

**Tuesday, 5 July 2022**



**BABERGH DISTRICT COUNCIL**

**DECISIONS NOTICE**

**DECISIONS BY THE BABERGH CABINET  
CALL IN DEADLINE 5:00PM ON 14 JULY 2022**

The following decisions have been taken by the Babergh Cabinet and will come into effect on 15 July 2022 unless the call-in procedure is activated. For clarity, where an item is 'to be noted', 'received' or recommended to Council for a decision, this is deemed not to be a formal Executive decision and so the call-in provisions will not apply.

**BCa/22/6 GENERAL FUND FINANCIAL OUTTURN 2021/22**

It was **RESOLVED**: -

- 1.1 That the 2021/22 General Fund financial outturn of £1.382m surplus as set out in this report be noted.
- 1.2 That the revenue carry-forward requests totalling £420k be noted.
- 1.3 That the following transfers be approved;
  - a) Surplus of £394k be transferred to the Strategic Priorities Reserve
  - b) £500k be transferred to a new Inflationary Pressure Reserve
  - c) £345k to be transferred to the Planning Legal Reserve
  - d) £143k to be transferred to the Waste Reserve
- 1.4 That the total capital carry-forward of £17.306m be noted.

**REASON FOR DECISION**

To ensure that Members are kept informed of the outturn position for both General Fund Revenue and Capital and to approve earmarked reserve transfers.

**Alternative Options Considered and Rejected:**

The recommended option is set out in the Recommendations. There are no other available options.

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None

## **BCa/22/7 HOUSING REVENUE ACCOUNT (HRA) FINANCIAL DRAFT OUTTURN 2021/22**

**It was RESOLVED:-**

- 1.1 That the 2021/22 HRA financial outturn as set out in this report be noted.**
- 1.2 That the transfer of £409k, being the HRA revenue surplus for the year (£282k more than planned) as per paragraph 6.4, to the Strategic Priorities Reserve be approved.**
- 1.3 That the HRA capital carry-forward requests referred to in paragraph 6.19 of this report totalling £5.51m be approved.**

### **REASON FOR DECISION**

To ensure that Members are kept informed of the outturn position for both Housing Revenue and Capital and to approve earmarked reserve transfers and carry forward requests.

### **Alternative Options Considered and Rejected**

Transfer funds of £409k to the Strategic Priorities earmarked reserve and not support the carry forward of £5.51m HRA capital costs. This is not the recommended option because there would be insufficient capital resources available in 2022/23 to complete the schemes in progress.

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None

## **BCa/22/8 THE APPROVAL OF THE HOUSING REVENUE ACCOUNT BUSINESS PLAN**

**It was RESOLVED: -**

- 1.1 That Cabinet approved the proposed HRA Business Plan along with the overarching aims as set out in this report.**
- 1.2 That an annual review of the HRA Business Plan takes place, and any amendments, changes, or updates were reported to Cabinet as part of the annual budget setting process.**

### **REASON FOR DECISION**

To ensure Babergh have an HRA Business Plan, which will be meet the Councils overarching Housing aims over the next five years

### **Alternative Options Considered and Rejected:**

- 2.1 To continue with the current version of the HRA Business Plan, which was adopted in**

2017. However, it is felt this would prevent us managing the HRA effectively as many changes have occurred since 2017, including the Climate Emergency declared by both Councils in 2019.

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None

## **BCa/22/10 RENT AND SERVICE CHARGE POLICY**

**It was RESOLVED: -**

**1.1 That Cabinet approved the Rent and Service Charge Policy attached in Appendix A with the following decisions:**

**A – That rent flexibility is not applied.**

**B – That rents in certain Temporary Accommodation, which is excluded from the rent standard, may be set at LHA rates**

**C – That service charges are de-pooled.**

### **REASON FOR DECISION**

A – That rent flexibility is not applied. Due to the current economic climate and challenges around affordability for the Council's tenants, Rent Flexibility will not be used for any new tenancies. Should there be a requirement to change this decision and adopt any level of Rent Flexibility, a decision will be taken by full Council and will have a clear rationale, considering local circumstances and affordability. Tenants will be consulted about the proposals and their views taken into account by the Councils.

