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BABERGH CABINET	
DATE:	THURSDAY, 4 FEBRUARY 2021 9.30 AM
VENUE:	TEAMS MEETING

Members		
<u>Conservative</u> Jan Osborne John Ward (Chair) Michael Holt Elisabeth Malvisi	<u>Independent</u> Derek Davis Clive Arthey Lee Parker	<u>Liberal Democrat</u> David Busby

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REVISED AGENDA

PART 1

MATTERS TO BE CONSIDERED WITH THE PRESS AND PUBLIC PRESENT

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Chair of the Overview and Scrutiny Committee

7 **FORTHCOMING DECISIONS LIST**

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

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

- 8 **BCa/20/30 SPECIAL URGENT DECISIONS TAKEN BY OFFICERS DURING THE COVID-19 PANDEMIC PERIOD UNDER DELEGATED POWERS IN ACCORDANCE WITH PART 2 OF THE CONSTITUTION** 35 - 38
- Monitoring Officer
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- 10 **BCa/20/32 GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK** 105 - 156
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14 **EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)**

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

The author of the report proposed to be considered in Part 2 of the Agenda is satisfied that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

15 **BCa/20/36 TO CONFIRM THE CONFIDENTIAL MINUTES OF THE MEETING HELD ON 07 JANUARY 2021** 191 - 192

Date and Time of next meeting

Please note that the next meeting is scheduled for Thursday, 11 March 2021 at 5.30 pm.

Webcasting/ Live Streaming

The Webcast of the meeting will be available to view on the Councils Youtube page:
https://www.youtube.com/channel/UCSWf_0D13zmegAf5Qv_aZSg

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact the Committee Officer, Claire Philpot on: 01473 296376 or Email: Committees@baberghmidsuffolk.gov.uk

Introduction to Public Meetings

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

Protocol for Virtual Cabinet Meetings

Live Streaming:

1. The meeting will be held on TEAMS and speakers will be able to join via invite only. Any person who wishes to speak at the meeting must contact Committee Services on 01473 296376 at least 24 hours before the start of the meeting.
2. The meeting will be live streamed and will be available to view on the Council's YouTube page as detailed below:
https://www.youtube.com/channel/UCSWf_0D13zmegAf5Qv_aZSg

Recording of proceedings:

1. Proceedings will be conducted in video format.
2. A Second Governance Officer will be present and will control the TEAMS call and Livestreaming.
3. If you are experiencing slow refresh rates and intermittent audio you should turn off incoming video to improve your connection to the meeting.

Disclosable Pecuniary Interests:

1. A Councillor declaring a disclosable pecuniary interest will not be permitted to participate further in the meeting or vote on the item. Where practicable the Councillor will leave the virtual meeting, including by moving to a 'lobby' space and be invited to re-join the meeting by the Committee Officer at the appropriate time. Where it is not practicable for the Councillor to leave the virtual meeting, the Committee Officer will ensure that the Councillor's microphone is muted for the duration of the item.

Questions and Debate:

1. Once an item has been introduced and proposed by the relevant Cabinet Member and been seconded, the Chair will ask if there are any questions. Each Member of the Cabinet will be asked, in alphabetical order, to put their questions.
2. Any Councillors present who are not part of the Cabinet will then be invited to ask questions but must alert the committee clerk/chair first using the chat function (to be unmuted). The questions must be related to the agenda item being discussed.
3. At the end of the questions the Chair will ask Cabinet Members whether they have any further questions before entering into debate.
4. Upon completion of any debate the Chair will move to the vote.

Voting:

1. Once a substantive motion is put before the committee and there is no further debate then a vote will be taken.

2. Due to circumstances the current voting by a show of hands would be impractical - as such the Governance Officer will conduct the vote by roll call or electronic voting. The total votes for and against and abstentions will be recorded in the minutes not the individual votes of each Councillor. Except where a recorded vote is requested in accordance with the Rules of Procedure.
3. The governance officer will then read out the result for the Chair to confirm.
4. A Councillor will not be prevented from voting on an item if they have been disconnected from the virtual meeting due to technical issues for part of the deliberation.

Confidential items:

1. The Public and Press may be Excluded from the meeting by resolution in accordance with normal procedural rules. The Committee Officer will ensure that any members of the public and press are disconnected from the meeting. All Councillors participating in the meeting will be asked to verbally declare that there are no other persons present who will be able to hear or observe proceedings.

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Agenda Item 3

BABERGH DISTRICT COUNCIL

Minutes of the meeting of the **BABERGH CABINET** held as a Virtual Teams Meeting on Thursday, 7 January 2021 at 5:30pm

PRESENT:

Councillor: John Ward (Chair)

Councillors: Jan Osborne
Clive Arthey
Michael Holt
Lee Parker

Derek Davis
David Busby
Elisabeth Malvisi

In attendance:

Councillor(s): Alastair McCraw

Officers: Chief Executive (AC)
Strategic Director (KN)
Monitoring Officer (EY)
Assistant Director – Corporate Resources (KS)
Assistant Director – Housing (GF)
Corporate Manager – Housing Solutions (HT)
Governance Officer (CP)

Apologies:

39 APOLOGIES FOR ABSENCE

There were no apologies for absence.

40 DECLARATION OF INTERESTS BY COUNCILLORS

40.1 Councillor Osborne declared a local non-pecuniary interest in respect of report number BCa/20/19 in her capacity as a trustee of Citizens Advice.

40.2 Councillor Malvisi declared a pecuniary interest in respect of report number BCa/20/25 and left the meeting for the duration of the item.

41 BCA/20/17 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 10 DECEMBER 2020

41.1 Councillor Osborne provided Members with figures relating to housing stock as per paragraph 32.6 of the minutes. In response Councillor Arthey commented that he had requested a 10-year schedule of the housing stock

numbers to show changes in figures.

41.2 Councillor Ward advised that the business plan would be updated and up to date information would be contained within the plan.

41.3 Councillor Holt advised that a response had not yet been received regarding mobile CCTV cameras as detailed in paragraph 35.9 of the minutes. Councillor Arthey confirmed that mobile CCTV cameras would be available.

It was RESOLVED:

That the minutes of the meeting held on 10 December 2020 were confirmed as a true record. The minutes would be signed at the next practicable opportunity.

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

None received.

43 QUESTIONS BY COUNCILLORS

There were no questions received from Councillors.

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

There were no matters referred.

45 FORTHCOMING DECISIONS LIST

45.1 The Leader of the Council advised that the report regarding Town Centre Parking in Babergh District would now be presented to Full Council on 19 January 2021 and Cabinet on 04 February 2021 and the Forthcoming Decisions List would be updated accordingly.

45.1 The Forthcoming Decisions List was noted.

46 BCA/20/18 INTER AUTHORITY AGREEMENT BETWEEN BABERGH DISTRICT COUNCIL AND MID SUFFOLK DISTRICT COUNCIL

46.1 The Leader of the Council introduced report BCa/20/18 and moved the recommendations contained within the report.

46.2 Councillor Busby seconded the recommendations.

46.3 The Monitoring Officer provided Members with details of the changes contained in the revised Inter Authority Agreement.

46.4 In response to questions from Councillor Holt regarding paragraph 4.3 of the

report, the Monitoring Officer provided further details of the points detailed.

- 46.5 Councillor Holt expressed concern over the decisions being made and queried whether these should be made by Officers or Cabinet Members.
- 46.6 Councillor Arthey enquired whether the agreement would be annually reviewed. The Monitoring Officer confirmed that the document would need to be reviewed following any legislative or governance changes, and could also be reviewed when deemed necessary by a Cabinet Member or Statutory Officer.
- 46.7 Members discussed the clause in the agreement relating to joint meetings with Mid Suffolk District Council.

By a unanimous vote

It was RESOLVED:

That the revised Inter Authority Agreement be approved and that the Leader be authorised to sign the agreement on behalf of the Council.

Reason for Decision: To ensure that appropriate and accurate governance is in place to facilitate the ongoing joint working between Babergh District Council and Mid Suffolk District Council.

47 BCA/20/24 TOWN CENTRE PARKING IN BABERGH DISTRICT

- 47.1 The Leader of the Council advised Members that following receipt of a valid petition this item had been withdrawn from the agenda. The item would be presented at the Council meeting on 19th January 2021 and the Cabinet meeting on 4th February 2021 for final determination.

48 BCA/20/21 FEES AND CHARGES 2021/22

- 48.1 The Cabinet Member for Finance introduced the report which set out the Fees and Charges for the forthcoming year. Councillor Ward advised Members that these Fees and Charges had been considered separately from the budget to allow clarity and visibility of the proposals.
- 48.2 Councillor Ward confirmed that following the withdrawal of report BCa/20/24, Town Centre Parking in Babergh District, the short stay parking charges contained in paragraph 6.9, and Appendix A Section H of the report could not be confirmed until Cabinet had decided the matter. The revised Appendix A had been issued to Members as a tabled paper.
- 48.3 Councillor Ward moved the recommendation in the report including the amended Appendix A contained in the tabled papers as outlined.
- 48.3 The recommendation was seconded by Councillor Malvisi.

By a unanimous vote

It was RESOLVED:

That the proposed Fees and Charges for 2021/22 as shown in Appendix A of the report and the amendment to Appendix A contained in the tabled papers were approved by Cabinet.

Reason for Decision: To ensure that the Council achieves sufficient income and thereby reduces subsidy on non-essential services which may compromise the Council's ability to fund statutory services.

49 BCA/20/22 TRANSFER OF THE COUNCIL'S VEHICLE FLEET TO HYDROTREATED VEGETABLE OIL (HVO) DIESEL

49.1 The report was introduced by the Cabinet Member for finance who provided Members with details of the various alternative fuels which had been considered.

49.2 Councillor Malvisi moved the recommendations in the report. Councillor Ward seconded the recommendations.

49.3 Members debated the benefits of the transfer to Hydrotreated Vegetable Oil (HVO) and the costs involved.

49.4 Councillor Parker queried if there were any other Local Authorities who had already undertaken the transfer to HVO. The Assistant Director for Environment and Commercial Partnerships advised that the closest Authority who had done so was the Borough of Hackney. However many Authorities were considering a change.

By a unanimous decision

It was RESOLVED:

1.1 That Cabinet agreed to move to using HVO as a replacement for conventional diesel in the Council vehicle fleet. This is a cleaner, less polluting fuel and results in a significant CO2 emission reduction.

1.2 That Cabinet agreed to proceed with the procurement of a supplier for the provision of HVO fuel and the supply and installation of a fuel tank at Chilton Depot, Sudbury.

1.3 That Cabinet agreed to secure the capital and revenue budgets funding for the project for a minimum of 3 years as identified in the report.

1.4 That Cabinet agreed to proceed with a CIL bid to fund the capital element of the project.

Reason for Decision: To reduce the council's CO2 emissions by 900 tonnes a year.

This represents 26% of total the total emissions. In accordance with its commitment to be zero carbon by 2030.

50 BCA/20/19 DRAFT GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK

- 50.1 The Cabinet Member for Finance introduced the report and moved the recommendations.
- 50.2 Councillor Malvisi seconded the recommendations.
- 50.3 Councillor Arthey requested clarification of the figures included in the report in relation to the Transfer of the Council's Vehicle Fleet to HVO. Councillor Malvisi confirmed that the figures contained in the paper were correct.
- 50.4 In response to a query from Councillor Busby regarding New Homes Bonus, the Assistant Director for Corporate Resources advised that the figure contained in the report relates to the housing growth for the period October 2019 to October 2020.
- 50.5 The Cabinet Member for Finance responded to comments from Councillor Davis regarding the removal of the free swims scheme and advised that he hoped the scheme would be able to be reinstated in the coming year.
- 50.6 Following a question from Councillor Parker regarding CIFCO and the Council's investment strategy, Councillor Ward commented on the diversity of the investments made during this financial year.
- 50.7 Councillor Arthey thanked Councillor Ward for his hard work as the Cabinet Member for Finance. Cabinet Members supported this and commented on the complexities and difficulties of producing the budget.
- 50.8 Councillor Ward expressed his thanks to the finance team for their support and hard work.

By a unanimous vote

It was RESOLVED

- 1.1 **That the draft General Fund Budget proposals for 2021/22 and four-year outlook set out in the report be endorsed for recommendation to Council on 23 February 2021, subject to further consideration at the next Cabinet meeting on 4 February 2021 following consideration at Overview and Scrutiny Committee on 18 January 2021.**
- 1.2 **That the draft General Fund Budget for 2021/22 is based on an increase to Council Tax of £5 per annum (10p per week) for a Band D property,**

which is equivalent to 2.96%, to support the Council's overall financial position.

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 and recommendations to Council.

51 BCA/20/20 DRAFT HOUSING REVENUE ACCOUNT (HRA) 2021/22 BUDGET AND FOUR-YEAR OUTLOOK

- 51.1 The report was introduced by the Cabinet Member for Finance.
- 51.2 The recommendations in the report were proposed by Councillor Ward and seconded by Councillor Osborne, the Cabinet Member for Housing.
- 51.3 Councillor Osborne responded to a question from Councillor Arthey regarding garage sites and confirmed that work on these sites was continuing.
- 51.4 Following a question from Councillor Busby regarding the strategy used for the purchase of homes, the Assistant Director for Housing provided details of how the Housing team and the Assets and Investments team identified suitable properties.
- 51.5 Councillor Holt referred to paragraph 5.16 of the report and commented that a rolling programme should be in place to purchase properties in order to avoid the need to repay unspent monies to the Government. Councillor Ward confirmed that a programme was in place. However, it was reliant on opportunities to purchase suitable properties.
- 51.6 Members expressed thanks to the Housing Team for their work.

By a unanimous decision

It was RESOLVED

- 1.1 That the draft HRA Budget proposals for 2021/22 and four-year outlook set out in the report and detailed below be endorsed for recommendation to Council on 23 February 2021, subject to further consideration at the next Cabinet meeting on 4 February 2021.**
- 1.2 That the CPI + 1% increase of 1.5% in Council House rents, equivalent to an average rent increase of £1.35 a week be implemented.**
- 1.3 That garage rents are kept at the same level as 2020/21.**
- 1.4 That Sheltered Housing Service charges be increased by £0.69 per week to ensure recovery of the actual cost of service.**
- 1.5 That Sheltered Housing utility charges are kept at the same level as**

2020/21.

1.6 That the budgeted surplus of £127k be transferred to the Strategic Priorities reserve in 2021/22.

1.7 That in principle, Right to Buy (RTB) receipts should be retained to enable continued development and acquisition of new council dwellings.

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 the February Cabinet and recommendations to Council.

52 BCA/20/23 ALLOCATION AND GRANT OF BDC COMMUTED SUMS FOR LAVENHAM COMMUNITY LAND TRUST

52.1 The Cabinet Member for Housing introduced the report which proposed a grant of commuted sums to enable the purchase of affordable homes.

52.2 The recommendations in the report were proposed by Councillor Osborne and seconded by Councillor Malvisi.

52.3 Members expressed their support for the recommendations.

By a unanimous vote

It was RESOLVED:

1.3 That the contents of this report was noted by Cabinet.

1.2 That the grant of up to £160,000 BDC commuted sums to Lavenham CLT as contribution towards purchase costs of 4 affordable homes from Babergh District Council as discussed within this report was approved by Cabinet.

Reason for Decision: To give consistent and purposeful support for Community Land Trusts within Babergh District, enabling them to provide housing for local people who are in housing need, that is affordable and remains so in perpetuity for future generations.

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

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 below on the grounds that if the public were present during this item, it is likely that there would be the disclosure to them of exempt information.

54 BCA/20/25 DISABLED FACILITY GRANT - BDC CONTRIBUTION TO SCC COMMUNITY EQUIPMENT BUDGET

It was RESOLVED: That the recommendations in the report be approved.

Reason for Decision: As detailed in the report.

The business of the meeting was concluded at 7.36 pm.

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Chair

Agenda Item 6

BABERGH DISTRICT COUNCIL

CABINET	REPORT NUMBER: BCa/20/27
FROM: Overview and Scrutiny Committee	DATE OF MEETING: 4 February 2021
OFFICER: Henriette Holloway Senior Governance Officer	KEY DECISION REF NO.

CABINET ARE ASKED TO CONSIDER THE RECOMMENDATIONS BELOW FROM THE BABERGH OVERVIEW AND SCRUTINY COMMITTEE HELD ON THE 18 JANUARY 2021

BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT

1. RECOMMENDATIONS
1.1 That a comprehensive parking strategy review be undertaken for the whole District, which will commence in quarter two 2021/22 and that delegation be given to the Assistant Director for Environment & Commercial Partnerships in consultation with the Cabinet Member for Environment.
1.2 That the parking management principles and interventions detailed in Appendix A be implemented no sooner than 1st of September 2021.
1.3 That additional parking controls or tariffs be applied to District car parks in accordance with Option 2, table 3, paragraph 6.3 of this report but includes that one-hour free parking be provided in Hadleigh and Sudbury, subject to the Statutory Order Process and requirements for consultation, in order to achieve availability and occupancy priorities outlined below.
1.4 That residential parking permits be implemented in Mill Lane Car Park, Sudbury for overnight stays, subject to the Statutory Order Process and requirements for consultation.
1.5 That a proportion of income generated from chargeable parking will be allocated to the delivery of the sustainable travel agenda.
1.6 To resolve to delegate the decision to make changes to the parking orders in order to bring in the agreed changes to the AD for Environment and Commercial Partnerships so that appropriate actions can be undertaken in a timely manner.

2. APPENDICES

Title	Location
Draft Minute – BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT	Attached

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MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT – BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 5.1 Councillor McCraw made the Committee aware of the decision process for this item and asked for Members to remain apolitical.
- 5.2 Councillor Malvisi – Cabinet Member for Environment introduced the report and stated that the report would be amended to take into account comments from this Overview and Scrutiny meeting and the debate on the petition at Council on 19 January 2021 before being taken to Cabinet in February.
- 5.3 Councillor Malvisi detailed the background for the report and explained that several car parks in Babergh were in need of repair to make them fit for purpose and that action plans were needed for bicycle parking and electric charging points.
- 5.4 The revised Car Parking Review would enable car parks in town centres to pay for upkeep of the car parking spaces and be financially viable for the future.
- 5.5 The Assistant Director - Environment & Commercial Partnerships detailed the main content of the report. She explained how the Car Parking Survey in February 2020 had been conducted and how the observations were made for the use of car parks in Hadleigh and Sudbury.
- 5.6 She stated that any changes should be based on strategic requirements and that parking tariffs were to be used as a tool to change parking behaviours to utilise the spaces available for parking in the town centres. The survey had identified several aspects including the number of cars parking, for how long and if there was enough appropriate parking available. However, a much wider strategic review would be needed but this survey was the first step.
- 5.7 Budgetary considerations had been included in the report and Option 2 was the preferred option. Currently the cost of maintaining and running the car parks was subsidised and the proposal endeavoured to cover the cost of the service and to reinvest into the service. An element of some of the income would be invested in sustainable travel.
- 5.8 The Chair thanked the Assistant Director and proposed possible areas of questioning to Members.
- 5.9 Councillor McLaren stated that the report was comprehensive, however, she felt that the subsidy of parking had been a major point for residents, and that the remainder of the report had been overlooked. She asked if this had been taken into consideration in preparing the report. She also asked how long Babergh had been subsidising car parking in Sudbury.
- 5.10 The Assistant Director – Environment and Commercial Partnerships responded that the car parking service had always been subsidised and that the reaction to the subsidy issues had been anticipated but could not coherently be separated from the report.

MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT – BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 5.11 Councillor Dawson asked why this report had been brought to Cabinet in January with little or no communication or consultation with Ward Members or other stakeholders.
- 5.12 The Assistant Director – Environment and Commercial Partnerships explained that it had been a corporate objective for some time to review the parking provision within the Babergh District and that the report had been in progress since February 2020 and should have been presented to Cabinet in November 2020. However, this had been delayed due to the redeployment of staff as a result of the Covid-19 Pandemic. She added that the report was the initial phase to establish if the current car parking provision was fit for purpose. In addition, a need to address car parking issues in town centres had arisen and she assured Members that all stakeholders would be consulted in the wider strategy review.
- 5.13 Councillor Grandon asked how much research had been undertaken in Hadleigh and why the report had been deferred to January, as Christmas and the Covid-19 restrictions had made a wider debate difficult.
- 5.14 The Assistant Director – Environment and Commercial Partnerships responded that the initial data survey had been completed by Alpha Parking, who had visited car parks on both weekdays and weekends to gather data including any data accessible from the ticket machines.
- 5.15 In response to the timing of the report, the Officer clarified that Covid-19 redeployment had affected the timing, however, she assured Members that members of the public and Councillors had forwarded responses to the report.
- 5.16 Councillor Grandon enquired why Dedham had been included as a good example. When she had visited the town during the summer there appeared to be an issue with people trying to avoid parking charges by parking on the road instead of using car parks.
- 5.17 Richard Walker, Parking Partnership Group Manager – North Essex Parking Partnership, explained that the examples in the report illustrated that car parking charges did not discourage visitors and that the management of car parking tariffs improved parking in towns.
- 5.18 Councillor Dawson stated that the report did not address the issue of displacement of traffic and asked why this was not being delayed until after the wider review.
- 5.19 The Chair advised Members of the constraints of timing in relation to the budget.
- 5.20 The Assistant Director – Environment and Commercial Partnerships clarified that on-street parking was not charged for and managed by Suffolk County Council. However, on-street parking depended on traffic regulations.

MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT – BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 5.21 Councillor McCraw queried whether the suggested tariffs seemed low in comparison with parking in similar towns and asked if this was the case.
- 5.22 The Assistant Director – Environment and Commercial Partnerships replied that she believed that these charges were modest in comparison.
- 5.23 Richard Walker explained that parking management tended to follow what the destination had to offer and that factors had been established by looking across nationally to similar places, type of stay, mode of use and congestion of the network. The introduction of tariffs was not solely about generating an income but also to manage parking issues in a sensible way for residents and visitors.
- 5.24 Councillor McLaren asked if the Shotley Peninsula had been reviewed as there was a shortage of car parks. Especially since Anglian Water had raised car parking charges at Alton Water, which appeared to have resulted in more people parking in quieter lanes and villages.
- 5.25 Councillor Grandon stated that Hadleigh and Sudbury were not comparable, but the suggested tariffs were comparable.
- 5.26 The Assistant Director – Environment and Commercial Partnerships replied that the fee structures were different in Sudbury and Hadleigh in the recommended option.
- 5.27 Councillor Dawson questioned why the survey had been completed in February which was one of the worst times of the year for visitors to the towns.
- 5.28 Richard Walker replied that February was a quiet time of the year, however the car parks had still been full.
- 5.29 Councillor Adrian Osborne queried what would be the impact on the budget if changes were not made.
- 5.30 The Assistant Director – Environment and Commercial Partnerships responded that the current parking budget was showing a £185,000 deficit, which did not include any funding for improving deteriorating car parks. Tables 4a and 4b in section 6.5 of the report detailed the current budget for parking services.
- 5.31 In response to Councillor McCraw's question for the provision of 3 hours free parking, Richard Walker stated that it was unusual to have such a long period of free parking.
- 5.32 Councillor Dawson asked if enforcements had been considered and Councillor McCraw enquired further if the authority received any income from enforcements.
- 5.33 The Assistant Director – Environment and Commercial Partnerships responded that a service level agreement with Suffolk County Council and West Suffolk

MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT – BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

Council were in place and that the income from car parking charges were unlikely to cover the cost of enforcement.

- 5.34 Councillor McLaren enquired if any comments had been received from residents, who would gain resident's parking permits in Sudbury, to which the Assistant Director – Environment and Commercial Partnerships replied that it was expected that views would be made under the wider review.
- 5.35 Councillor McCraw questioned if there was a capacity to amend the timeline in the report and were delays feasible within budget and practical constraints.
- 5.36 The Assistant Director – Environment and Commercial Partnerships clarified that the budget would be a separate issue, however it would be feasible to delay the implementation date.
- 5.37 In response to Councillor Dawson's questions relating to the alternative options explored, Councillor Malvisi referred to the alternative strategies' options detailed in the report.
- 5.38 The Chair invited Members to debate the issues.
- 5.39 Councillor McLaren began the debate by raising the method of consultation and stated that some people felt that their views had been missed.
- 5.40 Councillor Adrian Osbourne stated that he understood that the three hours free parking was unsustainable and suggested that the implementation date should be amended to late 2021/early 2022. He added that residents being unable to park near their homes should be investigated as this impacted car parks.
- 5.41 Councillor Dawson agreed that factors of displacement needed reviewing and suggested that this report be deferred until after the strategic parking review.
- 5.42 Councillor Grandon thought that businesses and the public needed time to recover from the effects of the Covid-19 crisis before implementation of car parking charges. She thought that the Sudbury and Hadleigh tariffs should be different and that more work should be undertaken regarding the displacement issues.
- 5.43 Councillor McCraw felt that the tariffs suggested were reasonable and acceptable, however he suggested one hour of free parking instead of the half hour proposed. He thought that a comprehensive parking review was required in addition to considerations of residential parking permits.
- 5.44 Councillor Dawson enquired why Lavenham had been omitted and The Assistant Director – Environment and Commercial Partnerships explained that Lavenham Parish Council had approached Babergh District Council regarding the transfer of responsibilities for a number of services in Lavenham and that it was hoped that these talks would come to a conclusion soon.

MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT – BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 5.45 Councillor McCraw suggested that recommendation 3.1 in the report be amended so that the commencement date for the strategy review be changed to quarter three and that the implementation date in recommendation 3.2 be amended to '*no earlier than 01 July 2021*'.
- 5.46 Councillor Grandon thought that engineering investments to car parks should not be delayed.
- 5.47 Councillor Dawson suggested delaying the implementation date until after the Strategic Parking Review.
- 5.48 The Assistant Director – Environment and Commercial Partnerships confirmed that the average time for a Strategic Parking review was 12 to 18 months.
- 5.49 Councillor McLaren suggested one-hour free parking in town centres and an implementation date of no earlier than September.
- 5.50 Councillor McCraw proposed a recommendation of no change to recommendations 3.1, 3.4, 3.5 and 3.6 in the report, that the implementation date in recommendation 3.2 be amended to: '*be implemented no earlier than September 2021*' and recommendation 3.3 be amended to a variant of options 2 and 3 to: '*but includes that one hour free parking be provided in Hadleigh and Sudbury*', which was seconded by Councillor Osborne.
- 5.51 Councillor Grandon proposed an amended recommendation for 2 hours free parking and that the implementation date should be 6 months after the majority of the general public had received a Covid-19 vaccination.
- 5.52 The Monitoring Officer advised against using the Covid-19 vaccination as a cut off time for implementation and suggested implementation after the Strategic Review instead.
- 5.53 This was agreed by Councillor Grandon and she proposed that Recommendations 3.1 and 3.4, 3.5 and 3.6 remained unchanged and that Recommendations 3.2 and 3.3 be amended as follows:
- 3.1 *That a comprehensive parking strategy review be undertaken for the whole District, which will commence in quarter two 2021/22 and that delegation be given to the Assistant Director for Environment & Commercial Partnerships in consultation with the Cabinet Member for Environment.*
- 3.2 *That the parking management principles and interventions detailed in Appendix A **not be implemented until the comprehensive Parking Strategy review has been completed.***

**MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT –
BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021**

- 3.3 *That additional parking controls or tariffs be applied to District car parks in accordance with Option 2, table 3, paragraph 6.3 of this report **but to include two hours free parking in Hadleigh and that free parking in Sudbury to be determined**, subject to the Statutory Order Process and requirements for consultation, in order to achieve availability and occupancy priorities outlined below.*
- 3.4 *That residential parking permits be implemented in Mill Lane Car Park, Sudbury for overnight stays, subject to the Statutory Order Process and requirements for consultation.*
- 3.5 *That a proportion of income generated from chargeable parking will be allocated to the delivery of the sustainable travel agenda.*
- 3.6 *To resolve to delegate the decision to make changes to the parking orders in order to bring in the agreed changes to the AD for Environment and Commercial Partnerships so that appropriate actions can be undertaken in a timely manner.*

5.54 Councillor Dawson seconded the amended proposal, which was put to Members for voting.

By 2 votes for and 3 votes against

It was RESOLVED:-

That the vote for the amended proposal was lost.

5.55 Members returned to the substantive proposal, which was put to Members for voting.

By 3 votes for and 2 votes against

It was RECOMMENDED TO CABINET:

- 3.1 That a comprehensive parking strategy review be undertaken for the whole District, which will commence in quarter two 2021/22 and that delegation be given to the Assistant Director for Environment & Commercial Partnerships in consultation with the Cabinet Member for Environment.**
- 3.2 That the parking management principles and interventions detailed in Appendix A be implemented no sooner than 1st of September 2021.**
- 3.3 That additional parking controls or tariffs be applied to District car parks in accordance with Option 2, table 3, paragraph 6.3 of this report but includes that one-hour free parking be provided in Hadleigh and Sudbury, subject to the Statutory Order Process and requirements for**

**MINUTE FOR BOS/20/1 TOWN CENTRE PARKING IN BABERGH DISTRICT –
BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021**

consultation, in order to achieve availability and occupancy priorities outlined below.

- 3.4 That residential parking permits be implemented in Mill Lane Car Park, Sudbury for overnight stays, subject to the Statutory Order Process and requirements for consultation.**
- 3.5 That a proportion of income generated from chargeable parking will be allocated to the delivery of the sustainable travel agenda.**
- 3.6 To resolve to delegate the decision to make changes to the parking orders in order to bring in the agreed changes to the AD for Environment and Commercial Partnerships so that appropriate actions can be undertaken in a timely manner.**

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BABERGH DISTRICT COUNCIL

CABINET	REPORT NUMBER: BCa/20/28
FROM: Overview and Scrutiny Committee	DATE OF MEETING: 4 February 2021
OFFICER: Henriette Holloway Senior Governance Officer	KEY DECISION REF NO.

CABINET ARE ASKED TO CONSIDER THE RECOMMENDATIONS BELOW FROM THE BABERGH OVERVIEW AND SCRUTINY COMMITTEE HELD ON THE 18 JANUARY 2021

BOS/20/2 DRAFT GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK

<p>1. RECOMMENDATIONS</p> <p>That the Overview and Scrutiny Committee commends Recommendations 3.1 and 3.2 in the report to Cabinet, with the exception of any effects made in relation to the parking matter which has been debated at the meeting today.</p>
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2. APPENDICES

Title	Location
A. Draft Minute – BOS/20/2 DRAFT GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK	Attached

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MINUTE FOR BOS/20/2 DRAFT GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 6.1 Councillor Ward – Cabinet Member for Finance introduced paper BOS/20/2 and summarised the main points in the budget. Overall, the Council was in a good financial position for the year, however the prediction for the coming years for the Council's financial position required careful attention.
- 6.2 Councillor Grandon understood the seriousness of the Council's situation and asked why there was only a minimal increase for the brown bin collection. She felt that as it was an excellent service it could be increased further, and she believed an increase would not discourage current or new subscribers.
- 6.3 Councillor Ward responded that this had been reviewed earlier in the year. However, after comparison of garden waste collection charges with other authorities, it was felt that £2.50 was the right amount.
- 6.4 Councillor McLaren referred to page 47, bullet point 6.6, in relation to the Public Realm service, which was being brought in-house and asked if there were other services, which could be brought inhouse.
- 6.5 Councillor Ward responded that currently no other services had been identified.
- 6.6 Councillor McLaren then queried the use of external consultants and Councillor Ward explained that external consultants were only used when necessary to provide specialism and skills for specific projects, which the Council's officers could not provide.
- 6.7 Councillor Dawson referred to the service charges for Endeavour House and that the rental income in the commercial market had come down. She questioned why the service charge for Endeavour House had increased by £43K.
- 6.8 The Assistant Director – Corporate Resources clarified that when the Council entered the rental and service charges contract with Suffolk Country Council (SSC) it included planned increases. However, as a result of the current situation an ongoing conversation with SCC for a reduction in service charges was being conducted as SCC had seen a reduction of overhead charges. However, there were still fixed overheads included in the charges and the Council had agreed to increases when the agreement was signed with SCC.
- 6.9 Councillor A. Osborne thanked the Finance team for putting together a balanced budget in difficult circumstances.
- 6.10 Councillor McCraw queried the £404K surplus forecast for this year, achieved by using the New Homes Bonus, Section 31 Grant and Rural Service Delivery Grant, and he compared this figure with the £381K in the reserves and asked if consideration had been made to not using the reserves and have a smaller surplus.

MINUTE FOR BOS/20/2 DRAFT GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 6.11 Councillor Ward responded that the reserves were earmarked for specific service areas. He added that the New Homes Bonus was reducing every year, however, the new reserves were used for the Council's priorities such as the biodiversity commitment for the coming years.
- 6.12 The Assistant Director – Corporate Resources added that the reserves were used to fund particular service areas such as homelessness. The Council received funding for homelessness on an annual basis and this funding was put into the reserves and was drawn upon when required to fund homelessness services.
- 6.13 Councillor Grandon queried the £88K increase in vehicle running costs and asked if this was part of the project to become carbon neutral and if so when would this be balanced.
- 6.14 Councillor Ward explained that this was the price difference between the cost of diesel and HVO and would be an ongoing cost. This was a consequence of the Council's dedication to climate change.
- 6.15 Councillor Dawson asked for details for the returns on the investment funds.
- 6.16 The Assistant Director – Corporate Resources responded that these investments were still paying positively to the Council and that details would be presented to the Joint Audit and Standards Committee (JASC) next week. The investment funds were providing a reasonable return to the Council, helping the Council's budget position.
- 6.17 Councillor Dawson asked if a summary of the investment funds could be provided to all Members.
- 6.18 Councillor McCraw stated that as a member of JASC he could confirm that the investment funds returns were meeting expectations.
- 6.19 Councillor McLaren supported the above comments and stated that the matter of ethical investments would be raised at the next JASC meeting.
- 6.20 Members debated the budget issues including that the budget had been presented to all Members at several briefings before coming to committee and that it was a fairly neutral but balanced budget, including a small increase in Council Tax, of which the Council received 10% of the total amount collected. It was noted that a deficit was forecast for the next three years.
- 6.21 Members commended the Assistant Director and the Finance team on the General Fund Budget for 2021/22 and Four-year Outlook.
- 6.22 Members debated the recommendations to Cabinet and Councillor McCraw proposed that the Committee commended recommendation 3.1 and 3.2, with the exception of the matters relating to the parking item discussed previously.

MINUTE FOR BOS/20/2 DRAFT GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

6.23 Councillor A. Osborne seconded the proposal.

By 3 votes for, 1 vote against and 1 abstention.

It was RESOLVED: -

That the Overview and Scrutiny Committee commends Recommendations 3.1 and 3.2 in the report to Cabinet, with the exception of any effects made in relation to the parking matter which has been debated at the meeting today.

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BABERGH DISTRICT COUNCIL

CABINET	REPORT NUMBER: BCa/20/29
FROM: Overview and Scrutiny Committee	DATE OF MEETING: 4 February 2021
OFFICER: Henriette Holloway Senior Governance Officer	KEY DECISION REF NO.

CABINET ARE ASKED TO CONSIDER THE RECOMMENDATIONS BELOW FROM THE BABERGH OVERVIEW AND SCRUTINY COMMITTEE HELD ON THE 18 JANUARY 2021

BOS/20/3 DRAFT HOUSING REVENUE ACCOUNT (HRA) 2021/22 BUDGET AND FOUR-YEAR OUTLOOK

1. RECOMMENDATIONS

That the Overview and Scrutiny Committee supports Recommendations 3.1 to 3.7 in the Report to Cabinet.

2. APPENDICES

Title	Location
A .Draft Minute – BOS/20/3 DRAFT HOUSING REVENUE ACCOUNT (HRA) 2021/22 BUDGET AND FOUR-YEAR OUTLOOK	Attached

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MINUTE FOR BOS/20/3 DRAFT HOUSING REVENUE ACCOUNT (HRA) 2021/22 BUDGET AND FOUR-YEAR OUTLOOK BABERGH OVERVIEW AND SCRUTINY COMMITTEE 18 JANUARY 2021

- 7.1 Councillor Ward – Cabinet Member for Finance, introduced paper BOS/20/3, and summarised the main points of the report to Members.
- 7.2 Councillor Grandon asked for a clarification of the service charges for sheltered housing tenants and what was included in the increase of 69 pence per week.
- 7.3 Councillor J. Osborne – Cabinet Member for Housing responded that the new residents in the de-sheltered houses had been offered to continue the same service as the sheltered houses at a cost. For the sheltered sites the services remained the same.
- 7.4 The Assistant Director – Housing, added that the service was a wraparound service and included Health & Safety and a warden on-call system and utilities costs which was all included in the service charges. A review would be brought to Cabinet later in the year. The 69 pence increase paying for increase in utility charges.
- 7.5 Councillor Grandon asked how many tenants live in the Council's sheltered accommodations and the Assistant Director- Housing response approximately 450 tenants but he would provide a more detailed response outside of the meeting.
- 7.6 Councillor McLaren referred to the national reports of thousands of council houses standing empty and asked if an update could be provided for the number of empty houses and garages across the District.
- 7.7 The Assistant Director – Housing responded that the demand for garages was higher in some area while other areas had a low demand. There would be a project around the consideration of strategic sites and the use of sites in the long term in due course. There was a turnover of houses becoming empty as tenants moved and the property had to be maintained between tenants. There was also a review of empty garage sites, some of which might be under consideration for redevelopment.
- 7.8 Councillor McLaren asked if the Council would provide 'pods' for rough sleepers, similar to Ipswich Borough Council.
- 7.9 The Assistant Director – Housing responded that this came under the General Fund Budget, but he reassured Members that the Council had made every effort to ensure that rough sleepers had been provided with accommodation. This could be either in the Councils own accommodation or in B&B and hotel accommodation in which the Council currently housed rough sleepers as a result of the Covid-19 Pandemic. The Cabinet had considered the options and made the decision that hotel accommodation was the best option, based on a business case, and was more cost effective and flexible for the Council.

**MINUTE FOR BOS/20/3 DRAFT HOUSING REVENUE ACCOUNT (HRA) 2021/22
BUDGET AND FOUR-YEAR OUTLOOK BABERGH OVERVIEW AND SCRUTINY
COMMITTEE 18 JANUARY 2021**

- 7.10 Councillor Jan Osborne added that some properties might appear to be empty when a resident has gone into temporary care as the property had to remain available as stated in the tenancy agreement until the resident went into permanent care.
- 7.11 Councillor McCraw asked when the last time was the Council had increased the council housing rent and he referred to the increase of 1.5% in recommendation 3.3 in the report.
- 7.12 The Assistant Director - Housing responded that the council housing rent had been increase last year based on the CPI, which was the first year of the new Government rent standards. However, prior to this Council had for the previous five years been obliged to reduce rents. He did not have the figure for Babergh available, but Mid Suffolk District Scrutiny Committee members had compared and contrasted figures for last week for 2015/16 and 2021/22, and drawn the conclusion that the rent increase was on average 11pence higher now than 6 years ago.
- 7.13 In response to Councillor Ayres' comments regarding the repairs on Minden Road in Sudbury the Assistant Director – Housing responded that the repair had been for fire safety and environmental issues, as agreed with the stakeholders involved there, and had been long overdue.
- 7.14 Councillor Grandon asked if any of the Council's properties had any of the combustible cladding which was discussed in the current news and the Assistant Director – Housing confirmed that there were no high rises in the area and none of the council's housing had any of the combustible cladding applied.
- 7.15 Members briefly debated the issues and congratulated the Assistant Director – Housing, the Corporate Manager – Housing Solutions and the Housing team on the work undertaken, problems resolved and the work they have achieved.
- 7.16 Councillor Grandon proposed that the Overview and Scrutiny Committee supported the Recommendations in the Report, which was seconded by Councillor Dawson.

