

**ST EDMUNDSBURY BOROUGH COUNCIL**

**CABINET**

**Minutes of a meeting held on Wednesday 16 February 2011 at 5.00 pm  
in the Conference Room West (F1R09), West Suffolk House,  
Western Way, Bury St Edmunds**

PRESENT: Councillor J H M Griffiths (Leader of the Council) (in the Chair)  
Councillors Mrs Alexander, Clements, Mrs Gower,  
Mrs Mildmay-White and Stevens

BY INVITATION: Councillor Hale (Chairman of the Performance and Audit Scrutiny  
Committee) and Councillor Mrs Rushbrook

**113. Apologies for absence**

Apologies for absence were received from Councillors Everitt and Ray.

**114. Minutes**

The minutes of the meeting held on 19 January 2011 were confirmed as a correct record and signed by the Chairman.

**115. Declarations of Interests**

Members' declarations of interests are recorded under the item to which the declaration relates.

**116. Report of the Performance and Audit Scrutiny Committee:  
24 January 2011**

*Forward Plan Reference: N/A Cabinet Members: All Portfolio Holders*

The Cabinet received and noted Report B450 (previously circulated) which informed the Cabinet of the following items discussed by the Performance and Audit Scrutiny Committee on 24 January 2011:-

- (1) Key Performance Indicators: Third Quarter 2010/2011;
- (2) Treasury Management Performance and Annual Treasury Management and Investment Strategy 2011/2012;
- (3) Audit Commission: Presentation of 2009/2010 Annual Audit Letter;
- (4) Anti-Money Laundering Policy, Revised National Fraud Initiative Strategy and Third Quarter Internal Audit Progress Report;
- (5) Budget Monitoring Report: 1 April to 31 December 2010; and
- (6) Corporate Risk Register: Quarterly Monitoring Report.

Councillor Hale, Chairman of the Performance and Audit Scrutiny Committee, drew relevant issues to the attention of the Cabinet. He stated that the Committee had been advised of the forthcoming abolition of national indicators from April 2011 and that from this date the Council would be able to choose which indicators it wished to report and manage. He considered that the scrutiny of key performance indicators was a good discipline and had a positive impact on the services provided. He then stated that the Committee was pleased to see another positive report from the Audit Commission, which had stated that the Council had good arrangements for preparing its accounts, and for achieving value for money. He congratulated the Chief Finance Officer and her staff for another 'good' report. He concluded by providing an overview of the Budget Monitoring Report for the period to 31 December 2010, which indicated an overall underspend for the period of £391,000 and that the capital budget monitoring report

showed net expenditure in excess of £3 million compared to a revised capital budget for the year of in excess of £8.5 million.

**117. Report of the Performance and Audit Scrutiny Committee: Treasury Management Performance and Annual Treasury Management and Investment Strategy 2011/2012**

*Forward Plan Reference: N/A Cabinet Member: Cllr John Griffiths*

The Cabinet considered Report B451 (previously circulated) which sought approval for the Annual Treasury Management and Investment Strategy 2011/2012 and Prudential Indicators.

The Chartered Institute of Public Finance and Accountancy (CIPFA) revised Code of Practice for Treasury Management (the Code) published in November 2009, was adopted by the Council on 23 February 2010. Given that Treasury Management activities involved the management of significant cashflows and investments, the Code required that Members were provided with regular reports on the performance of the Council's Treasury Management function. In addition, prior to the start of each financial year, the Council was required to formally approve an Annual Treasury Management and Investment Strategy setting out its Treasury Management Policies and Strategies for the forthcoming year.

Councillor Hale, Chairman of the Performance and Audit Scrutiny Committee, drew relevant issues to the attention of the Cabinet. He stated that at the end of December 2010 interest earned during the first 9 months of the financial year amounted to £410,000 against the profiled budget for the period of £445,000, a budgetary deficit of £35,000. The underachievement of interest on investments during this period was due primarily to the continuation of historically low interest rates.



***RECOMMENDED:-***

***That, subject to the approval of full Council, the Annual Treasury Management and Investment Strategy 2011/2012 and Prudential Indicators, as detailed in Appendix 2 to Report B410, be approved.***

**118. Report of the Performance and Audit Scrutiny Committee: Anti-Money Laundering Policy Revised National Fraud Initiative Strategy and Third Quarter Internal Audit Progress Report**

*Forward Plan References: Feb11/22 and Feb11/21*

*Cabinet Member: Cllr John Griffiths*

The Cabinet considered Report B452 (previously circulated) which sought approval to the Anti-Money Laundering Policy and a revised National Fraud Initiative Strategy 2010/2011.