B - That rents in certain Temporary Accommodation, which is excluded from the rent standard, may be set at LHA rates. The Policy provides for both BMSDC to continue to set rents at LHA in circumstances such as this, where the Rent Standard and Rent Policy Statement do not apply. Doing so provides greater opportunity to provide temporary accommodation in new settings and maximise income for the HRA.

C - That service charges are de-pooled. It is generally considered to be inequitable to fund or to subsidise the cost of services from the general rent pool, and fairer to charge the cost of services to those tenants who benefit directly, referred to as 'de-pooling'. De-pooling service charges will free-up limited funds of within the HRA budgets which are currently subsidising services to meet changes in national housing policy which benefit all tenants. Exemptions to this rule could be made if its application meant that a service became unaffordable, as could be the case with some support services. In these cases, the service charges would be pooled across multiple locations.

### **Alternative Options Considered and Rejected:**

2.1 The policy sets out how the Councils comply with legislative and regulatory requirements for the most part, although consideration was given to:

2.2 A. Apply rent flexibility, or not

2.2.1 Rent flexibility is described in section 4.4 of Appendix B, and in paragraph 3.7 of the draft

policy. The Government's Rent Policy Statement recognises the need for discretion over rent levels to take into account local factors and concerns. In summary, Councils have the option to apply an increase to social rents above 'formula rent' at the point of letting a property, to generate additional income for the HRA. Use of the flexibility should take account of local conditions and be used following consultation with tenants and other key stakeholders.

## 2.3 B. Rent setting in Temporary Accommodation Excluded from the Rent Standard

2.3.1 Leased properties used for temporary homeless provision are excluded from the requirements of the RSH Rent Standard if certain criteria are met. This is described in paragraph 4.7 of this briefing, section 4.10 of Appendix B, and 3.21 of the draft policy. The option is to set these rents at formula rent, or at a higher rate to match LHA.

## 2.4 C. 'De-pool' service charges, or not.

2.4.1 Where a service is not fully accounted for in a service charge to the tenant receiving the service, the service is funded (partly or in full) by the general rent pool. Changing this approach, to charge for services only to tenants who receive them is referred to as 'de-pooling'.

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None

## **BCa/22/9 EMPTY HOMES POLICY 2022**

**It was RESOLVED: -**

**1.1 That Option 1 - the new Empty Homes Policy, as set out in Appendix A of this report and considering the recommendations from Overview & Scrutiny Committee held on 25<sup>th</sup> April 2022 be approved**

**1.2 The Assistant Director for Housing, in consultation with the Portfolio Holder for Housing had delegated authority to make minor changes to the Empty Homes Policy.**

### **REASON FOR DECISION**

1.1 There is a demand for housing in the Babergh District and long- term empty properties, which could otherwise be made available for; sale, rent or owner occupation are a wasted housing resource and give rise to complaints.

1.2 If a Compulsory Purchase Order (CPO) is applied for, the Empty Homes Policy will help satisfy the Secretary of State of the process the Council has taken

### **Alternative Options Considered and Rejected:**

**2.2 Option 2 – Recommend to Cabinet not to implement the new Policy. If the Council chooses not to consider the approval of the policy, then it is highly likely an increasing number of houses will fall into a state of dilapidation and anti-social behaviour will increase.**

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None

**BCA/22/11 GATEWAY TO HOMECHOICE ALLOCATIONS POLICY REVIEW AND AMENDMENTS**

**It was RESOLVED: -**

- 1.1 To approve the Allocations Policy amendments, as set out in Appendix A of this report.**
- 1.2 The Assistant Director for Housing, in consultation with the Portfolio Holder for Housing had delegated authority to make minor changes to the Allocations Policy.**

**REASON FOR DECISION**

- 1.1 To ensure that the Allocations Policy meets legal requirements.
- 1.2 To clarify wording in the policy so that key decisions are made fairly and consistently by all Gateway Local Authorities.
- 1.3 Delegated Authority for minor changes to reduce the burden of committee work, improve efficiency and be more responsive to minor changes required.

**Alternative Options Considered and Rejected:**

The proposed changes are predominantly related to National Legislative or Policy changes, therefore, to ensure compliance with our Statutory Framework, these changes are recommended and there are no other options to consider at this time.

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None