By a unanimous vote

It was RESOLVED: -

That the Overview and Scrutiny Committee supports Recommendations 3.1 to 3.7 in the Report to Cabinet.

Agenda Item 8

BABERGH DISTRICT COUNCIL

TO: CABINET	REPORT NUMBER: BCa/20/30
FROM: Assistant Directors	DATE OF MEETING: 4 February 2021
OFFICER: Janice Robinson, Deputy Monitoring Officer	

SPECIAL URGENT DECISIONS TAKEN BY OFFICERS DURING THE COVID-19 PANDEMIC PERIOD UNDER DELEGATED POWERS IN ACCORDANCE WITH PART 2 OF THE CONSTITUTION

1. PURPOSE OF REPORT

- 1.1 This report details Special Urgent Decisions taken by Officers for decisions over £150K and are exempt for call-in, in consultation with the Chair of the Council using their delegated powers during the Covid-19 Pandemic.
- 1.2 The Officers are required by the Constitution to report these decisions at an ordinary meeting of the Cabinet meeting under Part 2 and of the Constitution.

2. RECOMMENDATIONS

- 2.1 That Cabinet notes the Special Urgent Decisions taken under delegated powers by the Officers as detailed in Appendix A

REASON FOR DECISION

Under Part 2 of the Constitution, Delegations to Officers, Paragraph 7.2 the decision must be reported to the next ordinary meeting of the appropriate Cabinet.

3. KEY INFORMATION

- 3.1 Detailed in Appendix A.

4. LINKS TO THE CORPORATE PLAN

- 4.1 N/A

5. FINANCIAL IMPLICATIONS

Detailed in Appendix A.

6. LEGAL IMPLICATIONS

6.1 To comply with the Councils Constitution.

7. RISK MANAGEMENT

7.1 Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
That the key decisions in Appendix A taken during the COVID-19 pandemic period under delegated powers do not follow the Council's Constitutional Decision process thereby making them unlawful and open to challenge.	Unlikely (2)	Noticeable (2)	To follow the Constitutional decision process

7.2

8. CONSULTATIONS

8.1 N/A

9. EQUALITY ANALYSIS

9.1 N/A

10. ENVIRONMENTAL IMPLICATIONS

10.1 N/A

11. APPENDICES

Title	Location
(A) Decisions taken by Officers during the Covid-19 Pandemic under Delegated Powers in Accordance with Part 2 of the Constitutions	Attached

12. BACKGROUND DOCUMENTS

12.1 [OFFICER DECISIONS](#)

SPECIAL URGENT DECISIONS TAKEN BY OFFICERS DURING THE COVID-19 PANDEMIC PERIOD UNDER DELEGATED POWERS IN ACCORDANCE WITH PART 2 OF THE CONSTITUTION

Decision Reference	Decision	Date Published
Officer Decision	<u>BABERGH COVID 19 ADDITIONAL RESTRICTIONS GRANT SCHEME</u>	23/11/2020
Officer Decision	<u>BABERGH LOCAL RESTRICTION SUPPORT GRANT SCHEME (OPEN)</u>	18/12/2020

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Agenda Item 9

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/20/31
FROM: Councillor Elisabeth Malvisi, Cabinet Member for Environment	DATE OF MEETING: 04 February 2021
OFFICER: Cassandra Clements, Assistant Director for Environment & Commercial partnerships	KEY DECISION REF NO. CAB245

CAR PARKING STUDY REPORT

1. PURPOSE OF REPORT

- 1.1 This report was originally published in December 2020 for decision at the January 2021 Cabinet meeting. At the January meeting the report was deferred in order to enable the Cabinet to further consider the various submissions that had been sent to them and specifically to enable the Overview & Scrutiny Committee to consider the issue at its meeting on 18th January 2021 and for Full Council to debate, on 19th January 2021, the related petition that had been submitted. This report has therefore been re-written in light of those submissions and following consideration of the issues by the Overview & Scrutiny Committee and Full Council. The recommendations contained within section 3 have also been amended.
- 1.2 This report proposes changes to the Council's parking management and maintenance that are designed to balance traffic management and environmental impacts with the need to support local residents, visitors, and workers. In particular the proposals have taken into consideration the future visions for the different towns and the need to keep car parks in a good condition.
- 1.3 As each of the towns and villages that make up Babergh are different the proposals for each car park are also bespoke to reflect the different needs and challenges in that place.
- 1.4 The proposals are designed to help reduce the environmental impacts of travel, such as air quality, by helping to reduce congestion; whilst also supporting and growing the commercial vitality of Babergh's towns and improving the public spaces and streetscape.
- 1.5 This report has been informed by an independent parking study, commissioned by the Council. This was carried out in February 2020 (pre-Covid) and it reviewed stay durations, capacity, turnover and occupancy of the car parks.
- 1.6 In addition, the revised charging proposals are designed to reduce the current subsidy so that it is the motorist who pays for more of the cost of our parking provision rather than all tax payers.

2. OPTIONS CONSIDERED

- 2.1 A number of options have been considered, including no change (which has been discounted as there are some known actions contained in Appendix D, which will impact parking provision), different levels of controls, increased management of parking, including the implementation of short term charging or additional charging at some, or all locations.
- 2.2 Data has been collected based on a study carried out during February 2020 of all Council owned car parks in Babergh District and is therefore both before the emergency measures were imposed, but also one of the quieter months of more normal years – representing a best-case scenario.
- 2.3 Informal observations have also been carried out in order to test the application of the data throughout the year, in particular to the impact of leisure/tourism in popular locations.

3. RECOMMENDATIONS TO CABINET

- 3.1 That the parking management principles and interventions detailed in Appendix A be implemented no earlier than 01 October 2021.
- 3.2 That additional parking controls or tariffs be applied to District car parks in accordance with Option 2, table 2, paragraph 6.3 of this report, subject to the Statutory Order Process and requirements for consultation, in order to achieve the availability and occupancy priorities outlined below.
- 3.3 That residential parking permits be implemented in Mill Lane Car Par, Sudbury for overnight stays, subject to the Statutory Order Process and requirements for consultation.
- 3.4 That delegated authority be given to the Assistant Director for Environment & Commercial Partnerships to make changes to the parking orders in order to implement recommendation 3.2 and 3.3.
- 3.5 That a longer-term parking strategy be developed for the whole District, and that the review work to develop such a strategy commences in quarter two of 2021/22.

REASON FOR DECISION

To make changes in respect of parking management and maintenance that best balance the Council's desires to improve traffic management and environmental impacts; to support local residents, visitors, and workers; to grow the commercial vitality of Babergh's towns; to improve the public spaces and streetscape; to reduce the current subsidy so that the motorist pay more of the cost of the car parking; and to fund investment into sustainable travel projects.

4. BACKGROUND INFORMATION

- 4.1 With a population of over 92,000 and projected to reach 98,000 by 2036, Babergh is a predominantly rural area where much of the population lives in villages or small market towns. Babergh also shares a common boundary with Essex along much of

the River Stour with neighbouring Braintree District and Colchester Borough Council areas.

- 4.2 The district has a strong visitor economy offer given its historic and natural assets, and its main towns are well connected to the wider region, London (with Sudbury connecting to the Great Eastern Main Line via Marks Tey) and the Continent.
- 4.3 Each town has its own particular qualities and challenges – and provisions for parking need to be made accordingly. Parking policy should consider the needs of shoppers, tourists & visitors, residents, workers and commuters; and balance these needs both between their own sometimes conflicting demands, and the various environmental, socio-demographic, geographic and economic factors.
- 4.4 The Council is working in partnership with a variety of local stakeholders to deliver specific wider vision and investment programmes for Sudbury and Hadleigh. The Council's approach to parking therefore needs to complement this work and be bespoke to each local area.
- 4.5 Ensuring the level of car parking facilities, and the right controls for their use, will support regeneration and enable development in and around the District's town centres. It is important to ensure that shoppers, tourists, visitors, residents, workers and commuters have access to sufficient, good quality, safe, welcoming car parking.
- 4.6 The Council has declared a Climate Emergency and developed both Climate Change and Biodiversity Action Plans. The Council also therefore should be using its approach to car parking to help reduce congestion and the associated air quality issues, and make the best use of the parking space, public realm and streetscape.
- 4.7 Studies have shown that motorists value proximity of parking to their destination as much as cost; and that limitless free parking does not have a positive impact on the dwell time of the average shopper. The independent car parking study carried out on behalf of the Council in February 2020 has helped inform the recommendations within this report (Appendix D). The data from the study shows a need to implement a revised strategy that provides the right level of parking in the right places for the right reasons. It showed that *average* stay length in even the largest town in the District is 64 minutes. It also demonstrated that there are also areas where parking is in more demand than supply. The data further shows significant investment needed in the car parks, which short terms charges will help to cover. Appendices A and D contain the detail of this.
- 4.8 The recommendations for Sudbury in this report, and in particular the introduction of some short term parking charges, are therefore designed to help investment in the facilities, to make best use of the space available, turning over spaces in the town centre, enabling more stays during the daytime. This is where the term 'churn' is used. Where a space could be re-used up to 4 or 5 times a day, rather than car idling or driving around the town trying to find a space. These are drivers that are already trying to access parking spaces, not future growth. The proposals will also help encourage not using a car at all for some trips (where possible) and use of alternative parking for longer stays. The revised approach to charging is designed to help influence public behaviour in this way as well as provide better facilities for our users.
- 4.9 There is a need to ensure our car parks are safe and welcoming to those who use them. Appendix A details the amount of investment needed to bring our car parks up to date. In Hadleigh, the survey showed that availability of spaces was good at various times, but that it is clearly in need of investment in terms of machines, groundworks, signage and lines. Short term charges, alongside the current long term charges, would help towards this much needed investment.

4.10 The purpose of this report is to address the current car parking needs and related challenges in Babergh. It is also important, however, that the Council develops a car parking strategy for the medium to long term as well as addressing the current issues. Recommendation 3.5 therefore proposes that the review work need to develop a longer term (the next 5-10 years) strategy starts in quarter two of 2021/22.

5. LINKS TO CORPORATE PLAN

5.1 The Joint Corporate Plan is designed to address the challenges and seize the opportunities facing the districts and their organisations for the foreseeable future. The Councils' vision is to build 'great communities with bright & healthy futures that everyone is proud to call home.'

5.2 The Joint Corporate Plan identifies six strategic priorities as represented in the image below.

5.3 The proposals within this report are designed to ensure Babergh has the right level of parking in the right places to support:

- **the Environment** – reducing traffic congestion which leads to air quality issues, and increasing provision of Electric Vehicle (including cycles as well as cars) charging points.
- **the Economy** – ensuring car parking spaces are appropriately used to support the town centres and their vitality, whilst also providing spaces for workers and commuters and making sure the car parks, which are often a gateway to the town centres, are attractive and welcoming.
- **Development and Regeneration** – supporting delivery of key town centre projects e.g. Sudbury Market Hill, Hamilton Road Quarter, and active travel cross-town links.
- **Local transport** – providing parking in each town to balance the needs of all road users, environmentally sustainable measures including electric vehicles, public transport, cycling, and walking alternatives to the private car, support for county Local Transport Plan priorities (including junction improvements) and Pinch Point and Active Travel funding.



6. FINANCIAL IMPLICATIONS

- 6.1 The Council current spends £444k p.a. providing its car parking service. These costs, explained in 6.2, include resurfacing, grounds maintenance, gritting, sweeping, litter collection, business rates, signage, machine consumables, administrative functions and patrols.
- 6.2 Some car parking is charged for and this generates approximately £259k p.a. (this is the current budget figure). There is therefore a subsidy of car parking service from other Council funds. The current ‘free’ parking is subsidised by approximately £185k p.a. by all taxpayers – whether motorists or not. The recommendations within this report will, after implementation costs, reduce this level of subsidy.
- 6.3 The table below provides benchmarking data for car parking charges in similar towns elsewhere in the country.

TABLE 1: Benchmarking National Comparative charging in similar towns

Charges up to:	Nantwich, Cheshire	Bridport, Dorset	Oakham, Rutland	Helmsley, Ryedale
20 mins	£ 0.70	£ 0.20	£ 1.00	£1.60
1 hour		£ 0.40		
2 hours	£ 1.10	£ 0.80	£ 2.50	£2.50
3 hours	£ 2.20	£ 1.70		£3.00
4 hours		£ 4.00	£ 4.30	£5.00
5 hours	£ 2.70	£ 8.00		
6 hours/day	N/A	£ 12.00		
Blue Badge Holders	Free	Charges as above	Free	Charges + extra time

Financial illustration of different tariff choices

A range of options is set out in Table 2 below to illustrate a range of different tariff controls – with the inclusion of longer controlled hours to improve turnover on Saturday lunchtime/afternoons and encourage alternative use of Gt Eastern Road/Station Road car parks in Sudbury as an alternative for non-shopping trips.

TABLE 2 - Illustration of different options for controls					
Location	Car parks	Type	Option 1	Option 2 - preferred	Option 3
Sudbury	North Street, Girling Street	Shoppers short stay Max. 3 hrs	30 minfree 3 hours .£1.00	1 hourfree 2 hours...£1.00 3 hours...£2.00	1 hour..... .free 3 hours... £1.00
	Great Eastern Road	Short stay	30 minfree 3 hours .£1.00 All day £4.00	1 hourfree 2 hours...£1.00 3 hours...£2.00 All day£4.00	1 hour..... .free 3 hours .. £1.00 All day £4.00
	Station Road, Stour Street	Short and long stay	30 minfree 3 hours £1.00 All day ...£4.00	1 hourfree 2 hours...£1.00 3 hours...£1.50 All day£4.00	1 hour..... .free 3 hours . £1.00 All day £4.00
	The Station	Long Stay	All day £4.00	2 hours....£1.00 4 hours....£2.00 6 hours....£3.00 All day.....£4.00	All day £4.00
	Mill Lane	Change to be available for Residents Only			
Hadleigh	Magdalen Road	Long Stay	All day £4.00		
	Stonehouse Road, & Magdalen Road (long)	Short and long stay	1 hour......free 3 hours .. £1.00 All day ... £4.00 (Long stay area for Magdalen Road)		
	Magdalen Road (short stay area), High Street, Toppesfield Hall	Short stay	1 hour......free 3 hours .. £1.00 (Magdalen Road is split into long and short stay – long stay is not allowed in the front section of the car park).		
	Railway Walk	Short stay Max. 3 hrs	Changed to maximum stay for local use 3 hoursfree		
Chelmondiston Pin Mill	Local parking	Changed to 50p per hour			
Lavenham car parks	All car parks	No changes to existing. To research further in future as part of Strategy work.			
All other car parks	All car parks	No changes to any existing including any not shown above.			

Estimate	Low	High	Notes
Option 1	-£ 326k	-£ 399k	Sudbury - Free 30 mins, 3 hrs £1 and £4 all day. Hadleigh – 1 hour free, 3 hrs £1 and £4 all day. Pin Mill increased to 50p.
Option 2	-£ 111k	-£ 120k	Sudbury – 1 hour free, staggered tariff and £4 all day. Hadleigh – 1 hour free, 3 hrs £1 and £4 all day. Pin Mill increased to 50p.
Option 3	-£ 130k	-£ 140k	Sudbury – 1 hour free, 3 hrs £1 and £4 all day. Hadleigh – 1 hour free, 3 hrs £1 and £4 all day. Pin Mill increased to 50p.

6.4 Table 3 above, shows the figures associated with the options detailed in table 2. It shows a low and high estimate of income from short term parking charges for each of the three options along with the suggested tariff.

6.5 Table 4 shows the current net budget for parking which includes current income from tickets sales and long stay charges. It then shows a projection the financial impact of the recommended changes on the current net subsidy.

	2020/21	2021/22	2022/23
Current budget for parking – budget costs at 2020 prices	£ 185k	£ 190k	£ 195k
Included current parking income from current ticket sales only – budget illustration	-£ 80k	-£ 144k	-£ 144k
Parking income budgeted with suggested adjustment to existing long stay charges	-£ 80k	-£ 155k	-£ 185k
Budget net change	-	-£ 11k	-£ 41k

6.6 Table 5 includes the low estimated short stay income, implementation costs and other associated costs needed within car parks. It shows the impact and effects of the recommendations, if implemented using Option 2, from Table 2.

	2020/21	2021/22 part year	2022/23 full year
New additional income budgeted from short stay charging <i>estimate</i>	-	-£ 56k	-£ 111k
Implementation and ongoing costs linked to charging (see Appendix A)	-	£ 15k	£ 30k
Other: signage, wayfinding, maintenance, improved cycle parking and EVs (Appendix A)	-	£ 39k	£ 102k
Net expenditure - net effect	-	-£ 2k	£ 21k

6.7 Calculations in the modelling included estimates representing the effects of the changes, including resistance, economic conditions, weather / seasonality, a

contingency, and other prevailing conditions (maintenance, unforeseen closures, etc). Blue Badge bays are not included in parking fee changes (see Appendix E).

- 6.8 A prudent estimate has been illustrated. In making changes from October 2021, calculations have included part of the year at old prices, and part at new prices plus a part year after the short stay introduction.
- 6.9 Tables 4 and 5 above do not include costs or income from patrols and enforcement, nor costs or income from unchanged season tickets/permits. Where costs may be capitalised in Appendix A, these have not been shown in Table 5, for example £70k investment in machine upgrades.

7. LEGAL IMPLICATIONS

- 7.1 For any changes to be made to the provisions governing parking, a change to the Parking Orders will be needed. There is a legislative process to follow in order to make changes, following the Cabinet decision.

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Council's following Significant Risks: No. 6 - Decline in our key towns impacts upon economic prosperity of the districts; No. 11 - We may be unable to react in a timely and effective way to financial demands; Risk No. 12 - The Council may be perceived to be untrustworthy and have a poor reputation; and Risk No. 16 - The Council will not be carbon neutral by 2030.
- 8.2 Further risks are set out below:

TABLE 6 Risks and Mitigation Measures			
Risk Description	Likelihood	Impact	Mitigation Measures
Unable to influence motorist behaviour into more environmentally friendly methods of transport resulting in traffic congestion and poor air quality – threatening Council's Climate Emergency declaration and its aim to become carbon neutral by 2030.	1	2	Communications, move to other options to be discussed in future Strategy, or bring forward planned phases of plan.
Imbalance in policy, charging, town centre vitality, leisure, etc. impacting on visiting footfall in our towns and the economy.	1	3	Research has found that availability of parking, rather than charging, tends to impact town centre vitality.
Introduction of car park charging resulting in displacement parking to residential or other kerbside in the vicinity of the car parks.	2	2	Kerbside is already regulated within walking distance, and Resident

			Parking planned for other locations
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9. CONSULTATIONS

- 9.1 In consideration of the submissions that have been received, and following the Overview & Scrutiny Committee on 18th January 2021 and the Full Council meeting on 19th January 2021 the recommendations in this report have been amended to extend the period of free parking to 1 hour (rather than the 30 minutes previously proposed) and to delay implementation of these changes until at least 1st October 2021 in order to allow time, in particular high streets, for recovery from the impacts of Covid19.
- 9.2 By law, changes to the Parking Orders, require a consultation period of 21 days. Subject to the Cabinet's decision, the council will consult on any changes to parking orders, including overnight resident parking, parking controls and the introduction of tariffs to encourage behavioural change and sustainable transport choices.

10. EQUALITY ANALYSIS

A full Equality Impact Assessment (EQIA) has been carried out as attached at Appendix E

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 Following its Climate Emergency declaration, the Council must look at ways to influence motorist behaviour. A small but simple change in motorists behaviour could make large improvements in air quality, reductions in congestion and CO₂ emissions. Small changes can reap rewards in terms of congestion and air quality management.
- 11.2 To encourage drivers to consider other more environmentally friendly methods of transport, wherever possible, the Council need to take into consideration the following points:
- Traffic congestion, air quality and the availability of other modes of travel as key considerations in setting the quantities of parking available, the location, the restrictions or controls applied, and parking tariff employed.
 - Support for low-car and car-free developments, cycleway improvements, support for other Active Travel initiatives and lower provision of car parking in appropriate areas.
 - Electric Vehicle (EV) charging points in shoppers and residential car parks encourage alternatives to internal combustion engine car travel, reducing air pollution at the point of use.
- 11.3 Several recommendations have been proposed which, if implemented, will assist in managing the issues above, whilst ensuring the availability of appropriate parking and continuing to support the economic vitality of our town centres.

12. APPENDICES

TABLE 7 - Appendices Title	Location
(a) Principles and Interventions	Attached
(b) Timeline	Attached

(c) Case Studies	Attached
(d) Parking Detail by Town	Attached
(e) Parking Study Report	Attached
(f) EQIA	Attached

13. BACKGROUND DOCUMENTS

- 13.1 **ATCM** report on Parking in Towns <https://squidex.mkmaps.com/api/assets/ipm/ojay-mcdonald-re-think-car-parking-on-the-high-street.pdf>
- 13.2 **British Parking Association** – Parking, What Works? <https://www.britishparking.co.uk/write/Documents/Library/Reports%20and%20research/What Works .pdf>
- 13.3 The **Babergh Area Parking Plan** <https://babermidsuffolk.moderngov.co.uk/documents/s17868/JAPMP%20-%20December%2019%20Final.pdf>
- 13.4 Suffolk County Council **Parking Management Strategy** <https://committeeminutes.suffolk.gov.uk/Committee.aspx?Refinablestring10=The%20Cabinet>

The **Sudbury Vision** includes the redevelopment of parts of the town centre including the Hamilton Road Quarter. A more pedestrian-friendly, events and flexible space use of the Market Hill is also under consultation. See <https://www.babergh.gov.uk/business/economic-development/town-centre-development/sudbury-steering-group/> for more details.

Appendix A : TABLE 8 - Principles and Interventions

Location	Car Park	Principles	Interventions	Cost	Timescale
All Locations	All sites	Provide new welcome signage along with new accurate information and branded signage	1. Renew tariff and information signage. See also separate dedicated amounts below.	£25k	Q2/Q3 2021
		Ensure car parks orders reflect needs by updating and modernising contents	2. Introduce new car parks order.	£2k	As soon as can be accommodated, and by Q1/Q2 2021
			3. Further update order schedule as required in this plan	£2k	Q3 2021 Repeat as necessary,
		Provide a variety of transaction mechanisms and update machines to latest modern standards.	4. Update and/or replace parking machines to modern standards and introduce cashless/card payment as required	£70k Capital £15k p.a. £15k p.a.	As soon as can be accommodated, and by Q3 2021 Maintenance from Q3 2021 Cash collection Q3 2021 on
		Include all areas in a future Parking Strategy as part of a wider review.	5. Consult and produce 5-year Parking Strategy to detail all District Council parking needs.	£35k	As soon as can be accommodated, during 2023
Hadleigh	For each car park	Increase parking controls and cover Saturday afternoons. Increase long stay tariff to encourage sustainable travel	Amend Parking Order to implement introduction of additional weekday charges and Saturday afternoon controls, except at Maiden Way, and introduce maximum stay at Railway Walk.	(£16k) - (£22k) p.a.	See 2/3 above
			In an extended Study, consider changes to weekday parking controls especially if overstays or re-booking, or alternate capacity is found to be an issue.	-	See 5 above

Location	Car Park	Principles	Interventions	Cost	Timescale
Lavenham	All sites	Further parish partnership	Work with the Parish Council to understand the vision that Lavenham has for its future, including management and any redevelopment of its car parks.	-	See 5 above
			Bring the signage and policies in the car parks into full compliance with the requirements of Civil Parking Enforcement and update the parking orders.	£5k	By Q3 2021 and in time for new tourist season. See also 2/3 above.
			Include the area in a future Parking Strategy and Study as part of a wider review.	-	See 5 above
Outlying locations	All sites	Provide better welcome, signage, wayfinding and promotion	The implementation of a visitor welcome strategy, wayfinding, better signage, machine or payment improvements should be funded by additional income if a parking tariff were imposed to better control types of parking in key locations.	£5k	See also 1 above
	Pin Mill	Provide adequate levels of parking for residents, businesses and visitors	6. Investigate whether the existing car park can in future be enlarged as part of a future Strategy and Study; and Implement charges update to 50p/hour.	Est. £250k Capital c.(£5k)	Capital bid required See 2 above ref. Order.
Sudbury	For each car park	Introduce optimum medium solutions for each car park – branded as shoppers, short stay, long stay, residential.	7. To implement a tariff, as a medium term action, that supports short term stays and shoppers in car parks closest to town. And for long stays to be in the outer car parks. The comprehensive parking strategy will look at the long term need. Introduce options from the list; recommendation is Option 2 , pending further Strategy, although a range of other options is available. <i>A range of income is given for Option 2 with revenue implications shown.</i>	(£90k) to (£93k) p.a.	As soon as can be accommodated, and by Q3 2021
				Long Stay (£42k) p.a.	Further recommendations to be made in more comprehensive Strategy as soon as can be accommodated, during 2023

Location	Car Park	Principles	Interventions	Cost	Timescale
	Long Stay and changed types of car park	Introduce range of measures as a scheme which caters for and supports town centre workers	8. Introduction of a business permits scheme, initially discounted, for businesses to mitigate any changes Suggested 50% year one, 75% year two.	£5k p.a.	Introduce with earliest possible parking order change, Q1/Q2 2021
	All sites	Conduct wider Study and produce Strategy for managing parking during the regeneration and development, to consider changes, pattern of usage, etc.	To consider and mitigate all other impacts of these solutions (space, planning, churn, future capacity, build)	-	See 5 above
		Consider future parking capacity	Include in Study to produce future strategy, including any future multi-storey or decked areas mitigate against space lost to development and increases required due to redevelopment	-	See 5 above
			Consider population growth and vision regeneration projects where new facilities may increase town centre use in Study.		
			Coach layovers and market trade vehicle parking needs catering for within Study.		
		Support highway schemes to enhance parking facilities	9. Reconfigure the accesses to Gt Eastern Road car park and Station Road car parks	Est. £250k Capital	Capital / Grant bid required (estimate for info)
				10. Include a link to Cornard Road if possible, to help alleviate the capacity issues at Station Road and Girling Street junctions.	Est. £250k Capital
		Investigate better use of existing facilities	11. Open up different areas in order to make clearer the links between them and define better links to where empty parking spaces might be found.	Est. £100k Capital	Capital / Grant bid required (estimate for info)

Location	Car Park	Principles	Interventions	Cost	Timescale
		Support Active Travel and sustainable modes of transport	12. Include improved signage, parking for cycles and all types of EVs.	£1k	
		Supporting town centre regeneration	Town centre – support revised bus and coach stops	-	As part of visioning
		Support changes on the highway	Prioritise blue badge parking for elderly/mobility impaired in the main amenity and services areas		
			Lorries encouraged to park out of town centre		
			Town centre is as it exists difficult for pedestrians in and around Market Hill. More town centre living anticipated including elderly populations		
			Junction improvements from Pinch Point (if funded) may help flows at peak times.		
			Promote non-car active travel and pedestrian / cycleway connectivity along green routeway		
		Provide better welcome, signage, wayfinding and promotion (feedback suggests visitors do not know where parking is located)	Better support for visitors including wayfinding from trains/rail station and car parks, surface maintenance and road/bay lining	£30k	See 1 above

Appendix B – TABLE 10 : Timeline

Illustration of Programme Timeline	Year 0				Year 1		Year 2	Year 3	Year 4	Year 5	ongoing
	2021				2022		2023	2024	2025	2026	
	Q1	Q2	Q3	Q4	Q1	Q2-4	FY	FY	FY	FY	
Introduce new Car Parks Order..	◆										
Update and/or replace parking machines to modern standards and introduce cashless/card payment as required			◆								
Include improved parking for cycles and all types of EVs. (startup + ongoing contribution to sustainability fund).			◆	→							
Further update(s) to Order Schedule as required in this plan, dependent upon Order/Study/Strategy (repeating as necessary)			◆				◆	→	◆	◆	◆
Consult and produce 5-year Parking Strategy to detail all District Council parking needs (showing currency of plan). (Engage, commission, report back and implement)							◆	→			
Renew and renew tariff and information signage across entire parking estate. Other bay and line maintenance					◆	◆					
Income from changes to charging structure, pending further Strategy (Option 2 illustrated).			◆	→							
The option of reduced price business permits, or draw down daily stays for businesses to mitigate any changes					◆	→					
Reconfigure the accesses to Gt Eastern Road car park and Station Road car parks									◆		
Include a link to Cornard Road if possible, to help alleviate the capacity issues at Station Road and Girling Street junctions.									◆		
Open up different areas in order to make clearer the links between them and define better links to where empty parking spaces might be found.									◆		
Investigate whether the existing Pin Mill car park can in future be enlarged as part of a future study (study, with possible programme).						◆	→		◆		

Appendix C – Case Studies

Case Study A for similar modest charging towns benefits, including Parish Partnership.

West Mersea and Dedham

Faced with a variety of parking types conflicting parking movements, the borough council approached the town council at West Mersea in order to form and implement a parish partnership with a joint parking strategy including the introduction of charges with an initial free period, and local season tickets for business and traders.

The strategy has had the desired effect on types of parking stay, and freed up space, creating churn in the town centre to increase footfall, where previously people were parking and taking the bus to town, blocking spaces for the day. Again on the sea front car parks, charges were introduced to help turnover of the busy spaces and make patrols of the location much more efficient.

At Dedham a similar parish partnership was implemented how long side the parish account order to bring in a set off tariffs, again without it, in order to better manage parking dwell time at this location.

A by-product of this operation beside the more efficient patrolling off the car park was a small surplus which has been used to fund car park improvements such as replacement machines, signage and other site improvements.

The tariff at each is similar to that proposed in the table, such as Option 2.

Case Study B for similar modest charging towns benefits and changes in tariff/stay.

Ryedale District and especially Helmsley

The maximum stay was reduced in the Market Square parking areas in order to create a more uniform churn and reduce dwell time a revised tariff being introduced to better control the amount and types of parking associated with this market town, whilst moving other types of parking to other nearby car parks more suited longer stay types of usage.

Details of the Ryedale tariff are shown in the comparative table, Table 1 in part 5 of the main report.

Appendix D – Parking Detail by Town

Parking Issues and Financial Modelling

Having adequate car parking facilities is particularly important in helping to deliver the Council's visioning that supports regeneration of the town centre, helps manage air quality and reduce congestion, whilst seeking to improve the commercial vitality of our towns, encourage greater footfall and to improve the public realm and streetscape enhancements. The supply and provision of adequate, accessible and good quality car parking is important to visitors and residents alike.

The quality and availability of off-street car parking, including realistic charges compared with other travel modes has an impact on the number of people visiting our towns and using the facilities they have to offer.

Our Towns in more detail:

Hadleigh

Hadleigh currently exhibits some parking availability pressure, with Long Stay capacity at Magdalen Road having built to high levels; it is possible that re-booking may be occurring in order to gain an all-day stay, with the 3-hour tickets currently being the only controls in the short stay car parks. Saturday afternoon stays do seem to be consistent with the morning and weekdays, and may cause overstay. Additional controls are therefore recommended.

Some long stay parking pressure is reported in the Railway Walk car park impacting walkers finding short term spaces, and a change to maximum stay is recommended here. For residential parking it would be advantageous to seek alternatives for the Benton Street area of Hadleigh if land were to become available. This car park is in need of significant repairs to bring it up to the right standard.

There are limited on-street controls on the highway nearby if further controls are to be implemented and work with the County Council will be required to prevent parking flooding into nearby residential streets; the town should form part of a wider study, to include a review of roadside restrictions and forward planning in case there were ever any future changes, particularly to on-street parking in High Street.

Interventions and Principles:- See Part 6 and Table 8 in Appendix A

Lavenham

Lavenham very broadly follows the pattern found in Hadleigh, although it is to be remembered that the study was carried out in February. It is expected that a great many more tourist stays would be seen during the summer months.

It is recommended to make a further study of the parking demands in Lavenham – together with the Parish Council – including more seasonal leisure and tourism pressures. Casual observations during the summer months confirm that the usage and impacts, at times other than the study revealed, are higher.

It should be noted that an informal 'honesty box' approach is being operated in the two Babergh car parks in Lavenham with a request to leave £2-£3 per stay; the parking orders, which stipulate no charge, do enable the issuance of penalties ("fines") for certain types of civil parking contravention.

A wider 'Parish Partnership' approach should be adopted for Lavenham to further the development of parking in Lavenham and make best use of the facilities and aspirations for future developments, in partnership with the Parish Council – but with the District retaining

control. A case study showing how this approach has worked elsewhere can be found in Appendix C.

Interventions and Principles:- See Part 6 and Table 8 in Appendix A

Sudbury

The town, through the Vision groups, have bid and prepared pipeline business cases for external funding opportunities - including county, regional and central government relating to high street regeneration, heritage and cultural, energy and decarbonisation and active travel. Part of this includes an ambition to deliver improved cycling and walking routes across the town, especially linking Belle Vue with the Croft and Water Meadows.

Parking provision needs better branding, wayfinding and promotion. Feedback suggests that visitors neither know where to find parking nor the best choices for their visit. Better support for visitors is needed including wayfinding from the rail station and car parks.

Shoppers' car parks within the one-way gyratory in Sudbury show the greatest pressure of any in the District, and there is a need for controls in these locations in order to make the best use of the space available. Whilst these car parks are at capacity and locating a space difficult, other car parks could stand more usage.

Against a timeline of up to 5 years, more space may need to be made available pending all visioning and redevelopment taking place.

Types of stay, types of provision, controls, options for charging, Interventions and Principles:- See Part 6 and Table 8 in Appendix A

Belle Vue, Hamilton Road Quarter and Market Hill are the Sudbury Vision Steering Group's main focus given the recent town centre master planning and regeneration opportunities to support the economy of Sudbury. Viable redevelopment of the area, including the large area of derelict undeveloped land in Hamilton Road, requires the bus station moving to on-street stops around the town with supporting highways pinch points and junction improvements.

Any redevelopment or highways improvements schemes affecting the Station Road carparks and off-street lorry parking may impact on available spaces or necessitate a reconfiguration/re-marking. Also redirecting lorry parking away from town centre and exploring alternative options for market traders and coach layover will be necessary and is underway.

The town centre study outputs have also observed that the Girling Street/Newton Road junction suffers from capacity issues, and that the Great Eastern Road junction with Station Road (the 'Waitrose Junction') does not run smoothly. This might be alleviated further if a car park access were provided directly onto Cornard Road near the Underwood Garage.

Provision should be made in car parks to assist with and support the changes and investments planned, and this might include changes to car park circulation and a highway scheme to help traffic flow, and provision of other sustainable transport features such as cycle parking and e-cycle and EV charging.

Beside the developments and Vision programme in the town centre itself, projected population growth (e.g. at Chilton Woods) and new facilities may increase town centre usage. In addition, any future plans for a hotel in Hamilton Road area would need to rely on existing town centre parking and not create additional spaces – which could for example be supported by evening parking at Great Eastern Road (Roy's) car park.

The town centre as it exists is difficult for pedestrians in and around Market Hill, and with the high density of vehicles and flows (for example parked private vehicle reversing out into strategic route traffic flow). More town centre living is anticipated including elderly

populations. There is no western bypass so the A131 remains high capacity and strategic network route.

Retail-led town centres have been in sharp decline, not just due to Covid-19, but the emergency has exacerbated the situation. With the regeneration planned, a more pedestrian friendly town centre will be one of the unique characteristics which can be built upon and a trend predicted as part of the evolution of towns – especially with Market Hill potentially being redesignated as a flexible use and pedestrian/event space. A parking scheme (for instance special season tickets) which caters for and supports town centre workers would be welcomed by traders.

Within the town centre it is planned to facilitate on-street bus and coach stops. Time limited/drop and pickup parking bays and new bus stops can help to improve user experience. In addition, a potential coach stop could be provided at the bottom of Market Hill (King Street side near library). With bus stops placed strategically around the town on street, and in better locations for service users, we expect reduced fuel miles for operators and a benefit for the environment.

In designing and branding specific areas for parking we will work with the highways authority to prioritise blue badge parking for elderly/mobility impaired in the main amenity and services areas (e.g. near banks), whilst taxis have sufficient space given constraints of town congestion and can wait anywhere that on-street controls allow, and – especially with improvements in technology – private hire vehicles can go directly to where they are called.

Finally, and most importantly, is the need to integrate Active Travel and sustainable transport modes. We need to promote non-car active travel and pedestrian / cycleway connectivity, and make links to and from the proposed green routeway. We are working with Suffolk County Council and partners to improve the infrastructure cyclists particularly in the towns. This improved infrastructure will include additional routes and paths as well as solar battery powered storage. Sudbury has a high level of residents (3%) that cycle to work.

(Source: WSP Sudbury town centre study report 19/02/2020; Nomis dataset, QS701EW (Method of travel to work) - Nomis - Official Labour Market Statistics (nomisweb.co.uk) Census 2011). Therefore, we need to ensure we have suitable provision. This infrastructure needs to be considered alongside parking need.

Sudbury Highway related issues

The highway around the Sudbury town centre is already controlled with waiting restrictions within a 5-10-minute walk of the town centre. The details can be found at the Suffolk TraffWeb site:- <https://www.suffolktraffweb.uk/main.html>. Changes to car park controls are unlikely to have any unforeseen highway impacts.

There is a proposal to investigate resident parking on-street, which would fit in well with these proposals to better manage the car parks.

The geography of Sudbury must also be a factor with Market Hill and the one-way system providing a barrier to circulation around town and between car parks. This may also be a factor in congestion and air quality issues.

North Street, Girling Street and Mill Lane car parks

Most stays in the shopper's car parks on a weekday were comparatively short events, with some longer stays taking up bays for longer durations. Remember that the study was conducted in February and represents a 'best case' in terms of occupancy – it is suggested that the car park would be more congested at different points in the year.

North Street and Girling Street car parks are reaching the capacity where locating a space is found to be more difficult. These car parks should be branded for shoppers' use only and

the maximum stay tailored to suit. Mill Lane car park has very specific issues and has the potential to be resident permit only.

The Mill Lane car park should be reconfigured and given over for the use of residents at all times since there are some specific issues and concerns relating to car park charging at this location and air quality management issues locally – and this site should be given over to resident permit parking only.

Shoppers' car parks with a 5-10-minute walk – those in Gt Eastern Road, have more capacity to take further traffic, although there are some redevelopment options for parts of this site which may compromise capacity in the medium term. The car parks including long stay are further from the centre and appear to have sufficient capacity – aside from the Station car park.

Consideration could be given to increasing controls or introducing daytime charging – in both North Street and Girling Street in order to encourage additional use of the alternative locations in Station Road (Kingfisher).

The current ticketing arrangement could encourage the practice of re-booking at lunchtime to gain a full day stay, clogging up spaces which could be used by shoppers to increase footfall, and it is recommended to increase the level of controls to protect the spaces available for shoppers.

Great Eastern Road and Station Road car parks

Usage is such that, when a customer arrives, there is likely to be space to park, although at busy times – especially during the morning – there may be a search.

Consideration could be given to increasing controls, especially on Saturday afternoons, to encourage lunchtime turnover and discourage space blocking through stays into the afternoon after needing a 3-hour ticket only until 12 noon.

The rail station car park should remain long stay only, as now but reflect at least the same tariff as other locations. Tariffs should also take into consideration the comparison with the average cost of a middle-distance bus fare.

The stay data shows that peak usage is between 11am and 3pm, and that most stays are comparatively short events. Some longer stays were however found to be blocking up spaces in the shopper's car parks. It is therefore recommended to introduce Saturday afternoon controls.

It is also recommended to increase patrols of the car parks and consider introducing additional controls in the shopper's car parks closest to the town centre, as alternative capacity exists nearby.

