


Council



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda
Date:	Tuesday 23 February 2016
Time:	7.00 pm
Venue:	Conference Chamber West Suffolk House Western Way Bury St Edmunds IP33 3YU
Membership:	<p>All Councillors</p> <p>You are hereby summoned to attend a meeting of the Council to transact the business on the agenda set out below.</p>  <p>Ian Gallin Chief Executive 15 February 2016</p>
<p>The Meeting will be opened with Prayers by the Mayor's Chaplain, Reverend Canon Matthew Vernon, Sub-Dean of St Edmundsbury Cathedral. (<i>Note: Those Members not wishing to be present for prayers should remain in the Members' Breakout Area and will be summoned at the conclusion of prayers.</i>)</p>	
Interests – Declaration and Restriction on Participation:	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.
Committee administrator:	<p>Claire Skoyles Democratic Services Officer Tel: 01284 757176 Email: claire.skoyles@westsuffolk.gov.uk</p>

Public Information



St Edmundsbury
BOROUGH COUNCIL

Venue:	Conference Chamber West Suffolk House Western Way Bury St Edmunds Suffolk IP33 3YU	Tel: 01284 757176 Email: democratic.services@westsuffolk.gov.uk Web: www.stedmundsbury.gov.uk
Access to agenda and reports before the meeting:	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.	
Attendance at meetings:	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.	
Public questions:	<p>Members of the public may ask questions of Members of the Cabinet or any Committee Chairman at ordinary meetings of the Council. 30 minutes will be set aside for persons in the public gallery who live or work in the Borough to ask questions about the work of the Council. 30 minutes will also be set aside for questions at special or extraordinary meetings of the Council, but must be limited to the business to be transacted at that meeting.</p> <p>Written questions, detailing the full question to be asked, may be submitted by members of the public to the Service Manager (Democratic Services and Elections) no later than 10.00 am on the previous working day to the meeting of the Council. Email: democratic.services@westsuffolk.gov.uk Phone: 01284 757105</p>	
Disabled access:	<p>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.</p> <p>Visitor parking is at the car park at the front of the building and there are a number of accessible spaces.</p>	
Induction loop:	An Induction loop is available for meetings held in the Conference Chamber.	
Recording of meetings:	<p>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).</p> <p>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.</p>	

Agenda

Procedural Matters

Page No

1. Minutes

1 - 16

To confirm the minutes of the meeting held on 15 December 2015 (copy attached).

2. Mayor's announcements

3. Apologies for Absence

To receive announcements (if any) from the officer advising the Mayor (including apologies for absence)

4. Declarations of Interests

Members are reminded of their responsibility to declare any pecuniary or local non pecuniary interest which they have in any item of business on the agenda **no later than when that item is reached** and, when appropriate, to leave the meeting prior to discussion and voting on the item.

Part 1 - Public

5. Leader's Statement

17 - 20

Paper No: **COU/SE/16/001**

(Council Procedure Rules 8.1 – 8.3) Members may ask the Leader questions on the content of both his introductory remarks and the written statement itself.

A total of 30 minutes will be allowed for questions and responses. There will be a limit of five minutes for each question to be asked and answered. A supplementary question arising from the reply may be asked so long as the five minute limit is not exceeded.

6. Public Participation

(Council Procedure Rules Section 6) Members of the public who live or work in the Borough are invited to put one question of not more than five minutes duration.

(Note: The maximum time to be set aside for this item is 30 minutes, but if all questions are dealt with sooner, or if there are no questions, the Council will proceed to the next business.

*Each person may ask **one** question only. A total of **five minutes will be allowed for the question to be put and answered.** One further question will be allowed arising directly from the reply, **provided that the original time limit of five minutes is not exceeded.***

Written questions may be submitted by members of the public to the Service Manager (Democratic Services and Elections) **no later than 10.00 am on Monday 22 February 2016**. The written notification should **detail the full question** to be asked at the meeting of the Council.)

7. Mayoralty 2016/2017

To receive a verbal report of the Chairman of the Mayoral Advisory Committee.

8. Referrals Report of Recommendations from Cabinet and Democratic Renewal Working Party

21 - 38

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

Referrals from Cabinet: 9 February 2016

1. Annual Treasury Management and Investment Strategy Statements 2016/2017
Portfolio Holder: Cllr Ian Houlder

2. Budget and Council Tax Setting 2016/2017 and Medium Term Financial Strategy
Portfolio Holder: Cllr Ian Houlder

This item will be considered separately under Agenda Item 9 below.

