

BABERGH DISTRICT COUNCIL

Minutes of the meeting of the **BABERGH COUNCIL** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Monday, 20 February 2023

PRESENT:

Councillor: Kathryn Grandon (Chair)
Derek Davis (Vice-Chair)

Councillors: Clive Arthey
Melanie Barrett
Peter Beer
Siân Dawson
John Hinton
Robert Lindsay
Alastair McCraw
John Nunn
Jan Osborne
Lee Parker
John Ward

Sue Ayres
Simon Barrett
David Busby
Mick Fraser
Leigh Jamieson
Margaret Maybury
Mary McLaren
Adrian Osborne
Alison Owen
Stephen Plumb

In attendance:

Officers: Chief Executive (AC)
Deputy Chief Executive (KN)
Deputy Monitoring Officer and Corporate Manager Governance & Civic Office (JR)
Director Corporate Resources (ME)
Corporate Manager Finance, Commissioning & Procurement (RH)
Corporate Manager Finance, Commissioning & Procurement (MC)
Director Housing (DF)
Director Operations (ME)
Director Assets & Investments (EA)
Director Planning & Building Control (TB)

Apologies:

Sue Carpendale
Trevor Cresswell
Jane Gould
Michael Holt
Bryn Hurren
Elisabeth Malvisi
Mark Newman
Zac Norman

62 DECLARATION OF INTERESTS BY COUNCILLORS

62.1 In accordance with delegated authority, the Monitoring Officer had granted dispensations to all Members in respect of the Budget papers.

62.2 There were no declarations of interest by Councillors.

63 BC/22/39 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 23 JANUARY 2023

It was RESOLVED:-

That the Minutes of the meeting held on 23 January 2023 be confirmed and signed as a true record.

64 BC/22/40 ANNOUNCEMENTS FROM THE CHAIRMAN AND LEADER

64.1 The Chair referred Councillors to paper BC/22/40 for noting.

64.2 The Chair thanked those who attended and supported her Chairman's charity dinner and announced that the event had raised £11,136 for the Blossom Appeal.

64.3 The Leader of the Council made the following announcements:

Suffolk Public Sector Leaders

Last Friday Suffolk Public Sector Leaders held the last public SPSL meeting before the elections in May, the Leader of the Council thought it would be an opportune moment to update Councillors on what the SPSL have been doing. Apart from agreeing important financial support for the Collaborative Communities Board to support food networks across the county and for the Housing Board to provide supported living training and to get additional support for tackling rough sleeping, at the meeting SPS Leaders also launched their latest report summarising all that they have achieved over the past three years with the pooled business rates funding at their disposal. SPS Leaders have given:

- £2.35m to support business and the county's post-Covid recovery programme, of which £1.4m has been put into the Suffolk Inclusive Growth Investment Fund, which has supported several projects in Babergh: the Virtual High Street, Innovate Local and Innovation Labs
- £1.35m to tackle county lines and criminal exploitation
- £1.5m to deliver the Suffolk Climate Emergency Plan
- £756k to improve the energy efficiency of homes
- An additional £80k for Screen Suffolk, following the setup support in 2016
- £500k for the county council's Get Suffolk Reading initiative
- £500k for the Collaborative Communities Board and £400k for Suffolk Family Focus for preventative work to support vulnerable people
- £200k for the Integrated Care Academy to support young people and their mental health
- £1m for the Local Welfare Assistance Service to support residents facing financial hardship.
- £1m earmarked for Haughley Junction

- £1m earmarked for the Housing Board
- £375k earmarked for RAWs

In addition, there was initial support for SODA when it was set up in 2018, which is now a well-respected and much used source of data, analytics and insight services used by public service organisations in the county.

In total, since its inception in 2013, SPSL has received £23.9m of pooled business rates funding, of which £21.4m has been spent or committed.

All this demonstrates that councils can achieve so much when they come together and work as a system across the county. It bodes well for the Devolution deal that has been agreed with government. Collaboration between councils is increasingly the only way they can tackle the larger issues that their residents face. No council can work in isolation, no matter what some Councillors here might think.