Any income from any charging if it were considered for introduction could be used to offset additional patrols and improvements to the general car park environment, and also offset the additional costs which would need to be considered arising from changes including machine adaptation, tariff board updating and any ongoing cash collection.

Resident usage overnight

Residents' car parks are provided in outlying areas and most seem to have sufficient capacity, although Ballingdon Street and the Blackfriars car parks do reach capacity overnight. There may be capacity to offer Resident Season Tickets for overnight usage in other public car parks – the only conflicting usage being weekends, and especially Saturdays, when capacity must be carefully planned.

The Mill Lane car park should be reconfigured and given over for the use of residents at all times. Thought should be given as to the reconstruction of some of the poor facilities for residents, possibly leading to increased usage.

TABLE 9 - Resident Tickets sold for car parks	
Location	Sold
Station Road, Sudbury (Kingfisher Leisure Centre)	33
The Station, Sudbury	75
Magdalen Street, Hadleigh	33

We currently do not have any permits on the waiting list.

The price for season tickets is set in the schedule to the parking order – this needs to keep pace with the daily tariff (all day parking) but be representative of proportionate use – e.g. 180 days or 220 days p.a. allowing for leave and weekends.

Outlying car parks

Fewer issues were found with the other, smaller car parks – such as that at Lower Holbrook.

The small car park at Pin Mill was found to be near capacity on some occasions and there is a recommendation to increase the fees charged here which are otherwise very low at just 30p/hour, considering the tourist nature of much of the casual parking, in order to encourage turnover and the use of alternatives. It is recommended to increase the charge to 50p/hour. It is of note that this is the only car park that fully covers its costs.

There is a recommendation to review the provision at Pin Mill to see if there may be scope to increase the size of the parking area.

Interventions and Principles:- See Part 6 and Table 8 in Appendix A

To build for the peak, or build for the average?

At some points in the year, the car parks may become full – but on many other days the reserve capacity stands empty and is of no use. It is suggested elsewhere that excess capacity can be put to better use by selling overcapacity for other uses.

There is an important balance to be struck, and an appropriate mixture of spaces for the desired uses – together with proportionate controls – must be provided and explored in a future strategy study.

Appendix E - Parking Study



ATCM: –

“The costs borne of maintaining and servicing a car park and the opportunity cost of what other uses that space could have been dedicated to, pitched against the needs of the car user, provide a difficult dilemma for local government, especially in light of a continuing devolution of fiscal responsibility.”

(<https://squidex.mkmaps.com/api/assets/ipm/ojay-mcdonald-re-think-car-parking-on-the-high-street.pdf>)

Background

In looking for a suitable level of parking, it is important to understand each town’s offer – what is the destination/place’s offer versus the parking offer – every town has its own unique/distinctive character.

Options for parking will be dictated by the amount of turnover, or churn, per space compared with a need for long stay. Long stay and uncontrolled parking tends to block up spaces preventing any turnover, and may also lead to an increase in car use.

In most larger towns there is a requirement for an element of long stay parking for town centre workers – but this needs to be balanced against the morning and evening peak traffic flows. The cost of parking is also an influencer on the use of alternative modes.

It is also important to look at the use of parking by commuters who come in and then disappear by train adding no value to the local economy at the point of use. Too much or too cheap commuter parking can also lead to space blocking. Other uses include Resident overnight parking.

Controls for parking include a 'ticket required' system with patrols, up to full payment. Income is a by-product of a tariff which is set to dissuade some types of usage, or encourage turnover, alternative solutions or modes at the most critical times.

The amount of capacity depends upon the turnover and popularity of each town – the number of spaces can be driven by the town's footfall, and it is then to be decided whether to provide sufficient spaces for everyday average usage, or the maximum usage – leading to overcapacity and waste where overprovision is made.

A parking study was carried out during February 2020, both before any impact of Covid-19 but also during one of the quieter months; the study looked at usage and occupancy on both a typical weekday and a Saturday. The data therefore is a 'best case' scenario in terms of available space.

From the data, the parking offer of each town can be decided, and that measured against other observations.

It is important to consider any knock on effects – either of other developments or regeneration on parking provision and controls, or the impacts on outside areas of making any changes in parking provision, such as referred parking from car parks overflowing into side roads and residential areas.

Such knock-on effects may require the implementation of further highway controls if the number of vehicles outweighs the capacity of the kerbside or safety on the highway.

Executive Summary

Presently the parking operation in Babergh is run as a service – in other words its income does not cover its costs. Some of the car parks are at or near capacity, partly due to policy controls which are becoming unsuitable, and partly due to additional reliance on the private car with associated environmental impacts.

In Hadleigh there is generally sufficient space for current needs, and on-street parking in High Street caters for additional parking need. There are few kerbside controls in nearby residential areas, where any displacement might have unintended consequences.

In Lavenham there is a very peaked tourist and leisure market, but also some kerbside parking on-street. Both Hadleigh and Lavenham warrant further study to cater for any future changes.

In Sudbury, future development or redevelopment will see a reduction in parking space in Sudbury generally, and reduction in some average overcapacity at some sites; the issue of whether to build for the peak, or build and regulate average usage and encourage desired uses is coming to the fore.

Management of car parks can be by way of different parking controls – and a charge is already made for the long-stay element of parking, although the controls for this could be bypassed due to the design of the 3-hour stay policy.

It is recommended to confirm the use types for North Street and Girling Street car parks to shoppers/short stay either 30m / 1- / 2- hours or 1- / 2- / 3- hours, and implement a tariff system here to encourage the desired usage, design the tariff to encourage shopping stays of up to 2 hours without rushing, but in so doing to encourage turnover to free up space at the busiest times.

It is recommended to supplement this with controls at the Station road area car parks, by implementing a similar tariff, but with longer controlled stays through a 1- / 2- / 3- / 4- / day- style tariff.

Full Report

The car park is the first thing that visitors encounter in the town, and the last thing they will remember. A warm welcome is therefore very important, as is the standard of provision and maintenance,

signage and overall branding. If a tariff were to be implemented, then the by-product is income, and that could help support and resolve some of the other issues identified in pictures throughout this report.

Environmental Issues

Congestion on the highway can lead to Air Quality management issues, and one of the measures to help reduce dependency upon private car use in peak hours, and for other short trips, is the implementation of parking controls. One of the controls is a possibility for charging, which also acts as an incentive for motorists to make use of other modes such as public transport, cycling, and walking.



Cycle parking provision is an important part of an overall strategy, encouraging uses of alternative modes and catering also for tourism along the local cycle network.



Adequate provision of bays for certain classes is an important part of managing equality, but provision must be proportionate to use.

In addition to the environmental considerations, the amount of parking also affects the local economy. Clogged up spaces do nothing to encourage a turnover of spaces – and therefore footfall into local shops. For these reasons, it is important to supply only the right level of parking in the right places for the right reasons.

Studies have shown that customers will prefer to park within as short a walking distance to their destination as they possibly can; however, it has also been shown that motorists will walk for 5-10 minutes in order to locate free parking. This may be a critical issue when deciding how to control certain town centre parking whilst keeping an offer for the town. Controls may also help to encourage those who can choose an alternative mode to do so.



Electric Vehicle Charging Points

The provision of Electric Vehicle charging bays has been implemented in a number of car parks across the district, although comparative usage remains low. Provision prior to usage (in essence 'build and they will come') is important to encourage modal shift towards EV.

Provision of EV bays and charging is an important part of encouraging the use of lower environmentally-damaging vehicles – and provision will need to be relevant to the use, but also present prior to required use.

Capacity vs. Price vs. Occupancy

The best car park provision levels are where spaces do not become completely full, operating below the 85th percentile, so that a car can drive in and locate a space without further circulation or idling. It is not clear that a full car park will be a dissuading factor on helping motorists choose a different mode any more than a free or charged car park, but it is a point to consider. It is important to balance the needs of the environment and other modes when considering controls. Financial and parking type controls (shoppers, short and long stay branding) can provide an additional guide for motorists.

Themes to explore

It is important to compare the cost of motoring and parking with alternatives, such as bus and train fares, or the time value in walking. Whether to implement charging (both using machines or via connected parking accounts such as MiPermit) is an important consideration, and should be guided by the detail in the data.

Secure cycling provision, in order to encourage more active travel, motorcycle/moped, spaces should be considered, and disabled / blue badge holder spaces are required at the rate of about 6% of all parking provision.

The implementation of season tickets can make parking more attractive to town centre workers, and a network of town centre employers may be set up to encourage usage by local traders, as opposed to commuters.

Residential overnight parking is provided for in some dedicated car parks, but could easily be offered in other car parks by a simple change in the rules.



The present arrangements support almost sufficient levels of parking; however, some observations have concluded that capacity is being reached in some locations at some times. The present policy of no charge for up to 3 hours and no return within 4 hours is also difficult to patrol within current technology. The present policy for longer stays up to all day parking is £3 per stay per day.

What does the data show?

The study looked at elements of car parking stock and provision, types of stay and capacity versus occupancy in order to assess the car park offering in each town and at each location.

The study showed that for short stay, shoppers parking, the average stay length was comparatively short at just 64 minutes. In some car parks, occupancy levels were reaching a level where it would be difficult to find a space without circulation.

There is a balance in the turnover of spaces versus the amount of patrols being undertaken to implement the policy, and for it to work effectively. There needs to be some sort of enforcement action to ensure that the outcomes are being achieved.

The stay data concludes that some long stay parking existed in February, blocking up some bays which could otherwise have been used for casual shopper parking. It may be the case that the recent implementation of Civil Parking Enforcement has led to greater controls in this area.

Types of Parking



At present some of the car parks are defined as short stay or long stay. All car parks should be clearly branded as to the type of provision, including specific highway signage, and forward directions to alternatives.

It is very important to make the right provision in the right places at the right times, to provide enough parking for workers in town, cater for commuters, but to provide turnover-type parking for shoppers and visitors .

Long stay parking tends to become full early in the day, and the pace will be full – without any churn – for the remainder of the day. This is the type of parking where season tickets would also normally be available, and that may be quarterly, monthly, or part-time (by drawing down stays as required). There is usually a charge to encourage the use of other modes of travel, and to fund the upkeep of the site.

Short stay and shoppers car parking tends to be provided closer to the destination where the stays will be shorter, usually used more than once in the day, and controlled throughout the day either by patrolling and patrolling and charging.

These sites are vital to provide footfall to support each town centre's vitality – and the mixture of tariffs will follow the usage pattern.



Clearer branding and signage to confirm are important guides for motorists in finding an appropriate car park.

Appropriate Provision



It is important to provide the right mix of accessible bays, but these should be measured against actual usage.



An appropriate use of space and resources can help maximise opportunity – large areas of unused space could be put to better use with different engineering design.



A good use of space – Hadleigh Recycling Area – and a poor use of space in Lavenham – the toilet block is over size for the purposes and could be better repositioned in order to gain 3-4 bays or increase car park flow.



Narrow bays encourages hit-and-miss parking. Also poorly defined short stay bays marking.

Maintenance



Maintenance is of utmost importance – in machines, as well as signage - and presently comes at a cost to the service, which could be offset at the point of use by income made as a result of charging controls.

Parking Study



Timely upkeep of metaled areas will reduce insurance claims.



Good delineation of different areas will assist motorists. This is Long Stay – but not clearly defined as the legend is illegible at this size, and has worn away

Signage



Chaotic and poorly positioned signage detracts from the streetscape and is not helpful to motorists - and mixed messages may be ignored as a result.



A meaningful signage strategy is needed to enhance the corporate image, branding, clarity, simplicity of message and flow between signs, and maintenance is of importance in legibility and safety.



Girling Street car park: Poor entrance design wasting space, and poorly set out bays and poor description at North Street car park ('peak hours').



Confusing signage, poor layout including kerbs preventing access to machines.



Poor access and a confusing message do not improve the lot for customers.



Car Park is the gateway for motorists – the first thing you see, and the last thing you remember. Sign clutter does not make a good first impression and can be difficult to understand.

Welcome

The car park is the gateway to the town for visitors and shoppers – the first thing they see and the last thing they will remember about a particular location.

The implementation of a visitor welcome strategy, wayfinding, better signage, machine or payment improvements could be funded by some additional income if a parking tariff were imposed to better control types of parking in key locations.



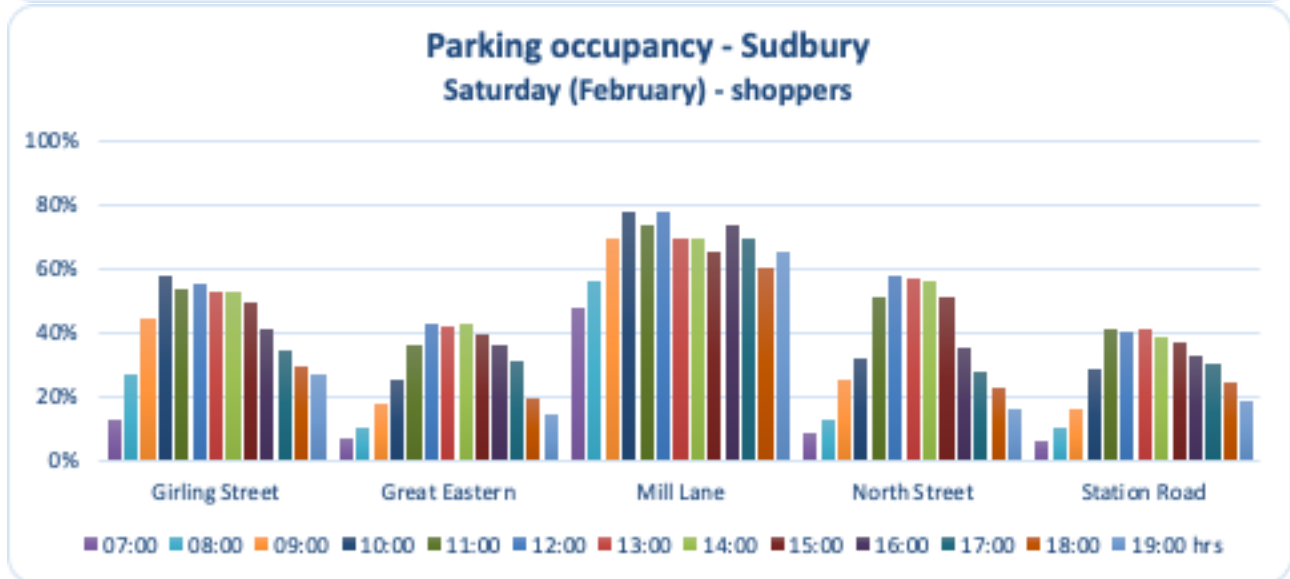
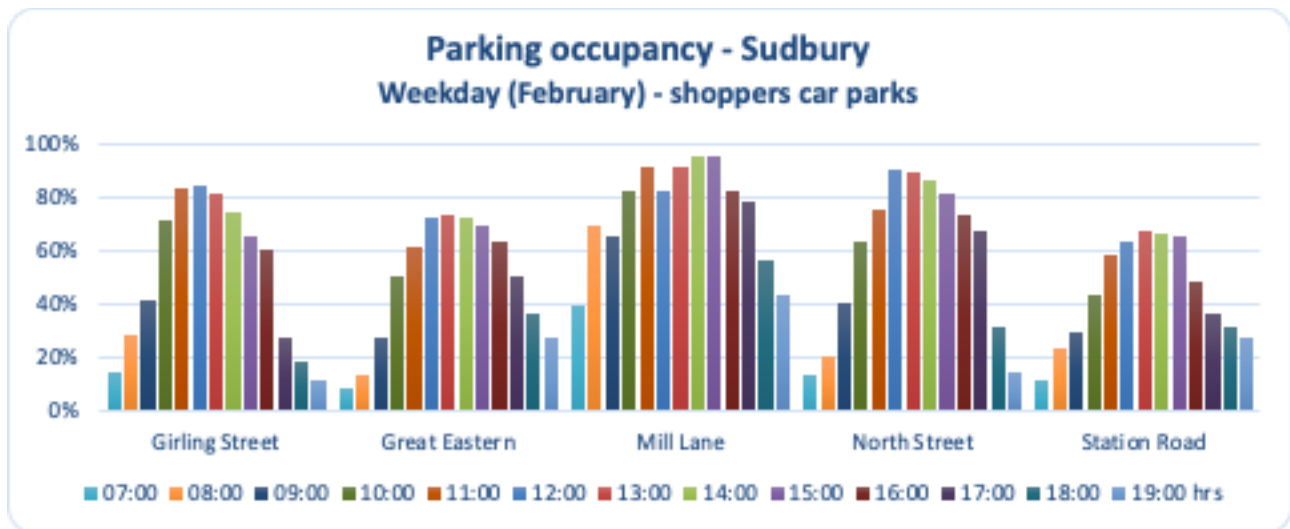
Directional and information signage needs to be well-placed for legibility, and relevant.

Sudbury

Shoppers car parks nearest the town centre in Sudbury show the greatest pressure of any in the District, and it is recommended to make additional controls in these locations.

The data shows that some of the car parks are reaching a capacity where location a space is more difficult, whilst other car parks could stand more usage.

In the graphs here, each bar represents occupancy per hour, starting from 7am through to 7 pm. The data was collected in February 2020.



North Street, Girling Street and Mill Lane car parks

North Street and Girling Street car parks, and Mill Lane car park especially, are reaching the capacity where locating a space is found to be more difficult (data collected in February).

Shoppers car parks with a 5-10-minute walk – those in Gt Eastern Road, have more capacity to take further traffic. Other car parks including long stay are further from the centre and appear to have sufficient capacity – aside from the Station car park.



Cars queue for a space in North Street (3 pictures) whilst Girling Street car park is also full. Increased and extended controls could mean more space at the time of arrival.



Provision of access bays... empty bays may indicate over provision at the same time as others queue for space in non-reserved bays.

Consideration could be given to increasing controls or introducing daytime charging – in both North Street and Girling Street in order to encourage additional use of the alternative locations in Station Road (Kingfisher).

The current ticketing arrangement encourages the practice of re-booking at lunchtime to gain a full day stay, clogging up spaces which could be used by shoppers to increase footfall.



There may be an opportunity to improve public realm through revitalised car park design.

Great Eastern Road and Station Road car parks

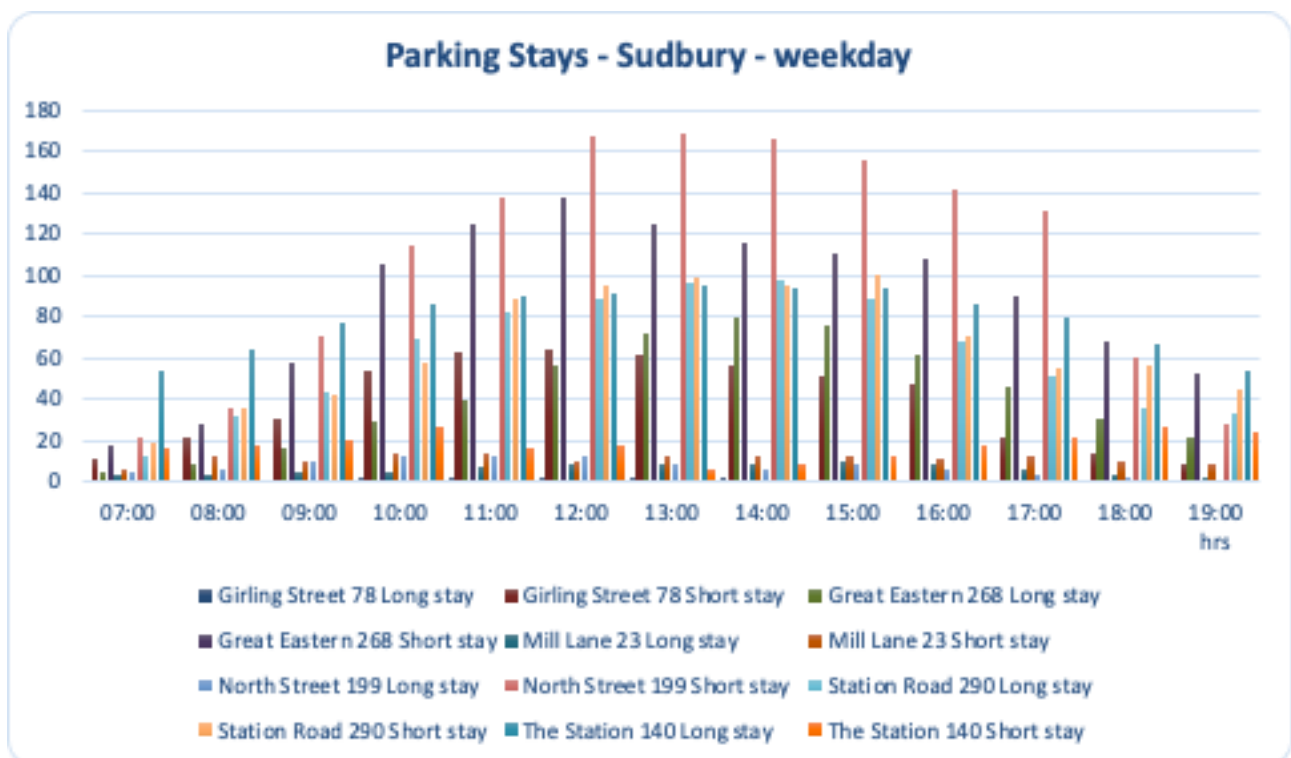
Usage is such that, when a customer arrives, there is likely to be space to park, although at busy times – especially during the morning – there may be a search.

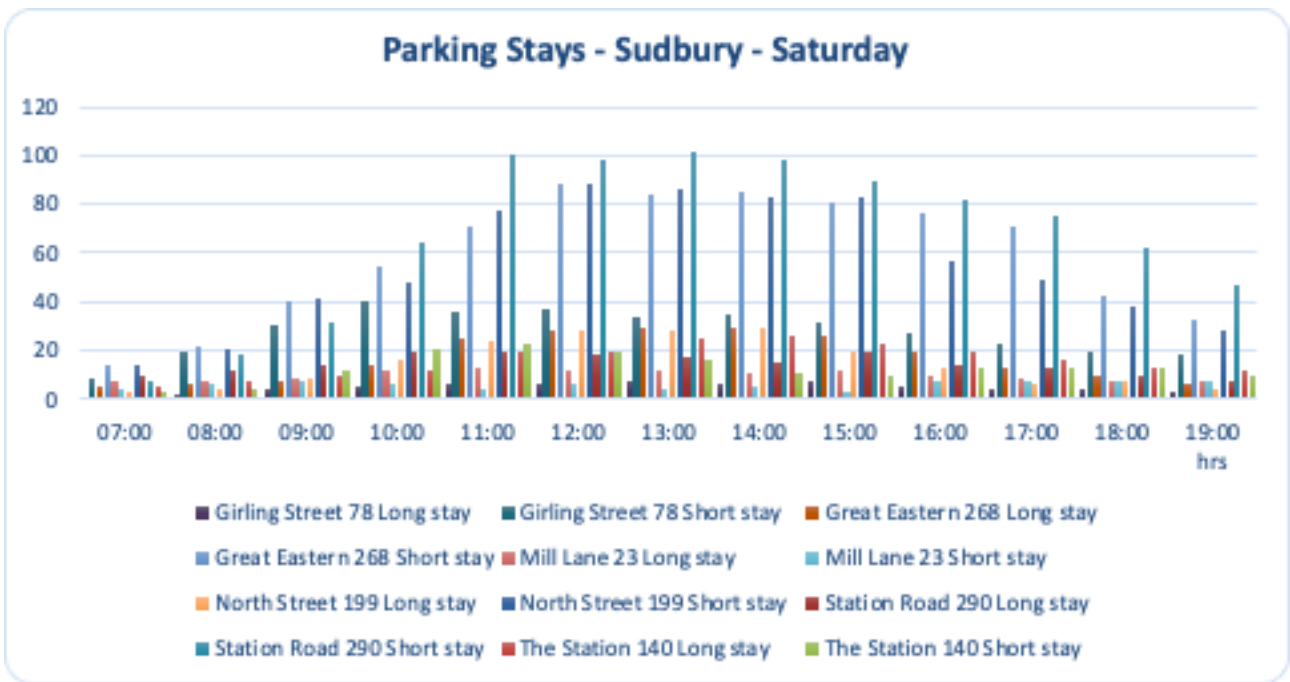
Consideration could be given to increasing controls, especially on Saturday afternoons, to encourage lunchtime turnover and discourage space blocking through stays into the afternoon after needing a 3-hour ticket only until 12 noon.

If a charging model is deemed necessary here, then a core tariff could include for Leisure Centre usage by having a check-in within the centre, and a tariff.

The rail station car park should remain long stay only, as now but reflect at least the same tariff as other locations. Tariffs should also take into consideration the comparison with the average cost of a middle-distance bus fare.

In the graph below, each bar represents a parking event shown by start time, with hour of start combined starting from 7am through to 7 pm.





The stay data (see graphs above) shows that peak usage is between 11am and 3pm, and (see table below) that most stays are comparatively short events. Some longer stays were however found to be blocking up spaces in the shopper's car parks. It is therefore recommended to introduce Saturday afternoon controls.

It is also recommended to increase patrols of the car parks and consider introducing additional controls in the shopper's car parks closest to the town centre, as alternative capacity exists nearby.

Any income from any charging if it were considered for introduction could be used to offset additional patrols and improvements to the general car park environment, and also offset the additional costs which would need to be considered arising from changes including machine adaptation, tariff board updating and any ongoing cash collection.

The highway around the Sudbury town centre is already controlled with waiting restrictions within a 5-10-minute walk of the town centre. The details can be found at the Suffolk TraffWeb site:- <https://www.suffolktraffweb.uk/main.html>. Changes to car park controls are unlikely to have any unforeseen highway impacts.



The table shows which car parks reached near- or maximum-capacity, and that most stays in the shopper's car parks on a weekday were comparatively short events, with some longer stays taking up bays for longer durations. Remember that the study was conducted in February and represents a 'best case' in terms of occupancy – it is suggested that the car park would be more congested at different points in the year.

Road Name	Capacity	Type	Average%	Minimum	Maximum	Type	Length of stay				TOTAL	% of Long Stay Vehicles	% of Short Stay Vehicles
			07:00 - 19:00	% 07:00 - 19:00	% 07:00 - 19:00		0 - 2	> 2 - 4	> 4 - 6	6 +			
Ballingdon Street	15	Long stay				Long stay	0	0	4	9	13	81%	19%
		Short stay				Short Stay	1	2	0	0	3		
		TOTAL	72%	53%	93%	Total	1	2	4	9	16		
Blackfriars North	8	Long stay				Long stay	0	0	0	8	8	100%	0%
		Short stay				Short Stay	0	0	0	0	0		
		TOTAL	93%	75%	100%	Total	0	0	0	8	8		
Blackfriars South	8	Long stay				Long stay	0	0	2	2	4	50%	50%
		Short stay				Short Stay	1	3	0	0	4		
		TOTAL	40%	13%	100%	Total	1	3	2	2	8		
Girling Street	78	Long stay				Long stay	0	0	2	0	2	1%	99%
		Short stay				Short Stay	296	38	0	0	334		
		TOTAL	51%	12%	85%	Total	296	38	2	0	336		
Great Eastern	268	Long stay				Long stay	0	0	64	25	89	13%	87%
		Short stay				Short Stay	452	159	0	0	611		
		TOTAL	48%	9%	74%	Total	452	159	64	25	700		
Mill Lane	23	Long stay				Long stay	0	0	8	5	13	17%	83%
		Short stay				Short Stay	39	25	0	0	64		
		TOTAL	75%	39%	96%	Total	39	25	8	5	77		
North Street	199	Long stay				Long stay	0	0	14	3	17	2%	98%
		Short stay				Short Stay	776	129	0	0	905		
		TOTAL	58%	14%	90%	Total	776	129	14	3	922		
Quay Lane	30	Long stay				Long stay	0	0	4	0	4	5%	95%
		Short stay				Short Stay	56	15	0	0	71		
		TOTAL	40%	10%	57%	Total	56	15	4	0	75		
Station Road	290	Long stay				Long stay	0	0	62	57	119	22%	78%
		Short stay				Short Stay	274	142	0	0	416		
		TOTAL	44%	11%	67%	Total	274	142	62	57	535		
Station Road Lorry	12	Long stay				Long stay	0	0	3	3	6	33%	67%
		Short stay				Short Stay	9	3	0	0	12		
		TOTAL	47%	13%	58%	Total	9	3	3	3	18		
Stour Street	35	Long stay				Long stay	0	0	5	26	31	82%	18%
		Short stay				Short Stay	4	3	0	0	7		
		TOTAL	73%	63%	77%	Total	4	3	5	26	38		
The Station	140	Long stay				Long stay	0	0	31	86	117	50%	50%
		Short stay				Short Stay	80	35	0	0	115		
		TOTAL	69%	50%	81%	Total	80	35	31	86	232		

The geography of Sudbury must also be a factor with Market Hill and the one-way system providing a barrier to circulation around town and between car parks. This may also be a factor in congestion and air quality issues.

To build for the peak, or build for the average?

At some points in the year, the car parks may become full – but on many other days the reserve capacity stands empty and is of no use. It is suggested elsewhere that excess capacity can be put to better use by selling overcapacity for other uses, such as the possibility of building a Health Centre with associated reserved parking, in place of the under-used and badly located lorry park.

There is an important balance to be struck, and an appropriate mixture of spaces for the desired uses – together with proportionate controls – be provided.

Resident usage overnight

Residents' car parks are provided in outlying areas and most seem to have sufficient capacity, although Ballingdon Street and the Blackfriars car parks do reach capacity overnight. There may be capacity to offer Resident Season Tickets for overnight usage in other public car parks – the only conflicting usage being weekends, and especially Saturdays, when capacity must be carefully planned.

Permits/season tickets sold

Station Road, Sudbury (Kingfisher Leisure Centre)	33
The Station, Sudbury	75
Magdalen Street, Hadleigh	33

We currently do not have any on the waiting list.

The price for season tickets is set in the schedule to the parking order – this needs to keep pace with the daily tariff (all day parking) but be representative of proportionate use – e.g. 180 days or 220 day, allowing for leave and weekends.

Regeneration and future development

The Sudbury vision includes the redevelopment of parts of the town centre and the reconfiguration of the Market Hill is also planned. The town has also bid for funds to Regenerate the High Street and has bids in for Tranche 2 of the Active Travel Fund, including improved cycling and walking routes across town, especially linking Belle Vue with The Meadows.

(See <https://www.babergh.gov.uk/business/economic-development/town-centre-development/sudbury-steering-group/>)

Provision could be made in car parks to assist with the changes planned, and this might include changes to car park circulation and a highway scheme to help traffic flow.

Part of the redevelopment work has made the observation that the Girling Street/Newton Road junction suffers from capacity issues, and that the Gt Eastern Road junction with Station Road does not run smoothly.

One of the suggestions is to reconfigure the accesses to Gt Eastern Road car park and Station Road car parks and open up different areas in order to make clearer the links between them and define better links to where empty parking spaces might be found. Any reconfiguration should include a link to Bures Road if possible, to help alleviate the capacity issues at Station Road and Girling Street junctions. Any reconfiguration should also include improved parking for cycles and all types of EVs.



Deliveries and taxis having difficulty in town – whilst delivery bay in Girling Street car park is used by cars.



Access and egress at Station Road and the separate plots of land cause conflict in movement



No access between adjacent car park sites without circulating via the highway.

Hadleigh



Hadleigh does not currently exhibit the same types of car parking availability pressures as Sudbury, either on weekdays or on Saturdays; the only location to exhibit pressure being the small Maiden Way car park. The adjacent Magdalen Road car park is sufficient to take the overflow.

Long Stay capacity at Magdalen Road has built to high levels, but there is a lack of on-street controls on the highway nearby, should any further controls be implemented; this may lead to some unintended consequences should additional controls be implemented.



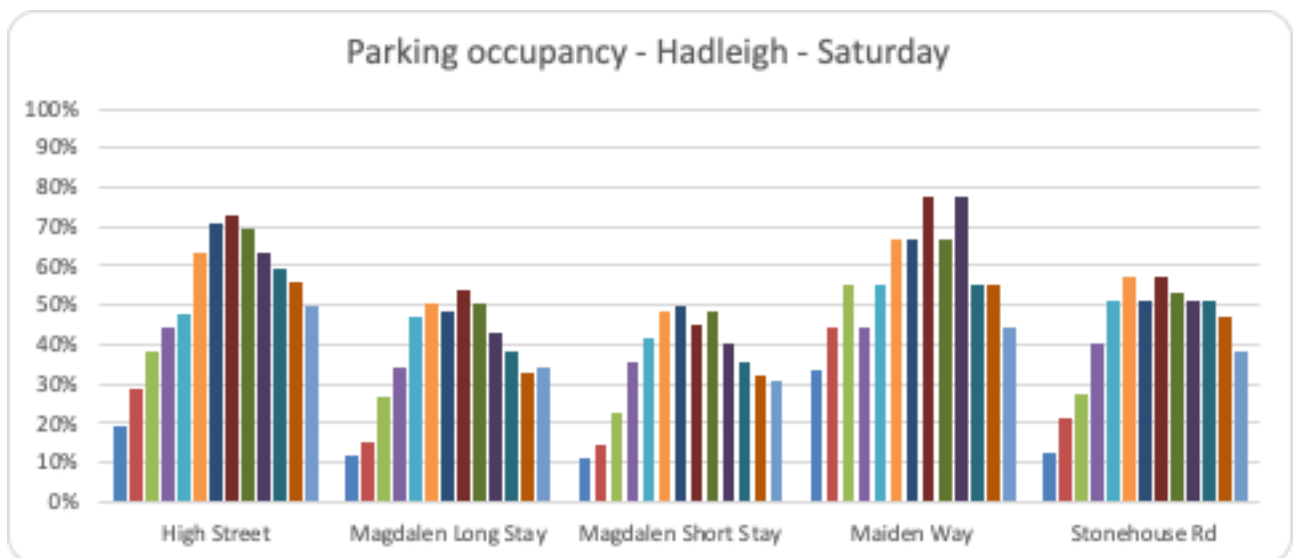
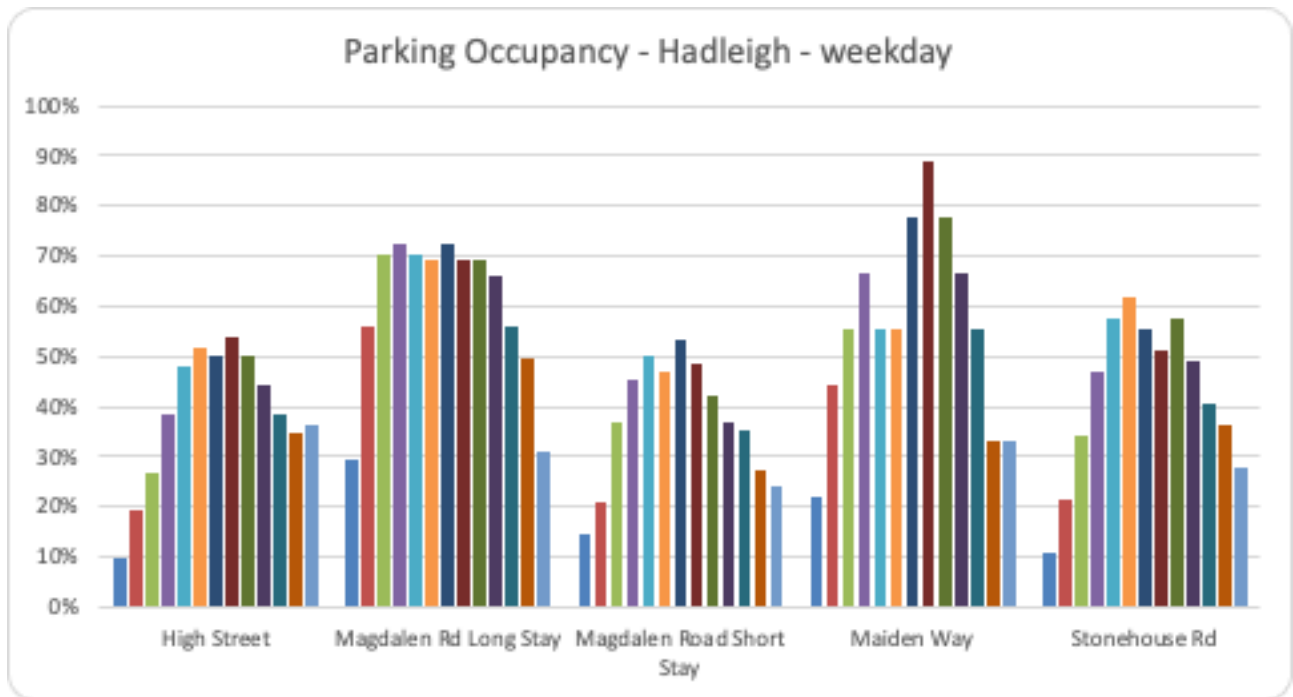
Confusing regulatory notices and small type size not lending to understanding

Saturday afternoon stays do seem to be consistent with the morning and weekdays, so it is recommended to look at increasing parking controls to cover Saturday afternoons in Hadleigh.

Re-booking is also occurring in order to gain an all-day stay, with the 3-hour tickets currently being the only controls in the short stay car parks.

Other than the additional Saturday controls, nothing is recommended at present for Hadleigh, although this should form part of a wider study, to include a review of roadside restrictions and to make a forward plan in case there were ever any future changes to on-street parking in High Street.

In the graph, each bar represents occupancy per hour, starting from 7am through to 7 pm.



Hadleigh High Street



Plenty of 1 hour limited waiting parking provision at the kerbside



Hadleigh, Stonehouse Road



Hadleigh, Toppesfield Hall



Confusing circulation but defined type of parking

Lavenham

Lavenham very broadly follows the pattern found in Hadleigh, although it is to be remembered that the study was carried out in February. It is expected that a great many more tourist stays would be prevalent during the summer months, and this increased demand due to the tourist trade is borne out by casual observations at different times of the year.



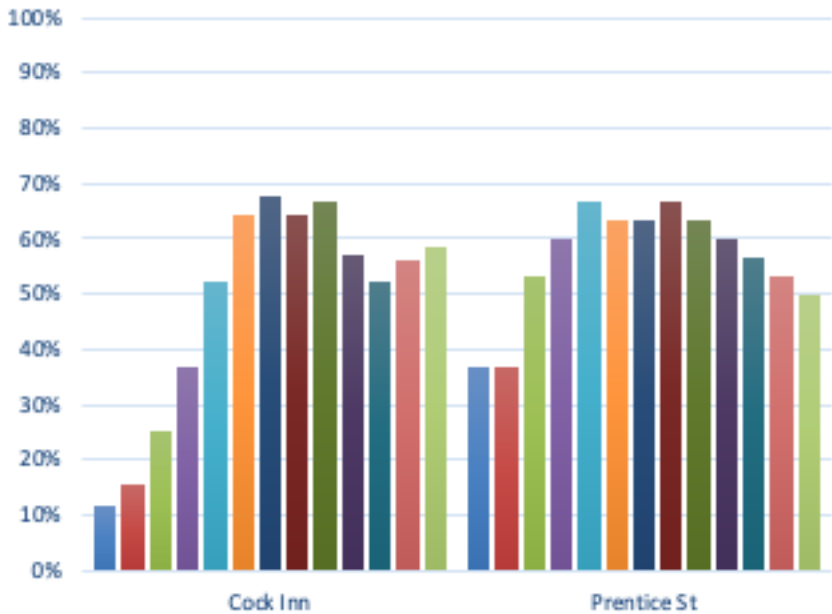
Some uncontrolled parking exists at the kerbside on the highway in various locations in Lavenham, although not all of this might be desirable.

It is recommended to make a further study of the wider parking demands in Lavenham – together with the local council – including leisure and tourism pressures, since the data was collected in the colder months of February.

