

# Public Document Pack



<b>COMMITTEE:</b>	<b>BABERGH CABINET</b>
<b>DATE:</b>	<b>TUESDAY, 7 MAY 2024 4.00 PM</b>
<b>VENUE:</b>	<b>KING EDMUND CHAMBER, ENDEAVOUR HOUSE, 8 RUSSELL ROAD, IPSWICH</b>

<b>Members</b>		
<u>Green Party</u> Jessie Carter Sallie Davies Daniel Potter Deborah Saw	<u>Liberal Democrat</u> David Busby (Chair) Helen Davies	<u>Independent</u> Derek Davis Alastair McCraw John Ward

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## **REVISED AGENDA**

### **PART 1**

#### **MATTERS TO BE CONSIDERED WITH THE PRESS AND PUBLIC PRESENT**

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

[Forthcoming Decisions List - Babergh District Council](#)

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### Date and Time of next meeting

Please note that the next meeting is scheduled for Tuesday, 11 June 2024 at 4.00 pm.

### Webcasting/ Live Streaming

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[https://www.youtube.com/channel/UCSWf\\_0D13zmegAf5Qv\\_aZSg](https://www.youtube.com/channel/UCSWf_0D13zmegAf5Qv_aZSg)

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# Agenda Item 3

## BABERGH DISTRICT COUNCIL

Minutes of the meeting of the **BABERGH CABINET** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Monday, 8 April 2024

### PRESENT:

Councillors:	Jessie Carter	Sallie Davies
	Derek Davis	Alastair McCraw
	Daniel Potter	Deborah Saw
	John Ward	Helen Davies

### In attendance:

Councillor(s): Simon Dowling  
Kathryn Grandon  
Ruth Hendry  
Mary McLaren  
Adrian Osborne  
Alison Owen  
Brian Riley

Officers: Chief Executive (AC)  
Interim Monitoring Officer (JR)  
Director – Operations & Climate Change (ME)  
Director – Housing (DF) – via hybrid  
Housing Transformation Manager (DW)  
Parking Services Manager (MS)  
Sustainable Transport Officer (KD)  
Finance Business Partner (JB)  
Governance Officer (BW)

### Apologies:

David Busby (Chair)

## 95 DECLARATION OF INTERESTS BY COUNCILLORS

95.1 None received.

## 96 BCA/23/47 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 4 MARCH 2024

It was **RESOLVED**: -

**That the minutes of the meeting held on the 4 March 2024 be confirmed and signed as correct record.**

## 97 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE

## **COUNCIL'S PETITION SCHEME**

97.1 The Governance Officer advised the Committee that a petition had been received on Council Car Park Charges with 7825 validated signatures. The petition has been debated at Full council in accordance with the Council's petition procedure rules.

## **98 QUESTIONS BY COUNCILLORS**

98.1 None received.

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

99.1 There were no matters referred from the Overview and Scrutiny or the Joint Audit and Standard Committees

## **100 FORTHCOMING DECISIONS LIST**

100.1 There were no comments made by Councillors.

## **101 BCA/23/48 CAR PARKING CHARGES AND ROAD TRAFFIC ORDERS**

101.1 The Chair introduced the report as Acting Leader of the Council.

101.2 Councillor John Ward proposed the recommendations as set out in the report. Councillor Derek Davis seconded this motion.

101.3 The Chair invited the Monitoring Officer to advise Members of the Cabinet on predetermination.

101.4 Councillor Derek Davis questioned why Community Interest Companies (CICs) were not allowed to take over the running of individual car parks. Councillor John Ward responded that there was little appetite for people to run CICs. Councillor Deborah Saw added that she had spoken to the Community Interest Company Regulator and there were few examples of CICs running car parks across the country and the ones that do exist all charge for parking as there was a need to maintain the car park. Additionally, there were issues with taxation for CICs as whilst Babergh could give business rates relief Suffolk County Council and central government would need to agree to give business tax relief. The Director – Operations & Climate Change added that paragraph 2.5 of the report covered the findings on CICs and the risks involved, also there were other costs that needed to be covered from charges.

- 101.5 Councillor Jessie Carter highlighted that she had spoken to the Sudbury Chamber of Commerce who were open to the possibility of a CIC to run car parks.
- 101.6 Councillor Sallie Davies questioned whether town and parish councils were consulted on the use of CICs. The Director – Operations & Climate Change responded that town and parish councils were not approached on the use of CICs as it was raised by the Sudbury Chamber of Commerce and officers looked into the feasibility of CICs and determined that the use of CICs for the primary purpose of avoidance of business rates would not be possible, and that enforcement responsibilities would be complicated, resulting in less economy of scale and was not consulted on throughout the district for this reason.
- 101.7 Councillor Derek Davis questioned whether the use of ANPR had been explored for short term parking at leisure centres and medical centres. The Parking Services Manager responded that the use of technology would be explored and for medical centres MiPermit would be used for users to check in their vehicles digitally.
- 101.8 Councillor Deborah Saw questioned whether the use of demand pricing had been considered. The Director – Operations & Climate Change responded that the current proposal was designed for workers and visitors to towns and that the data on usage would need to be understood to see if this was possible going forward.
- 101.9 Councillor Sallie Davies asked for detail on the implications of an element of free parking. Councillor John Ward responded that a free parking period of an hour would create a loss between £200,000 and £260,000 which would have a cumulative impact in future years. The Director – Operations & Climate Change added that a free parking was not an option that Cabinet wanted to take forward in the previous proposal considered by the Cabinet on the 9<sup>th</sup> January 2024, however it had been questioned by the Overview and Scrutiny Committee and the figures for this had been included in the report, based on loss of 1 hour income and loss of 10-20% of 2 hour income by migration to free 1 hour tickets. Also, if free parking was implemented this would affect the ability to improve the car parks and it would encourage behaviour that would make enforcement more difficult.
- 101.10 Councillor Jessie Carter highlighted the effect that charges would have on residential streets and referred to point 11.3 in the report and questioned

whether the funds for these possible projects could be used to subsidise parking. The Director – Operations & Climate Change responded that the Council did not currently have the money for these projects, however there was resourcing to commence some surveys for on-street parking and results could be taken to Suffolk County Council regarding resident parking zones, which might be able to be funded if charges are increased.

- 101.11 Councillor Daniel Potter questioned why the Quay Theatre car park in Sudbury was not charged. The Director – Operations & Climate Change responded that the Quay Theatre car park was further out than the main car parks and it was not proposed to add charges into this car park to maintain an element of free parking.
- 101.12 Councillor Derek Davis questioned whether on street parking spaces could be reduced to half an hour to allow for short visits. The Director – Operations & Climate Change responded that this was a sensible suggestion and that if resources allowed detailed work with the towns could be undertaken and on street enforcement could be used to help turn over these spaces by introducing some appropriate time restrictions.
- 101.13 Councillor Deborah Saw queried the use of revenue to fund public transport and asked for more detail on what options would be. The Director – Operations & Climate Change responded that whilst the Council could not solve all public transport issues, the revenue generated from parking could be used to obtain match funding for Government bids and would put the Council in a better position to resource writing bids. The Sustainable Transport Officer added that if funding was available the Council could make contributions to the current community transport provision such as the previous match funding to Go Start for an electric minibus and similar contributions could help to expand the fleet for hopper bus provision.
- 101.14 Councillor Sallie Davies asked for clarification on the consultation responses and the 48% of respondents that were against the charges. The Director – Operations & Climate Change responded that the consultation had been done carried out by the strategic policy team and they looked at mentions of themes in each response made, therefore themes may cross over and percentages would not add up to 100%.
- 101.15 Councillor Jessie Carter questioned why the responses in the consultation were not shown by town and village. The Director – Operations & Climate Change responded that the consultation was not a referendum on whether people wanted free parking or not and highlighted constructive themes and



information from responses.

- 101.16 Councillor Jessie Carter further questioned where in the report the effect on the effect on businesses and health and wellbeing was considered. Councillor John Ward responded that the Council was looking at setting tariffs that did not affect businesses and in towns that have similar parking charges had thriving businesses. The Director – Operations & Climate Change added that appendix E of the report contained an Equality Impact Assessment screening form which had been signed off by the strategic policy team. Additionally, the Council was aware that there was the need within the car parks to consider the accessibility of the car parks for users with disabilities and mobility issues in terms of navigation.
- 101.17 Councillor Deborah Saw queried whether there was a way to mitigate school drop off and pick up traffic. The Parking Services Manager responded that there was the possibility to introduce a school permit that would allow a short period of parking at the beginning and end of the day.
- 101.18 Councillor Jessie Carter questioned what the cost of school parking permits would be. The Parking Services Manager responded that if agreed this cost would be investigated but it would be an administrative fee.
- 101.19 In response to questions from other Members present on how the recommendations from the Overview and Scrutiny Committee had been considered by the Cabinet Councillor John Ward responded that a full response to the Overview and Scrutiny Committee would be provided and of the 11 recommendations, 2 had been addressed by the Monitoring Officer during the meeting, 5 had been agreed in full and included in the report, 3 had been addressed in the report on why they were not possible and 1 had been accommodated partially.
- 101.20 In response to questions from other Members present regarding permits for residents Councillor John Ward responded that Babergh was not comparable to Tendering Council in relation to funding free parking permits for residents as they had larger car parks that had a high turnover for visitors which provided the funding for resident permits.
- 101.21 In response to questions from other Members present on the effects from tariffs on businesses Councillor John Ward responded that comparable towns had not been effected by car parking charges and vacancy rates were comparable to the towns in Babergh, however this would be monitored.

- 101.22 In response to questions from other Members present regarding the possibility of a free parking period of an hour Councillor John Ward responded that the possibility of a free parking period addressed in the report and would be considered in the debate.
- 101.23 In response to questions from other Members present on the cost increase on season tickets for shop workers Councillor John Ward responded that the costs of season tickets had not risen for some time however this would be monitored to see if the proposed rise is sustainable to ensure it is set at the right level.
- 101.24 In response to questions from other Members present regarding the consultation and engagement process the Director – Operations & Climate Change that a meeting was being arranged with Great Cornard and an email response had been received in January.
- 101.25 In response to questions from other Members present on the increased overhead costs the Finance Business Partner outlined that the budget figures in the report were different from the budget book figures as it was made up from contributions of all departments involved in parking.
- 101.26 In response to other Members questions regarding when charges would be reviewed Councillor John Ward responded that they would be reviewed every 2 years.
- 101.27 A short comfort break was taken between 12:32 – 12:46pm.
- 101.28 During the debate Councillor Alastair McCraw highlighted 4 groups that would be affected by the introduction of parking charges: the users of the car parks, the businesses, the non-users across the district, and the Councils.
- 101.29 Councillor Jessie Carter highlighted that those who lived in rural villages had no option but to rely on a car as there were little options for public transport, and the introduction of charges would impact those on lower incomes. Additionally, there was interest from the Sudbury Chamber of Commerce on the use of CICs for Sudbury car parks and other town councils may not have wanted to come forward with these proposals until after the Cabinet decision had been made. She added that in relation to arguments on non-users having to subsidise free parking that all residents paid for services that they did not

use.

- 101.30 Councillor Daniel Potter referred to page 91 of the report and issues of sustainable transport and the lack of public transport in the district created a reliance on cars for residents and he was reluctant for subsidies on for sustainable transport options to come from car park fees.
- 101.31 Councillor Derek Davis outlined that the decision to not to implement the parking charges agreed by the previous administration had an impact on the budgets as it created losses, and it would be a mistake not to implement the proposals in the report, including no free parking period. Additionally, he did not believe that the introduction of charges would not have an impact on businesses as residents would pay if the offer of the town was good and businesses were resilient and would factor in the impact of tariffs. He added that the introduction of tariffs had an impact on the District as a whole not just the towns and surrounding villages.
- 101.32 Councillor Sallie Davies highlighted that this was a hard decision, but she hoped that it could be nuanced for residents on low incomes and for school drop offs. She added that town centres and businesses failed for a number of reasons unrelated to car parking. Additionally, whilst all residents pay for services they do not use they were mandatory services such as homelessness support. Also, this was an opportunity to invest in sustainable transport which the Council did not have previously and would allow for the use of match funding. There was a responsibility for the car parks to cover their costs.
- 101.33 Councillor Deborah Saw outlined that whilst she was not enamoured with the introduction of parking charges, she was also not prepared to see cuts to leisure centres, enabling residents to heat their homes, and reductions to homelessness support. She added that the introduction of parking charges was not the only thing the Council would need to do in order to help with the future budget pressures. She added that she was prepared to look at ways to help residents with financial difficulties in relation to parking to mitigate the impact on those who are vulnerable.
- 101.34 Councillor Helen Davies suggested that permit systems for school drop offs and for residents on universal credit be included in proposal. Additionally, it would be useful to monitor the impact of the introduction of charges on town centres. She added that any profits from tariffs needed to be ringfenced for sustainable transport options.

- 101.35 In response to queries on free parking for users of medical centres the Director – Operations & Climate Change clarified that the health centres in Lavenham and Hadleigh and the screening facility at the Kingfisher Leisure Centre to set up virtual permit panels to allow those with appointments or collecting prescriptions to park for free in that period. He clarified that this would only be for medical centres that were directly accessed via Council owned car parks.
- 101.36 Councillor Jessie Carter highlighted that a review on the impact of charges on towns was necessary as it would deter people from visiting the towns and would have an impact on residential parking. She added that whilst Councillors needed to make hard decisions, they also needed to consider the views of the residents that they represented. Additionally, it was the role of Councillors to provide alternatives of services that may need to be cut and these options should be made aware to the public.
- 101.37 Councillor Daniel Potter suggested that a free parking period of an hour be considered by the Cabinet. He also raised concerns that without a free parking period that people would go to supermarkets instead of the high street.
- 101.38 Councillor John Ward drew Members attention to the proposals from Lavenham including bank holiday and Sunday charging between 9:00am and 17:00pm, charging blue badge holders, and using the income from these charges to fund reduced rate permits for residents and workers.
- 101.39 Members discussed the proposal to charge of blue badge holders in Lavenham and were against the proposal.
- 101.40 Councillor John Ward summarised that Members were happy with the proposals from Lavenham to charge on Sundays and bank holidays and would discuss with Lavenham the use of this income to subsidise resident and worker permits.
- 101.41 Councillor Deborah Saw raised the issue of on street parking for residents and asked officers to talk to Suffolk County Council to consider a scheme for residents. The Director – Operations & Climate Change responded that under the proposals in the report there was additional officer resource to carry out a parking study in towns, and officers were in an open dialogue with Suffolk County Council on these issues.

- 101.42 Councillor Alastair McCraw suggested that the Council undertook an engagement process to look at the potential use of CICs and their financial arrangements and the transfer of assets in parallel with the report.
- 101.43 Councillor Jessie Carter stated that she would like the possible use of CICs to be explored to allow towns and parishes the opportunity to get involved.
- 101.44 Councillor Deborah Saw outlined that it would be useful to explore the use of CICs and have discussions with potential groups who would be interested in running CICs.
- 101.45 The Chief Executive suggested that the review of CICs be expanded to town and parish councils to consider the use of devolved powers.
- 101.46 Councillor Deborah Saw welcomed the expansion of the review as due to the Council's financial position the way the Council delivered services needed to be looked at and this approach could help bridge the budget deficit.
- 101.47 Councillor Jessie Carter proposed an amendment to the recommendations to maintain one hours free parking. Councillor Daniel Potter seconded the motion.

By a vote of 2 votes for, and 6 against.

- 101.48 The motion was lost.

By a vote of 6 votes for, and 2 against.

