

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title:</b>	<b>Agenda</b>																
<b>Date:</b>	<b>Tuesday 9 February 2016</b>																
<b>Time:</b>	<b>5.00 pm</b>																
<b>Venue:</b>	<b>Conference Chamber West (F1R09)</b> <b>West Suffolk House</b> Western Way Bury St Edmunds IP33 3YU																
<b>Membership:</b>	<p style="text-align: center;"><b>Leader</b> John Griffiths</p> <p style="text-align: center;"><b>Deputy Leader</b> Sara Mildmay-White</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><b><u>Councillor</u></b></th> <th style="text-align: left;"><b><u>Portfolio</u></b></th> </tr> </thead> <tbody> <tr> <td>Robert Everitt</td> <td>Families and Communities</td> </tr> <tr> <td>Sara Mildmay-White</td> <td>Housing</td> </tr> <tr> <td>John Griffiths</td> <td>Leader</td> </tr> <tr> <td>Ian Houlder</td> <td>Resources and Performance</td> </tr> <tr> <td>Alaric Pugh</td> <td>Planning and Growth</td> </tr> <tr> <td>Jo Rayner</td> <td>Leisure and Culture</td> </tr> <tr> <td>Peter Stevens</td> <td>Operations</td> </tr> </tbody> </table>	<b><u>Councillor</u></b>	<b><u>Portfolio</u></b>	Robert Everitt	Families and Communities	Sara Mildmay-White	Housing	John Griffiths	Leader	Ian Houlder	Resources and Performance	Alaric Pugh	Planning and Growth	Jo Rayner	Leisure and Culture	Peter Stevens	Operations
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<b>Interests – Declaration and Restriction on Participation:</b>	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.																
<b>Quorum:</b>	Three Members																
<b>Committee administrator:</b>	<b>Claire Skoyles</b> Democratic Services Officer <b>Tel:</b> 01284 757176 <b>Email:</b> <a href="mailto:claire.skoyles@westsuffolk.gov.uk">claire.skoyles@westsuffolk.gov.uk</a>																

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# Public Information



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Venue:</b>	<b>West Suffolk House</b> Western Way Bury St Edmunds Suffolk IP33 3YU	Tel: 01284 757176 Email: <a href="mailto:democratic.services@westsuffolk.gov.uk">democratic.services@westsuffolk.gov.uk</a> Web: <a href="http://www.stedmundsbury.gov.uk">www.stedmundsbury.gov.uk</a>
<b>Access to agenda and reports before the meeting:</b>	Copies of the agenda and reports are open for public inspection at the above address at least five clear days before the meeting. They are also available to view on our website.	
<b>Attendance at meetings:</b>	The Borough Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public.	
<b>Public participation:</b>	Members of the public who live or work in the Borough are invited to put one question or statement of not more than three minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within three minutes, the person who asked the question may ask a supplementary question that arises from the reply. A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start. There is an overall time limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.	
<b>Disabled access:</b>	West Suffolk House has facilities for people with mobility impairments including a lift and wheelchair accessible WCs. However in the event of an emergency use of the lift is restricted for health and safety reasons.  Visitor parking is at the car park at the front of the building and there are a number of accessible spaces.	
<b>Induction loop:</b>	An Induction loop is available for meetings held in the Conference Chamber.	
<b>Recording of meetings:</b>	The Council may record this meeting and permits members of the public and media to record or broadcast it as well (when the media and public are not lawfully excluded).  Any member of the public who attends a meeting and objects to being filmed should advise the Committee Administrator who will instruct that they are not included in the filming.	

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# Agenda

## Procedural Matters

**1. Apologies for Absence**

**2. Minutes**

**1 - 24**

To confirm the minutes of the meetings held on 24 November 2015 (Informal Joint with FHDC Cabinet) and 8 December 2015 (copies attached).

## Part 1 - Public

**3. Open Forum**

At each Cabinet meeting, up to 15 minutes shall be allocated for questions from and discussion with, non-Cabinet members. Members wishing to speak during this session should if possible, give notice in advance. Who speaks and for how long will be at the complete discretion of the person presiding.

**4. Public Participation**

Members of the public who live or work in the Borough are invited to put one question or statement of not more than three minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within three minutes, the person who asked the question may ask a supplementary question that arises from the reply.

A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start.

There is an overall time limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.

**5. Report of the Overview and Scrutiny Committee:  
13 January 2016**

**25 - 28**

Report No: **CAB/SE/16/001**

Chairman: Diane Hind

Lead Officer: Christine Brain

**6. Report of the Anglia Revenues and Benefits Partnership  
Joint Committee: 7 December 2015 and 12 January 2016**

**29 - 36**

Report No: **CAB/SE/16/002**

Portfolio Holder: Ian Houlder

Lead Officer: Jill Korwin

- 7. Report of the Performance and Audit Scrutiny Committee: 28 January 2016** **37 - 42**  
Report No: **CAB/SE/16/003**  
Chairman: Sarah Broughton      Lead Officer: Christine Brain
- NON-KEY DECISIONS
- 8. Recommendations from the Performance and Audit Scrutiny Committee: 28 January 2016 - Annual Treasury Management and Investment Strategy Statements 2016/2017** **43 - 46**  
Report No: **CAB/SE/16/004**  
Portfolio Holder: Ian Houlder      Lead Officer: Joanne Howlett
- 9. Budget and Council Tax Setting: 2016/2017 and Medium Term Financial Strategy** **47 - 114**  
Report No: **CAB/SE/16/005**  
Portfolio Holder: Ian Houlder      Lead Officer: Joanne Howlett
- 10. Enterprise Zones: Update**  
Report No: **CAB/SE/16/006 TO FOLLOW**  
Portfolio Holder: Alaric Pugh  
Lead Officers: Steven Wood and Andrea Mayley
- 11. Third Generation Artificial Pitch Provision in Haverhill** **115 - 122**  
Report No: **CAB/SE/16/007**  
Portfolio Holder: Joanna Rayner      Lead Officer: Damien Parker
- 12. Home-Link Lettings Policy** **123 - 176**  
Report No: **CAB/SE/16/008**  
Portfolio Holder: Sara Mildmay-White  
Lead Officers: Simon Phelan and Tony Hobby
- 13. Recommendations from the Sustainable Development Working Party: 27 January 2016** **177 - 184**  
Report No: **CAB/SE/16/009**  
Portfolio Holder: Alaric Pugh      Lead Officer: Steven Wood
- (a) Park Farm, Ingham: Adoption of Concept Statement**
- (b) Tayfen Road Development Area, Bury St Edmunds: Masterplan**

#### 14. Exemption to Contract Procedure Rules: Replacement of Waste Cleansing Vehicle with Second Hand Unit

Cabinet Member: Peter Stevens

Lead Officer: Mark Walsh

##### Summary and Reason for Recommendation:

#### **Replacement of Waste Cleansing Vehicle with Second Hand Unit**

Section 4.3 of the West Suffolk Contract Procedure Rules state that: Between £50,001 and the EU Threshold any exemption must be approved by the Officer and Head of Service in consultation with the Head of Resources and Performance. The Officer must produce evidence to support the request for any exemption and the Head of Service shall prepare a report for the next Cabinet to support the action taken, hence this agenda item.

The exemption, which was exercised on 30 November 2015, the reason for it (together with support evidence) has been forwarded to the Head of Resources and Performance for approval.

The Cleansing Section is looking to replace 2 No. tipper vehicles fitted with side bin lifters. The option chosen is for a Plastic Bodied Utility Vehicle (PBUV) similar to 5 other units already in use within West Suffolk. The company NTM-GB Ltd loaned a vehicle to the Council as part of a demonstration and then indicated that the vehicle on loan was for sale at a discounted price and available in early January 2016. The price offered is £53,532.00 and represents a saving of around £8,500.00 against a new build vehicle. The vehicle offered was registered in August 2015. A new build unit would take in the region of 6-8 months to produce.

The exemption was made under the following exemption criteria, as stated in Section 4.5 of the Contract Procedure Rules:

<b>Exemption category</b>	<b>Why Applicable</b>
<i>The goods or services are supplied at a fixed price or the prices are wholly controlled by trade organisations and the relevant Head of Service is satisfied that no satisfactory alternative is available.</i>	Goods are offered at a discounted price for (near) immediate delivery with full 12 month warranty on the body and three year for the chassis. Discount of £8,500 from current new price. Alternative would be to tender for new with an expected 6-8 month lead time
<i>The items to be supplied consist of goods or services which are currently in use and are required for the purposes of standardisation.</i>	The Plastic Bodied Utility Vehicle concept was adopted by West Suffolk in 2013 and is the preferred design for future purchases of this type of Cleansing vehicle.
<i>The specialised nature of the goods, services to be supplied or the works to be executed means that only one suitable supplier has been identified or is available.</i>	NTM-GB Ltd is one of two UK companies offering this concept and the only one offering an ex-demonstrator for immediate sale

Recommendation:

The Cabinet is requested to **NOTE** this exemption to the West Suffolk Contract Procedure Rules, as contained in the Constitution.

**15. Decisions Plan: February 2016 to May 2016** **185 - 202**

To consider the most recently published version of the Cabinet's Decisions Plan

Report No: **CAB/SE/16/010**

Portfolio Holder: John Griffiths      Lead Officer: Ian Gallin

**16. Revenues Collection Performance and Write-Offs** **203 - 206**

Report No: **CAB/SE/16/011**

Portfolio Holder: Ian Houlder      Lead Officer: Joanne Howlett

**17. Exclusion of Press and Public**

To consider whether the press and public should be excluded during the consideration of the following items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt categories of information as prescribed in Part 1 of Schedule 12A of the Local Government Act 1972, and indicated against each item and, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**Part 2 - Exempt**

**18. Exempt Appendices: Revenues Collection Performance and Write-Offs (paras 1 and 2)** **207 - 212**

Exempt Appendices 1, 2 and 3 to Report No: **CAB/SE/16/011**

Portfolio Holder: Ian Houlder      Lead Officer: Joanne Howlett

*(These exempt appendices are to be considered in private under paragraphs 1 and 2 of Schedule 12A of the Local Government Act 1972, as they contain information relating to an individual and information which is likely to reveal the identity of an individual.)*

*(No representations have been received from members of the public regarding this item being held in private.)*

# Informal Joint Cabinet



**Notes** of informal discussions of the SEBC/FHDC **Cabinets** held on **Tuesday 24 November 2015** at **6.00 pm** in the **Conference Chamber West**, West Suffolk House, Western Way, Bury St Edmunds IP33 3YU

**Present: Councillors**

St Edmundsbury Borough Council (SEBC)

John Griffiths (in the Chair for the informal discussions)

Robert Everitt	Alaric Pugh
Ian Houlder	Peter Stevens
Sara Mildmay-White	

**In**

**attendance:** Susan Glossop

Forest Heath District Council (FHDC)

David Bowman	Stephen Edwards
Andy Drummond	James Waters

Prior to the formal meeting, informal discussions took place on the following three substantive items:

- (1) Office Accommodation Plan.
- (2) Recommendations of the Licensing Committee – 28 September 2015 (FHDC) / Recommendations of the Licensing and Regulatory Committee – 29 September 2015 (SEBC): West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019.
- (3) Housing Assistance Policy and Application Guidance.

All Members of Forest Heath District Council's Cabinet had been invited to attend St Edmundsbury Borough Council's Offices to enable joint informal discussions on the reports to take place between the two authorities, prior to seeking formal approval at their respective separate Cabinet meetings, immediately following the informal discussions.

The Leader of St Edmundsbury Borough Council welcomed all those present to West Suffolk House and the Lawyer advised on the format of the proceedings for the informal discussions and subsequent separate meetings of each authority.

Under their Constitutions, both Cabinets listed as standing agenda items: an 'Open Forum', which provided the opportunity for non-Cabinet Members to discuss issues with Cabinet and also 'Public Participation', which provided the opportunity for Members of the public to speak. Therefore, as any matters arising from the discussions held during these agenda items may have some bearing on the decisions taking during the separate formal meetings, non-Cabinet Members and members of the public were invited to put their questions/statements prior to the start of the joint informal discussions.

1. **Open Forum**

No non-Cabinet Members in attendance wished to speak under this item in relation to Items 4. to 6. of the agenda.

2. **Public Participation**

There were no members of the public in attendance.

3. **Office Accommodation Plan (Report Nos: CAB/FH/15/056 and CAB/SE/15/071)**

The Cabinets were presented with this report which set out the Office Accommodation Plan, which would form the basis of future office accommodation projects, including the Mildenhall Hub.

This report explained that within the next couple of years, both Councils would need to make some key decisions relating to property development/asset management projects which could impact on the delivery of services, choice of new work styles and technologies and the associated need for office accommodation.

This report provided an overarching Office Accommodation Plan which clearly articulated the rationale for such accommodation and the principles that would be adhered to when developing each of these individual development projects.

Councillors Stephen Edwards (FHDC) and Ian Houlder (SEBC), Portfolio Holders for Resources and Performance, also drew relevant issues to the attention of both Cabinets.

Members referred to paragraph 6.2 of the report and raised some concerns that the current technology used by Councillors was not considered to be robust enough and this would need to be further addressed when investigating options for the development of computer and telephony arrangements, to properly allow for Councillors to be able to operate effectively out of different buildings/public spaces.

4. **Recommendations of the Licensing Committee – 28 September 2015 (FHDC)/Recommendations of the Licensing and Regulatory Committee – 30 September 2015 (SEBC): West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019 (Report Nos: CAB/FH/15/057 and CAB/SE/15/072)**



The Cabinet were presented with the recommendations from both Licensing Committees with regard to the West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019.

The current Statement of Policy expired in January 2016 and the Committee had considered the results of the public consultation which had been undertaken on the Policy that would apply for the period 2016 to 2019. The Policy set out how both Councils, in their roles as Licensing Authorities, would carry out functions under the Gambling Act 2005. It also recognised the importance of responsible gambling within the entertainment industry, whilst seeking to balance this with the key objectives of the Act.

Replies to the consultation, along with Officer responses, were attached as Appendix 1. The full consultation responses were contained in Appendices 2a, 2b and 2c. In the absence of data to support local risks and the development of a robust gambling area profile, the consultation draft of the Statement required minor revision and the key changes made were listed in paragraph 2.5 of Report No LIC/FH/15/006 and Report No LIC/SE/15/003. Further revision made as a result of the consultation were referred to in the Office Response column of Appendix 1. A final version of the document was included as Appendix 3.

The objective of the Policy was to provide a vision for the local area and a statement of intent that guided practice.

Councillor Alaric Pugh, SEBC Portfolio Holder for Planning and Growth, also drew relevant issues to the attention of both Cabinets.

5. **Housing Assistance Policy and Application Guidance (Report Nos: CAB/FH/15/058 and CAB/SE/15/073)**

The Cabinets were presented with the revised West Suffolk Housing Assistance Policy and Application Guidance (as set out within Appendix A).

Councillor Sara Mildmay-White, SEBC Portfolio Holder for Housing, explained that the West Suffolk Housing Strategy recognised the importance of maximising the use of existing housing. Both Councils offered discretionary grant assistance under the Housing Assistance Policy. The Strategy contained an action to review and revise the Policy to ensure that it continued to meet its purpose.

The review had considered that, in the main, the existing Policy helped to ensure decent safe housing for households benefiting from a grant. However, some changes were considered necessary to simplify the Policy and increase uptake. Processes would also be introduced to ensure that as much funding was recovered as possible, so that the Councils could continue to offer grants and investment in this sector. The key changes to the Policy were set out in paragraph 1.2.1 of both reports.

The new Policy would also be promoted to encourage uptake for these grants, targeting those areas of West Suffolk, in particular, where there was a density of poorer housing and where residents may benefit from a Home Assistance Grant.

On the conclusion of the informal joint discussions at 6.24 pm, the Chairman then formally opened the meeting of St Edmundsbury Borough Council's Cabinet at 6.25 pm in the Conference Chamber West.

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

**Minutes** of a meeting of the **Cabinet** held on  
**Tuesday 24 November 2015** at **6.25 pm** in the **Conference Chamber**  
**West, West Suffolk House**, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

**Chairman** John Griffiths (Leader of the Council) (in the Chair)  
**Vice Chairman** Sara Mildmay-White (Deputy Leader)

Robert Everitt  
Ian Houlder  
Alaric Pugh

Joanna Rayner  
Peter Stevens

**In attendance:**  
Susan Glossop

144. **Apologies for Absence**

No apologies for absence were received.

145. **Open Forum**

This item had already been considered during the informal discussions in relation to Items 4 to 6 on the agenda (Item 1 above refers.)

No non-Cabinet Members in attendance wished to speak on Items 7 or 8.

146. **Public Participation**

This item had already been considered during the informal discussions in relation to Items 4 to 6 on the agenda (Item 2 above refers.)

No members of the public were in attendance to speak on Items 7 or 8.

147. **Office Accommodation Plan**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Cabinet on Report No: CAB/SE/15/071, *Office Accommodation Plan*, it was proposed, seconded and,

RESOLVED:

That the Office Accommodation Plan, as set out in Report No: CAB/SE/15/071, as the basis for future office accommodation projects including the Mildenhall Hub, be approved.

**148. Recommendation of the Licensing and Regulatory Committee: 29 September 2015: West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Cabinet on Report No: CAB/SE/15/072, *Recommendation of the Licensing and Regulatory Committee: 29 September 2015: West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019*, it was proposed, seconded and,

**RECOMMENDED TO COUNCIL:**

**That the Gambling Act 2005: West Suffolk Joint Statement of Policy for the period 2016 to 2019, as contained in Appendix 3 to Report No: LIC/SE/15/003, be adopted.**

**149. Housing Assistance Policy and Application Guidance**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Cabinet on Report No: CAB/SE/15/073, *Housing Assistance Policy and Application Guidance*, it was proposed, seconded and,

RESOLVED:

That the revised West Suffolk Housing Assistance Policy and Application Guidance, as contained in Appendix A to Report No: CAB/SE/15/073, be approved.

**150. Local Council Tax Reduction Scheme and Council Tax Technical Changes 2016/2017**

The Cabinet considered Report No: CAB/SE/15/074, which sought approval for the Local Council Tax Reduction Scheme and Technical Changes 2016/2017.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance, drew relevant issues to the attention of the Cabinet, including background to the Local Council Tax Reduction Scheme (LCTRS) which was introduced from 1 April 2013, together with a summary of the second year review (2014/2015) in respect of the behavioural, administrative and financial impacts of the LCTRS and council tax technical changes levels.

The recommended continuation of the current schemes covered in the report, was intended to continue to deliver a 'cost neutral scheme' against the original 10% Government grant reduction. This was in order to maintain collection rates and avoid additional administrative costs. The impact of the

2016/2017 24% reduction in Central Government grant was therefore required to be addressed elsewhere and would form part of the Council's wider Medium Term Financial Strategy review and 2016/2017 budget setting process.

Based on the overall findings of the second year review outlined in Sections 2 and 3 of the report, the Cabinet supported the recommendation to continue the LCTRS in its current form. In respect of the technical changes, based on the overall findings of the second year review outlined in Sections 2 and 3 of the report, the Cabinet also supported the recommendation to continue with the 2015/2016 levels, as shown below in Table 2 of Section 6 of the report.

Discussion was held on the relatively low demand for Exceptional Hardship payments; and the timings of the collection of payments.

**RECOMMENDED TO COUNCIL:**

**That no change be made to the current Local Council Tax Reduction Scheme or Council Tax Technical changes levels for 2016/2017, as detailed in Sections 5 and 6 of Report No: CAB/SE/15/074.**

**151. Council Tax Base for Tax Setting Purposes 2016/2017**

The Cabinet considered Report No: CAB/SE/15/075, which sought approval for Council Tax Base for Tax Setting Purposes 2016/2017.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance, drew relevant issues to the attention of the Cabinet including that the tax base formed the basis for the formal calculation of Council Tax for 2016/2017.

The CTB1 Tax Base Return form was attached at Appendix 1, which had been updated as at 5 November 2015 to allow for:

- (a) technical changes outlined in Report No: CAB/SE/15/074; and
- (b) potential growth in the property base during 2016/2017 taken from an average of the housing delivery numbers for those sites within the local plan and those that had planning permission, adjusted for an assumed level of discounts/exemptions within that growth of property base.

An allowance was then made for losses on collection, which assumed that overall collection rates would be maintained at approximately 98%. In addition to this collection rate change, an adjustment had been made to allow for the collectability of the Council Tax arising from the Local Council Tax Support scheme, which had been assessed at 90%. The resulting Tax Base for Council Tax collection purposes had been calculated as 35,737.08 which was an increase of 679 on the previous year.

The tax base figures provided within Appendix 2 of the report had been communicated to town and parish councils so they could start to factor these into their budget setting process.

**RECOMMENDED TO COUNCIL:**

**That:**

- (1) the tax base for 2016/2017, for the whole of St Edmundsbury be 35,737.08 equivalent Band 'D' dwellings, as detailed in paragraph 1.4 of Report No: CAB/SE/15/075; and**
- (2) the tax base for 2016/2017 for the different parts of its area, as defined by parish or special expense area boundaries, be as shown in Appendix 2 to Report No: CAB/SE/15/075.**

The meeting concluded at 6.39 pm.

**Signed by:**

**Chairman**

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# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

**Minutes** of a meeting of the **Cabinet** held on  
**Tuesday 8 December 2015 at 5.00 pm** in the **Conference Chamber West,**  
**West Suffolk House,** Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

**Chairman** John Griffiths (Leader of the Council) (in the Chair)  
**Vice Chairman** Sara Mildmay-White (Deputy Leader)

Robert Everitt  
Ian Houlder  
Alaric Pugh

Joanna Rayner  
Peter Stevens

**By Invitation:**

Sarah Broughton

(Chairman of the Performance and Audit  
Scrutiny Committee)

Diane Hind

(Chairman of the Overview and Scrutiny  
Committee)

**In attendance:**

Tony Brown  
John Burns  
Susan Glossop

Clive Pollington  
David Roach  
Jim Thorndyke

152. **Apologies for Absence**

No apologies for absence were received.

153. **Minutes**

The minutes of the meetings held on 20 October and 27 October 2015 (extraordinary informal joint meeting with Forest Heath District Council's Cabinet) were confirmed as correct records and signed by the Chairman.

154. **Open Forum**

No non-Cabinet Members in attendance wished to speak under this item.

## 155. **Public Participation**

Maria Broadbent, the proprietor of a restaurant located in St John's Street, Bury St Edmunds, asked a question in connection with parking difficulties for workers in St Andrews Street car park, which was often full in the long stay area by mid morning when those working late into the evening started their shifts.

In response, Councillor Peter Stevens, Portfolio Holder for Operations stated that the car park was usually operating at approximately 80% capacity; however due to increased demand in the lead up to Christmas, there was currently less availability. While other car parks were also available, he advised that this matter would be looked at in further detail as part of the 2016/2017 Annual Review of Car Parking in the Borough, to ensure a potential long term solution was fully investigated and proposed.

## 156. **Report of the Overview and Scrutiny Committee: 11 November 2015**

The Cabinet received and noted Report No: CAB/SE/15/076, which informed the Cabinet of the following items discussed by the Overview and Scrutiny Committee on 11 November 2015:

- (1) Presentation from Streetkleen Bio Ltd on their PooPrints DNA Programme;
- (2) Presentation by the Cabinet Member for Operations;
- (3) Christmas Fayre Review;
- (4) Car Parking Task and Finish Review Group - Final Report;
- (5) Directed Surveillance Authorised Applications (Quarter 2);
- (6) Decisions Plan: November 2015 to May 2016; and
- (7) Work Programme Update.

Councillor Diane Hind, Chairman of the Overview and Scrutiny Committee, drew relevant issues to the attention of the Cabinet including that separate reports were included on this Cabinet agenda in respect of Items (3) and (4) above.

The Cabinet particularly noted Councillor Hind's recognition of the excellent work undertaken by the task and finish groups appointed by the Committee to review the Christmas Fayre and Car Parking in the Borough. She also acknowledged the representation of Maria Broadbent, as referred to in minute 155 above and whilst it was unfortunate that Ms Broadbent's concerns had not been investigated in this review, she welcomed their future consideration.

## 157. **Recommendation of the Overview and Scrutiny Committee: 11 November 2015 - Christmas Fayre Review**

The Cabinet considered Report No: CAB/SE/15/077, which sought approval for the findings of the Overview and Scrutiny Committee's review of the Bury St Edmunds Christmas Fayre, including the accompanying five year operational plan.

Councillor Robert Everitt, Portfolio Holder for Families and Communities, drew relevant issues to the attention of the Cabinet including that the Overview



and Scrutiny Committee had previously resolved to establish a Task and Finish Group to complete a review of the Bury St Edmunds Christmas Fayre and to adopt a five-year operational plan for the event. The prompt for the review came from the Council's acknowledgement that the Christmas Fayre had grown to be a nationally recognised event and that a review of the current principles and arrangements was therefore opportune.

It was proposed that the findings from the report (Appendix 1) and the operational plan (Appendix D) should be used to influence the planning and delivery of the 2016 Christmas Fayre, and beyond.

Councillor Everitt commended the Markets Development Officer, her team and supporting teams for their tremendous effort in delivering another extremely successful Christmas Fayre in 2015. These sentiments were echoed by other Cabinet Members, who each recognised the significant contributions of the teams within their individual portfolios.

Discussions were held on the following:

- (a) the charging of £8 per car for the Park and Ride service, which had been set at that level to cover delivery costs;
- (b) achieving a balance between delivering a community-based event which significantly contributed to the economic growth of the town, and generating a small income;
- (c) that in the interests of safety it was considered appropriate not to pursue an additional park and ride site as this could possibly lead to crowd management issues within the footprint of the Fayre, which was reaching capacity at peak times;
- (d) signage was better during the 2015 Fayre; however there were some concerns regarding the white lining of car parking bays at the park and ride site; and
- (e) whilst not previously recorded, the costs of the park and ride site were now included in the income and expenditure accounts for the Fayre.

RESOLVED:

That the Review of the Christmas Fayre report, contained in Report No: OAS/SE/15/016, including the Five Year Operational Plan, attached as Appendix D to Report No: OAS/SE/15/016, be approved.

158. **Recommendations of the Overview and Scrutiny Committee:  
11 November 2015: Car Parking Task and Finish Review Group – Final Report**

The Cabinet considered Report No: CAB/SE/15/078, which sought approval for several recommendations emanating from the final report of the Overview and Scrutiny Committee's Car Parking Task and Finish Review Group. Some issues would require full Council approval as part of the budget setting process.

Councillor Peter Stevens, Portfolio Holder for Operations, drew relevant issues to the attention of the Cabinet, including that in 2012, the Overview and Scrutiny Committee had undertaken an extensive review of car parking provision and charging in St Edmundsbury. A significant number of recommendations were endorsed by Cabinet on 12 December 2012. This included the need for a full periodic review of car parking across the Borough every three to four years. A task and finish group was therefore established by the Overview and Scrutiny Committee to undertake this review.

Councillor Stevens thanked the task and finish group and the Committee for their work, which had amongst other issues, highlighted the growing popularity of Bury St Edmunds and the unfortunate associated parking problems sometimes generated by this achievement at certain times. The review had also addressed the need to explore longer term parking solutions and suggestions had been made by the Committee, some of which may have merit; however these would need to fit within the context of the emerging Bury St Edmunds Town Centre Masterplan.

The Cabinet commended the level of detail contained in the review and supported all 15 recommendations proposed.

RESOLVED:

That the fifteen recommendations, as set out in Section 9 of the Car Parking Task and Finish Review Group Report, attached as Appendix 1 to Report No: OAS/SE/15/017, be approved.

*(The complete list of approved recommendations is attached separately to these minutes)*

159. **Report of the Performance and Audit Scrutiny Committee:  
25 November 2015**

The Cabinet received and noted Report No: CAB/SE/15/079, which informed the Cabinet of the following items discussed by the Performance and Audit Scrutiny Committee on 25 November 2015:

- (1) Mid Year Internal Audit Progress Report 2015-2016;
- (2) Subscription Charge for the Brown Bin Service;
- (3) Balanced Scorecard Quarter 2 Performance Report (2015-2016);
- (4) West Suffolk Strategic Risk Register Quarterly Monitoring Report – September 2015;
- (5) Work Programme Update;
- (6) Ernst and Young – Presentation of Annual Audit Letter (2014-2015);
- (7) Financial Performance Report (Revenue and Capital) Quarter 2 – 2015-2016;
- (8) Delivering a Sustainable Budget 2016-2017 – Update; and
- (9) Mid Year Treasury Management Report and Investment Activity (1 April – 30 September 2015).

Councillor Sarah Broughton, Chairman of the Performance and Audit Scrutiny Committee, drew relevant issues to the attention of the Cabinet

including that the first five items listed above were considered jointly with Forest Heath District Council's Performance and Audit Scrutiny Committee. She added that a detailed discussion had been held on a proposed West Suffolk subscription charge for the brown bin service to take place from April 2016. As detailed in the report, this had culminated in several recommendations being put to the Head of Operations, including a recommendation of setting the subscription charge at £40 per year, per bin, per household.

Councillor Stevens, Portfolio Holder for Operations informed the Cabinet that the Suffolk Waste Partnership was planning to roll out a programme for encouraging home composting. This was supported, together with the promotion of introducing community composting sites, which could potentially be financially supported through allocations from Ward Member locality budgets.

#### **160. Review of Cabinet Area Working Parties**

The Cabinet considered Report No: CAB/SE/15/080, which sought approval for four recommendations following a review of the Cabinet's Bury St Edmunds, Haverhill and Rural Area Working Parties.

Councillor John Griffiths, Leader of the Council, drew relevant issues to the attention of the Cabinet including that the purpose of any Cabinet working party was to deliver the Cabinet's priorities and functions, ideally without duplicating the role of any other committee or the Ward Members. In this context, the Cabinet's three Area Working Parties were set up to deliver specific Cabinet priorities in the rural, Bury St Edmunds and Haverhill areas. Since their inception, the Area Working Parties had all evolved over time and the number of meetings had also reduced. In 2014/2015, a total of eleven Area Working Party meetings were held in the three areas, resulting in only three formal recommendations to Cabinet.

In May 2015, the Cabinet had resolved to undertake a review of the Area Working Parties to establish, in consultation with borough councillors, partners and stakeholders, a potential way forward regarding the future of the Area Working Parties.

A summary of the consultation responses received over the summer and autumn 2015 were contained in the report, and having taken these comments into account, four proposals had been formulated which recommended the disbanding of the three Area Working Parties.

Emphasis was placed however, on encouraging the continuation of the Area Working Parties' positive evolution in the context of the adopted Families and Communities Strategy which promoted locality-based working; and for issues to be investigated through a variety of alternative existing mechanisms, which could range from informal Ward Member meetings through to formal scrutiny reviews. Equally, it was important to be mindful of the need, at a time of reducing resources, to reduce any duplication in the discussion of issues, within the Council and between tiers of local government and partners.

Gratitude was expressed to all those that had responded to the consultation and it was anticipated that the proposals would encourage a much improved and efficient way forward to collaboratively address local issues affecting communities of the towns and parishes.

RESOLVED:

That:

- (1) in accordance with the adopted West Suffolk Families and Communities Strategy, emphasis be placed on the new focus of Ward Members working with locality officers, and the ability for Borough Councillors to investigate locality issues through a variety of existing mechanisms, which could range from informal Ward Member meetings through to formal scrutiny reviews; and accordingly that
- (2) the Bury St Edmunds Area Working Party be disbanded and, if required, proposals for a locality forum for Bury St Edmunds be developed with other local authorities and partners, building on the learning from Haverhill and Suffolk County Council's Our Place meetings;
- (3) the Haverhill Area Working Party be disbanded but the need for timetabled, regular discussion meetings be recognised to enable Haverhill Borough Councillors to examine, debate and act on locality issues when needed with appropriate Portfolio Holders and officers; and
- (4) the Rural Area Working Party be disbanded and it be replaced with a quarterly Parish Forum by re-launching St Edmundsbury Borough Council's existing Parish Conference, with the possibility of an Annual Parish Conference for West Suffolk.

161. **Recommendations from the Grant Working Party: 16 November 2015 - Consideration of Community Chest Funding 2016/2017**

The Cabinet considered Report No: CAB/SE/15/081, which presented the recommendations of the Grant Working Party emanating from its meeting on 16 November 2015.

Councillor Robert Everitt, Portfolio Holder for Families and Communities, drew relevant issues to the attention of the Cabinet including that the Grant Working Party had considered a total of 21 applications for Community Chest funding in 2016/2017. A wide variety of organisations had submitted applications, as detailed in Appendix 1 to Report No: GWP/SE/15/004. The Community Chest budget for 2016/2017 was £281,483 and applicants could apply for a maximum of three years.

Each application, including those felt more appropriate for alternative funding sources as detailed in Section 1.4 of the Cabinet report, had been summarised in Appendix 1 to Report No: GWP/SE/15/004 with the full applications attached as appendices to that report. Each application was required to be evaluated in accordance with the eligibility and selection criteria set out in Appendix 24, and was considered in turn, as set out in the Cabinet report.

Following due consideration, recommendations for funding had been put forward to the Cabinet for the reasons provided in Report No; CAB/SE/15/081.

Members noted that the Working Party had decided to defer its consideration of three of the applications pending receipt of further information. These applications had now been evaluated by email and the Working Party's recommendations had previously been circulated to Cabinet by email and tabled at the meeting as an addendum to Report No: CAB/SE/15/081.

Subject to the approval of the recommendations, £35,477 remained in the 2016/2017 Community Chest.

Officers were recognised for their work in encouraging organisations to apply for funding and the Working Party was commended for its subsequent exceptionally thorough consideration of the applications.

RESOLVED:

That:

- (1) the allocation of Community Chest funding for 2016/2017, as detailed in Report No: GWP/SE/15/004, be approved, namely:
  - (a) Hopton Day Care Centre: £5,000
  - (b) Bury St Edmunds Volunteer Centre: £6,586
- (2) Subject to the provision of a presentation on the work of the organisation prior to consideration of an allocation of funding for 2017/2018 and beyond, Community Chest funding for Suffolk West Citizens Advice Bureau of £182,500 for 2016/2017, be approved;
- (3) subject to the budget setting process for 2017/2018, and subject to the satisfactory submission of evidence-based reports detailing the benefits and success of each individual project in 2016/2017, the allocation of Community Chest funding for 2016/2017 and 2017/2018, be approved, namely:

	<u>2016/17</u>	<u>2017/18</u>
(a) The Voluntary Network (Befriending Connect Service):	£9,860	£10,238
(b) The Voluntary Network (Community Car Service):	£5,310	£4,434
(c) Relate Norfolk and Suffolk	£5,000	£5,000
(d) REACH Community Projects	£5,000	£5,000
(e) Gatehouse Caring in East Anglia	£5,000	£5,000
(f) HomeStart	£13,250	£9,800

- (4) Due to not being considered to be appropriate for Community Chest funding but with the intention of signposting to alternative funding sources available, Community Chest funding for 2016/2017 not be awarded to:
- (a) Coffee Caravan;
  - (b) Eastgate Amateur Boxing Club;
  - (c) Rojo Art Projects;
  - (d) St Edmundsbury Sailing and Canoeing Association; and
  - (e) Suffolk Mind.
- (5) No Community Chest funding for 2016/2017 be awarded to:
- (a) YMCA Suffolk;
  - (b) Young People of the Year - Befriending;
  - (c) Fresh Start – New Beginnings; and
  - (d) Suffolk Young People’s Health Project (4YP).
- (6) No allocation of Community Chest funding for 2018/2019 be approved at this present time.

**Decisions emanating from Addendum to Report No: CAB/SE/15/081:**

- (7)
- (a) an allocation of £9,000 Community Chest funding to Mentis Tree for 2016/2017, be approved;
  - (b) no Community Chest funding for 2016/2017 be awarded to Sue Ryder; and
  - (c) following further discussions with the Families and Communities Team, a revised application from Suffolk Rape Crisis be submitted to the Grant Working Party for consideration in January 2016 with a view to making a recommendation to Cabinet on 9 February 2016.

**162. Recommendations from the Sustainable Development Working Party: 18 November 2015**

*(Councillors Robert Everitt and Joanna Rayner declared local non pecuniary interests as a board member and employee respectively of Havebury Housing Partnership. The Development Brief for Erskine Lodge, Great Whelnetham was being prepared on behalf of Havebury. Both Members remained in the meeting for the consideration of this item.)*

The Cabinet considered Report No: CAB/SE/15/082, which presented the recommendations of the Sustainable Development Working Party emanating from its meeting 18 November 2015.

On 18 November 2015, the Sustainable Development Working Party considered the following substantive items of business:

- (1) Land East of Barrow Hill, Barrow: Development Brief;
- (2) Development Brief for the allocated housing site at Erskine Lodge, Great Whelnetham; and
- (3) The Meadows, Wickhambrook: Development Brief.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth, drew relevant issues to the attention of the Cabinet, including that thorough consideration had been given to the three items outlined above at the meeting of the Sustainable Development Working Party.

The Cabinet noted that whilst the Development Brief for the Land East of Barrow Hill had not strictly been prepared in accordance with the Council's Protocol for Preparing Development Briefs, the other two had and all accorded with the Vision 2031 Development Plan document and Core Strategy Development Plan document. The Development Briefs would provide a suitable framework for the consideration of future planning applications.

(a) **Land East of Barrow Hill, Barrow: Development Brief**

**RECOMMENDED TO COUNCIL:**

**That the Development Brief for Land East of Barrow Hill, Barrow, as contained in Appendix A to Report No: SDW/SE/15/014, be adopted as non-statutory planning guidance.**

(b) **Development Brief for Allocated Housing Development Site at Erskine Lodge, Great Whelnetham**

**RECOMMENDED TO COUNCIL:**

**That the Development Brief for the allocated housing site at Erskine Lodge, Great Whelnetham, as contained in Appendix A to Report No: SDW/SE/15/015, be adopted as non-statutory planning guidance subject to an amendment whereby an indication is given to the developers that there will be a requirement to investigate road safety aspect and improvements to the junction of the A143 with Stanningfield Road as part of the Transport Assessment to be submitted in support of a planning application.**

(c) **The Meadows, Wickhambrook: Development Brief**

**RECOMMENDED TO COUNCIL:**

**That the Development Brief for The Meadows, Wickhambrook, as contained in Appendix A to Report No: SDW/SE/15/016, be adopted as non-statutory planning guidance.**

*(Councillor Tony Brown arrived during the consideration of this item.)*

**163. Decisions Plan: December 2015 to May 2016 (including Cabinet decisions expected on 24 November 2015)**

The Cabinet considered Report No: CAB/SE/15/083, which was the Cabinet Decisions Plan covering the period December 2015 to May 2016 (including Cabinet decisions expected on 24 November 2015).

Members took the opportunity to review the intended forthcoming decisions of the Cabinet; however, no further information or amendments were requested on this occasion.

**164. Revenues Collection Performance and Write-Offs**

The Cabinet considered Report No: CAB/SE/15/084, which provided the collection data in respect of Council Tax and National Non-Domestic Rates and sought approval for the write-off of debts as contained in the Exempt Appendices.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance, drew relevant issues to the attention of the Cabinet, including the current collection performance, as set out in Section 3 of the report.

He added that the Council was continuing to lobby via the Local Government Association for a change to the Licensing Act 2003. Subject to the four licensing objectives prescribed in the Licensing Act 2003 being satisfactorily met, the Council, as Licensing Authority, currently had no option but to grant an application for a Premises' Licence even if the business owner had not paid their business rates across a range of premises. The Council was therefore lobbying for an amendment to the Act to enable Licensing Authorities to refuse or remove a Licence from those business owners that had not paid business rates.

RESOLVED:

That the write-off of the amounts detailed in the exempt appendices to Report No: CAB/SE/15/084 be approved, as follows:

- (1) Exempt Appendix 1: Council Tax totalling £21,402.51
- (2) Exempt Appendix 2: Business Rates totalling £35,442.94

**165. Exclusion of Press and Public**

See minute 166 below.

