

## **BABERGH DISTRICT COUNCIL**

Minutes of the meeting of the **BABERGH COUNCIL** held in the King Edmund Chamber - Endeavour House, 8 Russell Road, Ipswich on Tuesday, 19 February 2019

### **PRESENT:**

Councillor: Barry Gasper (Chairman)  
Adrian Osborne (Vice-Chair)

Councillors: Clive Arthey  
Simon Barrett  
Peter Burgoyne  
David Busby  
Sue Carpendale  
Luke Cresswell  
Kathryn Grandon  
Michael Holt  
Richard Kemp  
James Long  
Alastair McCraw  
John Nunn  
Stephen Plumb  
David Rose  
John Ward  
Melanie Barrett  
Peter Beer  
Tom Burrows  
Tina Campbell  
Michael Creffield  
Derek Davis  
John Hinton  
Bryn Hurren  
Frank Lawrenson  
Margaret Maybury  
Mark Newman  
Jan Osborne  
Nick Ridley  
Fenella Swan

### **In attendance:**

Officers: Strategic Director (JS)  
Section 151 Officer (KS)  
Assistant Director – Law and Governance (EY)  
Assistant Director – Assets and Investments (EA)  
Corporate Manager – Strategic Planning (RH)  
Corporate Manager – Democratic Services (JR)

### **Apologies:**

Sue Ayres  
Tony Bavington  
Sue Burgoyne  
Siân Dawson  
Alan Ferguson  
Jennie Jenkins  
Lee Parker  
Peter Patrick  
William Shropshire  
Ray Smith  
Harriet Steer  
Stephen Williams

## 95 DECLARATION OF INTERESTS BY COUNCILLORS

Before the meeting commenced, the Chairman held a Minute's silence for Mr Philip Gibson, who recently passed away, Mr Gibson was a past Babergh Councillor, who served on the Council from 2007 to 2011.

95.1 The Chairman announced he was amending the Order of Business so that Item 8 (Joint Capital and Investment and Treasury Management Strategies 2019/20) was considered after Item 11 (Housing Revenue Account (HRA) Budget and Four- Year Outlook).

95.2 The Monitoring Officer had granted dispensations to all members in respect of Report Numbers BC/18/39 and BC/18/40.

## 96 BC/18/35 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 18 DECEMBER 2018

**It was Resolved:-**

**That subject to Minute 85.6 being clarified to say "in response the Chair of Scrutiny stated that from a scrutiny point of view they were glad to hear that it was funded for as much as two years", Councillor Plumb being added to the list of attendees and Councillor Rose being added to the list of apologies the Minutes of the meeting held on 18 December 2018 be confirmed and signed as a true record.**

## 97 BC/18/36 ANNOUNCEMENTS FROM THE CHAIRMAN AND LEADER

97.1 The Chairman presented his report for noting and highlighted the Civic Dinner at Wherstead Park. He praised the venue and told Council that the food had been excellent and the Brass Band had been extremely professional. Nearly £800 had been raised from the evening for the Bumblebee Charity and he thanked Councillors for their support.

97.2 The Chairman then invited the Leader to present his report.

97.3 Councillor Ward presented his report and informed Council that the end of term of report, Your Council, had now been distributed to all residents in the district. This report highlighted the key achievements for the past four years, in a clear, concise and informative way and was part of an ongoing communications programme to ensure that the public was better informed about Babergh and what it was doing. The report was entirely factual in content. The Leader reminded Members that firstly people had told the Council that they wanted to know what the Council was doing and in precisely this kind of format. All Babergh Members had been asked to make contributions, but unfortunately not many had contributed. The report didn't tell the whole story, as there simply wasn't enough space to cover everything that had been achieved. However, the Leader felt that this was a very good succinct list of the most important. things.

97.4 The Leader reported that he and the Chief Executive had met with Gavin Edwards, the National Officer for Community at Unison regarding the End Violence at Work Charter. It was a very useful meeting where the reasons for the Charter were discussed along with a campaign to extend a number of organisations that have signed up and other aspects of the Charter's implementation. The Charter had three asks, firstly that the Council looked at its own processes, secondly that the Council asked existing service contractors to sign up and thirdly, that the Council makes charter compliance a condition of its procurement process. The Leader was happy to report that a paper would be brought to both Councils next month to adopt the Charter.