**It was RESOLVED: -**

- 1.1 Tariff Option A Table 6.7 for short and long stay, hourly and daily parking charges, is implemented as soon as is practically possible.**
- 1.2 Parking Permit (season ticket) changes in 6.24 - 6.27 are implemented as soon as is practically possible, the charges as already agreed under the annual fees and charges report.**
- 1.3 Changes from Short Stay to Long Stay designations in 2 car parks as indicated in table 6.22 are implemented as soon as is practically possible.**
- 1.4 Blue Badge Holders will continue to be allowed to park for free for up to 3 hours in any bay of all public car parks.**
- 1.5 The current hours, days of the week and bank holidays where off-street**

restrictions apply are amended as per 6.15 as soon as is practically possible.

- 1.6 The Director of Operations and Parking Services Manager are delegated authority to put in place suitable refund arrangements with Abbeycroft Leisure for users of the Councils' Leisure Centres (Sudbury and Hadleigh) and agree arrangements with Roys Sudbury store to co-inside with new tariff introduction.
- 1.7 The Director of Operations and Parking Services Manager continue to engage with health, mobile health screening and village community centres which are accessed via or occasionally sited on council car parks, as to the feasibility and appropriateness of utilising the councils' virtual permits and enforcement in managing parking for their patients and visitors.
- 1.8 That delegated authority be given to the Director of Operations in consultation with the Portfolio Holder to make changes to the councils' off-street parking orders and put in place suitable resources to implement the recommendations, including any minor amendments resulting from any subsequent dialogue and agreements with Lavenham Council, in this report in compliance with all statutory obligations and law.
- 1.9 The Director of Operations and Parking Services Manager continue to engage with the councils where council car parks are located and any groups making representation, and carry out more detailed local survey work to bring forward proposals to continue to improve parking as set out in the council's car parking strategy, which may include residents parking zones.
- 1.10 The Director for Operations and Parking Services Manager continues to consider how to enhance the councils offer for contactless, longer term parking permits, using intelligent parking control processes that benefit and offer value to residents.

## **REASON FOR DECISION**

In order to deliver the approved parking strategy, move towards full cost recovery, remove the budget burden of subsidising parking, protect other essential services, transfer cost and choice to the parking service user and to be better funded to assist with meeting sustainable travel and environmental objectives, varying existing parking charges is proposed.

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

Outsourcing of car parks to an external private provider was considered and rejected by Cabinet 9th January 2024.

Not varying the charges was considered and rejected by Cabinet 9th January 2024.

A range of options have been considered from the engagement process and led to amendments being incorporated within this proposal;

Increasing the long stay all day parking tariff from the current £3 per day has been rejected and replaced by a proposed reduction to £2.50 for Tariff Option A and £2.70 for Tariff Option B. This is intended to support local residents of the district working in our towns and villages, and visitors who have travelled from further afield to spend the whole day in the location.

Outsourcing of car parks to a Community Interest Company comprised of the local Town and Parish Councils where car parks are located, has been considered and rejected. The primary funding model underpinning a CIC proposal would be the avoidance of paying business rates to fund a continuation of free parking. The Council can award discretionary rate relief where properties are occupied by organisations not established or conducted for profit whose main objectives are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes of recreation. 40% of the cost of awarding discretionary relief is borne by the Council, 10% Suffolk CC and 50% Central Government. It is not considered that a CIC for car parks meets any of these objectives. If it was to be considered, the Council would need to be aware of any precedent set. Regardless, the level of relief awarded would not be enough to maintain free parking, along with paying for cost increases, delivering the parking strategy, sustainable travel and environmental aims. Consideration would need to be given to breaking up the on street and off-street enforcement responsibilities and end to end parking system resulting in higher costs.

Different tariff options have been considered that would fall under the agreed general principle of a modest tariff scheme set at a level not to compete with neighbouring local authorities. Options including an initial free period have been ruled out as they will not get anywhere close to providing full cost recovery. With 98% of existing transactions being for less than 3 hours, offering up a free period directly and significantly reduces available income. A universal 1 hour free period has been modelled as initially reducing total income by full year £205,000 to £262,000 per annum. This is approximately one third of the total projected positive budget variance, and would make the delivery of parking and sustainable travel strategy aims unaffordable. Furthermore, free periods complicate off street enforcement, which can negatively impact on street enforcement productivity. The benchmarking showed that in Suffolk and Essex only East Suffolk Council offers 30 mins free parking in some selected car parks, and this could be subject to review.

Sunday and bank holiday charging have been considered as an option as this is commonplace in several of the benchmarked authorities. This new charging option

has been rejected as approaching full cost recovery can be achieved without the need to introduce these charges.

It is not easy to separate residents parking from visitors and commuters as residents can also be both visitors and commuters to other locations. We are not proposing a tariff scheme which tries to make this distinction and any future offer of reduced rates or free parking to residents would need to be made universally across the district to be fair, unless the designation of a car park has been allocated for residents only.

Cashless payments have been considered as a default (the only payment type across all car parks) option and this would involve promotion of the digital payment mobile application or making payment via card at a machine. This option has been rejected as full cost recovery can be achieved without the need to do this. The government is developing a National Parking Platform aimed at giving parking users the ability to use their preferred app everywhere and driving down mobile application costs to local authorities and we are monitoring its progress closely.

**Any Declarations of Interests Declared: None**

**Any Dispensation Granted: None**

**102 BCA/23/49 PROCUREMENT OF REPAIRS MANAGEMENT AND SCHEDULING SYSTEM**

- 102.1 The Chair invited the Cabinet Member for Housing to introduce the report.
- 102.2 Councillor Jessie Carter introduced the report and proposed the recommendation as set out in the report. Councillor Daniel Potter seconded this motion.
- 102.3 Councillor Helen Davies questioned whether there would be a post implementation review of the system at regular intervals to address issues and areas of concern. Councillor Jessie Carter responded that the system would be continuously looked at and it was a priority that houses were brought up to standard.
- 102.4 Councillor Derek Davis questioned what benchmarking had been done for Totalmobile. The Housing Transformation Manager responded that Totalmobile were one of the leading providers of the technology and had been successfully implemented in housing associations.
- 102.5 Councillor Deborah Saw referred to the next steps section of the report and asked if the Council currently had suitable personnel or whether there was the need to employ new staff on an interim or permanent basis. The Housing Standards Manager responded that to ensure that for the successful



implementation of the project external skills had been hired and will transfer these skill to existing staff. Additionally, the system would be maintained by the existing systems team.

- 102.6 During the debate Councillor Derek Davis outlined that the implementation of the new system was a good step forward and would offer residents the best service going forward.
- 102.7 Councillor John Ward highlighted that the previous system was not fit for purpose and a new system was essential and would allow the Council to make improvements in building services.
- 102.8 Councillor Sallie Davies stated that the proof in the effectiveness of the system would be shown through the tenants.
- 102.9 Councillor Alastair McCraw outlined that he was pleased that the system integrated into the Council's performance management system, and on the risk register the risks were on the acceptable end of the range.
- 102.10 Councillor Daniel Potter stated that he welcomed the new technology and hoped that it would reduce repair times.

By a unanimous vote.

**It was RESOLVED: -**

- 1.1 That Cabinet approves the appointment of Totalmobile Limited to supply and implement its comprehensive job management system, to help BMSDC implement its transformation / strategic objectives within Building Services. The decision is sought subject to satisfactory agreement of terms with Totalmobile.**

## **REASON FOR DECISION**

**Key Decision required due to the financial value of the contract.**

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

A detailed study undertaken in Building Services determined that current IT system in place were not fit for purpose and did not have the right capability to support overall service management and continuous improvement.

Building services set out several key objectives which placed heavy emphasis on customer satisfaction, enabling appointment booking at first point of contact, ensuring that customer commitments are fulfilled, increasing first time fix rates and reducing the need for secondary customer contact to chase repairs. These were reflected in a detailed specification of requirement which formed part of an Invitation to Tender (ITT process)

3 suitable suppliers were evaluated in detail (ROCC, Totalmobile and Propeller)

through a comprehensive supplier evaluation process. Two further suppliers declined to bid due to maximum budget restrictions and ability to meet our functional requirements

**Any Declarations of Interests Declared:** None

**Any Dispensation Granted:** None

**103 EXCLUSION OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)**

103.1 The meeting was not required to go into closed session.

**104 BCA/23/49 PROCUREMENT OF REPAIRS MANAGEMENT AND SCHEDULING SYSTEM - CONFIDENTIAL APPENDICES**

The business of the meeting was concluded at 14:03pm.

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Chair

# Agenda Item 8

## BABERGH DISTRICT COUNCIL

<b>TO:</b> Babergh Cabinet	<b>REPORT NUMBER:</b> <b>BCa/23/51</b>
<b>FROM:</b> Cllr Daniel Potter, Cabinet Member for Environment	<b>DATE OF MEETING:</b> 07/05/2024
<b>OFFICER:</b> Mark Emms, Director of Operations	<b>KEY DECISION REF NO.</b> CAB455

### APPROVAL OF SCRAP METAL POLICY

#### 1. PURPOSE OF REPORT

- 1.1 To set out the new Scrap Metal Policy for approval by Cabinet.

#### 2. OPTIONS CONSIDERED

- 2.1 That the Cabinet review the final version of the revised Policy and approve it for immediate implementation.
- 2.2 Not to implement the policy, however, to do so would be contrary to best practice and may lead to a lack of clarity on the application of the legislation.

#### 3. RECOMMENDATIONS

- 3.1 It is recommended that Cabinet implement the Scrap Metal Policy 2024 to 2029. Appendix (a).

#### REASON FOR DECISION

The adoption of a policy supports the council's commitment to transparency, fairness and openness when determining applications and ensuring compliance with relevant legislation.

This policy will provide a framework for the process of licensing, auditing and enforcement of scrap metal dealers and collectors and ensure that the process is robust and fit for purpose.

#### 4. KEY INFORMATION

- 4.1 In accordance with the Scrap Metal Dealers Act 2013 (SMDA), Babergh District Council, in its role as Licensing Authority, has been responsible for licensing scrap metal dealers as defined within the Act.
- 4.2 Whilst there is no statutory requirement for a policy under the legislation, it is now considered appropriate to produce a single policy for both Babergh and Mid Suffolk District Councils which sets out a clear and consistent framework for the council's approach to scrap metal licensing.
- 4.3 This new draft policy was presented to the Licensing and Regulatory (L&R) Committee on the 15<sup>th</sup> December 2023.

- 4.4 The L&R Committee approved the policy for consultation and deemed the policy approved to proceed to Cabinet if there were no relevant representations or objections.
- 4.5 On receipt of a representation the following amendments were made to the policy:
- Pg 6, 3.2 - Replaced the wording for skip hire requirements with the exact wording from the Scrap Metal Government Guidance for clarification.
  - Pg 8, 4.4 - Added in a link to the scrap metal guidance issued by the Secretary of State on determining suitability.
  - Pg 14, 12.3 - Added that the Council will consult with Suffolk Constabulary and Environmental Protection. (This has always been undertaken but is now clarified in the Policy)
  - Pg 21, 17.3 - Added a section in relation to complaints to clarify the process.
- 4.6 These amendments are minor and were approved by the Chair of the L&R committee to proceed to Cabinet.
- 4.7 The policy will be reviewed as legislative changes occur and updated accordingly, ensuring it is fit for purpose. A formal review will be carried out at least every five years.

## **5. LINKS TO OUR PLAN FOR BABERGH**

- 5.1 Supporting local businesses.
- 5.2 Delivering good quality core council services.
- 5.3 Engaging, empowering and enabling communities to find local solutions to local issues.
- 5.4 Ensuring every part of Babergh is clean and tidy.
- 5.5 Engaging, empowering and enabling communities to find local solutions to local issues.
- 5.6 Improving access to the services and facilities that support thriving communities & the health and wellbeing of our residents.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The fees are set on a cost recovery basis with the approval of the Licensing & Regulatory Committee. The council is committed to reviewing fees including those for Scrap Metal Licensing on an annual basis as part of the budget-setting process.

## **7. LEGAL IMPLICATIONS**

- 7.1 The policy ensures consistency and proportionality of approach, and it is considered that the Council would be far less likely to be open to legal challenge where a policy is adopted which clearly sets out how applications will be considered, reasons for refusal and our approach to enforcement.

## 8. RISK MANAGEMENT

8.1 Key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Legal Challenge and poor decision making framework	2	1	Policy ensures consistency and proportionality of approach, and it is considered that the Council would be far less likely to be open to legal challenge where a policy is adopted which clearly sets out how applications will be considered, reasons for refusal and out approach to enforcement. Consultation complete and benchmarked against other local authorities.	ORR Protection 016

*\*Name of risk register where risk is currently documented and being actively managed and it's reference number*

## 9. CONSULTATIONS

9.1 The draft policy has undergone a consultation period.

## 10. EQUALITY ANALYSIS

10.1 Equality Impact Assessment (EIA) is not required. An Equality Impact Assessment Initial Screening Form was completed which concluded that there was no need to produce a full EIA.

## 11. ENVIRONMENTAL IMPLICATIONS

11.1 There are no environmental implications.

## 12. APPENDICES

Title	Location
(a) Draft Scrap Metal Policy	Appendix (a)

13.

## 14. BACKGROUND DOCUMENTS

14.1 Scrap Metal Dealers Act 2013 - [Scrap Metal Dealers Act 2013 \(legislation.gov.uk\)](http://legislation.gov.uk)

14.2 Scrap Metal Dealers Act 2013 (Prescribed Documents and Information for Verification of Name and Address) Regulations 2013 - [The Scrap Metal Dealers Act 2013 \(Prescribed Documents and Information for Verification of Name and Address\) Regulations 2013 \(legislation.gov.uk\)](http://legislation.gov.uk)

- 14.3 Scrap Metal Dealers Act 2013 (Prescribed Relevant Offences and Relevant Enforcement Action) Regulations 2013 - [The Scrap Metal Dealers Act 2013 \(Prescribed Relevant Offences and Relevant Enforcement Action\) Regulations 2013 \(legislation.gov.uk\)](#)
- 14.4 Scrap Metal Dealers Act 2013 (Commencement and Transitional Provisions) Order 2013 - [The Scrap Metal Dealers Act 2013 \(Commencement and Transitional Provisions\) Order 2013 \(legislation.gov.uk\)](#)
- 14.5 Scrap Metal Dealers Act 2013: Determining suitability to hold a scrap metal dealer's licence - [Determining suitability to hold a scrap metal dealer's licence - GOV.UK \(www.gov.uk\)](#)
- 14.6 Scrap Metal Dealers Act 2013: Supplementary Guidance - [Scrap Metal Dealers Act 2013: supplementary guidance - GOV.UK \(www.gov.uk\)](#)

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# SCRAP METAL LICENSING POLICY

2024-2029



[www.babergh.com](http://www.babergh.com)

[www.midsuffolk.com](http://www.midsuffolk.com)

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## 1. Introduction

1.1 Metal theft over the last few years has had a significant impact upon our communities, businesses, and local authorities. Such thefts have seen communications and the train networks disrupted, as well as significant costs to local authorities in relation to stolen drainage gully covers and stolen road signs.

The Scrap Metal Dealers Act 2013 (SMDA) has been introduced to address these issues, ensuring that the sale, collection, storage, and disposal of scrap metal, is carried out lawfully.

1.2 This policy outlines the requirements of the SMDA. It also provides guidance to new applicants, existing licence holders and members of the public as to how the council will undertake its role in the administration and enforcement of the act.

1.3 Babergh and Mid Suffolk District Councils (the licensing authority) may depart from its own policy if individual circumstances warrant such a deviation.