3. Enterprise Zones: Update
Portfolio Holder: Cllr Alaric Pugh

4. Third Generation Artificial Pitch Provision in Haverhill
Portfolio Holder: Cllr Joanna Rayner

5. Park Farm, Ingham: Adoption of Concept Statement:
Portfolio Holder: Cllr Alaric Pugh

6. Tayfen Road Development Area, Bury St Edmunds: Masterplan
Portfolio Holder: Cllr Alaric Pugh

Referral from Democratic Renewal Working Party: 4 February 2016

1. Freedom of the Borough: Protocol
Chairman of the Working Party: Cllr Patsy Warby

9. Budget and Council Tax Setting 2016/2017 and Medium Term Financial Strategy 39 - 122

Report No: **COU/SE/16/003**

10. Review of the Constitution: Recommendations from the Joint Constitution Review Group 123 - 134

Report No: **COU/SE/16/004**

11. Calendar of Meetings: 2016/2017 135 - 138

Report No: **COU/SE/16/005**

12. Representation on Suffolk County Council's Health Scrutiny Committee

Following the recent sad death of Councillor Tim Marks, this has resulted in a vacancy arising for a representative from the Borough Council to sit on Suffolk County Council's Health Scrutiny Committee.

The Council is asked to nominate one Member and, if required, one substitute Member to serve on the County's Health Scrutiny Committee. This Member should ideally be from the Borough Council's Overview and Scrutiny Committee, although this is not essential as the necessary training will be given by the County Council.

Given the willingness of Councillor Paul Hopfensperger to sit on this joint body and there being no further nominations, on 13 January 2016, the Committee nominated him for the interim period until its meeting in June 2016 when the Committee will seek to nominate a representative for the full 2016/2017 municipal year.

It is **RECOMMENDED** that Councillor Paul Hopfensperger be nominated as the Borough Council's representative on Suffolk County Council's Health Scrutiny Committee for the interim period until a Member, and if required, a substitute Member, are nominated for the full 2016/2017 municipal year by the Borough Council's Overview and Scrutiny Committee and Council in June 2016.

13. Questions to Committee Chairmen

Members are invited to ask questions of committee Chairmen on business transacted by their committees since the last ordinary meeting of Council on 15 December 2015.

Committee	Chairman	Dates of meetings
Overview and Scrutiny Committee	Cllr Diane Hind	13 January 2016
Performance and Audit Scrutiny Committee	Cllr Sarah Broughton	28 January 2016
Development Control Committee	Cllr Jim Thorndyke	7 January 2016 4 February 2016
Licensing and Regulatory Committee	Cllr Frank Warby	2 February 2016

14. Urgent Questions on Notice

The Council will consider any urgent questions on notice that were notified to the Service Manager (Democratic Services and Elections) by 11am on the day of the meeting.

15. Report on Special Urgency

Part 4, Access to Information Procedural Rules, of the Constitution (paragraph 18.3) requires the Leader of the Council to submit quarterly reports to the Council on the Executive decisions taken (if any) in the circumstances set out in Rule 17, Special urgency in the preceding three months.

Accordingly, the Leader of the Council reports that no executive decisions have been taken under the Special Urgency provisions of the constitution.

Part 2 – Exempt

NONE

Council



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Council** held on
Tuesday 15 December 2015 at **7.00 pm** at the **Conference Chamber,**
West Suffolk House, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Mayor Patrick Chung
Deputy Mayor Julia Wakelam

Simon Brown	Ian Houlder	David Roach
Tony Brown	Beccy Hopfensperger	Barry Robbins
Carol Bull	Paul Hopfensperger	Richard Rout
Sarah Broughton	Margaret Marks	Angela Rushen
John Burns	Tim Marks	Andrew Speed
Terry Clements	Betty Mclatchy	Clive Springett
Jason Crooks	Ivor Mclatchy	Sarah Stamp
Robert Everitt	Jane Midwood	Peter Stevens
Jeremy Farthing	Sara Mildmay-White	Peter Thompson
Paula Fox	David Nettleton	Jim Thorndyke
John Griffiths	Clive Pollington	Paula Wade
Wayne Hailstone	Alaric Pugh	Frank Warby
Diane Hind	Joanna Rayner	Patricia Warby

109. **Minutes**

The minutes of the meetings held on 22 September 2015 and 17 November 2015 (extraordinary meeting) were confirmed as correct records and signed by the Mayor.

110. **Mayor's announcements**

The Mayor reported on the civic engagements and charity activities which he, the Mayoress, Deputy Mayor and Consort had attended since 22 September 2015.

111. **Apologies for Absence**

Apologies for absence were received from Councillors Bob Cockle, Susan Glossop and Karen Richardson.

112. **Declarations of Interests**

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

113. **St Edmundsbury's Success at the Suffolk Sports Awards**

Prior to the consideration of this item and as sport was a passion close to his heart, a minute's silence was observed in memory of Neil Anthony, the Council's former Head of Leisure, Culture and Communities, who had very recently died.

In recognition of the St Edmundsbury area's success in winning six awards at the recent Suffolk Sports Awards, the Mayor and Leader of the Council formally honoured the achievers of the awards.

Councillor Joanna Rayner, Portfolio Holder for Leisure and Culture, introduced the item, stating that the Suffolk Sports Awards was a county-wide event held in November 2015 which recognised individuals and clubs within the sporting community who excelled in their given areas going above and beyond expectation.