End of Term Report

Lastly, talking about end of term reports, just another reminder to let all the Council's parish councils, community groups and residents know about the Council's own End of Term Report. It is full of interesting and useful information about all the good things the Council has been able to achieve over the past four years.

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

65.1 None received.

66 QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

Question 1

Mr Ferguson to Councillor Busby, Cabinet Member for Finance and Assets & Investments

At the Council Meeting on Thursday 6th October 2022, I asked the Cabinet Member for Finance, Assets and Investments for a copy of the risk assessment of Gipping Construction's ability to complete the redevelopment of the old Babergh District Council offices at Corks Lane. One of the reasons that I gave for this request was my concern about Gipping's limited experience with working on listed buildings – part of the old Council HQ is listed Grade II.

In his response Councillor Busby refused to let me see that risk assessment, and Babergh District Council also refused to provide it when I subsequently submitted a Freedom of Information (FOI) request. However, in his reply to my question on 6th October 22, Cllr Busby told me that Babergh Growth Limited would ensure completion of the project quote: "on time and on cost" through robust management of the contract. He went on to say that April 2024 had been set as the completion date.

Also, in response to a question from Cllr Dawson (the Ward member for North Hadleigh) to the Chief Executive (CE) with regards to the timeframe and financial impact of delays in the development work, the CE responded as follows:

“The work on site has been progressing well and in line with the projected programme.”

The Chief Executive went on to say that:

“There are currently no significant delays to the programme and therefore the financial implications are that there is some cost to the redesign work, but this is allowed for within the project contingencies.”

In the context of those assurances, it is apparent that work stopped on this project at the end of November 2022 (i.e. now almost 3 months ago), and as of Monday 13 February 2023, work has not restarted on the site.

My question to Cllr Busby is:

Against that background, are you still reporting that the Corks Lane redevelopment will be delivered quote: “on time and on cost,” and that it will be completed by April 2024? If not, what has changed since you provided those assurances on 6th October 2022, and what are the potential implications on the 2023/24 Babergh District Council budget forecasts?

Response from Councillor Busby, Cabinet Member for Finance and Assets & Investments

The redevelopment of the former HQ at Hadleigh is a complex project due to the listed buildings and unique nature of the existing buildings on site. The complex nature of this redevelopment was anticipated and allowed for within project contingencies. It was expected that there would be a need to make adaptations to the programme as works progressed on site and additional heritage aspects were uncovered. Whilst work has slowed down on site, considerable technical work is still underway, and we anticipate works on site accelerating in March. Babergh Growth Ltd are still reporting this project to be on budget and on time, however it should be noted that we are still at the very early stages of this development.”

Supplementary Question from Mr Ferguson to Councillor Busby, Cabinet Member for Finance and Assets & Investments

The response I’ve just had which quite frankly I find less than informative and rather disappointing in the context of the reality that this has now been shutdown 3 months which was clearly never planned but if I can put that to one side. My question is can we be assured, and I’m now talking in terms of the residents of Hadleigh in particular because this question is being asked all the time, can I ask that we be assured to be given updates in the context of what’s going on with this programme in terms of further developments, particularly if it starts to impact on the costs of it.

Response from Councillor Busby, Cabinet Member for Finance and Assets & Investments

Yes, I'm more than happy to keep you up to date on what is going on, especially with the costs, however as I said it is at an early stage, we anticipated that there would be issues and there have been. Fortunately, these occurred during the winter period, during Christmas and the new year when work on site would not have been happening anyway, we haven't lost 3 months and work has been going on. The problems were caused by ground conditions discovered which affected the car park area as well as heritage assets uncovered in the early part of the on-site works. So, we've had to do additional design work to sort this out and then this has to be signed off by the statutory authorities, but work will start and proceed at a pace very soon.

67 QUESTIONS BY COUNCILLORS IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

Question 1

Councillor Lindsay to Councillor Jan Osborne, Cabinet Member for Housing

What triggered the in-depth review into building services?