1.4 The council has consulted widely in the formulation of this policy, including the following:

- Suffolk Constabulary
- Environment Agency
- Babergh and Mid Suffolk District Councils' Environmental Protection
- All current licence holders
- British Metals Recycling Association
- British Vehicle Salvage Federation
- Vehicles Recyclers Association
- Suffolk Fire and Rescue Service
- Babergh and Mid Suffolk District Councils' Legal Services
- Babergh and Mid Suffolk District Councils' Health & Safety Officer
- Babergh and Mid Suffolk District Councils' Planning Service
- Local residents and businesses

1.5 To ensure the policy remains fit for purpose, it will be reviewed as legislative changes occur and updated accordingly, with a formal review being carried out at least every 5 years. We may make minor amendments to this policy, with the agreement of the Chairperson of the Licensing & Regulatory Committee, Cabinet Member for Licensing and the Corporate Manager for Licensing.

1.6 The legislation that applies to scrap metal dealers should be read in conjunction with this policy. The relevant legislation is as follows:

(a) Scrap Metal Dealers Act 2013 and its subordinate Regulations

## **2. Background**

2.1 The SMDA received Royal Assent on 28<sup>th</sup> February 2013 and came into force on 1 October 2013, with its enforcement powers subsequently coming into force on 1 December 2013. It repeals previous legislation and creates a new regulatory regime for scrap metal recycling and vehicle dismantling.

2.2 The SMDA aims to raise standards across the scrap metal industry by:

- Requiring dealers to keep detailed and accurate records of transactions.
- Requiring dealers to verify the identity of those selling metal to them.
- Prohibition of cash payments for scrap metal.

2.3 A person carries on business as a scrap metal dealer if the person:

- (a) carries on a business which consists wholly or partly in buying or selling scrap metal, whether or not the metal is sold in the form in which it was bought, or
- (b) carries on business as a motor salvage operator (so far as that does not fall within paragraph (a))

2.4 This does not include manufacturing operations that sell metal as a by-product of the operation or because it has a surplus of materials. However, it does include the business of collecting scrap metal, i.e., door to door collectors.

2.5 The SMDA identifies local authorities as the principal regulator and gives them powers to regulate, refuse and revoke licences.

2.6 The SMDA states that “scrap metal” includes:

- (a) Any old, waste, or discarded metal or metallic material, and
- (b) Any product, article or assembly which is made from or contains metal and is broken, worn out or regarded by its last holder as having reached the end of its useful life.

2.7 The following is not considered to be “scrap metal”:

- Gold
- Silver, and
- Any alloy of which two per cent or more by weight is attributable to gold or silver.

### **3. Types of Licence**

3.1 For anyone to carry on a business as a scrap metal dealer, or collector they must have a licence. A licence is valid for three years from the date of issue. Trading without a licence is a criminal offence.

3.2 There are two types of licences specified in the Act:

#### **Site Licence**

A site is defined as any premises used in the course of carrying on business as a scrap metal dealer (whether or not metal is kept there). This means a dealer will require a licence for an office, even if they do not operate a metal store or yard from those premises.

This includes motor salvage operations which carries on a business which consists:

- (a) Wholly or partly in recovering salvageable parts from motor vehicles for re-use or sale and subsequently selling or otherwise disposing of the rest of the vehicle for scrap,

- (b) Wholly or mainly in buying written-off vehicles and subsequently repairing and reselling them,
- (c) Wholly or mainly in buying or selling motor vehicles which are to be the subject (whether immediately or on a subsequent re-sale\_ of any of the activities mentioned in paragraphs (a) or (b), or
- (d) Wholly or mainly in activities falling within paragraphs (b) or (c).

Skip hire companies may require a site licence depending on the circumstances. A company engaging in the buying or selling of scrap metal is likely to require a licence from the council if it forms the whole or part of the person's business.

It is important to note that any person, agent, broker, or trader that buys or sells metal on paper/online without operating a physical scrap metal site is carrying on business as a scrap metal dealer and will require a licence.

Depending on the location of the site, Babergh or Mid Suffolk District Council is responsible for granting licences to any site located within the council's boundaries. All of the sites within the council's area from which the licence holder carries on the business as a scrap metal dealer must be identified. A site manager must be named for each site. A site licence holder can transport scrap metal from third party businesses by arrangement from any other local council area provided it is in the course of business from that site but cannot engage in the regular door to door collections of a licensed collector.

The site licence shall include the following:

- Name of the licensee
- Trading name
- Name of the authority (Babergh or Mid Suffolk District Council)
- All the sites in the authority's area at which the licensee is authorised to carry on business,
- Name of the site manager of each site,

- The date on which the licence is due to expire.

### **Collector's Licence**

A collector is defined as a person who carries on a business as a scrap metal dealer otherwise than at a site, and regularly engages in the course of that business in collecting waste metal including old, broken, worn out or defaced articles by means of door-to-door collections. Scavenging for metal can be classed as making door to door collections.

The licence allows the holder to collect scrap metal within the area of the issuing local authority, (Babergh or Mid Suffolk District Council). The licence does not permit the holder to operate a scrap metal site, nor does it allow collection outside of the area of the issuing authority. If a person collects scrap from numerous local authority areas, a collector's licence will be required from each local authority they collect scrap within.

A mobile collector cannot store scrap metal at a premises. However, in the course of a collection, it is common practice for collectors to wait for their vehicle to be at capacity before unloading it at a scrap metal dealer's site. Babergh and Mid Suffolk Councils do not consider the storage of scrap metal on the collector's vehicle to render the premises the vehicle is stored at as a site, provided the vehicle is not unloaded at that location.

Those transporting metal to a scrap metal site for profit are required to be registered as a 'waste carrier'. Waste carriers must ensure that the waste goes to a properly licensed or exempt site; they must complete a waste transfer note which must include a description of the waste and be signed by the carrier and the person to whom the waste is given or sold. Details of licensed sites can be checked on the Environment Agency public register.

3.3 A dealer can only hold ONE type of licence in any one local authority area. They cannot hold both a site and mobile collectors' licence with one authority.

#### 4 Suitability of Applicant

4.1 The SMDA is clear that the council has to be satisfied that an applicant is a suitable person to carry on the business as a scrap metal dealer.

4.2 The council may have regard to any information which it considers to be relevant, this may include:

- (a) Whether the applicant or site manager has been convicted of any relevant offence; or
- (b) Whether the applicant or site manager has been the subject of any relevant enforcement action; or
- (c) Whether there has been any refusal of an application of the issue or renewal of a scrap metal licence, and the reasons for the refusal; or
- (d) Whether there has been any refusal of an application for a relevant environmental permit or registration, and the reasons for the refusal; or
- (e) If there has been any previous revocation of a scrap metal licence, and the reasons for the revocation; or
- (f) Whether the applicant has demonstrated there will be adequate procedures in place to ensure compliance with the Act.

4.3 The Council may consult other persons regarding the suitability of an applicant including, in particular:

- (a) Any other local authority
- (b) The Environment Agency
- (c) An officer of a police force

4.4 The Council will also have regard to the guidance issued by the Secretary of State on determining suitability. [Scrap Metal Dealers Act 2013: determining suitability to hold a scrap metal dealer's licence \(publishing.service.gov.uk\)](#)

- 4.5 Relevant offences or relevant enforcement action are those listed under the Scrap Metal Dealers Act 2013 (Prescribed Relevant Offences and Relevant Enforcement Action) Regulations 2013. [The Scrap Metal Dealers Act 2013 \(Prescribed Relevant Offences and Relevant Enforcement Action\) Regulations 2013 \(legislation.gov.uk\)](#)
- 4.6 Each application will be considered and determined on its own merits and on a case-by-case basis, having taken into consideration this policy and any statutory requirements and other relevant information.
- 4.7 In accordance with the council's scheme of delegations, decisions relating to scrap metal licensing are made by authorised officers.

## **5 Supply of Information by the Authority**

- 5.1 The council has a duty to pass on information in relation to an application for, or relating to a scrap metal licence when requested by;
- (a) Any other local authority;
  - (b) The Environment Agency; or
  - (c) An officer of a police force.

This does not limit any other power the authority has to supply that information.

## **6 Register of Licences**

- 6.1 The Environment Agency will maintain a register of scrap metal licences issued by all local authorities in England. The register will include the following information:
- (a) name of the authority which issued the licence;
  - (b) the name of the licensee;
  - (c) any trading name of the licensee;
  - (d) the address of the site identified on the licence;
  - (e) the type of licence, and
  - (f) the date of expiry on the licence.

The register will be open for inspection by members of the public.

## **7 Display of Licence**

- 7.1 Once granted, a copy of the licence must be displayed at each site identified on the licence, in a prominent place accessible to members of the public.
- 7.2 A copy of a collector's licence must be displayed on any vehicle that is being used during a dealer's business. It must be affixed to the rear of the vehicle. If a collector has multiple vehicles there will be an additional charge for each extra plate.
- 7.3 A mobile collector and site manager must also have with them the prescribed form of identity available for inspection at all times that they are carrying out activities under the SMDA.

## **8 Verification of Supplier's Identity**

- 8.1 Before receiving scrap metal, the dealer must verify a person's full name and address, by reference to documents or data from a reliable and independent source e.g. driver's licence, utility bill, council tax bill or bank statement.
- 8.2 In the course of collecting door to door, it may not be possible for a mobile collector to verify the name and address of the supplier if the waste materials and old, broken, worn out or defaced articles have been left on the roadside.
- 8.3 A mobile collector shall record the description of the metal, including its type (or types if mixed), form, condition, weight, and any marks identifying previous owners or other distinguishing features and the date and time of its receipt.
- 8.4 If suitable verification is not obtained the scrap metal dealer, or site manager, or person who has been delegated responsibility shall be guilty of an offence.

## **9 Payment for Scrap Metal**

- 9.1 From 1 October 2013, cash cannot be used by any scrap metal dealer to buy scrap metal. It is an offence to buy scrap metal for cash under section 12 of the Act and there are no exceptions. Only payment by a non-transferable cheque or an



electronic transfer of funds will be acceptable. This will mean that the payment will be linked to a readily identifiable account, for both the payee and the payer.

## **10 Records**

10.1 The scrap metal dealer must keep three types of records:

- (a) Receipt of Metal
- (b) Dispose of Metal
- (c) Supplementary

### **10(a) Receipt of Metal**

10.2 If metal is received in the course of the dealer's business, the following must be recorded:

- (a) Description of the metal, including its types (types if mixed), form, condition, weight and any marks identifying previous owners or other distinguishing features;
- (b) Date and time of receipt
- (c) The registration mark of the vehicle it was delivered by;
- (d) Full name and address of the person delivering it, and
- (e) Full name of the person making payment on behalf of the dealer.

10.3 The dealer must keep a copy of the documents used to verify the delivery person's name and address.

10.4 If payment is by cheque a copy of the cheque must be retained.

10.5 If payment is by electronic transfer a receipt identifying the transfer must be retained, or the details of the transfer.

### **10(b) Disposal of Metal**

10.6 Disposal under the Act covers metal:

- (a) Whether or not it is in the same form when it was purchased;
- (b) Whether or not it is to another person; or
- (c) Whether or not it is dispatched from a site

- 10.7 Disposal records must be recorded, including:
- (a) Description of the metal, including its type (types if mixed), form, weight
  - (b) Date and time of disposal;
  - (c) If to another person, their full name and address, and
  - (d) If payment is received for the metal (sale or exchange) the price or other consideration received.
- 10.8 If disposal is in the course of business conducted under a collector's licence, the dealer must record:
- (a) Date and time of disposal, and,
  - (b) If to another person, their full name and address.

## **10 (c) Supplementary**

- 10.9 The information collected during receipt and disposal must be recorded in such a manner that allows the information and the metal to which it relates to be easily identified.
- 10.10 The records of receipt must be marked to identify the metal to which they relate.
- 10.11 Records must be kept for a period of 3 years beginning on the day of receipt, or disposal (as may be).
- 10.12 If suitable records for the receipt or disposal of scrap metal are not kept, then the scrap metal dealer, or site manager, or person who has been delegated responsibility by the dealer or site manager for keeping records, shall be committing an offence.
- 10.13 A dealer or site manager may have a defence if they can prove arrangements had been made to ensure the requirement to keep records was fulfilled, or that they took all reasonable steps to ensure those arrangements were complied with.

## 11 Right of Entry & Inspection

- 11.1 An authorised officer of the council may enter and inspect a licensed site at any reasonable time, otherwise than on notice to the site manager if:
- (a) Reasonable attempts to give notice had been given or
  - (b) Entry to the site is reasonably required for the purpose of ascertaining whether the provisions of the Act are being complied with or investigating offences under it, and, in either case, the giving of the notice would defeat that purpose.
- 11.2 An authorised officer of the council is not entitled to use force to enter a premises, but may ask a justice of the peace to issue a warrant authorising entry, if they are satisfied there are reasonable grounds for entry to the premises is reasonably required for the purpose of:
- (a) Securing compliance with the provisions of the Act, or
  - (b) Ascertaining whether those provisions are being complied with.
- 11.3 'Premises' under this section include:
- (a) Licensed site, or
  - (b) Premises that are not licensed, but there are reasonable grounds for believing the premises are being used as scrap metal dealing business.
- 11.4 An authorised officer of the council may use reasonable force in the exercise of the powers under a warrant issued by the justice of peace, refer to point 11.2 of this policy.
- 11.5 An authorised officer of the council may require:
- (a) Production of, and inspect, any scrap metal kept at any licensed premises, and
  - (b) Require production of, and inspect, any records kept in respect of receipt and disposal of metal, and
  - (c) To take copies of or extracts from any such record.

11.6 An authorised officer of the council must produce evidence of their identity, and evidence of their authority to exercise these powers, if requested by the owner, occupier, or other person in charge of the premises.

## **12 Application Procedure**

12.1 An application form, available from the relevant council's website or from the licensing team must be completed, together with the correct fee and a current Basic Disclosure of Criminal Convictions. A Basic Disclosure will be valid for 3 months from the date of issue.

12.2 All applicants, directors and site managers must prove their right to work at the point of application. This may be by providing original documents in line with the requirements of the legislation. The Council will recognise the Government Right to Work Share Code service as a means of proving right to work.

12.3 Suffolk Constabulary and Environmental Protection will be consulted on all applications.

12.4 A licence once granted is valid for 3 years.

12.5 A renewal application must be received before the expiry of the current licence.

12.6 If a licence renewal application is refused, the licence expires when no appeal is possible, or no appeal is determined or withdrawn.

12.7 A licence may be varied from one type to another, i.e., site licence to collector's licence.

A variation application must be made to reflect changes to:

- (a) Name of licensee, site manager, or sites on a site licence, or
- (b) Name of licensee on a collector's licence.

A variation cannot be used to transfer the licence to another person, only to amend the name of a licensee. Application to vary must be made to the issuing authority.

- 12.8 When a renewal application is received prior to the expiry date of the licence, the licence continues in effect unless the application is subsequently withdrawn, and then the licence will expire on the day in which the application was withdrawn.
- 12.9 The council may request additional information is provided for the consideration of the application. Failure to provide such information may result in the application being refused.
- 12.10 The fee is set by the council under the guidance issued by the Home Office with the approval of the Licensing & Regulatory Committee.
- 12.11 Fees are set after considering the cost of processing, administering and compliance costs associated with the licence. The council is committed to reviewing fees on a regular basis.
- 12.12 If the council proposes to refuse an application, or to revoke, or to vary a licence by imposing conditions, a notice must be issued to the licence holder setting out the council's proposals and the reasons for their decision. The notice will indicate the time in which the applicant or licensee can either:
- (a) make representation about the proposal, or
  - (b) Inform the council that the applicant or licensee wishes to do so.

The council will stipulate a period of 21 days for representations or intentions to be received.

- 12.13 If the applicant or licensee does not make representation or notify the council that they wish to do so, the council may refuse, revoke, or vary the licence.
- 12.14 If a notification is received that the applicant or licensee wishes to make representation, the council must allow a reasonable period for them to make their representation. The council will allow 21-days for written representations to be received from the date the application becomes contested, or the council receives

notification of the applicant having a relevant offence. The applicant or licensee may wish to make an oral representation; if this is the case the person must notify the council within the 21-day period.