Six out of a possible 12 awards were achieved by clubs or individuals in St Edmundsbury, which not only represented a huge achievement for the individuals and clubs but also for St Edmundsbury to be so widely recognised across Suffolk.

The winners were:

- (1) **Club of the Year:** Bury St Edmunds Rugby 1st XV
- (2) **BBC Radio Suffolk Unsung Hero:** Allan Loveday
- (3) **The Suffolk County Council Sports Personality of the Year:** Brian Alldis
- (4) **The Elena Baltacha Award:** Esther Little
- (5) **Most Active Workplace:** Ashton KCJ Solicitors
- (6) **Young Community Volunteer:** Dominika Szary

Councillor Griffiths, Leader of the Council, then provided further background on each of the above, following which he and the Mayor formally congratulated each of those in attendance on their achievements.

Councillor Clements, the Borough Council's representative on Suffolk Sport's Management Board, also paid tribute to the late Neil Anthony, Warren Smyth, Chief Executive of Abbeycroft Leisure and each of the winners listed above.

114. **Leader's Statement**

Councillor John Griffiths, Leader of the Council, presented his statement as contained in Paper No: COU/SE/15/035.

As this was the last meeting of Council in 2015, he formally acknowledged the work of staff and Councillors undertaken through the year.

In response to a question, Councillor Griffiths agreed that whilst Members were aware of the financial challenges facing local government following ongoing reductions in funding from Central Government, it was imperative that residents continued to understand through effective communication that the Council needed to operate more commercially and generate its own income in order to maintain consistent service delivery.

In response to an additional question, Councillor Griffiths encouraged new ways of Member and community-led partnership working to achieve tangible outcomes on issues affecting those in a given locality.

A name for the proposed new Eastern Relief Road was yet to be considered, however Councillor Tony Brown's suggestion could be a possibility, amongst others.

115. **Public Participation**

The following questions were put and answered during this item:

1. **Ian Steel, Chairman of Rushbrooke with Rougham Parish Council**, asked a question in connection with the outcome of the initial Community Governance Review (CGR) consultation on proposed boundaries for Lady Miriam Way and the railway escarpment to separate Rushbrooke with Rougham Parish and Bury St Edmunds Parish.

In response, Councillor John Griffiths, Leader of the Council, stated that having considered Rushbrooke with Rougham Parish Council's representation during the first phase of the CGR, the Democratic Renewal Working Party had recommended the external boundaries between Bury St Edmunds, Great Barton and Rushbrooke with Rougham parishes should be amended, which if their consultation response was to be correctly understood, was essentially the option supported by Rushbrooke with Rougham Parish Council. The decision would be taken later in the meeting when the item was reached, following which further consultation would be undertaken on this and other proposals as part of the CGR.

2. In response to a similar question from **John Eden of Rushbrooke with Rougham Parish Council**, which was in connection with proposed new parish boundaries for Rushbrooke with Rougham, Great Barton and Bury St Edmunds parishes in the context of the Community Governance Review (CGR), Councillor John Griffiths, Leader of the Council explained that this was essentially what was being recommended by the Democratic Renewal Working Party for consideration later in the meeting, and if approved, this proposal would go out to consultation during Phase 2 of the CGR.

3. **Peter Langdon of Rushbrooke with Rougham Parish Council**, asked a question in connection with potential support being provided by the Borough Council to the Rougham Tower Association, which was shortly embarking on an improvement programme at its museum. In response, Councillor Joanna Rayner, Portfolio Holder for Leisure and Culture stated that she would welcome a meeting in the new year between the Council's Leisure Services' heritage and marketing teams and the Association to discuss potential proposals.

4. **Nathan Loader of Kedington Parish Council**, asked a question in connection with the Borough Council's strategy for balancing jobs and housing growth in the Haverhill area and how it planned to deliver local jobs required for sustainable economic development. In response, Councillor Alaric Pugh, Portfolio Holder for Planning and Growth, stated that projected jobs growth was addressed in the Council's adopted Core Strategy 2010, which clearly set out the needs and demands based upon sound evidence. How jobs would be delivered was comprehensively addressed in Haverhill Vision 2031 Local Plan document. This was backed by the Council's proactive Economic Development team who worked with employers and organisations like MENTA to bring jobs to Haverhill.

In response to **Mr Loader's** supplementary question, which was in connection with the Borough Council's investment in the infrastructure for the proposed Haverhill Research Park (HRP), Councillor John Griffiths, Leader of the Council stated that land in this location had recently been awarded Enterprise Zone status, which was a significant incentive for drawing business to Haverhill and St Edmundsbury. Together with the Greater Cambridge Greater Peterborough Local Enterprise Partnership and other partners, every effort would be made by the Borough Council to make the proposed HRP an attractive location for new and expanding business.