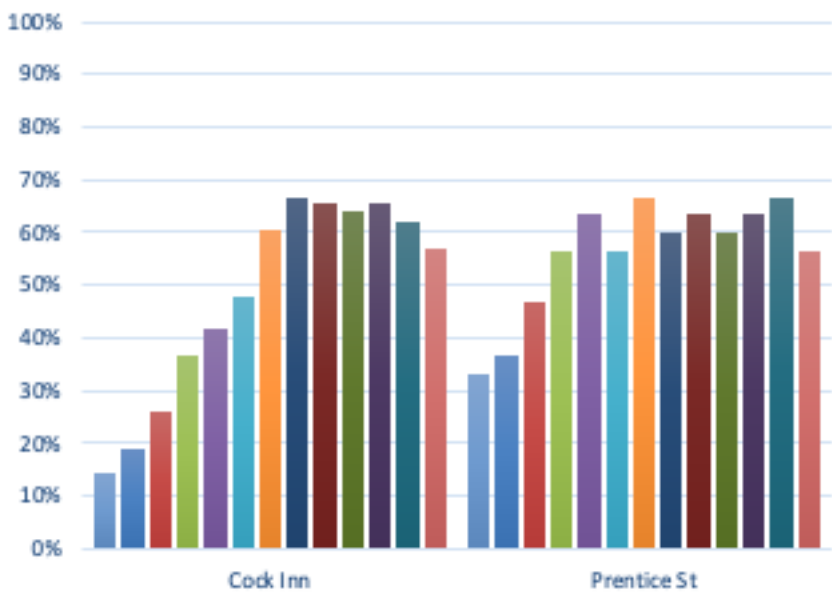
Casual observations during the summer months indicate and confirm that usage at other times is higher and more seasonal.

In the graph, each bar represents occupancy per hour, starting from 7am through to 7 pm.

Parking Occupancy - Lavenham - weekday



Parking occupancy - Lavenham - Saturday



It should be noted that an informal 'honesty box' approach is being operated in the two Babergh car parks in Lavenham with a request to leave £2-£3 per stay; the sentiments of the notices – whilst very well-meaning – are not entirely compliant with the regulations in the parking orders, which do not stipulate a charge, but do enable the issuance of penalties ("fines") for certain types of parking contravention.



Parking issues in Lavenham. A lack of space for modern vehicle circulation in the Prentice Street car park; EV charging point in The Cock Inn car park; defined parking types, but non-compliant signage; very narrow bays and an unmetalled informal parking area.

Outlying car parks

Fewer issues were found with the other, smaller car parks – such as those at the Railway Walk in Hadleigh, or Lower Holbrook.

The small car park at Pin Mill was found to be near capacity on some occasions and there is a recommendation to increase the fees charged here which are otherwise very low, considering the tourist nature of much of the casual parking, in order to encourage turnover and the use of alternatives. It is of note that this is the only car park that fully covers its costs.

Other useful statistics (from the Sudbury Vision Document)

- 50% of all journeys to work stay in Sudbury
- 20% people walk to work
- Less than 2% people take the bus to work
- 87% people own 1 or more cars
- Population • 0 to 15 years 16.8% • 16 to 64 years 57.6% • 65 years + 25.6%

The Policy conundrum



Conclusion

Conclusions are much as the Executive summary – that some of the car parks are full, getting full or will be used inappropriately, limiting their use. The resetting of controls and the addition of extra measures will help to define the purpose of each site, encourage appropriate use, footfall, and as a by-product, create some income to help maintenance, cover costs, make improvements and possibly fund other schemes. Financial income is to be a by-product of managing parking, not a target.

This Parking Study is the beginning of a wider conversation where it can be seen that parking influences, and may be influenced by, a range of other inputs by the council and other stakeholders.

A full strategy with a more in-depth study, including wider consultation, is recommended.

What a full Strategy should include : –

Place & Provision – assessment Location, type and number of bays, long/short stay, statistical analysis (opening and closing times, utilisation & capacity), vitality, USP, access, inputs, survey, partner/stakeholders, parking charges and durations (tariff structure and other modes)

Perceptions – customer perception, habits & attitudes survey / O&D survey to establish customers' and retailers' perception of parking provision in the towns via Questionnaire and consultations – researching facilities, accessibility, provision, experience, other data.

Parking Requirements – right parking for the right reasons in the right places - Special parking requirements, Occupancy and turnover, Disabled, young children, cyclists, electric vehicles, Payment mechanisms, concessions, season tickets, resident parking in car parks, special offers and other incentives such as loyalty schemes; consideration of off-street provision against on-street controls.

Online Payment - Alternatives to the use of cash, Cashless payment systems, online parking account, pay machine/operation type

Prosperity - District growth and development; town centre and other towns in the District, Finance : MTFP, options, pressures, pricing, options, town centre vitality

Environment & the Bigger Picture - Supporting the aims of the Positive Parking Agenda, Environmental factors, links to County Council Local Transport Plan (LTP)

Promotions – Communications, internal, external stakeholders, information, promotion

Communications - Marketing: the position, the town's unique offer, types of media, tariff structure, stakeholders. The right publicity, a good communication Plan, Social Media, adequate signage, Welcome Mats and advertisement of car parking provisions including outputs for Variable Messaging/Parking Apps/Sat Nav data.

Appendix F – EQIA

Details	
Service or policy title	Town Centre Parking Babergh District – Cabinet Report 07/01/2021
Lead officer	Cassandra Clements – Assistant Director of Environment and Commercial Partnerships
Officers carrying out the EQIA	Oliver Faiers – CM Waste & Fleet Belinda Bryan – Project and Research Officer
Is this new or a revision? (If revision state when previous EQIA undertaken)	Service revision: review of Babergh DC Town Centre Parking arrangements as set out in the body of the committee report
Is this the first time this policy or function has been assessed?	Yes
Date of completing this EQIA	14 th December 2020

Description
<p>What exactly is proposed? As set out in committee report Section 1</p>
<p>Why? To make appropriate interventions on parking management and maintenance which balance traffic management and environmental impacts with the need to provide parking for residents, visitors, and workers. To support the Vision and Invest programs in the key towns and enhance investment opportunities for developing the town centres, ensuring future vibrancy and sustainability, and to maintain parking stock and assets in good condition.</p>
<p>What will the effect of the changes be?</p> <p>Key recommendations:</p> <p>To resolve to fund and undertake a more in-depth Parking Review to inform the councils Future Parking Strategy for each town centre. The scope to be delegated to the AD for Environment & Commercial Partnerships in consultation with the Cabinet Member for Environment.</p> <p>To resolve with effect from 01 July 2021 the immediate parking management principles required for each town to support behaviour change and visioning.</p> <p>To resolve with effect from 01 July 2021 the immediate parking management interventions required to control specific locations to support behaviour change and visioning.</p> <p>To resolve to manage capacity and occupancy priorities through the implementation of additional controls or tariffs and district car parks, and to set the appropriate control or</p>

<p>tariff for each car park location (subject to any onward Statutory Order Process or Consultation which may apply).</p> <p>To resolve to implement residential parking permits in other car parks for overnight stays where appropriate, acknowledging and supporting recommendations to extend On-Street Residential Parking in Sudbury by the County Council.</p> <p>To resolve to divert a proportion of any income generated towards supporting car park maintenance, signage improvements, wayfinding, branding, and machine upgrades to enable convenient and contactless payment.</p> <p>To resolve to divert a proportion of income generated towards the sustainable travel agenda.</p>
<p>How will it be implemented? Report to BDC Cabinet 07/01/2020 with and implementation date of 01/07/2020 (short stay charging)</p>
<p>When is it due to start? <i>(Planned start of new/revised policy/service)</i></p>
<p>Any other relevant details All relevant information can be found in the body of the committee report</p>

<p>Data about the population</p> <p>What is the demographic profile or make up of the community you are service?</p> <p>Suffolk Observatory Data for Babergh District Council:</p> <p>https://www.suffolkobservatory.info/equality-impact-assessment/report/view/098b39eb72944210bb83bdee89eb4f78/E07000200</p>
<p>What is the profile or make up of your service users by protected characteristics?</p> <p>Users of Town Centre Parking in the Babergh District will be made up of both residents and visitors. We are not able to accurately profile the demographic of our Car Park users.</p>

Implications for communities and workforce	
Disability	
What is the impact on people with a disability (including children with additional needs) and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	<p>People with a physical mobility disability may find it more difficult to navigate into and out of car parks and carry out routine tasks e.g. shopping.</p> <p>Some people with certain disabilities such as limb problems may find it difficult to use car park machinery such as taking a ticket on entry or using a pay and display machine.</p> <p>Those on Low Income may struggle to afford parking prices, this may deter them from regularly using the car parks.</p>
How does it have a positive or negative impact?	Positive - Improvements to the service will benefit all groups
What could be done to mitigate any adverse impact or further promote positive impact?	<p>Review of parking spaces allocation; ensuring adequate provision of disabled parking, spaces are of appropriate size and accessibility to be considered as part of the improvements we have planned (e.g. to surfaces, removing steps, improved signage taking into account all users).</p> <p>Blue Badge Holders will not be charged for parking in designated disabled bays, no change from current policy.</p> <p>A review of parking arrangements including a charging tariff to encourage different behaviours should help free up more available parking.</p> <p>By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks</p>
Age	
What is the impact on people of different ages and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	Due to reduced mobility, some older people may find it more difficult to navigate into and out of car parks.
How does it have a positive or negative impact?	A review of the service and car parking arrangements will have a positive impact.
What could be done to mitigate any adverse impact or further promote positive impact?	A review of parking spaces allocation ,ensuring adequate provision of spaces that are of appropriate size and accessibility to be considered as part of the improvements we have planned (e.g. to surfaces,

	removing steps, improved signage and taking into account all users).
Sex (gender)	
What is the impact on people of different genders and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	No differential impact anticipated
How does it have a positive or negative impact?	
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks
Gender reassignment	
What is the impact on people who have undergone gender reassignment (i.e. transgender people) and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	No differential impact anticipated
How does it have a positive or negative impact?	
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks
Marriage/civil partnership	
What is the impact on people who are married or in a civil partnership and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	No differential impact anticipated
How does it have a positive or negative impact?	
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks
Pregnancy/maternity	
What is the impact on people who are pregnant women or those with a young child and what evidence do you have?	Some pregnant women and those with small children may find it hard to get in and out of a car within a normal width parking bay.

<i>(If you do not believe there is any impact describe why not)</i>	
How does it have a positive or negative impact?	Positive - Improvements to the service will benefit all groups
What could be done to mitigate any adverse impact or further promote positive impact?	Reviewing and ensuring provision of designated 'Parent and Child' spaces
Race	
What is the impact on people from different races or ethnic groups and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	No differential impact anticipated
How does it have a positive or negative impact?	
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks.
Sexual orientation	
What is the impact on people according to their sexual orientation and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	No differential impact anticipated
How does it have a positive or negative impact?	
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks
Religion/belief	
What is the impact on people according to their religion or belief and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	No differential impact anticipated
How does it have a positive or negative impact?	
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks.

Rurality	
Where people live is not a characteristic protected by law: but for Babergh and Mid Suffolk District Councils it is good practice to consider carefully how location may affect people's experience of a policy or service.	
What is the impact on people according to whether they live in an urban or rural environment and what evidence do you have? <i>(If you do not believe there is any impact describe why not)</i>	Those living in rural areas may have fewer transport options when accessing services and may therefore need to use a car. The review aims to optimize parking availability
How does it have a positive or negative impact?	Charging will have an adverse impact on those who have to use a car to access town centres. The promotion of sustainable transport alternatives may have a positive impact.
What could be done to mitigate any adverse impact or further promote positive impact?	By applying the policy and changes to service provision and charging fairly and equitably to all vehicle owners who use the car parks. Improvements to car parks will have a positive impact on all users.

Making Decisions	
Having completed this equality impact assessment indicate which decision is recommended to be taken.	
Should the policy or service be implemented as the correct course of action?	Yes
Should the policy or service be amended as suggested by the report so that mitigating actions are taken to address an adverse or negative impact on any characteristic?	No
Should the policy or service be reviewed and revised more significantly to take into account its impact on different groups?	No
Should the policy or service not be actioned as there are too many negative impacts?	No

Monitoring Impact	
Assessing the impact on equality is an ongoing process that does not end once a policy or service had been agreed or implemented.	
How frequently will the policy or service be reviewed?	This service review and recommended changes are the start of a wider and more comprehensive service review to complete a 5-year Parking Strategy. This work will start in Q1 2021 and complete in 2022.
Who will be involved?	The 5- year Strategy work will include consultation with all stakeholders
Will there need to be an action plan completed for any amendments?	To be included in the strategy.
What further evidence or consultation will be needed to check that the policy or service is working well?	The implementation and impact of changes will be monitored throughout the process.

Completion	
Authors signature	<i>Oliver Faiers</i> <i>Belinda Bryan</i>
Date of completion	14/12/2020

Additional sources of data can be found on the following links:

<http://www.suffolkobservatory.info/Default.aspx>

<http://www.nomisweb.co.uk/>

<https://www.ons.gov.uk/>

<http://suffolkcf.org.uk/publications/hidden-needs-2016/>

<https://www.nao.org.uk/>

**DRAFT MINUTE FROM BABERGH DISTRICT COUNCIL 19 JANUARY 2021 –
PETITION FOR DEBATE IN ACCORDANCE WITH THE COUNCIL'S PETITION
SCHEME.****FREE PARKING HADLEIGH (Draft and subject to changes)**

- 40.1 The Chair read the Petition as detailed in the Agenda.
- 40.2 The Monitoring Officer outlined the process to be followed for the debate, detailed under Part B of Section 3.1 of the Petitions Scheme contained in the Constitution.
- 40.3 The Monitoring Officer advised Members that questions had been received from Hadleigh Town Council and a member of the public regarding the subject matter of the petition and the Chairman had agreed to vary the order of business on the Agenda to take these questions at the same time as the petition.
- 40.4 The Monitoring Officer also advised that as the Overview and Scrutiny Committee had recently considered the proposed Parking Policy report the Chairman of the Overview and Scrutiny Committee would be invited to present any comments from the Committee which were relevant to the debate.
- 40.5 The Chair invited the petition organiser, Mr Laing, to present the petition.

Mr Laing made the following presentation:

Whilst other Councils across the Country are introducing periods of free parking to try and encourage footfall in the high street, this Cabinet, having established that the average parking time is 64 minutes, has cynically sought to charge after only 30 minutes. Babergh's own Q and A page has a link to the Association of Town and City Management, to a report they clearly attach some weight to. From that report Rugby Council are working with retailers to shape parking. The retailers can issue permits to customers for 4 hours free parking. Another example, not from the report, Tees Valley has just these months introduced free parking for a minimum stay of two hours, up to a maximum of three hours. This policy to be in place for two years.

Tees Valley's Mayor has said that everyone across our region deserves a vibrant and thriving high street, that can still flourish in an age of online shopping. They are the life blood of our area and introducing free parking can help make them an even more dynamic and vibrant place to live and do business.

From the statutory guidance for Local Authorities on Enforcing Parking restrictions, the Secretary of State recommends that enforcement authorities, should consult locally on their parking policies when they appraise them, they should seek the views of people and businesses with a range of different parking needs, including the views of the police. The appraisal should take account of the impact on the local economy and the viability of local shops and high streets. To my knowledge none of this has happened.

The British Retail Consortium has warned of conditions getting worse for non-essential shops and the high street generally. Retail figures for 2020 are the worst on record except

for food and online shopping. The Centre for Retail research has said that 2020 was the worst for high street job losses in 25 years.

This proposal in its present form fails. It fails for not engaging with town and parish councils. It fails for not engaging with local businesses or the general public and it fails to not take into account the demise of the high street and the need to rebuild.

This meeting can and should be the start of that engagement and collaboration, so I urge the cabinet to think again and to delay any decision until a more inclusive proposal is forthcoming.

40.6 The Chair invited the Mayor of Hadleigh, Frank Minns to ask his question:

Question 1

Councillor Minns on behalf of Hadleigh Town Council to ask the following question to Councillor Malvisi, Cabinet Member for Environment:

In the light of the widespread opposition to the introduction of short-term parking charges in Hadleigh, illustrated by the petition the Council is to consider, does BDC now agree that the proposal should be withdrawn and a coherent plan for parking across the town be developed through consultation with HTC and residents?

Response from Councillor Malvisi, Cabinet Member for Environment:

As I explained to the Overview and Scrutiny Committee yesterday, I carefully listened to their debate and I will listen to this debate this evening and I note Councillor Minns comments and suggestions, I do anticipate that the proposal being considered by Cabinet in February will differ greatly to the current proposal.

The Chair invited Mr Young, a Hadleigh resident to ask his question:

Question 2

Mr Roger Young to ask the following question to Councillor Malvisi, Cabinet Member for Environment:

I start by noting that the Overview and Scrutiny Committee are suggesting that the parking management and principles as mentioned in Appendix A be implemented no sooner than September 2021.

How is it sensible to implement the changes in Appendix A before the results of the comprehensive parking strategy review is completed and publicly reviewed surely, implementation should wait for the result of the review, otherwise time and money might be spent unnecessarily and create confusion for the public.

Response from Councillor Malvisi, Cabinet Member for Environment:

The difference between the Parking Strategy Review (including future paths steered by development requirements) and what we are doing now, is that this is a 'Current Needs Analysis'. Appendix A is what we need to be doing right now; the Strategy looks ahead at future needs, our needs in 5-10 years if not longer.

Supplementary Question:

I come from a base where in management you need to first get the facts. None of us know **now** what the new normal will be when Covid subsides.

We don't know how the public's shopping habits will change, or what the High Street will look like.

Can Council abort the current parking proposals until we have reliable data, that the strategy document should produce?

Response from Councillor Malvisi, Cabinet Member for Environment:

Earlier last year the Council passed the Climate Change Action Plan and the Biodiversity Action Plan and that we need to incorporate, adopt, recognise new modes of transport. Our parking provision for bicycles, to start to provide facilities for electrical vehicles whether it be electric cars or electric bicycles and ordinary pedal bikes, we have a very poor provision for these services in our car parks and we need to get that done and we need to do that now, not in five to ten years.

40.7 The Chair invited the Ward Member for Hadleigh North Ward, Councillor Dawson to speak:

Councillor Dawson thanked the Hadleigh resident, who brought forward this petition. She fully understood and realised there was need to balance Babergh's budget, but it was not the right time to introduce these hard-hitting parking tariffs hidden in the budget. Any decisions that affect so many businesses and people should be assessed following proper consultation as discussed by Mr Young, and an understanding of the local issues and how this has come about. She felt that issues were not properly addressed in the report, which she outlined as follows:

- Why was there no consultation with stakeholders i.e. local businesses, shoppers or residents?
- Why was there no communication with county councillors, local district councillors, town councillors or even the Mayor?

She questioned the value of the information and the timing of the snapshot study on which the proposal was based, and she thought that this kind of decision should not be based on informal observations taken in February. There was no evidence of the algorithms used, of the displacement of cars to side streets, the environmental damage and the generation of further carbon emissions, which we are meant to be reducing and most importantly, the effect it had on the local economy in Hadleigh.

Councillor Beer and she had over a year ago requested a comprehensive parking strategy review, which to date, neither of them had been consulted on. She thought that this parking review with increased tariffs had been 'slipped' into the annual budget and it seemed that the proposal had been pushed forward to provide a plug for the £45K debt in Hadleigh.

40.8 The Chair invited the Ward Member for Hadleigh South, Councillor Fraser to speak.

Councillor Fraser thanked Mr Laing for raising the petition, and the Hadleigh residents for signing it, The Petition showed the strengths of feeling in the town He commented that free parking was a unique selling point of Hadleigh and that the residents of Hadleigh were concerned over the survival of the economy of the town.

Councillor Fraser thought that the reason the report had not been well received was because of the way in which the Council had communicated the plans.

Councillor Fraser continued that the two main points from the e-petition were that new parking charges would have an impact on new outlets which had recently been opened and also existing, well established businesses. He agreed with the Mayor of Hadleigh that a full consultation was needed with input from the Town Council, businesses, the Mayor and the Chamber of Commerce. He also advised that a full impact statement of the effect of businesses emerging from Covid-19 pandemic was required.

Councillor Fraser commented that businesses in the area had already been negatively affected by other policies such as the 'Safer Places Scheme' which had not been subject to proper consultation and that business say unanimously that free parking will affect their businesses. He summed up by confirming that the petition had his full support.

40.9 The Chair of the Council, Councillor Grandon, then responded to the petition in her capacity as Ward Member for Hadleigh South and emphasised that she was not speaking in her role as Chairman.

40.10 Councillor Grandon expressed her support for the petition and commented that the planned parking charges would have an effect on the whole town. Councillor Grandon went on to state that the proposal was purely for economic reasons to support Babergh District Council's budget with no regard for the economic health of Hadleigh. The Parking deficit for Hadleigh was only £45K.

40.11 She supported the call for consultation, local Members were not consulted. She did not support any change to short term parking fees, as it would lead to future price increases. She highlighted that while other local authorities were ceasing parking charging, Babergh was introducing charges and this would have an effect on the recovery of businesses from the Covid-19 pandemic and many businesses were operating on slim margins anyway. She felt that the timing of the implementation of the parking charges should be delayed until April 2022 or until after the completion of the Strategic Parking Review. The shortest period of free parking she found acceptable was 2 hours churn is not an issue in Hadleigh. She also felt that parking

fees for Hadleigh should be lower than Sudbury. For some a parking charge of £1 was a lot of money.

- 40.12 Councillor Malvisi responded to the petition and informed Members that the petition asked to maintain free car parking in Hadleigh, however the free car parking in both Hadleigh and Sudbury were a subsidised and a discretionary service provided by the Council. She reiterated that the report going to Cabinet in February would be revised and would take the comments made both at the Overview and Scrutiny Committee and this meeting into account. However, the car parks in Hadleigh required updating to include bike parking and electrical vehicle charging points. She assured Members that people did not drive to a town because it provided free parking but for what people needed in town. Hadleigh also had a lot to offer tourists.
- 40.13 She continued that a revised policy was needed to enable car parks to be financially sustainable and that any revenue from the car parks would be spent for projects associated with car parking.
- 40.14 The Chair of the Council invited the Chair of the Overview and Scrutiny Committee to speak.
- 40.15 Councillor McCraw referred to the amended proposal and the substantiated proposal and recommendations in the tabled minutes. He outlined the scrutiny process to Members and explained the differences between the two proposals. He pointed out to Members that a Parking Strategy Review would take 18 months and that it appeared that the Council did not have this option available due to budget constraints. He stated that the tabled draft minutes and recommendations were sufficient to explain the findings of the Overview and Scrutiny Committee and he commended the paper to Council.
- 40.16 The Chair of the Council then outlined the rules for debating the petition in Council.
- 40.17 Councillor Ward did not see the purpose of the petition. The Council could no longer justify the subsidy of car parks in the District, especially as this was a burden for all residents in the District. The Council needed to free up the funding which covered the upkeep of the car parks as the Government was cutting funding for local authorities forcing the Council to cut costs in some areas and diverting the funding to maintain vital services for residents. It was generally expected that car parks were self-sustaining. There was no evidence that parking charges reduced footfall as footfall was based on the demand of shoppers. In the current climate free services were no longer possible. It had always been the intention to introduce parking charges once the Covid-19 Pandemic was in decline, as part of future plans to ensure that the car parks could support the demand for parking. There is confusion over the long term strategy review being undertaken. This will support plans for our vision work and have the capacity to support population work.
- 40.18 Councillor Adrian Osborne understood the concerns raised; however, the Council needed to balance the budget to ensure that all services could be delivered and driven forward. An implementation date in late 2021 or early 2022 had been suggested. He thought the decision had been based on facts and not assumption.

He would like the Strategic Parking Review to include a review of residents parking permits in our car parks.

- 40.19 Councillor Beer referred to the Motion on the 22 September 2019 which called for a review of parking in Sudbury and Hadleigh. This included talking to partners and stakeholders such as Suffolk County Council, Babergh District Council and the Town Councils. He had asked for a working group to be set up but that had so far not happened. He thought the car parking scheme would be charging more for less car parking spaces and that shoppers would have less time, hitting motorists with increases and charges. There was a risk that shoppers would drive further to the larger town in the County, if they had to pay for parking anyway or drivers would drive around looking for free parking spaces and this would have an impact on Council's wish to reduce carbon. He agreed that there was a need to provide better disabled car parking spaces.
- 40.20 Councillor Owen thought that three hours free parking helps to maintain the footfall, which helped employment and town management. There would be far reaching impact on retailers because of the anticipated decrease in footfall. Free car parking was a way to attract visitors to the towns apart from the friendly and sociable people. Sudbury could not offer the larger outlets that other towns could, and offering free parking was a main attraction along with social tolerance. She thought that the implementation of parking charges would result in losing shops, lower employment, more families on lower income, less business rates and lower Babergh income. She continued, when would congestion and air quality be reduced and by how much.
- 40.21 Councillor Fraser focused on the damage the parking charges would do to Hadleigh and that there had been a lot of damage to the economy and that the high street was fragile. Hadleigh was to lose one of its larger outlets. The High street was unique in what it delivered and could not be compared to other towns in the area. The Country was in crisis due to the pandemic and this had an impact on the footfall. He thought that parking charges should be introduced later and that there should not be any change to parking arrangements until a post Covid-19 impact assessment could be conducted. He thought that the one-hour free parking would not be enough and although there was a fair amount of car parking spaces available there was a risk that the parking charges would result that shoppers would look for free parking in side streets and clog up the streets. He thought that a consultation should take place along with engagement with businesses and that members were here to support businesses and he therefor supported the petition.
- 40.22 Councillor Barrett was disappointed that this was not a full debate and only responding to the petition, but pleased that the Cabinet had listened. However, changes to reduce free parking should be considered carefully, as it could have an adverse impact, and this was not the time to discourage shoppers to come to Hadleigh. There was no justification for introducing the parking charges now, as money had been found in the budget for the next year and could not be considered urgent. There had already been a removal of parking spaces in Market Hill, which had had an impact on footfall. She highlighted the point that there had not been a full assessment to understand the footfall and she had a resistance to support

paying for parking and queried how much income the Council would actually receive.

- 40.23 Councillor Lindsay raised a point of clarification in respect of Councillor Beer's comments regarding the Motion agreed by Council and advised that this had been amended to examine what level of car parking capacity would be appropriate.
- 40.24 Councillor Lindsay highlighted the Council's plans to reduce carbon emissions by 2030 and the role of sustainable travel plays in this plan. He went on to comment that he agreed with the principle of parking charges in general and felt that free parking should not be subsidised by all taxpayers. He considered Babergh needed to make it clear much would be it spend on sustainable trave if car parking charges were introduced.
- 40.25 Councillor Jamieson commented on the lack of consultation and felt that the proposal should be looked at as part of a wider transport strategy. Increasing traffic churn would have detrimental impact on the carbon reduction, and he reminded Members that the Council was committed to carbon reduction. He thought the report was being brought forward to Council at the wrong time.
- 40.26 Councillor Ayres raised concerns over the effect of parking charges on future footfall figures in the town. Councillor Ayres felt that two hours of free parking was necessary to allowed families and elderly enough time to park and go shopping and added, especially now because of the longer queuing times as a result of the Covid-19 pandemic.
- 40.27 Councillor Maybury responded to a query from Councillor Fraser regarding the car parks in Lavenham and confirmed that Lavenham Parish Council wished to take over ownership of car parks in the parish.
- 40.28 Councillor Maybury went on to state, in response to Councillor Malvisi's comments regarding residents subsidising free parking, that this argument could be applied to many projects. Councillor Maybury raised the issue of potential annual increases if parking charges were introduced and that these annual increases should not take for place for at least three, if not five years and concluded by stating that that she believed this was the wrong time to introduce charges.
- 40.29 Councillor Cresswell commented that Sudbury and Hadleigh should not be divided but work together on this issue. He thought that a survey conducted in February would provide a different result than one conducted in July. The free parking from Saturday noon and all-day Sunday, encouraged families to come to Sudbury and spend the day in town. He therefore felt that the current status should be maintained to encourage people to come to Sudbury. He thought that this was the wrong time to introduce parking charges due to the current climate, and that this had nothing to do with green policies. More strategic work should be conducted to invest in infrastructure to get people from the villages into Sudbury and he supported the petitions.

- 40.30 Councillor Carpendale was pleased to hear that the report would be changed regarding timings and costs when the report went back to Cabinet. She sympathised with the concerns raised for the reality of the impact on the high street charges, which might put people off coming into town. She endorsed the recommendations from the Overview and Scrutiny Committee, namely the one-hour free parking and the deferred implementation date for Hadleigh and Sudbury. However, residents and Councillors must face the realities of the present and future for the costs and financing. She thought it was a pity that the report had surfaced ahead of a comprehensive Parking Review and lacked a transport strategy which should be integrated with the environmental aims for carbon reduction in the District. She added that the handling of the matter had been unfortunate, and she hoped the process would be reviewed, including the lack of consultation and involvement of local businesses.
- 40.31 Councillor Plumb asked Members to consider the options of Hadleigh and Sudbury taking over the management of the car parks similar to Lavenham or if that was not possible, then perhaps the Town Council would be interested in subsidising the second hour to provide two hours free parking in the towns.
- 40.32 Councillor Dawson **PROPOSED** that Council supported the petition, which was **SECONDED** by Councillor Beer.
- 40.33 Councillor Owen requested a recorded vote, which was supported by Councillors Maybury, Beer, Ayres and Cresswell.

NOTE: The meeting adjourned between 7:14 pm and 7:25 pm.

Members voted on the proposed recommendation.
By 14 votes for and 14 votes against and 2 abstentions.

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

It was RESOLVED :-

That Council supports the petition.

For	Against	Abstain
	Cllr Clive Arthey	
Cllr Sue Ayres		
Cllr Melanie Barrett		
Cllr Peter Beer		
Cllr David Busby		
	Cllr Sue Carpendale	
Cllr Trevor Cresswell		Cllr Derek Davis
Cllr Sian Dawson		
Cllr Mick Fraser		
Cllr Honor Grainger-Howard		
Cllr Kathryn Grandon		
	Cllr Ric Hardacre	
	Cllr Michael Holt	
Cllr Bryn Hurren		
Cllr Leigh Jamieson		
	Cllr Robert Lindsay	
	Cllr Elisabeth Malvisi	
Cllr Margaret Maybury		
	Cllr Alastair McCraw	
	Cllr Mary McLaren	
	Cllr Mark Newman	
	Cllr Zac Norman	
Cllr John Nunn		
	Cllr Adrian Osborne	
	Cllr Jan Osborne	
Cllr Alison Owen		Cllr Lee Parker
	Cllr Stephen Plumb	
	Cllr John Ward	
14 Votes FOR	14 Votes AGAINST	2 ABSTENTIONS

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Agenda Item 10

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/20/32
FROM: Councillor John Ward, Cabinet Member for Finance	DATE OF MEETING: 4 February 2021
OFFICER: Katherine Steel, Assistant Director, Corporate Resources	KEY DECISION REF NO. CAB221

GENERAL FUND BUDGET 2021/22 AND FOUR-YEAR OUTLOOK

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the General Fund Budget for 2021/22 and four-year outlook.
- 1.2 To enable Cabinet Members to consider key aspects of the 2021/22 Budgets, including Council Tax and make any recommendations to feed into the final Budget report to Council on 23 February 2021.

2. OPTIONS CONSIDERED

- 2.1 Setting a balanced budget is a statutory requirement, therefore no other options are appropriate in respect of this.

3. RECOMMENDATIONS

- 3.1 That the General Fund Budget proposals for 2021/22 and four-year outlook set out in the report be endorsed for recommendation to Council on 23 February 2021.
- 3.2 That the General Fund Budget for 2021/22 is based on an increase to Council Tax of £5 per annum (10p per week) for a Band D property, which is equivalent to 2.96%, to support the Council's overall financial position.

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 for endorsement and recommendation to Council.

4. KEY INFORMATION

Strategic Context

- 4.1 The 2021/22 budget has been prepared during one of the most challenging and uncertain times due to the ongoing impacts of Covid19 on the Council's finances, staff, residents, and local economy.
- 4.2 Government spending to combat Covid19 and mitigate its impact on businesses and individuals has led to record levels of public sector borrowing, and there is continuing uncertainty over the core funding that will be available to local authorities over the medium term.
- 4.3 One of the key outcomes of the Corporate Plan is achieving a robust financial strategy, the 2021/22 budget and medium-term financial strategy has been aligned to the Council's 6 Strategic Priorities:
- Environment
 - Economy
 - Housing
 - Wellbeing
 - our Customers and;
 - our Communities
- 4.4 Further details on the Councils medium term financial strategy can be found in section 6 of this report.

Financial Impact of Covid19

- 4.5 The Council has played a significant role in responding to Covid19, in supporting businesses and the most vulnerable in our communities as well as running essential services.
- 4.6 The financial impact of Covid19 has been an evolving picture throughout 2020/21 and this will continue into 2021/22. The Council is forecasting additional costs in 2020/21 in the region of £1.4m including homelessness prevention, redeployment costs, support for the two Leisure Centres, additional PPE, community grants and cleaning costs.
- 4.7 The Council's income streams have also been affected, with projected losses in the region of £1m including trade and garden waste, car parking, planning income, rental income and council tax and business rates losses.
- 4.8 The Government has provided support to local authorities through £4.6bn, new burdens funding, and £3.2m towards homelessness. However, Babergh District Council's share of this £2m, falls short of the projected costs and losses in 2020/21.
- 4.9 The Council's capital programme has also been severely impacted by COVID19 with several projects falling behind schedule and supply difficulties, for example increased costs from suppliers to cover the cost of additional PPE.
- 4.10 The financial impact of Covid19 for 2021/22 and beyond is difficult to predict, income streams have been reviewed and revised where appropriate and minimal costs are anticipated at this stage. The impact on the business rates and council tax collection

fund budgets in 2020/21 is expected to be in the region of £200k due to a lower tax-base, anticipated drop in collection rates, an increased call on the Local Council Tax Reduction Scheme. This will be partially funded from the Business Rates and Council Tax Collection Fund Reserve (formerly the Business Rates Equalisation Reserve) and as required by Government this will be spread over a three-year period from 2021/22.

Economic Background

- 4.11 In November 2020, the Office for Budget Responsibility (OBR) published its independent economic and fiscal forecasts.
- 4.12 The coronavirus pandemic has delivered the largest peacetime shock to the global economy on record. It has required the imposition of severe restrictions on economic and social life; driven unprecedented falls in national income; fuelled rises in public deficits and debt surpassed only in wartime; and created considerable uncertainty about the future. The UK economy has been hit relatively hard by the virus and by the public health restrictions required to control it.
- 4.13 In the central forecast, the combined impact of the virus on the economy and the Government's fiscal policy response pushes the deficit this year to £394 billion (19% of GDP), its highest level since 1944-45, and debt to 105% of GDP, its highest level since 1959-60. Borrowing falls back to around £102 billion (3.9% of GDP) by 2025-26, but even on the loosest conventional definition of balancing the books, a fiscal adjustment of £27 billion (1% of GDP) would be required to match day-to-day spending to receipts by the end of the five-year forecast period.
- 4.14 The support provided to households and businesses has prevented an even more dramatic fall in output and attenuated the likely longer-term adverse effects of the pandemic on the economy's supply capacity. The Government's furlough scheme has prevented a larger rise in unemployment. Grants, loans, and tax holidays and reliefs to businesses have helped them to hold onto workers, keep up to date with their taxes, and avoid insolvencies. Nonetheless, OBR anticipate a significant rise in unemployment – to 7.5% in our central forecast – as this support is withdrawn in the spring.
- 4.15 The economic outlook remains highly uncertain and depends upon the future path of the virus, the stringency of public health restrictions, the timing and effectiveness of vaccines, and the reactions of households and businesses to all of these. It also depends on the outcome of the continuing Brexit negotiations. In such circumstances, the value of a single 'central' forecast is limited.
- 4.16 CPI inflation falls from 1.8% last year to 0.8% in 2020, due in part to lower indirect taxes and energy prices, as well as increased slack in the economy. Thanks primarily to relatively weak average earnings growth, inflation remains subdued over the next three years, returning to the 2% target by the end of 2024. Whole economy inflation (as measured by the GDP deflator) is erratic in the short term, driven by the statistical treatment of public sector output (for example, school closures and the cancellation of non-virus-related operations are treated as raising the implicit price of education and health services). In the medium term, GDP deflator inflation settles at 2%.

Spending Review 2020 (SR20) 2021/22

- 4.17 The Government's three year Comprehensive Spending Review (CSR) was planned to conclude in July 2020, however, on 24 March 2020 the Chancellor announced that the CSR would be delayed 'to enable the Government to remain focussed on responding to the public health and economic emergency'
- 4.18 On 21 October 2020, the Chancellor announced the decision to provide a one-year Spending Review in order to prioritise the response to Covid19 and focus on supporting jobs. Details of this SR20 were published on 25 November 2020. The key points that are relevant to Local Government are as follows:
- a) Core spending power for local authorities in 2021/22 is estimated to increase by 4.5% in cash terms. In calculating CSP, it has been assumed that authorities will increase Band D by the maximum amount, and that each authority's taxbase has increased in line with their average taxbase growth since 2016-17.
 - b) £3bn worth of financial support to local authorities in 2021/22 in relation to Covid19 pressures as follows:
 - £1.55bn of grant funding to meet additional expenditure pressures as a result of Covid19.
 - £670m grant funding to help households that are least able to afford council tax payments.
 - Estimated £762m compensation payments for 75% of irrecoverable loss of council tax and business rates revenues in 2020/21.
 - Extending the current sales, fees and charges reimbursement scheme for a further 3 months until the end of June 2021.
 - c) Maintaining the existing New Homes Bonus scheme for a further year with no new legacy payments. This was confirmed in the provisional settlement on 17 December 2020 as two payments in respect of years 8 and 9 as planned, and a further one-off payment (year 11), this can be seen in the chart in paragraph 8.11 table 5. The Government is inviting views on a replacement for NHB.
 - d) Continuation of the option for shire districts with the lowest council tax levels allowed increases in council tax of up to 2% or £5 whichever is higher, the £5 was confirmed in the provisional settlement.
 - e) Rural Services Delivery Grant (RSDG) will continue in 2021/22
 - f) £254m of additional resource funding to tackle homelessness and rough sleeping in 2021/22.
 - g) The Government have indicated that they are unlikely to extend further Covid19 related support through business rates reliefs, outline plans for 2021/22 reliefs are expected in the New Year.

- h) Public sector pay freeze in 2021/22 for some workforces, pay rises for NHS workers and increases for the lowest paid. The Government has no formal role in the decisions around annual local government pay increases, these are developed through negotiations between the LGA and the relevant trade unions.
- i) Confirmation that the Fair Funding Review, Business Rates Review and business rates reset will be delayed. A fundamental review of the business rates system will be undertaken, and the Government are considering responses to the call for evidence. A final report with conclusions of this review is expected spring 2021.
- j) To support businesses in the near-term, the Government has decided to freeze the business rates multiplier in 2021/22, saving businesses in England an estimated £575m over the next five years. Local authorities will be fully compensated through S31 grants.
- k) Reform of the Public Works Loan Board (PWLB) lending terms, ending the use of the PWLB for investment property bought primarily for yield. The Government cut PWLB lending rates to gilts + 100bps for Standard Rate and gilts + 80bps for Certainty Rate, with effect from 26 November 2020.
- l) The government is launching a new Levelling Up Fund worth £4bn (£600m in 2021/22), to invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery. Bids for projects of around £20m that can be delivered in 2-3 years will be considered. The Prospectus is likely to be released early in the New Year.
- m) £300 million of new grant funding for adult and children's social care, in addition to the £1bn announced at SR19 that is being maintained in 2021/22. In addition, local authorities will be able to levy a 3% adult social care precept.
- n) Negative Revenue Support Grant is now fully funded.