12.15 If this period lapses, without a written representation, or a request for an oral representation being received, the council may refuse, revoke or vary the licence.

12.16 Where there is a representation, a hearing will be arranged within 28 days, and the case will be presented before a panel of the Licensing and Regulatory Committee. The applicant or licensee will be invited to attend. The council will give at least 10 working days' notice of the date and time of the hearing to the applicant or licensee.

12.17 In the event of a refusal of an application, revocation or variation of a licence, notice outlining the council's decision and the reasons for it will be given to the applicant/licensee. The notice will include the appeal procedure.

### **13 Revocation and Imposing Conditions**

13.1 The council may revoke a scrap metal licence if it is satisfied the licence holder does not carry on a scrap metal business at any of the sites named on the licence.

13.2 The council may revoke a scrap metal licence if it is satisfied the site manager named on the licence does not act as a site manager at any of the named sites on the licence.

13.3 The council may revoke a scrap metal licence if it is no longer satisfied the licence holder is a suitable person to carry on the business.

13.4 If the licence holder, or site manager named on a licence is convicted of a relevant offence, the authority may impose one or both of the following conditions:

- (a) The dealer must not receive scrap metal except between 9am and 5pm on any day.

(b) All scrap metal received must be kept in the form in which it was received for a specified period, not exceeding 72 hours, beginning with the time when it was received.

13.5 A revocation or variation only comes into effect when no appeal under the Act is possible, or when such appeal has been determined or withdrawn.

13.6 If the authority considers the licence should not continue without the addition of one or more of the conditions in section 14.4 of this policy, the licence holder will be given notice:

(a) that, until a revocation comes into effect, the licence is subject to one or both conditions, or

(b) that a variation comes into immediate effect.

## **14 Appeals**

14.1 An applicant may appeal to the Magistrates' Court against a refusal of an application or variation.

14.2 The licensee may appeal to the Magistrates' Court against the inclusion on the licence of a condition under Section 3(8) of the Act, or a revocation or variation of a licence under Section 4 of the Act.

14.3 The appeal procedure will be in accordance with the Magistrates' Courts Act 1980 and must be lodged within 21 days of receipt of the decision notice.

14.4 On appeal the Magistrates' Court may confirm, vary or reverse the council's decision, and give such directions as it considers appropriate having regards to the provisions of the Act.

## **15 Closure of Unlicensed Sites**

15.1 If an authorised officer of the council is satisfied premises are being used by a scrap metal dealer in the course of their business and the premises are unlicensed, they may issue a closure notice.

- 15.2 A copy of the notice must be given to:
- (a) a person who appears to be the site manager, and
  - (b) any person who appears to be a director, manager, or other officer of the business.
- 15.3 A copy may also be given to any person who has an interest in the business, a person who occupies part of the premises, or where the closure may impede a person's access to that other part of the premises.
- 15.4 After a period of 7 days, the authorised officer may apply to a justice of the peace for a closure order. The court must be satisfied the premises will continue to be used by a scrap metal dealer, or there is a reasonable likelihood that the premises will be.
- 15.5 A closure order may close the premises immediately, and the premises may remain closed to the public until the council makes a termination of closure order by certificate. The scrap metal dealer may be required to cease business immediately. It may require the defendant to pay a sum into the court, which shall not be released until the person has complied with the requirements of the order.
- 15.6 Such an order may have a condition relating to the admission of people into the premises or may include a provision the court considers appropriate.
- 15.7 A copy of the order must be placed on the premises in a prominent position by the council.
- 15.8 Once the requirements of the order have been complied with and the council is satisfied the need for the order has ceased, a certificate may be made. This ceases the order and the sum of money paid into the court is released.
- 15.9 A copy of the certificate must be given to any person the closure order was made against, give a copy to the court, and place a copy on the premises.
- 15.10 A copy must be given to anyone who requests one.



- 15.11 Anyone issued with a closure order may make representation to a justice of the peace. The court may discharge the order, if it is satisfied there is no longer a need for a closure order.
- 15.12 The licensing authority may be required by the court to attend and answer the representation made.
- 15.13 Notice of the hearing must be given to all people issued with the closure order.
- 15.14 Appeal may be made to the Crown Court against:
- (a) a closure order;
  - (b) a decision not to make a closure order;
  - (c) a discharge order; or
  - (d) a decision not to make a discharge order.
- 15.15 Any appeal must be lodged within 21 days beginning on the day on which the order or decision was made.
- 15.16 Appeal a) and b) may be made by any person who was issued with an order.
- 15.17 Appeal c) and d) may be made by the Licensing Authority.
- 15.18 A person is guilty of an offence, if they allow the premises to be open in contravention of a closure order, without reasonable excuse, or fails to comply with, or contravenes a closure order.
- 15.19 An authorised officer of the authority may enter the premises at any reasonable time to ensure compliance with the order. They may use reasonable force if necessary.
- 15.20 An authorised officer must produce evidence of their identity or evidence of their authority to exercise the powers under the Act, if requested to do so.

## 16. Delegation of Functions

16.1 Where there are uncontested applications, or where there are no questions about the suitability of the applicant the determination should be dealt with by the council's licensing officers.

16.2 Contested applications where there is relevant information from any of the consultees, or queries regarding an applicant's suitability, revocation of a licence or the imposition of conditions will be presented to the Licensing and Regulatory Committee.

16.3 Table 1 below outlines the Delegation of Functions.

Table 1. Delegation of Functions			
<b>Matter to be dealt with</b>	<b>Licensing and Regulatory Committee</b>	<b>Corporate Manager or Team Leader</b>	<b>Officers</b>
Determination of policies and strategies		All cases	Officers
New or renewal application	All cases where there are unspent relevant convictions or contested cases following receipt of information from other statutory bodies		All cases where there are no unspent relevant convictions or where cases are uncontested
Variation of licence by imposition of conditions following licence holder or site manager being			All cases

convicted of a relevant offence			
Revocation of licence	All cases	Some cases if urgent decision required	
Variation of licence under schedule 1/section 3			All cases

## 17 Enforcement

- 17.1 In order to ensure compliance with the legislation and any conditions imposed, premises will be inspected using a risk-based approach.
- 17.2 The council will work with partner agencies to ensure that the provisions of the Act are complied with. Non-compliance may result in enforcement action being taken.
- 17.3 Complaints made to the Council regarding licensed or unlicensed Scrap Metal Dealers are investigated, recorded and monitored and enforcement action will be taken as appropriate and necessary.
- 17.4 Appropriate enforcement action will be taken in accordance with the legislation, any guidance issued under that legislation and the council's enforcement policy.

## 18. Offences & Penalties

- 18.1 The following paragraphs are indicative of the general offences and penalties. Independent legal advice should be sought for individual cases.
- 18.2 Offence relating to scrap metal dealing are described below under the relevant legislation.
- 18.3 Table of Offences -Scrap Metal Dealers Act 2013

Section	Offence	Maximum Penalty
---------	---------	-----------------

1	Carrying on the business as a scrap metal dealer without a licence	Level 5
8	Failure to notify the authority of any changes to details given within the application	Level 3
10	Failure to display site licence or collectors' licence	Level 3
11 (6)	Receiving scrap metal without verifying persons full name and address	Level 3
11 (7)	Delivering scrap metal to a dealer and giving false details	Level 3
12 (6)	Buying scrap metal for cash	Level 5
13	Failing to keep records regarding receipt of metal	Level 5
14	Failing to keep records regarding disposal of metal	Level 5
15 (1)	Failure to keep records which allow the information and the scrap metal to be identified by reference to one another	Level 5
15 (2)	Failure to keep copy document used to verify name and address of person bringing metal, or failure to keep a copy of cheque issued	Level 5
15 (3)	Failure to keep information and records for 3 years	Level 5
16	Obstruction to right of entry and failure to produce records	Level 3

- 18.4 Where an offence under the Act is committed by a corporate body and is proved
- (a) To have been committed with the consent or connivance of a director, manager, secretary or similar officer, or
  - (b) To be attributable to any neglect on the part of any such individual, the individual as well as the body corporate is guilty of the offence and liable to prosecution and receive the appropriate penalty.

18.5 Where the affairs of the body corporate are managed by its members, any acts or omissions committed by that member will be treated as though that member were a director of the body corporate.

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# Agenda Item 9

## BABERGH DISTRICT COUNCIL

<b>TO:</b> Babergh Cabinet	<b>REPORT NUMBER:</b> <b>BCa/23/52</b>
<b>FROM:</b> Cabinet Member For Environment – Daniel Potter	<b>DATE OF MEETING:</b> 07/05/2024
<b>OFFICER:</b> Director of Operations & Climate Change – Mark Emms	<b>KEY DECISION REF NO.</b> CAB473

### Simpler Recycling – Food Waste Collections

#### 1. PURPOSE OF REPORT

- 1.1 Government has legislated for Councils to align their waste and recycling services with new nationwide Simpler Recycling<sup>1</sup> requirements<sup>2</sup> by 31<sup>st</sup> March 2026. The council will need to provide a new kerbside weekly household food waste collection service and vary the existing dry recycling collection service to include glass, in order to remain compliant.
- 1.2 This report concerns the requirements around separated weekly food waste collections from all households at the kerbside and seeks to enable officers to progress procurement to meet the deadline and manage risk.
- 1.3 The capacity of the supply chain to meet an unprecedented nationwide demand for specialist food waste collection vehicles and bins poses a delivery risk to Waste Collection Authorities meeting the deadline.
- 1.4 Further choices for recycling and residual waste collection methodology and frequency will need to be taken during 2024 and these will be briefed to members and brought to cabinet to make decisions by the summer. Preferred recycling collection options that have been developed by Suffolk Waste Partnership members and the final choices will need to take into account the benefits that a common collections method gives to disposal. This collections choice is not expected to pose the same risk for new vehicle procurement and as such does not need to be considered as expediently.

#### 2. OPTIONS CONSIDERED

- 2.1 The options presented in this report assume that the council will comply with the requirements of the government legislation in respect of food waste collections. Officers do not believe the council has any grounds to apply to DEFRA for an exemption to the legislation and delay making this change by 31<sup>st</sup> March 2026. Therefore, the paper does not consider options about whether to not provide the service.
- 2.2 **Option A** - commence procurement of the vehicles, caddies, and bins as soon as practicably possible after a decision has been made by cabinet.

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<sup>1</sup> [Simpler Recycling Press Release – gov.uk](#)

<sup>2</sup> [Simpler Recycling reforms summary | Campaign Monitor \(createsend.com\)](#)

This is the recommended option as it is the most likely to ensure that the procurements are complete, and contracts awarded in sufficient time for deliveries to be made for the Council to meet the implementation deadline of 31<sup>st</sup> March 2026.

- 2.3 **Option B** - delay procurement of the vehicles, caddies and bins that will be required and await further funding guidance and information from the Government (not expected before Autumn 2024) on the implementation of food waste collections.

This option is not recommended as the delay may result in vehicle orders being further back in the supply chain resulting in not receiving them in sufficient time to meet the implementation deadline of 31<sup>st</sup> March 2026.

<p><b>3. RECOMMENDATIONS</b></p> <p>3.1 The introduction of a weekly kerbside food waste collection service to all households using dedicated vehicles by or before 31 March 2026 to meet new statutory requirements is approved.</p> <p>3.2 Delegated Authority is given to The Director of Operations, in consultation with the Cabinet Members for the Environment and Finance, to agree and authorise the procurement strategy, individually and/or collectively as required with partner Suffolk councils, to deliver the necessary infrastructure including vehicles, bins and material processing within the financial constraints described in section 5.</p> <p>3.3 Delegated Authority is provided to The Director of Operations, in consultation with the Cabinet Members for the Environment and Finance to progress agreement of the Contract Variation of the Joint Waste Contract with Serco PLC to include the introduction of food waste collections.</p>
<p><b>REASON FOR DECISION</b></p> <p><b>To ensure that the Council can effectively implement weekly Food Waste Collections to meet its statutory requirements in compliance with environmental law in accordance with Simpler Recycling, by the 31<sup>st</sup> March 2026 deadline.</b></p>

#### 4. KEY INFORMATION

- 4.1 The Government has set a clear legal requirement for councils to introduce a separate weekly collection of food waste from all households by 31<sup>st</sup> March 2026.
- 4.2 Householders will be asked to separate their food waste and present it for collection on a weekly basis from the kerbside.
- 4.3 An internal food waste caddy (approx. 5 litres) will need to be provided to householders for use in the kitchen. This provides the householder with somewhere to store food waste in the short term (day to day) and helps improve collection yields.
- 4.4 Householders will empty their food waste into an external food waste caddy of approximately 23 litres (approximately 10% of the size of a standard 240L wheelie bin) which can be stored either on top of or beside their existing bins. Residents in houses of multiple occupancy or where larger communal bins are already provided will have larger external bins to empty their food waste into.



- 4.5 The waste collection teams will empty the food waste from these external caddies or communal bins from the kerbside into a dedicated food waste collection vehicle and return the bins.
- 4.6 Modelling carried out by Eunomia for SWP in 2022 has led officers and members to narrow down the preferred food waste collections method to being the use of dedicated 7.5/11.5t vehicles with driver plus two loaders.
- 4.7 The Council will need 7 collect rounds and to share 3 spare vehicles with MSDC – 8.5 new food waste collection vehicles. Current lead times on food collection vehicles are estimated at a minimum of 6 months but could easily be 9-15 months as further local authority pressure on the supply chain is expected due to this change.
- 4.8 There is a requirement to procure both internal and external food waste caddies, plus additional bins for communal properties. Colours to be confirmed but expected to be from a standard range of brown, grey, green, blue or black, with a preference to be consistent across the county.
- 4.9 Whilst lead times on the manufacture and supply of both internal and external food waste caddies and communal bins is not expected to be as lengthy as for vehicles, it is considered prudent to undertake the procurement of these as early as possible and ensure that orders are placed which ensure that deliveries are received at least 6 months prior to commencement of the service.
- 4.10 The Suffolk Waste Partnership undertook food waste market research in 2022 and established strong market interest for the processing of Suffolk collected food waste and the most likely technical solution would be through Anaerobic Digestion. This work, supported by Defra's 'Waste Infrastructure Delivery Programme' (WIDP), also concluded that the best value solution for the processing of collected food would be through a market driven procurement.
- 4.11 As the Waste Disposal Authority, Suffolk County Council will undertake the food processing procurement with support from all the Suffolk Waste collection Authorities (4 Districts and Borough Councils).
- 4.12 Suffolk County Council are currently preparing procurement documents for food waste treatment, with an anticipated procurement start of late May/Early June 2024 and contract award in late Summer.
- 4.13 The disposal procurement process is expected to divide the work by geographic lots considering the location of the counties existing waste transfer stations. This will allow potential bidders to offer a whole county solution or bid for the tonnage from a single lot. A similar approach to procurement has previously been adopted for garden waste composting facilities.
- 4.14 In addition to the need for new food waste treatment, SWP councils will need localised delivery points for the collected food waste. Suffolk County Council has begun work to assess and make the changes that will be required at transfer stations. The planning and construction timescales for these infrastructure changes are another reason that food service decisions need to be taken promptly.
- 4.15 The end delivery point for the food tonnage is not known at this stage and this will be dependent on how the market responds. We expect to deliver collected food waste directly into SCC waste transfer stations at West Suffolk Councils Operational Hub in

Bury St Edmunds, Ransomes Europark in Ipswich or directly to a new more advantageous market provided AD facility in the area, if this can be procured.

## 5. LINKS TO OUR PLAN FOR BABERGH

- 5.1 The new food waste collection service will create 7 new HGV class 2 driving positions and 14 loader roles, plus relief cover.
- 5.2 Environmental benefits are covered in section 11.