5. In response to a question from **Simon Harding of Bury St Edmunds**, in connection with the existing Household Waste and Recycling Centre (HWRC) at Rougham Hill, Bury St Edmunds, Councillor Peter Stevens, Portfolio Holder for Operations, stated that a new period of consultation on the delivery of a proposed West Suffolk Operational Hub (WSOH) would commence from 8 January 2016 to 19 February 2016. Following the consultation, and in conjunction with an identified Focus Group, a proposal for a new WSOH, which would include a waste transfer station, combined depot and HWRC was anticipated to then come forward.

In his supplementary question, **Mr Harding** which was in connection with the existing waste transfer station and its environmental impact, Councillor Stevens stated that waste transfer stations were required to comply with environmental statements and licensing regulations to ensure the necessary controls were in place.

116. **Referrals report of recommendations from Cabinet and Democratic Renewal Working Party**

Council considered the Referrals report of Recommendations from Cabinet and Democratic Renewal Working Party, contained within Report No: COU/SE/15/036.

(A) Referrals from Cabinet: 20 October 2015

1. Delivering a Sustainable Budget 2016/2017

Approval was sought for proposals to be included in the budget setting process in order to progress securing a balanced budget for 2016/2017.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance drew relevant issues to the attention of Council, including that the Borough Council continued to face considerable financial challenges as a result of increased cost and demand pressures and constraints on public sector spending. In this context, and like many other councils, St Edmundsbury had to make difficult financial decisions.

The proposals contained in the report had previously been scrutinised by the Performance and Audit Scrutiny Committee before being recommended to Council for approval by Cabinet.

On the motion of Councillor Ian Houlder, seconded by Councillor Robert Everitt, and duly carried it was

RESOLVED:

That the proposals, as detailed in Section 5 and Table 2 at paragraph 5.1 of Report No: PAS/SE/15/026, be included, in securing a balanced budget for 2016/2017.

(B) Referrals from Cabinet: 24 November 2015

1. West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019

Approval was sought for the West Suffolk Gambling Act 2005 Statement of Policy 2016 to 2019.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth drew relevant issues to the attention of Council, including that the Statement of Policy set out how St Edmundsbury Borough and Forest Heath District Councils (the West Suffolk councils), in their roles as Licensing Authorities, would carry out functions under the Act. It recognised the importance of responsible gambling within the entertainment industry whilst seeking to balance this with the key objectives of the Act.

On the motion of Councillor Alaric Pugh, seconded by Councillor Frank Warby, and duly carried it was

RESOLVED:

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.

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

(Councillor Margaret Marks declared a pecuniary interest in this item as an owner of an empty, water damaged property in Haverhill and therefore she had a direct financial interest in this particular referral and left the meeting during its consideration.)

Approval was sought for the Local Council Tax Reduction Scheme (LCTRS) and Council Tax Technical Changes 2016/2017.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance drew relevant issues to the attention of Council, including that no changes to the current LCTRS and technical changes were being recommended for the reasons outlined in the report.

On the motion of Councillor Ian Houlder, seconded by Councillor Sara Mildmay-White, and duly carried it was

RESOLVED:

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.

3. Council Tax Base for Tax Setting Purposes 2016/2017

Approval was sought for the 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 Council, including that the Council Tax Base was used in the calculation of Council Tax. Each authority divided its total Council Tax required to meet its budget requirements by the Tax Base of its area to arrive at a Band 'D' Council Tax.

On the motion of Councillor Ian Houlder, seconded by Councillor Sara Mildmay-White, and duly carried it was

RESOLVED:

That

- (1) the tax base for 2016/2017, for the whole of St Edmundsbury is 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, are as shown in Appendix 2 to Report No: CAB/SE/15/075.

(C) Referrals from Cabinet: 8 December 2015

(With the agreement of the Mayor, the following referrals were considered in a different order to that published in the agenda.)

1. Development Brief for the Allocated Housing Site at Erskine Lodge, Great Whelnetham

(The Development Brief for the Allocated Housing Site at Erskine Lodge, Great Whelnetham had been prepared on behalf of Havebury Housing Partnership.)

Councillor Joanna Rayner declared a pecuniary interest in this item as an employee of Havebury Housing Partnership. Councillor Robert Everitt declared a pecuniary interest as a board member for Havebury Housing Partnership and Councillors Clive Springett and Frank Warby both declared pecuniary interests as Directors of Havebury Housing Partnership. All of the aforementioned Members left the meeting during the consideration of this particular item.)

Approval was sought for the Development Brief for the Allocated Housing Site at Erskine Lodge, Great Whelnetham, subject to a minor typographical amendment to the recommendation, which should have referred to the 'A134' and not 'A143' road.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth drew relevant issues to the attention of Council, including that thorough consideration had been given to this item at the meeting of the Sustainable Development Working Party and its recommendations had been endorsed by Cabinet.

This Development Brief had been considered by officers, the majority of Members of the Sustainable Development Working Party and Cabinet to accord with the Council's Protocol for Preparing Development Briefs, the Vision 2031 Development Plan document and Core Strategy Development Plan document. The Development Brief would provide a suitable framework for the consideration of future planning applications.