Response from Councillor Jan Osborne, Cabinet Member for Housing

The in-depth review was triggered by a combination of factors. Firstly, there were a number of new legislative and regulatory changes for registered housing providers. These included:

- New regulation by the regulator of social housing for stock-holding councils
- Social Housing White Paper
- Building Safety Act
- Changes to the Fire Safety Order

There was also the need to review the impact of the pandemic and to recover from the pandemic. Furthermore, we recognised that some of the previous changes hadn't achieved the long-term impact we had hoped for, so we wanted to do a root and branch review to understand the issues and develop sustainable long-term solutions in the light of the impacts of the pandemic and the new regulations.

Supplementary Question from Councillor Lindsay to Councillor Jan Osborne, Cabinet Member for Housing

Could you elaborate a bit on what the previous changes were that hadn't achieved the impact we had hoped for?

Response from Councillor Jan Osborne, Cabinet Member for Housing

I think obviously we've had issues with materials that we hadn't visualised would happen so that has had a huge impact, staffing issues through sickness, covid and also going into the private sector as well. So these are issues that have impacted where we are, I think the important thing is to not look back but to look forward and

to be assured that changes are going to happen, improvements are going to happen and I've been saying that for a long time but I am so much more confident now that this is going to be the fact. So I think rather than looking backwards lets look forwards and hopefully the new Administration will start to see improvements in a very short period of time.

Question 2

Councillor Lindsay to Councillor Jan Osborne, Cabinet Member for Housing

Is the review looking at reasons for the backlog in housing repair work and whether outside contractors are completing work in a timely manner?

Response from Councillor Jan Osborne, Cabinet Member for Housing

The review is looking at all areas, including the backlog in repairs, cost, and quality.

We have identified some areas for improvement with our contractors and are managing them closely to ensure that they are providing a quality service and good value for money.

Supplementary Question from Councillor Lindsay to Councillor Jan Osborne, Cabinet Member for Housing

Are we getting a grip on the backlog now? Is it reducing or is it increasing?

Response from Councillor Jan Osborne, Cabinet Member for Housing

It's not good news, we currently have 1845 outstanding repairs, and the problem is as fast as we try to catch up on those, we've got new repairs coming in, so it's a really difficult situation. We need to look at this and that's what the review will look at why the backlog isn't actually getting less and in some respects it's getting more. The operatives are working really hard to reduce this against some really big challenges - again it's materials, and it's lack of some skilled workforce but it's an area that is obviously being looked at as part of the review.

68 BC/22/41 GENERAL FUND BUDGET 2023/24 AND FOUR-YEAR OUTLOOK

68.1 The Chair invited Councillor Busby – Cabinet Member for Finance and Assets & Investments to introduce report BC/22/41.

68.2 Councillor Busby detailed the purpose of the report and **PROPOSED** the recommendations contained within the report, which was **SECONDED** by Councillor Ward.

68.3 Councillor Beer referred to pg39 and asked why an additional £100,000 was needed for Kingfisher Leisure Centre, in addition to the £641,000 already allocated and referred to ongoing issues at the centre.

68.4 Councillor Busby clarified that there were difficulties acquiring repair parts despite having set aside for them, and the key point is that the Council spends the £641,000 plus the additional £100,000, due to the additional work needed to be done.

68.5 Councillor Hinton referred to pg21 and the increase in employee costs, and requested information regarding the number of employees and how the £1.6million increase was justified.

68.6 The Director for Corporate Resources referred Councillors to table 2 on pg22 and explained that the increase was due to pay award increments and the pay review and not additional staff.

68.7 Councillor Hinton requested confirmation of the total number of staff Babergh is accountable for.

68.8 The Chief Executive advised Councillors that the exact figures change on a daily basis but he would be happy to provide an up-to-date account during the course of the meeting. He reminded the Council of the annual all-member briefing detailing staffing in headcount and full-time equivalent numbers. In addition, the Chief Executive clarified that the main impact was the previous years pay award which was defined centrally.