## 6. FINANCIAL IMPLICATIONS

Capital - Expenditure/Income Item – <b>BDC</b>	Total	2024/25	2025/26	2026/27
New Burdens Capital Grant Funding	-1,008,912	-1,008,912		
Additional Required Capital Expenditure – spare vehicles (50% of 3 spare vehicles)	150,000		150,000	
10% Contingency- cost inflation / containers	109,000		109,000	
Capital Shortfall / Borrowing Required	259,000		259,000	
Principal repayment (7 years)	74,000		37,000	37,000
MRP / Financing Costs	24,951		13,080	11,871
<b>Total Cost</b>	<b>98,951</b>			

- 6.1 The Government has announced £295m of capital New Burdens funding in England and Wales to pay for Local Authorities to purchase assets (vehicles and containers) to deliver the new food waste collections service where this is required.
- 6.2 The allocated capital grant funding for food waste vehicles and containers (bins) is currently set out as below. We do not believe this covers the cost of spare vehicles (1.5 of) and are challenging this with Defra in light of the route modelling information we have. The likelihood of success in this appeal is unknown.

Local Authority	Kitchen caddies (plus spares)	Kerbside caddies (plus spares)	Communal Wheeled Bins (plus spares)	Vehicles (plus spares)	Total Funding
BDC	£88,341	£197,088	£7,383	£716,100	£1,008,91

- 6.3 The exact difference between the procured cost of the required number of vehicles and containers and the Defra grant is unknown. Including contingency this is estimated to be up to £259,000, with the grant funding being received in 2024 and the supply expenditure not being expected until 2025. Therefore, it should be recognised that a decision to proceed will require additional funding from the capital

programme in 2025, incurring repayment for borrowing (to be determined by treasury management process) with repayment over 7 years depending on confirmed vehicle life.

- 6.4 Waste Collection Authorities have been advised New Burdens revenue funding will also be available to support the 'new burden' increase in costs of delivering this service. This is expected to be applied to the Revenue Support Grant from April 2026, but at present no further detail is available.
- 6.5 In 2022 the Suffolk Public Sector Leaders group allocated £375,000 of joint funding to support the countywide coordination and collaborative delivery of the simpler recycling changes. This is expected to fund programme management procurement oversight, expert advice such as collection round analysis, and some joint communications activity.
- 6.6 Making this recommended decision to proceed with procurement will move the council further towards implementing food waste collections, and whilst if the government changed its position on new burdens funding it may be possible to stop and resell vehicles, it is likely the council will be committed to fully rolling out the new service.
- 6.7 In order to deliver the service, the Joint Waste Contract Babergh and Mid Suffolk District Councils have with Serco PLC will need to be varied to cover the additional collections cost and initial dialogue has taken place. This will include a range of costs including Drivers (LGV & HGV), loaders, relief staff, vehicle running costs, bin deliveries, compliance and training, overheads and profits.
- 6.8 The new vehicles will require overnight parking spaces in the depot, and it is unknown if a larger depot will be available before this service change is implemented. In the event this is not the case, then we are confident that acceptable temporary arrangements can be put in place for staff and visitor car parking, and with some basic surface reconfiguration works we will be able to accommodate the new vehicles and containers. This will require additional funding to be agreed and is in many respects linked to the depot project.
- 6.9 Suffolk County Council will benefit from reduced residual waste tonnage going to the Energy from Waste plant and will lose some income from lower levels of electricity produced. They will incur Waste Transfer Station modification infrastructure costs and there will be gate fee and transfer costs associated to the new food waste stream. At this stage SCC do not know the nett position on existing or future recycling credits in respect of food waste. SCC will not receive any new burdens funding.
- 6.10 Under the new Extended Producer Responsibility (EPR) scheme for packaging the Government is making producers responsible for the full net costs incurred by local authorities from collection and recycling/disposing of the packaging waste materials they place on the market. Producers will pay into a centrally administered fund which will pay councils.
- 6.11 Councils have been told that Government will provide authority specific EPR payment forecasts by Autumn 2024 to assist with local budget setting. However, actual payments won't commence until late 2025 at the earliest, albeit backdated to cover the period from April 2025.

6.12 We do not expect to profit from this arrangement and have been advised a mechanism would be in place to prevent this. However, it is the intention that EPR payment will become progressively more linked to recycling system performance over time. It is understood that councils who demonstrate that their waste services are efficient and effective will receive the highest tier of payments, however the criteria has not been published

## 7. LEGAL IMPLICATIONS

7.1 The introduction of a food waste collection service is a Statutory requirement, so failure to do so will be a breach of our Statutory duties as set out in the Environment Act 2021 and subsequent guidance.

7.2 Procurements will be carried out in accordance with all statutory guidance, the law and the councils standing orders.

## 8. RISK MANAGEMENT

8.1 Key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Non compliance with legislation and regulatory standards	3	2	Regulatory change management Compliance risk assessment	SRR024
The Council may not be ready for RAWs and may face legislative penalties as a result	3	3	Work closely as part of member, director and officer groups within the Suffolk Waste Partnership to develop plans, share procurement risk, share project resourcing and support  Monitor and act on all Defra advice and communications  Brief joint cabinets and political groups	ORR Waste 11
Allocated Capital and Revenue Funding will not cover the cost of delivering Food Waste Collections	3	3	Challenge of the funding allocations with Defra  Ensure costs are managed at all stages	ORR Waste 13

## **9. CONSULTATIONS**

- 9.1 In December 2018 Government published its Resources and Waste Strategy (RAWS).
- 9.2 Government subsequently consulted on various RAWS policies in 2019 and 2021, following which in November 2021 the Environment Act was passed, providing the legislative basis through which the strategic waste reforms will be enacted.
- 9.3 In October 2023 Government published its plans for Simpler Recycling with some further clarity on implementation and funding being released in the subsequent months.

## **10. EQUALITY ANALYSIS**

- 10.1 An EQIA initial screening was completed to determine whether the policy has any relevance for equality and if there is any impact on one or more of the 9 protected characteristics as defined by the Equality Act 2010. The screening identified that a full impact assessment was not required.'

## **11. ENVIRONMENTAL IMPLICATIONS**

- 11.1 Separating food waste will lead to a directly proportional drop in residual waste which is treated via the Energy from Waste plant in Great Blakenham. A reduction in approximately 7,000 tonnes will lead to a Co<sub>2</sub> emissions reduction of 1000 tonnes per annum from Suffolk County Councils carbon emissions.
- 11.2 The vehicle tailpipe emissions for collection and transfer costs of diesel vehicles has been calculated to be in the order of 5% of the overall system emissions.
- 11.3 Purchasing Euro VI engine vehicles will continue to allow the use of alternative HVO fuel which avoids 90% of collection vehicle carbon emissions.
- 11.4 Electric food waste collection vehicles are being quoted as around 2 to 3 times the price of Euro VI engines vehicles. We will investigate this option further – consulting with other councils that use EV's, looking at charging infrastructure needs, obtaining prices through procurement and doing a full options appraisal to be brought back to Cabinet.
- 11.5 Food waste containers will be purchased with a high content of recycled material, but we are advised that some virgin material is required by suppliers to maintain UV resistance and maintain structural integrity over time.
- 11.6 Promoting home composting as a preference over kerbside recycling will be promoted and the current discounted compost bin scheme reviewed.
- 11.7 The by-products of the AD food waste treatment process will be an organic soil improver which can be used locally by farmers and a green biogas which can be injected into the national grid or converted into clean electricity. This will be managed by the winning bidder and detailed in the procurement process.

## **12. APPENDICES**

Title	Location
(a) N/a	

**13. BACKGROUND DOCUMENTS**

**14. REPORT AUTHORS**

Mark Emms            Director of Operations and Climate Change

Ollie Faiers            Head of Waste, Recycling and Fleet.

# Agenda Item 10

## BABERGH DISTRICT COUNCIL

<b>TO:</b> Babergh – Cabinet	<b>REPORT NUMBER:</b> BCa/23/53
<b>FROM:</b> Cllr Jessie Carter – Cabinet Member for Housing	<b>DATE OF MEETING:</b> 07.05.24
<b>OFFICER:</b> Deborah Fenton – Director of Housing	<b>KEY DECISION REF NO.</b> CAB465

### HRA Business Plan

#### 1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to present the draft 30-year business plan for the HRA to Cabinet. The Business Plan is a document which contains our financial plan over the next 30 years and the priorities as decided upon through engagement with members, tenants and officers. The constitution states that the HRA business plan be presented to Cabinet and then to Full Council to be ratified.

#### 2. OPTIONS CONSIDERED

- 2.1 The HRA business plan is essential in achieving a balanced budget and sustainable medium-term financial position. Therefore, no other options are appropriate in respect of this.

#### 3. RECOMMENDATIONS

- 3.1 It is recommended that members agree on the contents of the business plan, which will, after the completion of the governance journey will be formatted to provide a document which will be available to Members, Tenants, and the General Public.

#### REASON FOR DECISION

The production of a business plan allows both members and tenants to view our aspirations. As part of the social housing regulations, tenants need to be able to hold us to account on the delivery of the priorities and evidence where tenant feedback has been used as part of the decision-making process around what the income from rent is spent on.

#### 4. KEY INFORMATION

- 4.1 There have been many changes in the housing landscape over the last 3 years, and this has impacted the aspirations of local authority landlords in general. Further changes in the sector are expected with the introduction of the Decent Homes Standard 2 and the Competence and Conduct standard which requires senior officers, who deliver services to our tenants to have a minimum level of housing qualification.
- 4.2 With the introduction of the new consumer standards from April 2024, we have had to review our priorities through the lens of the regulatory standards; further work will be undertaken with regard to governance and how we can demonstrate that we (members) and tenants have oversight over the Housing Directorate.

- 4.3 The Council has committed to producing an annual business plan which sets out our financial position for the next financial year. Our decision making around deciding on our priorities for the housing service have been informed using tenant feedback gained through the Tenant Satisfaction Measures, Complaints, and other tenant insight, as well as councillor and officer engagement through business plan workshops.
- 4.4 It was decided to align these priorities with our Homes and Housing Strategy, and combines actions from our Tenant Engagement Strategy delivery plan through the creation of a master Housing Service Plan.
- 4.5 This sits along side our financial business plan that sets out our legal obligations to carry out repairs, maintenance, capital works and spending on housing management over the next 30 years.
- 4.6 The financial plan is updated regularly throughout the year and gives us the information required to manage our budgets in real time and with current spending and income.
- 4.7 We have taken a responsive approach to developing our financial business plan this year and have contracted with Abovo Consult. This is positive as Abovo take a different approach to the provider used in the past and acts as an additional resource. This means that this year, we are much clearer on our financial position and can plan our capital and revenue spending accordingly. The plan will also help us to understand where the risks are over the next 30 years, thus allowing us to put in place mitigations.

## **5. LINKS TO OUR PLAN FOR BABERGH**

- 5.1 The business plan is aligned to the Our Plan for Babergh's approach to delivering our vision "To help create a resilient, more sustainable future, with and for, all the residents and communities of Babergh" by:
- Delivering good quality core council services;
  - Ensuring Babergh District Council is a financially viable organisation now and for the future;
  - Providing open & honest leadership;
  - Putting sustainability at the heart of everything we do;
  - Continuing to listen to you and work in partnership on the things that matter most to you;
  - Supporting and empowering you to design and deliver community-based solutions to local issues;
  - Working in partnership and cooperation with all our communities, the local voluntary sector, our partners across the public sector and our local businesses to tackle the challenges we all face; and
  - Influencing others to ensure you have local access to all the services and facilities that you need to be able to live well.



5.2 The priorities of the HRA Business Plan and the Homes and Housing Strategy have been aligned to our plan for Babergh approach and the master Housing Service Plan will be published alongside the written plan to enable our residents to hold us to account on its delivery.

**6. FINANCIAL IMPLICATIONS**

6.1 There are significant pressures on the HRA business plan due to several reasons that date back to 2012. The changes to the regulatory landscape add to the already increasing pressures on local authority landlords.

6.2 The business plan provides an overview of the financial position for the next 30 years, updated regularly, so we are working with an accurate plan and can make informed real time decisions. Further context and narrative can be found in the full plan, which is attached to this report.

**7. LEGAL IMPLICATIONS**

7.1 Producing a business plan is not a legal requirement. However, it is prudent that we understand the financial requirements of our business in the short, medium and long term.

**8. RISK MANAGEMENT**

8.1 Key risks are set out below:

<b>Key Risk Description</b>	<b>Likelihood 1-4</b>	<b>Impact 1-4</b>	<b>Key Mitigation Measures</b>	<b>Risk Register and Reference</b>
HRA Babergh District Council may fail to be financially sustainable	2 – Unlikely	4 – Disaster	Continued monitoring and reporting of the Councils financial position including actuals and reserves. Cabinet briefings to review position and budget options and external value for money audits. Development of robust HRA Business Plan over 30 years.	SRR008BDC

**9. CONSULTATIONS**

9.1 Tenant feedback gained through the Tenant Satisfaction Measures, Complaints and other insight, as well as Councillor engagement have been used to develop the priorities for the Housing Service Plan as noted in the attached document. In addition, consultations have taken place with the Cabinet member for Housing, the Leader of the council, Director for Housing, Heads of Service and other Budget Managers as appropriate.

**10. EQUALITY ANALYSIS**

10.1 The initial EQIA screening has been completed and identified that a full impact assessment isn't required.

**11. ENVIRONMENTAL IMPLICATIONS**

11.1 Actions and priorities across the Housing Service Plan funded by the HRA Business Plan have been aligned to Our Plan for Babergh priority of putting sustainability at the heart of everything we do where appropriate.

11.2 In support of the Council's commitment to be Carbon Neutral by 2030, several initiatives have and are being undertaken in relation to the housing and sheltered accommodation stock.

**12. APPENDICES**

Title	Location
(a) Babergh Business Plan	Attached
(b) EQIA Initial Impact Assessment	Attached

**13. BACKGROUND DOCUMENTS**

13.1 None

Babergh District Council

# Housing Revenue Account Business Plan



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# Housing Revenue Account Business Plan- Babergh

## Introduction

The Housing Revenue Account (HRA) is a ringfenced pot of money, that is used solely for council-owned housing. All rent and service charge income goes into it, and all expenditure, such as management and maintenance, comes out of it. Although the HRA is ringfenced, meaning that the funds are allocated for a particular purpose and cannot be spent on anything else, there still needs to be a focus on maximising income and gaining efficiencies to ensure we deliver the very best value for money.

During the summer of 2021 all tenants, Members and Housing staff were asked to give their views on what priorities should be funded using the HRA over the long term. Feedback was given via digital surveys, with the option of telephone surveys for those not online, and a virtual workshop.

Since then, we have been regularly engaging with our tenants through collection of the Tenant Satisfaction Measures, transactional surveys on repairs, Anti-Social Behaviour cases and moving into our homes. This insight is being used across our services to improve the customer experience and help us to deliver landlord services our tenants expect and deserve.

The results identified the following eight priorities:

- Investing in our current homes
- Tackling and adapting to climate change
- Building and buying new Council housing
- Improving the services that we provide our tenants
- Improving the neighbourhoods that we manage
- Involving tenants in the running of the service
- Implementing digital transformation
- Ensuring sustainable financial management of our council housing services

The financial business plan provides a view of whether the Council can (over the next 30 years):

- Afford to repay its housing loans as they fall due; and
- Meet its obligations to maintain the housing stock within the Decent Homes Standard (DHS) and any other legislative building requirements; and
- Meet the requirements of the Regulator of Social Housing (RSH) in terms of the Rent Standard and the Consumer Standard

The current version of the business plan was built in October – November 2023 and updated after further engagement with Councillors and the Senior Management Team. It uses current 2023-24 evidence from the council's systems and the proposed HRA revenue and capital budgets to be presented to Members for 2024-25.