Councillor Terry Clements, Ward Member for Horringer and Whelnetham, expressed his concerns regarding the content of this Development Brief, particularly in respect of the total number of dwellings proposed for this site, which he considered was in excess of that identified as being required to meet the village's housing need in the adopted Rural Vision 2031 Local Plan document; and also the potential risk of flooding caused by hard surface run-off. Councillor Pugh addressed these concerns, including that the proposal accorded with local planning policy and the National Planning Policy Framework, as outlined in the report to Council; however some Members supported Councillor Clements' concerns.

On the motion of Councillor Alaric Pugh, seconded by Councillor Ian Houlder, and duly carried it was

RESOLVED:

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 A134 with Stanningfield Road as part of the Transport Assessment to be submitted in support of a planning application.

2. Land East of Barrow Hill, Barrow: Development Brief

Approval was sought for the Land East of Barrow Hill, Barrow: Development Brief.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth drew relevant issues to the attention of Council, including that thorough consideration had been given to this item at the meeting of the Sustainable Development Working Party and its recommendations had been endorsed by Cabinet.

Whilst this Development Brief did not strictly adhere to the Council's Protocol for Preparing Development Briefs, it had been considered by officers, the Sustainable Development Working Party and Cabinet to accord with the Vision 2031 Development Plan document and Core Strategy Development Plan document. The Development Brief would provide a suitable framework for the consideration of future planning applications.

Councillor Ian Houlder, Ward Member for Barrow, stated that this Development Brief had been produced sooner than expected; however, he considered village residents generally supported the proposals although there was an expectation from Suffolk County Council to make highway infrastructure improvements.

Councillor Farthing supported Councillor Houlder's comments, adding that it was important to maintain the character of the village, which included providing sufficient garden space within new housing developments.

On the motion of Councillor Alaric Pugh, seconded by Councillor Peter Stevens, and duly carried it was

RESOLVED:

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.

3. The Meadows, Wickhambrook: Development Brief

Approval was sought for the Development Brief for The Meadows, Wickhambrook.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth drew relevant issues to the attention of Council, including that the Development Brief had been considered by officers, the majority of Members of the Sustainable Development Working Party and Cabinet to accord with the Council's Protocol for Preparing Development Briefs, the Vision 2031 Development Plan document and Core Strategy Development Plan document. Some amendments had been made to the Development Brief following a good response by the local community to the consultation, and would provide a suitable framework for the consideration of future planning applications.

Councillor Clive Pollington, Ward Member for Wickhambrook, stated that there had been extensive discussion during the consultation regarding a previous proposal to extend the existing doctors' surgery in the village, which had subsequently been withdrawn from the Development Brief. NHS England would however, still be required to assess health care provision in the light of development of The Meadows site. Some concern had also been expressed

regarding parking around the surgery, however, following amendments, he and the community generally supported the draft document.

On the motion of Councillor Alaric Pugh, seconded by Councillor Peter Stevens, and duly carried it was

RESOLVED:

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.

**(D) Referrals from Democratic Renewal Working Party:
2 December 2015**

1. Community Governance Review – Initial Consultation Results

(Councillor Sarah Broughton declared a pecuniary interest in this item as a landowner within an area being subject to the community governance review: Vision 2031 Strategic Site, North East Bury St Edmunds, and left the meeting during the consideration of this particular proposal.

Councillors Patrick Chung, Robert Everitt, Wayne Hailstone, Diane Hind, Joanna Rayner, Richard Rout, Andrew Speed, Clive Springett, Peter Thompson, Patsy Warby and Frank Warby all declared local non-pecuniary interests in this item as Members of Bury St Edmunds Town Council and remained in the meeting during its consideration.

Councillor Jane Midwood declared a local non-pecuniary interest in this item as a Member of Wickhambrook Parish Council and remained in the meeting during its consideration.

Councillors Tony Brown, John Burns, Jason Crooks, Paula Fox, Betty McLatchy, Ivor McLatchy, David Roach and Barry Robbins all declared local non-pecuniary interests in this item as Members of Haverhill Town Council and remained in the meeting during its consideration.)

Approval was sought for several recommendations in connection with the first phase of the Community Governance Review (CGR).

Firstly, as there were a substantial number of proposals under consideration which were intended to form the basis of the final recommendations for the Community Governance Review, the Mayor invited the Service Manager (Legal) to set out a proposed procedure for managing the debate, which would allow Members to speak more than once if they had previously indicated which particular proposals, if any, upon which they wished to speak. Members were minded to agree this approach; however, it required a suspension to the relevant Council Procedure Rule.

Therefore, on the motion of Councillor John Griffiths, seconded by Councillor Patrick Chung, and duly carried it was

RESOLVED:

That Council Procedure Rule 11.5 of the Council's Constitution be suspended during the consideration of Item (8)(D)(1), *Referrals from Democratic Renewal Working Party: 2 December 2015, Community Governance Review – Initial Consultation Results*, to enable Members to speak more than once during the debate.

