

MINUTES OF THE MEETING OF THE BABERGH DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBER, COUNCIL OFFICES, CORKS LANE, HADLEIGH ON TUESDAY, 22 NOVEMBER 2016

PRESENT: Peter Burgoyne – Chairman

Clive Arthey	Frank Lawrenson
Sue Ayres	James Long
Melanie Barrett	Margaret Maybury
Simon Barrett	Alastair McCraw
Tony Bavington	Mark Newman
Peter Beer	John Nunn
Sue Burgoyne	Adrian Osborne
Tom Burrows	Jan Osborne
Dave Busby	Lee Parker
Tina Campbell	Peter Patrick
Sue Carpendale	Stephen Plumb
Michael Creffield	Nick Ridley
Derek Davis	David Rose
Alan Ferguson	William Shropshire
John Hinton	Ray Smith
David Holland	Fenella Swan
Bryn Hurren	John Ward
Jennie Jenkins	Stephen Williams
Richard Kemp	

The following Members were unable to be present:

Siân Dawson, Barry Gasper, Kathryn Grandon, Michael Holt and Harriet Steer.

67 DECLARATION OF INTERESTS

None declared.

Councillor Frank Lawrenson subsequently referred to being an hotelier in connection with the Assets and Investment Strategy (Minute No 79). He was advised that he did not have a declarable interest at this stage in relation to the overarching Strategy, but during the period for questions prior to commencement of the debate on this item, he left the Council Chamber to avoid any possible conflict of interest which might arise.

68 MINUTES

RESOLVED

That the Minutes of the Meeting held on 31 October 2016 be confirmed and signed as a correct record.

69 CHAIRMAN'S ANNOUNCEMENTS

The Chairman referred to Paper S79 outlining recent events attended by the Chairman and Vice-Chairman.

He reminded Members of the Carol Service on 7 December 2016.

70 LEADERS ANNOUNCEMENTS

Jennie Jenkins, Leader, provided Members with an update on the Public Access and Accommodation Programme. Work was progressing well, the new website was being rolled out and public views sought. The project had been re-branded as the "All Together" Project. The All Together Member Sub-Group had met, and was working with officers to review opportunities for public access points.

71 PUBLIC PARTICIPATION SESSION

There were no questions or statements from the public.

72 QUESTIONS FROM THE PUBLIC

None received.

73 QUESTIONS FROM MEMBERS

None received.

74 PETITIONS

None received.

75 RECOMMENDATIONS AND REPORTS FROM COMMITTEES

Mid Year Report on Treasury Management 2016/17 (Joint Audit and Standards Committee – 14 November 2016)

William Shropshire, Chairman of the Audit and Standards Committee, introduced the Committee's recommendation to note the Mid Year position. The recommendation, having been proposed by Councillor Shropshire, was seconded by Councillor John Ward. Members had before them Paper JAC90 which was considered by the Committee on 14 November.

Melissa Evans, Corporate Manager – Financial Services responded to questions raised by Members on various matters, including short term debt and cashflow borrowing. She undertook to provide a written answer outside the meeting on the amount of funds remaining in the Reserves and the Capital Programme Budget.

RESOLVED

That it be noted that, as set out in Paper JAC90, Treasury Management activity for the first six months of 2016/17 was in accordance with the approved Treasury Management Strategy, and that both Councils have complied with all Prudential Indicators for this period.

76 DEVOLUTION FOR NORFOLK AND SUFFOLK

Members had before them Paper S80 which accompanied the Council agenda, together with Paper S80R (circulated prior to the commencement of the meeting) containing revised recommendations following the decision of the King's Lynn and West Norfolk Borough Council decision not to consent to being included in the process for implementing the Norfolk and Suffolk Devolution Deal.

Jennie Jenkins, Leader, introduced Paper S80R and explained the context in which the revised recommendations had been put forward. Jennie emphasised the commitment of the Suffolk Public Leaders to continue working with Suffolk's partners across Suffolk to pursue this generational opportunity to improve the life chances and quality of life of local people and form a new relationship with Government. She proposed recommendations 2.1 to 2.3 in Paper S80R, which were seconded by Councillor Simon Barrett.

Councillor Jenkins and Deborah Cadman, Interim Head of Paid Service, responded to matters raised by Members during their discussion and confirmed that the work that had been done to date would make a valuable contribution towards achieving economic growth and that other aspects of the Council's work had not suffered as a result of the time and effort put in to developing the Devolution Deal. Although the Government was expected to take the original Deal off the table, meaning that the recommendations in Paper S80 were no longer relevant, continuing to support the principle behind devolution was still valid. Members were aware that if they agreed the revised recommendations before them, any alternative deal would have to be approved by the Council in due course.

A demand for a recorded vote was received, in accordance with Council Procedure Rule 18.5.