4.19 The Provisional Finance Settlement was announced on the 17 December 2020 and provided Babergh with additional funding £724k of which £199k has been built into the 2021/22 budget. The remainder is to be transferred to either earmarked reserves or reallocated to cover Business Rates or Council Tax losses. This can be broken down as follows:

- Additional Rural Services Delivery Grant increased by 4.9%, for Babergh this is and additional £11k.
- New for 2021/22 only, a Lower Tier Services grant introduced of £111m to ensure no council sees a reduction in core spending power as a result of the £285m reduction to the 'final year' of New Homes Bonus payments. Babergh's allocation of the Lower Tier Services grant is £91k.
- New Homes Bonus was £18k less than originally estimated mainly due an increase in the number of empty properties, this element of the allocation was not included in the original estimate.

4.20 The headlines are as follows:

- No increase to the Business rates baseline funding - as part of the Council's own forecast budget additional income of £515k (including renewable energy business rates income of £30k) is expected.
- Part of the S31 grant allocation is £150m compensation for under-indexing the Business Rates multiplier, of which Babergh's share is £111k. Again, after calculating all elements of the S31 grant as part of the Council's own forecast, the net impact, is an overall reduction in S31 grants of £77k.
- The Business Rates Levy and Suffolk Business Rates Pool forecasts will be calculated once all information has been received from the other Local Authorities in Suffolk in February 2021.
- Babergh's share of the £1.55bn 5th tranche of Covid19 grant funding has been confirmed at £414k. This has not been included in the funding at this stage, the financial impacts of Covid19 will be assessed during 2021/22, in the meantime this grant will be placed in the Covid19 earmarked reserve.
- New Local Council Tax Support Grant £670m – outside the core settlement and is to fund authorities for the expected increase in Local Council Tax Support in 2021/22. This grant is to be allocated between Suffolk County Council, Suffolk Police and Crime Commissioner and Babergh. Provisional allocations are as follows:

	£
Babergh	115,290
Suffolk County Council	610,224
Suffolk Police and Crime Commissioner	101,166
Total	826,680

Of the £115k allocated to Babergh, £39k will be distributed to Town and Parish Councils as part of the first instalment of their precept payment in April 2021. See Appendix C for a detailed breakdown. The remaining £76k will be transferred to the Business Rates and Council Tax Collection Fund earmarked reserve to help mitigate the impact of expected increases in Local Council Tax Support during 2021/22.

4.21 Table 1 below shows the Provisional Finance Settlement compared to the budget for 2021/22.

4.22 Table 1: Provisional Finance Settlement

	2021/22 Assumed	2021/22 Provisional Settlement	(Increase)/ Decrease
	£'000	£'000	£'000
New Homes Bonus	853	835	18
Rural Services Delivery Grant	227	238	(11)
Lower Tier Services Grant	-	91	(91)
Council Tax increase - £5, LCTRS & Growth	39	39	-
LCTS grant	-	115	(115)
Included as funding	1,119	1,318	(199)
Other funding announced			
5th Tranche of COVID19 funding	-	414	(414)
Compensation for under-indexing the business rates multiplier. Included as part of S31 grants	-	111	(111)
Total	1,119	1,843	(724)

5. HOW IS THE COUNCIL'S REVENUE BUDGET BEING SPENT IN 2020/21?

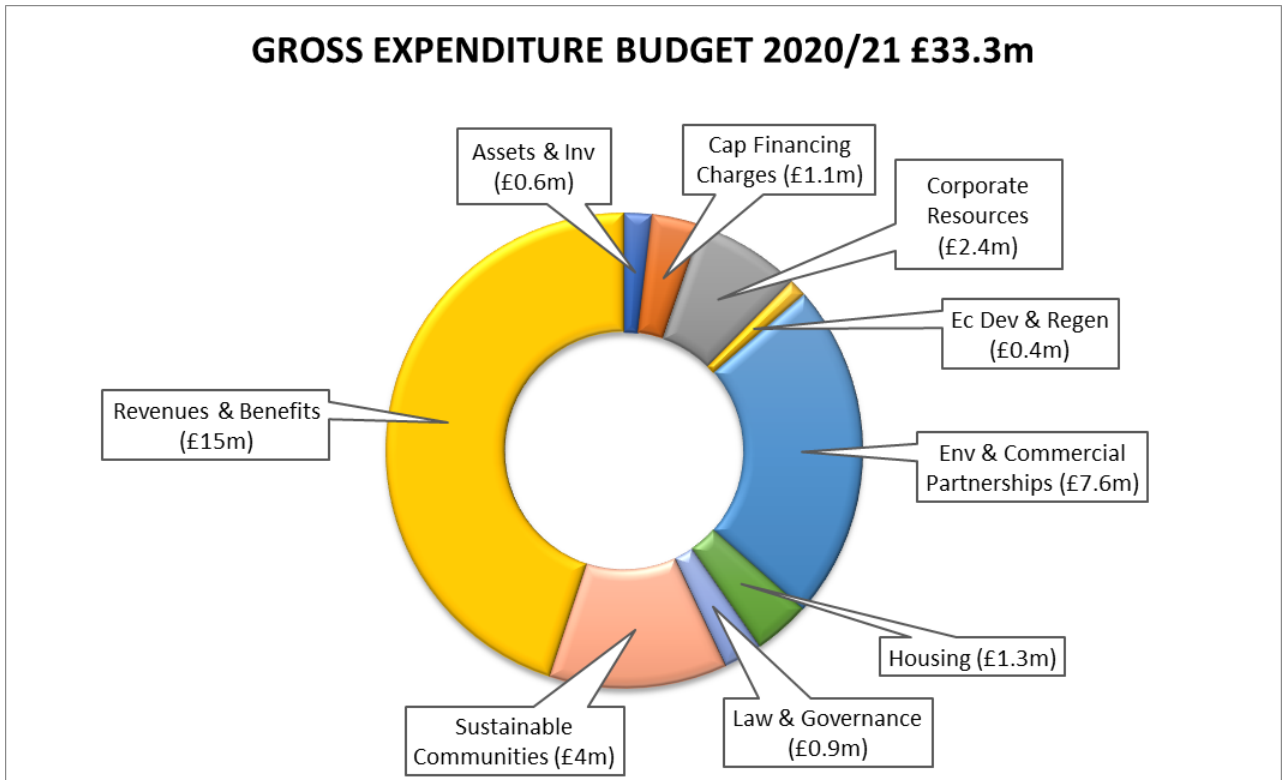
The Council's 2020/21 gross expenditure is £33.3m and Income is £23.3m giving a net cost of service of £9.9m. Table 2 below shows how this is funded.

Table 2: Revenue Budget 2020/21

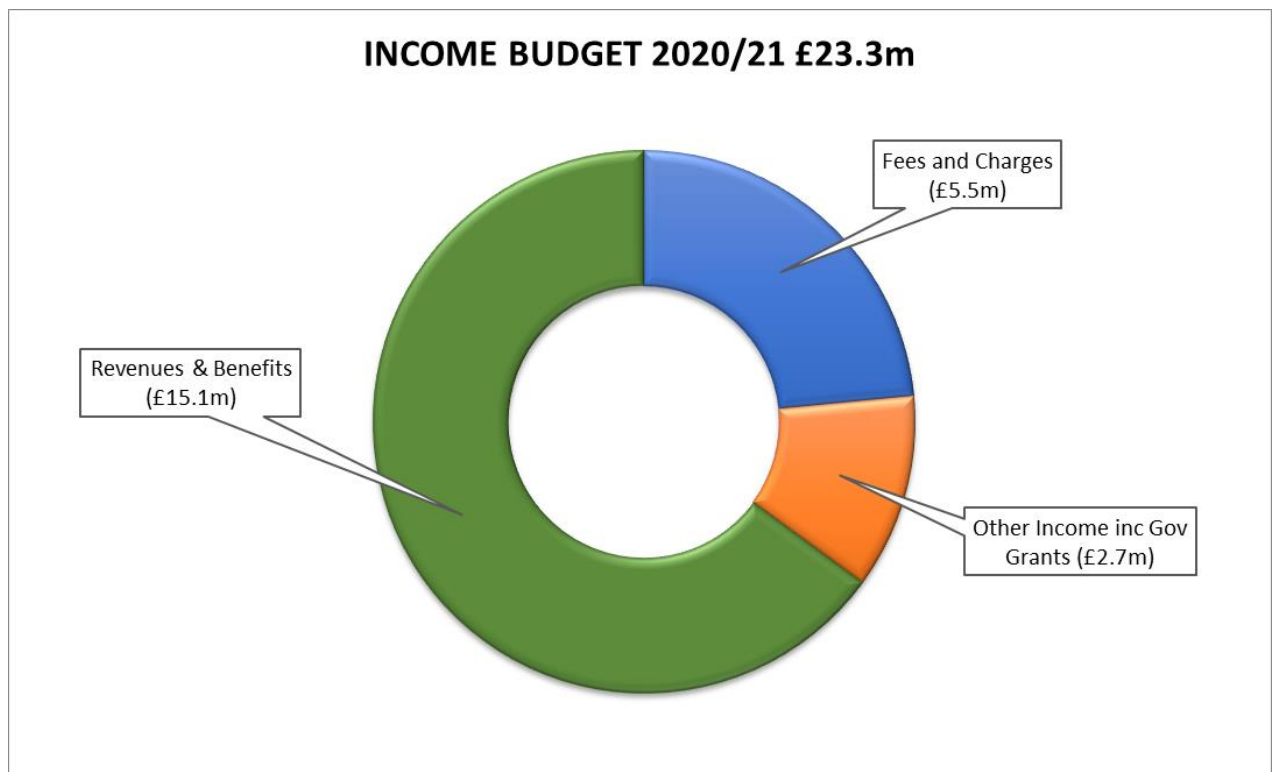
	£,000
Gross Expenditure	33,301
Income	(23,332)
Net expenditure 2020/21	9,969
Funded by:	
Earmarked Reserves	(278)
New Homes Bonus	(1,055)
S31 Grant	(1,577)
Business Rates	(1,760)
Collection Funds (Surplus)	(9)
Rural Services Delivery Grant	(227)
Council Tax	(5,774)
Total Funding	(10,680)
Total surplus transferred to reserves	(711)

5.1 Graph 1 below shows how the £33.3m gross expenditure is allocated across the services and Graph 2 below shows the breakdown of the £23.3m income. The funding element is not shown in these graphs.

Graph 1 Gross Expenditure by service area in 2020/21



Graph 2 Income by service area in 2020/21



5.2 The Revenues and Benefits element (£15m) in both the expenditure and the income charts above includes housing benefit paid out to claimants and reimbursed from the Government.

- 5.3 The forecast position for 2020/21 at quarter 2 reported to Cabinet in December 2020 showed a projected surplus of £728k. However, there almost certainly will be further variances that occur throughout the remainder of the year. An updated position will be reported to Cabinet in March 2021 and the final outturn position in July 2021.

6. MEDIUM TERM FINANCIAL STRATEGY (MTFS) 2021-2025

Strategic Aims

- 6.1 In order to achieve the Council's Vision, the Council needs to take a medium-term view of the budget through a robust financial strategy that is focused on delivering the 6 corporate strategic priorities.
- 6.2 The Council's main strategic financial aim remains to become self-financing i.e. not reliant on Government funding. The Council's parallel aim is to generate more funds than are required purely for core services, in order to enable additional investment into the district.
- 6.3 There are 3 key elements that need to be carefully balanced to ensure success. These are:
1. Cost management;
 2. Income generation; and
 3. Service levels.

Principles

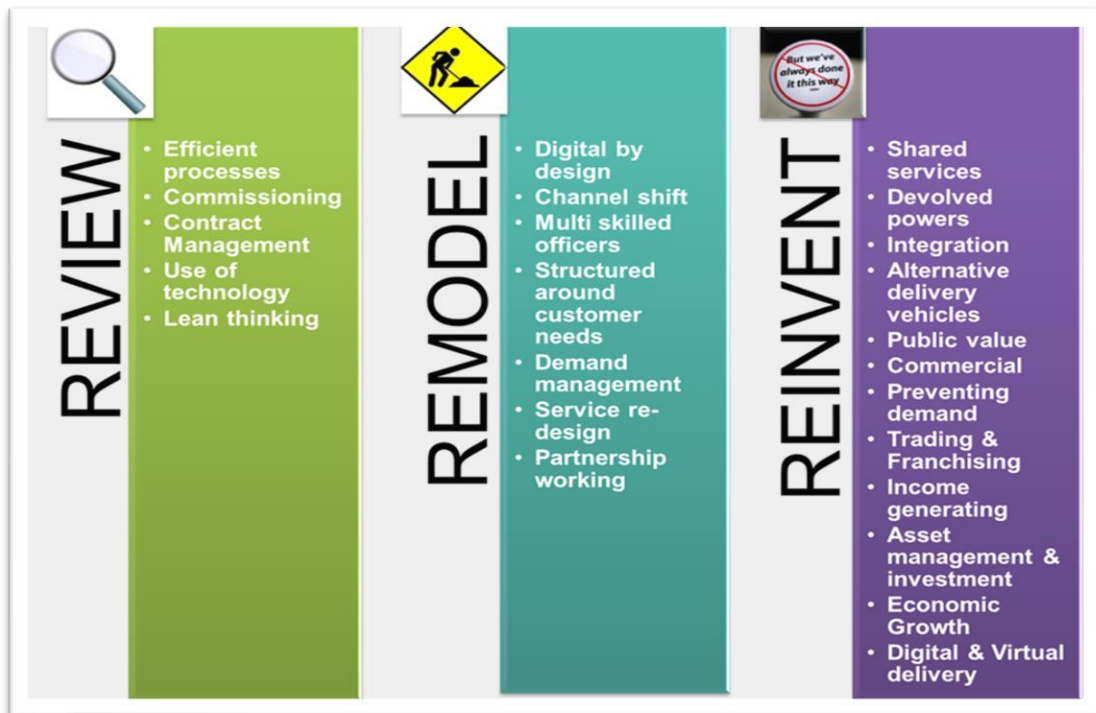
- 6.4 The approach over the medium term is to transform the Council into an organisation that is thriving and not just surviving, by continuously reviewing, remodelling and reinventing the way the Council operates. In order for the Council to thrive, a strong focus is placed on the wellbeing of our staff.

The following overarching principles are considered when evaluating ideas and opportunities for change:

- Reduce our costs (both internally and across the wider system)
 - Increase our income
 - Provide better / "best" value
 - Increased social value
 - Provide a better service for our customers
 - Reduction in administration costs, without compromising service
 - Reduced climate change and biodiversity impact
- 6.5 The focus is on:
- internal efficiencies and improvements;
 - continuously streamlining work and reducing waste in processes;
 - greater cross-functional working and multi-skilling;
 - improving ways of working to move away from 'professional silos' and toward integrated services for the public;
 - customer demand understood, analysed and met through new services and business models;

- demand is re-shaped and managed while engaging service users to ascertain priorities.

6.6 The approach below shows in more detail for each element the methodology that will be adopted to achieve this.



6.7 Work is underway across the Council re-designing our service delivery using these three underpinning strands. However, during 2020/21 the focus for many service areas was diverted to responding swiftly and effectively to needs of our communities, residents and businesses to help mitigate the impact of the Covid19 pandemic.

6.8 Achievements during 2020/21

- Business process reengineering programme of work
- Customer transformation programme
- ICT review and new strategy
- Reviewed complaints and FOI processes
- Review of performance framework
- New model for Disabled Facilities Grants
- Development of the Asset Management Plan
- Staff survey action plan
- Commissioning and procurement review
- New economic evidence base, refreshed strategy and action plan

6.9 Further work will continue in 2021/22 and is likely to require a longer-term approach and may require additional resources and investment. The Council will continue this approach in order to transform the way it operates over the next three years.

7. RESERVES

- 7.1 When setting the budget for the forthcoming year the Council must have regard to the level of reserves needed to provide enough resources to finance estimated future expenditure plus any appropriate allowances that should be made for contingencies.
- 7.2 The Council has been making significant savings for a number of years and with each year the challenge gets more difficult without negatively impacting on service standards. The approach outlined above will deliver savings or generate income to help close the medium-term budget gap. However, some of these will not be realised until 2022/23 onwards and investment from reserves may be required to deliver them.
- 7.3 Reserves only provide one-off funding, so the Council should avoid using reserves to meet regular recurring financial commitments.
- 7.4 In 2021/22 the Council is using £313k from earmarked reserves against specific service expenditure, this includes £64k for Locality budgets from the Transformation Fund. The Council is using all the £1.5m S31 grants and £471k of the £835k New Homes Bonus to balance the budget. The remainder of the New Homes Bonus, £364k is being transferred to a new Climate Change and Biodiversity earmarked reserve and will be used to invest in sustainable travel and other projects that will support the Council's commitment to be carbon neutral by 2030.
- 7.5 Table 3 below shows the earmarked reserves balance from 31 March 2020, forecast through to 31 March 2022. This shows that the level of reserves (excluding CIL) increases by 12% over the two years.

Table 3: Forecast Earmarked Reserve Levels

BABERGH									
Transfers to / from Earmarked Reserves	Balance 31 March 2020	Trf between	Forecast trf to	Forecast trf from	Balance 31 March 2021	Trf between	Forecast trf to	Forecast trf from	Balance 31 March 2022
Transformation Fund	(538)	140	(3,343)	2,866	(874)		(2,335)	2,435	(775)
Business Rates Retention Pilot	(1,138)			237	(901)			81	(820)
Business Rates and Council Tax Collection Fund	(1,216)	140	(4,447)		(5,523)		(77)	4,447	(1,153)
Climate Change and Biodiversity					-		(364)		(364)
Government Grants	(204)			39	(165)		(5)		(170)
Commuted Maintenance Payments	(478)		(376)		(854)				(854)
COVID19	-	(280)			(280)				(280)
Elections Fund	(20)		(20)		(40)		(20)		(60)
Elections Equipment	(35)				(35)				(35)
Homelessness	(241)		(41)	97	(185)		(60)	35	(209)
Temporary Accommodation	(74)			9	(65)			14	(50)
Planning (Legal)	(263)			58	(205)				(205)
Neighbourhood Planning Grants	(76)		(46)	25	(97)		(68)		(165)
Community Housing Fund	(195)			27	(168)			26	(142)
Strategic Planning	(55)			40	(15)				(15)
Joint Local Plan	(118)			72	(46)				(46)
Planning Enforcement	(88)			15	(73)				(73)
Well-being	(275)			1	(274)			56	(217)
Waste	(9)			9	-				-
Total Earmarked Reserves excluding CIL	(5,014)	-	(8,272)	3,488	(9,799)	-	(2,929)	7,094	(5,634)
Community Infrastructure Levy (CIL)	(6,378)				(6,378)				(6,378)
Total Earmarked Reserves	(11,392)	-	(8,272)	3,488	(16,177)	-	(2,929)	7,094	(12,012)

- 7.6 There is an agreed process for CIL bids, however nothing has been included in this table for CIL income and expenditure for 2021/22 as this is difficult to predict.

7.7 In addition to the earmarked reserves, the Council also holds a general fund reserve of £1.2m, which equates to approximately 12% of the net cost of service. This is a prudent level of reserve to hold, as has been evidenced by the Covid19 pandemic this year, to mitigate against unexpected financial risks that cannot be offset by savings during the year or with use of the earmarked reserves in Table 3.

8. FORECAST BUDGET GAP TO 2024/25

8.1 To establish the medium-term position several assumptions have been made as to the expected level of funding and a number of cost pressures and savings have been identified over the period.

Funding

8.2 Funding arrangements for councils have changed significantly in recent years, the revenue support grant has been completely removed for the Council and New Homes Bonus (NHB) legacy payments continue to be phased out. Government has indicated that a consultation paper on the future of NHB will be published shortly.

8.3 2019/20 was the last year of the four-year Comprehensive Spending Review where councils had some certainty about their funding levels. 2020/21 and 2021/22 continue to be one off Spending Reviews, therefore the medium-term position continues to be more difficult to forecast.

8.4 MHCLG is still committed to delivering the wider reforms to local government funding however whether this is achievable for 2022/23 remains to be seen, as fully worked proposals for consultation would need to be ready before Summer 2021.

8.5 Government has recognised that councils are now more reliant on council tax and business rates as the main sources of funding. A full review of the business rates system is expected to be published in Spring 2021. This is needed now more than ever with the impact of Covid19 on the economy.

8.6 Since NHB was introduced in 2011/12 the Council has received £11m in total. The Council continues to be reliant on NHB to support the budget, but in the last two years has been able to use some to supplement the Transformation Fund. For 2021/22, reliance on NHB to balance the budget equates to £471k.

8.7 As shown in Table 4 below, the use of NHB to balance the budget increased from 99% in 2017/18 to 100% in 2018/19 and 2019/20 and then reduces to 56% in 2021/22.

Table 4: New Homes Bonus used from 2017/18 to 2021/22

	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
Amount of NHB received	1,212	866	683	1,055	835
NHB used to balance the budget	1,197	866	683	343	471
% of NHB allocation to balance budget	99%	100%	100%	33%	56%

8.8 Table 5 and Graph 3 below shows the NHB over the last ten years plus the estimated allocations for 2021/22 to 2023/24. This assumes 0.7% growth over and above the

0.4% threshold, one more year's growth for 2021/22 only and the legacy payments being phased out from 2020/21 year on year with nothing being received in 2023/24.

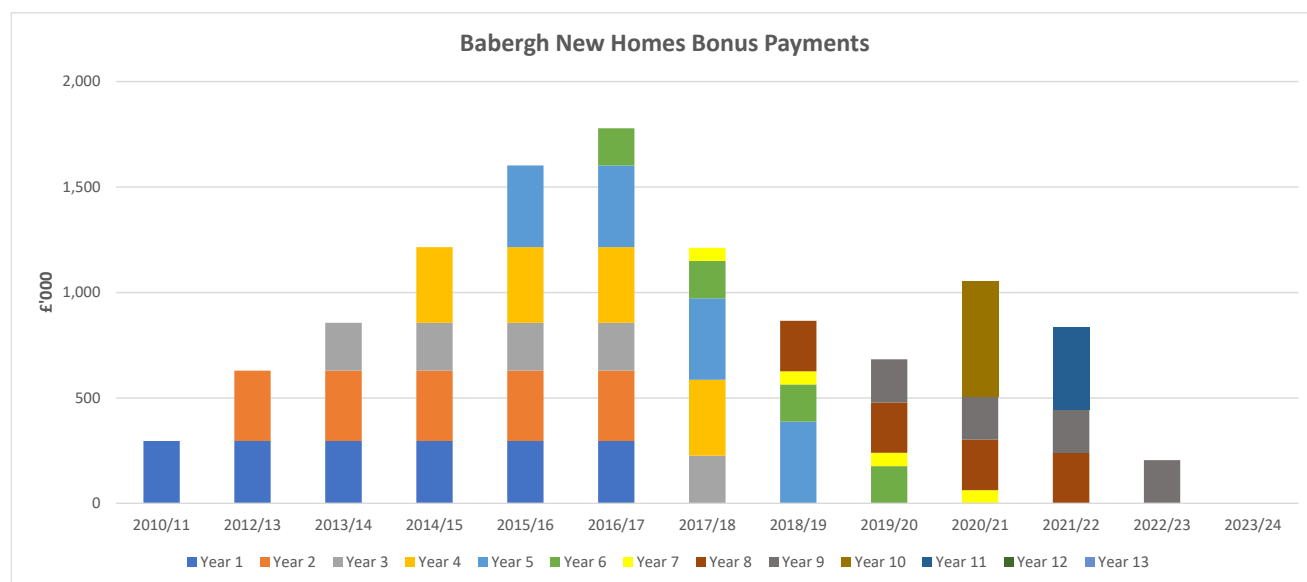
8.9 This shows how NHB has declined from a peak of £1.8m in 2016/17 to £835k in 2021/22, after the Government announced it would reduce the allocation from 6 years to 5 years in 2017/18 and to 4 years in 2018/19, as well as introducing a 0.4% growth baseline in 2017/18.

8.10 For 2021/22 the 0.4% growth for Babergh means that the first 156 new homes built will receive no payment.

Table 5: New Homes Bonus sums per year

Payments											Provisional	Estimated	
	2010/11	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Year 1	295	295	295	295	295	295							
Year 2		334	334	334	334	334							
Year 3			226	226	226	226	226						
Year 4				360	360	360	360						
Year 5					387	387	387	387					
Year 6						177	177	177	177				
Year 7							63	63	63	63			
Year 8								239	239	239	239		
Year 9									205	205	205	205	
Year 10										548			
Year 11											391		
Year 12													
Year 13													
Total	295	630	856	1,215	1,602	1,779	1,212	866	683	1,055	835	205	

Graph 3: New Homes Bonus Payments - Estimated for 2021/22 to 2023/24



8.11 In calculating the expected level of funding across all sources, the following assumptions have been made:

- Minimal use of reserves after 2023/24.
- NHB as per Table 5 above.
- Growth in business rates income of £474k
- Nothing has been included for forecast Business Rates surplus or deficit beyond 2020/21 based on the assumption that the equalisation earmarked reserve will

accommodate this. The 2020/21 forecast deficit of £753k, has been spread over three years as required by Government.

- e) Rural Services Delivery grant has increased from £227k to £238k and will continue at the higher level for the next three years.
- f) Council Tax £5 increase every year for the next three years, generating on average an incremental additional £171k per annum.
- g) Tax base growth of 1% every year for the next four years, which generates approximately £60k per annum.
- h) As mentioned in paragraph 4.8, the impact of Covid19 has resulted in a lower taxbase for 2021/22 due to an increase in LCTRS caseload and an assumed lower collection rate. It is anticipated that this will start to recover from 2022/23 to 2023/24.

8.12 Table 6 below shows the forecast funding from 2021/22 to 2024/25. Ignoring the use of reserves, funding increases slightly by 1.1% over the 4-year period. This is mainly due to the forecast increase in business rates as mentioned in section 4.20 above.

8.13 By 2023/24 Government funding is expected to reduce significantly except for Rural Services Delivery Grant. The main sources of funding for the Council are Business Rates and Council Tax.

8.14 In 2021/22 the Council will be using 100% of S31 grant and 56% of NHB to achieve a balanced budget.

Table 6: Forecast Funding 2021/22 – 2024/25

Description	2020/21	2021/22	2022/23	2023/24	2024/25
	Budget	Budget	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000
Funding:					
Other Earmarked Reserves	(278)	(249)	(312)	(244)	(26)
Transformation Fund - Community Capacity Building	-	(64)	(64)	(64)	(64)
New Homes Bonus - provisional 2022/23 onwards	(1,055)	(835)	(205)	-	-
S31 Business Rates Grant	(1,577)	(1,500)	(1,500)	(1,500)	(1,500)
Government Support					
(a) Baseline business rates	(1,880)	(2,395)	(2,395)	(2,395)	(2,395)
(b) B/Rates – levy	527	527	527	527	527
(c) B/Rates – growth/pooling benefit	(323)	(323)	(323)	(323)	(323)
(d) B/Rates prior yr deficit / (surplus)	(85)	317	218	218	-
(e) Rural Services Delivery Grant	(227)	(238)	(238)	(238)	(238)
(f) Lower Tier Services Grant	-	(91)	-	-	-
Council Tax Collection Fund deficit	(9)	64	46	46	-
Council Tax - £5 increase per annum	(5,637)	(5,942)	(5,983)	(6,250)	(6,523)
(Growth) / Reduction in taxbase - 1% 2022/23 onwards	(137)	59	(130)	(99)	(63)
Impact of LCTRS on taxbase	-	69	36	-	-
Local Council Tax Support Grant	-	(115)	-	-	-
Total Funding	(10,680)	(10,715)	(10,323)	(10,322)	(10,605)

2021/22 Budget

- 8.15 The summary in Table 7 below shows breakdown of the Council's net cost of service for 2021/22 (£10.351m) compared to 2020/21 (£9.969m), an increase of £382k.
- 8.16 The Council's 2021/22 gross expenditure is £33.3m and Income is £22.9m giving a net cost of service of £10.4m.

Table 7

GENERAL FUND REVENUE BUDGET SUMMARY				
	2020/21	2021/22	Movement	
	£'000	£'000	£'000	
1	Employee Costs - excl grant & reserve funding 21/22 £257k	7,878	8,230	351
2	Premises	1,036	1,164	128
3	Supplies & Services	4,369	4,334	(36)
4	Transport	144	207	63
5	Contracts	4,531	4,925	394
6	Revenues and Benefits	14,654	13,795	(858)
	Capital Financing Charges			
7	Interest Payable (Pooled Funds)	30	30	-
8	Interest Payable (CIFCO)	596	289	(307)
9	Interest Payable (CIFCO - further investment)	106	91	(15)
10	MRP	1,136	1,266	130
11	Charge to HRA	(1,200)	(1,243)	(43)
12	Charge to Capital	(4)	(4)	(0)
13	Transfers to Reserves	25	230	205
14	Gross Expenditure	33,301	33,314	13
15	Revenues and Benefits Income	(15,127)	(14,260)	867
16	Other Income	(5,865)	(5,939)	(74)
	Investment Income			
17	Pooled Funds	(569)	(569)	-
18	Interest Receivable (Cash Surplus)	(15)	(15)	-
19	Interest Receivable (CIFCO)	(1,162)	(1,156)	6
20	Interest Receivable (CIFCO - further investment)	(594)	(1,023)	(430)
21	Gross income	(23,332)	(22,963)	369
22	Net Service Cost	9,969	10,351	382
23	Transfers from Reserves - earmarked	(278)	(249)	30
24	Transformation Fund - Community Capacity Building	-	(64)	(64)
25	New Homes Bonus	(1,055)	(835)	219
26	S31 Business Rates Grant - to balance the budget	(1,577)	(1,500)	77
27	Baseline business rates	(1,880)	(2,395)	(515)
28	Business rates levy	527	527	-
29	Business rates – growth/pooling benefit	(323)	(323)	-
30	Business rates – collection fund deficit / (surplus)	(85)	317	401
31	Rural Services Delivery Grant	(227)	(238)	(11)
32	Lower Tier Services Grant	-	(91)	(91)
33	Council Tax	(5,774)	(5,813)	(39)
34	Surplus on Council Tax Collection fund	(9)	64	73
35	Local Council Tax Support Grant	-	(115)	(115)
36	Total Funding	(10,680)	(10,715)	(35)
37	Shortfall / (Surplus) funding	(711)	(364)	348
38	Transfer to Transformation Fund	711	-	(711)
39	Transfer to Climate Change & Biodiversity earmarked reserve	-	364	364

- 8.17 The approach for the 2021/22 budget setting included “budget challenge sessions” which consisted of Corporate Managers taking a group of peers (comprising other Corporate Managers and Assistant Directors) through their budgets line by line. The peer group provided challenge and review to the budgets. As a result, a number of savings were identified, as shown in the explanations below.
- 8.18 This work will continue throughout 2021/22 as there were a number of areas that were identified that are aligned to the approach set out in section 6 of this report and will require further work in order to deliver efficiencies.
- 8.19 With the net cost of service increasing and Government funding reducing in particular, NHB which the Council is still reliant on to balance the budget some difficult decisions have had to be made.
- 8.20 Funding for free swims for children under 16 over the school holidays has been removed saving £38k. The contribution to Sudbury Town Council has been reduced by £30k and the introduction of short-term car parking (detailed below) are all proposals that have been built into the 2021/22 budget.
- 8.21 In calculating the 2021/22 budget, the following assumptions have been made:

Staffing

- Grant funding and reserves of £257k is being used to fund staffing costs in 2021/22.
- 2% pay award, however this will depend on the agreement between LGA and the relevant trade unions, this amounts to £161k.
- Incremental progression through grades to the value of £109k have been included.
- Pension fund assumptions
 - future rate contribution - 23%, no change from 2020/21.
 - pension deficit lump sum – 1% per annum reduction from 2021/22, saving £58k.
 - The staffing budgets do not yet reflect any changes as a result of the Public Realm contract ceasing and moving to an in-house service during 2021/22, however the cost of the contract has been included as the impact should be cost neutral.

Premises

- Insurance premium for theft from unoccupied buildings £18k increase.
- An increase in the repairs costs to PV Panels has been identified totalling £60k
- Development of the former Council offices has been delayed as a result of Covid19, therefore the security costs have been extended for a further period in 2021/22 at a cost of £57k.

Supplies & Services

- ICT cost savings have been identified of £128k as a result of migrating to Microsoft Teams, a review of licences and digital transformation.
- Costs associated with the implementation of short-term car parking charges including signage, wayfinding, maintenance and improved cycle parking £69k.
- Increase to service charges for Endeavour house £43k, subject to discussions with Suffolk County Council.
- Savings to print post and stationery have been identified totalling £27k.

Transport

- Proposal to convert the Council's fleet to hydrogenated vegetable oil (HVO) to reduce the Council's carbon emissions, if approved, will increase vehicle running costs by £88k.
- Reduction to travel costs including essential user and disturbance allowances, saving £64k, but also contributing to the Council's reduction in carbon emissions.

Contracts

- Contracts – general 2% increase totalling £116k including Leisure, SRP and some ICT contracts.
- Major contracts – Waste increase of £210k.

Income

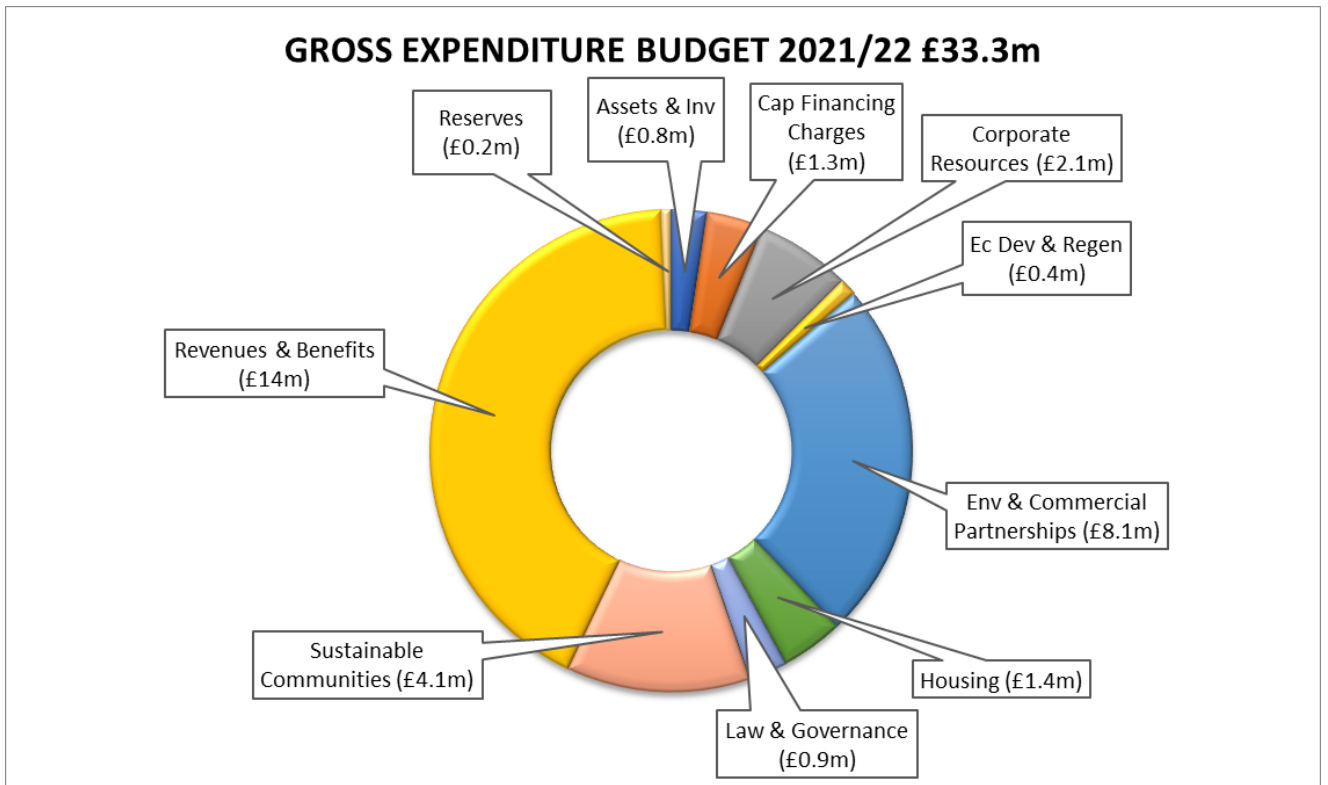
- As a result of Covid19 car parking income projections have been reduced by 30%, resulting in a reduction to income of £148k.
- The implementation of short-term car parking charges from October 2021 across the District generating £56k additional income.
- Increase of £2.50 to Garden Waste Subscription generating an additional £60k, an increase to the volumes of subscription has also been included, generating £18k.
- Fees and charges inflationary increase of 3% totalling £62k for services including food and safety, street naming and numbering, public rights of way, rents, emptying of dog and litter bins, waste, licensing, and land charges.

Capital Financing charges and Investment Income

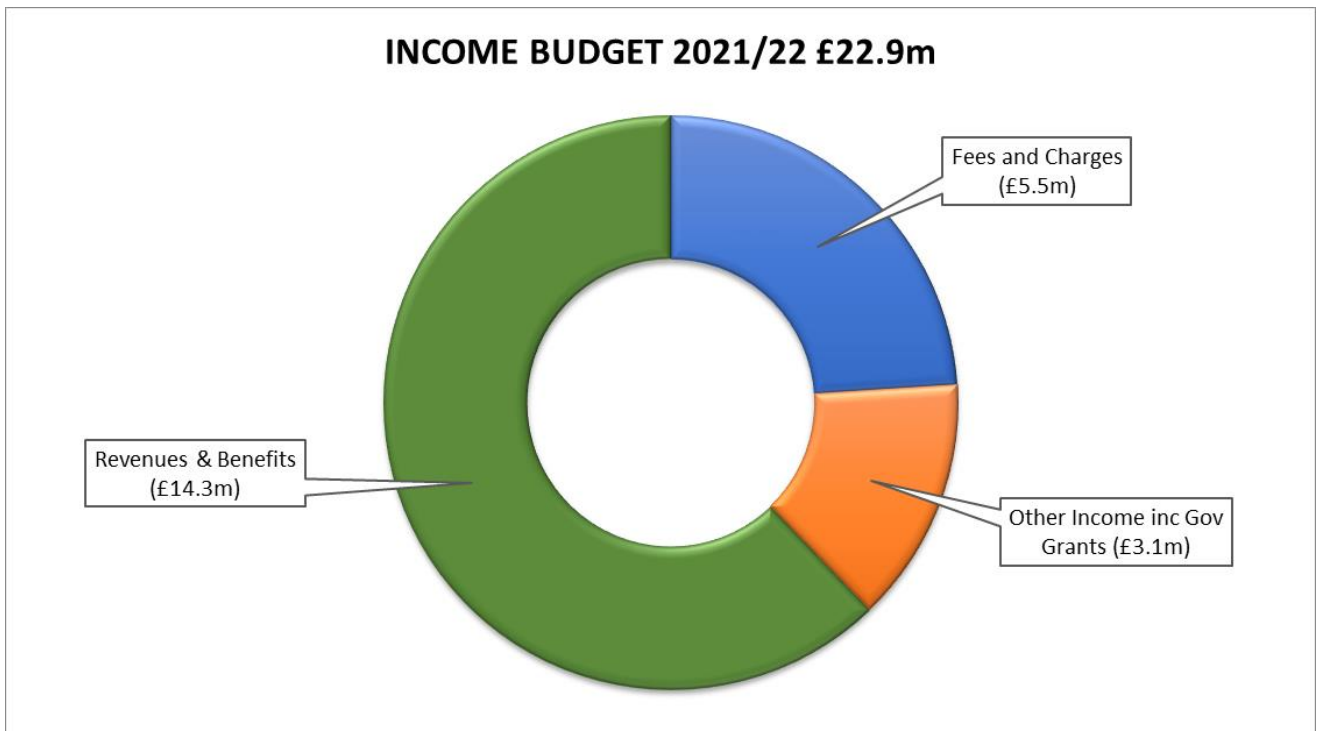
- An increase to the Council's borrowing requirements to fund the Capital Programme in 2021/22 has resulted in additional Minimum Revenue Provision (MRP) of £130k.
- The Council is continuing to take advantage of low short-term interest rates for another year, saving £307k.
- With the full investment of CIFCO expected by the end of 2020/21, additional income has been included of £424k.

