

MID SUFFOLK DISTRICT COUNCIL

Minutes of the meeting of the **MID SUFFOLK CABINET** held in the Frink Room (Elisabeth)
- Endeavour House on Tuesday, 5 December 2023

PRESENT:

Councillors:	Teresa Davis	Rachel Eburne
	Andrew Mellen	Andrew Stringer
	Tim Weller	Richard Winch

In attendance:

Councillors: John Whitehead

Officers:

- Chief Executive (AC)
- Interim Monitoring Officer (JR)
- Corporate Manager - Open for Business
- Chief Executive
- Director - Economic Development and Regeneration
- Director - Housing
- Corporate Manager - Strategic Policy
- Performance and Business Planning Lead
- Director - Customers, Digital Transformation and Improvements

Apologies:

None

55 DECLARATION OF INTERESTS BY COUNCILLORS

Councillor Rachel Eburne declared an Other Registrable interest in item 13, as a Director of Freeport East Limited. However, the item under discussion did not directly relate to the finances or wellbeing of that interest or affect the finances or wellbeing of that interest to a greater extent than the majority of inhabitants. Therefore, Councillor Eburne was not prevented from participating in the debate and vote in respect of this item.

Councillor Andrew Stringer declared an Other Registrable interest in item 12, as Director of Gateway 14 Limited. However, the Monitoring Officer had granted dispensation to Councillor Andrew Stringer.

56 MCA/23/29 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 7 NOVEMBER 2023

It was **RESOLVED:-**

That the minutes of the meeting held on the 7 November 2023 be confirmed as a correct record.

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

None received.

58 QUESTIONS BY COUNCILLORS

None received.

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

There were no matters referred from the Overview and Scrutiny nor the Joint Audit and Standards Committees.

60 FORTHCOMING DECISIONS LIST

There were no comments made by Councillors.

61 MCA/23/30 FINANCIAL MONITORING QUARTER 2 2023/24

61.1 The Chair, Councillor Andrew Mellen, invited the Cabinet Member for Finance and Resource, Councillor Rachel Eburne to introduce the report.

61.2 Councillor Rachel Eburne provided an overview of the main points in the report and proposed the recommendations, as detailed in report MCA/23/30.

61.3 Councillor Teresa Davies seconded the recommendation.

61.4 Councillor Richard Winch queried if the Housing Revenue Account (HRA) would deteriorate further this year and Councillor Eburne responded that the Housing team was undertaking a lot of work to prevent further issues, and had not given any indication that there would be any further deterioration.

61.5 Councillor Richard Winch referred to the underspend for the Disabled Facilities Grant. Councillor Rachel Eburne stated that the Disabled Facilities Grant was provided by the Government for adaptation of properties occupied by disabled residents. There was a shortage of Occupational Therapists to assess the needs for disabled people in housing and this was partly the cause for the underspend. However, there was also a need to advertise the grant more to get people to use it.

61.6 In response to questions to other people attending the meeting regarding the causes for the state of the HRA, Councillor Rachel Eburne stated that there had been elements of the Housing area that had not been actioned or identified as areas of concerns in the previous administration and that there had been a significant amount of work that had not been done, which the housing team

was now resolving.

61.7 Councillor Richard Winch queried whether there was a direct link between the lack of occupational therapist assessments and the uptake of the Disabled Facilities Grant. The Director of Housing responded that this was usually the case, but this would be checked, and the information would be added to the minutes.

61.8 During the debate Councillor Andrew Stringer advised Members that the issues relating to the occupational therapist appointments had been a concern for a while and that there were alternative solutions which could be used.

61.9 Councillor Eburne thanked the Finance Team and assured Members that by keeping tight controls on the spending the budget positions would improve for next year.

By a unanimous vote

It was RESOLVED: -

- 1.1 That, subject to any further budget variations that arise during the rest of the financial year, the projected surplus on the General Fund of £2.878m referred to in section 4.2 and Appendix A of the report be noted;**
- 1.2 That, subject to any further budget variations that arise during the rest of the financial year, the projected overspend on the Housing Revenue Account of £1.488m and the underspend on the capital programme of £19.750m referred to in section 4.3 and Appendix B of the report be noted;**
- 1.3 That, the Council's compliance with the Prudential Indicators during quarter two referred to in section 4.4 and Appendix C of the report be noted.**

REASON FOR DECISION

To ensure that Members are kept informed of the financial position for both General Fund Revenue and Capital, Housing Revenue Account and Capital and the Prudential Indicators.

Alternative Options Considered and Rejected:

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

Any Declarations of Interests Declared: None

Any Dispensation Granted: None

- 62.1 The Chair, Councillor Andrew Mellen, invited the Cabinet Member for Housing and Property, Councillor Richard Winch to introduce the report.
- 62.2 Councillor Richard Winch introduce the report and proposed the recommendation as detailed in paper MCA/23/31.
- 62.3 Councillor Andrew Stringer seconded the recommendation.
- 62.4 The Director for Housing advised Members that the housing software was not updating properly. This would be fixed at the end of the week and Members would receive updated data in due course.
- 62.5 Councillor Rachel Eburne referred to fire risk in sheltered housing and whether this would be included in the reporting. The Director for Housing responded that fire detection defects were already included in the report. She detailed the procedures for fire evacuation in place at sheltered housing properties and that Telecare systems were in all the flats.
- 62.6 During the debate Councillor Rachel Eburne stated that it was important to include the data for fire risk and ensure security to the Council's tenants.