The Council's risk of exposure to money laundering was relatively low and some of the provisions of the legal and regulatory framework did not apply. There was, as the Chartered Institute of Public Finance and Accountancy (CIPFA) observed, a reputational risk for any authority that did not have adequate policies and procedures in place. It was CIPFA's view that *'it is prudent and responsible practice for public service organisations, including those outside the scope of the regulations, to put in place appropriate and proportionate anti-money laundering safeguards and reporting arrangements, designed to enable them to detect and avoid involvement in the crimes described in the legislation and regulations'*. It was, therefore, considered important that the Council, its staff and Members were protected as far as practicable.

The revised National Fraud Initiative (NFI) Strategy had been produced to ensure that the Council had the correct procedures in place to meet changes in legislation in relation to data matching and the prevention and detection of fraud. Since the areas included within data matching were expanding and the submission of data had become mandatory since 2008, it was important for the Council to have appropriate policies and procedures for officers to follow.

RESOLVED:- That

- (a) the Anti-Money Laundering Policy, as set out in Annex A of Report B439, be adopted and communicated to all staff and Members; and
- (b) revised National Fraud Initiative Strategy 2010/2011, as set out in Annex B of Report B439, be endorsed.

*(Councillor Hale left the meeting at the conclusion of this item.)*

### **119. Budget and Council Tax Setting: 2011/2012**

***Forward Plan Reference: Feb11/20 Cabinet Member: Cllr John Griffiths***

The Cabinet considered Report B453 (previously circulated) which sought approval for the 2011/2012 budget.

Setting the budget for 2011/2012 had been a challenging process due to the economic climate and the results of the Government's Comprehensive Spending Review (CSR). The review set out a real-term reduction of 28% in local government funding. However, the local government finance settlement announced on 13 December 2010, and subsequent confirmation set out the settlement of Government grant levels for 2011/2012 and 2012/2013. There was a reduction in grant in excess of that previously anticipated. In these two years alone, the Borough Council would see a 30.1% cut in grant, meaning that the grant would reduce from £7m in the current financial year to £4.5m by 2012. The Government had offered to subsidise all councils which froze Council Tax by providing a grant equivalent to a 2.5% Council Tax increase.

In order to respond to the very significant Government grant cut, the Borough Council had to make significant savings. The Borough Council had an excellent track record of achieving substantial year on year budget savings, having delivered £7m since 2005/2006. The planned 2011/2012 savings and the increases in income totalled a further £1.9m.

The total proposed net revenue expenditure of 2011/2012 was £12.229m, which after allowing for the transfer of £0.088m from the General Reserve produced a net budget requirement of £12.141m.

The Council was coming to the end of a major capital programme, which had seen extensive investment in Bury St Edmunds, Haverhill and the rural areas of the Borough. It was planned that capital expenditure in 2011/2012 would total £2.485m.

The following appendices were attached to the report:-

- Appendix A: Revenue Budget Summary;
- Appendix B: Capital Programme;
- Appendix C: Summary of Major Budget Changes;
- Appendix D: Dynamic Review – Innovation, Value and Enterprise (DR-IVE) Savings and New Income Proposals;
- Appendix E: Medium Term Financial Strategy (5 year model);
- Appendix F: Report by the Chief Finance Officer;
- Appendix G: Summary of Earmarked Reserves; and

Appendix H: The Prudential Code for Capital Finance in Local Authorities.

The Chief Finance Officer tabled a revised Appendix D, which provided the estimated levels of income for new income streams listed in Note I.

The Cabinet decided that the Borough Council should freeze Council Tax levels for 2011/2012 at the 2010/2011 levels, in order that it would receive the Government's subsidy of providing a grant equivalent to a 2.5% Council Tax increase. The papers indicated that the Borough Council was financially secure and a result of many years of prudent finance management. It was recognised that although Government cuts were anticipated and planned for the announcement was considerable worse than expected, particularly the way in which the deepest cuts had been 'front loaded' in the first two years. However, there was also a consensus that the Council would not be reducing front line services and would continue to invest in the community.

During the detailed discussions it was concluded that income relating to car boot sales on St Andrews Street South car park should be deleted from the budget and the Chief Finance Officer confirmed that the resultant reduction in income of £2,600 could be offset by increasing procurement savings.