**166. Exempt Appendices: Revenues Collection Performance and Write-Offs (paras 1 and 2)**

The Cabinet considered Exempt Appendices 1 and 2 to Report No: CAB/SE/15/084 under Agenda Item 13, however no reference was made to specific detail and therefore this item was not held in private session.

The meeting concluded at 5.46 pm



**Signed by:**

**Chairman**

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**Complete Recommendations of the Overview and Scrutiny Committee to Cabinet: 8 December 2015 (Report No: CAB/SE/15/078) (see minute 158)**

As recommended by the Committee's Car Parking Task and Finish Group

- Recommendation 1            That the Council promotes:
- (i)     that all tariffs remain highly competitive in comparison to similar towns
  - (ii)    the location of the car parks through directional signage
  - (iii)   the flexible cashless, pay by phone option – RingGo
  - (iv)    on line permits/season tickets
- Recommendation 2            The purchase and installation of two further Electric Car Charging Points in Bury St Edmunds and two new Electric Car Charging Points in Haverhill.
- Recommendation 3            The Council reviews all signage in the car parks with a view to making information easy to understand and more visible, including tariff boards and disability parking bays.
- Recommendation 4            Changes to car parking and season ticket charges across the Borough are detailed in Appendix E (see below).

**Bury St Edmunds**

- Recommendation 5            To transfer long stay car parking at weekends from Parkway MSCP to Ram Meadow by:
- (i)     Improve signage to Ram Meadow Car Park from the highway
  - (ii)    Investigate improvements to the pedestrian route into the town centre from Ram Meadow and quality of infrastructure/signage in the car park
  - (iii)   Rebranding of Ram Meadow Car Park as the Visitor and Long Stay Car Park
  - (iv)    No change to Ram Meadow charges
  - (v)    Parking at Parkway Multi Storey should be limited to a 4 hour maximum at the weekend, with the exemption of weekly and season ticket holders.

- Recommendation 6 The Car Parking Task and Finish Review Group feel that it is imperative that Cabinet set up a formal review to identify additional car parking provision across Bury St Edmunds. This review should consider future growth proposals and opportunities and urge that this process is completed no later than 2017.
- Recommendation 7 As a matter of priority, the Borough Council seeks discussions with businesses and developers in the south of Bury St Edmunds with a view to finding additional public car parking in the area.
- Recommendation 8 It is recommended that additional capacity of 30 spaces can be found on Hardwick Heath Car Park.
- Recommendation 9 The Council promotes the availability of free parking at weekends at Olding Road.
- Recommendation 10 To instigate a phased upgrade of car parking machines with a view to replacing all machines with car readers and contactless payments features over the next two to three years.
- Recommendation 11 It is recommended that occupancy levels across the town centre car parks must decrease to below 95% occupancy before Pay on Exit can (i) accommodate users extending the length of the car parking stay; and (ii) avoid significant congestion on the highway.
- Recommendation 12 That the Borough Council works with Suffolk County Council and key stakeholders in the development of a Transport Strategy for Bury St Edmunds which promotes sustainable transports and help addresses the capacity challenges for off street car parks.

### **Haverhill**

- Recommendation 13 It is recommended that Haverhill Leisure Centre car park be limited to a maximum stay of 3hrs.
- Recommendation 14 To implement up to 4hrs and All Day parking restrictions on the Rose and Crown Car Park in Haverhill.
- Recommendation 15 To provide an additional 15 hours off-street car parks enforcement each week by the parking services team in Haverhill.

**Appendix E -** Proposed changes to car parking and season ticket charges across the Borough from 1 April 2016

*Tariffs in red indicates change*

<b>Car Park</b>	<b>30 mins</b>	<b>1 hr</b>	<b>2 hr</b>	<b>3hr</b>	<b>4 hr</b>	<b>All Day</b>	<b>Night Charge</b>
Cattle Market (Mon- Sun)		£2.00	£3.00	£3.50	£4.00		£1.00
St Andrews long stay (Mon-Sun)						£3.00	
St Andrews short stay (Mon -Fri)	60p	£1.10	£2.00	£2.70			£1.00
St Andrews short stay (Sat - Sun)	60p	<b>£1.80</b>	<b>£2.50</b>	<b>£3.00</b>			
Ram Meadow (Mon- Sun)			£1.50	£1.80		£2.30	
Parkway Multi (Mon-Fri)			<b>£1.80</b>	<b>£2.00</b>		<b>£2.70</b>	
Parkway Multi (Sat-Sun)			<b>£2.00</b>	<b>£2.50</b>	<b>£3.00 New Tariff</b>	<b>Deleted</b>	
Parkway surface (Mon-Fri)			£1.60	£2.00	£2.20		
Parkway surface (Sat-Sun)			<b>£2.00</b>	<b>£2.50</b>	<b>£3.00</b>		
Robert Boby		20p	£2.20	£3.00			£1.00
Lower Baxter	60p	£1.50	£2.20				£1.00
School Yard East				£1.80 <b>£2.00</b>			£1.00
School Yard West		£2.00	£3.00	£3.50	£4.00		£1.00
Bury LC				£2.30			
Hardwick Heath		40p	£2.20	£4.50		£10.50	
Ehringshaus en Way		40p		£1.00		£2.20	
Lower Downs		40p		£1.00			

Slade							
<b>Car Park</b>	<b>30 mins</b>	<b>1 hr</b>	<b>2 hr</b>	<b>3hr</b>	<b>4 hr</b>	<b>All Day</b>	<b>Night Charge</b>
Town Hall		40p		£1.00		£2.00	
Leisure Centre				<b>£1.00 New Tariff</b>		£2.20 <b>Delete</b>	
Meadows		40p		£1.00 <b>Delete</b>	<b>£1.00 New Tariff</b>	£2.20 <b>£1.50</b>	
Rose and Crown					<b>£1.00 New Tariff</b>	<b>£2.00 New Tariff</b>	

Weekly Ticket Prices from 1 April 2016

Car Park	Current Price	Price from 1 April 2016
Parkway MSCP	£7.50	<b>£9.50</b>
St Andrews CP	£10.50	<b>£11.50</b>
St Andrews CP (low emission rate)	£9.00	<b>£10.00</b>
Ram Meadow	£7.50	£7.50
Meadow Car Parks	New Tariff	<b>£7.00</b>

Season Ticket Prices from 1 April 2016

Car Park	Duration	Current Price	Price from 1 April 2016
Parkway MSCP	8 Weeks	£60	<b>£76</b>
	12 Weeks	£90	<b>£114</b>
	26 Weeks	£195	<b>£245</b>
	40 Weeks	£300	<b>£380</b>
	52 Weeks	£390	<b>£490</b>
St Andrews	8 Weeks	£84	<b>£92</b>
	8 Weeks (low emission)	£72	<b>£80</b>
	12 Weeks	£126	<b>£138</b>
	12 Weeks (low emission)	£108	<b>£120</b>
	26 Weeks	£273	<b>£299</b>
	26 Weeks (low emission)	£234	<b>£260</b>

	40 Weeks	£420	<b>£460</b>
	40 Weeks (low emission)	£380	<b>£400</b>
	52 Weeks	£546	<b>£598</b>
	52 Weeks (low emission)	£468	<b>£520</b>
Ram Meadow	No Changes to be applied.		

# Cabinet



St Edmundsbury  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Report of the Overview and Scrutiny Committee: 13 January 2016</b>	
<b>Report No:</b>	<b>CAB/SE/16/001</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	9 February 2016
<b>Chairman of the Committee:</b>	Diane Hind Chairman of the Overview and Scrutiny Committee <b>Tel:</b> 01284 706542 <b>Email:</b> <a href="mailto:diane.hind@stedsbc.gov.uk">diane.hind@stedsbc.gov.uk</a>	
<b>Lead Officer:</b>	Christine Brain Scrutiny Officer <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:christine.brain@westsuffolk.gov.uk">christine.brain@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	On 13 January 2016, the Overview and Scrutiny Committee considered the following items:  (1) Presentation by the Portfolio Holder for Leisure and Culture;  (2) Skyliner Way, Bury St Edmunds (Verbal Report);  (3) Directed Surveillance Authorised Applications (Quarter 3); and  (4) Work Programme Update.	
<b>Recommendation:</b>	<b>The Cabinet is requested to <u>NOTE</u> the contents of Report CAB/SE/16/001, being the report of the Overview and Scrutiny Committee.</b>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/> Report for information only.	

<b>Consultation:</b>		<ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Reports listed under background papers below			
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b>		Please see background papers, which are listed at the end of the report.	
<b>Documents attached:</b>		None	



## **1. Key issues and reasons for recommendation**

### **1.1 Presentation by the Portfolio Holder for Leisure and Culture (Report No: OAS/SE/16/001 and Verbal)**

- 1.1.1 As set out in the Council's Constitution, at every ordinary Overview and Scrutiny meeting at least one Cabinet Member shall be invited to attend to give an account of his or her portfolio and to answer questions from the Committee.
- 1.1.2 Report No: OAS/SE/16/001 set out the overall responsibilities of Councillor Joanna Rayner, the Cabinet Member for Leisure and Culture who had been invited to the meeting to discuss her portfolio.
- 1.1.3 The Committee discussed the presentation and asked a number of questions of Councillor Rayner to which comprehensive responses were provided. In particular discussions were held on:
- (1) **Proms in Park** – Officers agreed to look into ways of overcoming a number of barriers such as the control of noise; security of event area boundaries and funding.
  - (2) **Play equipment** – Officers agreed to circulate the list of Council owned play sites and the current projected schedule of renewals.
  - (3) **Bury St Edmunds swimming pool** – The Council had commissioned an assessment of all indoor and playing pitch facilities and the findings of this assessment would be considered at the West Suffolk Growth Steering Group in February 2016.
  - (4) **The Apex** – It was acknowledged this was a popular venue and was gaining momentum. Officers confirmed that the subsidy was being reduced year on year.
  - (5) **Queen's Birthday** – The Council was looking at a number of events, which were in the early stages to celebrate the Queen's 90<sup>th</sup> birthday in 2016 which the Committee supported.
  - (6) **Haverhill Arts Centre** – Officers advised that there were no plans from the Borough Council to create a museum in Haverhill, but the heritage service would work with any local organisations as appropriate.
- 1.1.4 There being no decision required, the Committee **noted** the contents of the presentation.

### **1.2 Skyliner Way, Bury St Edmunds – Verbal Update**

- 1.2.1 The Committee received a verbal update which advised Members on the unsuccessful bid application to the Highway Authority's On-Street Parking Account for £25,000 to implement verge parking in Skyliner Way, Bury St Edmunds.
- 1.2.2 The Committee was disappointed that the bid application had not been

successful. Members scrutinised the verbal update and felt this needed to be looked at again and queried whether the application could be re-submitted. The Eastern Relief Road would become a major route into Bury St Edmunds and the Committee felt Suffolk County Council as Highway Authority needed to do something now rather than in the future.

1.2.3 The Committee **RECOMMENDS that the Head of Planning and Growth be asked to write a report on how the bid process worked; when the next bid process was open; and what alternative options were available to be presented to the Committee at its April 2016 meeting.**

1.2.4 The above recommendation is required to be **noted** by the Cabinet.

### 1.3 **Directed Surveillance Authorised Applications (Quarter 3) (Verbal)**

1.3.1 The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 requires that Members should scrutinise the authority's use of its surveillance powers on a quarterly basis. In June 2010 it was agreed that this requirement should be fulfilled by the Overview and Scrutiny Committee.

1.3.2 The Monitoring Officer had advised that in Quarter 3 no such surveillance had been authorised.

### 1.4 **Work Programme Update (Report No: OAS/SE/16/002)**

1.4.1 The Committee received Report No: OAS/SE/16/002, which provided an update on the current status of the Committee's Work Programme and the Task and Finish Groups appointed by the Committee.

1.4.2 The Committee was advised that the Police and Crime Commissioner had been invited to its March meeting to give a presentation on the Suffolk Local Policing Review and to answer any questions. An invitation would be sent to all Members inviting them to the Committee meeting on 9 March 2016.

1.4.3 Following the sudden passing of Councillor Tim Marks, the Chairman sought nominations from Members to sit on the Suffolk County Council Health Scrutiny Committee as the Borough Council's representative. The Committee considered the nomination to the Suffolk County Council Health Scrutiny Committee, and with only one nomination received, **RECOMMENDS that full Council be asked to confirm the appointment of Councillor Paul Hopfensperger as the Borough Council's nominated representative on the Suffolk Health Scrutiny Committee for the remainder of 2015-2016.**

1.4.4 The above recommendation is required to be **noted** by the Cabinet.

## 2. **Background Papers**

2.1.1 Report No: [OAS/SE/16/001](#) to the Overview and Scrutiny Committee: Presentation by the Cabinet Member for Leisure and Cultural Services

2.1.2 Report No: [OAS/SE/16/002](#) to the Overview and Scrutiny Committee: Work Programme Update

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Report of the Anglia Revenues and Benefits Partnership Joint Committee: 7 December 2015 and 12 January 2016</b>	
<b>Report No:</b>	<b>CAB/SE/16/002</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	9 February 2016
<b>Portfolio holder:</b>	Ian Houlder Portfolio Holder for Resources and Performance <b>Tel:</b> 01284 810074 <b>Email:</b> ian.houlder@westsuffolk.gov.uk	
<b>Lead officer:</b>	Jill Korwin Director <b>Tel:</b> 01284 757252 <b>Email:</b> jill.korwin@westsuffolk.gov.uk	
<b>Purpose of report:</b>	<p>On 7 December 2015 the Anglia Revenues and Benefits Partnership (ARP) Joint Committee considered the following substantive items of business:</p> <ol style="list-style-type: none"> <li>(1) Performance Report;</li> <li>(2) ARP Joint Committee Partnership Budget;</li> <li>(3) Service Delivery Plan;</li> <li>(4) Welfare Reform Update;</li> <li>(5) Enforcement Agency Update;</li> <li>(6) Anglia Revenues Partnership Trading Company: Progress Update; and</li> <li>(7) Forthcoming Issues.</li> </ol> <p>On 12 January 2016, the Joint Committee considered the following substantive item of business:</p> <ol style="list-style-type: none"> <li>(1) ARP Joint Committee Partnership Budget</li> </ol> <p>This report is for information only. No decisions are required by the Cabinet.</p>	

<b>Recommendation:</b>	<b>The Cabinet is requested to <u>NOTE</u> the content of Report No: CAB/SE/16/002 being the report of the Anglia Revenues and Benefits Partnership Joint Committee.</b>
<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<b>Implications:</b>	
<i>Are there any <b>financial</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<i>Are there any <b>equality</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See reports of ARP Joint Committee at link provided under 'Background papers'</li> </ul>
<b>Risk/opportunity assessment:</b>  See reports of ARP Joint Committee at link provided under 'Background papers'	<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>
<b>Ward(s) affected:</b>	All Ward/s
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>	Breckland DC Website: <a href="#">Reports of the Anglia Revenues and Benefits Partnership Joint Committee – 7 December 2015</a>  <a href="#">Report of the Anglia Revenues and Benefits Partnership Joint Committee – 12 January 2016</a>
<b>Documents attached:</b>	None

## **1. Anglia Revenues and Benefits Partnership Joint Committee – 7 December 2015: Key Issues**

### **1.1 Performance Report (Agenda Item 5)**

1.1.1 The Joint Committee had received and noted the Operational Performance Report as at 31 October 2015. The report details ARP's key achievements in respect of Benefits and Fraud Performance including the Department for Work and Pensions ARP Fraud Funding and Fraud Targets; Revenues Performance and Support Performance including Imaging System (EDMS), Channel Shift/Website, BACS Bureau, Technical Projects and External Mailing. This detailed report can be viewed as part of the reports pack on Breckland District Council's website at:

<http://democracy.breckland.gov.uk/documents/q3457/Public%20reports%20pack%2007th-Dec-2015%2010.00%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=10>

1.1.2 Members had noted that targets had been met by all partner authorities with all indicators annotated green as at 31 October 2015, as shown on the Balanced Scorecard at:

<http://democracy.breckland.gov.uk/documents/s36965/ARP%20Balanced%20Scorecard%202015-16%20-%20Oct%202015.pdf>

1.1.3 The above report provides further information on indicators relevant to each partner authority, which are grouped under the following headings:

- (a) Financial: Collection, Budget Management
- (b) Customer: Customer Satisfaction, Channel Shift
- (c) Internal Process: Collection, Fraud
- (d) Learning and Growth: Performance Management

1.1.4 In respect of financial performance as at 31 October 2015, the Joint Committee had noted that there was currently an underspend of £182,536 against budget, which was largely attributed to the high turnover in staff to date (£169,966 of the total underspend). The next financial performance report (Quarter 3) will provide an outline of how this surplus will be allocated.

### **1.2 ARP Joint Committee Partnership Budget (Agenda Item 6)**

1.2.1 Subsequent to the publication of the agenda and papers for the meeting, the Joint Committee had been informed that the Operational Improvement Board had considered that the published information on the proposed budget for 2016/2017 had insufficiently accounted for a number of issues.

1.2.2 Members had agreed that an additional meeting should be held in January 2016 to enable the extra information to be provided, including a Medium Term Financial Plan and how the budget would link to the Service Delivery Plan (next item refers).

1.2.3 A meeting was subsequently arranged for 12 January 2016 to consider the budget. A summary of the discussions held at that meeting is detailed in

Section 2 below.

### 1.3 **Service Delivery Plan (Agenda Item 7)**

- 1.3.1 The Joint Committee had considered a report which sought approval for a revised Service Delivery Plan.
- 1.3.2 In accordance with the ARP agreement, a revised Service Delivery Plan should be approved by the Joint Committee by the end of December each year.
- 1.3.3 A Service Delivery Plan was approved in September 2014 and Appendix B attached to the Joint Committee report showed progress against this plan.
- 1.3.4 In addition to service aims and objectives, the plan includes a risk assessment and detail of the major projects that ARP will implement in 2016.
- 1.3.5 Members noted the successes of the partnership since September 2014, and also the ongoing work and projects being undertaken to continue these successes, as outlined in Section 1.2 of the Joint Committee report.
- 1.3.6 [Appendix A](#) attached to the Joint Committee report provided the revised Service Delivery Plan, which detailed the high level actions that the service must implement to ensure the varied demands on the service are met. Specific actions are provided in Section 1.3 of the Joint Committee report, which includes the proposed development of a three-year strategy/business plan and the seeking to ensure that the processes and procedures across the partnership are harmonised and that all use of resources available to the partners is maximised.
- 1.3.7 The Joint Committee **RESOLVED: That**
  - (1) the progress in respect of the September 2014 Service Delivery Plan be noted;**
  - (2) the revised Service Delivery Plan be approved;**
  - (3) the contents of the report be noted; and**
  - (4) the Risk Register be agreed.**

### 1.4 **Welfare Reform Update (Agenda Item 8)**

- 1.4.1 The Joint Committee had received and noted an update on welfare reform.
- 1.4.2 The update included information on:
  - (a) Universal Credit;
  - (b) Discretionary Housing Payment; and
  - (c) Tax Credit changes announced in the Budget.
- 1.4.3 Further details are outlined in the report to the Joint Committee. Additional information provided at the meeting included that, following announcements in the Chancellor's Autumn Statement, it was expected there would be a full roll-out of Universal Credit by 2021. Anticipated changes to the Tax Credit process had been postponed and therefore will not cause an impact to the

partnership at the present time.

## 1.5 **Enforcement Agency Update (Agenda Item 9)**

1.5.1 The Joint Committee had received and noted an update on the recently established ARP Enforcement Agency.

1.5.2 The update included information on:

(a) the Enforcement Team has been operational since July 2015. Four compliance officers continue to recover monies in accordance with procedure, and two Enforcement Agents are working towards obtaining their Enforcement certificate which allows them to visit properties to enforce payment. Unfortunately, the certificated Enforcement Agent who had been appointed to commence work in October 2015 did not take up his post due to an improved offer from his current employers; however, another certificated Enforcement Agent has now been appointed.

(b) The Team has now collected in excess of £400,000 and have another £520,000 on payment arrangements. Further details of performance statistics were attached as [Appendix B](#) to the Joint Committee report.

1.5.3 The Joint Committee had also noted that comparisons should not be made between collection data recorded for the relatively new Enforcement Agency and an external bailiff company until the Agency has been operational for a full financial year.

## 1.6.1 **Anglia Revenues Partnership Trading Company: Progress Update (Agenda Item 10)**

1.6.2 The Joint Committee had received and noted a verbal update on progress in respect of the ARP trading company

1.6.3 Members had noted and discussion had been held on:

(a) that a draft Shareholder Agreement has been agreed by officers and will be shortly circulated to the partner authorities for approval;

(b) ways in which the Anglia Revenues Partnership Trading (ARPT) Company could raise its profile as a provider; and

(c) the proposed communications plan for promoting the unique selling point of ARPT.

## 1.7 **Forthcoming Issues (Agenda Item 11)**

1.7.1 The Joint Committee had been informed that ARP is currently providing a consultancy service to South Holland and East Lindsey Councils on the Revenues and Benefits strategic function.

## 2. Anglia Revenues and Benefits Partnership Joint Committee – 12 January 2016: Key Issues

### 2.1 ARP Joint Committee Partnership Budget (Agenda Item 4)

2.1.1 Members had considered a report which sought approval for the partnership budget for 2016/2017.

2.1.2 Whilst the base budget has been set in line with 2015/2016, there is recognition that the partners will face a direct budget pressure from the reduction in subsidy for administration of both Housing Benefit and the Local Council Tax Support Scheme.

2.1.3 The Government has yet to announce the detail of the reduction in subsidy grant given to local authorities therefore the budget report provides three possible scenarios: optimistic, realistic and pessimistic, as outlined in [Appendix A](#). The realistic scenario has been used when budget setting which results in an overall budget gap of £1.017 million by 2018/2019, as follows:

	<b>2016/17 £</b>	<b>2017/18 indicative £</b>	<b>2018/19 indicative £</b>
Budget gap from reduction in administration subsidy	227,000	532,000	1,017,000

By contrast, a pessimistic budget, which assumes a 60% reduction in housing benefit subsidy, would result in a £1.84 million budget gap by 2018/2019.

2.1.4 A number of key assumptions have been used when setting the budget, which are:

- a pay award of 1% in all years;
- a vacancy factor of 2.5% in all years;
- no inflation on supplies and services as the assumption is that inflation can be contained through future procurement savings; and
- savings will not be delivered until 2017/2018 in order to allow a year to make the necessary investment.

2.1.5 Taking the above into account, the total partnership budget for 2016/2017, attached as [Appendix B](#) to the Joint Committee report, is £9,634,264, which is an increase of £237,433 on the 2015/2016 revised budget. Indicative budgets for 2017/2018 and 2018/2019 are £9,886,128 and £10,019,120 respectively. St Edmundsbury's (and for information, Forest Heath's) current and future contribution to the total budget is set out below:

	<b>2015/16 £</b>	<b>2016/17 £</b>	<b>2017/18 indicative £</b>	<b>2018/19 indicative £</b>
St Edmundsbury	1,375,651	1,393,370	1,362,393	1,312,452
Forest Heath	940,231	946,413	927,575	897,206

2.1.6 The report proposes that the base budget is retained to maintain capacity to enable a redirection of resources. It also utilises the expected underspend in 2015/2016 of £324,000 and creates an investment fund from this balance.



This investment fund will be used to invest in trading, growth and efficiencies in order to deliver the necessary savings in future years to close the budget gap. These savings targets are based on the expected reduction in subsidy grant from the seven partners over the medium term.

- 2.1.7 Benefits payments and subsidies, court fee income and other grants specific authorities are not included within the partnership budgets, as these are the direct responsibility of the individual authority and have been reflected in their own budgets.
- 2.1.8 The Joint Committee had also noted that the budget had accounted for an increase in establishment for the enforcement service and for three new Council Tax posts, plus inflationary salary increases for the existing establishment. However, the new enforcement service is prudently budgeted to provide a net income of £150,000 in 2016/2017 and future years. The three new Council Tax posts for assisting further recovery will be fully offset by income from the County Councils.
- 2.1.9 The ARP budget focusses on the medium term until 2018/2019. Further reductions are expected between 2018 and 2021 when the managed migration of housing benefit to Universal Credit begins. Further information on this migration will be provided to the Joint Committee as it becomes available.
- 2.1.10 The Joint Committee had thoroughly considered the budget for 2016/17 and had asked several questions of officers to which they were duly responded. Future challenges ahead had been duly acknowledged.
- 2.1.11 The Joint Committee **RESOLVED: That**
- (1) the partnership budget for 2016/2017 be approved;**
  - (2) the full 2015/2016 underspend be contributed into the ARP investment fund; and**
  - (3) the future release of budgets from the investment fund for specific projects be delegated to the Operational Improvement Board (OIB) and all spend to be reported to the Joint Committee at the next available meeting.**

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# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Report of the Performance and Audit Scrutiny Committee: 28 January 2016</b>	
<b>Report No:</b>	<b>CAB/SE/16/003</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	9 February 2016
<b>Portfolio holder:</b>	Ian Houlder Portfolio Holder for Resources and Performance <b>Tel:</b> 01284 810074 <b>Email:</b> <a href="mailto:ian.houlder@stedsbc.gov.uk">ian.houlder@stedsbc.gov.uk</a>	
<b>Chairman of the Committee:</b>	Sarah Broughton Chairman of the Performance and Audit Scrutiny Committee <b>Tel:</b> 01284 787327 <b>Email:</b> <a href="mailto:sarah.broughton@stedsbc.gov.uk">sarah.broughton@stedsbc.gov.uk</a>	
<b>Lead Officer:</b>	Christine Brain Scrutiny Officer <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:Christine.brain@westsuffolk.gov.uk">Christine.brain@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	<p>On 28 January 2016, the Performance and Audit Scrutiny Committee held an informal joint meeting with Members of Forest Heath's Performance and Audit Scrutiny Committee, and <u>considered the first five items jointly:</u></p> <ol style="list-style-type: none"> <li>(1) Balanced Scorecards and Quarter Three Performance Report 2015/2016;</li> <li>(2) West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2015;</li> <li>(3) Delivering a Sustainable Budget 2016/2017: Procedural Update (Verbal);</li> <li>(4) Development and Implementation of the Garden Waste Collection Service;</li> <li>(5) Work Programme Update;</li> </ol>	

	<p>(6) Financial Performance Report (Revenue and Capital) Quarter 3 – 2015/2016;</p> <p>(7) Treasury Management Report 2015/2016 - Investment Activity 1 April to 31 December 2015; and</p> <p>(8) Annual Treasury Management and Investment Strategy Statements 2016/2017.</p> <p>A separate report is included on this Cabinet agenda for Item <b>(8)</b> above.</p>
<b>Recommendation:</b>	<b>It is <u>RECOMMENDED</u> that Report No: CAB/SE/16/003, being the report of the Performance and Audit Scrutiny Committee, be noted.</b>
<b>Key Decision:</b>	No, it is not a Key Decision - <input checked="" type="checkbox"/> Report for information only.
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>• See reports listed in Section 2 below.</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>• See reports listed in Section 2 below.</li> </ul>
<b>Implications:</b>	
<i>Are there any <b>financial</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any <b>equality</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<b>Risk/opportunity assessment:</b>	Please see background papers.
<b>Ward(s) affected:</b>	All Wards
<b>Background papers:</b>	Please see background papers, which are listed at the end of the report.
<b>Documents attached:</b>	None

## **1. Key issues and reasons for recommendation**

### **1.1 Balanced Scorecards and Quarter 3 Performance Report 2015-16 (Report No: PAS/SE/16/001)**

- 1.1.1 The Committee received and **noted** Report No: PAS/SE/16/001, which set out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2015-2016 and an overview of performance against those indicators for the third quarter of 2015-2016. The six current balanced scorecards (attached at Appendices A to F to Report No: PAS/SE/16/001) were linked to the Heads of Service areas, which presented Quarter 3 2015-2016 performance.
- 1.1.2 Most indicators reported performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance.
- 1.1.3 Across all service balanced scorecards, there were indicators measuring the performance of the transactional finance functions. These were "% of non-disputed invoices paid within 30 days" and "% debt over 90 days old". In the first and second quarters of the year, against these indicators, almost all service areas had failed to meet the targets of more than 95% of non-disputed invoice paid within 30 days and less than 10% of debt over 90 days old.
- 1.1.4 The finance and performance team had been working with service areas to try and improve performance against both of these measures. As a result of this, three service areas were now achieving over 90% performance on invoices paid within 30 days, with one of these areas achieving over 98%.
- 1.1.5 No issues were required to be brought to the attention of Cabinet.

### **1.2 West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2015 (Report No: PAS/SE/16/002)**

- 1.2.1 The Committee received and **noted** the third quarterly risk register monitoring report in respect of the West Suffolk Strategic Risk Register. The Register was updated regularly by the Risk Management Group and at its recent meeting in January 2016 the Group reviewed the target risk, the risk level where the Council aimed to be, and agreed a current risk assessment. These assessments formed the revised West Suffolk Strategic Risk Register (Appendix 1 to Report No: PAS/SE/16/002). Some individual controls or actions had been updated and those that were not ongoing and had been completed by December 2015 had been removed from the register.
- 1.2.2 There had been no new risks or amendments made to any existing risks since the Strategic Risk Register was last reported to the Committee. Also no existing risks had been closed since the Register was last reported to the Committee.
- 1.2.3 The Committee was advised that at the January 2016 meeting, the Risk Management Group had decided that in order to differentiate between an Action and a Control Measure a new column would be added to the register.

The new column, titled "**Type**", contained an "**A**" where an action was in place to help mitigate the risk or a "**C**" where a control measure had been put in place.

- 1.2.4 Members scrutinised the report and asked questions to which officers duly responded. No issues were required to be brought to the attention of Cabinet.

1.3 **Delivering a Sustainable Budget 2016-2017 – Procedural Update (Verbal)**

- 1.3.1 The Committee received and **noted** a verbal update from the Acting Head of Resources and Performance on the procedural process and the timetable for delivering a balanced budget for 2016-2017. The update included the Government's Autumn Statement and the higher than expected reduction in Revenue Support Grant, which would be phased out by 2020, and there was no Council Tax freeze grant for the financial year 2016-2017. Following the Autumn Statement the Councils General Fund levels were reviewed, and had been brought down to policy levels.

- 1.3.2 The detailed budget report for 2016-2017 is contained at Item 9 on this Cabinet agenda (Report No: CAB/SE/16/005) , following which it will be presented to Council on 23 February 2016 for final approval.

1.4 **Development and Implementation of the Garden Waste Collection Service (Report No: PAS/SE/16/003)**

- 1.4.1 The Committee received and **noted** Report No: PAS/SE/16/003, which updated Members on progress regarding the implementation of the new garden waste collection service. The report outlined the:

- Project plan key stages;
- Summarised how the new service would work;
- Subscription payment options;
- Indicative administrative costs; and
- Plans for managing unwanted brown wheeled bins.

- 1.4.2 Members scrutinised the report in detail and asked a number of questions to which responses were duly provided. In particular Members discussed the various payment options, and suggested that a future report be presented to the Committee, which provided a breakdown on how residents who did not pay their council tax by direct debit, what alternative payment methods they used.

1.5 **Work Programme Update (Report No: PAS/SE/16/004)**

- 1.5.1 The Committee received its Work Programme which provided items scheduled to be presented to the Committee during 2016-2017. Members noted that the meeting scheduled for 27 April 2016 had be deferred and would now be held on Wednesday 25 May 2016, at St Edmundsbury Borough Council, commencing at 5pm.

There being no decision required, the Committee **noted** the contents of the work programme and that:

- (1) the next meeting of the Committee would be held on Wednesday 25 May 2016; and
- (2) a future report be included in its forward work programme on how residents who did not pay their council tax by direct debit, what alternative payment methods they used.

1.6 **Financial Performance Report (Revenue and Capital) Quarter 3 – 2015/2016 (Report No: PAS/SE/16/005)**

- 1.6.1 The Committee received and **noted** the third quarterly monitoring report which informed Members of the forecasted outturn position for 2015-16.
- 1.6.2 The Revenue Budget Summary (Appendices A and B) for the year was showing a current underspend of £60,500. In terms of the Council's capital financial position (Appendix C), the Council had spent £2,345,840 of its capital budget of £13,660,104 at 31 December 2015. The table set out in paragraph 1.3.2 of the report provided a high level summary of capital expenditure against budget for 2015-2016, as well as the year end forecast variances of £5,289,000. Attached at Appendix D was a summary of the earmarked reserves along with the forecast year end position for 2015-2016.
- 1.6.3 The Resources Team would continue to work with Budget Holders to monitor capital spend and project progress closely for the remainder of the financial year and an outturn position would be presented to the Committee at the end of the financial year.
- 1.6.4 Members scrutinised the report in detail, and asked a number of questions to which officers duly responded. In particular Members discussed the year end forecast variances over £25,000.
- 1.6.5 Members also discussed Appendix B (Revenue and Budget detail) relating to Building Control and questioned the variance in forecast and what was being done to increase future income, to which officers agreed to provide a written response.

1.7 **Treasury Management Report 2015/2016 - Investment Activity 1 April to 31 December 2015 (Report No: TMS/SE/16/001)**

- 1.7.1 Following the Treasury Management Sub-Committee's consideration of Report No: TMS/SE/16/001 on 18 January 2016, the Business Partner (Resources and Performance) verbally reported on the Sub-Committee's consideration of the report, which summarised the Treasury Management activity for the first nine months of the 2015/2016 financial year.
- 1.7.2 The Sub-Committee had been advised that the total amount of budgeted income from investments for the first nine months of the financial year amounted to £191,888. Interest earned during the period totalled £290,749; an overachievement of £98,863. This was predominantly due to higher cash balances being available for short-term investments mainly due to timing differences in the collection and payment of Council Tax, Business

Rates and government grants.

- 1.7.3 The base rate remained at 0.56% throughout the period and most analysts continued to predict that this would continue throughout 2015-2016 with a small staged increase not expected until 2016-2017.
- 1.7.4 The Sub-Committee had scrutinised the content of the report, asking questions of officers who duly responded. In particular the Sub-Committee discussed businesses rates and questioned what St Edmundsbury Borough Council billed out on businesses rates, to which a written response would be provided.
- 1.7.5 There were no issues or recommendations needed to be brought to the attention of the Performance and Audit Scrutiny Committee on this occasion.
- 1.7.5 The Performance and Audit Scrutiny Committee considered the report and there being no decision required, **noted** the contents of the report.

## **2. Background Papers**

- 2.1.1 [Report PAS/SE/16/001](#) to the Performance and Audit Scrutiny Committee: Balanced Scorecards and Quarter 3 Performance Report 2015-16
- 2.1.2 [Report PAS/SE/16/002](#) to the Performance and Audit Scrutiny Committee: West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2015
- 2.1.3 [Report PAS/SE/16/003](#) to the Performance and Audit Scrutiny Committee: Development and Implementation of the Garden Waste Collection Service
- 2.1.4 [Report PAS/SE/16/004](#) to the Performance and Audit Scrutiny Committee: Work Programme Update
- 2.1.5 [Report PAS/SE/16/005](#) to the Performance and Audit Scrutiny Committee: Financial Performance Report (Revenue and Capital) Quarter 3 – 2015-16
- 2.1.6 [Report TMS/SE/16/001](#) to the Performance and Audit Scrutiny Committee: Treasury Management Report 2015/16 - Investment Activity 1 April to 31 December 2015



# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Recommendation of the Performance and Audit Scrutiny Committee: 28 January 2016 Annual Treasury Management and Investment Strategy Statements 2016/2017</b>	
<b>Report No:</b>	<b>CAB/SE/16/004</b>	
<b>Report to and dates:</b>	<b>Cabinet</b>	9 February 2016
	<b>Council</b>	23 February 2016
<b>Portfolio holder:</b>	Ian Houlder Portfolio Holder for Resources and Performance <b>Tel:</b> 01284 810074 <b>Email:</b> ian.houlder@stedsbc.gov.uk	
<b>Chairman of the Committee:</b>	Sarah Broughton Performance and Audit Scrutiny Committee <b>Tel:</b> 01284 787327 <b>Email:</b> sarah.broughton@stedsbc.gov.uk	
<b>Lead Officer:</b>	Joanne Howlett Acting Head of Resources and Performance <b>Tel:</b> 01284 757264 <b>Email:</b> joanne.howlett@westsuffolk.gov.uk	
<b>Purpose of report:</b>	<p>On 28 January 2016, the Performance and Audit Scrutiny Committee considered Report No: <b>TMS/SE/16/002</b>, which had been scrutinised by the Treasury Management Sub-Committee on 18 January 2016.</p> <p>The report provided information on the proposed Treasury Management and Investment Strategy Statements 2016/17 (including treasury related prudential indicators) and Treasury Management Code of Practice.</p>	

<b>Recommendation:</b>	<p>It is <b>RECOMMENDED</b> that, subject to the approval of full Council:</p> <p>(1) the Annual Treasury Management and Investment Strategy Statements 2016/2017, as contained in Appendix 1 to Report No: TMS/SE/16/002, be adopted; and</p> <p>(2) the Treasury Management Code of Practice 2016/2017, as contained in Appendix 2 to Report No: TMS/SE/16/002, be approved.</p>		
<p><b>Key Decision:</b></p> <p>(Check the appropriate box and delete all those that <b>do not</b> apply.)</p>	<p>Is this a Key Decision and, if so, under which definition?</p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>As it is a full Council decision</p>		
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>		
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>		
<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Report No: TMS/SE/16/002</li> </ul>	
<b>Risk/opportunity assessment:</b>		(potential hazards or opportunities affecting corporate, service or project objectives)	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Report No: TMS/SE/16/002			
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> (all background papers are to be published on the website and a link included)		See Report No: <a href="#">TMS/SE/16/002</a> to Treasury Management Sub-Committee and the Performance and Audit Scrutiny Committee: Annual Treasury Management and Investment Strategy Statements 2016/2017	
<b>Documents attached:</b>		None	

## **1. Key issues and reasons for recommendations**

### **1.1 Key Issues**

- 1.1.1 Following the Treasury Management Sub-Committee's consideration of Report No: TMS/SE/16/002, the Business Partner (Resources and Performance) verbally reported to the Performance and Audit Scrutiny Committee on the Sub-Committee's consideration of the report and recommendation.
- 1.1.2 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management required that, prior to the start of the financial year that Council formally approved an Annual Treasury Management and Investment Strategy, setting out the Council's treasury management policy and strategy statements for the forthcoming year.
- 1.1.3 The proposed Annual Treasury Management and Investment Strategy Statements 2016/2017 (including treasury related prudential indicators) was attached as [Appendix 1](#) to Report No: TMS/SE/16/002. The Sub-Committee was advised that that no major changes had been made to the Strategy since it was presented to the Sub-Committee on 19 January 2015.
- 1.1.4 The Sub-Committee was further advised that the Treasury Management Code of Practice, as contained in [Appendix 2](#), had been updated accordingly, to reflect the proposed Annual Treasury Management and Investment Strategy Statements 2016/17. No major changes had been made to the Code of Practice since it was presented to the Sub-Committee on 19 January 2015.
- 1.1.5 The Treasury Management Sub-Committee had examined the report in detail. In particular, the Sub-Committee discussed the revised interest rate projections from Sector (the Council's advisors), which were based on the current economic climate.
- 1.1.6 The Performance and Audit Scrutiny Committee considered the report and has put forward a recommendation as set out on page one of this report.