68.9 Councillor Beer asked how much wages cost the Council, and whether it was 85% of the Council's costs.

68.10 The Director for Corporate Resources referred Council to chart 4 on pg23 depicting the total of employee costs including pensions, national insurance and tax, and amounts to about half of all costs.

68.11 Councillor Beer requested the translated employee cost to residents.

68.12 The Director for Corporate Resources agreed to provide a calculation.

68.13 Councillor M. Barrett questioned the adequacy of the assumption of a 2% pay award in the budget about the staff costs in the next year, referring to pg29 table 6.

68.14 Councillor Busby acknowledged that the assumption may not be enough but that it was a likely indication of where a pay award would start but that the final figure would be nationally agreed.

68.15 The Director for Corporate Resources clarified that the next year is an assumption of 4% and for the subsequent 3 years the forecast was set at 2%, although there was uncertainty with inflation.

68.16 The Chairman responded to Councillor Beer's previous question having received the Director for Corporate Resource's calculations of 50.8%.

68.17 Councillor Dawson raised concern as to whether with all the increased costs in the budget, the cost of parking would be covered.

68.18 Councillor Busby confirmed parking had been budgeted for.

68.19 Councillor Dawson sought assurance that no car parking fees would be implemented after the election.

68.20 Councillor Busby responded that it would be up to the next Council to decide.

68.21 Councillor Lindsay referred to pg65 regarding ICT costs, and £409,000 for contracts and queried this increase in costs. Additionally, on pg66 Councillor Lindsay asked why there were two items for climate change and why economic growth was included.

68.22 The Chief Executive clarified that the duplication was because the first was a summary.

68.23 The Director for Corporate Resources explained the contracts were for all software costs excluding the HRA, and that inflation rates had impacted costs by ten percent, but that a detailed written answer could be provided upon request.

68.24 Councillor Busby added the inclusion of the new Finance IT system, due in the summer.

68.25 Councillor Ward commented that the economic growth and climate change services are featured together due to having the same Director responsible for those areas. Additionally, Councillor Ward further explained staff expenditure in chart 4 but acknowledged percentages would be a useful inclusion for clarity.

68.26 Councillor Lindsay reiterated his request for clarity within the table on pg66 as climate change is not featured as a separate item.

68.27 The Director of Corporate Resources provided a brief step-by-step explanation.

68.28 Councillors debated the matter. Concern was raised towards future potential parking charges and the potential unsustainability of staff costs. The importance of investments and other income avenues was highlighted. The requirement of annual budgeting over 3-year settlements was commented on. Rises in council tax were acknowledged as not ideal but it was agreed Babergh could not afford otherwise. The extent of climate change involvement and initiatives were discussed against the backdrop of finances.

Councillor Maybury left the meeting at 6.27pm and did not take part in the vote.

In accordance with Council Procedure Rule 19.3, the vote was recorded as follows:

For	Against	Abstain
Clive Arthey	Peter Beer	Alison Owen
Susan Ayres	Sian Dawson	
Melanie Barrett		
Simon Barrett		
David Busby		
Derek Davis		
Kathryn Grandon		
John Hinton		
Alistair McCraw		
John Nunn		
Adrian Osborne		
Jan Osborne		
Lee Parker		
Stephen Plumb		
John Ward		
Mick Fraser		
Mary McLaren		
Robert Lindsay		
Leigh Jamieson		
TOTAL 19	TOTAL 2	TOTAL 1

By 19 Votes for, 2 votes against and 1 abstention,

It was RESOLVED:-

- 1.1 That the General Fund Budget proposals for 2023/24 and four-year outlook set out in report BC/22/41 be approved.
- 1.2 That the General Fund Budget for 2023/24 is based on a 2.99% increase to Band D Council Tax, which is equivalent to £5.30 per annum (10p per week) for a Band D property.

69 BC/22/42 HOUSING REVENUE ACCOUNT (HRA) 2023/24 BUDGET

69.1 The Chair invited Councillor Busby – Cabinet Member for Finance and Assets & Investments to introduce report BC/22/42.