Councillor Patsy Warby, Chairman of the Democratic Renewal Working Party drew relevant issues to the attention of Council, including that Withersfield Parish Council had submitted a representation after the Working Party meeting which informed that they had concerns for the future viability of their council if houses at Hanchett End were transferred to Haverhill. Whilst that view had been too late for the Working Party to consider, it could be looked at in phase 2 in some detail.

Councillor Warby added that the CGR would be conducted in two distinct phases. The first phase, which had just ended, was to gather local opinion to help the Council shape a number of final recommendations. The second phase, which would take place during 2016, was to formally consult on those recommendations before a decision was taken by Council in summer 2016. Councillor Warby emphasised that the results of the initial consultation was the first of two opportunities for people to influence the review.

Councillor Warby then explained the detail of the five recommendations contained in the report, including that unless Members had previously indicated earlier whether they wished to speak on a specific proposal which may lead to an amendment(s), each proposal set out in Appendix A would be accepted as the basis for the final recommendations for the next stage of the CGR. The recommendations set out in the report, were duly proposed by Councillor Patsy Warby and seconded by Councillor David Nettleton.

Due to the significant and technical nature of the proposals, the Mayor then invited officers, Alex Wilson, Director and Fiona Osman, Service Manager (Democratic Services and Elections), to contribute to the discussions to assist Members with the debate.

Where Members had previously indicated a wish to speak on specific proposals, support was generally shown for the corresponding proposal, as recommended by the Working Party. Councillor Sara Mildmay-White, Ward Member for Rougham, demonstrated her strong support for the representation submitted by Rushbrooke with Rougham Parish Council, which had featured during Public Question Time earlier in the meeting, and had formed the basis of Proposals 4, 6, 7 and 8 recommended for approval by the Working Party. Councillor Sarah Broughton, Ward Member for Great Barton and other Members considered there was merit in consulting on these proposals and/or supported Councillor Mildmay-White's and Rushbrooke with Rougham Parish Council's views.

Detailed discussion was then held on the proposed parish boundary for Haverhill. Councillor John Burns, one of the Ward Members for Haverhill East and also a Member of the Democratic Renewal Working Party, provided

explanations on each of the Proposals, and made specific reference to Proposals 12, 13 and 14.

Councillor Burns drew attention to the map relating to Proposals 12 to 14. In addition to other proposals, Haverhill Town Council had suggested that between the Hanchett End (Haverhill Research Park) and North West Vision 2031 strategic sites, the Haverhill Parish boundary should be extended outwards to follow the river and field lines, encapsulating existing properties by Melbourne Bridge in Withersfield Parish.

Councillor Jane Midwood, Ward Member for Withersfield, expressed concern regarding the potential impact of the proposals on the villages in the Withersfield ward and felt that further detailed consultation was required during Phase 2 to investigate whether this change was satisfactorily supported by all concerned.

Members noted that Withersfield Parish Council and existing electors by Melbourne Bridge had not yet been consulted on Haverhill Town Council's specific suggestion to transfer this area to Haverhill (since these properties were not in a growth site), which would be undertaken during Phase 2.

Councillor Burns however, subsequently moved an amendment to the motion to delete the above suggestion of the Town Council in relation to Melbourne Bridge/Meldham Washland. He believed this remained consistent with the intentions of the Working Party in relation to the Vision 2031 growth sites in Haverhill. The effect of his amendment was that the consultation map, would instead, show a proposed revised parish boundary in relation to the Haverhill Research Park which followed the line of the A1017 and the A1307 only, until it joined up with existing boundaries. *(Note: for clarity, a copy of the amended map is attached to these minutes as an appendix.)*

This therefore meant that, in conjunction with the amended map, consultation during Phase 2 would take place on the following basis for Proposals 12 to 14:

- (a) the recommendation for these particular proposals would be amended to read only:

'The boundary of Haverhill Parish be extended as indicated on the attached map to incorporate the "North-East Haverhill" and "Hanchett End (Haverhill Research Park)" Vision 2031 strategic sites (alongside the "North-West" site).'

- (b) The following additional recommendation in the report from the Working Party would be deleted:

'(2) the boundary of Haverhill Parish boundary also be extended in the vicinity of Melbourne Bridge/Meldham Washland as shown on the attached map.'

This amendment was duly seconded by Councillor David Nettleton.

The vote was taken on the amendment, which was carried, resulting in the amended motion becoming the substantive motion.