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# Cabinet



St Edmundsbury  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Budget and Council Tax Setting: 2016/17 and Medium Term Financial Strategy</b>	
<b>Report No:</b>	<b>CAB/SE/16/005</b>	
<b>Report to and date/s:</b>	<b>Cabinet</b>	9 February 2016
	<b>Council</b>	23 February 2016
<b>Portfolio holder:</b>	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: <a href="mailto:ian.houlder@stedsbcc.gov.uk">ian.houlder@stedsbcc.gov.uk</a>	
<b>Lead officer:</b>	Joanne Howlett Acting Head of Resources and Performance Tel: 01284 757264 Email: <a href="mailto:joanne.howlett@westsuffolk.gov.uk">joanne.howlett@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	This report sets out details of the Council's proposed revenue and capital budgets for 2016/2017 for Cabinet's consideration and recommendation to full Council.	
<b>Recommendations:</b>	<p><b>It is <u>RECOMMENDED</u> that, subject to the approval of full Council:</b></p> <p><b>(1) the revenue and capital budget for 2016/2017 attached at Attachment A and as detailed in Attachment D, Appendices 1-5 and Attachment E of Report No: CAB/SE/16/005, be approved;</b></p> <p><b>(2) having taken into account the conclusions of the Head of Resources and Performance's report on the adequacy of reserves and the robustness of budget estimates (Attachment C) and the Medium Term Financial Strategy (MTFS) (Attachment D), particularly the Scenario Planning and Sensitivity Analysis</b></p>	

	<p><b>(Attachment D, Appendix 5) and all other information contained in this report, Cabinet establish the level of council tax for 2016/2017;</b></p> <p><b>(3) the Head of Resources and Performance, in consultation with the Portfolio Holder for Resources and Performance, be authorised to transfer any surplus from the 2015/2016 revenue budget to the Invest to Save Reserve as detailed in paragraph 1.9.4, and to vire funds between existing Earmarked Reserves (as set out at Attachment D, Appendix 3) as deemed appropriate throughout the year;</b></p> <p><b>(4) the revised Minimum Revenue Provision (MRP) policy, as set out in section 1.8 and Attachment D Appendix 4, be adopted; and</b></p> <p><b>(5) where the Council has usable capital receipts that are not needed for other purposes, delegated authority be given for the Section 151 Officer to apply, where prudent to do so, some or all of it to meet capital expenditure incurred in the current year or previous years under paragraph 23 of the 2003 Regulations to reduce or eliminate any MRP that might need to be set aside, as detailed in Attachment D, Appendix 4.</b></p>
<b>Key Decision:</b>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>As it is a decision of full Council</p>
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>As detailed in the body of this report</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>The Council is legally required to set a balanced budget.</li> </ul>
<b>Implications:</b>	
<p><i>Are there any <b>financial</b> implications?</i></p> <p><i>If yes, please give details</i></p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>As detailed in the body of this report</li> </ul>
<p><i>Are there any <b>staffing</b> implications?</i></p> <p><i>If yes, please give details</i></p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>Staffing implications are considered as part of any proposed structure changes.</li> </ul>
<p><i>Are there any <b>ICT</b> implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> <li></li> </ul>

<p>Are there any <b>legal and/or policy</b> implications? If yes, please give details</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>As detailed in the body of this report</li> </ul>
<p>Are there any <b>equality</b> implications? If yes, please give details</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> <li>To be considered as part of implementation of service changes</li> </ul>
<p><b>Risk/opportunity assessment:</b></p>	<p>A risk assessment is included at Attachment C as part of the report by the Head of Resources and Performance (Chief Finance Officer). The Head of Resources and Performance's conclusion is that overall the estimates are robust, taking into account known risks and mitigating strategies and the reserves are adequate for the 2016/2017 budget plans. Cabinet and Council are advised to have regard to this report when making their decisions on the 2016/2017 budget.</p>
<p><b>Ward(s) affected:</b></p>	<p>All Wards</p>
<p><b>Background papers:</b> (all background papers are to be published on the website and a link included)</p>	<p>Report No: <a href="#">PAS/SE/15/026</a> Delivering a Sustainable Budget 2016/17 – 23 September 2015 Report No: <a href="#">PAS/SE/15/035</a> Delivering a Sustainable Budget 2016/17 – 25 November 2015 Report No: <a href="#">PAS/SE/16/005</a> Budget Monitoring 1 April 2015 – 31 December 2015 -28 January 2016 <b>West Suffolk Medium Term Financial Strategy</b> Included as Attachment D</p>
<p><b>Documents attached:</b></p>	<p><b>Attachment A</b> – Revenue Budget Summary <b>Attachment B</b> – Summary of major budget changes <b>Attachment C</b> – Report by the Head of Resources and Performance <b>Attachment D</b> – Medium Term Financial Strategy (MTFS) 2016-20 <b>Appendix 1</b> - 5 Year Revenue Budget (MTFS) <b>Appendix 2</b> – 5 Year Capital Budget <b>Appendix 3</b> – Earmarked Revenue Reserves <b>Appendix 4</b> – Prudential Code for Capital Finance <b>Appendix 5</b> – Scenario Planning and Sensitivity Analysis <b>Attachment E</b> – Strategic Priorities and Medium Term Financial Strategy (MTFS) Reserve</p>

## **1. Key issues and reasons for recommendations**

### **1.1 Local government funding**

1.1.1 The financial landscape for central government funding continues to remain one of uncertainty. The December Autumn Statement outlined further reductions in the Local Government Department spending, with steeper reductions in Revenue Support Grant and changes to Council Tax Freeze Grant proposed.

### **1.2 Local Government Finance Settlement 2016/2017**

1.2.1 The Local Government Finance Settlement for 2016/17 was announced on 17 December 2015. In previous years the settlement figures only covered one year, with an indicative figure for the following year. In the provisional December settlement, the Secretary of State for Communities and Local Government proposed to offer a guaranteed four year budget settlement to cover the period up to 2019/20, to those councils which could demonstrate ongoing efficiency savings for 2016 to 2020. At this stage it is uncertain as to what the criteria for these savings and efficiencies will be.

1.2.2 The Council's total formula grant for 2016/17 (including Revenue Support Grant, Baseline Funding from retained business rates, Local Services Support Grant and prior years Council Tax Freeze grant) is £3.447m.

1.2.3 The Council has seen a 67% cumulative cut in revenue support grant funding over the three years from 2013/2014 to 2016/17. Further cuts to the Revenue Support Grant element (including Council Tax Freeze Grant) in subsequent years have been outlined in the December settlement, and it is expected that there will be no Revenue Support Grant available to the borough by 2019/20.

### **1.3 Council Tax freeze and referendum requirements 2016/2017**

1.3.1 In previous years the Government awarded a Council Tax Freeze Grant to those councils that agreed to freeze their council tax levels, taking effect from 2011/12. This incentive has not been included in the settlement for 2016/17 onwards, and there is an assumption in the Local Government Finance Settlement that councils will raise their council tax levels in line with the referendum limits (2% or £5 for councils in the lower council tax quartile).

1.3.2 The prior years' Council Tax Freeze Grant has been factored into the 2016/17 Revenue Support Grant figures, and reduced in line with the overall savings requirements. As such it is also anticipated that the prior years' freeze grant will also not be available to the borough by 2019/20, in line with the main Revenue Support Grant.

1.3.3 The Government has maintained the 2% threshold for council tax increases for 2016/17, with a £5 threshold for lower cost councils, although St Edmundsbury Borough Council would not fall into this latter category. Any council tax rise above this would trigger a local referendum, thus giving the



local electorate the opportunity to approve or veto the increase.

1.3.4 The current budget figures assume a 1.99% increase in council tax for 2016/17, which equates to an increase of £3.49 per year for a Band D taxpayer.

1.4 **Business rates retail relief 2016/2017**

1.4.1 The Government has continued, as announced in the Autumn Statement 2014, to offer support for business rate bills in 2016/17 by offering small business rate relief for an extra year.

1.5 **Setting the budget – 2016/2017**

1.5.1 The Council continues to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending. In this context, and like many other councils, difficult financial decisions have to be made. The Council has an excellent track record of achieving substantial year-on-year budget savings and generating new income.

1.5.2 The report 'Delivering a Sustainable Budget 2016/17', which was presented to the Performance and Audit Scrutiny Committee on 23 September 2015, identified several significant additional budget pressures that had arisen since the 2015/16 budget process which increased the original budget gap from £1.443 million to £1.903 million. These pressures were as follows:

1.5.3

<b>St Edmundsbury Borough Council</b>	<b>2016/17 £000s</b>	<b>2016/17 £000s</b>
Original Budget Gap from 2015/16 budget process		1,443
Reduction in organic waste recycling credits and increased tipping charges	336	
Increased Blue Bin tipping charges following changes in worldwide commodity prices	39	
Reduced Building Control income arising from loss of market share	85	
Additional Budget Pressure		460
<b>Revised Budget Gap</b>		<b>1,903</b>

1.5.4 The scale of financial changes that need to be made to ensure that St Edmundsbury's shared priorities can be delivered in 2016/17 is significant, especially as the projected £1.9 million budget gap for 2016/17 is on top of the savings delivered locally by the Borough over the years and the £4 million annual shared service savings already delivered across West Suffolk with Forest Heath District Council.

- 1.5.5 As a result, a considerable amount of work took place identifying potential savings and income generation ideas in order to secure a balanced budget for 2016/17 and to prepare for the medium term up to 2019/20.
- 1.5.6 In previous years, St Edmundsbury has addressed the need for financial savings by sharing the burden across all services. As with the 2015/16 budget process, rather than allocating a proportion of the £1.9 million savings to all areas of the Council's business, the approach has been that the Council's resources for 2016/17 should be allocated according to its strategic priorities. In practice, this will mean prioritising the projects, actions and themes outlined in the West Suffolk Strategic Plan, as well as statutory functions.
- 1.5.7 The process of allocating resources according to priorities and essential services has helped to identify areas of the Council's work which could either be scaled back or where further opportunities for the generation of income could be pursued. The process then focused on non-priority areas, and challenged whether the Council should continue with the activities at all or in their current form, in order to ensure they provided value for money to council taxpayers.
- 1.5.8 A significant number of the proposals identified are relatively straightforward to implement with minimal impact on service delivery as these items fall mainly in the categories of contract, supplies and service efficiencies, further shared service savings and income generation opportunities from making better use of council assets. However, other proposals require more detailed analysis in order to develop options and to provide clarity as to the potential savings/income.
- 1.5.9 The lists of proposals were presented to members of the Performance and Audit Scrutiny Committee in September 2015 (Report No: PAS/SE/15/026, 'Delivering a Sustainable Budget 2016-17') with their recommended saving proposals through to Cabinet and full Council on 15 December 2015 (Report No: COU/SE/15/036). These savings proposals are included within the proposed budget for 2016/17 as contained at Attachment A, and have been summarised in Attachment B for ease of reference.
- 1.5.10 The Performance and Audit Scrutiny Committee has a key role in the scrutiny of the budget process and proposals for achieving a balanced budget. At the meeting on 25 November 2015, the Committee received Report No: PAS/SE/15/035, which detailed the remaining saving/income proposals required in order for a balanced budget to be achieved.
- 1.5.11 Attachment A is the revenue budget summary, which provides an overview of the proposed net service expenditure, (net revenue position after income, expenditure and recharges) for 2016/17. The total proposed net revenue expenditure in 2016/17 is £13.022 million.

## 1.6 **Capital programme**

- 1.6.1 The capital expenditure of the Council has an impact on the revenue budget and is part of the overall preparation of the revenue proposals for the coming year.

1.6.2 It is estimated that £14.596 million will be spent on capital programme schemes during 2016/17 which are to be funded by a combination of grants and contributions (£3.233 million), earmarked revenue reserves (£4.030 million) and the usable capital receipts reserve (£7.333 million).

1.6.3 Looking ahead, the total value of the capital programme over the next four years is approximately £19.923 million. Attachment D, Appendix 2 shows the planned capital expenditure in financial year 2016/17 and future years, together with information on the funding of that expenditure (that is, grants and contributions, use of earmarked revenue reserves and useable capital receipts reserve) and is summarised in Table 1 below.

1.6.4 **Table 1: Planned capital expenditure over four years to 2019/20**

	<b>2016/17 millions</b>	<b>2017/18 millions</b>	<b>2018/19 millions</b>	<b>2019/20 millions</b>	<b>Total millions</b>
<b>Gross capital expenditure</b>	<b>£14.596</b>	<b>£2.041</b>	<b>£1.596</b>	<b>£1.690</b>	<b>£19.923</b>
<b>Funded by:</b>					
Grants and contributions	£3.233	£0.350	£0.350	£0.350	£4.283
Earmarked revenue reserves	£4.030	£1.241	£0.796	£0.890	£6.957
Capital receipts reserve	£7.333	£0.450	£0.450	£0.450	£8.683
<b>Total</b>	<b>£14.596</b>	<b>£2.041</b>	<b>£1.596</b>	<b>£1.690</b>	<b>£19.923</b>

## 1.7 **Disposal of assets**

1.7.1 Part of the funding arrangements for the capital programme is the disposal of surplus assets. The Council has an agreed programme of asset disposals, which has already been affected by the national economic situation. Table 2 below is a summary estimate of the likely level of income from asset disposals over the period 2016/17 to 2019/20.

1.7.2 **Table 2: Estimated income from asset disposals 2016/17 to 2019/20**

	<b><u>2016/17</u></b>	<b><u>2017/18</u></b>	<b><u>2018/19</u></b>	<b><u>2019/20</u></b>
Estimated income from asset disposals – Council share of Right to Buy receipts	£500,000	£500,000	£500,000	£500,000

1.7.3 The above capital programme and asset disposals programme will, in the short to medium term, reduce the Borough Council's useable capital receipts reserves from £13.58 million to £6.90 million. However, this

approach still does not address the funding of longer term requirements for major capital repairs to key Borough Council assets including, for example, the £11 million for major repairs and refurbishment of the Borough Council's two leisure centres. Consideration of the affordability of these major capital expenditure proposals, including options for funding, will need to be included in the options and investment appraisals for these projects.

- 1.7.4 The Council has a number of projects on the horizon that have the potential to require significant capital investment. Consideration of the affordability of these major capital expenditure proposals, including options for funding, will need to be included in the options and investment appraisals for these projects and will be subject to full Council decisions.
- 1.7.5 The calculation of interest income used in the Medium Term Financial Strategy (MTFS) is based on the use of existing and anticipated capital expenditure and receipts. Changes in the level and timing of these cashflows have a direct impact on investment returns and revenue funding requirements. However, the Interest Equalisation Reserve does allow for some change in the budgeted levels of income from interest to be accommodated. The Prudential Code for Capital Finance and matters relating to the affordability of the Capital Programme are addressed in Attachment D, Appendix 4. The revenue cost of the capital programme is achievable without significant council tax rises provided the savings indicated in the MTFS and set out in Attachment D, Appendix 1 are implemented.

## 1.8 **Minimum Revenue Provision (MRP)**

- 1.8.1 The Treasury Management and Annual Investment Strategy included elsewhere on this agenda (Report No: CAB/SE/16/004) and the Prudential Indicators (Attachment D Appendix 4), provide a framework within which borrowing limits for the Council are established and will confirm our MRP policy for 2016/17.
- 1.8.2 It is proposed that the following sections of the MRP policy for 2016/17 are updated. The justification for the proposed changes are included below.

### 1. Loans

Taking into account only the underlying statutory duty to determine a prudent MRP, it would be reasonable to conclude that a loan made to another party with security that guarantees the principal is not at risk, would not require a MRP. This is because there is no prospect that the authority would make any loss and therefore there is no need for resourcing.

The Council's justification for taking this approach is as follows:

The Council may make loans to other parties to fund their capital expenditure. Government guidance is that MRP should be charged on the outstanding amount of any loan, based on amortising the loan principal over the estimated life of the assets in relation to which the

other parties' expenditure is incurred. This is because lending to other parties has the same impact on the underlying need for an authority to borrow as expenditure on acquiring property. However, in circumstances where a loan is secured and there is no risk of default, the Council will not charge MRP because the principal sum of such a loan will have no consequences for the Council's revenue expenditure and it would be over-prudent to provide for the loan.

Where the loan is unsecured the Council will consider the requirement for an MRP on a case by case basis.

## 2. Capital Investment with a Defined Life

It is proposed to have a number of different bases for calculating MRP within our policy, provided that the overall charge is prudent and none of the bases contradict each other. A common approach, which we are looking to adopt, is to focus a policy on making a charge linked to equal instalments or on an annuity basis, where a 4% reducing balance amount would under-recover the expenditure over its useful life.

## 3. MRP, Capital Receipts and Borrowing

The Department of Communities and Local Government (DCLG) Guidance is clear throughout its contents that it only applies to expenditure that has not been financed from other sources, primarily capital receipts and grant funding. Where an authority has a balance of usable capital receipts, it can at any time apply some or all of it to meet capital expenditure under paragraph 23 of the 2003 Regulations (see Attachment D Appendix 4 Prudential indicators section 1.1 for full title). The capital expenditure does not need to have been incurred in the current financial year.

Authorities therefore have the ability to revise their MRP policies at any time that alternative resources might be available. Capital receipts can be set aside to either:

- generally reduce the Capital Financing Requirement (CFR), reducing the annual charge resulting from applying the 4% formula under Option 2 (or removing it altogether if the CFR is reduced to zero);
- finance the outstanding balance on an Option 3 scheme.

Where an authority has taken out external borrowing, there is no requirement to pay off any loans in excess of the CFR. The capital financing system operates with a concept of debt, the underlying need to borrow. MRP is designed to reduce this underlying need. If the underlying need is reduced, then conditions may be conducive to reducing actual borrowings. However, the statutory arrangements leave it to authorities to manage this position, taking into account their overall cash management position. For instance, there would be no suggestion that an authority with a zero CFR should repay an outstanding Public Works Loan Board (PWLB) loan, as the repayment would incur a penalty charge.

- 1.8.3 It is proposed that the following is added to the Borough Council's MRP policy:

The DCLG Guidance only applies to expenditure that has not been financed from other sources, primarily capital receipts and grant funding. Where the Council has usable capital receipts that are not needed for other purposes, it can at the discretion of the section 151 officer to apply where prudent to do so some or all of it to meet capital expenditure incurred in the current year or previous years under paragraph 23 of the 2003 Regulations to reduce or eliminate any MRP that might need to be set aside.

## 1.9 **Revenue reserves and balances**

### **General Fund**

- 1.9.1 The revenue budget, Attachment A, based on current budget projections, shows a balanced budget position for 2016/17. However, many of the assumptions supporting the budget projections for 2016/17 (and future years) are subject to significant uncertainty. This includes assumptions regarding:
- (a) sustainability of income stream estimates (including commercial property rental income and planning income);
  - (b) impact of Business Rates Retention scheme and Suffolk pooling arrangements; and
  - (c) pay inflation and employer's pension liabilities.
- 1.9.2 The Borough Council holds General Fund balances as a contingency to cover the cost of unexpected expenditure during the year. The Borough Council agreed as part of the 2014/15 budget process and development of the MTFs to hold a General Fund balance at the level of £3 million, which is around 23% of the 2016/17 net expenditure. As in previous years, the Borough Council can use balances above this minimum to support revenue expenditure and to reduce the level of council tax. As part of the 2016/17 budget process, it is proposed to utilise £224,000 of the General Fund balance in order to maintain the balance at the policy level.
- 1.9.3 The recommended level of general fund balance has been established by taking into account the following:
- (a) allowance for a working balance to cushion the impact of any unexpected events or emergencies;
  - (b) the new risks placed at a local level under the new business rates retention scheme, such as appeals;
  - (c) the addition of greater income targets linked to being more commercial and the selling of councils' services; and
  - (d) other risks detailed in the Scenario Planning and Sensitivity Analysis provided at Attachment D, Appendix 5.
- 1.9.4 The budget monitoring report to the Performance and Audit Scrutiny Committee on 28 January 2016 (Report No: PAS/SE/16/005 refers) included an estimate of the year end budget underspend of £60,500. It is

proposed to transfer the final year-end surplus in its entirety to the Council's Invest to Save reserve in order to fund future efficiencies and initiatives which will help to mitigate any further risks or budget pressures going forward.

### **Earmarked reserves**

- 1.9.5 At the end of the 2016/17 financial year the Council will have an estimated £12.362 million in earmarked reserves. The current level of earmarked reserves and contributions during 2016/17 has been reviewed and where appropriate annual contributions have been adjusted. Attachment D, Appendix 3, provides details of the proposed contributions to, and projected expenditure from, earmarked reserves during 2016/17.

### **Strategic Priorities and MTFS Reserve**

- 1.9.6 This reserve will act as a one-off fund to provide the financial capacity, either through direct investment (revenue and/or capital) or through servicing external borrowing, for the West Suffolk authorities to drive forward the delivery of a sustainable Medium Term Financial Strategy (MTFS) and the West Suffolk Strategic Plan priorities.
- 1.9.7 The Council received a total New Homes Bonus (NHB) grant of £0.268 million in 2011/12, £0.559 million in 2012/13, £0.757 million in 2013/14, £0.886 million in 2014/15, £1.219m in 2015/16 and expects to receive £1.754 million in 2016/17. These NHB allocations have all been put into this Strategic Priorities and MTFS reserve.
- 1.9.8 No assumptions have been made with regard to NHB allocations beyond 2016/17 as there is a likelihood that future payments of the NHB will be funded at a national level by cutting our funding elsewhere, such as top-slicing revenue support grant or by retaining a proportion of business rate monies that otherwise would be retained locally. Consultation on reforms to the New Homes Bonus, including means of 'sharpening the incentive to reward communities' for additional homes and reducing the length of payments from 6 years to 4, will commence in 2016.
- 1.9.9 The 2016/17 budget and MTFS includes a number of proposed draws on this reserve, some of which are still to be quantified and will require further reports to full Council. Attachment E summarises the proposed draws on this reserve as part of the 2016/17 budget.

### **Adequacy of reserves**

- 1.9.10 Section 25 of the Local Government Act 2003 requires the Section 151 Officer (Head of Resources and Performance) to report to Council, as part of the tax setting report, her view of the robustness of estimates and the adequacy of reserves. The Council is required to take these views into account when setting the council tax at its meeting on 23 February 2016. The full statement is set out in Attachment C.
- 1.9.11 In summary, the Section 151 Officer's overall assessment is that the estimates are robust (taking into account known risks and mitigating

strategies) and reserves are adequate for the 2016/17 budget plans.

## 1.10 **Medium Term Financial Strategy (MTFS)**

1.10.1 It should be noted that by 2019/20 the projected budget gap amounts to £1.592 million for St Edmundsbury (that is, £1.172 million 2017/18, £0.393 million 2018/19, and £0.027 million 2019/20). Should any of the assumptions within the MTFS change significantly, the gap would also change.

1.10.2 The six themes within our agreed MTFS (as detailed in Attachment D) relate to areas of the West Suffolk councils' business which will support sustainability in a more financially constrained environment.

1.10.3 The themes are:

- aligning resources to the councils' strategic plan and essential services;
- continuation of the shared services agenda and transformation of service delivery;
- behaving more commercially;
- encouraging more use of digital forms of customer access;
- taking advantage of new forms of local government finance (for example, business rate retention); and
- considering new funding models (for example, becoming an investing authority).

## 2. **Legal implications**

2.1 The Local Government Act 2003 imposed duties on local authorities in relation to financial management which covers the following areas:

- (a) A power for the Secretary of State to determine a minimum reserve level for local authorities by regulations. The Government has indicated that their preference is to keep this power in reserve.
- (b) Section 25 of the Act places a requirement on the S151 Officer to report on the adequacy of reserves and robustness of budget estimates as part of the authority's annual budget setting process. The Council is required to take these views into account when setting the Council Tax at its meeting on 23 February 2016. This is included as Attachment C of the report.
- (c) Sections 28 and 29 of the Act place a statutory duty on local authorities to monitor their budgets and take such action as considered necessary in the case of overspends and shortfalls of income.
- (d) Section 30 of the Act relates to the provisions preventing local authorities entering into agreements following a Section 114 Report which a S151 Officer must produce when it appears that expenditure of the authority in a financial year is likely to exceed the resources available to meet the expenditure. No such report has been produced for St Edmundsbury this year.



Service	Ref.No.	2014/15 Actual	2015/16 Budget	2016/17 Budget
<b>Net Service Expenditure by Service Area</b>				
<b>Services</b>				
Head of Resources & Performance	1	370,164	1,089,592	819,329
Head of HR and Democratic Services	2	1,308,629	1,210,213	1,181,805
Head of Families and Communities	3	574,216	1,012,218	803,594
Head of Planning and Growth	4	2,219,130	1,337,602	1,833,702
Head of Operations	5	6,561,821	6,996,320	7,379,725
Head of Housing	6	1,838,397	1,111,062	1,003,747
<b>Total Net Expenditure excluding Parishes</b>	<b>7</b>	<b>12,872,357</b>	<b>12,757,007</b>	<b>13,021,902</b>
<b>Budgeted use of General Fund Balance</b>	<b>8</b>	<b>(460,000)</b>	<b>0</b>	<b>(224,000)</b>
<b>Year end actual Transfer to General Fund Balance</b>	<b>9</b>	<b>(354,684)</b>	<b>0</b>	<b>0</b>
<b>BUDGET REQUIREMENT EXCLUDING PARISHES</b>	<b>10</b>	<b>12,057,673</b>	<b>12,757,007</b>	<b>12,797,902</b>
<b>GRANTS AND COUNCIL TAX REQUIREMENT</b>				
Collection Fund Deficit / (Surplus) - Council Tax	11	82,782	(167,300)	(187,000)
Collection Fund Deficit / (Surplus) - Business Rates	12	463,301	239,942	(52,562)
<b>Government Support</b>				
Formula Grant - Revenue Support Grant	13	(2,381,349)	(1,594,413)	(1,140,743)
Formula Grant - Business Rate Retention Scheme	14	(2,155,499)	(2,196,687)	(2,305,934)
Business Rates Retention Scheme - Local Share of Growth/S31 Grants	15	(342,285)	(612,884)	(491,962)
Business Rates Retention Scheme - Share of Suffolk Pooling Benefit	16	(228,407)	(188,000)	(179,424)
Business Rates Retention Scheme - Renewable Energy	17	(154,768)	(432,058)	(262,138)
Local Services Support Grant (see Note 1)	18	(49,252)	(49,062)	0
Efficiency Support for Services in Sparse Areas	19	(21,443)	(28,901)	(37,292)
Council Tax Freeze Grant - 2011/12 to 2015/16 (see Note 1)	20	(299,744)	(365,077)	0
New Homes Bonus	21	(885,975)	(1,219,085)	(1,754,021)
<b>Totals</b>	<b>22</b>	<b>6,085,034</b>	<b>6,143,482</b>	<b>6,386,826</b>
<b><u>Amount met from Collection Fund</u></b>				
		1		
St Edmundsbury Borough Council	23	6,085,033	6,143,482	6,386,826
Parish Councils	24	1,586,833	1,658,461	1,658,461
<b>Total met from Collection Fund</b>	<b>25</b>	<b>7,671,866</b>	<b>7,801,943</b>	<b>8,045,287</b>
<b><u>Working Balances</u></b>				
Opening General Fund Balance	26	3,579,055	3,224,371	3,224,371
Transfers to General Fund	27	(354,684)	0	(224,000)
<b>General Fund Balance carried forward:</b>	<b>28</b>	<b>3,224,371</b>	<b>3,224,371</b>	<b>3,000,371</b>

**Note 1**

With effect from the 2016/17 Finance Settlement, these grants have now been included within Revenue Support Grant.

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**Summary of Major Budget Changes**

The following table details the major changes from the current budget process between the original 2016/17 forecast budget and the final proposed 2016/17 budget.

Description	2016/17 £'000 Pressure/ (Saving)
<b>Budget gap, as per 2015/16 Budget setting process</b>	<b>1,443</b>
<b><i>Additional Budget Pressures Identified April - September 2015</i></b>	
Recycling tipping charges (blue bins) following changes in worldwide commodity prices	39
Loss of building control income, recognising loss in market share	85
Reduction in Organic Waste (Brown Bin) Recycling Credits from Suffolk County Council	336
<b>Revised Budget Gap, as reported to Performance and Audit Scrutiny Committee 23 September 2015</b>	<b>1,903</b>
<b><i>Budget Pressures identified during the 2016/17 process:</i></b>	
Additional pressure from finance settlement	368
Changes identified from review of Planning Income budgets	258
Reduction in Interest receipts due to revised assumptions and capital programme timings	70
Rephasing of the leisure saving targets	62
Reduction in Housing Benefit Administration Subsidy	35
Project Management - review of resources	25
<b>Budget saving proposals</b>	
<b><i>Income Generation</i></b>	
ARP Bailiffs and trading company services	(36)
Asset lease for Nowton Park (Cottage)	(14)
Catering and events at West Stow	(30)
Vehicle Workshop	(45)
Waste Services	(98)
Income generation and reduction in bed and breakfast costs linked to investment	(105)
Income generation/efficiencies - Apex	(30)
Mitigate Building Control overspend/reduction income through increasing market share, changes in fee levels	(85)
Rent a Roof	(26)
Charging regime for Brown Bin Collections in order to mitigate reduction in recycling credits from Suffolk County Council	(336)
<b><i>Changes in Budget Assumptions</i></b>	
Budget assumption change - 1% for pay inflation	(70)
Budget assumption change for car parking to reflect current volumes	(100)
Council Tax increase - 1.99%	(124)
<b><i>Efficiencies and Other Savings</i></b>	
Business Process Re-Engineering (BPR) - release of staffing capacity following efficiencies created through process redesign	(163)
Contract efficiencies including ICT supplies and services	(98)
Contract efficiencies through Facilities Management joint venture - part year savings	(32)

Description	2016/17 £'000 Pressure/ (Saving)
Further staffing changes including service changes and vacancy management	(147)
Reduction in Leisure Trust Management fee - subject to negotiations with Abbeycroft Leisure	(25)
Remaining community centre transfers as identified in previous Cabinet report B12	(50)
Increased occupancy and share running costs of Haverhill Office	(20)
Supplies and services savings, including around 5% reduction on all supplies and services budgets	(209)
Contract efficiencies insurance contract	(113)
Bus station ownership/different delivery models	(100)
Savings on utilities	(63)
Vehicles savings including fuel	(116)
Collection Fund - Improved Recovery	(187)
NNDR changes as a result of the impact of RPI change compensated for by a surplus on the collection fund and additional income from the Suffolk Pool	(57)
Funding for Project Posts from earmarked reserves	(122)
Other minor budget changes	(20)
<b><i>Review of Reserves and Balances - post Finance Settlement</i></b>	
Contribution to Invest to Save Reserve	124
Reduction of General Fund balance to policy level of £3M	(224)
<b>Final Budget Gap</b>	<b>0</b>

## **Adequacy of Reserves and robustness of budget estimates Report by the Head of Resources and Performance (S151 Officer)**

### **1. Introduction**

Section 25 of the Local Government Act 2003 requires the Section 151 Officer/Chief Financial Officer (Head of Resources and Performance) to formally report to Council as part of the tax setting report her view of the robustness of estimates and the adequacy of reserves. The Council is required to take these views into account when setting the Council Tax at its meeting on 23 February 2016.

### **2 Financial Controls**

2.1 St Edmundsbury Borough Council operates a comprehensive and effective range of financial management policies. These are contained in the Financial Procedure Rules, which form part of the Council's Constitution. This Constitution is available on the council's internet and intranet.

2.2 The Council conducts an annual review of the effectiveness of the system of internal control and reports on this in the Annual Governance Statement.

2.3 The Council continues to implement effective risk management policies, identifying corporate, operational and budget risks and mitigating strategies. Capital projects are subject to a comprehensive work plan which includes detailed risk management strategies. The Council operates a monthly Programme Board which monitors the progress of capital and revenue projects.

2.4 The internal and external audit functions play a key role in ensuring that the Council's financial controls and governance arrangements are operating satisfactorily.

2.5 This is backed up by the review processes of Cabinet, with the Performance and Audit Scrutiny Committee undertaking the role of the Council's Audit Committee.

### **3 Adequacy of Reserves**

#### Unallocated general reserve

3.1 This statement focuses upon the unallocated general reserve. The minimum prudent level of reserves that the Council should maintain is a matter of judgement and cannot be judged merely against the current risks facing the Council as these can and will change over time.

3.2 The consequences of not keeping a prudent minimum level of reserves can be serious. In the event of a major problem or a series of events, the Council would run a serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.

3.3 CIPFA (Chartered Institute of Public Finance and Accountancy) have issued a notification from the LAAP (Local Authority Accounting Panel) stating that there should be no imposed limit on level or nature of balances required to be held by an individual Council (except under section 26 where this has been imposed by ministers).

3.4 When setting the minimum level of reserves, the Section 151 Officer has taken into account strategic, operational and financial risks when recommending the minimum level of unallocated General Fund reserves. These include:

- Economy measures and service reductions always contain some degree of uncertainty as to whether their full effects will be achieved;
- The effect of the macro-economy on St Edmundsbury Borough Council, and subsequent loss of income from Council Tax and from fees and charges;
- The delivery of all savings targets;
- The new risks placed at a local level under the new business rates retention scheme i.e. appeals;
- The addition of greater income targets linked to being 'more commercial' and the selling of council services; and
- Unforeseeable events such as major inclement weather (floods etc) which may require urgent, material spending to be incurred;
- Risks in relation to litigation;
- Risks of grants being introduced or removed mid year, requiring authority contributions;
- The need to retain a general contingency to provide for unforeseen circumstances; and
- Other risks detailed in the Scenario Planning and Sensitivity Analysis provided at Attachment D, Appendix 5.

**As a consequence, it is recommended that the general fund reserve continues at a minimum of £3m.**

3.5 If an event occurs that is so serious it depletes the Council reserves to below the limit of £3m, then the Council will take appropriate measures to raise the general fund reserve to the desired level as soon as possible without undermining service provision.

#### Other Reserves

3.6 The Council has a variety of other reserves which are earmarked for specific purposes. The significant items to be drawn out as part of the 2016/17 budget setting process are:

- Statutory reserves utilised to create a rolling balancing three year cost neutral service  
Building Control Reserve
- Reserves expected to be utilised/committed to support the strategic objectives and medium term financial strategy (MTFS) of the Council  
Delivering the Strategic Priorities and MTFS Reserve

- Invest to Save Reserve - created as part of the 2012/13 budget process to be utilised/committed to support the delivery of the shared service agenda and saving requirements of the Council.
- Asset Management Reserve utilised to fund the council's Asset Management Plan.
- Vehicle, Plant and Equipment Reserve utilised to fund the councils' replacement plan for these assets.

#### **4 Robustness of Estimates**

##### 4.1 The treatment of inflation and interest rates

The pay award for staff from 1<sup>st</sup> April 2016 has not yet been agreed, however a 1% increase has been included in the estimates for 2016/17. Non pay related budgets have not been inflated unless there is a contractually committed rate of inflation where services can demonstrate a requirement to do so to maintain service delivery levels. The average rate of return on Council investments for 2016/17 has been assumed at 0.9%. Increases for fees and charges have been set in line with inflation where appropriate.

##### 4.2 Savings proposals

The Council continues to face a budget gap beyond 2016/17 and into the medium and longer term. Broadly, the Council will need to have savings proposals totalling £1.592m over the period 2017/18 to 2019/20. Work is underway to close the medium to longer term budget gap emerging beyond 2016/17.

##### 4.3 Budget and Financial management

St Edmundsbury has a good record of budget and financial management. All relevant reports to Cabinet and Committee have their financial effects identified and the Leadership Team keeps any emerging budget pressures under review during the year. Monthly reports are received by the Leadership Team and quarterly reports to the Performance and Audit Scrutiny Committee detail both budgetary and performance indicators.

The Council has a number of demand led budgets and historically it has been able to manage changes in demand to ensure a sound financial standing at the end of the financial year.

##### 4.4 Adequacy of insurance and risk management

Strategic risk management is embedded throughout the Council to ensure that all risks are identified, mitigated and managed appropriately. The Council's insurance arrangements are in the form of external insurance premiums and internal funds to self insure some items.

## **5 Risk Assessment**

A risk assessment is included at Attachment D, Appendix 5 as part of the Scenario and Sensitivity Analysis. All areas will be monitored by the Chief Finance Officer but they are the culmination of individual managers' responsibilities and combine to establish overall corporate responsibility.

## **6 Conclusion**

- (1) Overall, the estimates are robust, taking into account known risks and mitigating strategies and the reserves are adequate for the 2016/17 budget plans.**
- (2) Cabinet and Council are asked to have regard to this report when making their decisions on the 2016/17 budget.**

Joanne Howlett  
Acting Head of Resources and Performance  
January 2016



Forest Heath & St Edmundsbury councils

# **West Suffolk**

working together

# **West Suffolk Medium Term Financial Strategy (MTFS) 2016-20**

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## **FOREWORD FROM THE PORTFOLIO HOLDERS OF THE COUNCILS**

We are delighted to introduce the West Suffolk Medium Term Financial Strategy (MTFS) for 2016-20 – the second MTFS that has been produced jointly by Forest Heath District Council and St Edmundsbury Borough Council (working together as 'West Suffolk'). The two councils, while remaining separate bodies, continue to collaborate across the full range of our services and programmes of activity. This reduces costs for local residents and also streamlines the public sector system in the west of Suffolk.

Working more efficiently, through shared services, moving to digital forms of communication and a range of other initiatives, will continue to be at the heart of West Suffolk's approach over the next four years. But this will not be enough to meet the financial challenges we are facing as a result of changes in the economy and the way in which local government is financed. As we explain in more detail in this document, 2016-20 will see fundamental changes to the local government finance system. These will require councils to be even more reliant on generating growth in our local areas, as opposed to receiving support from central government. We welcome the opportunity to take control of our own destiny in this way. And we will also be working with Government and other councils to ensure that the necessary checks and balances remain in place so that we can continue to support the most vulnerable in our communities.

Our strategy for managing the councils' finances in 2016-20 will continue to be based on the six principles we adopted in 2014-16 and which are set out in this document. This will mean we will continue to seek out new opportunities to behave more commercially, to make wise investments where appropriate and to consider new ways of delivering services, for example, setting up companies and joint ventures.

Our aim in all of this is to continue to support communities to create the best possible future for people in West Suffolk – the vision we have set out in our West Suffolk Strategic Plan for 2016-20. Working towards this vision, and achieving the priorities and actions that support it, will need to be done in partnership with a wide range of other organisations, communities, families and individuals. The next four years will therefore be characterised by ongoing collaboration; more joining-up of our services around individuals; and in some cases, the devolution of powers to a more local level. All of these new ways of working will require new models of finance, but we are confident that we can build on our strong track record of sound financial management in the past to meet the new, and even more demanding challenges of the future.

**Councillor Stephen Edwards**

Portfolio Holder for Resources  
and Performance  
Forest Heath District Council

**Councillor Ian Houlder**

Portfolio Holder for Resources  
and Performance  
St Edmundsbury Borough Council

## **PURPOSE OF THIS DOCUMENT**

The Medium Term Financial Strategy (MTFS) provides a high-level assessment of the financial resources required to deliver West Suffolk's strategic priorities and essential services over the next four years. It considers how the councils can provide these resources within the anticipated financial context.

Like all local authorities, Forest Heath and St Edmundsbury's MTFS is influenced by national government policy, funding and spending announcements. The government's spending plans for 2016-20 have now been announced. Highlights include:

- The main grant to local government will be phased out by 2019/20. For 2016/17 Revenue Support Grant has been reduced by 49% for St Edmundsbury Borough Council and 31% for Forest Heath District Council compared to 2015/16. Council tax and business rates are forecast to grow in cash terms based on the Office for Budget Responsibility's forecast for local authority self-financed expenditure. Local government spending is forecast to be higher in cash terms by 2019/20 than in 2015.
- Consultation will be undertaken in 2016 on changes to the local government finance system to pave the way for the implementation of 100% business rate retention by the end of the Parliament.
- The doubling of small business rate relief will be extended for 12 months to April 2017.
- The government will allow local authorities to spend up to 100% of their fixed asset receipts on the revenue costs of reform projects.
- The government will deliver its commitment to a £12 billion Local Growth Fund between 2015/16 and 2020/21.
- Consultation will commence in 2016 on reforms to the New Homes Bonus, including means of 'sharpening the incentive to reward communities' for additional homes and reducing the length of payments from 6 years to 4 years.
- There will be no Council Tax Freeze Grant for 2016/17, with prior years remaining untouched but rolled up into RSG, as the Government are expecting councils to increase their council tax by the maximum allowed each year.
- Introduction of the National Living Wage, to reach 60% of average salaries by 2020.