69.2 Councillor Busby detailed the purpose of the report and **PROPOSED** the recommendations contained within the report, which was **SECONDED** by Councillor J. Osborne.

69.3 Councillor Jamieson asked how much rent increases would impact the poorest residents on Universal Credit and housing benefits.

69.4 The Director for Housing would provide a detailed emailed response outside of the meeting.

69.5 Councillor J. Osborne commented that 68% of the HRA residents are on housing benefits but that it is scaled dependent on the income of the resident. Additionally, Councillor J. Osborne offered for the information to be an addendum to the minutes when available.

69.6 Councillor Beer asked what the current market rent was for an average three-bed council house before and after the 7th April increase.

69.7 Councillor J. Osborne explained the average private rent is £875 per month, and that after the increase, social rent will average at £452 per month with variability due to bedroom number, and affordable rent will be £596 per month.

69.8 Councillors debated the matter. It was acknowledged that the increase was regrettable especially due to the crisis of living backdrop, yet it was reasoned as critical to the viability and continuation of the service. Further action was implored towards resolving the backlog in building services. Regulatory compliance and self-referral matters arose and were echoed to be transparent with progression despite access issues. Concern was raised about the quality of building reparations received by residents, but confidence was afforded to the new team to deliver.

In accordance with Council Procedure Rule 19.3, the vote was recorded as follows:

For	Against	Abstain
Clive Arthey	Peter Beer	Sian Dawson
Susan Ayres		Alison Owen
Melanie Barrett		
Simon Barrett		
David Busby		
Derek Davis		
Kathryn Grandon		
John Hinton		
Alistair McCraw		
John Nunn		
Adrian Osborne		
Jan Osborne		
Lee Parker		
Stephen Plumb		
John Ward		
Mick Fraser		
Mary McLaren		
Robert Lindsay		
Leigh Jamieson		
TOTAL 19	TOTAL 1	TOTAL 2

By 19 votes for, 1 against and 2 abstentions,

It was RESOLVED:

- 1.1 That the HRA Budget proposals for 2023/24 set out in this report, be approved.
- 1.2 That an increase of 7% for council house rents, equivalent to an average rent increase of £6.68 for social rent and £9.41 for affordable rent, a week be implemented.
- 1.3 That the CPI increase of 10.1% in garage rents, equivalent to an average rent increase of £4.86 or £4.91 (private rental), a month be implemented.
- 1.4 That an increase of 7% for sheltered housing service charges, equivalent to £12.19 a month, be implemented.
- 1.5 That an increase for sheltered housing utility charges, equivalent to £7.42 a month (8% for heating and 11% for water), be implemented, following no utility increase for 3 years (since 2019/20).
- 1.6 That in principle, Right to Buy (RTB) receipts should be retained within the Housing Revenue Account, to enable continued development and acquisition of new council dwellings.

The meeting was adjourned between 6.59pm and 7.08pm.

70 BC/22/43 CASE FOR A NEW JOINT DEPOT

70.1 The Chair invited Councillor Busby – Cabinet Member for Finance and Assets & Investments to introduce report BC/22/43.

70.2 Councillor Busby detailed the purpose of the report and **PROPOSED** the recommendations contained within the report, which was **SECONDED** by Councillor Ward.

70.3 Councillor Lindsay asked why the three current depots couldn't be demolished and rebuilt fit for purpose.

70.4 Councillor Busby responded that the current sites were not big enough or efficient.

70.5 Councillor Beer questioned the expenditure of the fuelling arrangements.

70.6 The Director for Operations clarified that fuelling takes place onsite.

70.7 Councillor Jamieson asked whether the merger would entail job losses, particularly office-based staff.

70.8 Councillor Busby responded that at the current stage it was too early to say, but it was possible that efficiency would increase with the existing number of staff meeting higher demands rather than cutting the workforce as waste collection complexity increases.

70.9 Councillor S. Barrett asked where the initiative arose from.

70.10 Councillor Busby confirmed it was the chosen recommendation from numerous officer proposals provided.

70.11 Councillor S. Barrett questioned whether any sites were being considered within Babergh.

70.12 Councillor Busby clarified that possible site locations would only be explored at a later if the project was approved.