## Background

The plan uses current 2023-24 evidence from the council's systems and the proposed HRA revenue and capital budgets to be presented to Members for 2024-25. These include:

### **Rent**

Stock and average weekly rental income agreed to the BDC housing rental system at 1 April 2023, with an assumption that rents for 2024-25 will rise by 7.7% in line with the Government's Rent Policy, then CPI only thereafter.

### **Right to Buy**

Estimated sales numbers and values of receipts of homes under the Right to Buy from historic information and current records – taken together with the opening stock numbers, the business plan assumes future increases in line with forecasts of inflation to give average annual rental income over 30 years.

### **Other Non-Rental Income**

Budgets based on 2023-24 revenue budgets updated to reflect the forecast outturn position for 23-24 based on performance to December 2023. Calculated budgets for 2024-25 which take not account recommendations for increases in non-rental income, and then with increases in inflation in line with CPI going forwards.

### **Management & Maintenance**

Management and day-to-day repairs budgets for 2023-24, updated to reflect the forecast outturn position for 23-24 based on performance to December 2023. Thereafter the revenue budgets for 2024-25 onwards are calculated to reflect the requirements of the business going forwards taking into consideration transformation objectives and new regulatory requirements. Going forwards, inflation is added to the 24-25 budgets over the next 30 years.

### **Capital Works Programme**

The Council is currently undertaking a new independent Stock Condition Survey which will eventually provide a profile of major works costs over 30 years. The survey is designed to provide the estimated costs to maintain the current housing stock to at least the Decent Homes Standard for 30 years and will provide costs based on lifecycle replacements of elements of the properties.

The current asset management information cannot be relied upon as it an independent view of the data is long overdue. The profile of required works produced by the asset management system at present presents a programme of works that would not be deliverable due to the peaks and troughs indicated in the level of works. The current HRA business plan therefore assumed a very simply smoothed view of average works required over 30 years to begin the business planning process.

The HRA business plan should be treated with some caution at this point as the data available will be updated with the new Stock Condition Survey in the near future.

Year 1 (2023-24) assumes the Capital Programme as forecast for delivery by 31 March 2023. From 2024-25 onwards the "smoothed" major works figures are included with inflation assumed at 6%, then 3% then 2% thereafter.

Additional budgets have been included to cover Other Repairs and Maintenance budgets of £1.09m per annum. Disabled Adaptations are provided for at £400,000 in 2023-24 and continued at that rate thereafter. £3.268m of neighbourhood improvements are included over the next three years (including slippage from 2023-24). There are only two years of budget for net carbon zero at £2m per annum in 2024-25 and 2025-26 at this point. ICT projects are included at £200,000 per annum for 2023-24 and the next three years.

Development Schemes currently approved or in progress are included in the business plan which provides 46 new affordable homes, of which 6 will be for shared ownership. There is no further development included from April 2026 at this point.

### **Reserves, Debt & Loans**

Opening balances for all reserves including the HRA, MRR, RTB 1-4-1 receipts and unused other RTB receipts per the Council's draft accounts 2022/23.

Debt and loan balances at 1 April 2023 together with interest rates and repayment dates per the Council's Finance Department. The total existing debt (internal and external at 1 April 2023 is £94.419 million.

HRA Minimum Working Balances is assumed to be £1 million per annum.

## **Assumptions and Financial Baseline**

To develop the HRA Business Plan it's important to create a financial baseline.

The assumptions that have been used are as follows:

- Revised inflation assumptions
- Consumer Price Index (CPI) based on ONS (September each year) and Government estimates based on the OBR forecasts provided in the Autumn Statement (November 2023)
- Retail Price Index (RPI) tracks at 1% above CPI
- Rents increase by 7.7% in April 2024 (CPI +1%)
- Rent increases reflect CPI +1% until 2024/25, then CPI only from 2025/26
- Future borrowing requirements based on interest rates currently estimated in the housing sector.
- Rent loss from voids assumed at 2% from 2022/23
- Management salaries and wages are assumed to rise by 3% in 2025-26, then by 2% thereafter.
- Non-staffing management costs rise by 3% in 25-26 and 2% thereafter.
- Repairs costs rise by 3% in 25-26 and 2% thereafter.

Naturally these assumptions will need to be continually monitored and updated due to the level of uncertainty within the wider environment, for example the rate at which CPI increases, the cost-of-living crisis and other global and national factors needing to be considered.

## HRA Business Plan Forecast

The business plan forecast shows that with the current profiles and economic assumptions, the HRA:

- Deliver the programme of major works as profiled; and
- Deliver the new housing development identified to date; and
- Maintain at least a minimum agreed level of HRA balances over 30 years; and
- Borrow when required to fund the profile of the major capital stock investment works but can afford the interest payments. These works have been profiled using the “smoothed” stock condition survey and as such will change when the new stock condition survey data is included. Borrowing in excess of the current loans is required to maintain the programme of works.

To minimise borrowing over the short term when interest rates are assumed to remain higher than in the past years, it is assumed that HRA balances are used to fund the Capital Programme as far as possible. This does mean that in 2030/31 when a £25 million loan is due for repayment, it may need refinancing (new loan to pay off an old loan) and similarly in 2036/37 £46.647 million may need to be refinanced.

If additional HRA housing development was planned in future years these would need to be considered on a case-by-case basis and would be subject to a delegated decision and full cost appraisal.

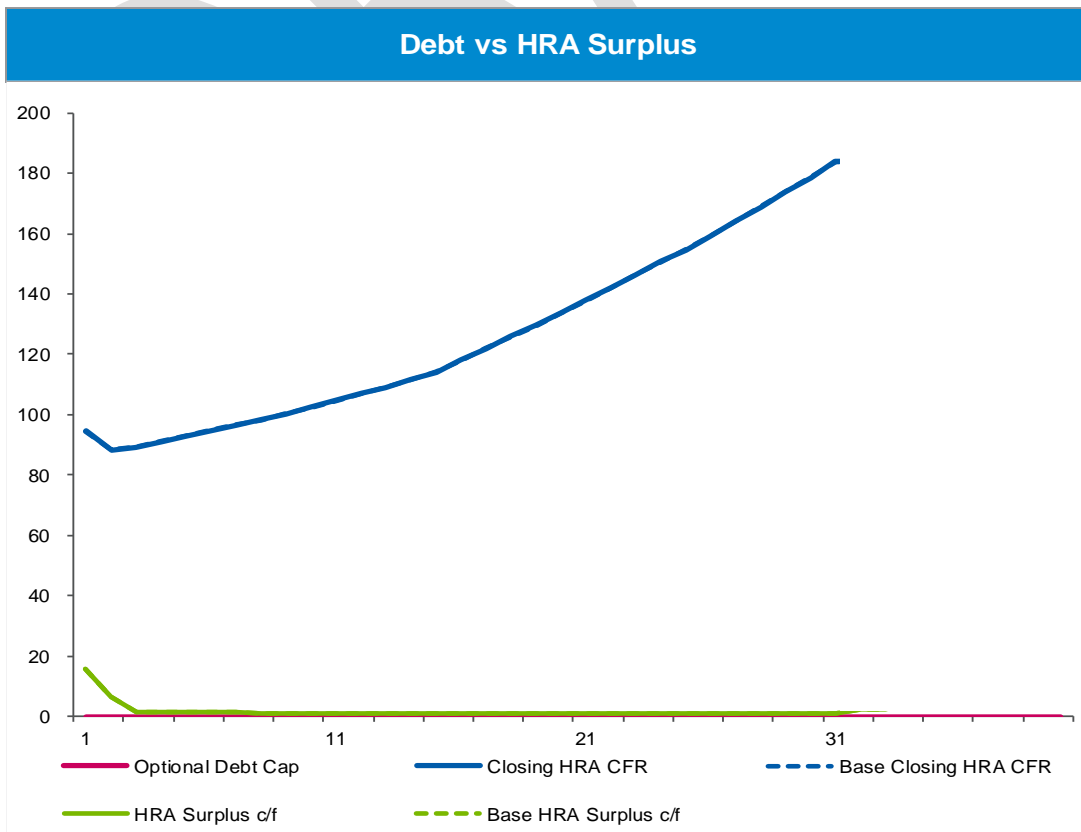
At that time an analysis of the affordability of any scheme would be undertaken and any borrowing requirement would be considered along with access to any external grant funding and/or use of receipts. It should be noted that any future HRA new build funding requirement cannot be at the expense of investment in the council’s housing stock given the current regulatory regime and raised expectations of social landlords.



# HRA Business Plan 2023-24 – 30 Year Summary

HRA Business Plan | Babergh DC HRA  
Financing Summary

Year	Year	Opening Loan Balance £'000	Loan Drawdowns £'000	Loan Repayments £'000	Drawdown of Revolver £'000	Repayment of Revolver £'000	Closing Loan Balance £'000	HRA Surplus c/f £'000
1	2023/24	94,419	0	0	0	0	94,419	15,837
2	2024/25	94,419	0	-6,000	0	0	88,419	6,690
3	2025/26	88,419	0	-6,000	6,927	0	89,346	1,359
4	2026/27	89,346	0	0	1,755	0	91,101	1,234
5	2027/28	91,101	0	0	1,911	0	93,012	1,227
6	2028/29	93,012	0	0	1,836	0	94,848	1,209
7	2029/30	94,848	0	0	1,803	0	96,650	1,202
8	2030/31	96,650	25,000	-25,000	1,543	0	98,194	1,200
9	2031/32	98,194	0	0	2,003	0	100,196	1,197
10	2032/33	100,196	0	0	2,143	0	102,340	1,195
11	2033/34	102,340	0	0	2,292	0	104,632	1,192
12	2034/35	104,632	0	0	2,357	0	106,989	1,190
13	2035/36	106,989	46,647	-46,647	2,038	0	109,027	1,187
14	2036/37	109,027	0	0	2,475	0	111,502	1,184
15	2037/38	111,502	0	0	2,648	0	114,149	1,181
16	2038/39	114,149	0	0	3,769	0	117,919	1,165
17	2039/40	117,919	0	0	3,886	0	121,805	1,135
18	2040/41	121,805	0	0	4,019	0	125,824	1,106
19	2041/42	125,824	0	0	3,618	0	129,442	1,077
20	2042/43	129,442	0	0	4,278	0	133,720	1,048
21	2043/44	133,720	0	0	4,051	0	137,771	1,034
22	2044/45	137,771	0	0	4,179	0	141,951	1,034
23	2045/46	141,951	0	0	4,296	0	146,247	1,034
24	2046/47	146,247	0	0	4,416	0	150,663	1,034
25	2047/48	150,663	0	0	3,934	0	154,597	1,034
26	2048/49	154,597	0	0	4,648	0	159,245	1,034
27	2049/50	159,245	0	0	4,777	0	164,021	1,034
28	2050/51	164,021	0	0	4,909	0	168,930	1,034
29	2051/52	168,930	0	0	5,045	0	173,975	1,034
30	2052/53	173,975	0	0	4,514	0	178,489	1,034



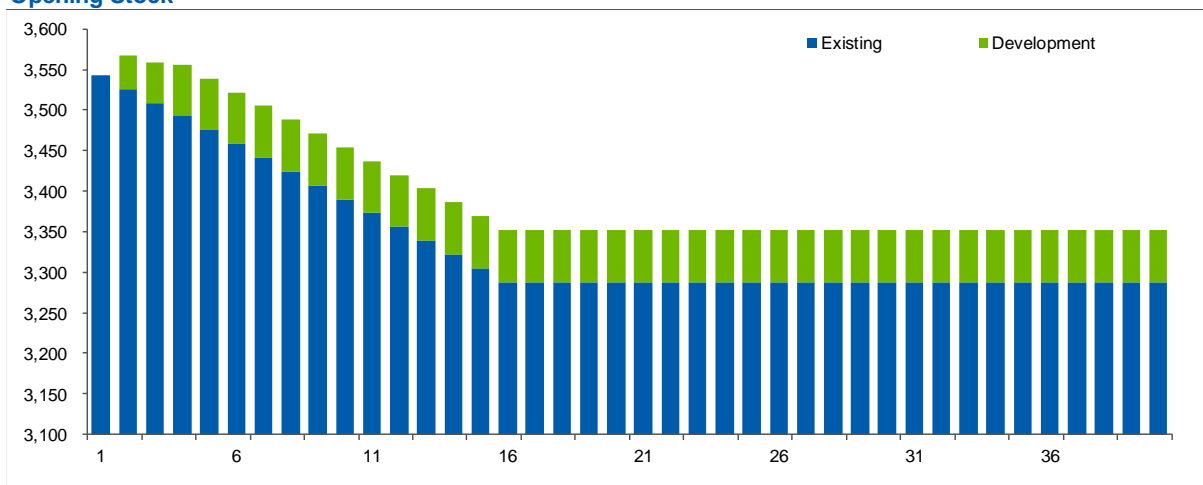
The base plan shows that the minimum revenue balance is maintained.

Interest cover after year 1 is maintained above 1.25 times until year 16, but does not go below 1.18 times.

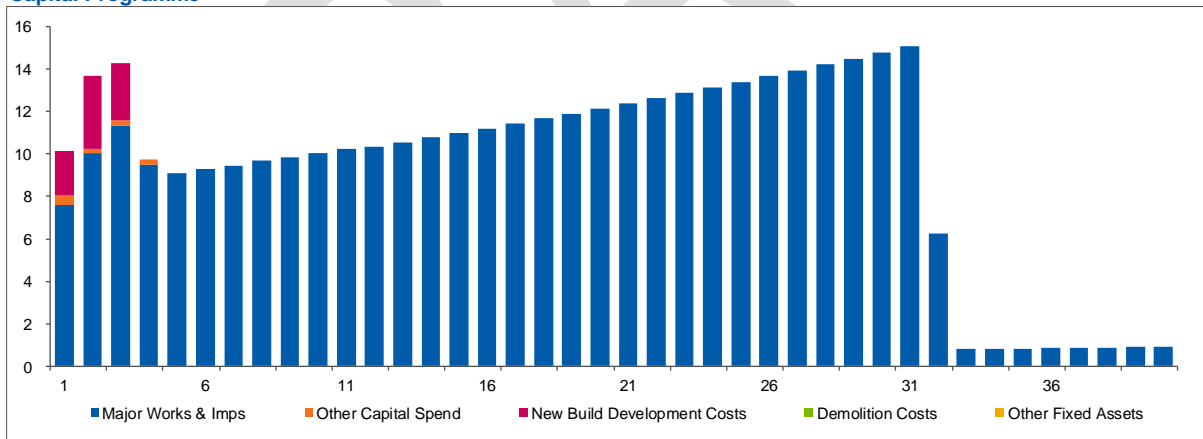
Borrowing in excess of the current loans is required to maintain the programme of works throughout the plan.

RTB 1-4-1 receipts would be repaid from year 4 if no more development is planned (if sales continue as estimated). Recent developments have been S106 acquisitions for which RTB 1-4-1 receipts cannot be used.