It must be stressed that we are two councils, with two separate budgets as shown in the 'summary of our financial position' section of this document. There are, however similarities in our approach to meeting the financial challenges. We are therefore working together to build common strategies, and to share learning from one another in designing new approaches, although how these approaches apply to the different localities in Forest Heath and St Edmundsbury, may still vary.

## **NATIONAL ECONOMIC CONTEXT**

### **The economy**

The UK economy slowed a little in early 2015 but domestic demand growth remained relatively strong, helped by lower oil prices. Net exports continued to subtract from UK growth, reflecting sluggish and falling growth in early 2015 in both the US and the Eurozone.

Britain's economy was expected, according to the government's independent forecasters, the Office for Budget Responsibility (OBR) to grow (GDP) around 2.4% in 2015 and in November they revised growth up a little for 2016 and 2017, reflecting both higher population growth (driven by higher net migration) and the Government's decision to slow the pace of fiscal tightening. Consumer spending and business investment will be the main drivers of UK growth in these years. Risks to growth are weighted somewhat to the downside in the short term due to international risks, including uncertainties relating to Greece and the recent turbulence in the Chinese stock market. But there are also upside possibilities in the medium term if the global environment improves and real wage and productivity growth rates accelerate in the UK.

The UK's inflation rate turned positive in July 2015, with the Consumer Prices Index measure rising to 0.1% from June's 0%. However, this returned to a negative figure for September/October and back again to a positive position of 0.2% in December. Inflation seems likely to rise during 2016, being forecast at 0.8% by the end of the year and returning slowly to the 2% target by 2020. Monetary policy has a critical role to play in supporting the economy with the Monetary Policy Committee (MPC) continuing to maintain Bank Rate at 0.5%, although indications are that they may start to raise interest rates gradually around quarter two in 2016.

### **Government borrowing and spending**

The Government's intention to reduce the UK's current budget deficit and level of debt, through public spending control, continues to be well documented, through its recent Spending Review and Budget announcements.

The July 2015 Budget confirmed plans for significant further fiscal tightening to eliminate the budget deficit before the end of this decade, but with a somewhat slower and smoother profile of public spending cuts and around £7 billion per annum of net tax rises to be phased in by 2020. The impact of £12 billion of welfare cuts is likely to be partially offset for some lower earners by the new National Living Wage.

The Government has proposed two new fiscal targets in this Budget: to achieve a surplus on public sector net borrowing in 2019/20 (and then every year in 'normal times') and for public sector net debt to fall as a share of GDP every year up to 2019/20. The OBR's central forecast is consistent with meeting these targets.

### **Changes to local government financing**

Over the period of the previous Medium Term Financial Strategy (2014-16), a number of new local government financing mechanisms were embedded in the Councils' overall funding framework. For example:

- a share of business rates growth is now retained locally by the councils, and by a Suffolk "pool";
- the councils set council tax discounts locally, rather than eligible residents receiving council tax benefit;
- the New Homes Bonus; and
- the funding of Disabled Facilities Grants from the Better Care Fund.

It is expected that each of these mechanisms will continue into 2016-2020, although each is subject to further changes by central government.

Local government is now funded from three main sources; council tax, revenue support grant and a share of business rates income. Council tax income continues to be the main source of funding, in total value, for local authorities. However, both Forest Heath and St Edmundsbury have continued to deliver council tax freezes in the last five years.

Of particular interest is the government's spending review and autumn 2015 statement stating that:

- The main grant to local government will be phased out.
- Consultation will be undertaken in 2016 on changes to the local government finance system to pave the way for the implementation of 100% business rate retention by the end of the Parliament.
- New homes Bonus consultation took place in 2016 including reducing the length of payments from 6 years to 4 years.
- There is no Council Tax Freeze Grant for 2016/17 as it is anticipated by the government that councils will raise their council tax by the full amount.

The changes to local government finance outlined in the spending review and autumn statement form part of the government's devolution agenda, by reducing local authorities' reliance on central government, and encouraging

greater self-sufficiency. West Suffolk is working with other authorities in East Anglia to consider the implications of these changes for the future shape of local government and economic growth in the region.

## **LOCAL CONTEXT**

Both Forest Heath and St Edmundsbury financial position is based on each of our financial circumstances, local demand and opportunities. The 'summary of our financial positions' section of this document details each council's individual financial standing. The following section provides an overview of the local context in which both councils operate within West Suffolk.

### **The local economy**

#### 1) Economic growth

Our geographical position means while we are very much part of the county of Suffolk, we are also part of the wider Cambridge economy and the A14 and A11 transport links tie us into the wider geography of East Anglia for key issues.

We play a significant part in the Cambridge Housing Sub-Region as well as the New Anglia LEP and the Greater Cambridge, Greater Peterborough LEP. Councillors recognise the opportunities this creates and are committed to maximising them but there is also recognition that this proximity brings challenges as well, including high house prices and rental levels alongside demand for housing that is not being supplied within the Cambridge area.

#### 2) Better housing

West Suffolk is facing increasing demands for housing both in the public and private sectors. There is a need to ensure housing is affordable whether to rent or buy, which is challenging in an area with historically low wages and pressures on house rental prices. We recognise the need not only for more homes but also a range of different types of housing suitable for the varying needs for our growing and ageing population as well as homes to suit local demand from first time buyers, those that are retiring, and sites for Gypsies and Travellers.

#### 3) Families and communities

When measured at the local authority level, the populations of Forest Heath and St Edmundsbury Borough Councils appear to be relatively affluent, and experiencing lower levels of deprivation and social upheaval than many other parts of the country. However, this overall picture masks pockets of real deprivation in certain wards and a wider lack of social mobility.

### **Increase in service demands**

West Suffolk serves a population of 170,700 across two predominantly rural districts in the heart of East Anglia.

The 2001 Census showed that the number of residents over 65 in West Suffolk was slightly below the national average. Improved health and wellbeing has shown an increase in ageing population both nationally and in West Suffolk. The 2011 census showed percentage of over 65s in West Suffolk had risen to 17.97%; this is now above the national average and projected to increase. Many older people bring a wealth of experience and skills which they are willing to share voluntarily throughout their retirement, and these opportunities need to be developed. Some older people need extensive support to continue living independent lives and this inevitably creates pressures on all public sector services.

West Suffolk has also experienced a period of sustained increase in demand for some of the key services it provides to the most vulnerable members of the community, particularly within housing and our homelessness service.

West Suffolk faces challenges around closing the gaps in educational attainment across the area. While some schools are performing well, some still face challenges in raising educational attainment.

Education is just one element of the complex social issues which have significant rural deprivation impacts on how we fund and deliver council services. As well as individual families, there are a number of neighbourhoods in West Suffolk where communities are experiencing real difficulties on a day-to-day basis. Many of the issues facing our residents today are not picked up in statistical analyses, such as loneliness and isolation, a lack of practical support, or mental health problems.

At the same time, our residents expect the public sector to match, or exceed, service levels delivered by the private sector. Council tax is the only visible tax – others are hidden, for example, in VAT on purchases or through pay as you earn (PAYE) deductions from salaries. People expect value for their council tax and prompt, professional and seamless services. The new customer service arrangements are transforming our delivery but need resourcing for support systems, such as an efficient, easily accessible and transactional website where people can access services any time of day.

### **Challenges and opportunities within the changing local government financing regime**

The Government's new arrangements for funding local government present local authorities with a higher degree of uncertainty and risk than the previous arrangements. On the other hand, local authorities are now more able to control the level of funding they receive, due to the links to new commercial or housing development that they encourage and incentivise in their local areas. This



presents West Suffolk with both challenges and opportunities as the new arrangements bed down.

### **Funding reductions**

Both councils have already faced significant cuts in Government funding with 2016/17 revenue support grants reducing by 28% for Forest Heath and 39% for St Edmundsbury compared to 2015/16, and being phased out completely by 2019/20 for St Edmundsbury and by 2020/21 for Forest Heath. If Council Tax Freeze grant, which has now been rolled into revenue support grant, is removed from the revenue support grant figures, the cuts shown are deeper (31% for Forest Heath and 49% for St Edmundsbury).

A sustainable future for West Suffolk in the face of funding cuts and spending pressures is dependent upon continuing to change the way we think about funding local government and how we manage the system.

## **RESPONDING TO THE FINANCIAL CHALLENGES AND OPPORTUNITIES**

Forest Heath and St Edmundsbury are separate councils, with their own individual budgets and requirements. However both councils' response to the challenges and opportunities they have in common are based on six key themes. These themes were developed for the 2014-16 MTFS period, and will continue into 2016-2020, as they represent an appropriate response to the ongoing financial situation:

1. Aligning resources to both councils' new strategic plan and essential services;
2. Continuation of the shared service agenda and transformation of service delivery;
3. Behaving more commercially;
4. Considering new funding models (e.g. acting as an investor);
5. Encouraging the use of digital forms for customer access; and
6. Taking advantage of new forms of local government finance (e.g. business rate retention).

### **1. Aligning resources to both councils' new strategic plan and essential services**

In previous years, both councils have addressed the need for financial savings by sharing the burden across a range of services and setting savings 'targets' for different parts of the council to achieve. In this MTFS, both councils have instead allocated their individual resources in line with the shared priorities set out in the West Suffolk Strategic Plan 2016-20 which is available here [http://www.westsuffolk.gov.uk/council/policies\\_strategies\\_and\\_plans/strategicplan.cfm?aud=council](http://www.westsuffolk.gov.uk/council/policies_strategies_and_plans/strategicplan.cfm?aud=council), and essential services. This has helped to identify areas of both councils' work which could either be scaled back or where (either individually or together) further opportunities for the generation of income could be pursued. The budget-setting process then focused on these non-priority areas, and challenged whether both councils should continue with the activities either at all, or in their current form, in order to ensure they provided value for money to council taxpayers.

The links to the changing role of local government from direct provision and reaction to enabling and preventing, as part our Families and Communities Strategy for West Suffolk, will also start to inform the allocation of the individual councils' available resources. The strategy builds from two key assumptions.

- Changing needs – challenging definitions of poverty and deprivation and also the presumption of public services' role as meeting needs rather than developing and working with the assets within communities.
- Preventing and reducing demand – there are fewer resources and a history of rising demands on public services; we cannot resolve this challenge by trying to do the same things with less money.

## **2. Continuation of the shared service agenda and transformation of service delivery**

The shared service agenda has already delivered in excess of £3.5 million per annum in savings for West Suffolk which is in addition to local savings made by each council alone. Further change management is planned. However a number of Business Process Re-engineering reviews were carried out during 2014-16 and the recommendations from these continue to be implemented. In particular, these reviews have resulted in the further integration of customer facing systems (e.g. customer records management) with back-office systems, to allow customers to complete transactions online. Business Process Re-engineering reviews will also continue to be carried out in 2016-20 to ensure further streamlining and efficiencies can be achieved.

The Business Partner model will continue to be operated through the MTFS period, whereby corporate or support services provide specialist support and expertise to all service areas and project teams.

Sharing services has to be wider than just West Suffolk. The Councils are involved in a programme of Suffolk-wide working, supported by funding from central Government, through the Transformation Challenge Award. This work aims to integrate work by public sector partners across the Suffolk "system" so as to improve the lives of Suffolk residents and achieve savings for council tax payers. As well as working with those within the public sector "system", we are also continuing to work in partnership with local communities, enabling them to support themselves.

The Councils are also working with partners to maximise the opportunities offered by the Government's devolution agenda. This involves both considering how powers, funding or freedoms can be devolved to Suffolk from Whitehall and considering where responsibilities best sit within the Suffolk "system".

## **3. Behaving more commercially**

Over the period of the last MTFS (2014-16), more commercial behaviours have begun to be embedded in key parts of the councils' work, with implications for the councils' finances. On the one hand, a number of savings have been achieved as a result of more business-like behaviours, and on the other hand, additional income has been generated in some service areas. Behaving more commercially will therefore continue to be a key theme running through the work needed to deliver our outcomes and a sustainable MTFS.

#### **4. Being an 'investing authority' and considering new funding models**

The councils have begun work on becoming "investing authorities" over the period 2014-16 and will look to continue to do so in 2016-2020. Both councils have a long tradition of investing in their communities in support of the delivery of their shared strategic priorities, in particular to aid economic growth across West Suffolk.

Depleting capital and revenue reserves and increased pressure on external funding mean that both councils want to consider investing away from the traditional funding models such as using their own reserves. Instead focus is now on the use of:

- making loans, securing the return of the council's funds;
- joint ventures, sharing the investment required; or
- borrowing, introducing new funds into both councils.

The financing of the chosen funding model itself is a challenge for both councils with limited reserve balances available in the medium to longer term. In order to generate new cash into the authorities and to enable a position of becoming 'investing authorities' means that borrowing, in order to create new cash, is something that both councils are willing to consider, in appropriate circumstances.

There are ample precedents which demonstrate that prudential borrowing has become a valuable tool for local government to achieve its strategic objectives. The use of unsupported borrowing (no security to a particular council asset) is both flexible and relatively straightforward.

With this in mind and as borrowing is likely over the medium to long term for both authorities, it is considered prudent to assess each investment opportunity/project on the basis of borrowing and its cost, assessing each project on an equal playing field regardless of their timings within the MTFs or the funding model used.

There are two annual costs associated with borrowing:

- servicing the debt – the interest payable on the loan; and
- repayment of the loan/capital – effectively through a minimum revenue provision (MRP) into the revenue account.

At the time of writing this plan, these costs would be in the region of 3.65% interest (based on a Public Works Loan Board –PWLb, rate over 25 years) and 4% MRP, and therefore in order to assess each project on a level playing field a target 10% internal rate of return (IRR) will be set in order to cover the cost of borrowing (loan rate to be determined). Naturally a change in interest rate or MRP rate would change the target rate of IRR.

The choice of funding model for each investment opportunity/project will be based on its individual merits, financial return/costs including the comparison to the agreed target internal rate of return and overall risk exposure, considered as part of each business case. Any decision to invest or borrow would be subject to full scrutiny by councillors, through the usual democratic process.

#### **5. Encouraging the use of digital forms for customer access**

The ongoing implementation of our Customer Access Strategy is also an important part of our next phase of development and is inextricably linked to the need for commercial thinking and wider savings programme. The single customer support team created in 2013 has already proven the benefits of both integrated first-point-of-contact support and promoting channel shift.

There will always be some customers who cannot or do not want to access our services online – whether because they have limited access to the internet, or because they are unfamiliar with this technology. These customers will always be able to reach us in the traditional way. Our goal, though, is to encourage those people who can do their business with us online to do so.

In addition to making customer contact easier to handle, this solution can automate many of the duplicated tasks council employees normally perform when handling customer contact, thereby reducing call times and improving the quality of service.

#### **6. Taking advantage of new forms of local government finance (e.g. business rate retention)**

During the period covered by the MTFs, the new forms of local government finance will continue to be the key sources of income for councils. Both councils will therefore take the opportunity to grow our own funding through a strong, and growing, local economy alongside the skills, infrastructure and housing to sustain it.

## **OUR APPROACH TO ENGAGEMENT AND CONSULTATION**

The councils regularly engage with residents, businesses, community groups and interest groups through a range of consultation mechanisms. Sometimes these are formal exercises, for example, public consultations or public meetings, and sometimes they are more informal, for example, focus groups, community engagement within localities and stakeholder liaison on a topic by topic basis. Our overall aim is to carry out timely and proportionate consultation that is available in an accessible format for everyone who wants to give us their views on a particular matter. Details of current and closed consultations by the councils are available here:

<http://www.westsuffolk.gov.uk/council/consultations/>

## SUMMARY OF OUR FINANCIAL POSITIONS

### REVENUE STRATEGY AND BUDGET SUMMARY

The approach taken to financial management over the period of the Medium Term Financial Strategy (MTFS) seeks to achieve the following objectives:

- keeping council tax low and at an affordable level;
- delivering the necessary savings to continue to live within our means;
- continuously improving efficiency by transforming the ways of working;
- making prudent budget provisions for the replacement of key service delivery assets such as waste freighters, ICT systems;
- ensure that the financial strategy is not reliant on contributions from working balances; and
- maximising revenue from our assets.

#### Key budget assumptions within the MTFS

There are limitations on the degree to which both Councils can identify all of the potential changes within their medium term financial projections. It is important to remember that these financial models have been produced within a dynamic financial environment and that they will be subject to significant change over time. However the revenue position as currently forecast is summarised below in table 1 and detailed further in Appendix 1

**Table 1: Annual savings**

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>Annual saving *</b>	<b>Annual saving *</b>	<b>Annual saving *</b>
Forest Heath DC	£1.002m	£0.445m	£0.225m
St Edmundsbury BC	£1.172m	£0.393m	£0.027m
<b>Both Councils</b>	<b>£2.174m</b>	<b>£0.838m</b>	<b>£0.252m</b>

\* Annual savings required to achieve a balanced budget

Both councils' medium term financial projections include the following key budget assumptions, detailed in table 2 below. Budget assumptions continue to be reviewed as more accurate information becomes available.

**Table 2 : Key assumptions in the MTF5**

	2016/17		2017/18		2018/19		2019/20	
	FHDC	SEBC	FHDC	SEBC	FHDC	SEBC	FHDC	SEBC
General Inflation	0%		0%		0%		0%	
Fees & Charges	2%		2%		2%		2%	
Employee Pay Increase	1%		1%		1%		1%	
Utilities	5%		5%		5%		5%	
Employers Pension (based on actuarial valuation reports)	27.0%	25.7%	30.0%	27.7%	33.0%	29.7%	36.3%	31.8%
Vacancy Savings	2.5%		2.5%		2.5%		2.5%	
Transport (Fuel)	5%		5%		5%		5%	
Return on Investments	1.5%	0.9%	1.8%	1.5%	2.0%	2.0%	2.5%	2.5%
Grant Reduction as % of RSG (reducing balance)	-28.3%	-39.4%	-34.2%	-54.3%	-33.2%	-72.4%	-55.6%	-100%

**General Fund balance**

Each council is required to maintain adequate financial reserves to meet the needs of the authority. The reserves we hold can be classified as either working balances – known as the general fund balance, or as specific reserves which are earmarked for a particular purpose – known as earmarked reserves.

Both councils hold general fund balances as a contingency to cover the cost of unexpected expenditure or events during the year. Both council's policies regarding the level of general fund are as follows, to hold a balance of:

- £2m for Forest Heath District Council; and
- £3m for St Edmundsbury Borough Council.

These amounts equate to approximately 23% for St Edmundsbury and 24% for Forest Heath of net expenditure at the 2016/17 budget level.



## Earmarked Reserves levels

Both councils hold earmarked reserves, which are earmarked for a particular purpose and are set aside in order to meet known or predicted future expenditure in relation to that purpose. The planned use of working balances over the period covered by this strategy is shown in Appendix 3.

Based on existing contributions the levels of earmarked reserves at the end of 2019/20 are expected to be as follows:

- £8.3m for Forest Heath DC; and
- £11.1m for St Edmundsbury BC.

Both councils make prudent budget provisions for the replacement of key service delivery assets. Table 3 below summarises these annual provisions within the revenue budgets.

**Table 3: Annual revenue provisions**

	2016/17		2017/18		2018/19		2019/20	
	FHDC £000s	SEBC £000s	FHDC £000s	SEBC £000s	FHDC £000s	SEBC £000s	FHDC £000s	SEBC £000s
Asset Management Plans	0	1,318	0	1,342	0	1,342	0	1,342
Waste Freighters & Plant	230	600	230	600	230	600	230	600
Supplies & Services	70	269	70	289	70	289	70	289

## Investment Framework

With the emphasis on 'investing' in key strategic projects to support the delivery of the shared priorities, it is important that both councils set out their approach to considering each project on its own merits alongside a set of desired collective 'investing' programme outcomes. This is particularly important when set against the backdrop of continued financial challenges for local government associated with medium to long term funding uncertainties.

In September 2015 both Councils adopted a new West Suffolk Investment Framework which set out the desired collective 'investing' programme outcomes to support staff and members throughout the initial development stages to the decision making stages of our key strategic projects, particularly those that require the Councils to invest.

The Investment Framework also supports the Councils' compliance with 'The Prudential Code for Capital Finance in Local Authorities (the Code)' and sets out

the links with a number of Councils strategic documents and polices including its Treasury Management Strategy and Code of Practice.

## **Treasury management**

Both Councils' capital and revenue budget plans inform the development of their Treasury Management Strategies, which are agreed annually as part of its budget setting report. The Treasury Management Annual Strategy details; who the Council can invest with and the maximum amount that can be invested, alongside the Councils borrowing requirements and sources. The Strategy can be found on the councils' website (link provided at the end of the MTFS).

## **Risk management**

In setting the revenue and capital budgets, both councils take account of the known key financial risks that may affect their plans. In addition, the impacts of varying key assumptions in the medium term financial strategy are modelled to assess the sensitivity of the indicative budget figures, as detailed at Appendix 5. This informs decisions about the level of working balances needed to provide assurance as to the robustness of the budget estimates.

As West Suffolk changes direction, begins to operate in new ways and seeks new opportunities, the type of decisions we are now having to make will feel unfamiliar, more complex and could carry greater risks. For example, the councils' increasing focus on investment and on new delivery vehicles requires decisions that bring new risks and opportunities into play.

During 2015/16, both Councils adopted a new, positive approach to risk (link provided at the end of the MTFS) based on seven core principles as detailed below. Our approach considers risk on a case by case basis and is documented at all stages.

- A positive approach;
- Contextual decision making;
- Informed risk-taking;
- Proportionate;
- Decision risks vs delivery risks;
- A documented approach; and
- Continuous improvement

## CAPITAL STRATEGY AND BUDGET SUMMARY

### Summary position

The Capital Strategy sets out the Council's approach to the allocation of capital resources. Appendix 2 shows the 5 year planned capital expenditure for 2015/16 to 2019/2020, together with information on the funding of that expenditure (i.e. grants and contributions, use of earmarked revenue reserves and usable capital receipts reserve).

The Capital Strategy is supported by the Council's Corporate Asset Management Plan which includes an objective to optimise the Council's land and property portfolio through proactive estate management and effective corporate arrangements for the acquisition and disposal of land and property assets.

During 2015/16, the capital programme has been reviewed taking into account both the emerging priorities for West Suffolk detailed in our 2016-20 Strategic Plan, and the six key themes of the Council's response to the challenges and opportunities highlighted within this MTFs.

The Prudential Code for Capital Finance and matters relating to the affordability of the Capital Programme are detailed in Appendix 4.

### Capital Receipts

An essential part of the funding arrangements for the capital programme is the disposal of surplus assets. The Council has an agreed programme of asset disposals, which has already been severely affected by the recession. Table 4 is a summary estimate of the likely level of income from asset disposals over the period 2016/17 to 2019/20.

**Table 4: Estimated income from asset disposals 2016/17 to 2019/20**

	2016/17		2017/18		2018/19		2019/20	
	FHDC	SEBC	FHDC	SEBC	FHDC	SEBC	FHDC	SEBC
Estimated income from asset disposals	£0.2m	£0.5m	£0.2m	£0.5m	£0.2m	£0.5m	£0.2m	£0.5m

## Capital Reserves

Following the transfer of the local authority housing stocks, both Councils have had extensive capital programmes covering the last 5-10 years. These programmes have predominately been funded from the Councils' housing stock transfer capital receipt or through the use of new capital receipts from the sale of other Council assets. Table 5 is a summary estimate of the likely level of capital reserve balance over the period 2016/17 to 2019/20.

**Table 5: Estimated capital reserve balance 2016/17 to 2019/20**

	2016/17		2017/18		2018/19		2019/20	
	FHDC	SEBC	FHDC	SEBC	FHDC	SEBC	FHDC	SEBC
Estimated capital reserve balance	£6.7m	£6.7m	£3.7m	£6.8m	£3.6m	£6.8m	£3.6m	£6.9m

## Capital Investment – Alternative sources of funding

Both councils have a long tradition of investing in their communities.

Depleting capital and revenue reserves and increased pressure on external funding pots mean that both Councils will have to consider funding options away from the traditional investment methods. Instead focus is now on the use of;

- making loans, securing the return of the Councils' funds;
- joint ventures, sharing the investment required; or
- borrowing, introducing new funds into the Council.

Investment opportunities will be subject to a business case and risk assessment to ensure that the decision to implement the project is sound and that the Council can afford the long terms implications of each project. With this in mind, each business case that comes forward will make reference to a target 10% internal rate of return in order to cover the potential cost of borrowing.

## **GLOSSARY OF TERMS**

### **Actuarial valuation**

An independent report of the financial position of the Pension Fund that is carried out by an actuary every three years. Reviews the Pension Fund assets and liabilities as at the date of the valuation and the results of which, including recommended employer's contribution rates, the Actuary reports to the Council.

### **Baseline funding level**

The amount of a local authority's start-up funding allocation which is provided through the local share of the estimated business rates aggregate (England) at the outset of the scheme as forecast by the Government. It forms the baseline against which tariffs and top-ups will be calculated.

### **Budget Requirement**

The Council's revenue budget on general fund services after deducting funding streams such as fees and charges and any funding from reserves. (Excluding Council Tax, RSG and Business Rates).

### **Business rate retention scheme**

The Business Rates Retention Scheme introduced by Government from April 2013 is intended to provide incentives for local authorities to drive economic growth, as the authorities will be able to retain a share of the growth that is generated in business rates revenue in their areas, as opposed to the previous system where all business rates revenues are held centrally.

Under the scheme local authorities were also allowed to form pools for the purposes of business rates retention. Both West Suffolk authorities signed up along with the other Suffolk Authorities and the County Council to be designated as a Suffolk pool from April 2013.

### **Capital expenditure**

Spending on assets that have a lasting value, for example, land, buildings and large items of equipment such as vehicles. Can also be indirect expenditure in the form of grants to other persons or bodies.

### **Capital Programme**

Councils plan of future spending on capital projects such as buying land, buildings, vehicles and equipment.

### **Capital Receipts**

The proceeds from the disposal of land or other assets. Capital receipts can be used to finance new capital expenditure but cannot be used to finance revenue expenditure.

**CIPFA**

Chartered Institute of Public Finance and Accountancy. One of the UK accountancy institutes. Uniquely, CIPFA specialise in the public sector. Consequently CIPFA holds the responsibility for setting accounting standards for local government.

**Collection fund**

A statutory account maintained by the council recording the amounts collected from council tax and Business Rates and from which it pays the precept to the major precepting authorities.

**Collection Fund surplus (or deficit)**

If the Council collects more or less than it expected at the start of the financial year, the surplus or deficit is shared with the major precepting authorities - Suffolk County Council and Suffolk Police Authority.

**Contingency**

Money set-aside centrally in the Council's base budget to meet the cost of unforeseen items of expenditure, such as higher than expected inflation or new responsibilities.

**Council Tax Base**

The Council Tax base for a Council is used in the calculation of council tax and is equal to the number of Band D equivalent properties. To work this out, the Council counts the number of properties in each band and works what this equates to in terms of Band D equivalent properties. The band proportions are expressed in ninths and are specified in the Local Government Finance Act 1992.

**General Fund Balance**

The main unallocated reserve of the Council, set aside to meet any unforeseen pressures.

**Gross Domestic Product (GDP)**

GDP is defined as the value of all goods and services produced within the overall economy.

**Gross expenditure**

The total cost of providing the Council's services, before deducting income from Government grants, or fees and charges for services.

**Individual authority business rates baseline**

Derived by apportioning the billing authority business rates baseline between billing and major precepting authorities on the basis of major precepting authority shares.

**Local share of Business rates**

This is the percentage share of locally collected business rates that will be retained by local government. This is currently set at 50%. At the outset, the local share of the estimated business rates aggregate is divided between billing authorities on the basis of their proportionate shares.

**Net Expenditure**

Gross expenditure less services income, but before deduction of government grant.

**National Non Domestic Rates (NNDR)**

Also known as 'business rates', Non-Domestic Rates are collected by billing authorities such as Forest Heath District Council and St Edmundsbury Borough Council and, up until 31 March 2013, paid into a central national pool, then redistributed to authorities according to resident population. From 2013-14 local authorities will retain 50% of the value of any increase in business rates. The aim is to provide an incentive to help businesses set up and grow.

**New Homes Bonus**

Under this scheme Councils receive a new homes bonus (NHB) per property for the first six years following completion. Payments are based on match funding the council tax raised on each property with an additional amount for affordable homes. It is paid in the form of an unringfenced grant.

**Precept**

The precepting authority's council tax, which billing authorities collect on behalf of the major preceptor

**Prudential Borrowing**

Set of rules governing local authority borrowing for funding capital projects under a professional code of practice developed by CIPFA to ensure the Council's capital investment plans are affordable, prudent and sustainable.

**Referendum**

Power under which the Government may limit the level of council tax increase year on year. Any major precepting authority in England wanting to raise council tax by more than 2% must consult the public in a referendum. Councils losing a referendum would have to revert to a lower increase in bills.

**Revenue Expenditure**

The day-to-day running expenses on services provided by Council.

**Revenue Support Grant (RSG)**

All authorities receive Revenue Support Grant from central government.

## **Risk Management**

We define risk as being uncertainty of outcome, whether relating to 'positive' opportunities or 'negative' threats / hazards. Our new, positive approach to risk is based on context, proportionality, judgement and evidence-based decision making that considers risk on a case by case basis and is documented at all stages. We will be joined-up in our decisions, and will draw on one another's skills and experience to take responsibility for sound and reasonable decisions about the use of public funds, avoiding a blame culture when things go wrong.

<http://westsuffolkintranet/howto/risk-management.cfm>

## **Section 151 officer (or Chief Financial Officer)**

Legally Councils must appoint under section 151 of the Local Government Act 1972 a named chief finance officer to give them financial advice, in both West Suffolk councils case this is the post of Head of Resources and Performance.

## **Specific Grants**

Funding through a specific grant is provided for a specific purpose and cannot be spent on anything else. e.g. Housing Benefits.

## **Spending Review**

The Spending Review is an internal Government process in which the Treasury negotiates budgets for each Government Department.

## **Suffolk Business Rate Pool**

All district/borough councils in Suffolk, along with Suffolk County Council have created the Suffolk Business Rates Pool. The pooling of business rates across Suffolk will:

- through its governance arrangement ensure no individual council is financially any worse off for being in the Suffolk pool;
- maximise the proportion of business rates that are retained in Suffolk;
- benefit the wider communities within the county led by the Suffolk Leaders' collective vision for a 'Better Suffolk';
- provide incentives for councils to work together to improve outcomes for Suffolk.

## **Tariffs and top-ups**

Calculated by comparing an individual authority business rates baseline against its baseline funding level. Tariffs and top-ups are fixed at the start of the scheme and index linked to RPI in future years. Forest Heath and St Edmundsbury BC are 'tariff' authorities.

## **Treasury Management**

Managing the Council's cash flows, borrowing and investments to support both councils finances. Details are set out in the Treasury Management Strategy which is approved by both Cabinets and Full Councils in February.





Forest Heath  
District Council



*St Edmundsbury*  
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**SEBC MEDIUM TERM FINANCIAL STRATEGY**

Description	Item	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
		Actual £'000	Forecast Position £'000	Total Budget £'000	Projected Budget £'000	Projected Budget £'000	Projected Budget £'000
<b>Net Service Expenditure before Interest</b>	1	<b>12,771</b>	<b>13,012</b>	<b>13,299</b>	<b>12,046</b>	<b>12,549</b>	<b>12,924</b>
Forecast Underspend	2		0				
Interest received on investment of cash balances	3	(360)	(256)	(277)	(385)	(515)	(640)
<b>Net Expenditure after Interest and Capital</b>	4	<b>12,411</b>	<b>12,756</b>	<b>13,022</b>	<b>11,661</b>	<b>12,034</b>	<b>12,284</b>
<b>Savings Required:</b>							
2016/17	5	0	0	0	0	0	0
2017/18	6	0	0	0	(1,172)	(1,172)	(1,172)
2018/19	7	0	0	0	0	(393)	(393)
2019/20	8	0	0	0	0	0	(27)
Transfer to/(from) General Fund Balance	9	(355)	0	(224)	0	0	0
<b>Budget Requirement (excluding Parishes)</b>	10	<b>12,056</b>	<b>12,756</b>	<b>12,798</b>	<b>10,489</b>	<b>10,469</b>	<b>10,692</b>
Collection Fund Deficit/(Surplus) - Council Tax	11	83	(167)	(187)	0	0	0
Collection Fund Deficit/(Surplus) - Business Rates	12	463	240	(53)	0	0	0
Revenue Support Grant	13	(2,381)	(1,594)	(1,141)	(521)	(144)	0
Business Rates Retention - Baseline funding	14	(2,155)	(2,197)	(2,306)	(2,352)	(2,399)	(2,447)
Business Rates Retention - Local Share of Growth/S31 Grants	15	(342)	(613)	(492)	(461)	(470)	(479)
Business Rates Retention - Share of Suffolk Pooling	16	(228)	(188)	(179)	(183)	(187)	(190)
Business Rates Retention - Renewable Energy	17	(155)	(432)	(262)	(267)	(273)	(278)
Local Services Support Grant	18	(49)	(49)	0	0	0	0
Efficiency Support for Services in Sparse Areas	19	(21)	(29)	(37)	(65)	(93)	(121)
Council Tax Freeze Grant 2011/12 to 2015/16	20	(300)	(365)	0	0	0	0
New Homes Bonus Grant	21	(886)	(1,219)	(1,754)	0	0	0
<b>Amount to be charged to Council Taxpayers</b>	22	<b>6,085</b>	<b>6,143</b>	<b>6,387</b>	<b>6,640</b>	<b>6,903</b>	<b>7,177</b>
Council Tax Base	23	34,725	35,058	35,737	36,429	37,135	37,854
Council Tax at Band D (£ p)	24	£175.23	£175.23	£178.72	£182.27	£185.90	£189.60
Budgeted Increase Year on Year (%)	25	0.00%	0.00%	1.99%	1.99%	1.99%	1.99%
Budgeted Increase Year on Year (£ p)	26	£0.00	£0.00	£3.49	£3.56	£3.63	£3.70
<b>Total Council Tax Generated Excluding Parishes</b>	27	<b>6,085</b>	<b>6,143</b>	<b>6,387</b>	<b>6,640</b>	<b>6,903</b>	<b>7,177</b>

**General Fund**

Balance as at 1 April	28	3,579	3,224	3,224	3,000	3,000	3,000
Transfer to / (from) Reserve	29	(355)	0	(224)	0	0	0
Closing Balance as at 31 March	30	3,224	3,224	3,000	3,000	3,000	3,000
Net Expenditure for General Fund purposes	31	12,411	12,756	13,022	11,661	12,034	12,284
General Fund balance as % of Net Expenditure	32	25.98%	25.27%	23.04%	25.73%	24.93%	24.42%

**Earmarked Reserves**

Balance as at 1 April	33	12,614	13,404	14,123	12,362	11,720	11,540
Contributions to / (from) Reserves	34	790	719	(1,761)	(642)	(180)	(432)
Closing Balance as at 31 March	35	13,404	14,123	12,362	11,720	11,540	11,108

**Capital Receipts**

Balance as at 1 April	36	14,763	15,114	13,580	6,747	6,797	6,847
Movement in the year	37	351	(1,534)	(6,833)	50	50	50
Closing Balance as at 31 March	38	15,114	13,580	6,747	6,797	6,847	6,897

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**St Edmundsbury 2016/17 Capital Programme**

**Attachment D - Appendix 2**

Project Description	Category	Project Sponsor	2015-16 Revised Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	Total Budget (over 5 years)	5 Year Programme Financing				Total
									Capital Receipts	Revenue Reserves	Grants from other bodies	S106	
Community Sports Facility - Moreton Hall	SEBC ASSET	M Walsh	0	1,552,500	0	0	0	<b>1,552,500</b>	1,006,550	0	185,950	360,000	1,552,500
St Andrews St South access arrangements	SEBC ASSET	M Walsh	24,913	0	0	0	0	<b>24,913</b>	24,913	0	0	0	24,913
Peach Maltings	SEBC ASSET	M Walsh	51,000	0	0	0	0	<b>51,000</b>	0	0	0	51,000	51,000
Haverhill Plaza	SEBC ASSET	M Walsh	1,060	0	0	0	0	<b>1,060</b>	1,060	0	0	0	1,060
Children's Play Equipment - Haverhill Recreation Ground	SEBC ASSET	M Walsh	11,207	0	0	0	0	<b>11,207</b>	0	11,207	0	0	11,207
Children's Play Equipment - Allington Walk	SEBC ASSET	M Walsh	75,000	0	0	0	0	<b>75,000</b>	0	75,000	0	0	75,000
Children's Play Equipment - Priors	SEBC ASSET	M Walsh	155,000	0	0	0	0	<b>155,000</b>	0	145,000	10,000	0	155,000
Children's Play Equipment - Nowton Pit	SEBC ASSET	M Walsh	70,000	0	0	0	0	<b>70,000</b>	0	70,000	0	0	70,000
Cycle Stands Cattle Market	SEBC ASSET	M Walsh	5,000	0	0	0	0	<b>5,000</b>	0	0	0	5,000	5,000
Gypsy and traveller site	SEBC ASSET	S Phelan	0	587,000	0	0	0	<b>587,000</b>	0	0	587,000	0	587,000
Havebury - Bury Road, Chedburgh	SEBC ASSET	S Phelan	400,000	0	0	0	0	<b>400,000</b>	400,000	0	0	0	400,000
Vehicle & Plant Purchases	VP&E	M Walsh	158,000	2,445,000	474,400	439,700	534,000	<b>4,051,100</b>	0	4,051,100	0	0	4,051,100
TV Cameras and Server	VP&E	M Walsh	448,303	0	0	0	0	<b>448,303</b>	0	448,303	0	0	448,303
Folk Business Park Investment	GROWTH AREA	S Wood	33,784	2,250,000	0	0	0	<b>2,283,784</b>	500,000	0	1,783,784	0	2,283,784
Youth Area Initiatives	GROWTH AREA	S Wood	88,000	0	0	0	0	<b>88,000</b>	0	0	88,000	0	88,000
Haverhill Railway Walks, Education	GROWTH AREA	S Wood	27,000	0	0	0	0	<b>27,000</b>	0	0	27,000	0	27,000
High Street Haverhill Improvements	GROWTH AREA	S Wood	693,000	0	0	0	0	<b>693,000</b>	0	0	693,000	0	693,000
Millfields Way, Haverhill - Housing Scheme	GROWTH AREA	S Wood	85,000	0	0	0	0	<b>85,000</b>	0	0	85,000	0	85,000
Lark Valley Path	GROWTH AREA	S Wood	27,000	0	0	0	0	<b>27,000</b>	0	0	27,000	0	27,000