By a unanimous vote

It was RESOLVED: -

That Members noted the report.

REASON FOR DECISION

To ensure that members and senior leaders of the councils have oversight of the journey with the Regulator back to a position where we are compliant.

63 MCA/23/32 PERFORMANCE REPORT 2023-24 - QUARTER 2

- 63.1 The Chair and Cabinet Member for Performance and Resilience Councillor Andrew Mellen, introduced the report.
- 63.2 Councillor Rachel Eburne referred to the recent floods and the need for emergency planning and that the works that needed to be undertaken was captured in the report.
- 63.3 Councillor Andrew Stringer asked that the number of grants paid to residents, was included in the report.
- 63.4 Councillor Andrew Mellen stated that there was a scope for adding new measures into the report and the Corporate Manager – Strategic Planning responded that there would be discussions taking place to determine the relevance of new measures.
- 63.5 Councillor Richard Winch referred to customer satisfaction performance

measure and the Corporate Plan and that only one third of customers thought the Council provides value for money and asked this to be captured in the report.

63.6 The Director for Customers, Digital Transformation and Improvement responded that this would be taking into consideration as there were several reasons for this performance.

The Performance Report 2023-24 – Quarter 2 was noted

64 MCA/23/33 MSDC RINGFENCED FUNDING FOR RURAL TRANSPORT PROVISION - ADDENDUM RE: FINANCIAL ADMINISTRATION

64.1 A short break was taken between 10:05 am and 10:08 am.

64.2 The Chair Councillor Andrew Mellen invited the Cabinet Member for Thriving Towns and Rural Communities, Councillor Teresa Davis to introduce the report.

64.3 Councillor Teresa Davis referred to the decision taken by Cabinet in October 2023, not to buy electric buses and but to instead provide rural transport grants, which transpired to be revenue spending rather than capital spending. The recommendation in the report was for audit purposes to formally confirm that the money used was from the revenue account.

64.4 Councillor Teresa Davis proposed the recommendation, as detailed in report MCA/23/33.

64.5 Councillor Rachel Eburne seconded the recommendation.

64.6 Councillor Richard Winch referred to the £170K as part funding with Suffolk County Council and allocated for the purpose of electric buses and asked who would own the buses. The Director for Economic Development and Environment responded that this would now be a grant scheme funding and the £170K would be held back, but this question did not form part of this report.

64.7 During the debate Members considered the issues including that there had been an interest from communities for rural transport, and that it was good that the Council could support communities and businesses who desperately needed support following the effect of Covid 19 Pandemic.

64.8 Councillor Mellen stated that there clearly was a demand from communities for new ways of travel and that he was using his community grant to support these grass root initiatives. Councillor Mellen supported anything that could enhance this, so that people were not depending on the car.

By a unanimous vote

It was RESOLVED: -

That Cabinet approves £560k of the total £820k earmarked reserve funding previously approved in the 2023/24 budget, be spent on revenue rather than capital.

REASON FOR DECISION

Formally documenting the approval for this change in capital/revenue budget split provides a clear audit trail.

65 MCA/23/34 SKILLS & INNOVATION CENTRE ON GATEWAY 14

65.1 The Chair invited the Cabinet Member for Housing and Property, Councillor Richard Winch to introduce the report.

65.2 Councillor Richard Winch introduce the report.

65.3 Councillor Andrew Mellen proposed the recommendations, as detailed in paper MCA/23/34.

65.4 Councillor Tim Weller seconded the recommendations.

65.5 Councillor Andrew Stringer asked if any of the technology in the centre would be sensitive to the pylons situated nearby. The Director for Economic Development and Environment responded that various pieces of hi-tech equipment would be in the Skills and Innovation Centre and Councillor Stringer's concern would be raised with the developer.

65.6 In response to questions from other Members attending the meeting, it was confirmed that a full business case for the Skills and Innovation Centre would be presented to Council in January 2023 and the report contained elements that required further work, which would be included in the full business case.

65.7 Councillor Richard Winch was confident that all the information was included to make a decision even though elements were still to come forward.

65.8 During the debate Members considered the issues including that it was a good project for the community, and that there were opportunities to fulfil the need of businesses, if the building was right and in the right place. The funding that the Skills and Innovation Centre could generate, would benefit Stowmarket and the Council.

65.9 Councillor Andrew Mellen added that this project was begun by the previous administration, but the current administration had decided to carry on with the project due to the part funding from Freeport East and the income from business rates. The Council had looked at other centres in the region and how they worked. This project would be a real benefit to the business park and to the town. Councillor Mellen agreed that the cost was large. However, with the Range already in place on the Gateway 14 site, the business park was already developing well.