97.5 The Chairman thanked the Leader for his report.

**98 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES**

98.1 There were no petitions received.

**99 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES**

99.1 There were no questions received.

**100 QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES**

100.1 There were no questions received.

**101 BC/18/37 OVERVIEW AND SCRUTINY COMMITTEE REPORT**

101.1 The Chair of Overview and Scrutiny Committee introduced his report and apologised for the length of it, largely due to the backlog of work that had built up since Christmas.

101.2 The Chair of Overview and Scrutiny informed Council that there had been eleven separate items of scrutiny listed in the report, which detailed the reviews and the outcomes. The Chair highlighted the addendum that had been tabled. Included in the addendum was a review of outside bodies, the Committee had spent a considerable amount of time on this and the Chairman was aware that this was an area that had previously to some extent been overlooked. Many Members served on those outside bodies and the Committee have found that it actually benefited both the Council and the community in a two-way partnership. Also, the disabled facilities grant had been an area of particular interest, this was a Suffolk wide problem, and the Council were not alone in finding that the current system did not work and with an underspend in the budget, the Council was potentially not using money which was available for the benefit of the community. The Chairman of Scrutiny stated that the Committee believed that this should be addressed, and he believed it was being addressed in the proposed changes to the DFG's Disabled Facilities Grants which was illustrated on the third page of the addendum.

Finally, the Committee had looked at the implementation and the impact of Universal Credit with particular emphasis on its effect on housing services. As was stated in the report with only a 20% roll out it was difficult to draw a hard and fast conclusion, however, the Committee had seen some early trends that could be of concern. But, the Committee had felt quite strongly, that the Housing Team were very well prepared and flexible enough to deal with that.

101.3 The Chairman thanked the Chair of Overview and Scrutiny for his report.

## **102 BC/18/39 GENERAL FUND BUDGET 2019/20 AND FOUR YEAR OUTLOOK**

102.1 Councillor Ward presented the 2019/20 General Fund Budget and four- year outlook report to Council.

102.2 In his opening speech, he informed Council that the first draft of the report was considered at Cabinet last month and the finalised position was approved at Cabinet earlier this month. Unlike in previous years, the report did not combine both the General Fund and the HRA Budgets. Councillor Ward thought that it was proper that the Housing Revenue Account was examined and debated separately, therefore this year the HRA had its own separate budget report.

102.3 Councillor Ward told Council that the General Fund budget setting should never be seen as just a short-term exercise. Rather, it must be part of producing a medium-term outlook for the Council's finances which were both sensible and sustainable. That was why, during the lengthy budgeting process, the Council had spent a considerable amount of time working on projecting the four-year outlook. The projections for this were detailed in Section 8 of the report. The cumulative deficit at the end of this period was £954k if all the NHB receipts were used and £2.976M excluding these.

102.4 Councillor Ward informed Council that the General Fund budget in front of them, required all of the anticipated 2019/20 New Homes Bonus (NHB) receipts of £683k and reliance on reserves amounting to £615k to achieve a balanced budget. However, given the uncertainties regarding future NHB cashflows, the Council must continue with its efforts to become self-sufficient through maximising income streams, continuing to make efficiencies and productivity savings and continuing to find new ways of working. It also behoves the Council to have a strong core council tax base and so, from the perspective of the four-year outlook through to 2023, the numbers produced a compelling case for the need for council tax increases each year. The Council would continue to do this at the maximum level allowed without requiring a referendum, i.e. £5 per year for a Band D property for the next two years and 3% for the following two years. This should be seen in the context of an average CPI inflation rate of 2.5% for 2018. Along with a 1.64% growth in the Band D equivalent number of properties for 2019-20 and 1.5% p.a. thereafter, this will ensure that the Council can grow its council tax revenues to help offset the ongoing cost pressures that it faces.

102.5 Commenting further, Councillor Ward said as already mentioned, the Council was reliant on reserves to balance the budget and that it would need to take action during 2019/20 to replace this funding with more sustainable options because the reserves were declining. The reserve levels were detailed in paragraph 7.5 table 3 of the report. The figures had improved from the initial assessment in the Autumn, due to a number of factors, including the provisional finance settlement of £273k outlined in paragraphs 4.9 to 4.11 of the report so that the Council had now been able to leave the commuted maintenance reserve largely untouched, but Councillor Ward did not want to rely on this for 2020/21. He also pointed out that that the transformation fund now had very little in it.