Project Description	Category	Project Sponsor	2015-16 Revised Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	2019-20 Budget	Total Budget (over 5 years)	5 Year Programme Financing				Total
									Capital Receipts	Revenue Reserves	Grants from other bodies	S106	
Rural Initiatives Grant Scheme	GRANT	D Howes	92,957	23,318	22,500	22,500	22,500	183,775	92,957	90,818	0	0	183,775
Empty Homes Grants to Private Owners	GRANT	S Phelan	71,000	0	0	0	0	71,000	71,000	0	0	0	71,000
Private Sector Disabled Facilities Grants	DFG/DH	S Phelan	500,000	500,000	500,000	500,000	500,000	2,500,000	750,000	0	1,750,000	0	2,500,000
Private Sector Renewal Grants	DFG/DH	S Phelan	300,000	300,000	300,000	300,000	300,000	1,500,000	1,500,000	0	0	0	1,500,000
<b>Asset Management Plan</b>													
Major Planned Building Works	AMP	M Walsh	0	846,387	0	0	0	846,387	846,387	0	0	0	846,387
Hollands Road Employment Units	AMP	M Walsh	12,458	0	0	0	0	12,458	12,458	0	0	0	12,458
32 Hollands Road - Re-roofing	AMP	M Walsh	35,000	0	0	0	0	35,000	35,000	0	0	0	35,000
Bury Leisure Centre Flumes & Cladding	AMP	M Walsh	148,000	0	0	0	0	148,000	148,000	0	0	0	148,000
Bury Cemetery Buildings	AMP	M Walsh	70,000	0	0	0	0	70,000	70,000	0	0	0	70,000
Bury Leisure Centre - All Weather Pitch	AMP	M Walsh	0	150,000	0	0	0	150,000	0	150,000	0	0	150,000
Haverhill Leisure Centre - All Weather Pitch	AMP	M Walsh	171,000	0	0	0	0	171,000	0	171,000	0	0	171,000
New Moreton Hall Park	AMP	M Walsh	157,491	0	0	0	0	157,491	0	0	0	157,491	157,491
Leisure Asset Management Scheme	AMP	M Walsh	0	436,000	334,000	334,000	334,000	1,438,000	0	1,438,000	0	0	1,438,000
CRM Project	SOFTWARE	D Howes	75,972	0	0	0	0	75,972	75,972	0	0	0	75,972
Gate & Street Scene Back Office System	SOFTWARE	M Walsh	150,000	0	0	0	0	150,000	0	150,000	0	0	150,000
West Stow biomass boiler	SEBC ASSET	M Walsh / S Wood	140,000	0	0	0	0	140,000	0	140,000	0	0	140,000
Haverhill depot water borehole	SEBC ASSET	M Walsh	21,000	0	0	0	0	21,000	0	21,000	0	0	21,000
Rent-a-roof	SEBC ASSET	S Wood	795,000	415,000	410,000	0	0	1,620,000	0	1,620,000	0	0	1,620,000
Housing Projects	SEBC ASSET	S Phelan	635,000	0	0	0	0	635,000	635,000	0	0	0	635,000
Feasibility Studies	PENDING	R Mann	0	100,000	0	0	0	100,000	0	100,000	0	0	100,000
Invest to Save Projects	PENDING	R Mann	39,500	460,500	0	0	0	500,000	0	500,000	0	0	500,000
<b>PENDING ITEMS</b>													
Private Housing Company	PENDING	S Phelan	0	2,365,000	0	0	0	2,365,000	2,365,000	0	0	0	2,365,000
Street Lighting Renewals	PENDING	M Walsh	0	1,785,000	0	0	0	1,785,000	1,785,000	0	0	0	1,785,000
West Stow Investment opportunities	PENDING	M Walsh / R Mann	17,145	380,000	0	0	0	397,145	397,145	0	0	0	397,145
			<b>5,784,790</b>	<b>14,595,705</b>	<b>2,040,900</b>	<b>1,596,200</b>	<b>1,690,500</b>	<b>25,708,095</b>	<b>10,716,442</b>	<b>9,181,428</b>	<b>5,236,734</b>	<b>573,491</b>	<b>25,708,095</b>

# St Edmundsbury Borough Council - 2016/17 Reserves

# Attachment D

## Appendix 3

Reserve Details	2015/16 Opening Balance £	2015/16 Forecast Net Movement £	2016/17 Opening Balance £	2016/17 Contribution to Reserve £	2016/17 Contribution from Reserve £	2017/18 Opening Balance £	2017/18 Contribution to Reserve £	2017/18 Contribution from Reserve £	2018/19 Opening Balance £
Strategic Priorities & MTFS Reserve *	2,346,657	(53,915)	2,292,742	1,754,021	(1,275,110)	2,771,653	0	(517,101)	2,254,552 *
Invest to Save Reserve	890,202	(329,702)	560,500	124,362	(26,740)	658,122	0	0	658,122
Risk/Recession Reserve	38,795	62,900	101,695	48,046	316,945	466,686	0	0	466,686
BRR Equalisation Reserve	588,294	7,859	596,153	0	0	596,153	0	0	596,153
Self Insured Fund	231,387	(1,387)	230,000	50,000	0	280,000	50,000	(50,000)	280,000
Computer & Telephone Equipment Reserve	300,279	24,721	325,000	73,000	0	398,000	73,000	0	471,000
Office Equipment Reserve	828,364	(408,503)	419,861	39,800	0	459,661	39,800	0	499,461
Section 106 - Public Service Village	47,595	(24,750)	22,845	0	(6,269)	16,576	0	0	16,576
HB Equalisation Reserve	1,606,812	(86,570)	1,520,242	0	(328,659)	1,191,583	0	(77,630)	1,113,953
Special Pension Reserve	316,945	(0)	316,945	0	(316,945)	0	0	0	0
Interest Equalisation Reserve	187,266	80,000	267,266	0	0	267,266	0	0	267,266
Professional Fees Reserve	0	65,000	65,000	65,000	0	130,000	65,000	0	195,000
ARP Reserve	59,896	0	59,896	0	200,000	259,896	0	0	259,896
Vehicle & Plant Renewal Fund	2,184,299	442,000	2,626,299	600,000	(2,445,000)	781,299	600,000	(474,400)	906,899
Waste Management Reserve	113,040	172,300	285,340	80,700	(58,400)	307,640	80,700	(58,400)	329,940
BR-Building Repairs Reserve - Leisure	611,488	(148,207)	463,281	329,221	(586,000)	206,502	334,000	(334,000)	206,502
BR-Building Repairs Reserve - Other	1,257,449	142,551	1,400,000	989,000	(1,200,426)	1,188,574	1,008,050	(1,234,500)	962,124
BR-Bunting Road Service	11,779	(0)	11,779	0	(11,779)	0	0	0	0
BR-Leased Flats Management	33,957	0	33,957	0	0	33,957	0	0	33,957
Industrial Rent Reserve	0	1,000,000	1,000,000	0	(110,000)	890,000	0	(110,000)	780,000
Commuted Maintenance Reserve	685,175	(106,175)	579,000	0	(102,900)	476,100	0	(108,900)	367,200
M-Gershom Parkington Bequest	526,319	5,681	532,000	8,300	(4,800)	535,500	8,300	(4,800)	539,000
M-Others	65,279	0	65,279	0	0	65,279	0	0	65,279
The Apex Reserve	32,580	(15,000)	17,580	20,000	(19,000)	18,580	20,000	(14,000)	24,580
Abbey Gardens Donation	20,927	(11,100)	9,827	0	0	9,827	0	0	9,827
Rural Areas Action Plan	90,818	(0)	90,818	0	(23,318)	67,500	0	(22,500)	45,000
Planning Reserve	137,679	(30,000)	107,679	90,000	(58,500)	139,179	90,000	(30,000)	199,179
EI-Historic Building Grants	621	(621)	0	0	0	0	0	0	0
S106 Monitoring Officer Reserve	13,617	(13,617)	0	0	0	0	0	0	0
Economic Development Reserve (LABGI)	50,597	(5,000)	45,597	0	(5,000)	40,597	0	(5,000)	35,597
Election Reserve	126,366	(50,000)	76,366	30,000	0	106,366	30,000	0	136,366
<b>St Edmundsbury Reserve Totals:</b>	<b>13,404,482</b>	<b>718,465</b>	<b>14,122,947</b>	<b>4,301,450</b>	<b>(6,061,901)</b>	<b>12,362,496</b>	<b>2,398,850</b>	<b>(3,041,231)</b>	<b>11,720,115</b>

\* Attachment E highlights in the narrative, the additional commitments that are currently only estimates, which may utilise a large proportion of the balance on this reserve.

# St Edmundsbury Borough Council - 2016/17 Reserves

## Attachment D Appendix 3

Reserve Details	2018/19 Opening Balance £	2018/19 Contribution to Reserve £	2018/19 Contribution from Reserve £	2019/20 Opening Balance £	2019/20 Contribution to Reserve £	2019/20 Contribution from Reserve £	2019/20 Closing Balance £
Strategic Priorities & MTFS Reserve *	2,254,552	0	(98,092)	2,156,460	0	(99,073)	2,057,387 *
Invest to Save Reserve	658,122	0	0	658,122	0	0	658,122
Risk/Recession Reserve	466,686	0	0	466,686	0	0	466,686
BRR Equalisation Reserve	596,153	0	0	596,153	0	0	596,153
Self Insured Fund	280,000	50,000	(50,000)	280,000	50,000	(50,000)	280,000
Computer & Telephone Equipment Reserve	471,000	73,000	0	544,000	73,000	0	617,000
Office Equipment Reserve	499,461	39,800	0	539,261	39,800	0	579,061
Section 106 - Public Service Village	16,576	0	0	16,576	0	0	16,576
HB Equalisation Reserve	1,113,953	0	(77,630)	1,036,323	0	(77,630)	958,693
Special Pension Reserve	0	0	0	0	0	0	0
Interest Equalisation Reserve	267,266	0	0	267,266	0	0	267,266
Professional Fees Reserve	195,000	65,000	0	260,000	65,000	0	325,000
ARP Reserve	259,896	0	0	259,896	0	0	259,896
Vehicle & Plant Renewal Fund	906,899	600,000	(439,700)	1,067,199	600,000	(534,000)	1,133,199
Waste Management Reserve	329,940	80,700	(58,400)	352,240	80,700	(58,400)	374,540
BR-Building Repairs Reserve - Leisure	206,502	334,000	(334,000)	206,502	334,000	(334,000)	206,502
BR-Building Repairs Reserve - Other	962,124	1,008,050	(1,234,500)	735,674	1,008,050	(1,234,500)	509,224
BR-Bunting Road Service	0	0	0	0	0	0	0
BR-Leased Flats Management	33,957	0	0	33,957	0	0	33,957
Industrial Rent Reserve	780,000	0	(110,000)	670,000	0	(110,000)	560,000
Commuted Maintenance Reserve	367,200	0	(108,900)	258,300	0	(108,900)	149,400
M-Gershom Parkington Bequest	539,000	8,300	(4,800)	542,500	8,300	(4,800)	546,000
M-Others	65,279	0	0	65,279	0	0	65,279
The Apex Reserve	24,580	20,000	(5,000)	39,580	20,000	(12,000)	47,580
Abbey Gardens Donation	9,827	0	0	9,827	0	0	9,827
Rural Areas Action Plan	45,000	0	(22,500)	22,500	0	(22,500)	0
Planning Reserve	199,179	90,000	(30,000)	259,179	90,000	(100,000)	249,179
EI-Historic Building Grants	0	0	0	0	0	0	0
S106 Monitoring Officer Reserve	0	0	0	0	0	0	0
Economic Development Reserve (LABGI)	35,597	0	(5,000)	30,597	0	(5,000)	25,597
Election Reserve	136,366	30,000	0	166,366	30,000	(80,000)	116,366
<b>St Edmundsbury Reserve Totals:</b>	<b>11,720,115</b>	<b>2,398,850</b>	<b>(2,578,522)</b>	<b>11,540,443</b>	<b>2,398,850</b>	<b>(2,830,803)</b>	<b>11,108,490</b>

\* Attachment E highlights in the narrative, the additional commitments that are currently only estimates, which may utilise a large proportion of the balance on this reserve.



**St EDMUNDSBURY BOROUGH COUNCIL**  
**PRUDENTIAL INDICATORS 2016/2017**

**1. Background**

- 1.1 Each year the Council sets an annual budget, which details the revenue and capital resources required to meet its priorities for service delivery. Under the provisions of The Local Government Act 2003, local authorities are able to make their own decisions about how much they wish to borrow to pay for capital investment providing they assess the borrowing to be affordable, prudent and sustainable. In addition to complying with the Act they must comply with:
- a. the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003; and
  - b. the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code for Capital Finance in Local Authorities.
- 1.2 The Prudential Code was developed by the Chartered Institute of Public Finance and Accounting (CIPFA) to assist local authorities in taking their decisions.
- 1.3 The Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2008 (SI 2008/414) place a duty on local authorities to make a prudent provision for debt redemption. The Secretary of State has issued guidance on Minimum Revenue Provision and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

**2. Prudential Indicators**

Objectives

- 2.1 The key objectives are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability. To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets the indicators that must be used, and the factors that must be taken into account.
- 2.2 These targets are known as the "Prudential Indicators" and particular indicators will be used to separately assess:
- Management of capital expenditure
  - Affordability
  - Prudence
  - Management of external debt
  - Treasury Management

## Process and Governance

- 2.3 The Prudential Code sets out a clear governance procedure for the setting and revising of prudential indicators. This is done by the same body that takes the decisions for the local authority's budget – Full Council. The Chief Finance Officer (the Head of Resources and Performance) is responsible for ensuring that all matters required to be taken into account are reported to full Council for consideration, and for establishing procedures to monitor performance.
- 2.4 In setting the indicators due regard was paid to the following matters:
- affordability, e.g. implications for Council Tax
  - prudence and sustainability, e.g. implications for external borrowing
  - value for money, e.g. option appraisal
  - stewardship of assets, e.g. asset management planning
  - service objectives, e.g. strategic planning for the authority
  - practicality, e.g. achievability of forward plan
- 2.5 Set out below are the indicators for 2015/2016 and beyond. For each indicator, the CIPFA requirements of the code are set out in bold italics. An explanation is provided, unless the indicator and limits are completely self explanatory.
- 2.6 The figures used to compile the indicators which are detailed in this report are based on the latest five year capital programme.

### **3. Prudential Indicators 2015/16 – 2018/19**

#### **Management of Capital Expenditure Prudential Indicators**

##### **Estimates of Capital Expenditure**

***3.1 The local authority will make reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and at least the following two financial years. These prudential indicators shall be referred to as:***

##### **'Estimate of total capital expenditure to be incurred in years 1, 2 and 3.'**

- 3.2 In addition to the approved capital programme the estimates of capital expenditure include any capital expenditure that is estimated, might (depending on option appraisals) or will be dealt with as other long term liabilities.
- 3.3 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable and affordable limits and, in particular, to consider the impact on Council Tax. The following indicator is an assessment of the forward capital programme and in line with Budget approvals.

<b>Indicator 1</b>	<b>2015/16 £000 Approved</b>	<b>2015/16 £000 Revised</b>	<b>2016/17 £000 Budget</b>	<b>2017/18 £000 Indicative</b>	<b>2018/19 £000 Indicative</b>
Expenditure	8,392	5,785	14,596	2,041	1,596

<b>Financed by:</b>	<b>2015/16 Approved</b>	<b>2015/16 Revised</b>	<b>2016/17 Budget</b>	<b>2017/18 Indicative</b>	<b>2018/19 Indicative</b>
Capital Receipts	3,409	1,826	7,333	450	450
Grants & Contributions	2,214	1,644	3,233	350	350
Revenue Reserves	2,769	2,315	4,030	1,241	796
<b>Total</b>	<b>8,392</b>	<b>5,785</b>	<b>14,596</b>	<b>2,041</b>	<b>1,596</b>

### **Affordability Indicators**

- 3.4 The fundamental objective in the consideration of affordability of the authority's capital plans is to ensure that the proposed investment is sustainable throughout the period under review, which must cover at least three years from 2015/2016 onwards. In essence, to consider its impact on the authority's 'bottom line' Council Tax. Affordability is ultimately judged by the impact the capital investment plans have on the revenue budget and Council Tax levels.
- 3.5 In considering the affordability of the plans it is necessary to consider all the resources available, together with those estimated to be available during the programme period.
- 3.6 There are various prudential indicators of affordability but the key ones are as set out below.

### **Estimates of ratio of financing costs to net revenue stream**

**3.7 *The local authority will estimate for the forthcoming financial year and following two financial years the ratio of financing costs to net revenue stream.***

- 3.8 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs

<b>Indicator 2</b>	<b>2015/16 Approved</b>	<b>2015/16 Revised</b>	<b>2016/17 Budget</b>	<b>2017/18 Indicative</b>	<b>2018/19 Indicative</b>
Ratio %	(3%)	(3%)	(3%)	(4%)	(6%)

NB: In circumstances where interest costs on borrowing are greatly exceeded by interest and investment income the ratio of financing costs to the net

revenue stream will be negative. This reflects the fact that the authority is making a contribution to the income and expenditure account via its investment income stream.

**Estimates of Incremental impact on capital investment decisions on the Council Tax**

3.9 This shows the potential impact of approved capital investment decisions on the Council Tax and allows for the existing and proposed capital plans.

**3.10 This calculation shall be undertaken for the forthcoming and following two financial years or longer timeframe if required to capture the full year effect of capital investment decisions. This prudential indicator is referred to as:**

**'Estimates of the incremental impact of the new capital investment decisions on the Council Tax'**

<b>Incremental Impact of Capital Investment Decisions</b>					
<b>Indicator 3</b>	<b>2015/16 Approved</b>	<b>2015/16 Revised</b>	<b>2016/17 Budget</b>	<b>2017/18 Indicative</b>	<b>2018/19 Indicative</b>
Increase in Band D Council Tax	£0.32	£0.00	£1.14	£0.00	£0.00

**Prudence - Estimates of Capital Financing Requirement (CFR)**

**3.11 The local authority will make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the following two years. These prudential indicators shall be referred to as:**

**'Estimate of capital financing requirement as at the end of years 1, 2 and 3.**

3.12 The capital financing requirement can simply be understood as the Council's underlying need to borrow money long term. It does not necessarily mean that borrowing will be undertaken. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing. It is an aggregation of the amounts shown for Investment Property, Non-Current and Intangible assets, the Revaluation Reserve, the Capital Adjustment Account and any other balances treated as capital expenditure. The indicator takes account of the borrowing requirement and the minimum revenue provision.

<b>Estimate of Capital Financing Requirements</b>					
<b>Indicator 4</b>	<b>2015/16 £000 Approved</b>	<b>2015/16 £000 Revised</b>	<b>2016/17 £000 Budget</b>	<b>2017/18 £000 Indicative</b>	<b>2018/19 £000 Indicative</b>
CFR	(833)	(833)	(833)	(833)	(833)

- 3.13 The forecast capital financing requirement reflects the changes to the overall capital programme, including pending projects.
- 3.14 The negative indicator reflects the fact that the Council has no requirement to borrow in order to finance its current capital spending plans over the period of the Medium Term Financial Strategy

**Management of External Debt Prudential Indicators**

***3.15 The local authority will set for the forthcoming financial year and at least the following two financial years a prudential limit for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities. This prudential indicator shall be referred to as:***

***'Authorised limit for external debt = authorised limit for borrowing + authorised limit for other long term liabilities for years 1, 2 and 3.'***

3.16 The recommended Authorised Limit for External Debt:

<b>Authorised Limit of External Debt</b>			
<b>Indicator 5</b>	<b>2016/17 £000 Budget</b>	<b>2017/18 £000 Indicative</b>	<b>2018/19 £000 Indicative</b>
Authorised Limit	1,111	1,111	1,111

- 3.17 This limit represents the maximum amount the Council may borrow at any point in the year. It has to be at a level the Council considers is 'prudent'. It is ultra vires to exceed the authorised limit, and therefore the limits are set so as to avoid circumstances in which the Council would need to borrow more money than this limit.
- 3.18 It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.
- 3.19 Other long term liabilities include items that would appear on the balance sheet of the Council that are related to borrowing. For example, the capital cost of leases would be included.

**Operational Boundary**

***3.20 The local authority will also set for the forthcoming financial year and the following two years an operational boundary for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities. This prudential indicator shall be referred to as the:***

**Operational Boundary = operational boundary for borrowing + operational boundary for other long term liabilities for years 1, 2 and 3'**

3.21 The operational boundary is a measure of the most money the Council would normally borrow at any time during the year. The code recognises that circumstances might arise when the boundary might be exceeded temporarily, but suggest a sustained or regular pattern of borrowing above this level ought to be investigated, as a potential symptom of a more serious financial problem. Any movement between these separate limits will be reported to the next available Council.

3.22 The recommended operational boundary for external debt is:

<b>Operational Boundary for External Debt</b>			
<b>Indicator 6</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>Budget</b>	<b>Indicative</b>	<b>Indicative</b>
Operational Boundary	1,000	1,000	1,000

3.23 The Council’s actual external debt, borrowings, at 31 December amounted to **ZERO**. There were no other long term liabilities.

**4. Treasury Management Prudential Indicators**

4.1 The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. Treasury Management Practices (TMPs) have been established by the Head of Resources and Performance and are kept up to date. The first prudential indicator in respect of treasury management is that the local authority has adopted the CIPFA Code is therefore met.

**Interest Rate Exposure**

**4.2 *The local authority will set, for the forthcoming year and the following two years, upper limits to its exposures to the effects of changes in interest rates. These prudential indicators will relate to both fixed interest rates and variable interest rates and will be referred to respectively as the upper limits on fixed and variable interest rate exposures.***

**Upper limits on fixed and variable rate exposures**

4.3 These two indicators on the following page, allow the Council to manage the extent to which it is exposed to changes in interest rates. Such decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council’s Treasury Management Strategy. In circumstances where interest costs on borrowing are greatly exceeded by interest and investment income the upper limit for fixed and variable interest rate exposure will be negative.

<b>Upper Limit for Fixed &amp; Variable Rate Exposure</b>			
<b>Indicator 7</b>	<b>2016/17 Budget</b>	<b>2017/18 Indicative</b>	<b>2017/19 Indicative</b>
Upper Limit for Fixed Interest Rate Exposure (as a % of total investments)	100%	100%	100%

  

<b>Indicator 8</b>			
Upper Limit for Variable Interest Rate Exposure (as a % of total investments)	60%	60%	60%

4.4 The upper limits on interest rate exposures can be expressed either as absolute amounts or as percentages.

#### **Prudential limits for the maturity structure of borrowing**

4.5 The local authority will set for the forthcoming year both upper and lower limits with respect to the maturity structure of its borrowing, calculated as follows:

(a) Amount of projected borrowing that is fixed rate maturing in each period.

**4.6 Expressed as a Percentage of total projected borrowing that is fixed rate at the start of the period where the periods in question are:**

- **Under 12 months.**
- **12 months and within 24 months.**
- **24 months and within 5 years.**
- **5 years and within 10 years.**
- **10 years+**

4.7 All Councils undertaking borrowing need to ensure that the maturity structure of its borrowing is both prudent and affordable. This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates, and is designed to protect against excessive exposure to interest rate changes in any one period, in particular in the course of the next ten years.

4.8 The proposed prudential limits are as follows:

<b>Period (years)</b>	<b>Lower Limit</b>	<b>Upper Limit</b>
Under 12 months	0%	100%
1 – 2 years	0%	0%
2 – 5 years	0%	0%
5 – 10 years	0%	0%
Over 10 years	0%	0%

4.9 The profiled limits set out above apply to the start of each financial year within the period 2015/16 to 2019/20.

**Total Principal Sums invested for longer than 364 days**

**4.10 Where a local authority invests, or plans to invest, for periods longer than 364 days, the local authority will set an upper limit for each financial year period for the maturing of such investments. The prudential indicators will be referred to as prudential limits for principal sums invested for periods longer than 364 days.**

<b>Period (years)</b>	<b>Upper limit £M</b>
31/3/2016	20
31/3/2017	20
31/3/2018	20
31/3/2019	20
31/3/2020	20

**5. Minimum Revenue Policy – Annual Policy Statement**

- 5.1 This system for establishing the Minimum Revenue Provision has been radically revised by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414], (“the 2008 Regulations”) in conjunction with the publication by the Department for Communities and Local Government of detailed MRP guidance.
- 5.2 All Local Authorities are required to establish annually their policy regarding Minimum Revenue Provision for the forthcoming year.
- 5.3 This is the limit on the statutory requirements for MRP. However, the requirements are supported by Guidance on Minimum Revenue Provision, issued by the Department for Communities and Local Government in February 2012. The status of the Guidance is established by section 21(1B) of the Local Government Act 2003: a local authority must have regard to guidance issued by the Secretary of State about accounting practices.
- 5.4 This is normally taken to mean guidance must be considered when taking accounting decisions but can be disregarded where an authority can make a reasonable case for doing so. The onus is on the authority to demonstrate that it can better meet its statutory duties by acting differently.



- 5.5 For MRP, this sets up a situation where an authority has a basic duty to determine a prudent level for MRP each year and is not constrained in the methodology that it applies. However, where this methodology is different from that recommended in the Guidance, the authority must be able to demonstrate that the outcome is as prudent as would have been arrived at applying the Guidance:

<b>Method</b>	<b>Explanation</b>
<u>Supported debt</u>	
Option 1	MRP is equal to the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations, as if they had not been revoked by the 2008 Regulations.
Option 2	<b>The CFR method</b> MRP is equal to 4% of the non-housing CFR at the end of the preceding financial year.
<u>Unsupported debt</u>	
Option 3	Where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset.
a)	<b>Equal instalment method</b> MRP is the amount given by the following formula: (Capital expenditure in respect of the asset less total provision made before the current financial year), divided by the estimated life of the asset.
b)	<b>Annuity Method</b> MRP is the principal element for the year of the annuity required to repay over the asset life the amount of capital expenditure financed by borrowing or credit arrangements.
Option 4	<b>Depreciation method</b> Charging MRP in accordance with the standard rules for depreciation accounting. (If only part of the expenditure on the asset was financed by debt, the depreciation provision is proportionately reduced.)

- 5.6 It is proposed that the Minimum Revenue Provision Policy Statement for St Edmundsbury Borough Council is set as follows for 2016-2017.

#### Application of capital receipts or other sources

- The DCLG Guidance only applies to expenditure that has not been financed from other sources, primarily capital receipts and grant funding. Where the Council has usable capital receipts that are not needed for other purposes, it can at the discretion of the section151 officer to apply where prudent to do so some or all of it to meet capital expenditure incurred in the current year or previous years under paragraph 23 of the 2003 Regulations to reduce or eliminate any MRP that might need to be set aside.

## Loans

- In circumstances where a loan to a third party to fund capital expenditure is secured and there is no risk of default, the Council will not charge MRP because the principal sum of such a loan will have no consequences for the Council's revenue expenditure and it would be over-prudent to provide for the loan<sup>1</sup>.
- In circumstances where a loan to a third party to fund capital expenditure is unsecured and there is no risk of default, the Council will not charge MRP because the principal sum of such a loan will have no consequences for the Council's revenue expenditure and it would be over-prudent to provide for the loan. However the Council will access these on a case by case basis.

## Capital Investment with a Defined Life

- To apply Option 3 to projects as a 4% reducing balance amount would under-recover the expenditure over its useful life. The basis for projects over £250,000 (i.e. equal instatement or annuity basis) to be determined as part of each projects financing considerations. Projects under £250,000 will be grouped and a weighted average life across an equal instalment basis will be used.

5.7 The Council currently has no supported or unsupported debt.

5.8 Consequently the Council has no Capital Financing Requirement therefore do not require a Minimum Revenue Provision.

5.9 The MRP included in the revenue estimates is as follows:

<b>MRP estimates</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>
MRP	(0)	(0)	(0)	(0)

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<sup>1</sup> The Council may make loans to other parties to fund their capital expenditure. Government guidance is that MRP should be charged on the outstanding amount of any loan, based on amortising the loan principal over the estimated life of the assets in relation to which the other parties' expenditure is incurred. This is because lending to other parties has the same impact on the underlying need for an authority to borrow as expenditure on acquiring property.

<p><b>St Edmundsbury Borough Council</b></p> <p><b>Risk Area</b></p>	<p><b>2016/17</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>	<p><b>2016/20</b></p> <p><b>MTFS</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>
<p><b><u>Pay Inflation</u></b></p> <p>The Council’s MTFS currently assumes a 1% pay inflationary increase for 2016/17, and a 1% inflationary increase for 2017/18 - 2019/20.</p> <p>An annual 1% increase in pay inflation over what is already assumed in the MTFS would result in an additional £535k pressure on the Council’s finances.</p>	<p>128</p>	<p><b>535</b></p>
<p><b><u>Employers Pensions</u></b></p> <p>The Council’s MTFS currently assumes the following Employers’ Pension Contribution Rates:</p> <p>2016/17 – 25.7% 2017/18 – 27.7% 2018/19 – 29.7% 2019/20 – 31.8%</p> <p>An increase of 1% to the contributions on top of that already budgeted would result in an additional pressure of £480k on the Council’s MTFS.</p>	<p>120</p>	<p><b>480</b></p>
<p><b><u>Industrial Unit Rental Income</u></b></p> <p>The Council’s MTFS currently allows for no increase in Industrial Unit income.</p> <p>If income from Industrial Unit Rents falls by 10% this would put an additional £775k pressure on the MTFS.</p>	<p>225</p>	<p><b>775</b></p>
<p><b><u>Commercial Income</u></b></p> <p>The Council’s MTFS currently includes a number of initiatives in line with the commercial agenda, however there is a risk associated with the achievement of these targets.</p> <p>If commercial income were to fall short of the anticipated levels by 10%, this would have a £154k detrimental effect across the Council’s MTFS.</p>	<p>39</p>	<p><b>154</b></p>

<p><b>St Edmundsbury Borough Council</b></p> <p><b>Risk Area</b></p>	<p><b>2016/17</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>	<p><b>2016/20</b></p> <p><b>MTFS</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>
<p><b><u>Planning Income</u></b></p> <p>The Council’s Building Control and Planning Application Fees have been reduced to reflect actual levels currently being achieved. There is, however, a risk that the desired levels of income may not be achieved.</p> <p>If Planning income levels were to drop by 10%, this would have a £377k detrimental impact on the Council’s MTFS.</p>	<p>92</p>	<p><b>377</b></p>
<p><b><u>Transfer of Waste Station</u></b></p> <p>The Council’s budgets are currently based around using 3 waste sites for tipping in West Suffolk. Depending on a number of factors, including the West Suffolk Operational Hub project, this provision may reduce to 1 or 2 sites within the next 1 to 2 years.</p> <p>The impact of this change will be determined at the appropriate time. At this stage it is difficult to quantify the likely savings or costs, however it has been identified as a risk area.</p>	<p>N/A</p>	<p><b>N/A</b></p>
<p><b><u>Blue Bins</u></b></p> <p>The council collects about 6,500 tonnes of recyclable waste a year (blue bins). Due to a fall in material commodity prices it is expected that the blue bin gate fee will rise in 2016/17 and the budget has been adjusted to reflect this additional cost.</p> <p>If the gate fee increases by £5 per tonne more than anticipated, the additional pressure on the MTFS will be in the region of £32k per annum.</p>	<p>32</p>	<p><b>130</b></p>
<p><b><u>Interest Receipt Rates</u></b></p> <p>The Council’s current assumptions around interest receipts are as follows:</p> <p>2016/17 – 0.90%</p> <p>2017/18 – 1.50%</p> <p>2018/19 – 2.00%</p> <p>2019/20 – 2.50%</p> <p>A 0.5% reduction in each of these figures would result in approximately £541k pressure on the Council’s MTFS.</p>	<p>157</p>	<p><b>541</b></p>

<p><b>St Edmundsbury Borough Council</b></p> <p><b>Risk Area</b></p>	<p><b>2016/17</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>	<p><b>2016/20</b></p> <p><b>MTFS</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>
<p><b><u>Government Grant</u></b></p> <p>The Council’s MTFS currently assumes year on year reductions in Revenue Support Grant funding of 54% for 2017/18, 72% for 2018/19 and 100% for 2019/20 based on the Finance Settlement</p> <p>An additional reduction of 5% per annum for each of these years would result in a £83k cost to the Council’s MTFS position.</p>	<p>0</p>	<p><b>83</b></p>
<p><b><u>Council Tax Collection</u></b></p> <p>The level of Council Tax receipts in the MTFS are based upon collection rates of 98% for Council Tax and 90% for the additional income generated from changes to the discounts scheme.</p> <p>A fall of 1% in both of these collection rates would have a detrimental effect of £252k across the Council’s MTFS.</p>	<p>63</p>	<p><b>252</b></p>
<p><b><u>Business Rate Retention - Amount collectable</u></b></p> <p>The Business Rates Retention Scheme commenced from 1 April 2013. Under the new scheme, the Council benefits from a proportion of the additional business rates generated through economic growth in its area. Conversely the risks inherent in such a scheme have now been passed down to local authorities and as such the Council could suffer from an economic decline or the cessation of business from one of its major business ratepayers.</p> <p>A 1% decrease in the business rates collectable across the Borough would result in additional pressure on the MTFS of around £185k per year.</p>	<p>185</p>	<p><b>764</b></p>

<p><b>St Edmundsbury Borough Council</b></p> <p><b>Risk Area</b></p>	<p><b>2016/17</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>	<p><b>2016/20</b></p> <p><b>MTFS</b></p> <p><b>Impact</b></p> <p><b>£000s</b></p>
<p><b><u>Business Rate Retention - Multiplier</u></b></p> <p>The business rate retention multiplier is set centrally and is increased annually by the September RPI figures (0.8% as at September 2015 which has been used to inflate the multiplier for 2016/17). The OBR also give indicative RPI figures for future years (currently 2.0% for 2017/18, 3% for 2018/19 and 3.2% for 2019/20). The MTFS assumptions have been set at a more prudent level of 2% for each year from 2017/18 to 2019/20.</p> <p>A 1% reduction in the RPI below the rates assumed would result in an additional pressure of £101k for the period 2017/18 to 2019/20.</p>	<p>0</p>	<p>101</p>
<p><b><u>Housing Benefit Subsidy</u></b></p> <p>The MTFS currently assumes a 99% subsidy rate within the budgets.</p> <p>A 1% reduction in this subsidy rate for the Council for each year would result in an additional £1,152k pressure on the Council's MTFS position.</p>	<p>288</p>	<p>1,152</p>
<p><b>TOTALS (£000s):</b></p>	<p><b>1,329</b></p>	<p><b>5,344</b></p>

## ATTACHMENT E

### Delivering our Strategic Priorities and MTFS Reserve

This reserve will act as a one off fund to provide the financial capacity, either through direct investment – revenue and/or capital - or through servicing external borrowing, for the West Suffolk authorities to drive forward the delivering of a sustainable Medium Term Financial Strategy (MTFS) and the delivery of the new Strategic Plan.

The NHB has already been drawn on to fund a number of strategic projects including locality budgets and the Rent-a-Roof scheme. These commitments have already been taken into account when arriving at the uncommitted balance below. The forecast reserve balance as at 1 April 2016 is £2.293m.

The table below summarises the proposed funding from this reserve as part of the 2016/17 budget process, and shows the cumulative commitments.

<b>Area</b>	<b>One-Off Funding</b>	<b>Annual Funding that spans more than one year</b>	<b>Comments</b>
Developing a Community Energy Plan		Total funding of £0.825m for rent a roof solar for 2016/17 onwards.	As detailed in Cabinet report CAB/SE/14009 Developing a Community Energy Plan. Funding brought forward into 2015/16 to take advantage of beneficial energy rates.
Capital Invest to Save Fund	£0.46m		Invest to Save reserve to support capital projects that have an invest to save / invest to earn outcome. Fund allocation will be subject to a report (a) through to Cabinet.
Post approval Feasibility budgets for key capital projects	£0.1m		Feasibility fund for commissioning external support and expert advice for future capital projects once they have been approved. Fund allocation to be delegated to the Head of Resources and Performance in consultation with the Portfolio Holder for Resources and Performance. Spend to be reported through to Performance and Audit Scrutiny Committee as part of the quarterly budget monitoring report
Continuation of Locality Budgets	Annual funding of £0.113m for 2016/17 only.		First year review of Locality Budgets and new approach to grants was considered at Cabinet on 24 March 2015, via Grant Panel.
Part funding of commissioning pot - community chest (new approach to Grants)	Annual funding of £0.065m for 2016/17 only.		Funding for 2016/17 Locality Budgets and part funding for Community Chest (new approach to Grant), future years included in base budget.
Investing in project management		£0.325m to 2019/20	Project management posts including on costs to recognise commitment to major projects.

The proposals outlined in the above table show a remaining £2.057m that is committed to the delivery of the strategic priorities and medium term financial strategy but not yet allocated to specific projects.

These projects will be subject to the normal democratic review process.



**ADDENDUM: 24 February 2016**

**Important note: This document is as presented to Cabinet on 9 February 2016.** However, the content of this report and the recommendations were updated and amended by Council on 23 February 2016. These clarifications and amendments can be seen in the supplementary document published with the agenda pack at: [Addendum to Report No: COU/SE/16/002 Referrals from Cabinet and DRWP: Item \(A\)\(4\) Third Generation Artificial Pitch Provision in Haverhill](#)

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Third Generation Artificial Pitch Provision in Haverhill</b>	
<b>Report No:</b>	<b>CAB/SE/16/007</b>	
<b>Report to and dates:</b>	<b>Cabinet</b>	9 February 2016
	<b>Council</b>	23 February 2016
<b>Portfolio holder:</b>	Joanna Rayner Portfolio Holder for Leisure and Culture 01638 664252 / 07739 013785 (mobile) <a href="mailto:joanna.rayner@stedsbc.gov.uk">joanna.rayner@stedsbc.gov.uk</a>	
<b>Lead officers:</b>	Mark Walsh Head of Operations <b>Tel:</b> 01284 757300 <b>Email:</b> <a href="mailto:mark.walsh@westsuffolk.gov.uk">mark.walsh@westsuffolk.gov.uk</a>	
	Damien Parker Service Manager Operations (Leisure and Culture) <b>Tel:</b> 01284 757090 <b>Email:</b> <a href="mailto:damien.parker@westsuffolk.gov.uk">damien.parker@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	Twofold: (1) To advise Members of the fact that Haverhill Community Sports Association (HCSA) has been successful in obtaining a grant offer of £300,000 from the Football Foundation to create a third generation (3g) football pitch on the New Croft site in Haverhill.  (2) To also seek Members' approval to loan the HCSA a further £300,000, on a bridging loan basis ahead of other third party funding, to enable the HCSA to accept the grant offer and to commence on site prior to next football season, subject to a series of due diligence requirements being met.	

<p><b>Recommendations:</b></p>	<p>It is <b>RECOMMENDED</b> that subject to the approval of full Council:</p> <p>(1) the bridging loan request received from Haverhill Community Sports Association for up to £300,000 to enable it to progress the building of a third generation (3g) football pitch facility at the New Croft site in Chalkstone Way, Haverhill be approved; and</p> <p>(2) the Head of Operations, in consultation with the Services Manager (Legal), be authorised to prepare the necessary legal agreements to support the issue of the loan, in accordance with the terms set out in Report No: CAB/SE/16/007, subject to:</p> <p>(a) the Haverhill Community Sports Association confirming acceptance of the loan agreement conditions; and</p> <p>(b) receipt of a unilateral undertaking from the developer of the North East Haverhill Vision 2031 growth site that they will pay the Council £300,000 as a voluntary contribution towards the scheme (and repayment of the loan), in lieu of making their own equivalent provision within their proposed development.</p>
<p><b>Key Decision:</b></p> <p><i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>As it is a decision of full Council.</p>
<p><b>Consultation:</b></p>	<ul style="list-style-type: none"> <li>• Consultation has taken place between the Council and Haverhill Community Sports Association. Ward Councillors have also been informed of the request. The Suffolk Football Association has also been consulted on the issue. There has been dialogue between the HCSA and the developer and St Edmundsbury Borough Council's (SEBC) Planning Section and the developer.</li> </ul>
<p><b>Alternative option(s):</b></p>	<ul style="list-style-type: none"> <li>• If the loan request is declined the HCSA is likely to decline the grant offer from the Football Foundation.</li> </ul>

<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • A loan request of £300,000.	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • There are implications for a Section 106 agreement/unilateral agreement.	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
Securing such a loan against a s106 payment which has yet to be agreed between the developer and the LPA, as the application has yet to be considered, along with other priorities for s106 funding.	Medium	There is good evidence that the need for such a payment will be demonstrated, and the developer will be required to undertake a unilateral agreement	Low
<b>Ward(s) affected:</b>		Haverhill East	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		N/A	
<b>Documents attached:</b>		<b>Appendix A</b> – West Suffolk Indoor and Outdoor Play Pitch Assessment – Executive Summary.	