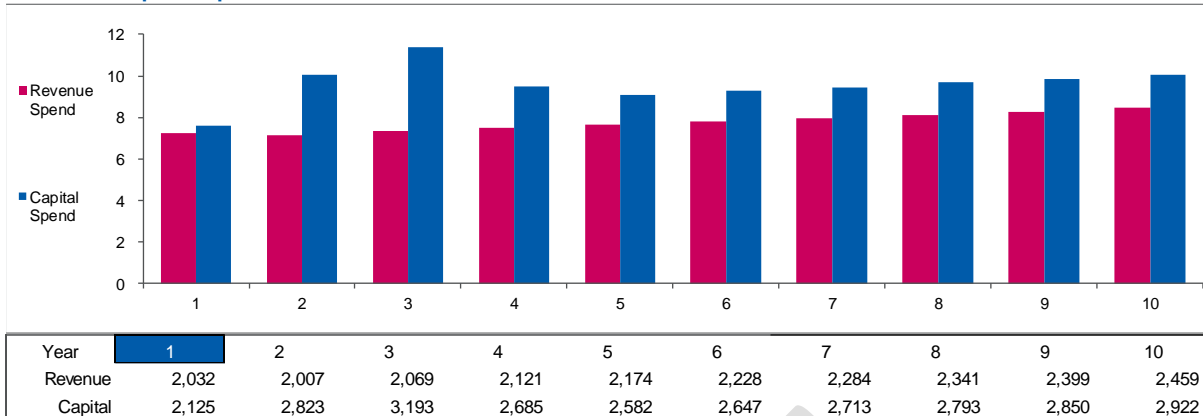
### Opening Stock



### Capital Programme



## Revenue / Capital Repairs



## HRA Business Plan | Babergh DC HRA

Operating Account - Traditional View

Year	1	2	3	4	5	6
Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Rental Income	19,291	21,264	21,494	21,896	22,231	22,571
Service Charge Income	0	0	0	0	0	0
Void Losses	-193	-212	-214	-218	-221	-225
Non-Dwelling Rents	224	238	245	250	255	260
Charges For Services	703	907	934	953	972	991
Cont Towards Exp	0	0	0	0	0	0
SP Grant	0	0	0	0	0	0
Other Income	54	79	82	84	85	87
<b>Total Income</b>	<b>20,080</b>	<b>22,277</b>	<b>22,541</b>	<b>22,964</b>	<b>23,322</b>	<b>23,684</b>
S&M - General	-4,918	-5,166	-5,321	-5,427	-5,536	-5,646
S&M - Special	0	0	0	0	0	0
Other Charges	0	0	0	0	0	0
Responsive & Cyclical	-7,251	-7,144	-7,358	-7,505	-7,656	-7,809
Depreciation	-4,817	-4,913	-5,012	-5,112	-5,214	-5,318
Debt Mgmt Expenses	0	0	0	0	0	0
Bad Debts	-101	-113	-114	-117	-119	-120
<b>Total Expenditure</b>	<b>-17,088</b>	<b>-17,336</b>	<b>-17,805</b>	<b>-18,161</b>	<b>-18,524</b>	<b>-18,894</b>
<b>Net Cost of Services I&amp;E</b>	<b>2,992</b>	<b>4,941</b>	<b>4,736</b>	<b>4,803</b>	<b>4,798</b>	<b>4,790</b>
Corp & Demo Core	0	0	0	0	0	0
Continuing Operations (not service specific)	0	0	0	0	0	0
<b>Net Cost of HRA Services</b>	<b>2,992</b>	<b>4,941</b>	<b>4,736</b>	<b>4,803</b>	<b>4,798</b>	<b>4,790</b>
Interest Received	0	0	0	0	0	0
Interest Charges	-3,303	-3,283	-3,102	-2,980	-3,084	-3,081
G/L on Sale of HRA Non-Current Assets	0	0	0	0	0	0
<b>Surplus / (Deficit) in Year on HRA Services</b>	<b>-311</b>	<b>1,658</b>	<b>1,633</b>	<b>1,823</b>	<b>1,714</b>	<b>1,709</b>
Provision for Debt Repayment	0	0	0	0	0	0
Repayment of Arranged Loans	0	-6,000	-6,000	0	0	0
Repayment of Revolver	0	0	0	0	0	0
Transfer to MRR	0	0	0	0	0	0
Transfer from / (to) Other Revenue Reserve	0	0	0	0	0	0
RCCO	-970	-5,572	-1,323	-2,182	-1,948	-1,936
<b>Surplus / (Deficit) for the Year</b>	<b>-1,282</b>	<b>-9,914</b>	<b>-5,690</b>	<b>-359</b>	<b>-234</b>	<b>-227</b>
<b>HRA Surplus / (Deficit) b/f</b>	<b>16,093</b>	<b>15,837</b>	<b>6,690</b>	<b>1,359</b>	<b>1,234</b>	<b>1,227</b>
Major Repairs Reserve Interest	0	0	0	0	0	0
Other Capital Receipts Reserve Interest	57	0	0	0	0	0
Debt Repayment Provision Interest	0	0	0	0	0	0
RTB Receipts for Repl Homes Interest	151	211	205	194	190	172
Other RTB Receipts Interest	0	0	0	0	0	0
Revenue Reserve Interest	6	6	5	4	3	3
Operating Account Interest	811	551	149	36	34	33
<b>HRA Surplus / (Deficit) c/f</b>	<b>15,837</b>	<b>6,690</b>	<b>1,359</b>	<b>1,234</b>	<b>1,227</b>	<b>1,209</b>
Required Minimum Year End Working Balance	1,000	1,000	1,000	1,000	1,000	1,000
Minimum Balance Check	0	0	0	0	0	0
Closing Existing Loan Balance	94,419	88,419	82,419	82,419	82,419	82,419
Closing Revolver Balance	0	0	6,927	8,682	10,593	12,429
Total Closing Loan Balance	94,419	88,419	89,346	91,101	93,012	94,848
Optional Debt Cap	0	0	0	0	0	0
Headroom	0	0	0	0	0	0

		Capital Expenditure					Financing										
Year	Year	Major Works & Imps £'000	Other Capital Spend £'000	New Build Development Costs £'000	Demolition Costs £'000	Other Fixed Assets £'000	Total Capital Expenditure £'000	External Grant £'000	Homes England Grant £'000	RTB 141 Receipts £'000	Arranged Borrowing £'000	Other RTB Receipts £'000	Other Capital Receipts £'000	MRR £'000	RCCO £'000	Revolver Borrowing £'000	Total Financing £'000
1	2023/24	7,581	461	2,075	0	0	10,117	0	0	0	0	700	3,629	4,817	970	0	10,117
2	2024/25	10,045	212	3,406	0	0	13,664	255	0	0	0	743	2,180	4,913	5,572	0	13,664
3	2025/26	11,356	218	2,708	0	0	14,282	255	0	0	0	766	0	5,012	1,323	6,927	14,282
4	2026/27	9,503	223	0	0	0	9,726	0	0	0	0	677	0	5,112	2,182	1,755	9,726
5	2027/28	9,095	0	0	0	0	9,095	0	0	0	0	22	0	5,214	1,948	1,911	9,095
6	2028/29	9,277	0	0	0	0	9,277	0	0	0	0	186	0	5,318	1,936	1,836	9,277
7	2029/30	9,462	0	0	0	0	9,462	0	0	0	0	380	0	5,425	1,855	1,803	9,462
8	2030/31	9,694	0	0	0	0	9,694	0	0	0	0	392	0	5,533	2,225	1,543	9,694
9	2031/32	9,844	0	0	0	0	9,844	0	0	0	0	415	0	5,644	1,783	2,003	9,844
10	2032/33	10,041	0	0	0	0	10,041	0	0	0	0	439	0	5,757	1,703	2,143	10,041
11	2033/34	10,242	0	0	0	0	10,242	0	0	0	0	463	0	5,872	1,616	2,292	10,242
12	2034/35	10,357	0	0	0	0	10,357	0	0	0	0	487	0	5,989	1,523	2,357	10,357
13	2035/36	10,564	0	0	0	0	10,564	0	0	0	0	512	0	6,109	1,904	2,038	10,564
14	2036/37	10,775	0	0	0	0	10,775	0	0	0	0	538	0	6,231	1,531	2,475	10,775
15	2037/38	10,991	0	0	0	0	10,991	0	0	0	0	564	0	6,356	1,423	2,648	10,991
16	2038/39	11,210	0	0	0	0	11,210	0	0	0	0	0	0	6,483	958	3,769	11,210
17	2039/40	11,435	0	0	0	0	11,435	0	0	0	0	0	0	6,613	936	3,886	11,435
18	2040/41	11,663	0	0	0	0	11,663	0	0	0	0	0	0	6,745	899	4,019	11,663
19	2041/42	11,897	0	0	0	0	11,897	0	0	0	0	0	0	6,880	1,399	3,618	11,897
20	2042/43	12,135	0	0	0	0	12,135	0	0	0	0	0	0	7,017	839	4,278	12,135
21	2043/44	12,377	0	0	0	0	12,377	0	0	0	0	0	0	7,158	1,168	4,051	12,377
22	2044/45	12,625	0	0	0	0	12,625	0	0	0	0	0	0	7,301	1,144	4,179	12,625
23	2045/46	12,877	0	0	0	0	12,877	0	0	0	0	0	0	7,447	1,134	4,296	12,877
24	2046/47	13,135	0	0	0	0	13,135	0	0	0	0	0	0	7,596	1,122	4,416	13,135
25	2047/48	13,397	0	0	0	0	13,397	0	0	0	0	0	0	7,748	1,716	3,934	13,397
26	2048/49	13,665	0	0	0	0	13,665	0	0	0	0	0	0	7,903	1,115	4,648	13,665
27	2049/50	13,939	0	0	0	0	13,939	0	0	0	0	0	0	8,061	1,101	4,777	13,939
28	2050/51	14,218	0	0	0	0	14,218	0	0	0	0	0	0	8,222	1,086	4,909	14,218
29	2051/52	14,502	0	0	0	0	14,502	0	0	0	0	0	0	8,387	1,071	5,045	14,502
30	2052/53	14,792	0	0	0	0	14,792	0	0	0	0	0	0	8,554	1,724	4,514	14,792

DRAFT

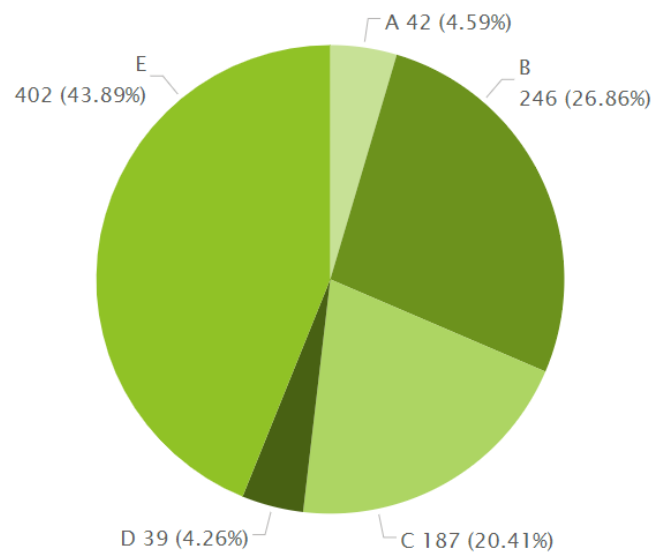
## Housing those in need:

### Households active on the Housing Register



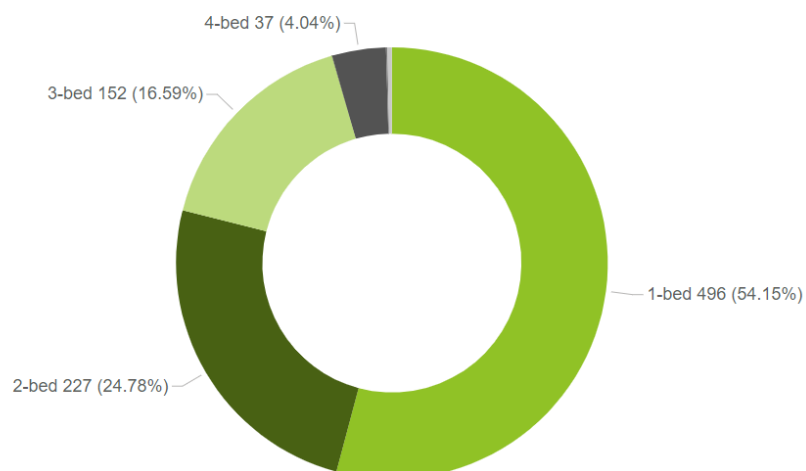
Babergh - Banding Breakdown

● A ● B ● C ● D ● E



Babergh - Bedrooms Required

● 1-bed ● 2-bed ● 3-bed ● 4-bed ● 5-bed ● 6-bed



## National Context

### The Social Housing (Regulation) Act 2023

The past few years have seen some of the most significant events in social housing, with the Grenfell fire tragedy in 2017 highlighting the inadequacy of social housing and the lack of tenant involvement and empowerment.

The Government published the Social Housing Green Paper: A New Deal for Social Housing in 2018 and the Social Housing White Paper: The Charter for Social Housing Residents in 2020 all with the aim of improving how social housing is regulated. The Act consolidates a stronger and more proactive regulatory regime to drive up standards in the sector and hold landlords to account for the services they provide to their tenants.

### The Building Safety Act 2022

The Building Safety Act 2022 was introduced in the wake of safety concerns for occupants of high-rise buildings after the 2017 Grenfell Tower tragedy. The legislation is intended to improve the design, construction and management of higher-risk buildings. It came into force on the 1st April 2023.

### Decent Homes Standard & Awaab's Law

The Decent Homes Standard sets the minimum standards for council owned homes. The government launched a further review of the Decent Homes Standard in June 2023. This review will consider a range of changes to the standard including whether the current Decent Homes Standard sets the right standard on Housing Health and Safety Rating System issues, to help keep residents safe.

### Energy Efficiency of Housing Stock

To meet national carbon targets all housing, including council housing, must meet net zero carbon levels by 2050, and all Council homes must meet Energy Performance Certificate (EPC) rating of C by 2030.

## Local Context

### Setting the Scene: Babergh Data:

- Nearly 3000 tenants receive 'My Home Bulletin' email
- 52 Properties sold through the Right to Buy between 2020 – 23
- 3698 Properties (All Tenures)
- £18,434,603.84 total income in 2022/23
- Average Energy efficiency Rating of C
- 97.03% of rent collected in 2022/23
- 6231 average number of repairs completed in 2023
- 937 households on housing register as of December 2023
- 253 homes let in 2022-23 including 13 new builds
- 291 new homes built or purchased between 2015 - 2023
- 56 residents with disabilities were supported in their homes with major works in 2023
- 334 homes adapted through Disabled Facilities or Minor Adaption grants 2020-2023
- 93 Affordable homes for rent were built or acquired between 2015 - 2023
- 58 Shared ownership sales between 2015 – 2023
- 1197 Garages

### Our Plan for Babergh District Council

Our plan for Babergh vision is "To help to create a resilient, more sustainable future, with and for, all the residents and communities of Babergh". To achieve this Babergh District Council will focus on the following:

- Delivering good quality core council services;
- Ensuring Babergh District Council is a financially viable organisation now and for the future;
- Providing open & honest leadership;
- Putting sustainability at the heart of everything we do;
- Continuing to listen to you and work in partnership on the things that matter most to you;
- Supporting and empowering you to design and deliver community-based solutions to local issues;
- Working in partnership and cooperation with all our communities, the local voluntary sector, our partners across the public sector and our local businesses to tackle the challenges we all face; and
- Influencing others to ensure you have local access to all the services and facilities that you need to be able to live well.

More details can be found here: [Our Plan for Babergh](#)

### Declaration of Climate Emergency

Babergh and Mid Suffolk District Council's declared a Climate Emergency in 2019 and set up a joint Environment and Climate Change Task Force, to look at the climate challenges we face.

The Government's Clean Growth Strategy set a target of 2030 for all Social Housing to have an Energy Performance Certificate (EPC) rating of C. Our properties currently on average have a rating of C. The Government also set a target for all new homes to be "net zero" in relation to carbon emissions by 2030.

## Rural districts

Suffolk has double the national average of people resident in rural areas and this rural population is older (higher percentage of those aged 65+) than its urban population.

An All-Party Parliamentary Group inquiry into rural housing showed:

- People living in very rural areas, like ours, experience more limited social networks, isolation, and loneliness which can be exacerbated by poor transport.
- There is an urgent need to provide affordable housing for people wanting to live and work in the most rural communities.