102.6 Councillor Ward said that he had mentioned earlier the need for greater self-sufficiency and to that end the Council was including within the budget recommendations, a further £25million investment in CIFCO. This was budgeted to produce net income after interest charges of £218k in 19/20, £604k in 20/21, £526k in 21/22 and £541k in 22/23 – an additional £1.9M over the four years, on top of the four-year income of £2.7M from the current CIFCO investment. The Council's capital programme showed that investment, phased equally over the two years 19/20 and 20/21 as set out in Appendix B of the report.

102.7 Councillor Ward also pointed out appendix F in the report which described the successful stress test that was undertaken for CIFCO as requested by the Overview and Scrutiny committee. This had looked at all aspects of the CIFCO investments to ensure that risks have been adequately mitigated. It had covered worst case scenarios for a tenant default, CIFCO loan repayment default and failure of CIFCO. This stress test was a formal position on the matter from the Section 151 Officer. At this point Councillor Ward reminded Members that, if the Council did not make this further investment, there would be significant cumulative effects in the finances – the investment was an integral part of the Council's medium-term financial planning.

102.8 Councillor Ward also highlighted the proposed changes the Council were proposing for the discretionary Care Leavers Council Tax discount of up to 100%. The details were set out in section 11 of the report. This was a Suffolk-wide initiative and, although the cost to the Council was very modest, it would be most welcome to its recipients.

102.9 Finally, Councillor Ward informed Council that there were proposals to increase the second empty property premium in accordance with the legislation that followed the announcement in the government's 2017 budget. The Council would be using the maximum premium of 100% for 2019/20 and introducing further changes in subsequent years in line with the maximums given in paragraph 12.9 of the report.

102.10 Councillor Ward then **MOVED** the recommendations in the report which Councillor Ridley **SECONDED**.

102.11 Councillor Beer sought clarification on the proposals for increasing council tax, and asked if the proposals were just for this year?

102.12 In response Councillor Ward confirmed that the proposal was an increase of £5 for the forthcoming year, however as part of the medium- term financial planning the Council was proposing further increases over a four- year period, but obviously any new Council could change this in the future.

102.13 The Monitoring Officer clarified that the Council was setting the council tax for the next financial year but also agreeing a future financial strategy that included year on year increases to council tax.

102.14 Councillor Busby expressed his disappointment about the amount of Rural Service Delivery Grant that had been awarded and told Council that the amount of new homes needed to increase the council tax base would need to be around 2080 to be able to sustain costs including inflation and employee costs and the deficit in the pension fund, which would mean that the Council would need to double council tax to make it viable. He also felt that the Council need to rethink how it delivered its services.

102.15 Councillor Ward told Councillor Busby that he fully shared his concerns, but the Council was limited to how much it could increase its council tax without holding a referendum. That was why the Council had to rely on innovative new things like CIFCO investments.

102.16 The Section 151 Officer also clarified that with regard to the pension fund, this was the last year of a current 3 -year triannual evaluation and over those last three years, Babergh had been fortunate to be able to reduce its employer's contribution. The end of March 2019 was when the next evaluation happened and that would set the employers rates for the following three years. As the Council did not know at what level that valuation would be it had built in a prudent 1% increase in terms of the employers' contribution based on evaluation but it may have to switch from being able to reduce its contribution to potentially having to increase it in the future.

102.17 Councillor Burgoyne asked if it would be possible to have a briefing note in plain English regarding the proposals for care leavers discount so that he could circulate them as appropriate.

102.18 Councillor Arthey asked about the CIFCO stress test and the risk in terms of the capital value of the properties that the Council was purchasing as he felt that the market was skewed at the moment due to all of the investment by local authorities which was inflating prices and this was not included in the stress test?

102.19 In response Councillor Simon Barrett agreed that this was a very valid point but said that the Council was only really interested in the income stream that would come from the asset and felt that it was only if the Council sold the capital asset the loss would be realised. He therefore stated that a realistic and cautious approach should be taken but it was likely that the capital asset value would go up and down as the market fluctuated. Councillor Barrett stated that the real problem would come if there were a lack of tenants for the rental income that would need to be generated.

102.20 The Section 151 Officer also added that under paragraph 4.7 in the stress test, this had been considered, the assets the Council were investing in were for a longer term because the Council wanted the rental return and the yield from the properties.

102.21 Councillor Busby asked the Section 151 Officer when the guidance form CIPFA on Council investing in property would be available?