## **1. Background to the Facilities and Haverhill Community Sports Association**

- 1.1 In 2009 St Edmundsbury Borough Council was successful in obtaining £550,000 worth of external grant funding (£450,000 Football Foundation grant and £100,000 from a Football Stadia Improvement Fund Grant) toward the development of a new purpose built sports facility on an area of playfields known as Chalkstone Playing Fields, Haverhill. The cost of new facility was £1,950,000 and the balance of the funding needed was provided by St Edmundsbury Borough Council.
- 1.2 Following the development of this new facility Haverhill Rovers Football Club vacated the site they leased from the Council known as Hamlet Croft football Ground. The Council was then able to sell Hamlet Croft for residential development.
- 1.3 One of the conditions of the external funding was that the new facility should be managed by an arm's length independent company and the Haverhill Community Sports Association (HCSA) was created to fulfil that requirement. The constitution of that Association was and is still such that no one user group of the facility has overall control of the board. The HCSA board is currently made up of nine people of which two are representing Haverhill Rovers.
- 1.4 Another requirement of the funding was that a Community Football Partnership Development plan should be developed. Haverhill Rovers Football Club, as an FA Charter Standard Club, was designated the lead partner Club.
- 1.5 The Development Plan placed a requirement on the Football Partnership, which is governed by the HCSA and Suffolk FA, to ensure that football is delivered at all levels and to all categories (i.e. youth, male & female) so that there are opportunities for players to progress within the sport locally.

## **2. Current position**

- 2.1 The HCSA has been very successful in achieving the aims of the Community Football Partnership Development plan. Thirty five local teams currently use the facility and demand is likely to increase with the growing population in the Haverhill area.
- 2.2 As a consequence of its popularity the grass pitches on site are at capacity. The underlying clay soil profile means that the pitches recover slower to wear during sustained wet and cold weather.
- 2.3 To meet the continuing demand for football at the venue and to maximise use of the ancillary built facilities on site the HCSA has been proactive in obtaining a grant offer of £300,000 towards such a facility from the Football Foundation. The new facility is estimated to cost £600,000 and the HCSA currently has a shortfall of £300,000.
- 2.4 However, a developer who has recently submitted a planning application for a large housing development in Haverhill has offered to pay the balance of £300,000 to meet a likely requirement through the s106 process to provide

equivalent leisure facilities. Such a developer contribution is obviously subject to the outcome of the planning application which is yet to be determined.

- 2.5 The West Suffolk Playing Pitch Assessment which is due to be presented to the West Suffolk Joint Growth Steering Group on 8 February 2016, has flagged the need for a 3g facility in Haverhill to meet current and future growth in demand, and officers are of the opinion that the New Croft site would be a logical location to place such a facility. As are the footballing authorities.
- 2.6 It is not possible to secure a loan against a s106 agreement payment which has yet to be agreed between the developer and the Local Planning Authority, as the application has yet to be considered, along with other priorities for s106 funding. However, as explained above, there is good evidence that the need for such a payment would be demonstrated at a later date, and therefore the developer has indicated that they are prepared to enter into a unilateral agreement to make the payment by a defined date after development commences. Such a unilateral agreement would not fetter the Council's discretion as local planning authority during the planning application, as it would be independent of the planning process (and the s106 negotiations for the site) and be entered into at the developer's own risk.
- 2.7 To ensure that there is sufficient playing pitch capacity on site to meet the projected need next football season the HCSA would like to accept the Football Foundation grant offer and progress with works on site as soon as possible. There is also a time limit for accepting the loan which shortly expires. The HCSA has therefore asked the Council to offer a bridging loan to close the temporary funding gap.
- 2.8 Should the loan be supported there will be a series of safeguards placed in the loan agreement to protect the Council's interest, in accordance with the Council's existing loans policy. The HCSA has received the conditions set out in Appendix 1 attached, and at the time of preparing this report we are yet to receive their formal acceptance.

### **3. Financial considerations**

- The bridging loan (advance) will be interest only for five years.
- Unpaid interest on the advance will be capitalised and following the five year period the interest only advance will revert to repayment should the Council at its discretion choose not to realise the collateral secured against the loan.
- On the cessation of the loan period the bridging loan and any interest accumulated should be repaid in full.
- Default on the advance and any subsequent actions to recover the advance and any interest owed will be judged by the Council as three or more missed quarterly payments during the loan period.

**General rules concerning a Council Loan and conditions specific to the HCSA request.**

**General rules:**

The Council has a loans policy which provides that:

- The Council does not routinely provide loans to external organisations, and requests for loan finance will only be considered in the context of the Council's wider strategic aims and objectives. As such each proposal for loan finance needs to be judged on its own merit, which includes consideration of:
  - a) The purpose of the loan and its contribution to the achievement of the Council's strategic objectives.
  - b) The financial stability and viability of the organisation to which the loan is made.
  - c) The nature / level of security an organisation can provide to support the loan amount.
- The loan agreement will include details of the agreed terms upon which the loan is granted, including:
  - a) Conditions of loan (e.g. delivery of the Project / Initiative).
  - b) Loan duration and repayment details, including repayment of principal, interest and other costs (as appropriate).
  - c) Loan security, including fixed and floating legal charges.
  - d) Insurance requirements.
  - e) Recovery and enforcement arrangements in case of default of loan terms and conditions.
  - f) Provision for recovery of any fees incurred for items including, but not limited to, validation of financials, legal advice on loan security arrangements etc.'
- Requests for loan finance greater than £25,000 requires approval by full Council.

**Conditions specific to the HCSA request**

- The Association may require a loan of £300,000 to be used, together with grant funding of £300,000 from the Football Foundation, to construct a 3G football pitch at The New Croft
- The loan will be repaid to the Council once it receives monies from a housing developer [Hallam Land Management] or upon the expiry of 5 years, whichever is the sooner. This will need to be a matter for separate

agreement between the housing developer and the Council which protects the councils position as the local planning authority

- If the Council was minded to lend the money it would have to meet the requirements of the loans policy.
- Interest would be payable against the loan such interest may be at a rate of 2.5% above the Bank of England base rate or 8% whichever is the lower
- Interest would be payable quarterly, the first payment being due on the first quarter date following payment of the loan
- If there is a default on the payment, the loan is secured against the pitch but can only be released once the pitch is built.
- The charging structure for the new pitch needs to be part of a wider agreement with Abbeycroft Leisure for all pitches in Haverhill to ensure accessibility to and coordination of playing facilities

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# Cabinet



St Edmundsbury  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Home-Link Lettings Policy</b> (West Suffolk Allocations Scheme – minor and technical amendments)	
<b>Report No:</b>	<b>CAB/SE/16/008</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	9 February 2016
<b>Portfolio holder:</b>	Sara Mildmay-White Portfolio Holder for Housing <b>Tel:</b> 01359 270580 <b>Email:</b> <a href="mailto:sara.mildmay-white@westsuffolk.gov.uk">sara.mildmay-white@westsuffolk.gov.uk</a>	
<b>Lead officer:</b>	Simon Phelan Head of Housing <b>Tel:</b> 01638 719440 <b>Email:</b> <a href="mailto:simon.phelan@westsuffolk.gov.uk">simon.phelan@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To approve the proposed revisions to the Home-Link Lettings Policy.	
<b>Recommendation:</b>	<b>It is <u>RECOMMENDED</u> that the revised Home-Link Lettings Policy, as contained in Appendix A to Report No: CAB/SE/16/008, be approved.</b>	
<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>	Partners within the Cambridge Housing Sub-Region have been consulted and proposed revisions have been agreed by the Home-Link Management Board	
<b>Alternative option(s):</b>	To continue with the current Lettings Policy. This would mean the Council's policy would not be in-line with other councils within the Home-link scheme. The policy would also be out of date and could allow people to access housing who shouldn't due to loopholes not being closed.	

<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> The Council is required under the Housing Act 1996 to have a scheme for the allocations of Social Housing that has regard for the Council's Homelessness and Tenancy Strategies. This revised Lettings Policy fulfils that requirement.	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
Policy not aligned with others in Home-Link.	Medium	Sub-regional consultation and agreement of revisions to policy	Low
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	
<b>Documents attached:</b>		<b>Appendix A:</b> Revised Home-Link Lettings Policy (shown with tracked changes). <b>Appendix B:</b> Home-Link Lettings Policy Summary on consultation <b>Appendix C:</b> Equalities Impact Assessment.	

## **1. Key issues and reasons for the recommendation**

### **1.1 Background**

- 1.1.1 Home-Link is the Choice Based Lettings (CBL) scheme for the Cambridgeshire and West Suffolk Housing sub-region. Introduced in February 2008, the scheme operates across seven local authority areas in the sub-region. Available affordable housing properties are advertised on a regular cycle agreed by the partners. Applicants on the housing register, commonly known as the housing waiting list, are asked to express interest in available properties. The properties are offered to the applicant in the highest need who has been waiting longest in that needs band.
- 1.1.2 Each Local Authority has its own Lettings Policy and is responsible for implementing any changes to that policy. Many elements of the Lettings Policy have been agreed across the sub-region and they cannot be amended without agreement of all local authorities across the sub-region. This includes eligibility criteria, banding structure and assessment of need, local connection criteria, sub-regional allocations, intentionally worsening housing circumstances, registration date and date in band definitions, the shortlisting process.
- 1.1.3 The Home-Link Management Board recognised that the Local Authorities Lettings Policies needed to be updated to include changes in Government policy such as Right to Move regulations. A comprehensive review of the lettings policy was conducted in 2012 to comply with the implementation of Localism Act 2011, as such these proposed changes are generally minor in nature.
- 1.1.4 Home-Link has also undertaken an IT procurement exercise resulting in a change of IT supplier from April 2016. The new IT system will have a minimal impact on service users, however help and support will be available where needed.

### **1.2 Key changes**

- 1.2.1 The proposed changes to the Lettings Policy are set out in the table below. The changes are a mix of future proofing, closing loopholes and clarifying technical points. Partners, Registered Housing Providers and Housing Register applicants within the sub-region have been consulted with (summary of responses attached) and the changes have been approved by the Home-Link Management Board, for consideration and approval by Members in the councils across the sub-region.

Relevant paragraph	Issue and rationale for change
1.2a and through-out the document	To 'future proof' the document the policy will just refer to the Housing Act (1996) as amended and not cite specific Acts such as Homelessness Act 2002 or Localism Act 2011)
2.1.5a	'Future proof' change – removal of reference to the specific Act.
2.1.5b	Qualification is for social housing specifically.
3.1.3 (please also refer 5.4.1)	Flexibility to exclude from the register those who are subject to immigration control, not only as applicants but as household members.
3.3.1h	New wording to take account of the new Right to Move regulations
3.4.1	Closing a loophole to ensure that perpetrators of unacceptable behaviour could not get rehoused simply by nominating another household member as the applicant. Also adding in the provision to bar transfer applicants or previous tenants who have allowed their properties to fall into disrepair.
3.4.3	Closing the loophole as outlined in 3.4.1 above.
4.4.2	Minor wording improvement.
4.6 (b)	Minor wording change to reflect the application of this Banding assessment.
4.8 (b)	Wording required tidying.
4.10.2 (a)	If debts are not legally 'recoverable' or statute barred (i.e. where no correspondence about the debt has occurred in the last 6 years) then the authority cannot take these into account in allocations either.
4.10.2 (b)	Closing another loophole around unacceptable behaviour that is not ASB.
4.10.3	Minor wording change.
4.10.4	See explanation for 4.10.2 (a) above.
4.11.1	Technical legal point. In order to act deliberately improve your housing priority you need first to be aware of what the housing priority system is. The change would take away the implication that the applicant needed to know this before acting. It makes it a more similar principle to intentional homelessness – the applicant does not need to be aware of the legislation to be found Intentionally Homeless.
4.12	New clause – reflecting national guidance on allocating social housing to homeowners.
4.13.1	Minor wording improvement.
4.13.1 (c) & (d)	Need to include rents as well as property prices in the assessment
5.10.1	Emergency housing status to be awarded to those who are terminally ill (as defined) and in band A as they do not have the luxury of time.
5.11.1 (d)	Where applicants are left in tenancies under Use and Occupation <b>and</b> it is felt it is unreasonable to move them e.g. elderly person who has lived in the property with his/her family for many years but has no succession rights.
7.7.1	Address issue of applicants unreasonably refusing offers.

# AMENDED FINAL DRAFT

## SUB-REGIONAL PARTNER

## LETTINGS POLICY DOCUMENT

This document sets out how St Edmundsbury Borough Council, in partnership with Registered Providers (Housing Associations) with properties in the [districtBorough](#), will allocate their properties through the “Home-Link Choice Based Lettings Scheme”

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## Chapter 1

### 1.1 Introduction

- 1.1.1 This is the letting policy for [St Edmundsbury Borough](#) Council, and should be considered in conjunction with the Cambridge Sub-regional Choice Based Lettings scheme ("CBL"), framework document, which outlines how the CBL scheme will work. The Partnership Organisations (PO's) to the Sub-regional CBL scheme are:
- a) Cambridge City Council
  - b) East Cambridgeshire District Council
  - c) Fenland District Council
  - d) Forest Heath District Council
  - e) Huntingdonshire District Council
  - f) South Cambridgeshire District Council
  - g) St Edmundsbury Borough Council
- 1.1.2 The CBL scheme and this lettings policy have been designed in collaboration with the sub regional PO's listed above, with the aim of having as much consistency in the letting of social housing as is possible in a very diverse sub-region. The lettings policy aims to ensure that all people seeking social housing in [St Edmundsbury Borough](#) Council are able to exercise choice in deciding where they wish to live and in the type of property they would prefer.
- 1.1.3 The policy enables [St Edmundsbury Borough](#) Council to consider the individual needs of its applicants whilst making best use of the scarce resource of housing stock. The policy sets out:
- a) How to apply for housing.
  - b) Who will qualify to be accepted onto the housing register.
  - c) How priority for housing applicants will be given.
  - d) What the decision-making processes are.
  - e) How homes will be let.
- 1.1.4 You may view the CBL framework document and this lettings policy, at [www.forest-heath.gov.uk](http://www.forest-heath.gov.uk), or request a copy from any of the PO's offices. (See Appendix 1 on p.31)

### 1.2 Objectives of the lettings policy

- a) To meet the legal requirements for the allocation of social housing as set out in the Housing Act (1996) as amended [by the Homelessness Act \(2002\) and the Localism Act \(2011\)](#).
- b) To assist applicants in the highest assessed need
- c) To let properties in a fair and transparent way and provide a consistent lettings process
- d) To make best use of housing stock
- e) To ensure that applicants are not unlawfully discriminated against, whether directly or indirectly
- f) To support vulnerable applicants
- g) To provide increased choice and information to applicants
- h) To provide information and feedback on homes that are let through the CBL scheme
- i) To improve mobility across the sub-region



- j) To promote social inclusion and help achieve sustainable communities

### 1.3 Statement on choice

- 1.3.1 [St Edmundsbury Borough](#) Council is fully committed to enabling applicants to play a more active role in choosing where they live, whilst continuing to house those in the greatest need in [St Edmundsbury Borough](#) Council.
- 1.3.2 The CBL scheme will enable applicants from [St Edmundsbury Borough](#) Council to have access to a percentage of available homes from all the PO's across the sub region.

### 1.4 Legal context

- 1.4.1 All applicants for housing will be assessed to determine their eligibility to be placed on the housing register. This is to ensure homes are let to those in the highest assessed need and ensures that the Council meets its legal obligations as set out in the Housing Act (1996) as amended ~~by Homelessness Act (2002) and the Localism Act (2014).~~

This policy has also had regard to:

- a) the Code of Guidance, Allocation of accommodation: guidance for local housing authorities in England, and social housing, and
  - b) [St Edmundsbury Borough](#) Council Homelessness Strategy, and
  - c) [St Edmundsbury Borough](#) Council Tenancy Strategy (containing details of the types of social rented tenancies that may be offered by housing association landlords).
- 1.4.2 The law states that there are five groups of applicants where reasonable preference must be considered:
    - a) People who are homeless (within the meaning of Part VII (7) of the Housing Act 1996, as amended) ~~by the Homelessness Act 2002.~~
    - b) People who are owed a duty by any local housing authority under section 190(2), 193(2), or 195(2) of the 1996 Act (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any such authority under section 192(3)
    - c) People occupying unsanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
    - d) People who need to move on medical or welfare grounds (including grounds relating to a disability); and
    - e) People who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others)
  - 1.4.3 The lettings policy has been designed to ensure applicants who fall into the above reasonable preference categories will be awarded reasonable preference.
  - 1.4.4 Every application received by [St Edmundsbury Borough](#) Council will be considered according to the facts unique to that application as [St Edmundsbury Borough](#) Council recognises that every applicant's situation is different. Applications will be considered on an individual basis and individual circumstances will be taken into account. However, all lettings will be made in accordance with this lettings policy.

## **1.5 Equal opportunities and diversity**

- 1.5.1 The lettings policy will be responsive, accessible and sensitive to the needs of all. [St Edmundsbury Borough](#) Council is committed to promoting equality of opportunity and will ensure that all applicants are treated fairly and without unlawful discrimination on the grounds of race, gender, disability, age, sexual orientation, religion or belief, pregnancy and maternity.

## **1.6 Monitoring and reviewing the lettings policy**

- 1.6.1 [St Edmundsbury Borough](#) Council will monitor the operation of the lettings policy by regularly reviewing the policy to ensure that the policy meets its stated objectives and complies with legislative changes.

## Chapter 2

### 2.1 How to apply for housing

2.1.1 To apply to go on the housing register, applicants are required to complete an on-line pre-assessment form. This will allow the applicant's housing options to be assessed and determine which options are most appropriate. If this includes social rented housing, and the applicant is eligible, they will then be required to complete a more detailed register application form. Where applicants are unable to use these on-line facilities a paper form will be available on request.

Both on-line forms can be completed at [www.home-link.org.uk](http://www.home-link.org.uk). A paper form if required can be requested from [St Edmundsbury Borough Council](#) or any of the PO's offices as detailed in Appendix 1 on p.31.

2.1.2 An applicant may include anyone on their application who may reasonably be expected to live with them as part of their household.

2.1.3 Where two applicants wish to have a shared application they will be known as joint applicants. Although siblings and friends may jointly apply to the register, due to the level of demand for family sized accommodation from family households, they will not be prioritised for an offer of this size of accommodation ahead of families.

2.1.4 On receipt of the application [St Edmundsbury Borough Council](#) will assess this and may request additional information and supporting evidence so that the applicant's eligibility and housing need can be confirmed. [St Edmundsbury Borough Council](#) will verify the information provided which may include inviting the applicant for an interview or visiting them at home.

2.1.5 Applications will only be accepted onto the register where:

- a) The applicant is eligible ~~for an allocation of social housing within the meaning of the Asylum and Immigration Act (1996)~~ (see Chapter 3); and
- b) The applicant qualifies for an allocation of ~~accommodationsocial housing~~. (See classes of persons that qualify for an offer of accommodation in s.3.3 and those that do not qualify in s.3.4).

2.1.6 After assessment [St Edmundsbury Borough Council](#) will write to applicants to inform them whether the applicant has been accepted onto the housing register, or give reasons if they have not. Where accepted they will be informed of:

- a) Their unique reference number, which allows them to bid for homes through the CBL Scheme
- b) The Housing Needs Band in which the application has been placed
- c) The date that the application was placed in the band (the "date in band")
- d) The size of property for which the applicant is likely to be able to bid

If they have not been accepted onto the housing register they will be given reasons why and information on the review process (see Chapter 6).

### 2.2 Date of registration

2.2.1 The registration date of an application will be the date the housing application form is received at the office of [St Edmundsbury Borough Council](#), or any of the PO's. If the form is completed online the date the form is received electronically is the date of registration.

## 2.3 Date in band

2.3.1 The principle of the policy is that normally no applicant should overtake existing applicants in a band. Therefore applicants will be placed within a band in date order.

- a) **New applications:** the date in band will be the same as the applicant's date of registration.
- b) **Change of circumstances which results in a higher band assessment:** the date in band will be the date the applicant provides evidence of the change of circumstances leading to the award of a higher priority band.

2.3.2 When applicants move down bands due to a change in their circumstances the following applies:

- a) **Returning to a band that they were previously placed in:** the date in band reverts to the date that applied when the applicant was previously in that band.
- b) **Moving into a lower band they have not previously been placed in:** the date in band will be the date that the application was first placed into a higher band. In most circumstances this is likely to be their date of registration.

## 2.4 Armed Forces<sup>1</sup> personnel – date in band.

2.4.1 Additional priority will be awarded to the following categories of people:

- (a) former members of the Armed Forces<sup>1</sup>;
- (b) serving members of the Armed Forces<sup>1</sup> who need to move because of a serious injury, medical condition or disability sustained as a result of their service;
- (c) bereaved spouses and civil partners of members of the Armed Forces<sup>1</sup> leaving Services Family Accommodation following the death of their spouse or partner;
- (d) serving or former members of the Reserve Forces<sup>2</sup> who need to move because of a serious injury, medical condition or disability sustained as a result of their service.

2.4.2 Additional priority will be awarded to the above categories of people by awarding their application the appropriate priority band, as set out in this lettings policy, and backdating their date in band by the total cumulative period of their length of military service. This will have the effect of raising their priority above applicants in similar circumstances who have not undertaken military service.

2.4.3 Current members of the Armed Forces<sup>1</sup> may also request that this additional priority be applied to their housing application six months prior to the date when they are due to leave military service. Appropriate evidence of the end to military service will be required.

<sup>1</sup> Means the Royal Navy, the Royal Marines, Her Majesty's regular army or the Royal Air Force

<sup>2</sup> Means the Royal Fleet Reserve, the Royal Naval Reserve, the Royal Marines Reserve, the Army Reserve, the Territorial Army, the Royal Air Force Reserve or the Royal Auxiliary Air Force

## **2.5 Multiple applications**

- 2.5.1 An applicant can have only one active application as a main applicant on the housing register at any time.

## **2.6 Change of circumstances**

- 2.6.1 Where an applicant registered with [St Edmundsbury Borough Council](#) has a change in their circumstances they must promptly inform [St Edmundsbury Borough Council](#). Applicants can obtain a change of circumstances form from any PO, but this must then be sent to the PO who is managing their application. Change of circumstances received by [St Edmundsbury Borough Council](#) will be assessed based on the new circumstances. Examples of change of circumstances are detailed below, although this list is not exhaustive.

- a) Change of address
- b) People joining or leaving the household
- c) Pregnancy/birth of a child
- d) Relationship breakdown
- e) Change to the medical circumstances of anyone included on the application
- f) Death of a household member
- g) Death of a joint applicant
- h) Change of income and/or capital

## **2.7 Applicant's consent and declaration**

- 2.7.1 When an applicant applies for housing, they will be required to sign a declaration to confirm that:

- a) The information they have provided is true, accurate and complete.
- b) They will promptly inform [St Edmundsbury Borough Council](#) of any change in circumstances.
- c) They understand that information will be shared with all the PO's.
- d) They consent to [St Edmundsbury Borough Council](#) making enquiries of any relevant persons to confirm the information on the application form is correct.
- e) They consent to the release of any relevant information either to [St Edmundsbury Borough Council](#) held by third parties, or by [St Edmundsbury Borough Council](#) to third parties.
- f) The information provided may be used to help in the detection and prevention of fraud.

- 2.7.2 [St Edmundsbury Borough Council](#) may take legal action against applicants who withhold or provide false information regarding their housing application. Where an applicant has been let a property as a result of providing false information, their landlord may take court action to obtain possession of the property.

## **2.8 Data protection**

- 2.8.1 [St Edmundsbury Borough Council](#) policy on Data Protection is available on request. (Insert hyper-link to data protection info page on your website if appropriate).

## **2.9 Application review**

- 2.9.1 When an applicant has not bid for any available properties for one year, we will normally write to them to see if they still wish to be on the housing register. If there is no response within the required time limit, (28 days from the letter being sent) the

application will be cancelled. We will write to the applicant to notify them of this. If an applicant contacts [St Edmundsbury Borough](#) Council within 28 days of their application being cancelled and indicates that they still want to be considered for housing, the application will be reinstated from their last applicable date in band (see s.2.3 above).

## **2.10 Cancelling an application**

2.10.1 An application will be cancelled from the housing register in the following circumstances:

- a) At the applicant's request.
- b) If the applicant no longer falls within a qualifying class of applicant (see s.3.1).
- c) If the applicant becomes ineligible for housing (see s.3.2).
- d) When the applicant has been housed through the Lettings Policy.
- e) When a tenant completes a mutual exchange.
- f) Where an applicant does not maintain their application through the review process, or where they move and do not provide a contact address.
- g) Where the applicant has died.

2.10.2 When an application is cancelled, we will write to the applicant or their representative to notify them. Where an applicant has been highlighted as vulnerable, [St Edmundsbury Borough](#) Council will contact the applicant to check their circumstances before cancelling the application. Any applicant whose application has been cancelled has the right to ask for a review of the decision, (see Chapter 6).

2.10.3 Where an applicant wishes to re-join the housing register at a later date their new date of registration will be the date they re-apply.

## Chapter 3

### 3. Who can be accepted onto the housing register?

#### 3.1 Eligible applicants

3.1.1 [St Edmundsbury Borough](#) Council cannot, by law, allocate housing accommodation to anyone who is subject to immigration control within the meaning of the Asylum and Immigration Act (1996), unless they fall within a class exempted from this restriction by Government regulations. In addition, the council cannot allocate housing accommodation to other classes of persons from abroad if, by law, Government regulations dictate we cannot.

3.1.2 Applications whose immigration status makes them ineligible to be considered on the register will be notified in writing of the decision and the reason for the decision. If an applicant is accepted onto the register, but subsequently becomes ineligible, their housing application will be cancelled and the applicant notified. Applicants found to be ineligible have a right to ask for a review of the decision (see Chapter 6).

[3.1.3 Where an eligible applicant includes people who are ineligible as part of his or her household the Council can, in deciding who forms part of the applicant's household for the purposes of housing allocation:](#)

- [\(a\) Have regard to the fact that members of a person's household would not be eligible for accommodation in their own right](#)
- [\(b\) Have regard to the fact that an ineligible person is not permitted to have recourse to public funds.](#)
- [\(c\) Conclude that an ineligible person does not form part of the household;](#)

#### 3.2 Qualifying categories of applicants

3.2.1 The Cambridge sub-region (the Home-Link area) is an area where the demand for social housing far exceeds the supply. For this reason only those applicants who meet the local connection criteria will qualify to join the housing register (see s.3.3).

3.2.2 Applicants will not qualify to join the housing register if they are considered to be unsuitable to be a tenant because of unacceptable behaviour (see s.3.4)

#### 3.3 Local Connection

3.3.1 An applicant will be considered to have a local connection with [St Edmundsbury Borough](#) Council and accepted onto the housing register if they meet one of the following criteria:

- a. The applicant works in the local authority area for sixteen hours or more per week; or
- b. The applicant has lived in the local authority area for at least 6 of the last 12 months, or 3 of the last 5 years; or
- c. The applicant has family members who are resident in the local authority area. Family members are defined as parents, sons and daughters or brothers or sisters who have been resident in the local authority for a period of 5 years or longer. Other close family ties will be considered on a case by case basis; or

- d. The applicant is owed a full housing duty under the relevant homelessness legislation by [St Edmundsbury Borough](#) Council; or
- e. The applicant is a member of the Armed Forces<sup>1</sup> and former Service personnel, where their application is made within five years of discharge; or

<sup>1</sup>Means the Royal Navy, the Royal Marines, Her Majesty's regular army or the Royal Air Force

- f. The applicant is a bereaved spouse or civil partner of a member of the Armed Forces<sup>1</sup> leaving Services Family Accommodation following the death of their spouse or partner; or
- g. The applicant is a serving or former member of the Reserve Forces<sup>2</sup> who needs to move because of a serious injury, medical condition or disability sustained as a result of their service; or
- g-h. [The applicant is a "relevant person" as defined by Regulation 4 of the Allocation of Housing \(Qualification Criteria for Right to Move\) \(England\) Regulations 2015](#)
- h-i. There are special circumstances that [St Edmundsbury Borough](#) Council considers give rise to a local connection.

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### 3.4 Applicants with a history of unacceptable behaviour

- 3.4.1 Applicants [or a member of their household](#) with a history of unacceptable behaviour will not qualify to be accepted onto the housing register. [Unacceptable behaviour can include tenancy related debt or other breach of tenancy conditions.](#)
- 3.4.2 When considering levels of unacceptable behaviour the council will consider when this behaviour took place, the length of time that has elapsed since and whether there has been any change in circumstances which would show that the applicant had amended their behaviour so that they are considered suitable to become a tenant.
- 3.4.3 If [they or a member of their household are](#) considered to have a history of unacceptable behaviour applicants will be informed of this decision in writing. They will also be informed how they can become a qualifying person, for example, by agreeing an arrangement to make payments towards rent arrears and adhering to this, or by the applicant showing that the circumstances or behaviour that made them unsuitable to be a tenant, has changed.
- 3.4.4 If an applicant is accepted onto the register but a change in their behaviour means that they are no longer a qualifying person, their housing application will be removed and the applicant will be notified.
- 3.4.5 Applicants considered as not qualifying due to unacceptable behaviour have a right to ask for a review of the decision (see Chapter 6).

**Comment [HT1]:** Definition of unacceptable behaviour now in Glossary



<sup>1</sup> Means the Royal Navy, the Royal Marines, the regular army or the Royal Air Force

<sup>2</sup> Means the Royal Fleet Reserve, the Royal Naval Reserve, the Royal Marines Reserve, the Army Reserve, the Territorial Army, the Royal Air Force Reserve or the Royal Auxiliary Air Force

## Chapter 4

### 4.0 Assessment of housing need

#### 4.1 Legal background

4.1.1 All eligible and qualifying applicants will be placed in a housing needs band following an assessment of their household's needs. This is to ensure that [St Edmundsbury Borough](#) Council meet their legal obligations as set out in the Housing Act 1996 as amended [by the Homelessness Act 2002 and the Localism Act 2011](#).

#### 4.2 Advice and information

4.2.1 [St Edmundsbury Borough](#) Council will ensure that advice and information on how to apply for housing in [St Edmundsbury Borough](#) Council is available free of charge to everyone. If applicants are likely to have difficulty in making an application without assistance, then any necessary assistance they require will be made available by the council.

#### 4.3 Assessment of housing need

4.3.1 Assessments of housing needs are based on an applicant's current housing circumstances. Assessments will be completed by housing officers of [St Edmundsbury Borough](#) Council.

#### 4.4 Local connection criteria

4.4.1 To ensure local housing needs are met, 90% of properties advertised through the CBL scheme will be labelled as available to applicants with a local connection to [St Edmundsbury Borough](#) Council. 10% of advertised properties will be open to bidding from applicants with a local connection to any authority in the Cambridge Sub-region. 25% of new growth homes will be made available for cross boundary mobility. The relevant local connection requirement will be clearly labelled on the property advertisement.

4.4.2 Where a property has local connection criteria attached to it through a local lettings policy or s.106 agreement, then these properties will be let in line with the criteria within the s.106 agreement [or local lettings plan](#). This may differ from the local connection criteria contained within this lettings policy.

#### **4.5 Housing needs bands**

4.5.1 Eligible and qualifying applicants will be placed in one of the following four bands in date order. Applicants placed in Band A will have the highest assessed need, band D the lowest. When an applicant is placed in a housing needs band the same level of priority will apply with all PO's in the sub-region.

#### **4.6 Band A: Urgent Need**

Applicants with the following circumstances will be placed into Band A:

##### **a) Urgent transfer**

Where an existing council or housing association tenant needs to move urgently because of circumstances that could include:

- a) Major repairs are required on the property in which they live and which cannot be undertaken with the tenant living in the property.
- b) The property is being demolished.
- c) Urgent social need to move.

##### **b) Current supported housing resident**

Applicants leaving Social Services care or other supported accommodation, and are ready to move to a [permanent](#) home of their own. This will be subject to the council, Social Services and the landlord of the supported accommodation agreeing that the applicant is ready to move to their own home [and that accommodation needs to be independent accommodation within the Social Housing sector](#). If the applicant needs an on-going support package to allow them to live independently, confirmation that this will be put in place will also be required from the proposed support provider. The date that this priority is awarded (date in Band A) will be the date that the resident is ready to move to independent living, as recommended by their support worker.

##### **c) Urgent health and safety risk**

The applicants current accommodation has been assessed by [St Edmundsbury Borough](#) Council or a PO as posing an urgent health and safety risk. This will apply where the assessment has classified the accommodation as unsafe, or where there is a risk of imminent harm as identified in the assessment, which cannot be remedied in a reasonable time and where the health and safety risk has not been caused intentionally by the applicant or a member of the applicant's household.

##### **d) Urgent medical need**

An assessment of medical need will be made by a medical professional or senior officer, using sub-regionally agreed criteria for assessment.

Urgent medical need priority will be awarded when an applicant's current housing conditions have been assessed as having a major adverse effect on the medical condition or disability of the applicant or a member of their household and this will be improved by alternative accommodation.

##### **e) Lacking two or more bedrooms**

Means the household is assessed as lacking two or more bedrooms (see s.5.5).

**f) Under-occupancy by two or more bedrooms or release of adapted property**

Means where an existing council or housing association tenant:

- a) Is assessed as having two or more bedrooms that are not required by the household (see s.5.5).
- b) Where a property has been adapted and the adaptations are no longer required. For example if the person requiring the adaptations has moved or died.

**g) Homeless households (Full homelessness duty owed under s.193 (2) of the Housing Act 1996 as amended ~~by the Homelessness Act 2002~~)**

Means where an applicant is not homeless intentionally or threatened with homelessness intentionally, is eligible for assistance and has a priority need for accommodation, and [St Edmundsbury Borough Council](#) or a PO has accepted a duty under s193 (2) of the Housing Act 1996 as amended ~~by the Homelessness Act 2002~~ (referred to as the full homelessness duty) and this duty has not been brought to an end.

**h) Urgent multiple needs**

This priority will be applied where an applicant is assessed as having two or more Band B needs. This may include an application where two household members have the same assessed need e.g. two high medical needs.

For multiple needs in Band A please see 'emergency housing status' (see Chapter 5)

**4.7 Band B: High Need**

Applicants with the following circumstances will be placed into Band B:

**a) High health and safety risk**

Applicants current accommodation has been assessed by [St Edmundsbury Borough Council](#) or a PO as posing a high health and safety risk to them or members of their household. This will apply where the assessment has identified that the applicant is living in a property, the condition of which places them or members of their household at a high risk of harm as identified in the assessment, which cannot be remedied in a reasonable time and where the health and safety risk has not been caused intentionally by the applicant or a member of the applicant's household.

**b) High medical need**

An assessment of medical need will be made by a medical professional or senior officer, using sub-regionally agreed criteria for assessment.

High medical need priority will be awarded where an applicant's current housing conditions have been assessed as having a significant adverse effect on the medical condition or disability of the applicant or member of their household and this will be improved by alternative accommodation.

**c) Lacking one bedroom**

This priority will be applied where the household is assessed as lacking one bedroom based on the bedroom calculation in Chapter 5.

#### **d) Under-occupancy by one bedroom.**

This priority will be applied where an existing council or housing association tenant is assessed as having one bedroom more than required by the household (see s.5.5).

#### **e) Victims of harassment, violence or abuse**

Where [St Edmundsbury Borough](#) Council or a PO has investigated and identified that the applicant or a member of their household is being subjected to harassment or other conduct causing alarm and distress that will be improved by a move to alternative accommodation. Harassment might be, but is not limited to, harassment due to, race, gender, sexual orientation, mental health, physical disability, learning disability, religion, domestic abuse or harassment by a former partner or associated persons.

[St Edmundsbury Borough](#) Council will offer advice and support to assist the applicant in identifying possible ways to resolve the situation.

#### **f) Potentially homeless (prior to homelessness decision being made)**

Where an applicant is threatened with homelessness within a period of more than 28 days, [St Edmundsbury Borough](#) Council will work with the applicant to try and prevent their homelessness. Those applicants, who appear likely to have a priority need in the event of a homelessness application, will be placed in Band B whilst the prevention measures are being pursued

Where homelessness prevention has not been possible and an applicant remains threatened with homelessness within the next 28 days, they may choose to make a homeless application which will be assessed under part 7 of the Housing Act 1996 as amended [by the Homelessness Act 2002](#).

#### **g) Sleeping Rough**

This priority will be applied where it has been confirmed that an applicant is sleeping rough and has no other accommodation available to them. The council will verify that an applicant is sleeping rough before awarding this priority. Rough sleeping priority will not be awarded when accommodation is available to the applicant, including a placement at a direct access hostel, but the applicant chooses not to take up this offer of accommodation. Applicants assessed as 'Sleeping Rough' will not be awarded additional priority on any other accommodation related factors.

#### **h) Multiple needs**

This priority will be applied where an applicant is assessed as having three or more Band C needs. This may include an application where more than two household members have the same assessed need e.g. three medical needs.

### **4.8 Band C: Medium Need**

Applicants with the following circumstances will be placed into Band C:

#### **a) Medium medical need**

An assessment of medical need will be made by a medical professional or senior officer, using sub-regionally agreed criteria for assessment.

Medium medical need will be awarded where an applicant's current accommodation is having a minimal effect on the medical condition or disability of the applicant or member of their household, but a move to different accommodation would be likely to improve their quality of life.

#### **b) Need to move for social reasons**

Means where [St Edmundsbury Borough](#) Council or a PO has assessed the applicant's need to move for social reasons. An applicant will only be awarded this factor once irrespective of the number of social needs that may apply to their situation.

Examples where a social need to move may apply may include where an applicant:

- a) Needs to move to or within an area of the sub-region to give or receive support, and a proven level of support is required and can be given
- b) Has found employment in the [St Edmundsbury Borough](#) Council area and needs to move closer to work, or will otherwise lose their employment
- c) Has staying contact with a child/children and is living in accommodation where the child/children are not allowed to stay overnight.
- d) Is living in a first floor or above property ~~and has with~~ children less than 10 years of age as part of their household, or is more than 24 weeks pregnant.

#### **c) Housing conditions.**

This priority will be applied where the applicant/s either lack or share one or more of these facilities with persons, who are not members of their household. Facilities may include:

- a) A living room
- b) Kitchen
- c) Bathroom

#### **d) Other homelessness.**

Applicants who are homeless or threatened with homelessness and are:

- a) Intentionally homeless.
- b) Homeless or threatened with homelessness but not in priority need.
- c) Owed a main homelessness duty by a local authority that is not a PO in the sub-region.

Applicants assessed as 'Other Homelessness' will not be awarded additional priority on any other accommodation related factors.

Applicants given this priority will have their application reviewed on the anniversary of the decision, unless there is a change in their circumstances in the meantime.

### **4.9 Band D: Low Housing Need**

- 4.9.1 Any applicant who does not meet any of the criteria in Bands A, B and C will be assessed as having a low level of housing need and their application will be placed in Band D.
- 4.9.2 Anyone assessed as having sufficient financial resources to resolve their own housing need (see s.4.12) will be placed in band D. These applicants will only be considered for an offer of a property once all other bidding applicants who do not

have sufficient financial resources to resolve their own housing need have been considered.