On the motion of Councillor John Burns, seconded by Councillor David Nettleton, and duly carried it was

RESOLVED: That

- (1) subject to the following amendment to the recommendations specifically relating to Proposals 12, 13 and 14, so that it reads:

The boundary of Haverhill Parish be extended as indicated on the attached map to incorporate the "North-East Haverhill" and "Hanchett End (Haverhill Research Park)" Vision 2031 strategic sites (alongside the "North-West" site)',

and to the associated change to the supporting mapping described in these minutes, the proposals of the Democratic Renewal Working Party, as set out in Appendix A to Report No: COU/SE/15/036, be approved as the basis of the final recommendations for the next stage of the Community Governance Review;

- (2) the Service Manager (Democratic Services and Elections) be authorised to prepare the final recommendations for consultation on each of these issues, in accordance with the requirements of the Local Government and Public Involvement in Health Act 2007 and, where applicable, the further delegated actions indicated in Appendix A;
- (3) the updated provisional timetable for the remainder of the review be approved and published as part of modified terms of reference for the review, set out in Appendix B to Report No: COU/SE/15/036;
- (4) the approach to consultation for the review, agreed by Council in December 2014, be confirmed for the remainder of the review (as set out in Appendix B to Report No: COU/SE/15/036); and
- (5) the Chief Executive be authorised to write to the Local Government Boundary Commission for England to request an Electoral Review of the Borough Council's own electoral arrangements prior to the 2019 elections, and also to highlight the issues being examined in this Community Governance Review which affect the principal area boundary of St Edmundsbury.

117. **West Suffolk Joint Independent Remuneration Panel - Review of Forest Heath District Council and St Edmundsbury Borough Council Members' Allowances Scheme**

Council considered a narrative item, which sought approval for extending the current St Edmundsbury Borough Council (SEBC) Members' Allowances Scheme in its current form until 30 November 2016; and for a new West Suffolk Joint Independent Remuneration Panel to be appointed from 1 June 2016, to conduct a full review of both Forest Heath District and SEBC's Members' Allowances Schemes.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance and Member of the Selection Panel for the West Suffolk Joint Independent Remuneration Panel, drew relevant issues to the attention of Council.

On the motion of Councillor Ian Houlder, seconded by Councillor David Nettleton, and duly carried it was

RESOLVED: That

- (1) the St Edmundsbury Borough Council Members' Allowances Scheme continue in its current form until 30 November 2016; and
- (2) a new West Suffolk Joint Independent Remuneration Panel be appointed from 1 June 2016, to conduct a full review of both Forest Heath District Council and St Edmundsbury Borough Council Members' Allowances Schemes.

118. **Questions to Committee Chairmen**

The following questions were asked of Committee Chairmen on business transacted by their committees since the last ordinary meeting of Council on 22 September 2015, as outlined below.

Committee	Chairman	Dates of meetings
Overview and Scrutiny Committee	Cllr Diane Hind	15 October 2015 11 November 2015
Performance and Audit Scrutiny Committee	Cllr Sarah Broughton	25 November 2015
Development Control Committee	Cllr Jim Thorndyke	1 October 2015 5 November 2015 3 December 2015
Licensing and Regulatory Committee	Cllr Frank Warby	29 September 2015

1. **Councillor Diane Hind:** Whether any follow-up work was planned as a result of the presentation received from Streetkleen Bio Limited at the Overview and Scrutiny Committee meeting held on 11 November 2015; and
2. **Councillor Jim Thorndyke:** Whether Members of the Development Control Committee could take part in the debate on applications if they were also Members of Town and Parish Councils that had previously considered the relevant application.

Councillors Hind and Thorndyke duly responded accordingly.

119. **Urgent Questions on Notice**

No urgent questions on notice had been received.