102.22 In response the Section 151 Officer stated that the guidance had still not been published however she would circulate this to all members once it was published.

102.23 Councillor Long felt that the recent publication of the end of term magazine should have included a realistic reference to the needs of the Council to raise more income to protect services.

102.24 In response Councillor Ward stated that in all of his parish reports he had explained the situation that the Council was in and had even talked about this on local radio so that he felt that he was conveying an accurate message to residents.

102.25 Councillor McCraw asked what would happen if the Council faced the worst-case scenario of having a property that needed maintenance costs and what impact this would have?

102.26 In response Councillor Ridley confirmed that the properties were all on fully insured tenancies and the costs would only come back to the Council if the property did not have a tenant.

102.27 Councillor Melanie Barrett queried the empty home premium mentioned in page 108 of the report and said that she was surprised that the premium only applied to empty and unfurnished property and felt that the Council should include furnished empty property as well.

102.28 In response the Section 151 Officer stated that the Council was very much constrained by the regulations that the Government issued around empty properties with the premium only coming into effect after two years, so the Council was not able to extend this to furnished ones.

102.29 Councillor Rose asked if the Council had to pay an empty homes premium as it had an empty property in Long Melford for over two years?

102.30 In response Councillor Jan Osborne stated that she was not aware of the property in Steeds Meadow and would investigate this further and come back to Councillor Rose outside of the meeting.

102.31 Councillor Hinton asked what was the net debt Babergh had at the moment

102.32 In response the Section 151 Officer confirmed that the current forecast for the end of the year was £113m.

The recommendations were **PUT** to the meeting and **CARRIED**.

102.33 In accordance with Council Procedure Rule 18.3, the vote was recorded as follows:-.

<b>For</b>	<b>Against</b>	<b>Abstention</b>
<b>Cllr Arthey</b>	<b>Cllr Beer</b>	
<b>Cllr M Barrett</b>	<b>Cllr Cresswell</b>	
<b>Cllr S Barrett</b>	<b>Cllr Hinton</b>	
<b>Cllr P Burgoyne</b>	<b>Cllr Kemp</b>	
<b>Cllr Burrows</b>	<b>Cllr Rose</b>	
<b>Cllr Busby</b>		
<b>Cllr Campbell</b>		
<b>Cllr Carpendale</b>		
<b>Cllr Creffield</b>		
<b>Cllr Davis</b>		
<b>Cllr Gasper</b>		
<b>Cllr Grandon</b>		
<b>Cllr Holt</b>		
<b>Cllr Hurren</b>		
<b>Cllr Lawrenson</b>		
<b>Cllr Long</b>		
<b>Cllr Maybury</b>		
<b>Cllr McCraw</b>		
<b>Cllr Newman</b>		
<b>Cllr Nunn</b>		
<b>Cllr A Osborne</b>		
<b>Cllr J Osborne</b>		
<b>Cllr Plumb</b>		
<b>Cllr Ridley</b>		
<b>Cllr Swan</b>		
<b>Cllr Ward</b>		
<b>Total 26</b>	<b>Total 5</b>	<b>0</b>

It was Resolved:-

- (i) That the General Fund Budget proposals for 2019/20 and four year outlook set out in the report be approved.
- (ii) That the General Fund Budget for 2019/20 be based on an increase to Council Tax of £5 per annum (10p per week) for a Band D property, which is equivalent to 3.15%, to support the Council's overall financial position.
- (iii) That a further £25m be invested in CIFCO as set out in paragraph 8.20 of the report.
- (iii) That a discretionary Care Leavers Council Tax discount of up to 100% be Introduced from the 1 April 2019 as set out in Section 11 of the report.
- (v) That the second empty property premium be increased as per the regulations set out in paragraph 12.9 of the report.