#### **4.10 Low priority**

4.10.1 In certain circumstances, applicants will be accepted onto the housing register, but their application will be considered as low priority as a result of behaviour or circumstances that affects their suitability to be a tenant. In these circumstances their application will be placed in a housing needs band but they will not be actively considered for an offer of a tenancy or be able to express interest in available properties. Their application will remain in low priority until the applicant has shown that the circumstances or behaviour has changed so that they are considered suitable to be a tenant.

4.10.2 The following categories will be considered as low priority:

- a. Applicants with [recoverable](#) rent arrears, former rent arrears or other housing-related charges or debts, where these are not sufficiently high to class them as not qualifying to join the register (see s.3.4). Other than in exceptional circumstances, an applicant with outstanding rent arrears, former rent arrears or other housing-related debts will not be considered for an offer of a tenancy or eligible to bid for housing until they have shown a regular repayment record.
- b. Applicants with a history of [anti-social behaviour](#) ~~other unacceptable behaviour~~ where this is not sufficiently severe to class them as not qualifying to join the register (see s.3.4).

4.10.3 All applicants who are considered low priority will be informed of this decision in writing, and [told](#) how their application could be re-assessed, for example, by agreeing and keeping to an arrangement to make payments towards rent arrears, or by the applicant satisfying the council that the circumstances or behaviour that made them unsuitable to be a tenant have changed.

4.10.4 [St Edmundsbury Borough](#) Council expects applicants to clear any [recoverable](#) housing related debts owed to any registered social landlord before an offer of a tenancy is made, where it is clearly within their means to do this (for example where the debt is relatively low and the applicant has a reasonable disposable income or has sufficient savings available).

4.10.5 When a financial assessment shows that the debt cannot be cleared immediately then a realistic and affordable repayment arrangement should be agreed to clear the debt. The applicant may become eligible to bid for property as long as they have made regular payments in line with the agreement they have made.

4.10.6 Applicants found to be low priority have a right to ask for a review of the decision (see Chapter 6). A designated senior officer will undertake the review.

#### **4.11 Intentionally worsening housing circumstances**

4.11.1 If an applicant is assessed as having intentionally worsened their [housing situation](#) ~~circumstances, the effect of which would be in order~~ to improve their housing priority, their level of housing need will be assessed on the basis of their previous accommodation.

- 4.11.2 Applicants found to have intentionally worsened their circumstances have a right to ask for a review of the decision (see Chapter 6).
- 4.11.3 All applicants deemed to have intentionally worsened their circumstances will have their application reviewed on the anniversary of the decision, unless there is a change in their circumstances in the meantime.
- 4.11.4 If [St Edmundsbury Borough Council](#) has assessed and accepted the applicant is homeless or threatened with homelessness, has a priority need under the homeless legislation, but considers that they have become homeless intentionally; the applicant will be placed in Band C.

#### **4.12 Home Owners**

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4.12.1 In line with the 'Allocation of accommodation: guidance for local housing authorities in England', St Edmundsbury Borough Council will usually only allocate social housing to homeowners in exceptional circumstances. However, the Council may allocate to housing that is in low demand to homeowners. Applicants who are homeowners will be allocated a band D\* status.

#### **4.132 Financial resources**

4.132.1 All qualifying applicants are entitled to apply for housing regardless of income levels. However if an applicant is assessed as having income and/or capital, which will enable them to resolve their own housing need through other tenures they will not receive any preference for ~~rented~~ [social](#) housing and when bidding will appear on the shortlist after all other applicants that do not have the resources to resolve their own need.

This assessment will be based on the following

- a) The total income of the applicant/partner
- b) Any capital available to the applicant/partner
- c) Average property prices [and rents](#) in the area for the type of accommodation needed by the household
- ~~e)d~~ [The ability of the applicant/partner to rent in the private sector based on a realistic assessment of their financial position and commitments.](#)
- ~~e)e~~ The ability of the applicant/partner to acquire a mortgage and maintain required repayments based on a realistic assessment of their financial position and commitments.
- ~~e)f~~ to meet the required mortgage repayments based on a realistic assessment of their financial position and commitments.

4.132.2 Excluded from the above financial assessment will be any member of the Armed Forces<sup>1</sup> who may have received a lump sum as compensation for an injury or disability sustained on active service.

#### **4.143 Officer review for Band A applicants**

4.143.1 Where an applicant has held Band A status for three months from their applicable date in band [St Edmundsbury Borough Council](#) will carry out a review of their circumstances. This will result in either:

- a) A direct let – usually for statutorily homeless applicants living in temporary accommodation.
- b) Priority being maintained.

- c) Moving into a lower priority band if the circumstances under which they were placed in Band A no longer apply.

<sup>1</sup> Means the Royal Navy, the Royal Marines, Her Majesty's regular army or the Royal Air Force



## Chapter 5

### 5.1 Assessment information and criteria

- 5.1.1 The following section outlines criteria taken into account when considering assessments of housing need.

### 5.2 Transfer applicants

- 5.2.1 Transfer applicants are those applicants who are tenants of a council or housing association property in the UK who wish to move to alternative accommodation.

### 5.3 Homeless applications

- 5.3.1 Applicants who are already on the housing register will remain in their existing housing needs band whilst a homeless assessment is carried out (unless the criterion in s.5.3.3 below applies).
- 5.3.2 When a decision has been made by [St Edmundsbury Borough Council](#) that an applicant is owed a full homelessness duty under s.193 (2) of the Housing Act 1996 (as amended) their application will be placed and remain in Band A until that duty is brought to an end (See s.4.6 (g)).
- 5.3.3 Where a person is threatened with homelessness within a period of more than 28 days, the Council will work with the applicant to try and prevent their homelessness. Those persons, who appear likely to have a priority need in the event of a homelessness application being made, will be placed in Band B whilst the prevention measures are being pursued.
- 5.3.4 A person who is threatened with homelessness may have an existing housing register application. Applicants already in Band A will retain their existing Band A status whilst homelessness prevention measures are pursued.
- 5.3.5 An applicant who is statutorily homeless or threatened with homelessness but deemed not to have a priority need will be placed in Band C (unless other circumstances are such that they are eligible for placement within a different band).
- 5.3.6 Applicants who have been assessed as being in priority need but are intentionally homeless will have their housing application assessed on their current accommodation, if an applicant has intentionally worsened their circumstances the housing needs assessment will take this into account (see s.4.11).

### 5.4 Split families

- 5.4.1 Where an application is made by family members who it would be reasonable to expect them to live together but they are unable to do so, the [Council](#) will assess their particular circumstances to consider the best way of addressing their housing needs.

### 5.5 Bedroom requirement guidelines

- 5.5.1 Bedroom requirements are generally determined in line with the Local Housing Allowance (LHA) regulations and these regulations will be applied when calculating bedroom requirements in overcrowding and under-occupancy assessments. They will also be used when calculating the size of property (number of bedrooms in the

property) that an applicant will be able to bid on and eligible to be offered through the letting process.

Bedroom requirements are determined by the applicant's size of household. Generally the LHA regulations allow one bedroom each for:

- a) Every adult couple
- b) Any other adult aged 16 or over
- c) Any two children (aged under 16) of the same sex
- d) Any two children, regardless of sex, under the age of 10
- e) Any other child aged under 16
- f) A non-resident carer (claimant/partner have disability and need overnight care)

Applicants requiring help in calculating their bedroom entitlement can use the Directgov online bedroom entitlement calculator at <https://lha-direct.voa.gov.uk/BedRoomCalculator.aspx>.

- 5.5.2 Single and joint applicants of pensionable age may be eligible to be considered for one and two bedroom older person/s and/or sheltered housing.
- 5.5.3 A pregnant woman expecting her first child will be assessed as requiring two bedrooms from week 24 of her pregnancy.
- 5.5.4 An applicant may be assessed as requiring an additional bedroom where [St Edmundsbury Borough](#) Council considers there are special circumstances.

## **5.6 Staying contact with children**

- 5.6.1 A child, or children, living between parents at separate addresses will only be considered as having one main home unless there are exceptional circumstances that mean that both parents should provide a home. A Court Order allowing access to children, or confirming residence between separated parents does not mean that the council must consider that the child is part of an applicant's household for the purposes of a housing register application.
- 5.6.2 An assessment will be made by the council as to which parent's property is considered as the child's main home. If the council considers that an applicant does not provide the child with his or her main home then the child will not be considered as part of the register application. The child would then not be considered as part of the bedroom requirements when assessing overcrowding or under-occupation. They would also not be considered when assessing the size of property (number of bedrooms) that the application would be eligible to bid for and offered through the lettings process.

## **5.7 Medical assessments**

- 5.7.1 Medical assessments will be carried out for any applicants who believe that their medical condition or disability is affected by their current accommodation. The applicant will be required to fill in a self-assessment medical form, or provide information from a medical professional, detailing the effect that their current accommodation has on their medical condition or disability. These forms will be assessed and where appropriate referred to a medical professional for their opinion of how the medical condition is affected by the applicant's housing circumstances.

## 5.8 Harassment and domestic violence

5.8.1 Where the applicant is a victim of harassment, domestic violence or anti-social behaviour, ~~Forest Heath District~~ [St Edmundsbury Borough](#) Council will offer advice and support to assist applicants in identifying possible ways of resolving their situation.

## 5.9 Applicant subject to Multi Agency Public Protection Arrangements, (MAPPA)

5.9.1 Where an applicant is subject to Multi Agency Public Protection Arrangements (MAPPA), [St Edmundsbury Borough](#) Council will liaise with the panel to ensure an appropriate housing solution to meet the needs of the applicant and the community as a whole.

## 5.10 Emergency housing status

5.10.1 An emergency housing status may be awarded to applicants in exceptional circumstances, [for example](#) where remaining in their current accommodation may cause risk of death or serious injury, or where an applicant has been assessed as having multiple needs that fall within Band A, [or where the applicant is terminally is already in Band A and in the opinion of a qualified medical practitioner is likely to have less than 12 months to live.](#) An applicant with emergency housing status who bids for a home will be considered as a priority above all other applicants in any other band.

## 5.11 Direct Lets

5.11.1 Most properties will be advertised through the Choice Based Lettings (CBL) scheme. However in certain circumstances some properties may be let directly to applicants and these properties will be let outside of the allocation scheme. Where an applicant is identified as requiring a direct let the case will be referred to a senior officer for approval. The list below gives some examples of where this may happen.

- a) Where the council has accepted a full homelessness duty towards a household but the household has not found suitable accommodation during a period of choice through the CBL scheme.
- b) Where an applicant and their household require a specific size, type or adapted property and the applicant has not been able to find suitable accommodation through the CBL scheme
- c) Where an existing social housing tenant is required to move to make the best use of stock, and they have not been successful in finding a suitable property through the CBL scheme
- e)d) [Where applicants are left in tenancies under Use and Occupation and it is felt it is unreasonable to move them e.g. elderly person who has lived in the property with his/her family for many years but has no succession rights](#)

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5.11.2 Information as to which properties have been allocated though direct lets will be made available through the CBL feedback mechanism.

5.11.3 Direct lets will be made on the basis of a suitable property becoming available. Where a property becomes available that is suitable for more than one applicant with a direct let status, the date applicants were awarded a direct let status will be used as a deciding factor in deciding to whom the property will be let.

## 5.12 Direct lets to homeless applicants

- 5.12.1 Homeless applicants who are owed a full homelessness duty by [St Edmundsbury Borough Council](#) (under s.193 (2) of the Housing Act 1996 as amended ~~by the Homelessness Act 2002~~) will be placed in Band A and will be able to bid for properties via the CBL scheme. Their date in band will be the date they originally applied to the council as homeless.
- 5.12.2 Where homeless applicants are awarded Band A, [St Edmundsbury Borough Council](#) reserves the right to make a direct let or final offer of a property under the Council's homelessness policy.
- 5.12.3 Where a homeless applicant bids for a property while being owed the full homelessness duty, is offered the tenancy and subsequently refuses the offer (except where the offer has been made as a direct let or final offer as detailed in 5.12.2 above) their application will remain within the same housing band and the s.193 (2) duty under the Housing Act 1996 as amended ~~by the Homelessness Act 2002~~, will continue.
- 5.12.4 The full homelessness duty will come to an end, and a homeless applicant loses their priority under this section, when any of the circumstances within s.193 (6) of the Act are met. This will include an applicant:
- Accepting an offer of accommodation made through the CBL scheme
  - Accepting an offer made via the direct let mechanism within the policy (see s.5.11 above), or
  - If, having been informed of the consequences and the right to request a review, refuses a reasonable offer of suitable accommodation made via the direct let mechanism
- S. 193(6) of the Housing Act 1996 Act gives the full circumstances under which the full homelessness duty comes to an end.
- 5.12.5 Where a homeless applicant is to be allocated a property through the direct let process [St Edmundsbury Borough Council](#) has responsibility for determining the suitability of any allocation. They will do this by assessing the household's particular needs and circumstances within the context of the general housing conditions in the area as a whole.
- 5.12.6 Where a homeless applicant is offered accommodation via a direct let, but does not feel that this offer is suitable; they have the right to request a review of the decision that the offer is suitable. For details of the review process (see Chapter 6).
- 5.12.7 As the property does not have to remain available during the review of the suitability and reasonableness of a direct let, homeless applicants are advised to accept and move in to the accommodation pending the decision on review. If the review outcome is unsuccessful for the applicant they will still have accommodation to live in whilst they consider their further options.
- 5.12.8 If a homeless applicant refuses a direct let and it is then deemed suitable at review, the full homelessness duty will come to an end. They will also have to vacate any temporary accommodation that is being provided.
- 5.12.9 If, on review reviewing an applicant's refusal of a direct let, the property offered is considered to be unreasonable or unsuitable, the duty under s.193 (2) will continue and the applicant will be made a further offer of suitable accommodation.

### **5.13 Applicants who require a specific size, type or adapted property.**

5.13.1 Where an applicant requires a specific size, type or adapted property, they will be placed in the appropriate housing needs band, but may be offered a direct let if [St Edmundsbury Borough Council](#) have a shortage of suitable properties. For example:

- a) An applicant requires a very large property to accommodate their household.
- b) An applicant requires a property of a specific type in a specific area of the district.
- c) An applicant requires a property with specific adaptations and such a property becomes available.
- d) Where an applicant is willing to move to release a property larger than required to meet their housing needs.

### **5.14 Sheltered housing**

5.14.1 Sheltered housing will be advertised through the CBL scheme. Sheltered housing is available to applicants over 60 years of age and prior to an offer of a tenancy applicants will be subject to an assessment by the landlord of the accommodation to establish their prospective support needs and suitability to living in sheltered housing.

### **5.15 Extra care homes**

5.15.1 Extra care homes are properties for older people where additional support services are provided. Allocation to extra care homes will not be advertised through CBL but will be made by an allocation panel.

### **5.16 Refusals of direct let**

5.16.1 Where an applicant (other than a person owed the full homelessness duty) refuses a reasonable offer of a direct let a senior officer will review the reasons for the refusal and the applicant may lose any housing priority they held, dependent on the reasons for the offer refusal. Applicants have the right to ask for a review of this decision (see Chapter 6).

### **5.17 Local lettings plans**

5.17.1 Local lettings plans are used within the sub region to help create balanced and sustainable communities. Where a local lettings plan applies, it will be stated in the property details when advertised. Details of any local lettings plans will be available from the local authority in whose area the property is situated. Some local lettings plans may ask for an applicant to have a local connection to a specific parish or village. In those cases, the connection criteria will be stipulated in the legal agreement for that development.

## Chapter 6

### 6.1 Reviews of decisions

6.1.1 A designated senior officer will carry out reviews of assessment decisions as required.

6.1.2 Examples of circumstances that may be reviewed include:

- a) Multiple need in band
- b) Emergency housing status
- c) Moving people up a band or down a band
- d) Priority assessments, in complex cases.
- e) Housing people in different accommodation to designated need size
- f) Low priority decisions
- g) Direct lets

The above list is not exhaustive.

### 6.2 Statutory reviews

6.2.1 An applicant has the right to request a review of certain decisions made under part 6 of the Housing Act 1996. These are:

- a) Decisions about the facts of the applicant's case which are likely to be, or have been, taken into account in considering whether to accept onto the housing register or to allocate housing accommodation to the applicant
- b) Lack of any reasonable preference based on previous behaviour s167 (2C) Housing Act 1996
- c) Ineligibility for an allocation based on immigration status s160A (9).

6.2.2 Decision letters issued in respect of housing applications will advise the applicant of their right to request a review and provide appropriate guidance on how to do this. An applicant can obtain further details of the review procedure from [St Edmundsbury Borough Council](#).

6.2.3 A request for a review of a decision can be made in writing or verbally to a member of staff at [St Edmundsbury Borough Council](#). The request should be made within 21 days following the notification of the decision. Reviews will be considered within 28 days of the request being received and the applicant will receive a written response outlining the result of the review.

6.2.4 An applicant will only be entitled to one internal review. If an applicant is still unhappy following the review of a decision, they can make a complaint through the council's complaints procedures, contact the Local Government Ombudsman (see s.6.4) or seek to challenge the decision via a judicial review.

6.2.5 Reviews will be undertaken by a designated officer who was not involved in the original decision, and who is senior to the original decision making officer.

### 6.3 Homeless reviews

6.3.1 Homeless applicants have the right to request a review of certain decisions made by [St Edmundsbury Borough Council](#) in respect of their homeless application. Within the context of the council's lettings policy this includes the decision to bring to an end

the full homelessness duty by making a suitable offer of permanent accommodation via the housing register through the direct let mechanism (see s.5.12).

- 6.3.2 If an applicant wishes to request a review of the reasonableness of an offer or the suitability of the property, this must be made within 21 days of notification of a decision to make the offer. Late review requests can be considered under exceptional circumstances at the discretion of the local authority.
- 6.3.3 Applicants who request reviews of decisions about suitability of accommodation will be advised to accept and move into accommodation pending the outcome of their review request. If the review goes in their favour alternative accommodation will be provided as quickly as possible. However if the reasonableness and suitability of the offer is upheld the applicant will still have accommodation to live in whilst they consider their further options.
- 6.3.4 The applicant has the right of appeal to the county court if he or she is dissatisfied with the decision on a review.

#### **6.4 The Local Government Ombudsman**

- 6.4.1 The Local Government Ombudsman investigates complaints of injustice arising from maladministration by local authorities and other bodies. They can be asked to investigate complaints about most council matters including housing.
- 6.4.2 If an applicant is not satisfied with the action the council has taken, and has exhausted the council's own complaints procedure, they can send a written complaint to the ombudsman.
- 6.4.3 The Local Government Ombudsman can be contacted at:

Local Government Ombudsman  
The Oaks No 2  
Westwood Way  
Westwood Business Park  
Coventry CV4 8JB  
Tel: 024 7682 0000  
Website: [www.lgo.org.uk](http://www.lgo.org.uk)

If an applicant wishes to make a complaint against a housing association, they should contact:

The Housing Ombudsman Service  
Norman House  
105 -109 Strand  
London  
WC2R 0AA  
Tel: 08457 125 973  
Website: [www.ihos.org.uk](http://www.ihos.org.uk)

[-Tenants of housing associations, local authorities and ALMOs can ask for their complaints to be considered by a designated person when their landlord's internal complaints procedure is finished. Designated persons can help to resolve complaints locally.](#)

[A designated person can be an MP, a local Councillor, or a Tenant Panel.](#)

## Chapter 7

### 7.1 Letting of accommodation

- 7.1.1 Properties will be advertised through the sub regional CBL scheme. The advertising will be carried out on a regular basis and for specific periods of time, known as advertising cycles.

### 7.2 Labelling property advertisements

- 7.2.1 All adverts will include a description of the property and any other relevant information, for example rent charge, property size, length and type of tenancy, local facilities, disabled adaptations or if the property is sheltered housing. The property will be labelled to show who is able to express an interest in it (known as bidding), for example, where a local connection is required, or if there is an age restriction on the property.
- 7.2.2 Applicants should check the information contained in the property advert labelling to see if they qualify to be considered for the property.

### 7.3 Bedroom requirements

- 7.3.1 Bedroom requirements will generally be determined in line with the Local Housing Allowance (LHA) regulations (see s.5.5).
- 7.3.2 Landlords may choose to allow the under-occupation of certain properties including those that they advertise. The property advert will explain this on those properties the landlord is willing to under-occupy. Where a landlord is willing to allow under-occupation this will generally be by allowing an applicant to be considered for one bedroom more than their assessed Local Housing Allowance (LHA) entitlement (for example allowing applicants with an assessed two bedroom LHA need to be considered for a 3 bedroom property). All households bidding for these properties and meeting the labelling criteria will be considered in line with the shortlisting criteria contained in 7.4.1 below.
- 7.3.3 Where a landlord is willing to allow under-occupation an affordability assessment will be completed to ensure that the applicant being considered for the property is able to meet rent payments. If the applicant is assessed as being unable to afford the rent payments the landlord may bypass them on the shortlist.

### 7.4 Shortlisting

- 7.4.1 After the end of an advertising cycle a shortlist of applicants bidding for the property and meeting the labelling criteria will be produced. Applicants will be ranked in order of their priority band with band A above band B, band B above band C, and band C above band D. Where more than one applicant in the same priority band appears on the shortlist they will be ranked in date order as determined by their date in band (see 2.3). In circumstances where there is more than one applicant in the same band with the same date in band, the applicant with the earliest registration date will appear higher on the shortlist. If there is more than one applicant with the same band, date in band and registration date a senior officer will make an allocation decision based on the best use of the housing stock and needs of the applicants.
- 7.4.2 When a shortlist of applicants is completed the landlord of the available property will offer an accompanied viewing of the property to the highest priority applicants. This is



to ensure that if the applicant who tops the shortlist decides not to take the tenancy, the property can be quickly offered to the next person on the shortlist.

- 7.4.3 After viewing the property the applicant at the top of the shortlist will be given 24 hours to accept or refuse the offer. If an applicant is offered a tenancy (verbally or in writing) and does not reply to accept that offer within the deadline given, the landlord will take this as a refusal of the offer. If the offer is refused the next person on the short list will be offered the property. The landlord will work down the shortlist in order.
- 7.4.4 In exceptional circumstances a senior officer may make a decision to bypass an applicant on a shortlist e.g. if, in doing so, the offer could put a vulnerable person at risk of any harm. Any such decisions will be explained fully to the applicant in writing by the landlord making the decision.

## **7.5 Formal offer of the property**

- 7.5.1 Once the applicant has confirmed their acceptance of the tenancy the landlord of the property will write to confirm the formal offer of the tenancy. The CBL system will then not allow that applicant to be considered for any further properties and once the tenancy starts their housing register application will be cancelled.
- 7.5.2 Once the property is ready to let the landlord of the property will complete the tenancy sign up.

## **7.6 Withdrawal of offers**

- 7.6.1 In exceptional circumstances an offer of a property may be withdrawn, for example:
- a) Where there has been a change in the applicants' circumstances
  - b) Where the successful applicant has rent arrears or other housing related debts that had previously not come to light
  - c) Following verification the applicant is not eligible for the property
  - d) Where an error has been made in the advertising criteria
  - e) Where an offer of accommodation could put a vulnerable person at risk of any harm.

## **7.7 Refusing an offer of accommodation**

- 7.7.1 Usually, if an applicant refuses an offer of accommodation made through CBL, they will remain in their housing needs band. If an applicant [unreasonably](#) refuses three offers of a property made through CBL, a housing officer will contact the applicant to offer support and assistance and verify their circumstances. [An Officer may consider making the applicant a direct let or make them ineligible to bid for up to 12 months. Each case will be considered on the specific circumstances.](#)

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## **7.8 Allocations to staff, council members or their family members**

- 7.8.1 Members of staff, their close family and elected members who require housing with [St Edmundsbury Borough](#) Council may apply for housing in the same way as other applicants. Their status should be disclosed on the application form at the time of applying.
- 7.8.2 If an applicant who is a member of staff, elected member or a member of their direct family, makes a successful bid for a property the Head of Housing Services will be informed and must approve the letting prior to the formal offer being made.

## **7.9 Tenancy management outside the scope of the lettings policy**

7.9.1 The following tenancy management areas are not included as part of this lettings policy as they are not included within part 6 of the Housing Act 1996:

- a) Mutual exchanges
- b) Introductory tenancies converted to secure tenancies
- c) Where a secure tenancy of a property is assigned by way of succession to the same property
- d) Where a secure tenancy is assigned to someone who would be qualified to succeed to that tenancy if the secure tenant died immediately before the assignment
- e) Where court orders are made under one of the following:
  - i. Section 24 of the Matrimonial Causes Act 1973
  - ii. Section 17 (1) of the Matrimonial and Family Proceedings Act 1984
  - iii. Paragraph 1 of schedule 1 to the Children Act 1989

## Chapter 8

### 8.0 Confidentiality and access to information

#### 8.1 Applicants' Rights to Information

- 8.1.1 Applicants have the right to request such general information as will enable them to assess:
- a. How their application is likely to be treated under the Lettings Policy (including in particular whether they are likely to be regarded as a member of a group of people who are to be given preference by virtue of this Policy, (see Chapter 3)
  - b. Whether housing accommodation appropriate to their needs is likely to be made available to them.
- 8.1.2 Applicants have the right to request information held about their application which is likely to be, or has been, taken into account when considering whether to allocate them housing.

#### 8.2 Data protection

- 8.2.1 When an applicant applies to the Home-Link scheme the PO's will only ask for information that they need to assess their eligibility and housing needs. The PO's will collect and keep data in accordance with the council's guidelines on handling personal data.
- 8.2.2 These guidelines are in accordance with the Data Protection Act 1998 which covers both electronic and manual records and the Act governs everything we do with the personal data, including collecting, storing, using and disposing of it.
- 8.2.3 Confidential information held about applicants will not be disclosed to third parties apart from:
- a) Where the individual who is the subject of the confidential information has consented to the disclosure
  - b) Where the council or a PO is required by law to make such disclosures
  - c) Where disclosure is made in accordance with an information sharing protocol

#### 8.3 Requesting information

- 8.3.1 Applicants are able to request copies of the information held regarding their application. This information is held in line with Data Protection Act guidelines. Please note that we cannot provide you with personal information about other people if doing so will breach the Data Protection Act 1998.

## Appendix 1

### Cambridge Sub regional Choice Based Lettings

#### Partner Organisation List

##### Local Authority

##### LSVT Landlord

##### Cambridge City Council

PO Box 700  
Cambridge  
CB1 0JH  
Email: [CBL@cambridge.gov.uk](mailto:CBL@cambridge.gov.uk)  
Website: [www.cambridge.gov.uk](http://www.cambridge.gov.uk)

##### South Cambridgeshire District Council

South Cambridgeshire Hall  
Cambourne Business Park  
Cambourne  
Cambridge  
CB23 6EA  
Email: [cbl@scambs.gov.uk](mailto:cbl@scambs.gov.uk)  
Website: [www.scambs.gov.uk](http://www.scambs.gov.uk)

##### East Cambridgeshire District Council,

The Grange  
Nutholt Lane  
Ely  
Cambs.  
CB7 4PL  
Email: [customerservices@eastcambs.gov.uk](mailto:customerservices@eastcambs.gov.uk)  
Website: [www.eastcambs.gov.uk](http://www.eastcambs.gov.uk)

##### Sanctuary Housing

Avro House  
49 Lancaster Way Business Park  
Ely  
Cambs  
CB6 3NW  
Email: [contactus@sanctuary-housing.co.uk](mailto:contactus@sanctuary-housing.co.uk)  
Website: [www.sanctuary-housing.co.uk](http://www.sanctuary-housing.co.uk)

##### Huntingdonshire District Council

Pathfinder House  
St Mary's Street  
Huntingdon  
Cambridgeshire  
PE29 3TN  
Email: [housingservices@huntsdc.gov.uk](mailto:housingservices@huntsdc.gov.uk)  
Website: [www.huntsdc.gov.uk](http://www.huntsdc.gov.uk)

##### Luminus Group

Brook House  
Ouse Walk  
Huntingdon  
Cambridgeshire  
PE29 3QW  
Email: [homes@luminus.org.uk](mailto:homes@luminus.org.uk)  
Website: [www.luminus.org.uk](http://www.luminus.org.uk)

##### Fenland District Council

Fenland Hall  
County Road  
March  
Cambridgeshire  
PE15 8NQ  
Email: [info@fenland.gov.uk](mailto:info@fenland.gov.uk)  
Website: [www.fenland.gov.uk](http://www.fenland.gov.uk)

##### Roddons Housing Association

Beacon House  
23 Hostmoor Avenue  
March  
Cambridgeshire  
PE15 0AX  
Email: [roddensenquiries@circle.org.uk](mailto:roddensenquiries@circle.org.uk)  
Website: [www.circle.org.uk/roddons/](http://www.circle.org.uk/roddons/)

## Local Authority

### Forest Heath District Council

College Heath Road  
Mildenhall  
Suffolk  
IP28 7EY

Email: [cbl@forest-heath.gov.uk](mailto:cbl@forest-heath.gov.uk)

Website: [www.forest-heath.gov.uk](http://www.forest-heath.gov.uk)

### St Edmundsbury Borough Council

West Suffolk House  
Western Way  
Bury St Edmunds  
Suffolk  
IP33 3YU

Email: [home-link@stedsbcb.gov.uk](mailto:home-link@stedsbcb.gov.uk)

Website: [www.stedmundsbury.gov.uk](http://www.stedmundsbury.gov.uk)

## LSVT Landlord

### Flagship ~~Homes~~Housing Group

Keswick Hall  
Keswick  
Norwich  
Norfolk  
NR4 6TJ

Email: [info@flagship-housing.co.uk](mailto:info@flagship-housing.co.uk)

Website: [www.flagship-housing.co.uk](http://www.flagship-housing.co.uk)

### Havebury Housing Partnership

Havebury House  
Western Way  
Bury St. Edmunds  
Suffolk  
IP33 3SP

Email: [office@havebury.com](mailto:office@havebury.com)

Website: [www.havebury.com](http://www.havebury.com)

## Appendix 2

### GLOSSARY OF TERMS

**Adapted properties** – Means a property that has been adapted for an applicant with disabilities.

**Advertising cycle** – Means how often properties are advertised and available to make a bid on.

**Advertised** - Properties that are advertised and are available for applicants to bid for under CBL.

**Age restrictions** - Where a property is labelled, as only being available to applicants of a certain age.

**Application number** - A unique housing number generated by the computer system.

**Bedroom eligibility** - How many bedrooms a household is assessed as needing.

**Bid** – The process used by applicants in registering an interest in an available property.

**Choice Based Lettings (CBL)** - A method of allocating social and affordable homes which have become available for letting by openly advertising them, and allowing applicants to bid for these.

**Customer/Applicant** - Is either a tenant of a Partner Organisation (PO) (including those in temporary accommodation) or a housing applicant on the Home-Link sub-regional housing register.

**Date of registration** - The date an application form is registered with a PO

**Date in band** - The date an application is placed in a housing needs band and used as the applicable date when short-listing.

**Decision making organisation** - The organisation that made a particular decision with regard to a housing or homeless application.

**Direct let** - A property that is offered directly to an applicant, without them having to bid.

**Domestic violence** - Is threatening behaviour, violence or abuse (physical, psychological, sexual, financial or emotional) by a former partner or associated person.

**Housing Associations** - Also known as Registered Social Landlords (RSL's) and Registered Providers (RP's). These are landlords who also provide social and affordable rented homes for which applicants/ customers can bid for through the Home-Link CBL scheme.

**Housing options** - Looking at the number of ways in which an applicant or customer might be assisted and supported to find a solution to their housing needs. Housing options may include private rented accommodation, mutual exchange, or even a home-buy product.

**Housing needs register** - A list of those requesting and qualifying for housing.

**Housing Related Debts** - Are defined as current rent arrears, former tenant arrears, outstanding re-chargeable repairs, current and former housing related service charge

arrears and court costs. They do not include Council Tax debts or Housing Benefit overpayments.

**Joint Application** - Where one or more applicant applies to join the housing register on one application form.

**Labelling properties** - Describing who is eligible to bid for a property

**Local Connection** - The connection an applicant has to a specific area within the sub region

**Local elected members** - Each local authority is governed by a group of elected members also known as councillors.

**LSVT Landlord** - Large Scale Voluntary Transfer, where a Local authority has sold its housing stock to a Registered Social Landlord

**Mutual exchange** - A scheme which allows two tenants to swap their homes.

**Partner organisations (PO's)** - All the organisations that are partners to the Home-Link CBL scheme these may be local authority or RSL organizations.

**Recoverable housing related debt – current rent arrears, former rent arrears or other housing-related charges or debts that can be legally recovered & are not statute barred (i.e. where no correspondence about the debt has occurred in the last 6 years)**

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**Social housing – properties that are owned by councils or registered providers that are let at social or affordable rents**

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**The Cambridge Sub Region** - The area covered by the seven Local Authorities that make up the Home-Link scheme..

**Transferring tenant** - An applicant who is currently a tenant of a local authority or housing association and who wishes to move.

**Unacceptable behaviour** - includes (but is not limited to) domestic or other violence, harassment, anti-social behaviour, breaches of tenancy conditions relating to property maintenance or tenancy related debt

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**Unreasonable refusal** – Where an applicant refuses a property when the information was clearly available on the advert, for example because they want a different area but the address & postcode were advertised, or that they do not wish to live in an upper floor flat when this was what was advertised

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**Home-Link Lettings Policy consultation August/September 2015**

Members of the public and Home-Link applicants were consulted on the key Lettings Policy changes via a questionnaire at the Annex listed below. The consultation was advertised on the Home-Link website and all Home-Link applicants were sent an email encouraging them to respond to the consultation. Table 1 below provides a summary of the responses received.

**Table 1: Summary of responses from members of the general public and housing applicants**

Proposed change	Number of respondents	Number in favour	Number against	Most prevalent comments from those not in favour	Actions/further amendments
Discounting those subject to immigration control as household members	57	53*	4	<ul style="list-style-type: none"> <li>• It will cause overcrowding and is unfair</li> <li>• Cases should be treated individually rather than having a blanket rule</li> <li>• A blunt instrument to deal with potential exploitation of the rules</li> <li>• It will lead to unintended consequences</li> </ul>	
Amendment to clause for those deemed to have worsened their housing circumstances to gain an advantage on the housing register	56	48*	8	<ul style="list-style-type: none"> <li>• People may be forced to move to smaller properties for financial reasons</li> <li>• People should not be penalised for well-intended mistakes</li> <li>• People with medical issues may move for good reason even if it technically 'worsens their circumstances'</li> <li>• People may move to a less suitable property to avoid homelessness</li> <li>• Worsening circumstances is a subjective assessment</li> <li>• Does not allow for sufficient discretion</li> </ul>	
Proposed sanction for band A applicants who refuse more than 3	57	50	7	<ul style="list-style-type: none"> <li>• Sometimes adverts are not clear enough</li> </ul>	

Proposed change	Number of respondents	Number in favour	Number against	Most prevalent comments from those not in favour	Actions/further amendments
offers of accommodation				<ul style="list-style-type: none"> <li>• It's a choice based system and people should not be forced to accept offers that are not right</li> <li>• Unfair and unreasonable</li> <li>• Proposed change is too vague on when this should apply</li> </ul>	
Offer 'emergency housing status' to terminally ill applicants who are already in band A	57	53	4	<ul style="list-style-type: none"> <li>• No reason to award additional priority as housing requirement is temporary</li> </ul>	

\*One respondent qualified the 'yes' vote by saying that this change should only apply to new applicants

Home-Link Registered Providers (RPs) and partner local authorities that sit on Home-Link Operations Group and Home-Link Management Board (HLMB) have been formally consulted throughout the process. Partners represented on these groups include the following:

- St Edmundsbury Borough Council
- Forest Heath District Council
- East Cambridgeshire District Council
- Fenland District Council
- South Cambridgeshire District Council
- Huntingdonshire District Council
- Cambridge City Council
- CHS Group
- Sanctuary
- Circle Anglia
- Havebury
- Luminus
- Axiom
- Jephson
- Aldwyck
- Cotman
- Cross Keys

- Flagship
- Guinness
- Hanover
- Hastoe
- Hyde
- Longhurst
- Orwell
- Paradigm
- Riverside English Churches Housing Group
- Stonewater (formerly Raglan)
- Accent Nene
- Bedfordshire Pilgrims Housing Association
- Broadland
- Circle Housing Wherry
- Home Group
- Hundred Houses
- King Street
- Metropolitan
- Muir
- Orbit
- Papworth Trust
- Suffolk Housing

Home-Link RPs and partner local authorities were also consulted on the key proposed changes via the questionnaire listed below. There were 10 respondents to the questionnaire from this group. These were Havebury, Luminus, Circle Housing Wherry, Hundred Houses, Riverside ECHG, Flagship Homes, Kings Street Housing Society, Wintercomfort, Cambridge Women's Aid and Suffolk Housing and a summary of the responses is listed within table 2 below:

**Table 2: Summary of responses from Home-Link partners**

Proposed change	Number of respondents	Number in favour	Number against	Most prevalent comments from those not in favour	Actions/further amendments
Discounting those subject to immigration control as household members	10	10			
Amendment to clause for those deemed to have worsened their housing circumstances to gain an advantage on the housing register	10	8	2	<ul style="list-style-type: none"> <li>• There should be special exemptions for medical cases where appropriate</li> <li>• Should be able to demonstrate an intent to worsen circumstances before penalising</li> </ul>	
Proposed sanction for band A applicants who refuse more than 3 offers of accommodation	10	9	1	<ul style="list-style-type: none"> <li>• Applicants should be downgraded to a lower band rather than suspended</li> </ul>	
Offer 'emergency housing status' to terminally ill applicants who are already in band A	10	9	1	<ul style="list-style-type: none"> <li>• Priority date should be backdated rather than emergency housing status awarded</li> </ul>	

**Annex – consultation questionnaire**

1. It is proposed that people who are applying to join the register cannot include those who are subject to immigration control as members of their household. We are doing this because allowing housing applicants to add these individuals may favourably affect the priority we would give them and the number of bedrooms they would be entitled to and, it is felt that this is fair and reasonable given that housing is in short supply in the district.

Do you agree with this change?

Yes

No

If not, please state why below:

2. There is provision in the policy to ensure that housing applicants who have made their own circumstances worse should not get additional priority as a result. We have changed the policy slightly to ensure that applicants do not need to have known the policy before taking the action that they have to ‘worsen their circumstances’.

Examples where applicants may be considered to have ‘worsened their circumstances’ are:

- *Deliberately overcrowding your own home*
- *moving to a smaller property which is inadequate for your family size*
- *selling a property and spending the proceeds without securing alternative housing*
- *moving to a property clearly unsuitable for the medical needs of an applicant or household member.*

Do you agree that applicants should not benefit under the lettings policy regardless of whether they knew the way the Council prioritises applications on the register?

Yes

No

If not, please state why below:

3. The Council has proposed that housing applicants in the highest priority group (band A) on the register have their applications suspended if they refuse 3 offers of accommodation. This change is recommended because band A is considered to be an 'urgent' housing status and regular refusal of accommodation offers may call this into question. This provision would be at the discretion of the Council and not automatic.

Do you agree that applications in band A who reject more than 3 offers of accommodation should have their applications suspended for 6 months in certain circumstances?

Yes

No

If not, please state why below:

4. There is a proposal within the revised lettings policy to prioritise people who are in band A and are terminally ill above all others in band A and give them an 'emergency status'. This is because the date a banding priority is awarded determines which bid for accommodation finishes highest. People who are terminally ill do not have the luxury of time to wait for their priority date to become a significant factor in the bidding process.

Do you agree that people who are terminally ill and are already in the highest band should be given this extra level of priority over others also in urgent housing need?

Yes

No

If not, please state why below:



## Home-Link Equality Impact Assessment

This Equality Impact Assessment has been written on behalf of the Home-Link LA partners to assess the impact of the change to the lettings policy linked to the Home-Link service on people that live in, work in or visit their areas, as well as their staff.