***RECOMMENDED:- That, subject to the approval of full Council,:-***

- (i) the revenue budget attached as Appendix A to Report B453, together with the additional revenue requirements ('growth bids') summarised as Appendix C and the efficiency (Dynamic Review – Innovation, Value and Enterprise (DR-IVE)) savings and new income detailed at Appendix D, amended to delete estimated income relating to car boot sales on St Andrews Street South car park offset by an increase in procurement savings, be approved;***
- (ii) the revised capital programme attached as Appendix B to Report B453, including minor changes noted at 4.5.2, be approved;***
- (iii) having taken into account the conclusions of the Chief Finance Officer's report including the Risk Assessment attached at Appendix F to Report B453, together with the Medium Term Financial Strategy (MTFS) attached at Appendix E to Report B453 and all the other information contained in Report B453, the Cabinet recommends that Council Tax for 2011/2012 be frozen at 2010/2011 levels; and***
- (iv) the Chief Finance Officer, in consultation with the Leader or Portfolio Holder for Resources, be authorised to transfer any surplus on the 2010/2011 revenue budget to the General Fund, and to vire funds between existing Earmarked Reserves (as set out at Appendix G of Report B453) as deemed appropriate throughout the year.***

**120. Asset Management Plan: Council Offices, Haverhill**

*Forward Plan Reference: Feb11/16 Cabinet Member: Cllr Sara Mildmay-White*

The Cabinet considered Report B454 (previously circulated) which sought approval for the shared ownership with Suffolk County Council of the Council's offices in Haverhill.

The Borough Council had been taking part in a county-wide Single Public Sector Estate (SPSE) study which sought to identify under utilised property and consolidate space requirements across the public sector. This approach was in line with the priority objective of the Government to achieve co-location across the public sector agencies.

The Council Offices in Haverhill could be more effectively used if they were retained as the customer hub for public services at Haverhill, providing a single point of contact solution for both the public sector and a range of complementary voluntary services. A joint business plan has been prepared with Suffolk County Council for shared ownership, using the 'West Suffolk House model'. Ownership of the offices would be shared between the Borough and County Councils, and revenue and capital costs of refurbishing, running and repairing the building split 50:50.

The Cabinet noted that the future planned maintenance cost for the offices would average at £90,000 per annum, which was significantly higher than the average cost of maintenance in the previous three years of £31,000 per annum. The Cabinet also noted that the formal joint ownership of the Council offices was scheduled to take place in May 2011 and that the County Council's Project Manager had drawn up a programme for implementation throughout 2011.

RESOLVED:- That

- (1) the Borough Council implements the 'West Suffolk House model' of shared ownership with Suffolk County Council for the Council Offices, Haverhill as outlined in Report B454; and
- (2) the occupiers be public sector and voluntary organisations.

**121. Recommendation from Shared Services Steering Group: 21 January 2011**

*Forward Plan Reference: Feb11/17 Cabinet Member: Cllr John Griffiths*

The Cabinet considered Report B455 (previously circulated) which sought approval to the recommendations emanating from the meeting of the Shared Services Steering Group held on 21 January 2011.

On 21 January 2011 the Shared Services Steering Group considered the following items:-

- (1) ICT Business Case;
- (2) Protocol for Sharing Costs and Benefits;
- (3) Project Update;
- (4) Communications Update;
- (5) Shared Services Project Board: Notes; and
- (6) Leisure Trust Update.

RESOLVED:- That

**(a) Protocol for Sharing Costs and Benefits**

- (1) the contents of Report B430 be approved as the basis for determining the most appropriate cost and benefits sharing model for each shared service; and
- (2) the Chief Finance Officers of Forest Heath District Council and St Edmundsbury Borough Council be tasked to follow the approved 'protocols for sharing costs and benefits' when determining the appropriate sharing models for each service stream, which are to be detailed in each service stream's full business case.

**(b) ICT Business Case**

The Full Business Case for a shared ICT Service to be established between St Edmundsbury Borough Council and Forest Heath District Council, as detailed in Exempt Appendix A to Report B429, be approved, incorporating the:-

- (1) creation of a single ICT service, headed up by a single ICT Manager, serving both authorities;
- (2) creation of a new shared ICT infrastructure to form the foundations on which business applications for other service areas can be built;
- (3) establishment of a new single ICT support team to serve the two sites; and
- (4) convergence of user ICT applications as shared services business cases are constructed for other service areas.

**(c) Leisure Trust Update**

See minute 126 below.

**122. Recommendations from Licensing and Regulatory Committee:  
10 January 2011**

*Forward Plan Reference: Feb11/15 Cabinet Member: Cllr Robert Everitt*

The Cabinet considered Report B456 (previously circulated) which sought approval for additional powers relating to the licensing of sexual entertainment venues.

The Government had responded to proposals for further controls to be introduced specific to lap dancing clubs and similar premises, by introducing legislation relating to such licensing contained in Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 as amended by Section 27 of the Policing and Crime Act 2009.