## 103 BC/18/40 HOUSING REVENUE ACCOUNT (HRA) BUDGET AND FOUR YEAR OUTLOOK

103.1 Councillor Jan Osborne introduced the report and informed Council that the Housing Revenue account presented a positive financial picture over the longer term, but there were short to medium term challenges with a continuation of the 1% rent reduction required by the Welfare Reform and Work Act. However, the Government had announced last year that local authorities could increase rents by a maximum of consumer price index plus 1% for 5 years from 2020/21, this additional income would support the Housing Revenue Account going forward. A further announcement from the Government included the removal of the debt cap in October 2018 and the High Value Asset Levy would no longer be introduced, this would also help the Housing Revenue Account in the long term. Councillor Osborne went on to say that the Council experienced lower than anticipated right to buy sales in 2017/18, but these have remained as predicted during the current financial year. The Council was currently forecasting a deficit in the 2019/20 housing revenue budget of £193K a balanced budget had been achieved by using strategy reserves to fund the budget deficit, the good news for the Council's housing tenants was that they would see a further reduction in their rent of 1% from April 2019, an average of 90p per week. Garage rents would also remain the same level as last year, but the Council would be implementing a project this year to reduce the number of vacant garages. Sheltered tenants would also receive a 1% reduction in their rent and service charges would remain at the current levels. However, the Council was recommending a small increase in utility charges of 5%, which was an average increase of 61p per week. This followed an average 8.4% increase in energy prices in 2017 and 7.6% in 2018, which resulted in Babergh subsidising utility charges in 2017/18. The Investment and Development team continued to move the housing programme forward and the Council was anticipating the supply of 178 new homes over the next three years. This would enable Babergh to increase its rental income for the HRA as well as provide much needed affordable homes.

103.2 Councillor Osborne then **MOVED** the recommendations in the report which Councillor Simon Barrett **SECONDED**.

103.3 Councillor Beer raised the issue of anti-social behaviour around housing developments across the district?

103.4 In response Councillor Osborne informed Council that the Housing Solutions Team regularly worked with tenants on some of the issues of anti- social behaviour, obviously parking was a situation that would be resolved when civil parking enforcement came into place. The Team was also currently looking at introducing estate rangers to carry out regular visits to see whether there were any problems and look to see how these could be resolved.

103.5 Councillor Rose asked when the rent reduction would cease and also asked if there had been any changes to the legislation with regard to Right to Buy?

103.6 In response Councillor Osborne informed Council that the reduction in rent would cease next year and obviously after that any decision would be made by the new administration. With regard to the Right to Buy legislation a consultation had recently been carried out, but the results of that consultation were not known yet.

The recommendations were **PUT** to the meeting and **CARRIED**.

103.7 In accordance with Council Procedure Rule 18.3 the vote was recorded as follows:-.

<b>For</b>	<b>Against</b>	<b>Abstention</b>
<b>Cllr Arthey</b>		
<b>Cllr M Barrett</b>		
<b>Cllr S Barrett</b>		
<b>Cllr Beer</b>		
<b>Cllr P Burgoyne</b>		
<b>Cllr Burrows</b>		
<b>Cllr Busby</b>		
<b>Cllr Campbell</b>		
<b>Cllr Carpendale</b>		
<b>Cllr Creffield</b>		
<b>Cllr Cresswell</b>		
<b>Cllr Davis</b>		
<b>Cllr Gasper</b>		
<b>Cllr Grandon</b>		
<b>Cllr Hinton</b>		
<b>Cllr Holt</b>		
<b>Cllr Hurren</b>		
<b>Cllr Kemp</b>		
<b>Cllr Lawrenson</b>		
<b>Cllr Long</b>		
<b>Cllr Maybury</b>		
<b>Cllr McCraw</b>		
<b>Cllr Newman</b>		
<b>Cllr Nunn</b>		
<b>Cllr A Osborne</b>		
<b>Cllr J Osborne</b>		
<b>Cllr Plumb</b>		
<b>Cllr Ridley</b>		
<b>Cllr Rose</b>		
<b>Cllr Swan</b>		
<b>Cllr Ward</b>		
<b>Total 31</b>	<b>Total 0</b>	<b>0</b>

It was Resolved:-

- (i) That the HRA Budget proposals set out in the report be approved.

- (ii) That the Housing Revenue Account (HRA) Capital Programme 2019/20 to 2022/23 and HRA Budget for 2019/20 be agreed.
- (iii) That the mandatory decrease of 1% in Council House rents, equivalent to an average rent reduction of £0.90 a week as required by the Welfare Reform and Work Act, be implemented.
- (iv) That garage rents be kept at the same level as last year.
- (v) That Sheltered Housing Service charges be kept at the same level as last year.
- (vi) That Sheltered Housing utility charges be increased by 5% (average £0.61 increase per week).
- (vii) That in principle, Right to Buy receipts should be retained to enable continued development and acquisition of new council dwellings.
- (viii) That the revised HRA Business Plan in Appendix B be noted.