8.22 Graph 4 below shows how the £33.3m gross expenditure is allocated across the services and Graph 7 below shows the breakdown of the £22.9m income. The funding element is not shown in these graphs.

Graph 4 Gross Expenditure by service area in 2021/22



Graph 5 Income by service area in 2021/22



8.23 The Revenues and Benefits element (£14m) in both the expenditure and the income charts above includes housing benefit paid out to claimants and reimbursed from the Government.

Budget Gap

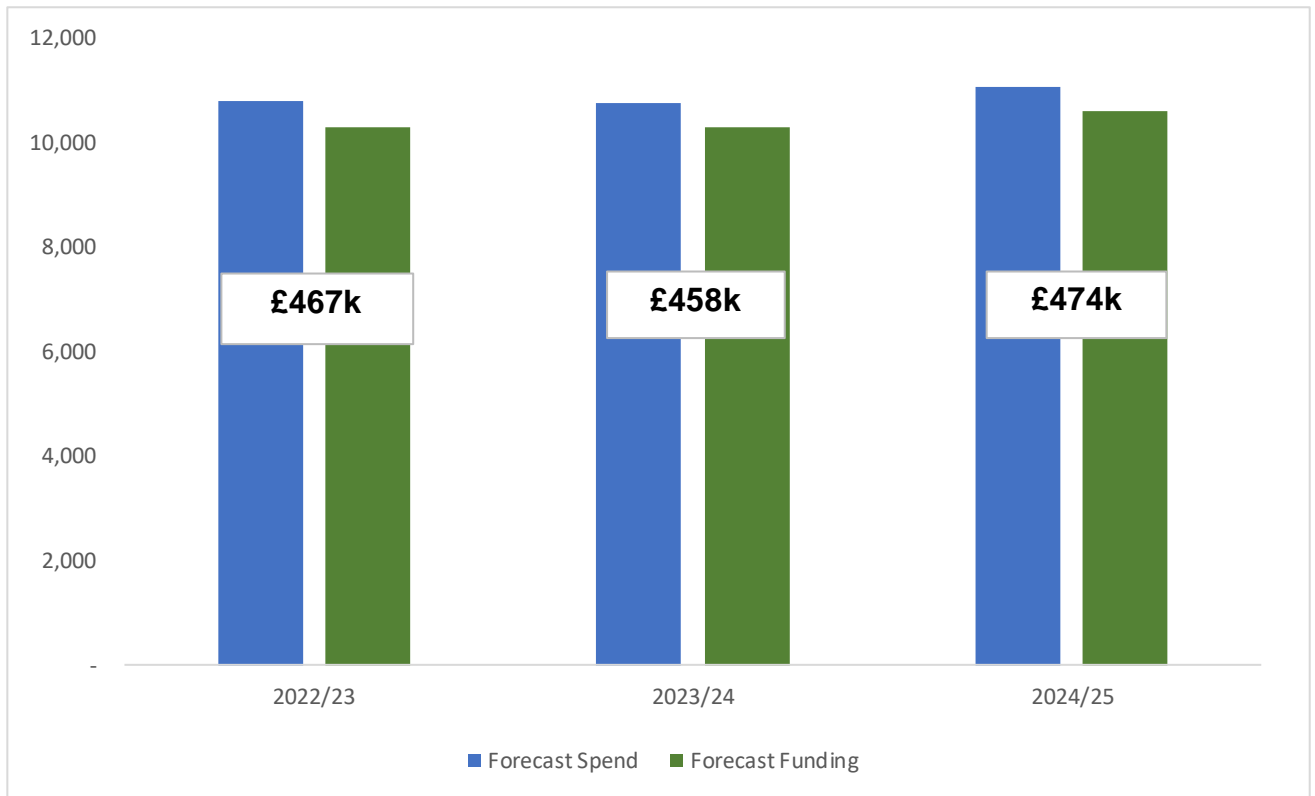
- 8.24 Table 8 below shows the forecast deficit for 2022/23 - 2024/25 with and without New Homes Bonus.
- 8.25 The position for 2021/22 is a £364k surplus. This is achieved by using £471k New Homes Bonus, £1.5m S31 grant, £238k Rural Service Delivery Grant, £91k Lower Tier Services Grant and £313k from reserves.
- 8.26 Over the next three years the net cost of service increases by £1.7m, mainly due to pay award, increments and inflationary increases on major contracts. The £5 increase in council tax and taxbase growth over the same period (£773k) only covers 47% of this increase. Use of reserves reduces by £223k and the Council loses £835k in NHB funding, leaving a budget gap of £1.4m
- 8.27 Over the three-year period from 2022/23 the Council's cumulative deficit of £1.4m must be addressed. The Council will need to deliver significant income or savings, with the key objective to become self-financing and to have more than enough funds to invest within the Council itself and across the district.

Table 8: Forecast Budget Gap 2022/23 - 2024/25

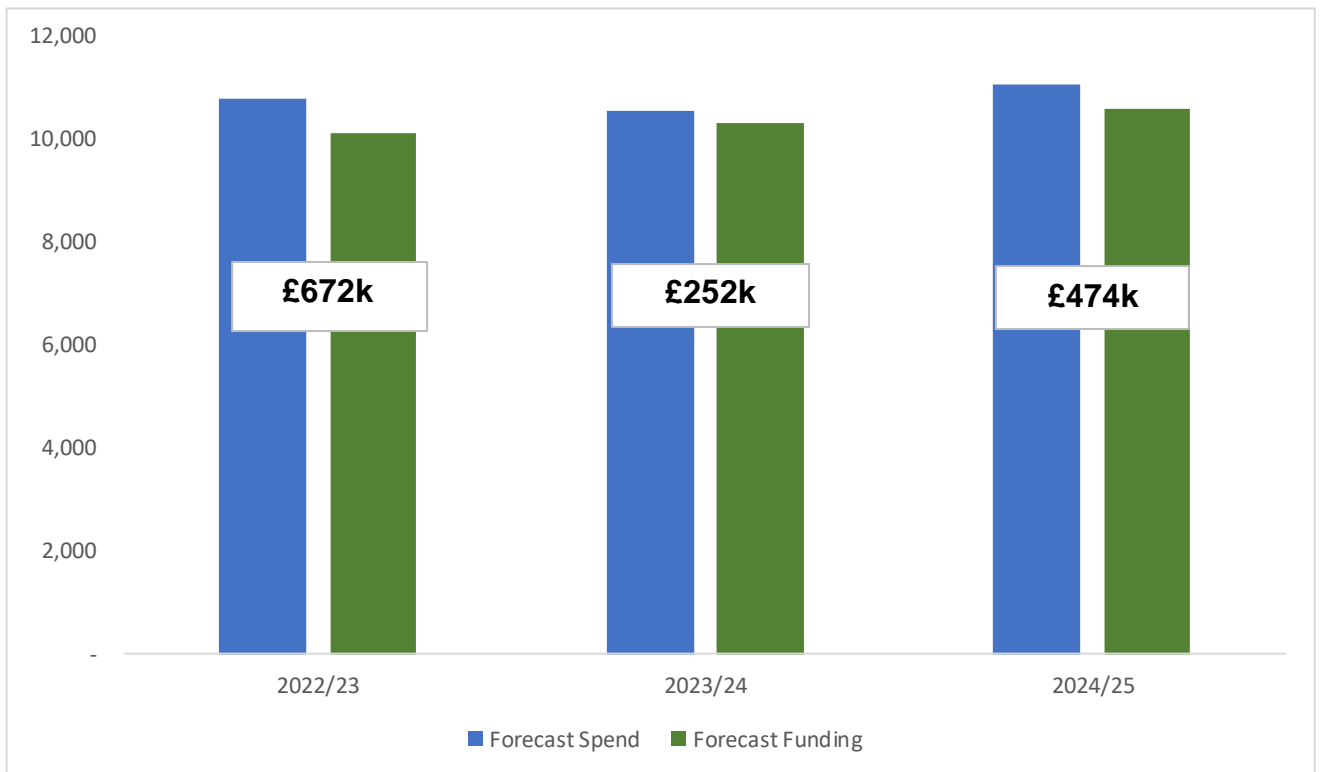
	Babergh		
	2022/23	2023/24	2024/25
Net Service Cost current year	10,790	10,780	11,079
Funding	(10,323)	(10,322)	(10,605)
Annual Deficit /(Surplus)	467	458	474
Cummulative Deficit/(Surplus)	467	925	1,399

	Babergh		
	2022/23	2023/24	2024/25
<u>Excluding NHB</u>			
Net Service Cost current year	10,790	10,574	11,079
Funding	(10,118)	(10,322)	(10,605)
Annual Deficit /(Surplus)	672	252	474
Cummulative Deficit/(Surplus)	672	925	1,399

Graph 4: Forecast Budget Gap including NHB (annual) 2022/23 - 2024/25



Graph 5: Forecast Budget Gap excluding NHB (annual) 2021/22 - 2024/25



9. CIPFA RESILIENCE INDEX

- 9.1 CIPFA's Financial Resilience Index, made publicly available for the first time in 2019, aims to support good practice in the planning of sustainable finance. The index does not come with CIPFA's own scoring, ranking or opinion on the financial resilience of an authority. However, users of the index can undertake comparator analysis drawing their own conclusions.
- 9.2 The 2020 index, which will provide the relative position for the 2019/20 financial year, will be made publicly available shortly. Councils performance will be ranked relative to those in the selected 'comparator group'.
- 9.3 As part of the audit work for the 2018/19 and 2019/20 financial statements, a going concern review was undertaken in light of Covid19. The Council has demonstrated that it is currently in a strong financial position with the level of reserves it has and the funding received from the Government mitigating the financial impact forecast at this stage.
- 9.4 The Council will continue to strive to become self-financing over the next three years, using reserves as a last resort. Earmarked Reserves may be drawn on for their intended function, such as to mitigate the impact of Covid19, Climate Change initiatives, and funding specific projects. As such, the reserves indicators within the resilience index could move either way in future years.

CIPFA FM Code of Practice

- 9.5 CIPFA has developed the Financial Management Code (FM Code) 'designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.' The FM code has several components including six Principles of Good Financial Management, setting the benchmark against which all financial management should be judged.
- 9.6 CIPFA expect the first full year of compliance with the FM Code to be 2021/22 and it is for individual authorities to determine whether they meet the standards. The Extended Leadership Team have taken part in the first workshop to develop awareness and understanding of the requirements of the code. Work will continue throughout 2021/22 to ensure the Council adopts best practice.

10. FEES AND CHARGES

- 10.1 Fees and charges have been reviewed by budget holders as part of this budget setting process and a separate report was presented to Cabinet in January 2021. The impact of the charges being proposed have been built into the budget for 2021/22.

11. CAPITAL PROGRAMME

- 11.1 The detailed Capital Programme is attached at Appendix A, the 2021/22 budget totals £6.2m.
- 11.2 Following review by Joint Audit and Standards Committee in January 2021, the Capital and Investment Strategy will have further details of the Council's borrowing capacity and the impacts of the capital programme, this will be presented to Council in February along with the final budget report,

12. LINKS TO THE CORPORATE PLAN

- 12.1 Ensuring that the Council makes best use of its resources is what underpins the ability to achieve the priorities set out in the Corporate Plan and aligns to the corporate outcomes against a backdrop of efficiency, and sound financial robustness. The underlying principle of the Medium-Term Financial Strategy is to be financially sustainable.

13. FINANCIAL IMPLICATIONS

- 13.1 These are detailed in the report.

14. LEGAL IMPLICATIONS

- 14.1 The provisions of the Local Government Finance Act 1992 (LGFA 1992) requires the Council to set a balance budget with regard to the advice of its Chief Finance Officer (Section 151).

15. RISK MANAGEMENT

- 15.1 This report is most closely linked with the Council's Significant Risk No. 13 – We may be unable to respond in a timely and effective way to financial demands and also Corporate Risk No. 5E05 – if the Finance Strategy is not in place with a balanced position over the medium term the Councils will not be able to deliver the core objectives and service delivery may be at risk of not being delivered. Other key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If the Council does not plan and identify options to meet the medium-term budget gap, then it will have a detrimental impact on the resources available to deliver services and the strategic priorities.	Unlikely - 2	Bad - 3	Clear priority outcomes and robust business cases for investment plus use of the Transformation Fund to support the MTFs and an Investment Strategy. The S151 Officer will submit the Section 25 report on the robustness of estimates and adequacy of reserves in February 2021.
If economic conditions and other external factors like Covid19 are worse than budgeted for it could have an adverse effect on the Councils 2021/22 and medium-term financial position	Probable – 3	Noticeable - 2	Maintain the focus and momentum on reducing the budget gap throughout the financial year. Announcement about additional Covid19 funding from the Government into 2021/22. Maintain sufficient minimum reserve level to withstand the impact.

Risk Description	Likelihood	Impact	Mitigation Measures
If the Council does not plan for the impact of Brexit, then there could be additional unexpected financial costs and a negative impact on the Councils funding.	Unlikely - 2	Bad - 3	The Council has nominated a Brexit lead to work with Government and to plan for the impacts of Brexit across the Council. A corporate Brexit risk register has been created in consultation with all service areas.

16. CONSULTATIONS

- 16.1 Consultations have taken place with Assistant Directors, Corporate Managers and other Budget Managers as appropriate.

17. EQUALITY ANALYSIS

- 17.1 An equality impact assessment will be undertaken with each Assistant Director for any changes within the budget proposals.

18. ENVIRONMENTAL IMPLICATIONS

- 18.1 Assistant Directors, Corporate Managers and other Budget Managers will consider the environmental impact of any savings proposals and throughout the year as they manage their budgets.
- 18.2 A number of initiatives are in progress to support the Council's Climate Change ambitions, including HVO fuel being introduced across the Councils fleet and reduced travel and printing as a result of a large majority of staff working from home.

19. APPENDICES

Title	Location
Appendix A –Capital Programme	Attached
Appendix B - Budget, Funding and Council Tax Requirements and Robustness of Estimates and Adequacy of Reserves	Attached
Appendix C – Grant allocations to Town and Parish Councils	Attached
Appendix D - Budget Book 2021/22	Attached

20. BACKGROUND DOCUMENTS

Provisional Local Government Finance Settlement

General Fund Financial Monitoring 2020/21 – Quarter 2 - BCa/20/11

CAPITAL PROGRAMME 2021/22 TO 2024/25

BABERGH CAPITAL PROGRAMME 2021/22 to 2024/25	2020/21 Anticipated Carry Forwards (A) £'000	2021/22 Budget for Approval (B) £'000	2021/22 Total Spend Required (A + B) £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	Total Spend Required 2021/22 - 2024/25 £'000
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Housing							
Mandatory Disabled Facilities Grant	1,225	760	1,984	409	409	409	3,212
Renovation/Home Repair Grants		100	100	100	100	100	400
Empty Homes Grant	149	100	249	100	100	100	549
Grants for Affordable Housing	400		400				400
Total Housing	1,774	960	2,733	609	609	609	4,561

Environment and Projects							
Replacement Refuse Freighters - Joint Scheme				2,060		231	2,291
Bins		65	65	75	75	75	290
Hydrotreated Vegetable Oil (HVO) Fuel Storage Tanks		50	50				50
Vehicle and Plant Renewals		715	715				715
Planned Maintenance / Enhancements-Car Parks	82	55	137	7	45	5	194
Total Environment and Projects	82	885	967	2,142	120	311	3,540

Sustainable Communities							
Play equipment		129	129	50	50	50	279
Community Development Grants		117	117	117	117	117	468
Total Sustainable Communities		246	246	167	167	167	747

Leisure Contracts							
Kingfisher Leisure Centre Improvements		100	100	100	100	100	400
Hadleigh Pool Improvements		50	50	50	50	50	200
Kingfisher Leisure Centre Refurbishment	625		625				625
Hadleigh Pool Refurbishment	576		576				576
Solar Car Ports		600	600				600
Total Leisure Contracts	1,202	750	1,952	150	150	150	2,402

Assets and Investments							
Planned Maintenance / Enhancements - Corporate Buildings	36	30	66	30	30	30	156
Leases on Property (under new IFRS16)				439			439
Borehamgate		64	64	64	64	64	256
Strategic Investment Fund	3,000		3,000				3,000
Regeneration Fund	6,321		6,321				6,321
Regeneration Fund - HQ Sites		2,979	2,979				2,979
Total Assets and Investments	9,357	3,073	12,430	533	94	94	13,151

Customers, Digital Transformation and Improvement							
ICT - Hardware / Software costs	248	250	498	250	250	250	1,248
Total Customers, Digital Transformation and Improvement	248	250	498	250	250	250	1,248

TOTAL General Fund Capital Spend	12,662	6,163	18,826	3,801	1,390	1,581	25,598
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BABERGH CAPITAL PROGRAMME 2021/22 to 2024/25	2020/21 Anticipated Carry Forwards (A) £'000	2021/22 Budget for Approval (B) £'000	2021/22 Total Spend Required (A + B) £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	Total Spend Required 2021/22 - 2024/25 £'000
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General Fund Financing							
External Grants and contributions	1,225	1,060	2,284	409	409	409	3,512
s106		79	79	50			129
Borrowing	11,438	4,975	16,412	3,392	981	1,172	21,957
Total General Fund Capital Financing	12,662	6,113	18,776	3,851	1,390	1,581	25,598

Budget, Funding and Council Tax Requirements

- 1) The precept requirements of Parish / Town Councils must be aggregated with the requirement of this authority to arrive at an average Council Tax figure for the district / parish purposes. This figure however is totally hypothetical and will not be paid by any taxpayer (other than by coincidence). A schedule of the precept requirements from Parish / Town Councils will be reported to Council on 23 February 2021.
- 2) The County and the Police and Crime Commissioner's precept requirements are added to this.
- 3) The legally required calculation is set out below:
 - 1) The General Fund Budget requirement for the District Council purposes in 2021/22 will be £173.86, based on an increase to Council Tax of £5 per annum for a Band D property which is the equivalent to 2.96%.
 - 2) The County Council precept requirement is still to be determined but is likely to be £1,397.35 for a Band D property in 2021/22, an increase of 4%.
 - 3) The Police and Crime Commissioner's precept requirement is still to be determined but is likely to be £237.75 an increase of 6.7%.
 - 4) At the time of preparing this report, not all Parish / Town Councils have supplied formal notification of their 2021/22 precept. The final figures will be reported to Council.
- 4) Babergh is a billing authority and collects council tax and non-domestic rates on behalf of the other precepting authorities i.e. Suffolk County Council, Suffolk Police and Crime Commissioner and Parish / Town Councils. The dates that monies collected are paid over to the County Council, and the Police and Crime Commissioner ("precept dates") need to be formally agreed under Regulation 5(i) of the Local Authorities (Funds) (England) Regulations 1992.
- 5) Established practice is for payments to be made in 12 equal instalments on the 15th of each month or the next banking day if the 15th falls on a weekend or bank holiday. Accordingly, the precept dates applicable for 2021/22 are expected to be as follows:

15 April 2021	17 May 2021	15 June 2021	15 July 2021
16 August 2021	16 September 2021	15 October 2021	16 November 2021
15 December 2021	17 January 2022	15 February 2022	15 March 2022

Section 25 report on the robustness of estimates and adequacy of reserves**1. Background**

- 1.1 Section 25 of the Local Government Act 2003 requires Councils, when setting its annual General Fund budget and level of council tax, to take account of a report from its Section 151 Officer on the robustness of estimates and adequacy of reserves. This report fulfils that requirement for the setting of the budget and council tax for 2021/22.
- 1.2 This is to ensure that when deciding on its budget for a financial year, Members are made aware of any issues of risk and uncertainty, or any other concerns by the Chief Financial Officer (CFO). The local authority is also expected to ensure that its budget provides for a prudent level of reserves to be maintained.
- 1.3 Section 26 of the Act empowers the Secretary of State to set a minimum level of reserves for which a local authority must provide in setting its budget. Section 26 would only be invoked as a fallback in circumstances in which a local authority does not act prudently, disregards the advice of its CFO and is heading for financial difficulty. The Section 151 Officer and Members, therefore, have a responsibility to ensure in considering the budget that:
 - It is realistic and achievable and that appropriate arrangements have been adopted in formulating it.
 - It is based on clearly understood and sound assumptions and links to the delivery of the Council's strategic priorities.
 - It includes an appropriate statement on the use of reserves and the adequacy of these.

2. Basis of Advice for Section 25 Report

- 2.1 In forming the advice for this year's Section 25 report, the CFO has considered the following:
 - a) The role of the Chief Finance Officer
 - b) The effectiveness of financial controls
 - c) The effectiveness of budget planning and budget management
 - d) The adequacy of insurance and risk management
 - e) The mitigation of strategic financial risks
 - f) The Capital Programme

a) Role of the Chief Finance Officer

- 2.2 The statutory role of the Chief Finance Officer in relation to financial administration and stewardship of the Council, and its role in the organisation are both key to ensuring that financial discipline is maintained.
- 2.3 The statutory duties of the Chief Finance Officer are set out in the Financial Regulations which form part of the Council's Constitution. These include the

requirement to report to council if there is an unbalanced budget (under Section 114 of the Local Government Act 1988).

2.4 The Chartered Institute of Public Finance and Accountancy (CIPFA) published a Statement on the Role of the Chief Financial Officer (CFO) in Local Government. The Statement requires that in order to meet best practice the CFO:

- a) is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest;
- b) must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the organisation's financial strategy; and
- c) must lead the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the CFO:

- d) must lead and direct a finance function that is resourced to be fit for purpose; and
- e) must be professionally qualified and suitably experienced.

2.5 In October 2019, CIPFA published The CIPFA Financial Management Code, introduced in April 2020 and fully operational from April 2021. This code complements the Statement on the Role of the Chief Financial Officer, developing a set of financial management standards to be complied with. The standards emphasise how financial management is a collective responsibility of the Council's Corporate Leadership Team, acting alongside the CFO, stating that "it is for the leadership team to ensure that the authority's governance arrangements and style of financial management promote financial sustainability. Although not yet adopted these standards have been considered in drafting this statement.

b) Financial Controls

2.5 In December 2019, CIPFA provided the Council's Section 151 Officer with analysis relating to Babergh District Council from its newly developed 'Resilience Index' tool, designed to support and improve discussions surrounding local authority financial resilience. The tool is based on a series of indicators relating to the sustainability of reserves, external debt, fees & charges and income from local taxation (business rates and council tax). The information is based on the latest available annual data and reserves measures. The 2020 version has yet to be published by CIPFA and it is anticipated for some time in February. Information will be provided in the final report for Council if it is published in time. The following paragraphs describe how Babergh compared to its nearest neighbours last year, which are the councils that are statistically similar and is likely to be similar to what will be published this year.

- 2.6 The tool showed that Babergh was higher risk on external debt and interest payable compared to its nearest neighbours. This reflected the fact that we had to take on a significant amount of debt in relation to our housing stock in 2012 and our strategy to borrow money to generate a return to the council e.g. CIFCO to replace reduced government funding. Based on this, I would expect Babergh to be higher than other authorities, but the decisions taken have been based on robust business cases and full consideration of the risks.
- 2.7 Babergh was higher risk in relation to its reserve levels. This is a known factor and one that has shown some improvement during 2020/21 and again further with the budget proposals for 2021/22, but further work will need to be done over the medium-term to improve the Council's resilience in this area. Despite the impact of Covid-19 during 2020/21, Babergh is still projected to make transfers to reserve at the end of the year, thereby helping to reduce this risk.
- 2.8 The other area that was shown as higher risk was the relatively low level of service expenditure that is covered by fees and charges income. Babergh's percentage is the lowest of its comparator group of authorities. A contributing factor to this is likely to be around car parking charges income. Proposals around this are included within the 2021/22 budget, but the net impact will not materially change the risk level due to implementation costs offsetting the additional income.
- 2.9 Alongside the statutory role of the CFO the Council has in place a number of financial management policies and financial controls which are set out in the Financial Regulations.
- 2.10 Other safeguards which ensure that the Council does not over-commit financially include:
- a) the statutory requirement for each local authority to set and arrange their affairs to remain within prudential limits for borrowing and capital investment;
 - b) the balanced budget requirement of the Local Government Finance Act 1992 (Sections 32, 43 and 93); and
 - c) the auditors' consideration of whether the authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources (the value for money conclusion).
- 2.11 The Council conducts an annual review of the effectiveness of the system of internal control and reports on this in the "Annual Governance Statement".
- 2.12 The internal and external audit functions play a key role in ensuring that the Council's financial controls and governance arrangements are operating satisfactorily. This is backed up by the review processes of Cabinet and the Joint Audit and Standards Committee undertaking the role of the Council's Audit Committee.

c) Budget Planning and Budget Management

- 2.13 The financial planning process is Councillor-led as Cabinet decides the principles and policies that underpin budget planning. The Budget Report describes the strategy for 2021/22 and beyond.
- 2.14 Cost pressures and variations in key areas of income and expenditure have been carefully considered and reflected in the budget.
- 2.15 Key assumptions have been made and updated during the budget process to reflect the changing economic position and latest information. The continuing impact of Covid-19 on the Council's finances and budget assumptions for 2021/22 has also been considered and included in the process.
- 2.16 Detailed scrutiny, review and challenge of budgets has been undertaken by finance officers and the Senior Leadership Team.
- 2.17 There has been an examination by the Overview and Scrutiny Committee in advance of the budget being approved. The recommendations made by the Committee are considered by Cabinet before the budget is presented to Council.
- 2.18 A key factor in effective budget management is the Council's regular monitoring of spending against budgets throughout the year and at year-end. Budget managers are required to update their forecasts during the year and these are subject to review by Cabinet on a quarterly basis. The development of budget managers and initiatives to strengthen budgetary control and financial management throughout the Council is an ongoing process.
- 2.19 The Council has a proven track record on budget management, which is confirmed by Ernst & Young in their Annual Audit Letter. The auditors are required to form a conclusion on the arrangements the Council has put in place to secure economy, efficiency and effectiveness in its use of resources. There has been a delay in the external audit process for 2019/20, but an unqualified opinion was achieved for 2018/19 and is expected again for 2019/20.
- 2.20 As part of the audit work for the 2018/19 and 2019/20 financial statements, a going concern review was undertaken in light of Covid19. The Council has demonstrated that it is currently in a strong financial position with the level of reserves it has and the funding received from the Government mitigating the financial impact forecast at this stage.

d) Adequacy of Insurance and Risk Management

- 2.21 The Council's insurance arrangements are in the form of external insurance premiums with regular reviews being undertaken of the level at which risks are insured.
- 2.22 A critical area where risk management thinking can add significant value is to enhance the planning and budgeting process. Utilising a risk-based approach directly links to the Council's risk appetite to its core financial and economic performance, supported by the Council's Significant Risk Register. The goal

when integrating risk management into budget planning is to understand the assumptions that the budget is based on.

2.23 The effective application of the Council's risk management principles enhances many processes within the context of managing its services and enables management to make better and more informed decision.

2.24 Our approach is to identify the major line items of each service budget, the personnel who contributed to them and the basis of estimation and then to ask key questions such as:

- What are the potential risks that could interfere with the accuracy of the estimate?
- What is the likelihood of these risks materialising?
- What would the impact on the organisation be if they did materialise?

e) **Mitigation of Strategic Financial Risk**

2.25 No budget can be completely free from risk and this is especially true with the ongoing Covid-19 pandemic affecting the Councils finances. Some comments on the areas of the budget having key financial impacts or significant changes for 2021/22 are set out below:

- **Covid-19** – With the prolonged duration of the Covid-19 pandemic there is likely to be an ongoing financial impact into 2021/22 and beyond in terms of increased costs and reduced income. The cost pressures are likely to be seen for homelessness, leisure provision and community grants. The reduced income is likely to be seen for car parking, council tax and business rates, but depending upon the extent of the continuing impacts it could also be seen in terms of trade and garden waste, planning income and commercial income. The Government has announced that funding support measures will continue into the first quarter of 2021/22 to assist with these impacts.
- **Pay and Pensions** – The budget includes provision for pay increases of 2% for each of the 4 years to 2024/25 and continues to provide for annual progression through pay scales where employees are not at the top of their grades. A public sector pay freeze was announced as part of the provisional local government financial settlement, but as local authorities are part of a different pay agreement the allowance at 2% has been retained. A 1% change in pay amounts to around £81k per annum.

Based on the 2019 triennial pension fund valuation a decrease of 1% per annum has been included for each of the three years that commenced from 2020/21.

The Council's establishment budget is based on a full establishment. To allow for in-year vacancy savings the budget includes an annual vacancy saving of £410k, which equates to 5%.

- **Price Increases** – Allowances for price increases have been made on some budgets including major contracts, where there is a contractual requirement to do so. For other areas the budget assumes any price

inflation is absorbed by the service. A 1% change in the refuse and ICT contracts and the Shared Revenues Partnership is around £37k.

- **Income from Fees and Charges** – A significant part of the Council's costs continues to be met from fees and charges. For some of these headings it is difficult to predict the level of income to be received e.g. planning fees, so progress against these income targets will need to be monitored throughout the year, particularly in the light of continuing economic volatility as a result of the Covid-19 pandemic. A 30% reduction in the car parking income has been built into the budget to reflect an anticipated reduction in visitor numbers to car parks during 2021/22. A 1% change in income from planning, building control, garden waste, car park and recycling performance payments income is around £41k.
- **Investment Income and Interest Payable** – Since 2009 interest rates have produced low returns from investments, but the Council has diversified its investments into a property fund and other pooled funds, following advice from Arlingclose, to increase the return on investment. Following implementation of International Financial Reporting Standards (IFRS) and how changes to the year-end values of pooled funds have to be treated could encourage the redemption of holdings and reduce the anticipated level of return, but this will not come into force until April 2023.

The Council has made other commercial investments to generate income or regenerate an area, but the income generation aspect will be restricted in future following the changes to the lending terms of the Public Works Loan Board (PWLB) from November 2020. Where this investment is relying on borrowing as the funding source then any return will be subject to changes in interest rates. The 2021/22 budget includes the full year effect of the second £25m investment in CIFCO to generate additional income, but no further investments will be made, enabling the Council to access the PWLB for housing and other economic development and regeneration purposes.

- **Business Rate Retention** – As business rates is an increasingly important source of income for the Council, measures for closer monitoring have been put in place. Under the current retention system, the General Fund's exposure to variances can come from economic decline, cessation of business from a major ratepayer and appeals to rateable values, all of which have been seen during the Covid-19 pandemic in the current year. The Council operates a Business Rates and Council Tax Collection Fund Reserve to cover for this possibility as appropriate and the Government is providing some funding to cover irrecoverable tax losses.

The change to 75% retention of business rates and the reset have been deferred and a more fundamental review of the system may take place during 2021/22. The figures beyond 2021/22 assume a continuation of resources at the current level, but this is unknown. If baseline funding levels should reduce, the Business Rates and Council tax Collection Fund Reserve could be used to support a short-term reduction, but medium-term plans and resources would need to be reviewed.

- **Council Tax Income and the Tax Base** - The increasing numbers of people claiming Council Tax Reduction Support (LCTRS) during the current year and increasing arrears from collection have had a negative impact on the tax base calculation for 2021/22. A 2.2% reduction has been calculated and used in the budget process, but if LCTRS numbers increase more than anticipated at the end of the furlough scheme, this will have a negative impact on council tax income. The Government has provided an LCTRS grant for 2021/22 to mitigate the impact, but this may not be sufficient.
- **Government Funding** – The Council's share of Revenue Support Grant (RSG) ended after 2018/19 and in theory is now in a negative RSG position i.e. money to be paid to the Government for redistribution. This has again been offset by centrally retained business rates money for 2021/22 as it was for 2019/20 and 2020/21. The Council's core Government funding is now reduced to Rural Services Delivery Grant (RSDG), New Homes Bonus (NHB) and a new Lower Tier Services Grant for 2021/22 only. 2021/22 is a further one-year settlement from the Government with a new 4-year Comprehensive Spending Review expected during 2021/22. Funding levels beyond 2021/22 are therefore currently uncertain, so the medium-term figures are based on the current level of RSDG continuing and NHB reducing each year and disappearing by 2023/24.
- **Welfare Reforms, Benefits and Council Tax Reductions** – At a forecast of £14m for 2021/22, housing benefit remains one of the Council's largest financial transactions, which due to the welfare reforms and introduction of Universal Credit and the Council Tax Reduction scheme is subject to increasing risk and change. This will continue to be closely monitored in order to protect the Council from any emerging risks and liabilities.

f) Capital Programme

- 2.26 The Council's capital programme for the next 4 years is £9.9m which is largely funded through borrowing and is based upon reasonable estimates of cost and capacity to deliver the programme. The programme has been developed to support the key deliverables of the Council and its ambition through the Joint Corporate Plan.
- 2.27 A key risk therefore to consider in the Council's budget planning is the interest cost and provision for repayment of debt (Minimum Revenue Provision – MRP) that it will need to meet commitments on the borrowing it undertakes for capital purposes.
- 2.28 Review of the capital programme on an ongoing basis is required to ensure that future borrowing is targeted on projects that deliver the most for the district and are affordable within the current revenue resources.
- 2.29 The borrowing strategy and MRP policy are set out in detail in the Capital, Investment and Treasury Management Strategies document.

Conclusion

2.30 Taking all of the above into consideration, the Section 151 Officer's opinion is that the Council's budget and estimates are reasonable based on the assumptions and available information, but cannot be absolutely robust, so a full assurance cannot be given that there will be no unforeseen adverse variances.

2.31 This is an expected and acceptable situation for any organisation that is dealing with a large number of variables. Also, the general economic situation resulting from the ongoing Covid-19 pandemic continues to impact on expenditure and income. The minimum safe level of reserves proved to be sufficient to manage the impact of the Covid-19 pandemic in 2020/21, alongside the support provided by the Government, which has been the single largest impact on local authorities finances in recent years, so provided this is maintained, any variations arising as a result of lack of robustness in the estimates should be manageable.

3 Adequacy of Reserves

3.1 There is no available guidance on the minimum level of reserves that should be maintained. Each authority should determine a prudent level of reserves based upon their own circumstances, risk and uncertainties. Regard has been had to guidance that has been issued to CFO's and the risks and uncertainties faced.

3.2 The Council is required to maintain adequate financial reserves to meet the needs of the authority. This is the General Reserve and provides a safe level of contingency.

3.3 The CFO's opinion is that the minimum level of unearmarked reserves should be maintained at the current level of £1.2m without increasing the risk to the Council, as this has proven to be sufficient during the Covid-19 pandemic alongside the level of support provided by the Government. This represents 12% of the annual General Fund Budget, so no action is required as part of the 2021/22 budget. This is partly based on the understanding that there are further sums available in earmarked reserves that will not be fully spent during 2021/22 as set out below.

3.4 Levels of earmarked reserves (excluding those relating to the Housing Revenue Account but including the Transformation Fund) are forecast to be £5.6m as at 31 March 2022. The Transformation Fund is continuing to support the delivery of the Council's Joint Corporate Plan in 2021/22.