By a unanimous vote

It was RESOLVED: -

- 1.1 That Cabinet endorsed the Full Business Case (FBC) attached as Appendix A (confidential).**
- 1.2 That Cabinet approved the full delivery of the project as outlined in the FBC for an approximate 35,690 sq ft. Skills and Innovation Centre on Gateway 14 at Stowmarket up to a maximum total cost envelope of £18.75m.**
- 1.3 That Cabinet, if minded to approved recommendation 3.2, approved the recommended funding strategy detailed in Appendix D (confidential) as the Cabinet's preferred method of delivering the project, SUBJECT TO the satisfactory completion of all related legal, financial, cost and valuation advice and contractual agreements, full access to Freeport seed fund capital payment and full access to the required level of Pot B retained business rates generated on the Gateway 14 site as part of Freeport agreements (as forecast in the recommended funding strategy attached as Appendix D - confidential).**
- 1.4 That Cabinet delegated its authority for completion of all necessary matters and agreements pursuant to the approval of recommendation 3.3 to the Council's Director for Economic Growth and Climate Change and Section 151 Officer/Director for Corporate Resources in consultation with the Leader of the Council. This requires that all 'subject to' elements within 3.3 are met.**
- 1.5 That Cabinet authorised the forward funding of next stage technical design, planning and related preparatory works, up to a total value of £150k, from the Gateway 14 capital budget.**

ONWARD RECOMMENDATION TO COUNCIL

- 1.6 That Council approve the addition of this project to the Capital Programme as outlined in the recommended funding strategy including the virement of the Gateway 14 Capital budget of £10.75m and the use of earmarked reserves or Pot B retained business rates to finance this.**

REASON FOR DECISION

To maximise the opportunities available to the Council to lead the development of a new unique facility which offers skills development, business support, entrepreneurship and innovation at Gateway 14 in Stowmarket. This local leadership opportunity arises from the Council's economic growth and strategic asset management functions, Gateway 14 site investment, Freeport East designation and the Council's active skills, education and innovation sector partnerships.

This proposal seeks to meet the immediate and future skills needs of employers and workers in the local and wider sub-regional area and to address persistent skills gaps which will support transition towards a higher wage economy. It will provide bespoke services to address gaps in provision and add value to the regional economy with a particular focus on, but not limited to, growth of green skills, digital skills, environmental innovation and support for supply chains in the green economy.

The proposal meets many Council, local partnership and government outcomes but also creates the conditions to stimulate some new and exciting partnerships which enhance opportunities for local communities and provides a regionally significant centre in Stowmarket and within the Freeport area.

Alternative Options Considered and Rejected:

- 2.1 **DO-NOTHING. Not Recommended.** A 'do-nothing' approach will fail to explore an opportunity to deliver an innovative solution towards bridging long-term skills gaps (including green and digital skills) in the local and sub-regional area. It will also fail to contribute towards strategic priority outcomes across a range of corporate and local growth plans and policies. It will not deliver against Gateway 14 aims for the wider site or Freeport East ambitions for growing world-class innovation clusters.
- 2.2 **WORK WITH PARTNERS AND SPECIALISTS TO SCOPE AND DESIGN A VIABLE DEVELOPMENT. Approved at Outline Business Case (OBC) stage.**
- 2.3 **TO APPROVE FULL BUSINESS CASE (FBC) AND PROGRESS WITH DETAILED TECHNICAL DESIGN, PLANNING, LEGAL AGREEMENTS FOR TRANSFER, DUE DILIGENCE, PREFERRED FUNDING MODEL AND FULL PROJECT DELIVERY. Recommended.** To now take forward the project for full delivery. This project is scoped as a multiple-partner collaboration delivering shared benefits and outcomes. Significant work packages have now been completed in support of this option and its Full Business Case (FBC). The FBC contains sufficient information for Cabinet to make an informed decision on whether to proceed fully or not - subject to satisfactory completion of remaining assessments and due diligence. Appraisals will remain ongoing as part of a live business case and will respond to updated information (such as inflation costs, interest rate changes, operational costs and other forecasting/risk management) which would be reported through the governance structures outlined in the FBC. Commitment made now will help to secure the essential seed fund capital and Pot B retained business rates contributions via Freeport.

PROCEED ONLY UP TO PLANNING OUTCOME STAGE GATEWAY BEFORE MAKING A LATER FINAL DECISION TO INVEST / PROCEED TO ASSET CREATION. Not Recommended. This option would create risk from both the forward funding of technical design and planning costs and by the Council deferring its commitment to proceeding with the project, which could negatively impact access to the essential seed fund capital and Pot B business rates.

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

This was not required for the consideration of the above item.

67 MCA/23/34 - APPENDICES A TO D - SKILLS & INNOVATION CENTRE ON GATEWAY 14

The business of the meeting was concluded at 10:32 am.

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Chair