The Cabinet was informed of an amendment required to the recommendation and that the new powers should be adopted with a first appointed date of 6 April 2011 and not as stated in the report of 1 April 2011.



**RECOMMENDED:-**

*That, subject to the approval of full Council, additional powers relating to the licensing of sexual entertainment venues, as contained in Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 as amended by Section 27 of the Policing and Crime Act 2009 and outlined in Section 5 of Report B393, be adopted with a first appointed date of 6 April 2011.*

**123. West Suffolk Waste and Street Scene Services Joint Committee:  
14 January 2011**

***Forward Plan Reference: Feb11/08 Cabinet Member: Cllr Peter Stevens***

The Cabinet received and noted Report B457 (previously circulated) which informed the Cabinet of the following items discussed by the West Suffolk Waste and Street Scene Services Joint Committee on 14 January 2011:-

- (1) Joint Service Plan 2011/2012;
- (2) Progress on Delivering the 2010/2011 Joint Waste Service Plan;
- (3) Cleansing Review;
- (4) Joint Branding;
- (5) Re-Use of Wheeled Bins Policy;
- (6) Response to the Government's Consultation on the Controlled Waste Regulations 1992 and the implications for Forest Heath District Council (FHDC) and St Edmundsbury Borough Council (SEBC);
- (7) Bank Holiday Arrangements (2011/2012); and
- (8) Update on the Inter Authority Agreement.

Councillor Stevens, Vice Chairman of the West Suffolk Waste and Street Scene Services Joint Committee, drew relevant issues to the attention of the Cabinet. He considered that the report indicated the continued excellent working relationships between the two Council's.

**124. Home Renewable Energy Grant Update**

***Forward Plan Reference: N/A Cabinet Member: Cllr Peter Stevens***

The Cabinet considered a narrative item which sought approval for an amendment to the Home Renewable Energy Grant Scheme to clarify that grants would not be awarded retrospectively.

On 24 June 2009 the Cabinet, on recommendation from the then Sustainable Development Panel, approved the Home Renewable Energy Grant Scheme with a budget of £10,000 (minute 19 referred). The Borough Council had now awarded its twentieth Home Renewable Energy Grant with predicted CO<sub>2</sub> savings of approximately 370 tonnes over the lifetime of the installations. The grant had supported a mix of renewable heat and electricity generation.

On 15 September 2010 the Cabinet approved a second tranche of £10,000 which would focus on renewable heat generation since electricity generation was now supported by the feed-in tariff (minute 53 referred).

A query had been raised which required clarification, namely that the grant would not be awarded retrospectively. This was not specifically mentioned when this scheme was approved in June 2009 but was implicit.

RESOLVED:-

That the Home Renewable Energy Grant Scheme be amended to clarify that grants will not be awarded retrospectively.

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**EXEMPT INFORMATION – EXCLUSION OF PUBLIC TERMS OF FORMAL RESOLUTION**

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12(A) of the Act.

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**125. Revenues Collection Performance and Write Offs**

*Forward Plan Reference: N/A Cabinet Member: Cllr John Griffiths*

The Cabinet considered Report B458 (previously circulated) which sought approval for the write off of 14 Sundry Debt accounts.

The Revenues Section collected outstanding debts in accordance with either statutory guidelines or Council agreed procedures. When all these procedures had been exhausted the outstanding debt was written off using the delegated authority of the Chief Finance Officer (for debts up to £1,500) or by Cabinet (for debts over £1,500). The reasons for recommending the write offs were included in Exempt Appendix 1.

The collection data in respect of sundry debts was shown in Section 7.2 of the report.

RESOLVED:-

Fourteen Sundry Debt accounts totalling £15,564.11, detailed in Exempt Appendix 1 to Report B458, be written off.

**126. Recommendation from Shared Services Steering Group: 21 January 2011**

*Forward Plan Reference: Feb11/17 Cabinet Member: Cllr John Griffiths*

*(Councillor Clements declared a prejudicial interest as a Borough Council representative on the Abbeycroft Leisure Board and left the meeting for the consideration of this item.)*

The Cabinet considered Exempt Appendix A to Report B455 (previously circulated) which sought approval to the recommendations concerning future provision of leisure services in Forest Heath District Council (FHDC) and St Edmundsbury Borough Council (SEBC).



RESOLVED:- That

**(c) Leisure Trust Update**

- (1) The recommendations in section 6 of Exempt Report B435 be endorsed; and
- (2) a further report be presented in six months on the further progress achieved.

The meeting concluded at 5.36 pm

**CHAIRMAN**