## **104 RECOMMENDATIONS AND REPORTS FROM CABINET / COMMITTEES**

### **104a BC/18/38 REPORT FROM CABINET REGARDING MODERN SLAVERY MOTION**

104a.1 Councillor Ward introduced the report and informed Council that following the Council meeting on the 25<sup>th</sup> September 2018, when Councillor Cresswell had moved a Motion relating to modern slavery, in agreement with Mid Suffolk, it was resolved that a joint policy on modern slavery be drafted for both Cabinets to consider. Paper BC/18/38 provided the details of the motion and the recommendation that the Council made to Cabinet. Councillor Ward was pleased to announce that the policy was drafted, then adopted by Mid Suffolk Cabinet on the 10<sup>th</sup> December 2018 and Babergh Cabinet on the 13<sup>th</sup> December 2018.

### **104b BCA/18/64 JOINT CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGIES 2019/20**

104b.1 Councillor Ward introduced the report as approved by Cabinet earlier this month. Councillor Ward informed Council that following consultations last year, CIPFA published its 2017 editions of the Treasury Management Code of Practice and the Prudential Code and MHCLG published its 2018 Investment Guidance. The Council was now required to determine separate Capital, Investment and Treasury Management Strategy statements and Prudential Indicators annually before the start of each financial year. Both the Capital Strategy and the Investment Strategy were new this year.

104b.2 Councillor Ward then explained each appendix to Council as follows:-

**Appendix A - The new Capital Strategy** – summarised the capital expenditure and financing requirements of the full capital programme, for both GF & HRA, the details

of which were in the Budget Report.

This appendix sets out capital expenditure and capital investment decisions and the associated risks and rewards along with how risk is managed for future financial sustainability. It included Prudential Indicators which demonstrated that the investment plans the Councils had were affordable, prudent and sustainable, and decisions were made according to good practice. It also illustrated that capital expenditure planned for 2019/20 was £51.88m for Babergh [and £43.27m for Mid Suffolk] (table 1 of the report) and most of it will be funded by borrowing (table 2 of the report).

**Appendix B - The new Investment Strategy** – this detailed those expenditure items in the capital programme that were specifically related to assets bought/owned by the Councils to generate a return, for regeneration or development of the local area. In this context “Investments” meant those non-treasury management activities.

There were 2 types of these “Investments” -

- Service Provision – where the Councils lend to or buy shares in organisations that provide a service
- “For profit” Commercial Investments which generated a return – such as the council owned companies CIFCO and Gateway 14

It explained how each investment contributed to the Councils’ priorities, and their security, liquidity and risk. Both Councils were now developing their property and commercial portfolios either by purchasing them directly or through the Councils’ investment companies.

**Appendix C – Treasury Management Strategy 2019/20**, sets out the Councils borrowing requirement, and borrowing and treasury management investment strategies. This also included the list of Approved Investment Counterparties and limits.

**Appendix D – Treasury Management Indicators**, which were used to measure and manage the Councils exposure to treasury management risks.

**Appendix E – Economic update and interest rate forecast**, there was still a lot of uncertainty around the decision to leave the EU, affecting the value of the pound, growth and inflation, as well as changes overseas. Arlingclose, the Council’s treasury advisors, were forecasting the UK bank rate was likely to rise two more times during 2019 taking the rate up to 1.25% in the medium term (1-2 years).

**Appendix F – Current investment and debt portfolio**, reflected the position at 30<sup>th</sup> November 2018. The borrowing for Babergh sat at £95.05m, of which £86.05m was PWLB and £9m short term. [For Mid Suffolk the level was £115.94m, £90m was long term rate, and mostly PWLB with a small amount with other councils and £26m is short term.] On the investment side Babergh has £14.72m [and Mid Suffolk has £12.76m], this includes CCLA, funding circle, UBS and Schrodgers.

The Council has continued the policy of withdrawing funds from funding circle, as loans drop out, nor has the Council invested any new money.

**Appendix G – Treasury Management Policy Statement**, underpinned the strategy and set out both Councils' regard to the monitoring of risk and performance, primary objectives remain security of capital, then liquidity followed by return.

**Appendix H – Minimum revenue provision statement**, which shows where the Council puts aside the resources to repay debt in later years.

**Appendix I – Institutions meeting high credit ratings criteria**

**Appendix J – Glossary of terms**

104b.3 Councillor Ward said that the most important thing to take away from this report was the information provided in table 6 of Appendix A, The Joint Capital Strategy, on page 41 of the report. The Capital Financing Requirement, the total borrowing need, was larger than the actual external borrowing, with a headroom of £17.88M for 2019/20. Moreover, all the indicators and tables within the report were based on the capital programmes described in the General Fund and HRA Budget Reports that have just been approved.