4. Background Documents

Local Government Act 2003; Guidance Note on Local Authority Reserves and Balances – CIPFA 2003; Medium Term Financial Strategy

Katherine Steel
Assistant Director, Corporate Resources
(Section 151 Officer)

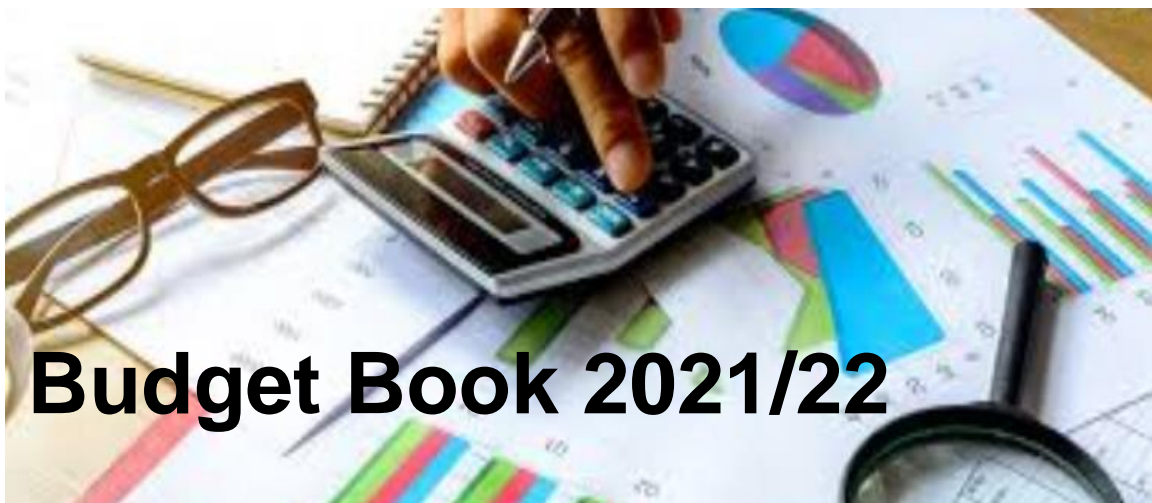
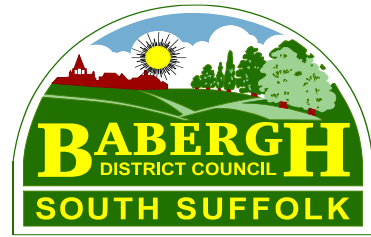
LCTRS Grant allocations to Town and Parish Councils

Town & Parish Council	LCTS Grant Allocation £
Acton	675.00
Aldham	81.00
Alpheton	112.00
Assington	167.00
Belstead	72.00
Bentley	258.00
Bildeston	573.00
Boxford	531.00
Boxted	27.00
Brantham	924.00
Brent Eleigh	77.00
Brettenham	79.00
Bures St Mary	498.00
Burstall	80.00
Capel St Mary	995.00
Chattisham	62.00
Chelmondiston	454.00
Chelsworth	75.00
Chilton	151.00
Cockfield	381.00
Copdock & Washbrook	471.00
East Bergholt	1,115.00
Edwardstone	163.00
Elmsett	282.00
Erwarton	0.00
Freston	38.00
Glemsford	1,482.00
Great Cornard	4,218.00
Great Waldingfield	710.00
Great Wenham	0.00
Groton	98.00
Hadleigh	3,639.00
Harkstead	101.00
Hartest	156.00
Higham	0.00
Hintlesham	276.00
Hitcham	290.00
Holbrook	632.00

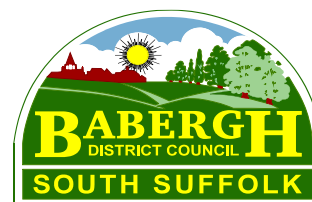
LCTRS Grant allocations to Town and Parish Councils

Town & Parish Council	LCTS Grant Allocation £
Holton St Mary	67.00
Kersey	164.00
Kettlebaston	18.00
Lavenham	1,084.00
Lawshall	338.00
Layham	209.00
Leavenheath	491.00
Lindsey	78.00
Little Cornard	106.00
Little Waldingfield	157.00
Little Wenham	0.00
Long Melford	2,037.00
Milden	44.00
Monks Eleigh	205.00
Nayland with Wissington	495.00
Nedging with Naughton	174.00
Newton	256.00
Pinewood	1,594.00
Polstead	312.00
Preston St Mary	72.00
Raydon	224.00
Semer	47.00
Shelley	0.00
Shimpling	150.00
Shotley	887.00
Somerton	35.00
Sproughton	439.00
Stanstead	131.00
Stoke by Nayland	383.00
Stratford St Mary	257.00
Stutton	402.00
Sudbury	7,114.00
Tattingstone	195.00
Thorpe Morieux	110.00
Wattisham	44.00
Whatfield	162.00
Wherstead	95.00
Woolverstone	81.00
TOTAL TOWN & PARISH COUNCIL ALLOCATION	38,600.00

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Budget Book 2021/22



Budget Book 2021/22

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GENERAL FUND REVENUE BUDGET SUMMARY

	2020/21 £'000	2021/22 £'000	Movement £'000
1 Employee Costs	7,878	8,141	262
2 Premises	1,036	1,164	128
3 Supplies & Services	4,369	4,473	103
4 Transport	144	207	63
5 Contracts	4,531	4,875	344
6 Third Party Payments	14,654	13,795	(858)
7 Income	(20,992)	(20,199)	793
9 Charge to HRA	(1,200)	(1,243)	(43)
10 Charge to Capital	(4)	(4)	0
11 Transfers to Reserves	25	230	205
<u>Capital Financing Charges</u>			
12 Interest Payable (Pooled Funds)	30	30	-
13 Interest Payable (CIFCO)	596	289	(307)
14 Interest Payable (CIFCO - further investment)	106	91	(15)
15 MRP	1,136	1,266	130
<u>Investment Income</u>			
16 Pooled Funds	(569)	(569)	-
17 Interest Receivable (Cash Surplus)	(15)	(15)	-
18 Interest Receivable (CIFCO)	(1,162)	(1,156)	6
19 Interest Receivable (CIFCO - further investment)	(594)	(1,023)	(430)
20 Net Service Cost	9,969	10,351	382
21 Transfers from Reserves - earmarked	(278)	(249)	30
22 Transformation Fund - Community Capacity Building	-	(64)	(64)
23 New Homes Bonus	(1,055)	(835)	219
24 S31 Business Rates Grant - to balance the budget	(1,577)	(1,500)	77
25 Baseline business rates	(1,880)	(2,395)	(515)
26 Business rates levy	527	527	-
27 Business rates – growth/pooling benefit	(323)	(323)	-
28 Business rates – collection fund deficit / (surplus)	(85)	317	401
29 Rural Services Delivery Grant	(227)	(238)	(11)
30 Lower Tier Services Grant	-	(91)	(91)
31 Council Tax	(5,774)	(5,813)	(39)
32 Surplus on Council Tax Collection fund	(9)	64	73
33 Local Council Tax Support Grant	-	(115)	(115)
34 Total Funding	(10,680)	(10,715)	(35)
35 Shortfall / (Surplus) funding	(711)	(364)	347
36 Transfer to Transformation Fund	711	364	(347)
37 Transfer to Climate Change & Biodiversity earmarked reserve	-	-	-
Council Tax Base	34,196	33,437	(759)
Council Tax for Band D Property	168.86	173.86	£5.00
Council Tax £'000	5,774	5,813	39



GENERAL FUND BUDGET - Services and Activities Summary

Sustainable Communities	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Planning Officer	1,222	-	440	-	-	22	(1,085)	675	-	1,274
Communities	462	-	286	-	-	10	-	102	(170)	691
Strategic Planning	376	-	376	-	-	1	(342)	150	68	629
TOTAL	2,060	-	1,102	-	-	33	(1,427)	927	(101)	2,594
Housing	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Solutions	600	124	130	0	-	15	(306)	186	11	761
Strategic Housing	129	-	9	-	-	3	(10)	125	(26)	229
TOTAL	730	124	139	0	-	18	(316)	311	(15)	991
Economic Development and Regeneration	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Economy and Business	248	1	46	6	-	2	(10)	96	(21)	368
TOTAL	248	1	46	6	-	2	(10)	96	(21)	368
Environment and Commercial Partnerships	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Building Control	414	2	14	-	-	16	(367)	146	-	223
Health and Safety, Business Continuity and Emergency Planning	100	-	68	-	-	1	-	(143)	-	27
Leisure	-	57	-	245	-	-	(32)	34	-	305
Waste Services	297	-	802	2,402	-	9	(2,273)	274	-	1,511
Public Protection	638	2	69	-	-	15	(191)	448	-	981
Countryside and Public Realm	199	366	416	849	-	89	(280)	268	-	1,907
Service Improvement	31	-	-	-	-	-	-	-	-	-
TOTAL	1,679	427	1,369	3,496	-	131	(3,143)	1,026	-	4,954
Customers, Digital Transformation and Improvement	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Customer Operations	506	7	54	-	-	-	-	(566)	-	-
Digital Transformation and Improvement	129	-	6	-	-	-	-	(135)	-	-
ICT	229	-	366	273	-	-	-	(867)	-	-
Communications	157	-	18	-	-	0	-	(175)	-	(0)
TOTAL	1,021	7	443	273	-	0	-	(1,743)	-	(0)
Corporate Resources	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HR and Organisational Development	400	-	35	-	-	0	-	(409)	(26)	(0)
Finance, Commissioning and Procurement	526	234	263	1,033	13,795	19	(14,259)	(510)	(39)	1,062
Senior Leadership Team	604	-	68	-	-	1	-	(265)	(21)	388
TOTAL	1,530	234	366	1,033	13,795	20	(14,259)	(1,184)	(85)	1,450
Law and Governance	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Electoral Services and Land Charges	189	-	92	-	-	-	(221)	84	25	170
Governance and Civic Office	136	-	324	-	-	3	(2)	(69)	-	392
Internal Audit	78	-	29	-	-	0	(3)	(103)	-	0
Shared Legal Services	203	-	262	-	-	-	(102)	(362)	-	-
TOTAL	606	-	707	-	-	3	(329)	(450)	25	562
Assets and Investments	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Strategic Property	161	372	287	67	-	0	(682)	(230)	-	(24)
The Council's Companies	106	-	15	-	-	-	(34)	-	-	87
TOTAL	268	372	301	67	-	0	(715)	(230)	-	63
TOTAL	8,141	1,164	4,473	4,875	13,795	207	(20,199)	(1,247)	(198)	10,980

GENERAL FUND BUDGET - Sustainable Communities

Chief Planning Officer	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Development Management	944	-	189	-	-	14	(985)	547	-	708
Development Management - appeals	-	-	217	-	-	-	-	2	-	219
Pre application	-	-	16	-	-	-	(55)	-	-	(39)
Planning Performance Agreements	-	-	15	-	-	-	(25)	-	-	(10)
Conservation	119	-	0	-	-	4	(20)	53	-	157
Planning Enforcement	159	-	4	-	-	5	-	73	-	240
	1,222	-	440	-	-	22	(1,085)	675	-	1,274

Communities	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Community Achievement Awards	-	-	3	-	-	-	-	0	-	3
Community Development	381	-	1	-	-	10	-	136	(60)	469
Grants and Contributions	-	-	213	-	-	-	-	-	(64)	149
Wellbeing	46	-	-	-	-	-	-	-	(46)	-
Policy and Strategy Health and Well-being	-	-	38	-	-	-	-	-	-	38
Community Safety-General	-	-	24	-	-	-	-	-	-	24
Business Improvement	35	-	-	-	-	-	-	(35)	-	-
Womens Cycle Tour	-	-	8	-	-	-	-	-	-	8
	462	-	286	-	-	10	-	102	(170)	691

Strategic Planning	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Infrastructure Team - CIL	111	-	-	-	-	-	(102)	-	-	9
Strategic Planning General	-	-	2	-	-	-	-	-	-	2
Development Policy and Local Plans	242	-	85	-	-	1	-	150	-	478
Local Plans	-	-	118	-	-	-	-	-	-	118
Neighbourhood Plans	23	-	172	-	-	-	(240)	-	68	23
	376	-	376	-	-	1	(342)	150	68	629

TOTAL	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	2,060	-	1,102	-	-	33	(1,427)	927	(101)	2,594

GENERAL FUND BUDGET - Housing Solutions

Housing Solutions	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Information	67	-	-	-	-	0	-	98	-	166
Housing Standards	153	-	0	-	-	4	-	24	-	181
Home Improvement Agency	-	-	-	-	-	-	-	1	-	1
Mobile Home Sites	-	-	-	-	-	-	(1)	-	-	(1)
HMO Licence	-	-	-	-	-	-	(1)	0	-	(1)
Homelessness Private Sector	-	18	110	-	-	-	(65)	39	-	102
Rent Deposit Scheme	21	40	1	-	-	3	(8)	(58)	-	(2)
Homeless Prevention Fund	257	-	10	-	-	8	(43)	83	(19)	296
Homelessness Prevention Grant	-	-	-	-	-	-	(60)	-	60	-
Other Temp Accommodation	86	-	1	-	-	-	-	-	(14)	73
Old School House	-	27	1	0	-	-	(26)	-	(1)	1
Guaranteed Rent Scheme	17	40	8	-	-	-	(102)	-	(16)	(54)
	600	124	130	0	-	15	(306)	186	11	761

Strategic Housing	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Community Housing Fund	24	-	1	-	-	1	-	5	(26)	5
Strategic Housing	106	-	8	-	-	2	(10)	120	-	225
	129	-	9	-	-	3	(10)	125	(26)	229

TOTAL	730	124	139	0	-	18	(316)	311	(15)	991
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GENERAL FUND BUDGET - Economic Development and Regeneration

Economic Development and Regeneration	Employee Costs £'000	Premises Costs £'000	Supplies & Services £'000	Major Contracts £'000	Third Party Payments £'000	Transport Costs £'000	Income £'000	Charge to HRA / Capital £'000	Transfer to / (from) earmarked reserves £'000	Net Expenditure £'000
Hadleigh Market	-	1	-	6	-	-	(5)	-	-	2
Economy and Business	142	-	21	-	-	2	-	45	-	210
Tourism General	-	-	25	-	-	-	(5)	50	-	71
Regeneration	84	-	-	-	-	1	-	-	-	85
4 Towns Visioning	21	-	-	-	-	-	-	-	(21)	-
	248	1	46	6	-	2	(10)	96	(21)	368
TOTAL	248	1	46	6	-	2	(10)	96	(21)	368

GENERAL FUND BUDGET - Environment and Commercial Partnerships

Building Control	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Building Regulations: chargeable service	285	-	9	-	-	11	(337)	103	-	(32)
Building Regulations: non-chargeable service	62	-	-	-	-	2	-	21	-	64
Building Regulations: other activities	41	-	-	-	-	2	-	13	-	43
Commercial Income	-	-	3	-	-	-	(6)	0	-	(3)
Dangerous Structures	-	0	-	-	-	-	-	(0)	-	(0)
Street Naming and Numbering	25	2	2	-	-	1	(24)	8	-	5
Total	414	2	14	-	-	16	(367)	146	-	78

Health and Safety, Business Continuity and Emergency Planning	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Civil Protection and Emergency Planning	-	-	25	-	-	-	-	1	-	27
Health and Safety	100	-	43	-	-	1	-	(144)	-	-
Total	100	-	68	-	-	1	-	(143)	-	27

Leisure	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Hadleigh Pool	-	21	-	71	-	-	-	16	-	108
Kindfisher Leisure Centre	-	36	-	142	-	-	-	18	-	196
New Hadleigh Pool & Leisure	-	-	-	32	-	-	(32)	1	-	1
Total	-	57	-	245	-	-	(32)	34	-	305

Waste Services	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Domestic Waste	186	-	360	1,783	-	9	(416)	139	-	2,062
Brine Sites	15	-	55	-	-	0	(130)	10	-	(50)
Trade Waste	22	-	246	162	-	0	(646)	21	-	(195)
Garden Waste	74	-	141	456	-	0	(1,081)	103	-	(306)
Total	297	-	802	2,402	-	9	(2,273)	274	-	1,511

Public Protection	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other Housing Matters	-	-	12	-	-	-	-	62	-	74
Food & Safety (General)	245	0	1	-	-	6	(1)	109	-	361
Animal Welfare Licensing	-	-	4	-	-	-	(12)	8	-	(0)
Health & Safety Regulation	-	-	-	-	-	-	(1)	-	-	(1)
Food Safety	-	-	-	-	-	-	-	23	-	23
Water Sampling	-	-	5	-	-	-	(5)	0	-	0
Environmental Protection	310	-	11	-	-	9	(5)	150	-	476
Abandoned Vehicles	-	-	1	-	-	-	-	24	-	24
Land Drainage	-	-	2	-	-	-	-	2	-	3
Climate Change and Sustainability	-	2	9	-	-	-	-	0	-	11
Dog Control	-	-	8	-	-	-	-	0	-	8
Licensing	82	-	-	-	-	-	-	-	-	82
Taxi & Private Hire Licensing	-	-	17	-	-	-	(81)	34	-	(30)
Alcohol, Entertainments & Late Night	-	-	0	-	-	-	(82)	23	-	(59)
Refreshment Licensing	-	-	-	-	-	-	(3)	6	-	3
Gambling & Small Lotteries Licences	-	-	-	-	-	-	-	6	-	6
Miscellaneous Other Licences	-	-	-	-	-	-	-	6	-	6
Total	638	2	69	-	-	15	(191)	448	-	981

Countryside and Public Realm	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Footpaths	24	-	5	-	-	1	(20)	8	-	18
Nayland Sports and Burial Ground	-	-	-	2	-	-	-	-	-	2
Public Conveniences	-	58	26	42	-	-	-	5	-	131
Street and Major Road Cleansing	6	-	76	406	-	24	(36)	28	-	504
Open Spaces	115	2	134	380	-	54	(38)	136	-	783
Public Tree Programme	46	46	-	-	-	3	-	21	-	116
Pin Mill Car Park	0	2	9	0	-	0	(13)	2	-	2
Hadleigh Car Parks	2	42	35	6	-	0	(35)	13	-	63
Sudbury Car Parks	6	215	93	13	-	2	(139)	54	-	245
A14 Cleansing	-	-	-	-	-	6	-	-	-	6
The Greenways Project	-	-	6	-	-	-	-	0	-	6
AONB Contribution	-	-	32	-	-	-	-	1	-	32
Total	199	366	416	849	-	89	(280)	268	-	1,907

Service Improvement	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Service Improvement	31	-	-	-	-	-	-	-	-	31
Total	31	-	-	-	-	-	-	-	-	31

TOTAL	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
TOTAL	1,679	427	1,369	3,496	-	131	(3,143)	1,026	-	4,839

GENERAL FUND BUDGET - Customers, Digital Transformation and Improvement

Customer Operations	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Customer Services	506	-	2	-	-	-	-	(507)	-	(0)
Sudbury Customer Access Point	-	-	36	-	-	-	-	(36)	-	-
Stowmarket Customer Access Point	-	7	16	-	-	-	-	(23)	-	0
	506	7	54	-	-	-	-	(566)	-	(0)

Digital Transformation and Improvement	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Digital Transformation and Improvement	129	-	6	-	-	-	-	(135)	-	-
	129	-	6	-	-	-	-	(135)	-	-

ICT	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ICT	229	-	366	273	-	-	-	(867)	-	-
	229	-	366	273	-	-	-	(867)	-	-

Communications	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Communications	157	-	18	-	-	0	-	(175)	-	(0)
	157	-	18	-	-	0	-	(175)	-	(0)

TOTAL	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	1,021	7	443	273	-	0	-	(1,743)	-	(0)

GENERAL FUND BUDGET - Corporate Resources

HR and Organisational Development	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HR & Organisational Development	400	-	35	-	-	0	-	(409)	(26)	(0)
	400	-	35	-	-	0	-	(409)	(26)	(0)

Finance, Commissioning and Procurement	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial Resources	457	-	34	-	-	1	-	(492)	-	-
Treasury Management	-	-	22	-	-	-	-	31	-	53
Bank Charges	-	-	77	-	-	-	-	1	-	79
External Audit	-	-	80	-	-	-	-	2	-	82
Insurance Premiums	91	107	6	-	-	18	-	(222)	-	0
Pay Inflation, Increment Costs and Vacancy	(414)	-	-	-	-	-	-	-	-	(414)
Management Savings	-	-	-	-	-	-	-	-	-	-
Rent Allowances	0	-	-	-	7,583	-	(7,651)	57	-	(11)
Rent Rebates to HRA Dwellings	-	-	-	-	6,213	-	(6,288)	17	-	(59)
Council Tax Rebates	-	-	-	-	-	-	-	56	-	56
Council Tax Collection	-	-	2	-	-	-	(183)	101	-	(80)
NDR Collection	-	-	-	-	-	-	(138)	30	-	(108)
Shared Revenues Partnership	-	-	-	1,033	-	-	-	-	-	1,033
Contingencies/Savings Adjustments	(90)	-	-	-	-	-	-	-	-	(90)
Unapportionable Central Overheads	381	126	-	-	-	-	-	12	-	520
Commissioning and Procurement	100	-	-	-	-	0	-	(100)	-	-
Central Stationery and Equipment	-	-	4	-	-	-	-	(4)	-	-
Payment of grants to Town & Parish Councils - funded from LCTS grant	-	-	39	-	-	-	-	-	(39)	(0)
	526	234	263	1,033	13,795	19	(14,259)	(510)	(39)	1,062

Senior Leadership Team	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Senior Leadership Team	569	-	68	-	-	1	-	(617)	(21)	-
Corporate Management	35	-	-	-	-	-	-	352	-	388
	604	-	68	-	-	1	-	(265)	(21)	388

TOTAL	1,530	234	366	1,033	13,795	20	(14,259)	(1,184)	(85)	1,450
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GENERAL FUND BUDGET - Law and Governance

Electoral Services and Land Charges	Employee Costs	Premises Costs	Supplies & Services	Transport Costs	Major Contracts	Third Party Payments	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Electoral Registration	63	-	46	-	-	-	(2)	14	-	120
Elections	16	-	25	-	-	-	(25)	60	20	97
Land Charges	110	-	21	-	-	-	(194)	11	5	(47)
	189	-	92	-	-	-	(221)	84	25	170

Governance and Civic Office	Employee Costs	Premises Costs	Supplies & Services	Transport Costs	Major Contracts	Third Party Payments	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Governance	276	-	5	-	-	0	(0)	(281)	-	-
Cost of Democracy	(153)	-	279	-	-	3	(2)	265	-	392
Central Postal Services	13	-	30	-	-	-	-	(43)	-	-
Central Printing	-	-	10	-	-	-	-	(10)	-	-
	136	-	324	-	-	3	(2)	(69)	-	392

Internal Audit	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Internal Audit	78	-	29	-	-	0	(3)	(103)	-	0
	78	-	29	-	-	0	(3)	(103)	-	0

Shared Legal Services	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Shared Legal Services	203	-	262	-	-	-	(102)	(362)	-	-
	203	-	262	-	-	-	(102)	(362)	-	-

TOTAL	606	-	707	-	-	3	(329)	(450)	25	562
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GENERAL FUND BUDGET - Assets and Investments

Strategic Property	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Asset Management	10	-	0	-	-	-	-	37	-	47
Creeting Rd Depot	-	48	7	-	-	-	-	(55)	-	-
Industrial Estates	-	0	-	1	-	-	(67)	0	-	(65)
Belle Vue House	-	27	-	-	-	-	-	3	-	30
Wenham Depot	-	7	1	-	-	-	-	(8)	-	(0)
Chilton Depot	-	26	1	0	-	-	(1)	(26)	-	-
Calais St Depot	-	2	-	-	-	-	-	(2)	-	-
PV Panels	-	159	10	66	-	-	(379)	4	-	(139)
Community Safety-CCTV	-	1	29	-	-	-	-	1	-	30
Assets & Development	152	2	11	-	-	0	-	67	-	231
Navigation House	-	13	5	-	-	-	(16)	1	-	3
Borehamgate Shopping Centre	-	30	26	-	-	-	(200)	1	-	(144)
Endeavour House (Headquarters)	-	52	194	-	-	-	-	(245)	-	-
South Suffolk Business Centre	-	-	-	-	-	-	(19)	-	-	(19)
Hadleigh Touchdown Point	-	3	4	-	-	-	-	(8)	-	-
Streetlights	-	2	-	-	-	-	-	-	-	2
	161	372	287	67	-	0	(682)	(230)	-	(24)

The Council's Companies	Employee Costs	Premises Costs	Supplies & Services	Major Contracts	Third Party Payments	Transport Costs	Income	Charge to HRA / Capital	Transfer to / (from) earmarked reserves	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
BMS Invest	106	-	15	-	-	-	(34)	-	-	87
	106	-	15	-	-	-	(34)	-	-	87

TOTAL	268	372	301	67	-	0	(715)	(230)	-	63
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HOUSING REVENUE ACCOUNT 2021/22

	2021/22
	£'000
Income	
Dwelling Rents	(16,492)
Service Charges	(584)
Non-Dwelling Income	(183)
Other Income	(11)
Interest Received	(10)
Gross Income	(17,281)

	2021/22
	£'000
Expenditure	
Housing Management	2,959
Building Services	3,564
Depreciation	4,280
Interest payable	3,161
Debt Repayment	150
Revenue Contribution to Capital	2,901
Bad Debt Provision	139
Gross Expenditure	17,154

(Surplus)/Deficit for the Year	(127)
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BABERGH CAPITAL PROGRAMME 2021/22 to 2024/25	2020/21 Anticipated Carry Forwards (A) £'000	2021/22 Budget for Approval (B) £'000	2021/22 Total Spend Required (A + B) £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	Total Spend Required 2021/22 - 2024/25 £'000
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Housing							
Mandatory Disabled Facilities Grant	1,225	760	1,984	409	409	409	3,212
Renovation/Home Repair Grants		100	100	100	100	100	400
Empty Homes Grant	149	100	249	100	100	100	549
Grants for Affordable Housing	400		400				400
Total Housing	1,774	960	2,733	609	609	609	4,561

Environment and Projects							
Replacement Refuse Freighters - Joint Scheme				2,060		231	2,291
Bins		65	65	75	75	75	290
Hydrotreated Vegetable Oil (HVO) Fuel Storage Tanks		50	50				50
Vehicle and Plant Renewals		715	715				715
Planned Maintenance / Enhancements-Car Parks	82	55	137	7	45	5	194
Total Environment and Projects	82	885	967	2,142	120	311	3,540

Sustainable Communities							
Play equipment		129	129	50	50	50	279
Community Development Grants		117	117	117	117	117	468
Total Sustainable Communities		246	246	167	167	167	747

Leisure Contracts							
Kingfisher Leisure Centre Improvements		100	100	100	100	100	400
Hadleigh Pool Improvements		50	50	50	50	50	200
Kingfisher Leisure Centre Refurbishment	625		625				625
Hadleigh Pool Refurbishment	576		576				576
Solar Car Ports		600	600				600
Total Leisure Contracts	1,202	750	1,952	150	150	150	2,402

Assets and Investments							
Planned Maintenance / Enhancements - Corporate Buildings	36	30	66	30	30	30	156
Leases on Property (under new IFRS16)				439			439
Borehamgate		64	64	64	64	64	256
Strategic Investment Fund	3,000		3,000				3,000
Regeneration Fund	6,321		6,321				6,321
Regeneration Fund - HQ Sites		2,979	2,979				2,979
Total Assets and Investments	9,357	3,073	12,430	533	94	94	13,151

Customers, Digital Transformation and Improvement							
ICT - Hardware / Software costs	248	250	498	250	250	250	1,248
Total Customers, Digital Transformation and Improvement	248	250	498	250	250	250	1,248

TOTAL General Fund Capital Spend	12,662	6,163	18,826	3,801	1,390	1,581	25,598
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BABERGH CAPITAL PROGRAMME 2021/22 to 2024/25	2020/21 Anticipated Carry Forwards (A) £'000	2021/22 Budget for Approval (B) £'000	2021/22 Total Spend Required (A + B) £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	Total Spend Required 2021/22 - 2024/25 £'000
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General Fund Financing							
External Grants and contributions s106	1,225	1,060	2,284	409	409	409	3,512
Borrowing	11,438	4,975	16,412	3,392	981	1,172	21,957
Total General Fund Capital Financing	12,662	6,113	18,776	3,851	1,390	1,581	25,598



BABERGH CAPITAL PROGRAMME 2021/22 to 2024/25	2020/21 Indicative Carry Forwards (A) £'000	2021/22 Budget for approval (B) £'000	2021/22 Total Spend Required (A + B) £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	Total Spend Required 2021/22 - 2024/25 £'000
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Planned Maintenance & Response							
Planned maintenance	1,976	3,351	5,327	4,724	4,792	4,771	19,613
Replacement Vehicles (IFRS 16 leases)				156			156
ICT Projects	195	200	395	200	200	200	995
Environmental Improvements	748	500	1,248	500	500	500	2,748
Disabled Facilities Work	66	200	266	200	200	200	866
Horticulture and play equipment	0	30	30	30	30	30	120
Total Planned Maintenance & Response	2,986	4,281	7,267	5,809	5,721	5,701	24,499

New build programme inc acquisitions	7,822	7,473	15,295	6,054	688	2,001	24,038
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TOTAL HRA Capital Spend	10,808	11,755	22,563	11,863	6,409	7,701	48,537
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BABERGH CAPITAL PROGRAMME 2021/22 to 2024/25	2020/21 Indicative Carry Forwards (A) £'000	2021/22 Budget for approval (B) £'000	2021/22 Total Spend Required (A + B) £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	Total Spend Required 2021/22 - 2024/25 £'000
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HRA Financing							
External Grants and contributions s106		59	59	280			339
Capital Receipts(from SO Sales)		1,521	1,521	1,052	375		375
Other Capital Receipts		381	381	471	471	471	2,573
New build 1-4-1 capital receipts		2,982	2,982	1,438	0	600	1,794
Major Repairs Reserve	2,986	1,294	4,280	4,484	4,614	4,746	5,020
Borrowing				2,738	737	1,884	18,125
Revenue Contributions		2,901	2,901		212		5,359
Strategic Priorities Reserve	7,822	2,617	10,439	1,400			3,113
Total HRA Capital Financing	10,808	11,755	22,563	11,863	6,409	7,701	48,537



RESERVES

GENERAL FUND

Estimated Balance 31 Mar 2021 £'000	Between Reserves £'000	2021/22 Transfer to reserves £'000	Use of reserves £'000	Estimated Balance 31 Mar 2022 £'000
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Contingency Reserves

General Fund Working Balance / Reserve

(1,200)	-	-	-	(1,200)
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Carry forwards

-	-	-	-	-
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Transformation Fund

(874)	-	(2,321)	2,421	(775)
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Business Rates Retention Pilot

(901)	-	-	81	(820)
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Business Rates and Council Tax Collection Fund

(5,523)	-	(77)	4,447	(1,153)
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Climate Change and Biodiversity

-	-	(85)	-	(85)
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Government Grants

(165)	-	(5)	-	(170)
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Commuted Maintenance Payments

(854)	-	-	-	(854)
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COVID19

(280)	-	-	-	(280)
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Elections Fund

(40)	-	(20)	-	(60)
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Elections Equipment

(35)	-	-	-	(35)
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Homelessness

(185)	-	(60)	35	(209)
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Temporary Accommodation

(65)	-	-	14	(50)
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Planning (Legal)

(205)	-	-	-	(205)
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Neighbourhood Planning Grants

(97)	-	(68)	-	(165)
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Community Housing Fund

(168)	-	-	26	(142)
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Strategic Planning

(15)	-	-	-	(15)
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Joint Local Plan

(46)	-	-	-	(46)
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Planning Enforcement

(73)	-	-	-	(73)
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Well-being

(274)	-	-	56	(217)
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Waste

-	-	-	-	-
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Sub total

(9,799)	0	(2,637)	7,080	(5,355)
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Community Infrastructure Levy (CIL)

(6,378)	-	-	-	(6,378)
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TOTAL GENERAL FUND RESERVES

(17,377)	-	(2,637)	7,080	(12,933)
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Agenda Item 11

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/20/33
FROM: Councillor John Ward Cabinet Member for Finance	DATE OF MEETING: 4 February 2021
OFFICER: Gavin Fisk, Assistant Director, Housing	KEY DECISION REF NO. CAB223

HOUSING REVENUE ACCOUNT (HRA) 2021/22 BUDGET AND FOUR-YEAR OUTLOOK

1 PURPOSE OF REPORT

- 1.1 The report contains details of the revenue and capital budgets and the Council's strategic financial aim. The purpose of this report is to present the HRA Budget for 2021/22 and four-year outlook.
- 1.2 To enable Members to consider key aspects of the 2021/22 HRA Budget, including Council House rent levels.

2 OPTIONS CONSIDERED

- 2.1 The Housing Revenue Account Budget for 2021/22 and four-year outlook is an essential element in achieving a balanced budget and sustainable medium-term position, therefore no other options are appropriate in respect of this.

3 RECOMMENDATIONS

- 3.1 That the HRA Budget proposals for 2021/22 and four-year outlook set out in the report be endorsed for recommendation to Council on 23 February 2021.
- 3.2 That the CPI + 1% increase of 1.5% in Council House rents, equivalent to an average rent increase of £1.35 a week be implemented.
- 3.3 That garage rents are kept at the same level as 2020/21.
- 3.4 That Sheltered Housing Service charges be increased by £0.69 per week to ensure recovery of the actual cost of service.
- 3.5 That Sheltered Housing utility charges are kept at the same level as 2020/21.
- 3.6 That the budgeted surplus of £127k be transferred to the Strategic Priorities reserve in 2021/22.
- 3.7 That in principle, Right to Buy (RTB) receipts should be retained to enable continued development and acquisition of new council dwellings.

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 for recommendations to Council.

4 KEY INFORMATION

Background

- 4.1 The Councils HRA Business Plan presents a positive financial picture over the longer term (a thirty-year period as required under the self-financing regime). The business plan sets out the aspiration of the Council to increase the social housing stock by either buying existing dwellings or building new ones.
- 4.2 The HRA Business Plan is currently being reviewed to understand how income over the medium and long term can be balanced against the requirements to invest in the existing housing stock including environmental 'retrofit' improvements and new safety enhancements in response to Building Safety and Fire safety. As well as building new homes that meet the draft Design Guide and new build specification. It is intended that a new Business Plan which articulates the vision for council housing will be presented to Cabinet and Council in the first six months of 2021.
- 4.3 The Welfare Reform and Work Act 2016 requiring all social landlords to reduce rents by 1% each year came to an end in March 2020. This means rents can increase by Consumer Price Index (CPI) +1% for five years from April 2020, which have begun to mitigate the impact of the 1% reduction on the 30-year plan.
- 4.4 The removal of the HRA Debt Cap from 29 October 2018 means that local authorities can borrow to fund new homes without worrying about breaching this cap. Any borrowing will be subject to the Council adhering to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code.
- 4.5 The 2021/22 budget and medium term outlook is aligned to the Councils Homes and Housing Strategy and the Council's vision for residents to live in affordable and high-quality homes that enable them to build settled, safe and healthy lives, within sustainable and thriving communities.

COVID19

- 4.6 The outbreak of COVID19 which hit the UK in March 2020 has had a significant impact nationally and locally. More specifically for the Council's Housing Revenue Account, rent levels are at risk and property repairs and maintenance on the Council's housing stock were reduced to emergency repairs for a period of time for existing tenants, whilst the completion of void work in order to support the accommodation of the homeless and rough sleepers continued. This work followed Government guidance in the interests of the safety of both our staff and tenants.
- 4.7 Property repairs and maintenance work recommenced in the summer whilst following COVID19 safe systems of work and within the Government's COVID19 safety guidelines.
- 4.8 The new build programme was also impacted as development ground to a halt during the initial lockdown and has been slow to recover, and now carries additional COVID19 related costs for site works to re-commence safely.
- 4.9 The financial costs for the HRA as reported at quarter 2 mainly consists of additional PPE amounting to £47k, and in terms of income, in the first half of the year, there has

been minimal impact on rent levels, however a 15% reduction has been modelled for the last 26 weeks of the financial year totalling £882k.

- 4.10 As the furlough scheme comes to an end in March 2021, it is anticipated that tenants who are in employment may be impacted. Housing Benefit and Universal Credit tenants are likely to be less affected.
- 4.11 Levels of debt to be written off are expected to be very low, if any, as any outstanding rents are likely to be reclaimed, but over a longer period of time because of the commitment the Council made to pledging not to evict any tenants in which rent arrears could be contributed to COVID19. No adjustment has been made in the 2021/22 budget to rental income collection levels, any impact of this would be covered by the Strategic Priorities Reserve with recovery continuing in future years.
- 4.12 The Government has not yet announced any financial support specifically for the Housing Revenue Account.

2020/21 Quarter 2 position

- 4.13 The quarter 2 financial monitoring report presented to Cabinet in December 2020 was showing a forecast surplus for 2020/21 of £1.7m. The main reason for this is as a result of slippage in the capital programme due to COVID19, which means that the Council has not used as much of the revenue contribution to fund the capital programme.
- 4.14 The position will be kept under review and the quarter 3 position will be reported to Cabinet in March 2021, any surplus at the year-end will be transferred to the Strategic Priorities Reserve.

5 2021/22 BUDGET

- 5.1 A surplus position of £127k is forecast for 2021/22 compared to the 2020/21 position which was a surplus of £334k.
- 5.2 Table 1 below shows the 2021/22 budget compared to the 2020/21 budget, explanations for movements are shown in paragraph 5.5 below.

Table 1 2021/22 Budget compared to 2020/21 Budget

	Budget 2020/21	Budget 2021/22	Movement
	£'000	£'000	£'000
Dwelling Rents	(15,996)	(16,492)	(496)
Service Charges	(575)	(584)	(9)
Non Dwelling Income	(183)	(183)	0
Other Income	(10)	(11)	(1)
Interest Received	(10)	(10)	0
Total Income	(16,774)	(17,281)	(507)
Housing Management	3,282	2,959	(323)
Building Services	3,211	3,564	353
Depreciation	3,313	4,280	967
Interest payable	3,161	3,161	0
Debt Repayment	500	150	(350)
Revenue Contribution to Capital	2,875	2,901	26
Bad Debt Provision	98	139	41
Deficit / (Surplus) for Year	(334)	(127)	207

- 5.3 The approach for the 2021/22 budget setting included “budget challenge sessions” which consisted of Corporate Managers taking a group of peers (comprising other Corporate Managers and Assistant Directors) through their budgets line by line. The peer group provided challenge and review to the budgets. As a result, a number of savings and efficiencies were identified, as shown in the following explanations.
- 5.4 This work will continue throughout 2021/22 as there were a number of areas that were identified which require further work in order to deliver efficiencies.
- 5.5 In calculating the 2021/22 budget, the following assumptions have been made:

Income

- Rental increase of 1.5% - CPI + 1%, with the average weekly rent set at £91.70 an increase of £1.35 a week, generating approximately £250k additional income. The remainder of the increase is to reflect the current rental income levels being achieved and assumed increase in housing stock.
- Garage rents kept at the same level as 2020/21. Work will continue in 2021/22 to identify alternative use of long term/unviable garage sites.
- Sheltered housing – to ensure recovery of the actual cost, it is proposed that the 2021/22 charges are increased by £0.69 per week.
- It is proposed that utility charges are kept at the same level as 2020/21
- A Rent & Service Charge Policy will be developed over the coming year. It is because of the need to develop the methodology as part of the wider policy work that it is not possible to implement these changes any sooner than 2022/23.

Housing Management and Building Services

- A review of housing management and building services coding has been undertaken with finance and the service managers to allow more effective financial management and monitoring. As a result of this, £346k has moved from the housing management to the building services budget line.
- There has been an increase to the inhouse trades team to cover the work of fencing, UPVC repairs and asbestos inspections work previously undertaken by external contractors. The financial impact of this is cost neutral as there is an equal reduction in subcontractor costs.
- Pay award of 2% and increments totalling £73k
- Contracts – 2.5% inflation to major contracts has been included totalling £23k, however, savings have been achieved with the Orwell management fee of £35k.

Depreciation

- The depreciation charge has increased by £967k this is due to the increase in the valuation of the housing stock.

Debt Repayment

- One of the Council's PWLB loans will be fully repaid in June 2021, therefore loan repayments will reduce by £350k.

Bad Debt Provision

- The level of bad debt provision has been reviewed based on the level of debt write off to date, an increase to the provision of £41k has been included. The level of arrears and collectability of debt will be kept under review during 2021/22.

Key achievements

- Introduction of locality-based working within the Building Service to reduce travel times, save fuel costs and improve service deliver, including establishing an operational hub in Great Wenham
- Development of a Data Dashboard for each service area which provides real time performance statistics.
- Reducing the work in progress (WIP) in Building Services from 7,500 outstanding jobs to 1,500 jobs.
- A review of the Travis Perkins materials contract which has delivered savings and efficiencies as well as improvement in customer service.
- Introduction of mobile video software to allow remote repair inspections and assisted viewings.
- Introduction of new software 'Rent sense' to intelligently predict which rent arrear cases officers should focus their time and attention on.

- New Neighbourhoods Team and Tenant Engagement officer delivering significant improvements in the condition of neighbourhoods, and an increase in the number of tenants engaged in the management of landlord services.
- Void performance being maintained at an average of 18 days.
- Housing Conference held for all Housing staff.

Reserves

- 5.6 When setting the budget for the forthcoming year the Council must have regard to the level of reserves needed to provide enough resources to finance estimated future expenditure plus any appropriate allowances that should be made for contingencies.
- 5.7 Reserves only provide one-off funding, so the Council should avoid using reserves to meet regular recurring financial commitments.
- 5.8 The 2021/22 budget position means that the Council will increase its Strategic Priorities Reserve by £127k however the 2021/22 capital programme assumes funding from reserves of £2.617m followed by borrowing as shown in appendix A. The balance in earmarked reserve as at 31 March 2022 is forecast to be £12.05m.
- 5.9 In addition to this, the Council continues to hold £1m in the working balance.
- 5.10 Table 2 below shows the earmarked reserves balance from 31 March 2020, forecast through to 31 March 2022.

Transfers to / from Earmarked Reserves	Balance 31 March 2020	Forecast trf to	Forecast trf from	Balance 31 March 2021	Forecast trf to	Forecast trf from	Balance 31 March 2022
Big 20	(96)			(96)			(96)
Strategic Priorities	(12,841)	(1,700)		(14,541)	(127)	2,617	(12,050)
Building Council Homes Programme (BCHP)	(20)			(20)			(20)
HRA Revenue	(12,957)	(1,700)	-	(14,657)	(127)	2,617	(12,167)

Capital

- 5.11 The new build and acquisitions funding within the Capital Programme 2021/22 to 2024/25 totals £16.2m, with an additional £7.8m anticipated carry forward from 2020/21. Table 3 below shows the capital expenditure and financing over this period excluding carry forwards. The detailed capital programme is attached at Appendix A.

