MOVED** recommendations 3.1 and 3.2 in the report, which was **SECONDED** by Councillor Meyer.
- 119.6 Councillor Matthissen questioned the value of the equity and if the value supported the loan of the properties. The Assistant Director – Assets and Investments responded that the equity value was 10% and the loan value was 90%. The property value had been established on the 31st of March, then end of the financial year and the capital expenditure was greater than the value of the property listed.
- 119.7 In response to further questions from Members, she continued that the costs of the acquisition was approximately £3.5m to date, the value of the portfolio was less than the debt incurred, however the rental income had been sufficient to repay the debt owed to the Council.
- 119.8 The Assistant Director – Assets and Investments would respond outside of the meeting to Councillor Mellen's further questions regarding the reduction of equity and portfolio.
- 119.9 Henry Cooke explained that the value of the equity had been reduced but this was a paper loss, and he expected this to improve over the next few years. He added that the impact of the Covid-19 Pandemic had been relatively low, and the portfolio was still generating an income.
- 119.10 Councillor Eburne asked that only Mid Suffolk figures were quoted. She then queried which was the largest proportion of the £545K administration costs and how recent changes in the investment market had changed the remainder of the investments for CIFCO.

- 119.11 The Assistant Director – Assets and Investments responded that the largest part of the administration costs were management costs and third-party advisors.
- 119.12 Chris Haworth responded to the second question and explained that the strategy was revised every year to reflect changes in the investment market. The retail market had changed enormously, however the industrial market was a strong market. At each Board meeting, the property market was assessed, and the best opportunities were sought for investments for CIFCO.
- 119.13 Nigel Golder said that diversity was key and that only 15% of the portfolio was invested in retail property. However, consideration for the quality of tenants was important and not to have too many investments in one particular area, sector or tenant. He added that the June rent collection had improved.
- 119.14 Councillor Amorowson enquired about the cost of the acquisitions and the Assistant Director- Assets and Investments responded that until the investment period had been completed, acquisitions costs would continue to be incurred. It was expected that the company would break even, when full investment had been completed in accordance with the Business Plan in October 2021. She expected that the impairment would continue until end of the financial year in March 2021. She was unwilling to predict the value of the portfolio ahead of time and it was not possible to forward predict the market.
- 119.15 Councillor Scarff enquired when the deferral rent would be collected by CIFCO and Chris Haworth responded that it was expected to be fully collected up to a maximum of two years. He continued that CIFCO was working with tenants to solve the issues, but he recognised that some businesses were in genuine difficulties.
- 119.16 Upon the request of Councillor Morley, the Board Members provided a brief summary of their professional careers and experiences and the process for acquisition, as detailed in paragraph 10.9.
- 119.17 Councillor Welham asked why the timescale was being debated before the annual accounts were available, as the decisions were based on accounts which were twelve months old. He also asked why there was not a strategy for the sale of assets for CIFCO.
- 119.18 The Assistant Director – Assets and Investments responded that the Business Plan used the information for the financial year ending 31st March 2020. As a registered trading company, the annual accounts were published at Company's House and the accounting information was used for the planning of the business and consolidated with the Councils' own account. With regards to an exit strategy or divestment for the assets, the shareholders had sought the company to build a portfolio but had not asked CIFCO directors to consider divestment of assets at this point. Although the

directors would consider this if appropriate/opportune. However, any sales at this time would realise losses and it would be a better strategy to hold on to the assets until the market improved.

- 119.19 Chris Haworth added that the role of the Board was to evaluate the best possible way to manage the assets, and when it would be the a good time to sell, he thought it was too early now to sell any assets, however this would not prevent CIFCO from doing this in the future.
- 119.20 Councillor Stringer referred to the original Strategic document and asked for confirmation if CIFCO only invested in sites, which could easily be changed in planning terms.
- 119.21 He then asked about the rental income in March, which was impacted by the Furlough scheme, business rates grant and the uncertainty of the exit from the EU. He wondered if the collection of rents would be harder once these issues had been resolved.
- 119.22 Chris Haworth explained that the Board of Directors considered all aspects of the assets when acquiring them, including the possible change of use.
- 119.23 The Assistant Director - Assets and Investments added that the rent collection in March was influenced by the Covid-19 Pandemic and it was difficult to predict the market under these circumstances.
- 119.24 In response to Councillor Pratt's question regarding the re-evaluation of equity, The Assistant Director – Assets and Investments, responded that the equity element and the re-evaluation was a percentage of the overall portfolio value as a whole, and was valued on the 31st of March.
- 119.25 Members debated the report and Business Plan on issues including:
- That some Councillors and the public were poorly informed, partly due to the media put out from the Council, which some Councillors felt did not present a balanced message.
 - Whether the approval of the Business Plan could be deferred until the next set of accounts became available, albeit the business plan had been prepared using the draft accounts to 31st March 2020.
 - That the Council should not be investing in an arms-length vehicle such as CIFCO.
 - That the performance of CIFCO was not solely due to Covid-19 and that the loans were still outstanding, and that the equity value had depleted significantly.
 - That investing outside the Eastern region was not acceptable, as this had been the original purpose of CIFCO.
- 119.26 Councillor Mansel asked if the recommendation could be voted on separately and the Chair agreed to this.
- 119.27 Councillor Gould summed up the debate and thought that the issues had

been debated thoroughly. He thanked the Board of Directors and the Assistant Director for their work and contributions made at this meeting.

119.28 Recommendation 3.1 was put to Members for voting and the vote was **TIED**.

119.29 The Chair used her casting vote and the vote was **CARRIED**.

It was RESOLVED: -

1.1 That Council notes CIFCO Capital Ltd.'s trading activity and performance for the year to 31st March 2020.

119.30 Recommendation 3.2 was put to Members for voting and the vote was **TIED**.

119.31 The Chair used her casting vote and the vote was **CARRIED**

It was RESOLVED: -

1.2 That Council approves CIFCO Capital Ltd.'s 2020/21 business plan for adoption by CIFCO Capital Limited.

120 RESOLUTION TO EXCLUDE THE PUBLIC

120.1 As Members had completed their discussion of Item MC/19/51 Capital Investment Fund Company (CIFCO Capital Ltd.) Business Trading and Performance Report 2019/20, including any questions for the Appendices, the Chair refrained from going into closed session.

121 CONFIDENTIAL APPENDIX C CIFCO CAPITAL LTD BUSINESS AND INVESTMENT PLAN 2020-21 (EXEMPT INFORMATION BY VIRTUE OF PARAGRAPH 3 OF PART 1)

121.1 This item was discussed under the previous item.

The business of the meeting was concluded at 21:33 pm.

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Chair