104b.4 Councillor Ward then **MOVED** the recommendations in the report which Councillor Lawrenson **SECONDED**.

104b.5 Councillor Rose asked a question relating to the Sudbury prospectus and whether there had been a rush of partners wanting to join the Council?

104b.6 In response Councillor Ward stated that there had been a lot of expressions of interest which promoted a sense of confidence in Sudbury, so there would be a beauty parade of potential developers to see what was viable.

104b.7 Councillor Rose asked if there were any timescales on this?

104b.8 In response Councillor Ward stated that it was hoped to be having meetings with potential developers in the next two or three months and because there would be a new Council in May there would not be any decisions made until after this.

104b.8 Councillor Arthey asked why there was no mention of Angel Court in the capital programme.

104b.9 In response Councillor Jan Osborne confirmed that this was because Angel Court would be funded by the HRA.

104b.10 Councillor Arthey queried where the original capital purchase was made from?

104b.11 In response the Section 151 Officer confirmed that the original purchase was made from the General Fund, but the purchase of the units would be through the HRA fund, hence why it was not included in this report.

104b.12 Councillor Ward then **MOVED** the recommendations in the report which Councillor Lawrenson **SECONDED**.

**It was Resolved:-**

- (i) That the Joint Capital Strategy for 2019/20, including the Prudential Indicators, as set out in Appendix A be approved.
- (ii) That the Joint Investment Strategy for 2019/20, as set out in Appendix B be approved.
- (iii) That the Joint Treasury Management Strategy for 2019/20, including the Joint Annual Investment Strategy as set out in Appendix C be approved.
- (iv) That the Joint Treasury Management Indicators as set out in Appendix D be approved.
- (v) That the Joint Treasury Management Policy Statement as set out in Appendix G be approved.
- (vi) That the Joint Minimum Revenue Provision Statement as set out in Appendix H be approved.
- (vii) That the key factors and information relating to and affecting treasury management activities set out in Appendices E, F, and I be noted.

## **105 BC/18/41 POLLING DISTRICT REVIEW**

105.1 The Corporate Manager for Democratic Services introduced the report and informed Council that the report was seeking approval from Council to adopt the polling districts and polling places as listed in Appendix A of the report. This followed a review of the South Suffolk parliamentary constituency that falls within the boundary of Babergh District Council.

105.2 Also contained in the report were details of the Electoral Registration Officers proposals for polling stations. These were for Council to note only, as it was the responsibility of the Acting Returning Officer to allocate polling stations at each election.

105.3 The review had been undertaken as a statutory requirement from the Electoral Registration and Administration Act 2013. Furthermore, the changes to the polling districts and polling places were required to take into account the changes to the Babergh District Council Changes Order 2018 following a review by the Local Government Boundary Commission for England.

105.4 Councillor Maybury **MOVED** the recommendations in the report which Councillor Holt **SECONDED**.

105.5 Councillor Cresswell asked how much was spent under the last boundaries and how much will be spent in terms of polling stations for the new ones?

105.6 In response the Monitoring Officer stated that she did not have that information as it would very much depend on any increases in charges for the polling stations that were levied for this year's hire charge. Previously the Council had 85 polling stations, the recommendations were to reduce this as some only served a very small electorate where the turnout was really low, but she was not able to

provide a comparator cost at this point in time.

105.7 Councillor Hurren asked how the consultation was undertaken as his residents had informed him, they knew nothing about the consultation.

105.8 In response the Corporate Manager for Democratic Services informed Council that all parish councillors were written to, all councillors and MP's were informed and it was published on the web site with an on line survey that could be undertaken.

105.9 Councillor Arthey asked why the new village hall at Monks Eleigh was not being used, as being new, the village hall had ample parking, disabled facilities and was very accessible. He also asked at what point local democracy was outweighed by costs?

105.10 In response The Monitoring Officer stated that she would take away the points that had been raised and would ask the Acting Returning Officer to reconsider. As to the price of democracy, the Monitoring Officer as an elections professional said that democracy should come at any cost, however the Council did have to be realistic as each polling station could cost £1000 to run and when you had an electorate of 98 and you were looking at less than 50% turnout the cost per head did need to be taken into account. What was important was that the Acting Returning officer complied with the Electoral Commission's Guidance, which talks about accessible polling stations that are reasonably located for electors, the guidance did not require you to have a polling station in every parish. All electors have the ability to apply for a postal vote, in this country, postal voting was available on demand so if electors were not able to get to their polling station they could vote by absent voting.