70.13 Councillor S. Barrett queried whether the funds would be acquired out of current capital programs.

70.14 Councillor Busby replied that every capital project is required to stand and fall on its own, including financial viability. In addition, Councillor Busby clarified that no funds would be allocated from other current projects towards the proposal and that it would entail borrowing.

70.15 Councillor Ward added that the project succeeds a change in operational requirements.

70.16 Councillor Ayres voiced concern about moving facilities away from Babergh, particularly Sudbury, and requested if a site central to and between both districts could be considered.

70.17 Councillor Busby suggested that the arrangement could work better for Sudbury but that all options would require investigation before proposals were made.

70.18 Councillor Beer echoed the concerns of Councillor Ayres, discouraged borrowing, and questioned whether close consultation with the workforce would be employed.

70.19 Councillor Busby provided examples to refute concerns of a shift away from Sudbury and confirmed workforce consultation as noted in 5.7 of the report.

70.20 Councillor J. Osborne added an additional example of investment in Sudbury, conveyed workforce sentiment from a recent visit, and rationalised the improvement to building services through greater material capacity.

70.21 Councillor Jamieson requested clarification as to whether the £6million costs were attributed to land.

70.22 Councillor Busby clarified that it would be the total cost.

70.23 Councillors debated the matter. Concern was raised about travel distances however the proposal was also at the point of inception and dependent on investigation and viability. Current sites were acknowledged as insufficient, whilst efficiency-savings and land opportunities were highlighted.

By 16 votes for, 5 against and 1 abstention,

It was **RESOLVED**:

1.1 That £6m is added to the Council's Capital Programme from 23/24 budget year to deliver improved depot facilities.

1.2 Capital receipts from the disposal of existing depot sites will be added to the capital programme in later years.

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

As Members had completed their discussion of Item BC/22/43 - Case for a New Joint Depot, the Chair refrained from going into closed session.

72 RESTRICTED APPENDIX - CASE FOR A NEW JOINT DEPOT (EXEMPT INFORMATION BY VIRTUE OF PARAGRAPH 1 OF PART 1)

As Members had completed their discussion of Item BC/22/43 - Case for a New Joint Depot, the Chair refrained from going into closed session.

73 RE-ADMITTANCE OF THE PUBLIC (WHICH TERM INCLUDES THE PRESS)

N/A

74 BC/22/44 JOINT CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGIES 2023/24

74.1 The Chair invited the Corporate Manager Finance, Commissioning & Procurement to introduce report BC/22/44.

74.2 The Corporate Manager Finance, Commissioning & Procurement detailed the purpose of the report.

74.3 Councillor Ward **PROPOSED** the recommendations contained within the report, which was **SECONDED** by Councillor S. Barrett.

74.4 Councillor Hinton questioned the investment cap of £5million as opposed to £2million.

74.5 The Corporate Manager Finance, Commissioning & Procurement explained that it is purely for cashflow purposes between the two districts.

By 22 votes for,

It was **RESOLVED**:

1.1 The Joint Capital Strategy for 2023/24, including the Prudential Indicators, as set out in Appendix A.

1.2 The Joint Investment Strategy for 2023/24, as set out in Appendix B.

- 1.3 The Joint Treasury Management Strategy for 2023/24, including the Joint Annual Investment Strategy as set out in Appendix C
- 1.4 The Joint Treasury Management Indicators as set out in Appendix D.
- 1.5 The Joint Treasury Management Policy Statement as set out in Appendix G.
- 1.6 The Joint Minimum Revenue Provision Statement as set out in Appendix H.
- 1.7 That the key factors and information relating to and affecting treasury management activities set out in Appendices E, F, and I be noted.

75 COUNCILLOR APPOINTMENTS

75.1 There we no changes to Councillor appointments.

76 MOTIONS ON NOTICE

76.1 None received.

The business of the meeting was concluded at 7.45pm.

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Chair