Table 3 Capital Expenditure and Financing 2021/22 to 2024/25

Expenditure	£m
Housing Maintenance Programme	21.5
New Build & Acquisitions	16.2
Total	37.7
Financing	
Capital receipts, disposals & RTB receipts and Grants	10.1
Major Repairs Reserve (Depreciation)	15.1
Revenue Contributions	3.1
Strategic Priorities Reserve	4.0
Borrowing	5.4
Total	37.7

- 5.12 The engagement of Icenl to work with the Council to identify development sites for new homes has led to a proposed Capital Programme for 2021-2024 of 153 affordable homes and 41 shared ownership homes.
- 5.13 The major areas being developed over the next three years include sites in Shotley, Angel Court in Hadleigh, Waldingfield Road Sudbury, and Klondyke Field, Wherstead.
- 5.14 The Corporate Plan sets out clearly the Council's aligned corporate outcomes. The key housing projects supporting delivery of the priorities are outlined in the HRA Business Plan.
- 5.15 New homes have delivered New Homes Bonus for the Council, additional rent and Council Tax and local businesses will also benefit. All these factors will bring growth to our local economy. Analysis by the Local Government Association* and Capital Economics found;
- Investment in a new generation of social housing could return £320 billion to the nation over 50 years.
 - Every £1 invested in a new social home generates £2.84 in the wider economy.
 - Every new social home would generate a saving of £780 per year in Housing Benefit.
 - Every new social home would generate a fiscal surplus through rental income.

* **LGA Report June 2020** - Delivery of council housing Developing a stimulus package post pandemic

- 5.16 Right to Buy (RTB) sales for Babergh were lower than those projected in the business plan. In 2019/20 Babergh sold 11 against an original projection of 20 sales.
- 5.17 The money received from RTB sales can only be used as a 30% contribution towards the cost of a replacement home. The remaining 70% of the replacement cost must be found from other HRA resources. As sales increase, it means that the level of match funding required (70%) increases. If the receipts are not spent within the 3-

year period allowed, they must be repaid to Government with 4% above the base rate interest added.

- 5.18 The Council can enter into agreements with the Secretary of State to retain the full RTB receipt from the sale of nominated homes newly built or acquired since July 2008. Officers will investigate opportunities to enter into agreements so that any capital receipts received in future from the sale of nominated homes could be retained in full and used as part of the 70% match funding required.
- 5.19 The restrictions imposed as a result of COVID19 have caused serious delays in the Council's housing development programme during 2020/21 and its ability to spend all of the receipts within the required 3-year period. The Government is allowing an extension of the timescales for the receipts to be spent which has been extended to the end of the financial year. Developers/contractors are now working but restricted to what they can do, this may have an impact on the Council's ability to achieve the full amount of spend required.
- 5.20 Officers have focused on an alternative programme to achieve the spend by purchasing existing houses and suitable land from the open market before the March 2021 extension ends. These actions will minimise any repayments that may be due back to the government.

6 30 YEAR BUSINESS PLAN

- 6.1 The current version of the HRA Business Plan is attached at Appendix B and shows additional detail for years 1-10, The main assumptions are:
- Annual rent increase of 1.5% in 2021/22 then increasing by CPI +1% from 2022/23 for three years. The remaining 25 years are based on an annual rent increase of CPI only.
 - Funding to support spend of RTB receipts and capital programme expenditure.
- 6.2 As explained in paragraph 4.2 the new HRA Business Plan will be presented to Cabinet and Council in the first six months of 2021.

7. LINKS TO THE CORPORATE PLAN

- 7.1 Ensuring that the Council makes best use of its resources is what underpins the ability to achieve the priorities set out in the Corporate Plan, and ensuring the Council has a robust financial strategy. Specific links are to the Council's Homes and Housing Strategy and the Council's vision for residents to live in affordable and high-quality homes that enable them to build settled, safe and healthy lives, within sustainable and thriving communities.

8. FINANCIAL IMPLICATIONS

- 8.1 These are detailed in the report.

9. LEGAL IMPLICATIONS

- 9.1 There are none that apply.

10. RISK MANAGEMENT

- 10.1 This report is most closely linked with the Council's Significant Risk No. 13 – We may be unable to respond in a timely and effective way to financial demands and also Corporate Risk No. 5E05 – if the Finance Strategy is not in place with a balanced position over the medium term the Councils will not be able to deliver the core objectives and service delivery may be at risk of not being delivered. Other key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If we do not consider the ongoing impacts of the Welfare and Funding Reforms, then it could lead to unpreparedness for further changes.	Unlikely - 2	Bad – 3	Ensure adequate bad debt provision and that the Income Management Strategy seeks to mitigate the impact of the changes on residents, the Council's income streams and budgets.
If there are increases in inflation and other variables, then Council Housing self-financing could result in a greater risk to investment and service delivery plans.	Unlikely - 2	Noticeable – 2	Inflation and interest rate assumptions have been modelled in the HRA business plan. Capital receipts and capital programme funding reviewed.
If we fail to spend retained RTB receipts within 3-year period, then it will lead to requirement to repay to Government with interest.	Probable - 3	Bad - 3	Provision has been made in the budget and Investment Strategy to enable match funding and spend of RTB receipts.
If we borrow too much to fund New Homes, we will not be able to pay the loan interest.	Unlikely - 2	Bad - 3	Follow the CIPFA Prudential Code which states Capital investment plans must be affordable, prudent and sustainable.
If Brexit has a negative impact on the Economy, then interest rates/inflation/house prices and demand/jobs could be impacted.	Unlikely - 2	Bad - 3	The Council has nominated a Brexit lead to work with Government and to plan for the impacts of Brexit across the Council. A corporate Brexit risk register has been created in consultation with all service areas
If capital data is inaccurate it could lead to problems with treasury management debt and cashflows.	Unlikely - 2	Bad - 3	Work closely with treasury management when setting capital budgets and how this will be financed. Monitor the

Risk Description	Likelihood	Impact	Mitigation Measures
			capital spend quarterly and raise any changes with treasury management.

11. CONSULTATIONS

- 11.1 Consultations have taken place with Assistant Directors, Corporate Managers and other Budget Managers as appropriate.

12. EQUALITY ANALYSIS

- 12.1 An equality impact assessment will be undertaken with each Assistant Director for any changes within the budget proposals.

13. ENVIRONMENTAL IMPLICATIONS

- 13.1 In support of the Council's commitment to be Carbon Neutral by 2030, a review of the existing housing stock will be undertaken and affordable options will be costed, including investing in environmental 'retrofit' improvements as well as building new homes that meet the draft Design Guide and new build specification. These will form part of the revised 30-year Business Plan for the HRA.

14. APPENDICES

Title	Location
Appendix A – Capital Programme	Attached
Appendix B – HRA Business Plan	Attached

15. BACKGROUND DOCUMENTS

Housing Revenue Account (HRA) financial monitoring 2020/21 – quarter 2 BCa/20/12

CAPITAL PROGRAMME FOR 2021/22 to 2024/25

BABERGH CAPITAL PROGRAMME BUDGET	2020/21 Indicative Carry Forwards (A)	2021/22 Budget for approval (B)	2021/22 Total Spend Required (A + B)	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	Total Spend Required 2021/22 - 2024/25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Revenue Account							
Planned Maintenance & Response							
Planned maintenance	1,976	3,351	5,327	4,724	4,792	4,771	19,613
Replacement Vehicles (IFRS 16 leases)	0	0	0	156	0	0	156
ICT Projects	195	200	395	200	200	200	995
Environmental Improvements	748	500	1,248	500	500	500	2,748
Disabled Facilities Work	66	200	266	200	200	200	866
Horticulture and play equipment	0	30	30	30	30	30	120
New build programme inc acquisitions	7,822	7,473	15,295	6,054	688	2,001	24,038
New build programme & acquisitions	7,822	7,473	15,295	6,054	688	2,001	24,038
TOTAL HRA Capital Spend	10,808	11,755	22,563	11,863	6,409	7,701	48,537
HRA Financing							
External Grants and contributions	0	59	59	280	0	0	339
s106	0	0	0	0	375	0	375
Capital Receipts(from SO Sales)	0	1,521	1,521	1,052	0	0	2,573
Other Capital Receipts	0	381	381	471	471	471	1,794
New build 1-4-1 capital receipts	0	2,982	2,982	1,438	0	600	5,020
Major Repairs Reserve	2,986	1,294	4,280	4,484	4,614	4,746	18,125
Borrowing	0	0	0	2,738	737	1,884	5,359
Revenue Contributions	0	2,901	2,901	0	212	0	3,113
Strategic Priorities Reserve	7,822	2,617	10,439	1,400	0	0	11,839
Total HRA Capital Financing	10,808	11,755	22,563	11,863	6,409	7,701	48,537

HRA Business Plan updated 2021/22 – 2030/31

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
£'000	1	2	3	4	5	6	7	8	9	10
INCOME:										
Rental Income	(16,591)	(17,631)	(18,246)	(19,126)	(19,055)	(19,349)	(19,648)	(19,951)	(20,258)	(20,965)
Void Losses	99	106	110	115	115	117	119	120	122	126
Other rental income	0	0	0	0	0	0	0	0	0	0
Service Charges	(584)	(595)	(607)	(621)	(633)	(646)	(659)	(672)	(685)	(699)
Non-Dwelling Income	(183)	(186)	(190)	(194)	(198)	(202)	(206)	(210)	(215)	(219)
Grants & Other Income	(11)	(11)	(11)	(12)	(12)	(12)	(12)	(13)	(13)	(13)
Total Income	(17,271)	(18,317)	(18,944)	(19,837)	(19,783)	(20,093)	(20,407)	(20,726)	(21,049)	(21,770)
EXPENDITURE:										
General Management	2,179	2,214	2,256	2,305	2,353	2,421	2,471	2,518	2,566	2,615
Special Management	779	796	812	830	847	864	881	899	917	935
Other Management	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision	139	149	155	162	161	164	166	169	172	178
Responsive & Cyclical Repairs	3,564	3,633	3,729	3,838	3,958	4,169	4,297	4,411	4,527	4,647
Total Revenue Expenditure	6,662	6,792	6,951	7,136	7,320	7,617	7,816	7,997	8,182	8,374
Interest Paid	3,161	2,920	2,865	2,846	2,734	2,524	2,466	2,451	2,451	2,553
Interest Received	(10)	(5)	(5)	(6)	(7)	(8)	(7)	(9)	(12)	(16)
Depreciation	4,280	4,484	4,615	4,746	4,866	4,989	5,115	5,245	5,377	5,513
Net Operating Income	(3,178)	(4,126)	(4,518)	(5,115)	(4,870)	(4,970)	(5,017)	(5,042)	(5,051)	(5,345)
APPROPRIATIONS:										
Revenue Provision (HRACFR)	150	4,289	4,127	5,118	4,854	4,948	601	0	0	17,534
Revenue Contribution to Capital	2,901	0	365	0	0	21	681	715	751	0
Total Appropriations	3,051	4,289	4,492	5,118	4,854	4,970	1,282	715	751	17,534
ANNUAL CASHFLOW	(127)	164	(25)	3	(16)	(0)	(3,735)	(4,327)	(4,299)	12,189
Opening Balance	1,140	1,267	1,103	1,129	1,126	1,142	1,142	4,877	9,204	13,503
Closing Balance	1,267	1,103	1,129	1,126	1,142	1,142	4,877	9,204	13,503	1,314

Agenda Item 12

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/20/34
FROM: Councillor John Ward, Cabinet Member for Finance	DATE OF MEETING: 4 February 2021
OFFICER: Katherine Steel, Assistant Director, Corporate Resources	KEY DECISION REF NO. <u>Item No.</u>

COUNCIL TAX HARDSHIP FUND

1. PURPOSE OF REPORT

- 1.1 The Council was given money by Government for a Covid19 Council Tax Hardship Fund up to 31st March 2021. The core use of this was to give a discount of up to £150 to any working age household in receipt of Local Council Tax Support.
- 1.2 The Local Council Tax Reduction Scheme (LCTRS) allows up to 95% discount on the council tax payable to the most financially vulnerable residents. This means that many residents have less than £150 council tax to pay for the year and the Hardship Fund applied has fallen short of the funds available.
- 1.3 This report seeks to amend the use of the Hardship Fund to ensure that it is allocated to the working age council taxpayers most in need of support by 31st March 2021.

2. OPTIONS CONSIDERED

- 2.1 Option 1 – Designate additional funds to Discretionary Housing Payments (DHP).

This option is not recommended as there is no need to put additional money into this fund now because there is still an unspent balance of £20k or 14% of the allocation from the Government for 2020/21.

- 2.2 Option 2 - Designate additional sums to Discretionary Financial Assistance (DFA) and use these awards to clear council tax arrears.

Making awards of DFA for customers who have arrears would improve the position of the Collection Fund but would penalise those who have made arrangements to bring their debt under control and would set an expectation in relation to future arrears. For this reason, it is not the preferred option.

- 2.3 Option 3 - Increase the award from the Hardship Fund from 'up to £150' to an amount that exhausts the fund.

This is the preferred option because it would apply additional funds to any working age LCTRS customer who had a liability in the year 2020/21 and a balance to pay after LCTRS and any discounts/reliefs had been applied.

Residents have different amounts to pay depending on their entitlement to LCTRS, their property banding and who else lives with them. Allowing a higher allocation

from the Hardship Fund would mean more residents had less council tax to pay for the year 2020/21.

3. RECOMMENDATIONS
3.1 That the award from the Hardship Fund is increased from 'up to £150' to an amount that exhausts the fund and is made to all working age Local Council Tax Reduction Support cases with a liability for 2020/21.
3.2 That any residual balance, after applying the additional award, is used to fund Discretionary Financial Assistance for residents in exceptional circumstances.
REASON FOR DECISION
To ensure that the Hardship Fund is fully spent by 31 st March 2021 thereby aiding those working age LCTRS taxpayers most in need of support.

4. KEY INFORMATION

- 4.1 Early in 2020/21, after the impact of Covid-19 was beginning to be seen, the Council was given an allocation of money, called the Hardship Fund, from Government to support working age households in receipt of LCTRS to pay their council tax bills.
- 4.2 The Council's allocation was £467,436 and the Government guidance was that the money should be used to provide up to £150 to relevant households.
- 4.3 The caseload for working age LCTRS cases has increased in 2020/21 due to several people being made redundant during the Covid-19 pandemic.

	1 st March 2020	1 st September 2020 (Peak)	1 st January 2021
Babergh	2,227	2,760 (+24%)	2,693

- 4.4 The initial award of up to £150 per household was applied to accounts in early May 2020 and has been automatically calculated on each new or amended liability thereafter. The current commitment of funds is as follows:

	Original Fund Allocation	Current Expenditure	Hardship Fund Payment (HFP) Balance
Babergh	£467,436	£319,779	£147,657 (c 32%)

The monthly awards are adding in the region of £7,500 per month.

- 4.5 The number of customers who have already benefitted from a Hardship Fund payment at 3,468 exceeds the current caseload. This is because residents move

on/off LCTRS and in/out of accommodation and often only qualify for a short period of time and consequently the caseload is constantly changing.

- 4.6 The country is now in a third national lockdown and the impacts on the caseload (and any future additional demand upon the Hardship Fund) cannot be fully known but it is reasonable to assume that a number of residents will be affected and claim LCTRS between now and 31st March 2021.
- 4.7 The current situation with regard to Council Tax for LCTRS residents is that:
The total arrears for LCTRS cases is £536k;
299 working age customers have arrears amounting to £166k (average of £555 per person);
The largest open LCTRS case still owes £1,433.
- 4.8 In making the original grant allocation, the Government expected that billing authorities would primarily use their grant allocation to reduce the council tax liability of individuals in their area by up to £150, using their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.
- 4.9 The Government confirmed that it is expected that the Hardship Fund grants made for 2020/21 are used in 2020/21 and that, whilst some residual monies may be carried forward into the next financial year, every effort should be made to apply the assistance in the current financial year.
- 4.10 Before determining any new way of allocating funds, it is important to ensure that sufficient funds are set aside to meet any new eligible liabilities. Any change to the caseload can only be estimated but based on the current rate of spending over the last 3 months, it is estimated that the funds required to meet the initial £150 minimum for all working age LCTRS residents will extend the commitment of funds by approximately £22.5k.
- 4.11 It is necessary to establish a way of distributing residual funds to council taxpayers in a way which is both fair and equitable, at a time which does not create confusion through unnecessary bills / notifications or require refunds of council tax account credits to be made and to clearly communicate the action taken and why.
- 4.12 Councils are also able to use residual funding to deliver increased financial assistance through other local support mechanisms, having considered local circumstances. This was considered as part of the options appraisal and for the reasons explained under Options 1 and 2 above was not the preferred recommendation.
- 4.13 An estimate as to the likely cost of increasing the awards above £150 has been calculated based on 'live' LCTRS cases taking into consideration their net liability for the year. These estimates do not include for accounts that have been live in 2020/21 but have since been ended or accounts where exemptions have been granted for part of the year.

	2020/21 HFP Balance	Additional £100 (total £250)	Additional £150 (Total £300)	Additional £200 (Total £350)	Additional £250 (Total £400)
		A	B	C	D
Babergh	£147,657	£78,894	£112,984	£143,671	£171,780

- 4.14 Option B from the table above should prove sufficient to exhaust the fund and increase the total award for past, existing and new customers and allow for further new claims to be made up to the end of March 2021. The final level of award cannot be determined until the additional functionality is in place from the software provider. Any residual balance would be used to create funds for Discretionary Financial Assistance (DFA) to meet the needs of residents in ‘exceptional circumstances.’
- 4.15 The recommended course of action is that an additional top up award is made to all working age LCTRS cases with a liability for 2020/21. There is flexibility in the amount to be awarded to prevent any under/overspend of the total allocation for the Hardship Fund, as the figures in the table in paragraph 4.13 above are estimated at this stage.
- 4.16 It is intended that the additional relief is applied at the point that council tax is billed for 2021/22, in March 2021, which would have the effect of:
- reducing the overall council tax arrears balance for 2020/21
 - committing the residual funds in year and meet the original fund intention
 - clearing arrears for most customers who have arrears in 2020/21; and
 - for those customers who had paid, reducing the amount for them to pay in 2021/22 by rolling a credit into the next financial year
 - minimising the cost of administration and environmental impact, through reducing the number of bills required and the cost of postage.

5. LINKS TO CORPORATE PLAN

- 5.1 The vision in the Joint Corporate Plan (2019-27) is to have ‘great communities with bright and healthy futures that everyone is proud to call home.’
- 5.2 The Joint Corporate Plan identifies six strategic priorities namely Environment, Economy, Housing, Communities, Well-Being, and Customers. Ensuring that the Hardship Fund is fully allocated to the relevant residents of Babergh in the manner of the recommendation will have some impact across all of these strategic priorities.

6. FINANCIAL IMPLICATIONS

- 6.1 As detailed in section 4 above.

7. LEGAL IMPLICATIONS

- 7.1 Billing authorities can use their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992 to further reduce the amount of council tax payable after the Local Council Tax Reduction Scheme has been applied.

8. RISK MANAGEMENT

8.1 This report is not closely linked with any of the Council's Corporate / Significant Business Risks. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If the Hardship Fund is not fully allocated, then the Council will miss an opportunity to support working age council taxpayers during the Covid-19 pandemic and also reduce the level of outstanding council tax and will have to repay much needed funds to the Government.	2 - Unlikely	2 - Noticeable	Amend the parameters of the Hardship Fund to ensure full allocation.
If the number of LCTRS claimants increases significantly in the last quarter of the year, then the scheme could exceed the funding provided by the Government.	2 - Unlikely	2 – Noticeable	Flexibility within the amount of the additional payment to ensure the Council is not overcommitted. Payments made in March to ensure increase in cases allowed for.

9. CONSULTATIONS

9.1 Consultation has taken place with the Senior Leadership Team and the Shared Revenues Partnership.

10. EQUALITY ANALYSIS

10.1 An equality analysis has not been completed because this report is aimed at all working-age recipients of LCTRS which includes anyone who may share any of the protected characteristics.

11. ENVIRONMENTAL IMPLICATIONS

11.1 As detailed in paragraph 4.16 the intention is notify residents at the same time as council tax is billed for 2021/22, to minimise the number of bills sent to residents and hence the environmental impact of this and the postage.

12. BACKGROUND DOCUMENTS

12.1 None

Agenda Item 13

BABERGH DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: BCa/20/35
FROM: Councillor Elizabeth Malvisi – Cabinet Member for Environment	DATE OF MEETING: 4 February 2021
OFFICER: Cassandra Clements – Assistant Director, Environment and Commercial Partnerships	KEY DECISION REF NO. CAB236

ADOPTION OF THE REVISED TABLE OF FARES FOR HACKNEY CARRIAGES

1. PURPOSE OF REPORT

- 1.1 This report is to adopt the revised table of fares fixed for Hackney Carriages operating in the controlled zone of the Babergh District, which was considered by the Licensing and Regulatory Committee at the Meeting of 11 December 2020, following the statutory public consultation exercise.

2. OPTIONS CONSIDERED

- 2.1 Officers have undertaken the statutory public consultation exercise as instructed by the Licensing and Regulatory Committee at the meeting of 9 October 2020. The Licensing and Regulatory Committee in accordance with the Local Government (Miscellaneous Provisions) Act 1976 considered the two options set out below, whilst having had due regard for objections received, which have not been withdrawn. Objections which have been received are attached to this report as Appendix C.

Option 1

That the Licensing and Regulatory Committee was minded that no change was necessary to the revised table of fares fixed for Hackney Carriages operating in the controlled zone of the Babergh District.

Option 2

That the Licensing and Regulatory Committee was minded, to modify the revised table of fares fixed for Hackney Carriages operating in the controlled zone of the Babergh District.

- 2.2 The Licensing and Regulatory Committee following consideration of the options above made the following recommendations to Cabinet that:
- (i) option 1 be approved and the revised table of fares attached to this report as Appendix A, for Hackney Carriages within the controlled zone of the Babergh District be adopted; and
 - (ii) once adopted the revised table of fares shall become effective on **5 April 2021**.

- 2.3 Where Cabinet is minded under 2.2 (ii) above to adopt the revised table of fares, officers suggest that due to the ongoing effect of Covid restrictions on the economy that the table should become effective on **1 June 2021**.

<p>3. RECOMMENDATIONS</p> <p>3.1 That Cabinet following consideration of Licensing and Regulatory Committee's recommendations, adopts the revised table of fares, whether modified or not, attached Appendix A to this report, and in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, set a new date for the varied table of fares to become effective no later than two months after the specified date of 1 April 2021.</p>
<p>REASON FOR DECISION</p> <p>To adopt the revised table of fares for Hackney Carriages within the Babergh District.</p>

4. KEY INFORMATION

- 4.1 Local authorities have the power to fix the maximum rates of fares for hackney carriages within their District by virtue of section 65 of the Local Government (Miscellaneous Provisions) Act 1976. There are no statutory powers to set fares for private hire vehicles. A hackney carriage may ply for hire and wait on a taxi rank. Private hire vehicles must be pre-booked, and operators may set their own charges.
- 4.2 Taximeters and corresponding fare tables should be calibrated in imperial units, rather than metric (although metric equivalents may also be shown). This is due to Regulation 5(2) of the Units of Measurement Regulations 1995.
- 4.3 Fares for hackney carriages in Babergh District have not increased since August 2016 and a review, revision and consultation have now been undertaken.
- 4.4 It will be an operational decision for each operator/proprietor whether the maximums are charged, as they have discretion to charge less if they so wish and a passenger is entitled to attempt to negotiate a lesser fare. However, proprietors must meter the maximum fares permissible in the district. Maximum fares should be transparent to fare paying passengers and should enable operators to charge realistic fares.

5. LINKS TO CORPORATE PLAN

- 5.1 These licensing functions most closely align with -
- supporting businesses to thrive and grow, with a particular emphasis on smaller and start-up concerns;
 - encouraging employable skills (local transport and public service standards);
 - supporting safe and active communities; and
 - co-ordinating our approach to regulation with Suffolk County Council to minimise the burdens on local business (particularly through the safety and suitability arrangements the District/Boroughs have together with the County, in respect to school transport and social service contracts).

6. FINANCIAL IMPLICATIONS

6.1 This is a statutory function, and the legislation provides for recovery of the reasonable costs of administration, inspection and supervision of the licensing scheme.

7. LEGAL IMPLICATIONS

7.1 The Act doesn't set out a specific right of appeal where a Council has adopted a maximum table of fares for hackney carriages, however the fare table may from time to time be subject to judicial review. Consultation and following the prescribed Notice requirements mitigate the main risks.

8. RISK MANAGEMENT

8.1 This report is most closely linked with the Council's Significant Business Risk No. 12 - Councils may be perceived to be untrustworthy and have a poor reputation. Operational risk 2AO1 - If licensing functions are not delivered within prescribed framework/local policy/timeframe, then businesses will be impacted, and reputational harm/appeal likelihood will increase. Financial loss. Further Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to regularly review and consult upon hackney carriage fares may impact negatively on the trade who are subject to variable costs and overheads, licence fees, fluctuating fuel prices, market forces, insurance and vehicle maintenance costs.	2 - Unlikely	2 - Noticeable	Review, revise and re-consult on the hackney carriage table of fares on a regular basis.

9. CONSULTATIONS

9.1 The Statutory Public Notice was issued in the local press (East Anglian Daily Times – 10 November 2020 edition), a Notice was posted at the Council Offices and also Notices were placed at the customer access points within the districts to advertise the proposed variation of hackney carriage fares, as required by Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 Part II.

9.2 Responses received from the Hackney Carriage trade objecting to the revised table of fares for Hackney Carriages are attached to this report as Appendix C.

9.3 There have been **no** responses to the table of fares from the general public during the consultation period.

10. EQUALITY ANALYSIS

There are no equality implications arising directly from this report. This is a revision to an existing fare scheme. The council recognises its obligations under the Equality Act 2010, in the exercise of its licensing functions, and shall have due regard to any comments received during the consultation, or individual applications, on equality issues.

11. ENVIRONMENTAL IMPLICATIONS

11.1 There are no Environmental Implications arising from this report.

12. APPENDICES

Title	Location
(a) Revised hackney carriage table of fares	Attached
(b) Existing table of fares for hackney carriages	Attached
(c) Responses received during the consultation period	Attached

13. BACKGROUND DOCUMENTS

13.1 Local Government (Miscellaneous Provisions) Act 1976

14. REPORT AUTHORS

Emma Richbell – Assistant Manager for Food, Safety and Licensing

David Price – Licensing Officer

Table of Fares for Hackney Carriages (Taxis) within the Babergh District

SECTION 65 OF THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976

Maximum Hackney Carriage Fares allowed

The following Tariffs apply to vehicles licensed to carry no more than 4 passengers

Tariff 1

Day rate (07:00hrs to 23:00hrs) Excluding Public Holidays and those covered by Tariff 3

£3.20 for the first 528 yards or 2 minutes or part there of (or combination of time and distance)

£0.20 for each subsequent 176 yards or 40 seconds or part there of (or combination of time and distance)

£2.00 running mile, £18.00 waiting time per hour

Tariff 2

Night rate (23:00hrs to 07:00hrs) Including all Public Holidays excluding those covered by Tariff 3

£4.80 for the first 528 yards or 2 minutes or part there of (or combination of time and distance)

£0.30 for each subsequent 176 yards or 40 seconds or part there of (or combination of time and distance)

£3.00 running mile, £27.00 waiting time per hour

Tariff 3

Rate for Christmas (18:00hrs on 24 December to 07:00hrs on 27 December) and New Year (18:00hrs on 31 December to 07:00hrs on 2 January)

£6.40 for the first 528 yards or 2 minutes or part there of (or combination of time and distance)

£0.40 for each subsequent 176 yards or 40 seconds or part there of (or combination of time and distance)

£4.00 Running mile, £36.00 waiting time per hour

Extra Charges (at the driver's discretion)

A sum equal to the amount of any Congestion/Toll Charge may be made.

NO EXTRA CHARGE SHALL BE MADE FOR LUGGAGE OR SHOPPING OR ASSISTANCE DOGS

Valeting

A further charge may be made by the proprietor of the vehicle for any soiling/fouling to the interior of vehicle rendering it unfit for further immediate hiring. This is a matter between the proprietor and

hirer. Vehicle proprietors should clearly display details of their soiling/fouling charge policy inside the vehicle.

Table of Fares for Hackney Carriages (Taxis) within the Babergh District

SECTION 65 OF THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976

Maximum Hackney Carriage Fares allowed

The following Tariffs apply to vehicles licensed to carry 5 or more passengers (5 to 8 Passengers)

Tariff 1

Day rate (07:00hrs to 23:00hrs) Excluding Public Holidays and those covered by Tariff 3

£4.80 for the first 528 yards or 2 minutes or part there of (or combination of time and distance)

£0.30 for each subsequent 176 yards or 40 seconds or part there of (or combination of time and distance)

£3.00 running mile, £27.00 waiting time per hour

Tariff 2

Night rate (23:00hrs to 07:00hrs) Including all Public Holidays excluding those covered by Tariff 3

£7.20 for the first 528 yards or 2 minutes or part there of (or combination of time and distance)

£0.45 for each subsequent 176 yards or 40 seconds or part there of (or combination of time and distance)

£4.50 running mile, £40.50 waiting time per hour

Tariff 3

Rate for Christmas (18:00hrs on 24 December to 07:00hrs on 27 December) and New Year (18:00hrs on 31 December to 07:00hrs on 2 January)

£9.60 for the first 528 yards or 2 minutes or part there of (or combination of time and distance)

£0.60 for each subsequent 176 yards or 40 seconds or part there of (or combination of time and distance)

£6.00 running mile, £54.00 waiting time per hour

Extra Charges (at the driver's discretion)

A sum equal to the amount of any Congestion/Toll Charge may be made.

NO EXTRA CHARGE SHALL BE MADE FOR LUGGAGE OR SHOPPING OR ASSISTANCE DOGS

Valeting

A further charge may be made by the proprietor of the vehicle for any soiling/fouling to the interior of vehicle rendering it unfit for further immediate hiring. This is a matter between the proprietor and hirer. Vehicle proprietors should clearly display details of their soiling/fouling charge policy inside the vehicle.

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Hackney Carriage (Taxi) Tariff Table



BABERGH DISTRICT COUNCIL

SECTION 65 OF THE LOCAL GOVERNMENT
(MISCELLANEOUS PROVISIONS) ACT 1976

The table of fares below is effective from 06.01 hours on 01 August 2016. These are the MAXIMUM fares allowed. Passengers may negotiate a lesser fare at the discretion of the owner/driver.

DISTANCE

If the distance does not exceed 400 yards (365.76 metres) for the whole distance	£3.00
If the distance exceeds 400 yards (365.76 metres)..... for the first 400 yards	£3.00
For each mile (1760 yards/1609.34 metres) after the first 400 yards (365.76 metres)	£1.60
Calibrated in increments of £0.10 per 1/16 of a mile (110 yards/100.6 metres)	

WAITING TIME

For each 120 seconds (2 minutes) or uncompleted part thereof	£0.50
Charge per hour	£15.00

ADDITIONAL CHARGE (for the whole journey)

For all hirings between midnight and 6.00 a.m.	50% of above rate of fare
<u>For Bank Holidays (except Christmas and New Year)</u> 24 hour period from midnight to midnight	50% of above rate of fare
<u>Christmas</u> From 6.00 p.m. Christmas Eve until 6.00 a.m. 27 th December	100% of above rate of fare
<u>New Year</u> From 6.00 p.m. New Year's Eve to 6.00 a.m. New Year's Day	100% of above rate of fare
From 6.00 a.m. New Year's Day to 6.00 a.m. next day	50% of above rate of fare

SOILING / FOULING CHARGE

A further charge may be made by the proprietor of the vehicle for any soiling/fouling to the interior of vehicle rendering it unfit for further immediate hiring. This is a matter between the proprietor and hirer. Vehicle proprietors should clearly display details of their soiling/fouling charge policy inside the vehicle.

NO EXTRA CHARGE SHALL BE MADE FOR LUGGAGE OR SHOPPING OR ASSISTANCE DOGS

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BMSDC Licensing Team

From: Steve Hale [REDACTED]
Sent: 05 November 2020 13:16
To: BMSDC Licensing Team
Subject: Fwd: New Hackney Carriage Fare Proposals
Attachments: New Hackney Pricing Proposal.numbers

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Thank you for your recent letter regarding the propose changes for Hackney Tariffs in the Babergh District.

I have read through the new proposals and have some queries that I would like to raise.

Firstly, I am generally happy with the proposals for vehicles licensed to carry no more than 4 passengers although I feel such a substantial raise in the mileage fare, to £2 a mile, is a bit excessive and might deter people from using taxis for longer journeys. Although not included in my alternative proposal, a fair of 18p increments totalling £1.80 per mile might be more favourable.

A 2 mile journey, will now cost the following, as I understand it.

Tariff	Current	Proposed (Vehicles that carry no more than 4 pass.)
1	£5.90	£6.60
2	£8.85	£9.90
3	£11.80	£13.20

I have issues with the table of fare proposed to carry 5 or more passengers. This may just be the way it has been worded, but if the proposal is for any vehicle that can carry 5 or more, you'll be running two separate rates off the same Rank for different styles of vehicle.

If this is correct, no one will use the larger vehicles if it will cost 50% more for the same journey in a car.

A 2 mile journey for a Vehicle that can carry 5-8 passengers

Tariff	Current	Proposed (Vehicles that can carry 5-8 passengers)
1	£5.90	£9.90
2	£8.85	£14.85
3	£11.80	£19.80

Because the majority of the larger capacity vehicles are set up for Wheelchair users, having a higher rate for these cabs would open the Council up to charges of discrimination against disabled users

Please see below an alternative proposal, which would be simpler to implement and easy to understand for both drivers and customers alike.

Regards

Steve Hale

Hale-A-Cab

Alternative Hackney Carriage Pricing Proposal

Tariff	1-4 Passengers	5-8 Passengers	Waiting Time
Tariff 1	Day Rate (07:00 - 23:00) Excluding Public Holidays and those covered by Tariff 3. £3.20 for the first 528 yards or 2 minutes or part there of (or a combination of time and distance. 20p for each subsequent 176 yards or 40 seconds or part there of (or a combination of time or distance	N/A	£18 per hour
Tariff 2	Night Rate (23:00 - 07:00) to include all Public Holidays excluding those covered by Tariff 3. £4.80 for the first 528 yards or 2 minutes or part there of (or a combination of time and distance. 30p for each subsequent 176 yards or 40 seconds or part there of (or a combination of time or distance	Day Rate (07:00 - 23:00) Excluding Public Holidays and those covered by Tariff 4. £4.80 for the first 528 yards or 2 minutes or part there of (or a combination of time and distance. 30p for each subsequent 176 yards or 40 seconds or part there of (or a combination of time or distance	£27 per hour
Tariff 3	Rate for Christmas (18:00 on 24th December to 07:00 on 27th December) and New Year (18:00 on 31st December to 07:00 on 2nd January) £6.40 for the first 528 yards or 2 minutes or part thereof (or a combination of time and distance. 40p for each subsequent 176 yards or 40 seconds or part thereof (or a combination of time or distance	Night Rate (23:00 to 07:00) to include all Public Holidays excluding those covered by Tariff 4. £6.40 for the first 528 yards or 2 minutes or part there of (or a combination of time and distance. 40p for each subsequent 176 yards or 40 seconds or part there of (or a combination of time or distance	£36 per hour
Tariff 4	N/A	Rate for Christmas (18:00 on 24th December to 07:00 on 27th December) and New Year (18:00 on 31st December to 07:00 on 2nd January) £8.00 for the first 528 yards or 2 minutes or part thereof (or a combination of time and distance. 50p for each subsequent 176 yards or 40 seconds or part thereof (or a combination of time or distance	£45 per hour

BMSDC Licensing Team

From: AAA Cabs [REDACTED]
Sent: 18 November 2020 15:02
To: David Price
Cc: BMSDC Licensing Team; Emma Richbell
Subject: RE: Babergh DC Taxi Tariff Consultation Exercise
Attachments: WSC-Fare-card.pdf

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**

Good afternoon,

Please find below comments from AAA Cabs

As discussed with Emma Richbell on the 4th August we do not want a completely separate tariff structure for the larger vehicles just the ability to charge extra when the passenger occupancy exceeds 4 passengers.

There is also no need for an additional tariff structure for the larger vehicles as other councils do incorporate this all into one rate sheet (West Suffolk Council rate sheet attached as an example)

If the proposed rates are imposed customers from the ranks will wait for a car, as that charges £2.00 per mile, as opposed to a larger vehicle which will have the meter set to charge £3.00 per mile (tariff 1 used from each table). The argument that the driver can always charge less than the meter rate will only add to more inconsistencies for the paying public, as some drivers will charge the full rate, some will attempt to work out two thirds of the meter rate, and others will just make up a number.

The tariff table we would propose would be four tariffs as follows

Tariff 1 - Day Rate (07:00 to 23:00) Excluding Public Holidays and those covered by Tariff 3 for up to 4 passengers
Tariff 2 - Night Rate (23:00 to 07:00) to include all Public Holidays excluding those covered by Tariff 3 for up to 4 passengers
OR Day Rate (07:00 to 23:00) Excluding Public Holidays and those covered by Tariff 4 for 5 to 8 passengers
Tariff 3 - Rate for Christmas (18:00 on 24 December to 07:00 on 27 December) and New Year (18:00 on 31 December to 07:00 on 2 January) for up to 4 passengers
OR Night Rate (23:00 to 07:00) to include all Public Holidays excluding those covered by Tariff 4 for 5 to 8 passengers
Tariff 4 - Rate for Christmas (18:00 on 24 December to 07:00 on 27 December) and New Year (18:00 on 31 December to 07:00 on 2 January) for 5 to 8 passengers

The rates would then be

Tariff 1 - £3.20 for the first 528 yards or 2 minutes or part there of (or combination of time and distance) and then £0.20 for each subsequent 176 yards or 40 seconds or part thereof (or a combination of time and distance).

Note: Running Mile = £2.00, Waiting Time = £18.00 per hour
Tariff 2 - £4.80 for the first 528 yards or 2 minutes or part there of (or combination of time and distance) and then £0.30 for each subsequent 176 yards or 40 seconds or part thereof (or a combination of time and distance).

Note: Running Mile = £3.00, Waiting Time = £27.00 per hour
Tariff 3 - £6.40 for the first 528 yards or 2 minutes or part there of (or combination of time and distance) and then £0.40 for each subsequent 176 yards or 40 seconds or part thereof (or a combination of time and distance).

Note: Running Mile = £4.00, Waiting Time = £36.00 per hour
Tariff 4 - £8.00 for the first 528 yards or 2 minutes or part there of (or combination of time and distance) and then £0.50 for each subsequent 176 yards or 40 seconds or part thereof (or a combination of time and distance).

Note: Running Mile = £5.00, Waiting Time = £45.00 per hour

Stuart Armstrong
AAA Cabs

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Babergh District Council
Endeavour House
8 Russell Road
Ipswich
Suffolk
IP1 2BX

19th November 2020

Dear Team,

This is the response to the latest correspondence you have sent to us regarding the increase of Hackney carriage fares.

The one issue that we see with the new rates begins mainly with the starting charge on Tariff 1.

Based upon calculations of this compared to the current starting charge there is actually a decrease in revenue.

Current rate is £3.00 to travel 400 yards = 0.0075p per yard.

Proposed rate is £3.20 to travel 528 yards = 0.0060p per yard.

This means the customer can go further on the starting fee so there is no increase in that part of the overall fee for a journey. This would mean that if a customer is only having a short journey then the driver/company would actually be worse off.

When the running mile and waiting time have both been increased it does not make sense to then have the starting price reduced. If it is felt that the 3 increases together make it too much of an overall price hike then maybe a smaller increase on the waiting time should be a consideration. We feel that all aspects of the review and increase should be fair on all parties (the customer, driver & company), therefore the starting figure should show an actual increase.

With Covid, taxi journeys have largely dropped in demand and therefore the income has suffered a massive downfall and with wages / insurance / fuel / maintenance costs not really altering at all this does need to be an increase that can be beneficial to all.

Kind Regards



C. Golyria
(Partner)



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Agenda Item 15

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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