105.11 Councillor Arthey and Councillor Hurren raised further concerns relating to the Monks Eleigh polling station and the Milden polling station.

105.12 In response the Monitoring Officer informed Council that they were being asked to approve polling districts and polling places. The Returning Officer had the authority to designate polling stations, therefore there was still flexibility to change polling stations. Issues relating to polling stations could therefore be picked up outside of the meeting.

**It was Resolved:-**

**That the polling districts and polling places as listed in Appendix A of the report be approved.**

**106 BC/18/42 JOINT STATEMENT OF COMMUNITY INVOLVEMENT: PLANNING MATTERS**

106.1 Councillor Ridley introduced the report and informed Council that the Joint Statement of Community Involvement Planning matters was part of the overall planning policy, which needed to be reviewed at regular intervals. The last one was published in March 2014. This document was presented to Council in April 2018 and underwent public consultation for four weeks.

The document had been reviewed as a result of greater emphasis on the use of the Council's website and also to reflect the move to Endeavour House, the opening of the two customer access points and the two pop up sites in Hadleigh and Shotley. Amendments also included the introduction of CIL in 2016 and the introduction of charges for preapplication advice in 2017.

106.2 Councillor Ridley informed Council of the twenty- four responses received many of them had particular concerns relating to the planning system rather than the Statement of Community Involvement. These responses were included on pages 19 and 20 of the report together with the Council's response.

106.3 Councillor Ridley then **MOVED** the recommendations in the report.

106.4 Councillor Maybury seconded the report and informed Council that this document was particularly important to our communities as the Council need to make sure that it was listening to them, taking notice and consulting with them as appropriate.

106.5 Councillor Busby queried why the Council had to consult with the coal authority?

106.6 In response the Corporate Manager for Strategic Planning confirmed that this was a requirement of the legislation.

106.7 Councillor Hinton raised a point relating to the lack of consultation with neighbouring North Essex Councils.

**It was Resolved:-**

- (i) That the updates to the finalised Babergh and Mid Suffolk Joint Statement of Community Involvement: Planning Matters (February 2019), which updated the March 2014 adopted version be noted.**
- (ii) That the finalised Babergh and Mid Suffolk Joint Statement of Community Involvement: Planning Matters (February 2019) be adopted and published.**
- (iii) That the Corporate Manager – Strategic Planning be authorised to make minor technical and formatting amendments if necessary to the Babergh and Mid Suffolk Joint Statement of Community Involvement: Planning Matters (February 2019) prior to adoption and publication.**

## **107 COUNCILLOR APPOINTMENTS**

**It was Resolved:-**

- (i) That Councillor Simon Barrett replace Councillor Ward on the Haven Gateway Partnership.**

(ii) That Councillor Ward replace Councillor Patrick as substitute on the Haven Gateway Partnership.

108 MOTION ON NOTICE

108.1 Councillor Cresswell **MOVED** the following Motion:-

“To scrap the £55 subscription charge for garden waste (brown bins) and provide them free of charge to Babergh residents.

To establish a weekly collection of household food waste throughout the district”

108.2 In his introductory speech Councillor Cresswell informed Council that his proposal was to scrap garden waste charges as he felt that it was strange that residents were taxed for doing the right thing, he also felt that it was important that these issues were discussed and changes made to the Council’s recycling policies. Much of the changes were behavioural but the Council need to play a bigger role. At the moment pretty much everything went into the black bins but that had got to change. As for the brown bin Councillor Cresswell stated that we lived in a rural district with a high population of elderly people that had no choice but to pay the brown bin tax as they could not easily access alternative means of disposing their garden waste. Councillor Cresswell went on to say that national government may push for this to be introduced soon any way and the Council should be prepared, indeed the Council could be seen as progressive if this was done before the Government made it mandatory. Finally, Councillor Cresswell said that unless we all do more to save the planet, our environment and our future it would soon be too late and the effects will be devastating.

108.3 Councillor Nunn seconded the Motion.

108.4 The Chairman then referred the Motion to Cabinet without debate.

The business of the meeting was concluded at 8:05pm

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Chair