The Home-Link LA partners are:

Cambridge City Council  
 East Cambridgeshire District Council  
 Fenland District Council  
 Forest Heath District Council  
 Huntingdonshire District Council  
 South Cambridgeshire District Council  
 St. Edmundsbury Borough Council

The partners have an Equality and Diversity statement for the whole scheme, and this document is in addition to that.

### 1. Title of strategy, policy, plan, project, contract or major change to your service:

Lettings Policy amendments

### 2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

Lettings Policy  
 To determine how housing is allocated to those applying for it across the 7 LA areas who are partners in the Home-Link sub-regional CBL scheme.

### 3. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- Residents
- Visitors
- Staff

A specific client group or groups (please state):

#### 4. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- New
- Revised
- Existing

#### 5. Are other partners involved in delivering this strategy, policy, plan, project, contract or major change to your service?

- No
- Yes (please give details):

All 7 local authority partners & 32 registered providers who form the Home-Link partnership

#### 6. Potential impact

Please list and explain how this strategy, policy, plan, project, contract or major change to your service could **positively** or **negatively** affect individuals from the following equalities groups.

**(a) Age** (any group of people of a particular age, including younger and older people – in particular, please consider any safeguarding issues for children and vulnerable adults)

- 1) **POSITIVE:** Older people may benefit disproportionately from the proposal to offer emergency housing status to those who are terminally ill and in band A. This assumes, without any evidence, that older people are more likely to have a terminal illness diagnosed than people below the age of 60

**(b) Disability** (including people with a physical impairment, sensory impairment, learning disability, mental health problem or other condition which has an impact on their daily life)

- 2) **NEGATIVE:** People with disabilities may be affected by new proposals around suspending applications in band A if they have received 3 reasonable offers of accommodation. As at December 2015 applicants categorised as having an urgent medical need number 64 across the Home-Link scheme. This represents 0.64% of all live applications on the combined housing registers.
- 3) **POSITIVE:** Terminal illness may disproportionately affect people who have a disability and these applicants will benefit from the new 'emergency status' provision for people who are terminally ill and already hold a band A status.



**(c) Gender**

- 4) POSITIVE: The policy makes an explicit requirement that officers consider those fleeing domestic violence or abuse in determining whether a local connection should be awarded on a discretionary basis. This is a positive development for women who find themselves in this situation in larger numbers than men.

**(d) Pregnancy and maternity**

No obvious positive or negative impact regarding pregnant applicants

**(e) Transgender (including gender re-assignment)**

No obvious positive or negative impact regarding transgender applicants

**(f) Marriage and Civil Partnership**

No obvious positive or negative impact regarding applicants who are married or are in a Civil Partnership

**(g) Race or Ethnicity**

- 5) NEGATIVE: The proposals to not allow those 'subject to immigration control' as part of an applicant's household, even if they are part of the family, will, by definition, adversely affect racial and ethnic groups that feature prominently in the immigration figures for the UK. In the Home-Link area this will predominantly be Eastern European migrants. 13.5% of the combined registers as at December 2015 are categorised as white other. Reliable data on the ethnic breakdown of those applying for housing and deemed to be 'ineligible for assistance' or 'subject to immigration control' is not available but, anecdotally, Eastern European migrants are disproportionately affected. The justification for the policy change is to bring the approach in line with homelessness legislation, which rules out consideration for ineligible applicants or household members for housing. It is also a necessary measure given the low supply, relative to demand, of social housing in the Home-Link area.

**(h) Religion or Belief**

No obvious positive or negative impact regarding applicants on the basis of religion or belief

**(i) Sexual Orientation**

No obvious positive or negative impact regarding applicants on the basis of sexual orientation

**(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty (please state):**

- Families and those with parenting or caring responsibilities – no obvious impacts.
- Individuals on low income – no obvious impacts.
- Those suffering rural isolation – no obvious impacts.
- Those who do not have English as a first language – no obvious impacts.

**7. If you have any additional comments please add them here**

N/A

**8. Conclusions and Next Steps**

Two possible negative impacts on the basis of disability & ethnicity have been identified. Actions to mitigate these issues are listed in the Action Plan below

**9. Sign off**

Name and job title of assessment lead officer: Marianne Upton – Sub-regional Home-Link Manager

Date of completion: December 2015

Date of next review of the assessment: A review would only be needed should any more changes to the lettings policy become necessary

## Action Plan

**Equality Impact Assessment title:** Lettings Policy 2015-16

**Date of completion:** December 2015

Equality Group	Age
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

Equality Group	Disability
Details of possible disadvantage or negative impact	People with disabilities may be affected by new proposals around suspending applications in band A if they have received 3 reasonable offers of accommodation
Action to be taken to address the disadvantage or negative impact	Partners will have a clear procedure around suspending band A applicants who have refused 3 reasonable offers. It will provide a clear definition of 'reasonable' and ensure that officers making these decisions have carefully considered if a person with a disability has: <ul style="list-style-type: none"> <li>a) received adequate support in understanding what they are bidding for, or</li> <li>b) is not a person with a mental health impairment who does not have a clear understanding of the implications of the refusals, and</li> <li>c) if relevant, also take account of relevant occupational therapist reports and opinions before arriving at a decision to suspend.</li> </ul> Generally, if a refusal is based on correct information that was clearly available on the property advert, it will be considered 'unreasonable'
Officer responsible for progressing the action	Managers at LAs (& where relevant register holding organisations)
Date action to be completed by	31 <sup>st</sup> March 2016

<b>Equality Group</b>	<b>Gender</b>
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

<b>Equality Group</b>	<b>Pregnancy and Maternity</b>
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

<b>Equality Group</b>	<b>Transgender</b>
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

Equality Group	Marriage and Civil Partnership
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

Equality Group	Race or Ethnicity
Details of possible disadvantage or negative impact	The proposals to not allow those 'subject to immigration control' as part of an applicant's household, even if they are part of the family, will, by definition, adversely affect racial and ethnic groups that feature prominently in the immigration figures for the UK
Action to be taken to address the disadvantage or negative impact	The justification for this policy approach is outlined above. Reviews of decisions on bedroom entitlement resulting from a decision to exclude household members should be dealt with by the appropriate person (or panel) as outlined in the policy. Where the applicant wants to request a review of the decision that one of his/her household members is ineligible the route of appeal is via statutory review as cited in 6.2.1 (a and c) Additionally, a short procedure should be written outlining these two routes for review and linking it to the relevant part of the policy (3.1.3)
Officer responsible for progressing the action	Managers at LAs (& where relevant register holding organisations)
Date action to be completed by	31 <sup>st</sup> March 2016

Equality Group	Religion or Belief
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

<b>Equality Group</b>	<b>Sexual Orientation</b>
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

<b>Other factors that may lead to inequality</b>	
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	N/A
Officer responsible for progressing the action	N/A
Date action to be completed by	N/A

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Recommendations of the Sustainable Development Working Party: 27 January 2016</b>	
<b>Report No:</b>	<b>CAB/SE/16/009</b>	
<b>Report to and dates:</b>	<b>Cabinet</b>	9 February 2016
	<b>Council</b>	23 February 2016
<b>Portfolio holder:</b>	Alaric Pugh Portfolio Holder for Planning and Growth <b>Tel:</b> 07930 460899 <b>Email:</b> <a href="mailto:alaric.pugh@stedsbc.gov.uk">alaric.pugh@stedsbc.gov.uk</a>	
<b>Chairman of the Working Party:</b>	Alaric Pugh Sustainable Development Working Party <b>Tel:</b> 07930 460899 <b>Email:</b> <a href="mailto:alaric.pugh@stedsbc.gov.uk">alaric.pugh@stedsbc.gov.uk</a>	
<b>Lead officer:</b>	Steven Wood Head of Planning and Growth <b>Tel:</b> 01284 757306 <b>Email:</b> <a href="mailto:steven.wood@westsuffolk.gov.uk">steven.wood@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	On 27 January 2016 the Sustainable Development Working Party considered the following substantive items of business:  (1) Park Farm, Ingham – Adoption of Concept Statement; and  (2) Tayfen Road Development Area, Bury St Edmunds - Masterplan	

<b>Recommendations:</b>	<p>It is <b>RECOMMENDED</b> that, subject to the approval of full Council:</p> <p>(1) <b><u>Park Farm, Ingham –Concept Statement</u></b></p> <p>The Concept Statement for Park Farm, Ingham, as contained in Appendix A to Report No: SDW/SE/16/001, be adopted as informal planning guidance; and</p> <p>(2) <b><u>Tayfen Road Development Area, Bury St Edmunds – Masterplan</u></b></p> <p>The Masterplan for the Tayfen Road Development Area, Bury St Edmunds, as contained in Appendix A, as amended by the changes included in Appendix D, to Report No: SDW/SE/16/002, be adopted as non-statutory planning guidance.</p>
<p><b>Key Decision:</b></p> <p><i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>As they are full Council decisions.</p>
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>• See Reports: SDW/SE/16/001 and 002</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>• See Reports: SDW/SE/16/001 and 002</li> </ul>
<b>Implications:</b>	
<p>Are there any <b>financial</b> implications? If yes, please give details</p>	<p>See Reports: SDW/SE/16/001 and 002</p>
<p>Are there any <b>staffing</b> implications? If yes, please give details</p>	<p>See Reports: SDW/SE/16 /001 and 002</p>
<p>Are there any <b>ICT</b> implications? If yes, please give details</p>	<p>See Reports: SDW/SE/16/001 and 002</p>
<p>Are there any <b>legal and/or policy</b> implications? If yes, please give details</p>	<p>See Reports: SDW/SE/16/001 and 002</p>
<p>Are there any <b>equality</b> implications? If yes, please give details</p>	<p>See Reports: SDW/SE/16/001 and 002</p>



<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Reports: SDW/SE/16/001 and 002			
<b>Ward(s) affected:</b>		(1) Fornham, Pakenham and Risby (2) Risbygate	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		Sustainable Development Working Party: 27 January 2016 Reports: <a href="#">SDW/SE/16/001</a> <a href="#">SDW/SE/16/002</a>	
<b>Documents attached:</b>		None	

## **1. Key Issues and reasons for recommendations**

### **1.1 Park Farm Ingham – Concept Statement (Report No: SDW/SE/16/001)**

- 1.1.1 Policy RV6 of the Rural Vision 2031 Local Plan allocates 86 hectares of land at Park Farm, Ingham for leisure, recreation, and tourism development. The site was a sand and gravel quarry and is being restored as arable farm land, species rich grassland and a series of open water lakes. The policy requires the prior preparation and adoption of a Masterplan for the site before applications for planning permission will be determined. The Masterplan is to be based on a Concept Statement approved by the Council. A draft Concept Statement was prepared and subsequently approved for public consultation by the Sustainable Development Working Party on 8 October 2015. The formal consultation process took place from 19 October 2015 to 16 November 2015. The Concept Statement has been amended to take account of comments and suggestions received. Details of these are contained as [Appendix B](#) of Report No: SDW/SE/16/001.
- 1.1.2 The Draft Concept Statement incorporating post-public consultation amendments is attached as [Appendix A](#) to Report No: SDW/SE/16/001.
- 1.1.3 In response to comments made by Councillor Jim Thorndyke, officers undertook to provide minor amendments under existing delegated authority to the text of the Masterplan:
- (a) in the Design Principles Section where the paragraph relating to Phase 2 has some wording that does not quite make sense where it says ‘planting to reach mature further before’; and
  - (b) to change the reference to the Brecks Partnership to Breaking New Ground as this organisation is now known as.
- 1.1.4 The Working Party drew attention to traffic generation issues which would arise once the site was in use as a recreation/tourism facility and which could affect routes from Bury St Edmunds and through nearby villages. Reference was made also to the potential road safety hazards at the proposed access/egress onto the A134 and at points along this road where pedestrians would cross to walk footpaths within the site and the wider parish networks. Officers advised that these matters were outside the remit of the Concept Statement but would be addressed at the later Masterplan and planning application stages. There had been early discussion with officers of the highway authority regarding signage along the preferred routes to the site and other traffic management measures. Nonetheless, the Working Party was of the view that these considerations should be flagged up at an early stage in view of the local concerns expressed.

### **1.2 Tayfen Road Development Area, Bury St. Edmunds – Masterplan (Report No: SDW/SE/16/002)**

- 1.2.1 Policy BV9 of the Vision 2031 Development Plan document allocates land at Tayfen Road, Bury St Edmunds as a mixed development site which seeks to

deliver retail warehousing, food store (around 1,500 sq. metres), leisure uses, residential around 100 units indicative), strategic landscaping and public realm improvements.

- 1.2.2 The allocation was carried forward from Policy BSE9 of the Replacement Local Plan. The policy states that the amount of land available for development, location of uses, access arrangements, mix and design and landscaping will be informed by the Masterplan for the site (noting that the site benefits from a Masterplan adopted in March 2009). A draft replacement Masterplan has been prepared by consultants acting on behalf of one of the landowners. The current Masterplan incorporates the former sports ground of the Railway Club which is currently incapable of use because of its poor condition and is not open for general public use.
- 1.2.3 Consultation was carried out over a 4 week period in October 2015. There were no objections to the principle of re-development of the area. A copy of the Statement of Community Involvement is attached as [Appendix B](#) to Report No. SDW/SE/16/002. This concluded that there was general support for the Masterplan with limited issues being raised. The document has been amended in the light of comments received and these are summarised at [Appendix C](#). A copy of the Masterplan incorporating post-consultation amendments is included as [Appendix A](#). Officers are recommending that the reference in the document to the sports ground being developed 'absolute' for housing be removed as the area is protected by extant planning policy (protection of public open space) and given that the draft Masterplan is not the appropriate vehicle for considering and securing a departure from policy. This amendment to the Masterplan, together with a small number of further minor inconsequential changes recommended by officers, are set out in [Appendix D](#). The promoters of the Masterplan have confirmed that they are willing to make these changes. A request has been made for the Council to adopt the Masterplan as planning guidance.
- 1.2.4 The draft Masterplan is intended as a replacement for the existing Masterplan dating from 2009 which has not been delivered. Given recent major changes in the 'off line' retail market place it is no longer considered that the 2009 Masterplan is deliverable over the Development Plan period (to 2031).
- 1.2.5 The Masterplan under consideration is not entirely consistent with the adopted Concept Statement and seeks to amend the configuration of commercial (non- residential) uses of the site that were envisaged in the previous Concept Statement adopted in 2007. The amendments proposed are a consequence of changed conditions in the retail market. The current Masterplan also proposes residential development on part of the existing allocated 'public open space' to the north of the site.
- 1.2.6 The report advised that if Members resolved to adopt this second draft Masterplan as informal planning guidance, that decision would not preclude future alternative development options from being considered. Such options could emerge in the form of a further amended or further replacement Masterplan or a departure from the adopted Masterplan proposed as part of a planning application (which would fall to be considered on its merits).

- 1.2.7 Whilst the Masterplan under consideration retained the concept of mixed uses for the site, Officers outlined its principal differences with the original Masterplan:
- (i) there was less commercial development proposed, previously the split between residential and commercial had been in the region of 60/40 but was now approximately two thirds residential and one third commercial;
  - (ii) commercial development was located deeper into the site;
  - (iii) the increased residential development along the frontage included a care home; and
  - (iv) residential development was proposed on part of the area of the existing protected open space (the former pitches of the Railway Club).
- 1.2.8 Officers advised in relation to (iv) above that, subsequent to the publication of the report the developers had written to advise that they were in agreement with the recommendation that this proposal should be deleted from the Masterplan although they wished the area to be identified as being for 'potential future housing' and the matter would appropriately be re-visited as part of the subsequent planning application(s).
- 1.2.9 Members raised concerns in relation to the Masterplan which officers responded to as follows :
- (a) **Increased traffic generation** – a statement by the developers that they did not expect more traffic related to an estimate solely based on existing vehicular movements created by the several current uses of the Masterplan area and not general traffic flows along Tayfen Road. A planning application would need to be accompanied by a Transport Assessment which would assess the traffic impacts of the application(s) and make proposals to mitigate these. Members acknowledged that Suffolk County Council's Bury St. Edmunds Transport Strategy 2011 - 2031 had identified that there needed to be improvements to junctions along Tayfen Road but were of the view that there were wider considerations of the need for highway improvements in connection with the re-development of this area of the town and the town centre generally.
  - (b) **Affordable housing** – officers gave an assurance that the starting point for the amount of affordable housing to be sought was 30% in line with the Council's adopted policy. It was acknowledged that the planning application currently being processed in respect of the Masterplan area only contained 10% of affordable housing units but this was a matter which was still the subject of assessment and negotiation and an issue that a lesser percentage was only viable was yet to be agreed, even at officer level. Members re-affirmed the view that that the amount of affordable housing to be provided as an integral part of the overall development should accord with policy expectations.

- (c) **Type of commercial development** – disappointment was expressed that the proposed provision for the lower end of the commercial market was being envisaged. Officers advised that the site was too small to attract a large flagship retailer who in turn would attract smaller, high end of the market outlets alongside it.
- (d) **Pedestrian/cyclist links** – officers gave an assurance that there would be ample opportunities to create such links within the site and with the Station Hill re-development area and ultimately to the railway station.

1.2.10 In conclusion the Working Party asked that the importance it placed on Section 3 of the Masterplan, i.e. 'the Planning Process' which listed and summarised the relevant planning policies relating to the development of the Masterplan area be stressed by the inclusion of an appropriate minute to that effect.

*Note: In the case of public consultation on both of the items above, Officers were satisfied that this had been carried out in accordance with the Vision 2031 Document, the Core Strategy Development Plan and the Council's Protocol for Preparing Development Briefs and Masterplans.*

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*St Edmundsbury*  
BOROUGH COUNCIL

# St Edmundsbury Borough Council

**CAB/SE/16/010**

## Decisions Plan

### **Key Decisions and other executive decisions to be considered**

**Date: 1 February 2016 to 31 May 2016**

**Publication Date: 7 January 2016**

The following plan shows both the key decisions and other decisions/matters taken in private, that the Cabinet, Joint Committees or Officers under delegated authority, are intending to take up to 31 May 2016. This table is updated on a monthly rolling basis and provides at least 28 clear days' notice of the consideration of any key decisions and of the taking of any items in private.

Executive decisions are taken at public meetings of the Cabinet and by other bodies provided with executive decision-making powers. Some decisions and items may be taken in private during the parts of the meeting at which the public may be excluded, when it is likely that confidential or exempt information may be disclosed. This is indicated on the relevant meeting agenda and in the '*Reason for taking the item in private*' column relevant to each item detailed on the plan.

Members of the public may wish to:

- make enquiries in respect of any of the intended decisions listed below;
- receive copies of any of the documents in the public domain listed below;
- receive copies of any other documents in the public domain relevant to those matters listed below which may be submitted to the decision taker; or
- make representations in relation to why meetings to consider the listed items intended for consideration in private should be open to the public.

In all instances, contact should be made with the named Officer in the first instance, either on the telephone number listed against their name, or via email using the format [firstname.surname@westsuffolk.gov.uk](mailto:firstname.surname@westsuffolk.gov.uk) or via St Edmundsbury Borough Council, West Suffolk House, Western Way, Bury St Edmunds, Suffolk, IP33 3YU.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
Page 186	<p><b>Review of Pedestrianisation of Abbeygate Street, Bury St Edmunds</b> This item has presently been removed from the Decisions Plan until notification is received from Suffolk County Council that any such consultation is anticipated to take place.</p>				Peter Stevens Operations 01787 280284	Mark Walsh Head of Operations 01284 757300		
Page 186	<p><b>Definitions and provisions made for political parties and pressure groups in revised Market Licence Regulations</b> This item has been removed from the Decisions Plan.  Following a period of consultation, revised Market Licence Regulations were approved by Cabinet on 2 September 2014 (<a href="#">Report F96</a> refers). Having been in-force for just over a</p>				Peter Stevens Operations 01787 280284	Mark Walsh Head of Operations 01284 757300		



Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
Page 187	year a review of these regulations is being undertaken to see if any minor amendments are necessary to improve the working and development of our markets. Any significant changes to the regulations will be returned to Cabinet for approval after the review is concluded.							
09/02/16 (Deferred from 8 Sept 2015)	<b>ITEM TO BE REMOVED - NO DECISION NOW REQUIRED BY CABINET</b> <b>West Suffolk Joint Sports Facility and Playing Pitch Strategy</b> The Cabinet will be asked to adopt a West Suffolk Joint Sports Facility and Playing Pitch Strategy, which has been produced with Forest Heath District Council.	Not applicable	(D)	Cabinet	Joanna Rayner Leisure and Culture 07872 456836	Mark Walsh Head of Operations 01284 757300  Damien Parker Leisure and Cultural Services Operational Manager 01284 757090	All Wards	Report to Cabinet
09/02/16 (Deferred	<b>Tayfen Road, Bury St Edmunds: Masterplan</b> The Cabinet will be asked	Not applicable	(R) – Council 09/02/16	Cabinet/ Council	Alaric Pugh Planning and Growth	Steven Wood Head of Planning and Growth	Risbygate	Recommendations of the Sustainable

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
from 8 Dec 2015)  Page 188	to consider the recommendations of the Sustainable Development Working Party in respect of recommending to full Council the adoption of an updated and amended Masterplan document for the Tayfen Road site, which is allocated for development by the Bury St Edmunds Vision 2031 Area Action Plan.				07930 460899	01284 757306		Development Working Party to Cabinet and Council.
09/02/16	<b>Concept Statement: Park Farm, Ingham</b> The Cabinet will be asked to consider the recommendations of the Sustainable Development Working Party in respect of seeking approval for the Concept Statement for Park Farm, Ingham which has been subject to consultation.	Not applicable	(R) – Council 23/02/16	Cabinet/ Council	Alaric Pugh Planning and Growth 07930 460899	Steven Wood Head of Planning and Growth 01284 757306	Fornham, Pakenham, Risby	Recommendations of Sustainable Development Working Party to Cabinet and Council.
09/02/16	<b>Revenues Collection Performance and Write-</b>	Paragraphs 1 and 2	(KD)	Cabinet	Ian Houlder Resources and	Rachael Mann Head of	All Wards	Report to Cabinet with

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
	<b>Offs</b> The Cabinet will be asked to consider writing off outstanding debts detailed in the exempt appendices.				Performance 01284 810074	Resources and Performance 01638 719245  Joanne Howlett Acting Head of Resources and Performance 01284 757264		exempt appendices.
09/02/16	<b>Budget and Council Tax: 2016/2017</b> The Cabinet will be asked to consider the proposals for the 2015/2016 budget and Medium Term Financial Strategy, prior to its approval by full Council. This report includes the Minimum Revenues Provision (MRP) Policy and Prudential Indicators.	Not applicable	(R) – Council 23/02/16	Cabinet/ Council	Ian Houlder Resources and Performance 01284 810074	Rachael Mann Head of Resources and Performance 01638 719245  Joanne Howlett Acting Head of Resources and Performance 01284 757264	All Wards	Reports to Cabinet and Council.
09/02/16	<b>Annual Treasury Management and Investment Strategy 2016/2017 and Treasury Management Code of Practice</b>	Not applicable	(R) – Council 23/02/16	Cabinet/ Council	Ian Houlder Resources and Performance 01284 810074	Rachael Mann Head of Resources and Performance 01638 719245	All Wards	Report to Cabinet with recommendations to Council.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
Page 90	The Cabinet will be asked to recommend to full Council the approval of the Treasury Management and Investment Strategy 2016/2017, which must be undertaken before the start of each financial year.					Joanne Howlett Acting Head of Resources and Performance 01284 757264		
09/02/16	<b>Home-Link Lettings Policy</b> The Cabinet will be asked to recommend to Council, revisions to the Policy which was adopted in 2013 by both Forest Heath District Council and St Edmundsbury Borough Council.	Not applicable	(D)	Cabinet	Sara Mildmay-White Housing 01359 270580	Simon Phelan Head of Housing 01638 719440  Tony Hobby Service Manager (Housing Options) 01638 719348	All Wards	Report to Cabinet, with recommendations to Council
09/02/16	<b>Enterprise Zones: Update</b> The Cabinet will be asked to consider making recommendations to Council regarding the financial implications connected with	Paragraph 3	(R) – Council 23/02/16	Cabinet/ Council	Alaric Pugh Planning and Growth 07930 460899	Steven Wood Head of Planning and Growth 01284 757306  Andrea Mayley, Service Manager (Development	All Wards	Report to Cabinet with the possibility of an exempt appendix, and with recommendations to

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
	progressing with the locations recently allocated with Enterprise Zone status.					and Growth) 01284 757343		Council
09/02/16  Page 191	<b>Provision of Additional Artificial Pitch Capacity in Haverhill</b> To meet current and future needs, Cabinet and Council may be asked to consider a means to enable the early provision of additional pitch capacity in Haverhill, working with partners and developers to ensure best value to the taxpayer.	Not applicable	(R) – Council 23/02/16	Cabinet/ Council	Joanna Rayner Leisure and Culture 07872 456836	Mark Walsh Head of Operations 01284 757300  Damien Parker Leisure and Cultural Services Operational Manager 01284 757090	All Wards	Report to Cabinet with recommendations to Council.
09/02/16	<b>ITEM TO BE DEFERRED TO 29 MARCH 2016</b> <b>Western Way, Bury St Edmunds Development Phase 2: Business Case</b> The Cabinet will be asked to consider making recommendations to Council on a proposed business case to develop,	Not applicable	(R) – Council 23/02/16	Cabinet/ Council	John Griffiths Leader of the Council 07958 700434	Steven Wood Head of Planning and Growth 01284 757306	All Wards	Report to Cabinet with recommendations to Council.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
	with partners, the Western Way Development Phase Two site, which will include an extended Public Service Village.							
29/03/16 (Deferred from 23 June 2015)	<b>Leisure Development Proposals for West Stow Country Park</b> The Cabinet will be asked to make recommendations to full Council regarding leisure development proposals for West Stow Country Park.	Paragraph 3	(R) - Council tbc	Cabinet/ Council	Joanna Rayner Leisure and Culture 07872 456836	Richard Hartley Commercial Manager 01284 757055	All Wards	Exempt Report to Cabinet with recommendations to Council.
29/03/16 (Deferred from 8 Sept 2015)	<b>Animal Boarding, Dog Breeding Establishments and Pet Shops - Licensing Conditions</b> The Cabinet will be asked to consider the recommendations of the Licensing and Regulatory Committee regarding proposed revised licensing conditions for Animal	Not applicable	(R) - Council tbc	Cabinet/ Council	Alaric Pugh Planning and Growth 07930 460899	Tom Wright Business Regulation and Licensing Manager 01638 719223	All Wards	Recommendations from the Licensing and Regulatory Committee to Cabinet and Council.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
	Boarding, Dog Breeding Establishments and Pet Shops, following consultation.							
29/03/16  (Deferred from 10 February 2015)	<b>Western Way, Bury St Edmunds Development Phase Two – Revisions to Existing PSV Masterplan</b> The Cabinet will be asked to consider the recommendations of the Sustainable Development Working Party in respect of seeking approval for the revisions to the existing Public Service Village (PSV) Masterplan.	Not applicable	(R) - Council tbc	Cabinet/ Council	Alaric Pugh Planning and Growth 07930 460899	Steven Wood Head of Planning and Growth 01284 757306	Minden; Risbygate; St Olaves	Recommendations from the Sustainable Development Working Party to Cabinet and Council.
29/03/16  (Deferred from 2 Sept 2014)	<b>North East Bury St Edmunds Masterplan: Transport Assessment</b> Whilst full Council adopted the North East Bury St Edmunds Masterplan in June 2014, Members requested that the Transport Assessment	Not applicable	(D)	Cabinet	Alaric Pugh Planning and Growth 07930 460899	Steven Wood Head of Planning and Growth 01284 757306	Abbeygate Eastgate; Fornham; Great Barton; Minden; Moreton Hall; Northgate	Recommendations from the Sustainable Development Working Party to Cabinet.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
Page 194	which will accompany the forthcoming planning application should firstly be considered by the Sustainable Development Working Party (SDWP) before the planning application is determined by the Development Control Committee. The Cabinet will be asked to consider the recommendations from the SDWP relating to this issue.						Risbygate Southgate; Westgate	
29/03/16	<b>Revenues Collection Performance and Write-Offs</b> The Cabinet will be asked to consider writing off outstanding debts detailed in the exempt appendices.	Paragraphs 1 and 2	(KD)	Cabinet	Ian Houlder Resources and Performance 01284 810074	Rachael Mann Head of Resources and Performance 01638 719245  Joanne Howlett Acting Head of Resources and Performance 01284 757264	All Wards	Report to Cabinet with exempt appendices.
29/03/16	<b>Community Chest Funding 2016/2017:</b>	Not applicable	(D)	Cabinet	Robert Everitt Families and	Davina Howes Head of Families	All Wards	Recommendations of the



Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
Page 195	<p><b>Suffolk Rape Crisis</b> The Cabinet will be asked to consider recommendations from the Grant Working Party in respect of the level of Community Chest Funding (if any) to be awarded to Suffolk Rape Crisis in 2016/2017 and potentially beyond. This application was deferred and is therefore needed to be considered later than the applications previously considered in December 2015.</p>				Communities 01284 769000	and Communities 01284 757070		Grant Working Party to Cabinet.
24/05/16  (Deferred from 8 Sept 2015)	<p><b>Delivery of Haverhill Town Centre Masterplan: Post Adoption</b> The Cabinet will be asked to consider how the Council proposes to deliver the actions contained in the final adopted Haverhill Town Centre Masterplan.</p>	Not applicable	(D)	Cabinet	Alaric Pugh Planning and Growth 07930 460899	Steven Wood Head of Planning and Growth 01284 757306	Haverhill East; Haverhill North; Haverhill South; Haverhill West	Report to Cabinet.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
24/05/16  Page 190	<b>Revised Suffolk Flood Risk Management Strategy</b> The Cabinet will be asked to approve the revised content of this Strategy.	Not applicable	(D)	Cabinet	Peter Stevens Operations 01787 280284  Alaric Pugh Planning and Growth 07930 460899	Mark Walsh Head of Operations 01284 757300  Steven Wood Head of Planning and Growth 01284 757306	All Wards	Report to Cabinet
24/05/16	<b>Annual Review of Cabinet Working Parties, Joint Committees/Panels and Other Groups</b> The Cabinet will be asked to consider an annual review of its Working Parties, Panels and Other Groups.	Not applicable	(D)	Cabinet	John Griffiths Leader of the Council 07958 700434	Karen Points Head of HR, Legal and Democratic Services 01284 757015	All Wards	Report to Cabinet.
24/05/16	<b>Revenues Collection Performance and Write-Offs</b> The Cabinet will be asked to consider writing off outstanding debts detailed	Paragraphs 1 and 2	(KD)	Cabinet	Ian Houlder Resources and Performance 01284 810074	Rachael Mann Head of Resources and Performance 01638 719245	All Wards	Report to Cabinet with exempt appendices.

Expected Decision Date	Subject and Purpose of Decision	Reason for taking item in private (see Note 1 for relevant exempt paragraphs)	Decision (D), Key Decision (KD) or Rec (R) to Council on date  (see Note 2 for Key Decision definitions)	Decision Taker (see Note 3 for membership)	Portfolio Holder Contact Details	Lead Officer Contact Details	Wards Affected	Documents to be submitted
	in the exempt appendices.					Joanne Howlett Acting Head of Resources and Performance 01284 757264		

**NOTE 1: DEFINITIONS OF EXEMPT INFORMATION: RELEVANT PARAGRAPHS**

**In accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended)**

The public may be excluded from all or part of the meeting during the consideration of items of business on the grounds that it involves the likely disclosure of exempt information defined in Schedule 12(A) of the Act, as follows:

PART 1

DESCRIPTIONS OF EXEMPT INFORMATION: ENGLAND

- Page 498
1. Information relating to any individual.
  2. Information which is likely to reveal the identity of an individual.
  3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
  4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
  5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
  6. Information which reveals that the authority proposes –
    - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
    - (b) to make an order or direction under any enactment.
  7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

**In accordance with Section 100A(3) (a) and (b) of the Local Government Act 1972 (as amended)**

Confidential information is also not for public access, but the difference between this and exempt information is that a Government department, legal opinion or the court has prohibited its disclosure in the public domain. Should confidential information require consideration in private, this will be detailed in this Decisions Plan.

**NOTE 2: KEY DECISION DEFINITION**

- (a) A key decision means an executive decision which, pending any further guidance from the Secretary of State, is likely to:
  - (i) be significant in terms of its effects on communities living or working in an area in the Borough/District; or
  - (ii) result in any new expenditure, income or savings of more than £50,000 in relation to the Council's revenue budget or capital programme;
  - (iii) comprise or include the making, approval or publication of a draft or final scheme which may require, either directly or in the event of objections, the approval of a Minister of the Crown.
- (b) A decision taker may only make a key decision in accordance with the requirements of the Executive procedure rules set out in Part 4 of this Constitution.

**NOTE 3: MEMBERSHIP OF BODIES MAKING KEY DECISIONS**

**(a) Membership of the Cabinet and their Portfolios:**

<b>Cabinet Member</b>	<b>Portfolio</b>
Councillor John Griffiths Councillor Sara Mildmay-White	Leader of the Council Deputy Leader of the Council/ Housing
Councillor Robert Everitt Councillor Ian Houlder	Portfolio Holder for Families and Communities Portfolio Holder for Resources and Performance
Councillor Alaric Pugh Councillor Joanna Rayner Councillor Peter Stevens	Portfolio Holder for Planning and Growth Portfolio Holder for Leisure and Culture Portfolio Holder for Operations

(b) **Membership of the Anglia Revenues Partnership Joint Committee (Breckland Council, East Cambridgeshire District Council, Fenland District Council, Forest Heath District Council, Suffolk Coastal District Council, St Edmundsbury Borough Council and Waveney District Council** (Membership amended from 1 December 2015 to one Member/two Substitutes per Authority)

<b>Full Breckland Cabinet Member</b>	<b>Full East Cambridgeshire District Council Cabinet Member</b>	<b>Full Fenland District Council Cabinet Member</b>	<b>Full Forest Heath District Council Cabinet Member</b>	<b>Full Suffolk Coastal District Council Cabinet Member</b>	<b>Full St Edmundsbury Borough Council Cabinet Member</b>	<b>Full Waveney District Council Cabinet Member</b>
Cllr Pablo Dimoglou	Cllr David Ambrose-Smith	Cllr Chris Seaton	Cllr Stephen Edwards	Cllr Richard Kerry	Cllr Ian Houlder	Cllr Mike Barnard
<b>Substitute Breckland Cabinet Members</b>	<b>Substitute East Cambridgeshire District Council Cabinet Members</b>	<b>Substitute Fenland District Council Cabinet Members</b>	<b>Substitute Forest Heath District Council Cabinet Members</b>	<b>Substitute Suffolk Coastal District Council Cabinet Members</b>	<b>Substitute St Edmundsbury Borough Council Cabinet Members</b>	<b>Substitute Waveney District Council Cabinet Members</b>
Cllr Michael Wassell	Cllr Lis Every	Cllr John Clark	Cllr James Waters	Cllr Geoff Holdcroft	Cllr Sara Mildmay-White	Cllr Sue Allen
Cllr Ellen Jolly	Cllr Julia Huffer	Cllr Will Sutton	Cllr David Bowman	Cllr Ray Herring	Cllr Robert Everitt	Cllr Letitia Smith

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Fiona Osman  
 Service Manager (Democratic and Elections)  
 Date: 7 January 2016

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# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Revenues Collection Performance and Write-Offs</b>	
<b>Report No:</b>	<b>CAB/SE/16/011</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	9 February 2016
<b>Portfolio holder:</b>	Ian Houlder Portfolio Holder for Resources and Performance <b>Tel:</b> 01284 810074 <b>Email:</b> <a href="mailto:ian.houlder@stedsbc.gov.uk">ian.houlder@stedsbc.gov.uk</a>	
<b>Lead officer:</b>	Joanne Howlett Acting Head of Resources and Performance (01284) 757264 <a href="mailto:joanne.howlett@westsuffolk.gov.uk">joanne.howlett@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To consider the current revenue collection performance and to consider writing off outstanding debts, as detailed in the exempt appendices.	
<b>Recommendation:</b>	<p><b>That the write-off of the amounts detailed in the exempt appendices to Report No: CAB/SE/16/011 be approved, as follows:</b></p> <p><b>(1) Exempt Appendix 1: Council Tax totalling £6,586.12</b></p> <p><b>(2) Exempt Appendix 2: Business Rates totalling £15,323.82</b></p> <p><b>(3) Exempt Appendix 3: Housing Benefit overpayments totalling £10,236.19</b></p>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/> This decision is stated as a Key Decision on the Decisions Plan published on 7 January 2016; however, given the amounts requested to be written-off, this no longer constitutes a Key Decision.	

<b>Consultation:</b>		Leadership Team and the Portfolio Holder for Resources and Performance have been consulted with on the proposed write-offs.	
<b>Alternative option(s):</b>		See paragraphs 2.1 and 2.2	
<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • See paragraphs 3.1 to 3.3	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> The recovery procedures followed have been previously agreed; writing off uncollectable debt allows staff to focus recovery action on debt which is recoverable.	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>• The application of predetermined recovery procedures ensures that everybody is treated consistently.</li> <li>• Failure to collect any debt impacts on either the levels of service provision or the levels of charges.</li> <li>• All available remedies are used to recover the debt before write off is considered.</li> <li>• The provision of services by the Council applies to everyone in the area.</li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
Debts are written off which could have been collected.	Medium	Extensive recovery procedures are in place to ensure that all possible mechanisms are exhausted before a debt is written off.	Low
<b>Ward(s) affected:</b>		All wards are affected.	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	

<b>Documents attached:</b>	<b>Exempt Appendix 1:</b> Council Tax £6,586.12 <b>Exempt Appendix 2:</b> Business Rates £15,323.82 <b>Exempt Appendix 3:</b> Housing Benefit Overpayments £10,236.19
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## **1. Key issues and reasons for recommendation(s)**

- 1.1 The Revenues Section collects outstanding debts in accordance with either statutory guidelines or Council agreed procedures.
- 1.2 When all these procedures have been exhausted the outstanding debt is written off using the delegated authority of the Head of Resources and Performance for debts up to £2,499.99 or by Cabinet for debts over £2,500.00.
- 1.3 It is best practice to monitor the recovery procedures for outstanding debts regularly and, when appropriate, write off irrecoverable debts.
- 1.4 Provision for irrecoverable debts is included both in the Collection Fund and the General Fund and writing off debts that are known to be irrecoverable ensures that staff are focussed on achieving good collection levels in respect of the recoverable debt.

## **2. Alternative options**

- 2.1 The Council currently uses the services of the ARP Enforcement Agency to assist in the collection of business rates and Council Tax and also has on line tracing facilities. It is not considered appropriate to pass the debts on to another agency.
- 2.2 It should be noted that in the event that a written-off debt become recoverable, the amount is written back on, and enforcement procedures are re-established. This might happen, for example, if someone has gone away with no trace, and then they are unexpectedly 'found' again, through whatever route.

## **3. Financial implications and collection performance**

- 3.1 Provision is made in the accounts for non recovery but the total amounts to be written off are as follows with full details shown in Exempt Appendices 1, 2 and 3.
- 3.2 As at 30 November 2015, the total National Non Domestic Rates (NNDR) billed by Anglia Revenues Partnership on behalf of St Edmundsbury Borough Council (as the billing Authority) is nearly £48.6 million per annum. The collection rate as at 30 November 2015 was 83.63% against a profile of 84.13%.
- 3.3 As at 30 November 2015, the total Council Tax billed by Anglia Revenues Partnership on behalf of St Edmundsbury Borough Council (includes the County, Police and Parish precept elements) is just under £54.2 million per annum. The collection rate as at 30 November 2015 was 83.57% against a profile target of 82.52%.

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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