## Ageing population

Over the next 20 years the population across both Districts is projected to increase by 9% (18,200). The biggest increase is projected to be in people over 75. As a population ages there are increasing and different demands on services and facilities, especially housing, transport, medical care, and social care services

## Tenant Engagement Strategy

BMSDC's Tenant Engagement Strategy was launched in November 2022. The strategy was informed by the findings of a tenant engagement survey; over 1,000 tenants responded to the survey and these responses were used to inform our priorities and promises within the strategy.

The strategy, and its action plan, were approved by the Tenant Board and Councillors. They are reviewed annually, so that progress can be tracked and to ensure that the work we are doing is still relevant.

Further details can be found here: [BMSDC Tenant Engagement Strategy](#)

## Joint Homelessness Reduction and Rough Sleeping Strategy

Preventing Homelessness is a priority for Babergh and Mid Suffolk. Everyone needs somewhere to live and a place that they can call home.

Our vision is to end rough sleeping in our Districts. We have already gone some way to achieving this through our work to date by helping families to access accommodation in the private sector, reduced the use of B&B accommodation, bringing empty homes back into use, and developing and purchasing additional properties to add to our existing Housing Stock.

Our Housing and Homelessness Rough Sleeping Strategy sets out our commitments up to 2024.

Further details can be found here: [Joint Homelessness Reduction and Rough Sleeping Strategy](#)

## Joint Local Plan

The BMSDC Joint Local Plan (Part 1) sets out a planning framework to guide development and facilitate growth in the Districts over the long term. It will play an important role in shaping our future – how towns and villages develop, how we protect and enhance our natural environment, develop our local economy, improve leisure and visitor facilities, improve social infrastructure and support more sustainable forms of travel.

Part 1 of the Joint Local Plan was adopted by both Councils in November 2023 and can be found here: [Babergh and Mid Suffolk Joint Local Plan November 2023](#)



## Homes & Housing Strategy

We all need and deserve somewhere to live and call home. Having a place to call our own provides belonging, contributes to positive health and wellbeing and strengthens community spirit.

Our Housing vision is 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.

The strategy is reviewed annually and this year we are looking to align our delivery plan with the HRA business plan priorities to create a master Housing Service Action Plan.

Our Homes and Housing Strategy sets out how we will meet this challenge and can be found here:

[BMSDC Joint Homes and Housing Strategy](#)

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# Housing Revenue Account Business Plan

## Priorities:

### Priority 1: Investing in our current homes



We will:

- Develop an asset register to help decisions on our future stock profile, including disposal/redevelopment of the poorest and worst performing stock. It is vital that we invest the limited resources we have in the right place at the right time. We will utilise stock condition, demand and needs data, along with local intelligence to make decisions on future investment and disposals.
- Invest in new technology to improve the maintenance of existing homes. We intend to invest in homes by introducing smart devices that can reduce fuel poverty and provide remote data insights that could cut maintenance costs and improve resident well-being.
- Develop a ten-year Capital Investment Programme (2024 – 2034) We will develop a 10-year planned maintenance schedule, which will allow us to accurately predict where investment needs to take place. This programme will allow us to inform tenants of exactly what improvements they can expect and when this will take place.
- Meet our tenant's expectations. Data shows that our existing performance in maintenance, repair and renewal of homes does not always meet the expectations of our tenants. We expect the improvements outlined in this Business Plan to increase tenant satisfaction with our services.

## Priority 2: Tackling and adapting to climate change



We will:

- Retrofit 100 homes across both councils using grant funding and additional capital investment.
- Educate tenants in how to be energy efficient within their homes: to encourage and support with minimising energy bills and reducing the risk of damp and mould. We will develop a range of information guides as well as providing bespoke advice and support, where appropriate.
- Support organisational and Suffolk wide Climate change ambitions ensuring we are actively involved in working with Suffolk partners together to support and guide our residents, communities, and businesses to make the changes required to best set Suffolk on the path for carbon neutrality by 2030.
- Encourage greater levels of Biodiversity within our estates and neighbourhoods; by planting wildflowers, reducing grass cutting and using natural solutions. This can both reduce our costs, improve our environment and our tenant satisfaction at the same time. We will work with Tenants and our Neighbourhoods and Public Realm Teams to develop local solutions.
- Support tenants and residents to embrace their Neighbourhoods and Communities. We will achieve this through active and participatory approaches offering tenants, the ability to make decisions this could include for example (but not limited to) Community allotments, play areas, community orchards, community shops. We will allocate capital and revenue funding to support this.

## Priority 3: Building and buying new Council Housing



We will:

- Produce an Affordable Housing Strategy. Setting out our ambitions to build more new Affordable Homes in our districts over the next few years and how new homes will be brought forward and developed.
- Work with partners to provide new homes at affordable rent or for affordable home ownership, and where financially viable, social rent. Utilising right to buy receipts
- Embed the New Build Design Guide and Technical Specification, emphasising Good Quality Design, Energy Efficiency, low running costs, Sustainability and Modern Methods of Construction
- Ensure efficient use of our housing stock by identify tenants currently under occupying their homes and proactively supporting those that would like to consider downsizing.
- Undertake a Housing Asset Review to identify improvements to the hard and soft landscaping including remodelling of estates, neighbourhood improvements and regeneration. This will be a long-term review that will rely on up-to-date stock condition data.

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## Priority 4: Improving the services that we provide our tenants



We will:

- Listen to tenants to ensure they have their voices heard. This will be through regular meetings, scrutiny panels and being part of decision making.
- Develop a coherent approach to Data, Performance, Scrutiny and Satisfaction. Ensuring we have accurate data will enable us to make informed decisions on how we deliver services.
- Benchmark our performance and report on it. This will ensure that we learn from those performing well in the sector, continuously improve in the areas in need of development and celebrate our successes.
- Learn from every Complaint and ensure that everyone has their complaints dealt with promptly and fairly and has access to a strong ombudsman who will provide swift and fair redress when needed.
- Meet the new Regulatory Framework and Standards as set by the Regulator of Social Housing. By setting stretching Key Performance Indicators and aspirational outcomes for the service.
- Develop a housing governance framework to meeting the requirements of both the regulator and customer. This should be available publicly.
- Ensure all tenants have the opportunity to provide us with their opinions and views through regular Tenant Perception Surveys. We will take steps to develop actions if we identify areas in need of improvement.
- Introduce a Customer Relationship Management (CRM) system. This will enable our teams to collaborate more easily, break down silo working and improve our communication. A CRM system will ensure tenants only need to tell us once and help us to get it right first time.

## Priority 5: Improving the neighbourhoods that we manage



### We Will:

- Review each of our larger estates and actively engage tenants and stakeholders in how we could develop solutions to improve the environment and create neighbourhoods that are attractive and desirable to all using capital funding through our HRA Greater Places scheme.
- Improve existing parking provision, including Electrical Vehicle (EV) charging. This will require exploring opportunities to fund the work.
- Increase the visibility on estates by supporting team member to develop a focus on 'knowing our tenant'
- Utilise the Biodiversity Toolkit which provides information on how we can improve, maintain and monitor green spaces around estates and neighbourhoods for wildlife.
- Improve the quality of estates through the development of a Neighbourhoods Strategy in conjunction with tenants, residents, members, and stakeholders.
- Increases tenant satisfaction with where they live. We will continually review whether the improvements improve the happiness and well-being of tenants, residents, and communities, this will be through perception surveys and feedback.

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## Priority 6: Involving tenants in the running of the service



We will:

- Develop an innovative Governance model composed of Council Members, tenant representatives, and independent members with expertise in the field to oversee performance, contribute to strategy, operations and policy development.
- Increase levels of satisfaction that we listen to tenant views and act upon them. We will then regularly monitor progress by making improvements to what we do and how we do it.
- Increase the pride our tenants feel to live in our homes and communities. We will create a culture that ensures that Tenants feel assured that 'stigma' does not exist within Babergh and Mid Suffolk.

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## Priority 7: Implementing digital transformation



We will:

- Move to a cloud-based software system: this will enable both our staff and tenants to access services digitally with greater flexibility and reliability.
- Assist more tenants to gain the skills, confidence, and ability to access and utilise Digital Services by developing a programme of activities including access to learning, development, and training.
- Support tenants to actively self-serve and manage their tenancies online, including reporting and monitoring repairs, contacting officers through online chat as well as uploading pictures or video conferencing with staff.
- Introduce 'Digital Tenancies' to enable people to sign their tenancy, book a repair, pay rent, and report anti-social behaviour via a digital portal.
- Use dashboards to provide a clear picture of performance 'in real time'

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## Priority 8: Ensuring sustainable financial management of our council housing services

We will:

- Annually review the HRA business plan to reflect our current position and our mid-term financial position.
- Create a defined plan for actions that could alleviate financial stress on the housing revenue account.
- Develop a plan to sell off HRA assets to further ease pressure on the HRA account.
- Improve the financial data we provide to cabinet and members, so they are aware of the status of the HRA account.

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## Performance and Benchmarking

We work with Housemark, a provider of benchmarking comparable data within the Social Housing sector. We receive monthly and annual performance summaries which show us, at a glance, what the numbers mean to our tenants, our people, and our business. These reports compare our costs and performance with a peer group of similar social landlords.

In line with The Social Housing (Regulation) Act 2023 we publish performance data on the Tenant pages of our website and share this directly with tenants via the My Home Bulletin on a quarterly basis.

In 2022 Babergh & Mid-Suffolk District Council's commissioned Acuity Research & Practice (Acuity) to carry out an independent survey of residents to collect data on their opinions and attitudes towards their landlord and the services provided. Acuity is also collecting our Tenant Satisfaction Measure data through tenant perception surveys. The results of this analysis have been taken into consideration through the development of this Business Plan. It highlighted that we should concentrate our efforts upon the following three areas, as this would lead to a noticeable increase in resident satisfaction: Resident Engagement, Customer Services and the quality of Homes.

We will demonstrate to tenants that we have actively listened to their feedback and will improve our services. We will provide good quality, safe homes. We will monitor progress through regular tenant satisfaction perception surveys.

## Monitoring and Governance

A detailed 'smart' action plan will be developed in response to this plan being adopted by both Councils and will run alongside the existing Joint Homes and Housing Strategy Delivery Plan.

An annual review will consider both financial performance of the accounts alongside the qualitative outcomes being delivered and the satisfaction of tenants and leaseholders. This will enable us to ensure that we are continuously adjusting the Business Plan to reflect the environment around us.

## Links and Appendices

[Babergh District Council Corporate Plan](#)

[Tenant Engagement Strategy](#)

[Joint Homelessness Reduction and Rough Sleeping Strategy](#)

[Joint Local Plan](#)

[Joint Homes and Housing Strategy](#)

[Regulatory Standards - Regulator of Social Housing](#)

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## Equality Impact Assessment (EIA) Initial Screening Form



Screening determines whether the policy has any relevance for equality, ie is there any impact on one or more of the 9 protected characteristics as defined by the Equality Act 2010. These are:

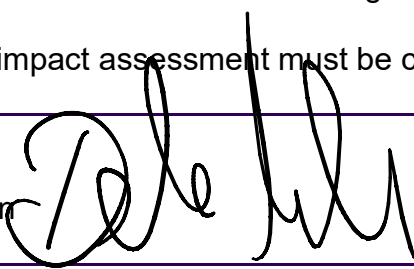
- Age
- Disability
- Gender reassignment
- Marriage and civil partnership\*
- Pregnancy and maternity
- Race
- Religion or belief (including lack of belief)
- Sex
- Sexual orientation

1. Policy/service/function title	Housing Services
2. Lead officer (responsible for the policy/service/function)	Deborah Fenton
3. Is this a new or existing policy/service/function?	Existing Customer Facing Document
4. What exactly is proposed? (Describe the policy/service/ function and the changes that are being planned?)	The report and document is a customer facing business plan which is presented and updated on an annual basis
5. Why? (Give reasons why these changes are being introduced)	An annual requirement
6. How will it be implemented? (Describe the decision making process, timescales, process for implementation)	Cabinet – Full Council – and back to Cabinet to be ratified

<p><b>7.</b> Is there potential for differential impact (negative or positive) on any of the protected characteristics?</p>	<p>Yes</p> <p>No x</p> <p>Identify how the impact would affect the specific equality strand.</p>
<p><b>8.</b> Is there the possibility of <b>discriminating unlawfully</b>, directly or indirectly, against people from any protected characteristic?</p>	<p>Yes</p> <p>No x</p>
<p><b>9.</b> Could there be an effect on <b>relations between certain groups</b>?</p>	<p>Yes</p> <p>No x</p>
<p><b>10.</b> Does the policy explicitly involve, or <b>focus on a particular equalities group</b>, i.e. because they have particular needs?</p>	<p>Yes</p> <p>No x</p>

If the answers are 'no' to questions 7-10 then there is no need to proceed to a full impact assessment and this form should then be signed off as appropriate.

If 'yes' then a full impact assessment must be completed.

Authors signature 

Date of completion 30/4/24

Any queries concerning the completion of this form should be addressed to the Equality and Diversity Lead.

\* Public sector duty does not apply to marriage and civil partnership.

# Agenda Item 11

## BABERGH DISTRICT COUNCIL

<b>TO:</b> Babergh Cabinet	<b>REPORT NUMBER:</b> <b>BCa/23/54</b>
<b>FROM:</b> Cabinet Member for Finance, Councillor John Ward	<b>DATE OF MEETING:</b> 07/05/2024
<b>OFFICER:</b> Karen Watling – Interim Section 151 Officer	<b>KEY DECISION REF NO.</b> CAB481

### ADDITIONAL INFORMATION 2024/25 HOUSING REVENUE ACCOUNT BUDGET

#### 1. PURPOSE OF REPORT

1.1 Agenda item 9 (report reference BC/23/39) incorrectly states the % increase for affordable rent under section 4:

b) That a CPI + 1% increase of 7.7% for social rents, equivalent to an average rent increase of £7.92 and a RPI + 0.5% (9.4%) increase for affordable rent of £11.13, a week be implemented.

#### 2. OPTIONS CONSIDERED

2.1 This is a retrospective correction, so there are no options.

#### 3. RECOMMENDATIONS

3.1 That Cabinet notes the following correction to wording:

b) That a CPI + 1% increase of 7.7% for social rents, equivalent to an average rent increase of £7.92 and a CPI + 1 (7.7%) increase for affordable rent of £11.13, a week to be implemented.

#### REASON FOR DECISION

It needs to be noted that the above amendment to the budget wording is required. When calculating the affordable rent, CPI +1% was correctly used in the numbers and so the budget figures are unaffected.

#### 4. KEY INFORMATION

4.1 [Policy statement on rents for social housing - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

#### 5. FINANCIAL IMPLICATIONS

There are no financial implications, this is simply a retrospective report to illustrate the correct figures in the report.

**6. LEGAL IMPLICATIONS**

6.1 This is to correct the incorrect wording on the budget reports to ensure a clear audit trail.

**7. RISK MANAGEMENT**

7.1 Key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Members of the public are given incorrect information	4	1	This report is being published to correct the misinformation.	Finance, Commissioning and Procurement ref # 2

*\*Name of risk register where risk is currently documented and being actively managed and it's reference number*

**8. CONSULTATIONS**

8.1 Finance Portfolio holder and section 151 officer.

**9. EQUALITY ANALYSIS**

Not Applicable

**10. ENVIRONMENTAL IMPLICATIONS**

Not Applicable

**11. APPENDICES**

Not Applicable

**12. BACKGROUND DOCUMENTS**

BC/23/39 Agenda Item 9 HOUSING REVENUE ACCOUNT (HRA) 2024/25 BUDGET

**13. REPORT AUTHORS**

*Jeni Smithies, HRA Finance Business Partner.*