The result of the recorded vote was as follows:-

<u>For the Motion</u>	<u>Against the Motion</u>	<u>Abstentions</u>
Clive Arthey	Tony Bavington	None
Sue Ayres	Dave Busby	
Melanie Barrett	John Hinton	
Simon Barrett	Richard Kemp	
Peter Beer	Alastair McCraw	
Peter Burgoyne	John Nunn	
Sue Burgoyne	Stephen Williams	
Tom Burrows		
Tina Campbell		
Sue Carpendale		
Michael Creffield		
Derek Davis		
Alan Ferguson		
David Holland		
Bryn Hurren		
Jennie Jenkins		
Frank Lawrenson		
James Long		
Margaret Maybury		

For the Motion

Against the Motion

Abstentions

Mark Newman
Adrian Osborne
Jan Osborne
Lee Parker
Peter Patrick
Stephen Plumb
Nick Ridley
David Rose
William Shropshire
Ray Smith
Fenella Swan
John Ward

Thirty one Members voted in favour of the revised recommendations as set out in Paper S80R. There were seven votes against, with no abstentions.

RESOLVED

- (1) That the Council reiterates the commitment, given at its June meeting, to Devolution as a means for delivering accelerated growth in the local and national economy and helping local people and places fulfil their potential;**
- (2) That the Leader and Chief Executive be authorised to:**
 - (a) seek an urgent meeting with the Secretary of State to discuss the Government's intentions around devolution;**
 - (b) work with Government and local partners to agree an alternative devolution deal as soon as possible.**
- (3) That further reports be presented to the Authority, as appropriate, as the Devolution process progresses.**

77 CONTRACT STANDING ORDERS

Peter Patrick, Portfolio Holder for An Enabled and Efficient Organisation, introduced Paper S81, asking Members to approve revised Contract Standing Orders, as detailed in Appendix A to the report.

Councillor Patrick referred to the Standing Orders forming part of the Council's Constitution and the purpose of the review as part of the Council's programme for strengthened and clear governance. He drew Members' attention to an error in item 5.3 of Appendix A, which should read 'The Principle of Proportionality' instead of '...Proportionately' and then proposed the recommendation of approval, which was seconded by Councillor David Holland.

Rachel Hodson-Gibbons, Corporate Manager – Commissioning and Procurement, responded to Members' detailed questions about the various thresholds applicable to goods, services and works, and the way in which the wording in relation to paragraph 8.4 might be clarified in a future review. She also confirmed that the evaluation criteria provided opportunities for local suppliers.

RESOLVED

That the revised Contract Standing Orders as set out in Appendix A to Paper S81 be approved.

78 APPOINTMENT OF COUNCILLORS TO COMMITTEES AND JOINT COMMITTEES AND PORTFOLIO HOLDERS

Jennie Jenkins, Leader, introduced proposed changes as set out in Paper S82, together with the appointment of Michael Holt to the Environment MSR vacancy.

RESOLVED

(1) That the following appointments be made to Committees and Joint Committees:-

**Strategy Committee
John Ward (replacing Frank Lawrenson)**

**Joint Audit and Standards Committee
Frank Lawrenson (replacing John Ward)**

(2) That John Ward be appointed as Portfolio Holder for Environment (replacing Frank Lawrenson).

(3) That Tina Campbell be appointed to the vacancy for Member with Special Responsibility for Community Capacity Building and Engagement.

(4) That Michael Holt be appointed as Member with Special Responsibility for Environment (replacing John Ward).

79 ASSETS AND INVESTMENT STRATEGY

Members had before them Paper S83 together the wording of a revised recommendation 2.2(i), circulated prior to the commencement of the meeting, which made it clear that there would be a separate Holding Company for each of the two Councils.

The Chairman reminded Members that if they wished to discuss matters relating to the Confidential information under Item 16 of the agenda, it would be necessary to pass the standard resolution to exclude the public, as set out in Item 15. However, in the event, this was not considered to be necessary, and Paper S83 was considered in open session.

The Chairman then asked Lou Rawsthorne, Assistant Director – Investment and Commercial Delivery and Ian Winslet – Interim Investment and Development Executive to give a presentation on the two elements of the emerging approach to managing the Councils' assets and investment, as set out in the report. Both officers responded to Members' questions on aspects of the presentation.

Jennie Jenkins then introduced Paper S83 which sought Member approval to the three strands of the Strategy together with the recommended model and Implementation Plan for the proposed incorporated structure for investment in commercial property. She proposed the recommendations, including the revised wording of 2.2(i), which were seconded by Simon Barrett.

Before proceeding to the debate, Members were given the opportunity to ask questions about the detail of the proposed Strategy and officers clarified various matters including liability, status of the holding company, the legal framework for the proposals including powers held under the Localism Act, ways in which risk might be spread geographically, accountability and rates of borrowing from the Public Works Loan Board. Members noted that a skills audit would also be undertaken and that a number of other Councils were already operating similar models to that proposed in Paper S83.

RESOLVED

- (1) That the three strands of the Assets and Investment Strategy, as set out in Paper S83 be approved.**
- (2) That an incorporated structure for investment in commercial property, which will then be the subject of a business plan to be brought forward for approval in early 2017 be approved. Further that the incorporated structure be made up of:**
 - (i) A Babergh District Council Holding Company and a Mid Suffolk District Council Holding Company.**
 - (ii) A Joint Capital Investment Fund Special Purpose Vehicle owned 50-50 with Babergh District Council / Mid Suffolk District Council holding the fund for investment.**
- (3) That the Capital Investment Fund model and structure as set out in the business case (as contained in Confidential [Appendix 1 to Paper S83](#)), legal, tax and company structure advice all appended to the report, be approved.**

The business of the meeting was concluded at 8.00 p.m.

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Chairman