120. **Report on Special Urgency**

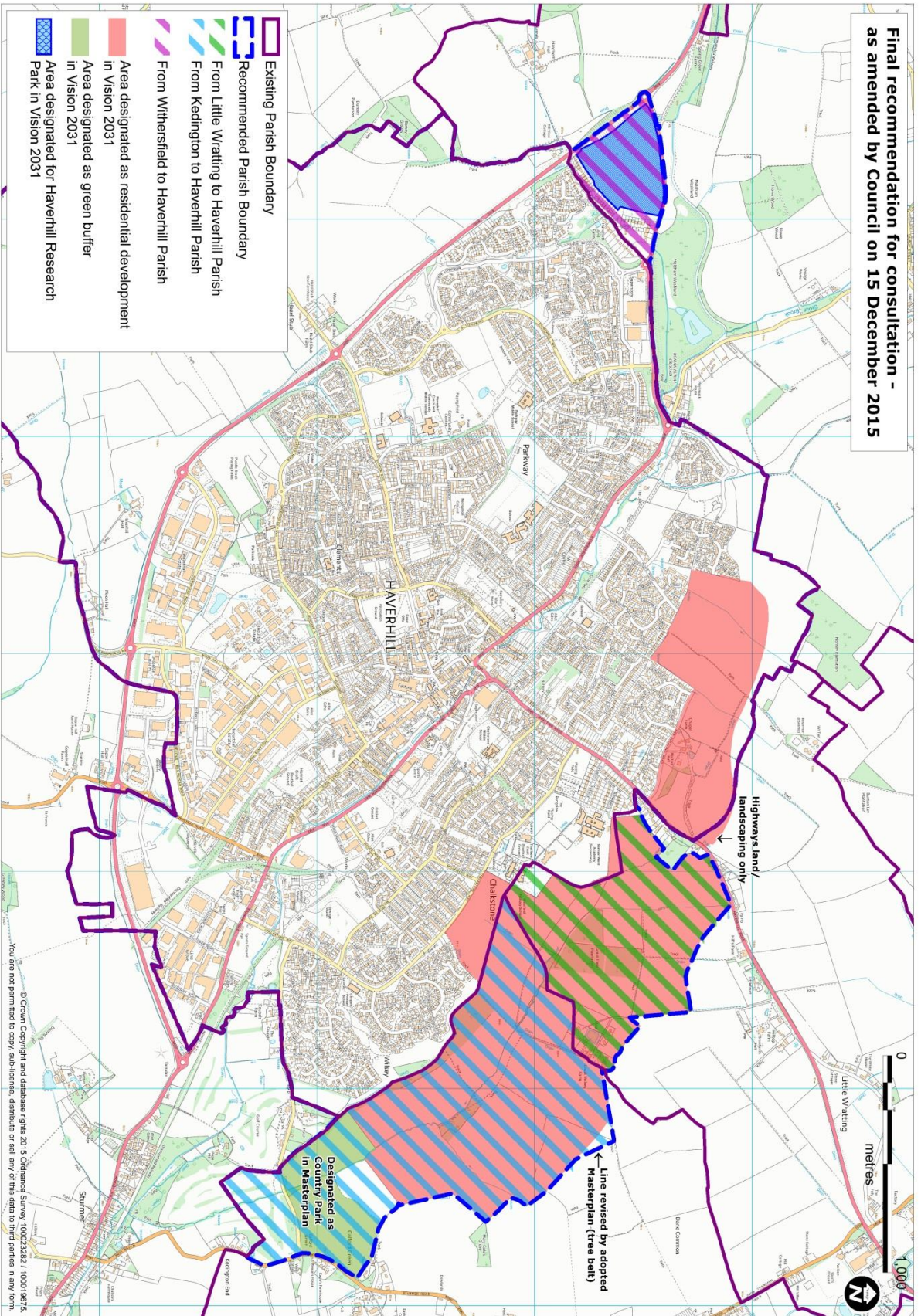
Council received and noted a narrative item, as required by the Council's Constitution, in which the Leader of the Council reported that at the time the Council agenda was published, no executive decisions had been taken under the special urgency provisions of the Constitution.

The meeting concluded at 9.39pm

Signed by:

Mayor

**Final recommendation for consultation -
as amended by Council on 15 December 2015**



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Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Leader's Statement	
Report No:	COU/SE/16/001	
Report to and date:	Council	23 February 2016
Documents attached:	None	

1. Unsurprisingly, this council's budget and level of council tax dominates the agenda and I look forward to councillors' contributions to the debate at our full Council meeting especially as, for the first time in six years, a small rise in council tax is being recommended.
2. People are often surprised, and indeed unaware, that St Edmundsbury's share is only one-eighth or so of their total council tax bill. Over the years this council has achieved a tremendous amount for the borough through foresight, significant savings, investment (especially in the local economy), partnership working and support for our rural and town communities. Now, to continue the services we provide, alongside investment in quality of life for our residents, support for local business and our homes, jobs and communities priorities, I believe we need to ask for a little more – £3.42 a year.
3. The increase Cabinet is asking councillors to support will not, by any means, make up for the year-on-year cuts in our Government funding. Indeed, to expect council tax payers to bridge that gap is unrealistic and we will continue to focus on behaving even more commercially, identifying efficiencies (especially through partnership-working) and, in some cases, identifying services where it is appropriate that only the user pays (such as the new garden waste collection service).
4. We are, of course, already doing this, and have done so for a number of years. When we first started to look at the 2016/17 budget we faced a budget gap of £1.9 million, which is 5.6% of our total expenditure of £33.9 million (excluding Housing Benefits) for the year. With a considerable amount of hard work, with councillors and staff working together, we have bridged that gap by further reducing costs in our services. And that gap, it is worth remembering, was after we have taken account of the £4 million a year we are achieving through shared services with Forest Heath.

5. Our concentration on increasing income is very much part of the devolution agenda because that is firmly focused on growth. When it comes to government, arguably we live in one of the most centralised systems in the Western world and what devolution is about is bringing that control and responsibility down to more local levels. But which level – regional, county, district or parish – depends on what we're dealing with. When it comes to decisions about investment in infrastructure such as major roads it usually makes sense for these to be held at a strategic level. Building strong, sustainable communities, the delivery of key projects, such as the Mildenhall Hub or Eastern Relief Road, supporting families, adult social care and health needs to be as local as possible.
6. Sadly, the apparent Government focus on the importance of local decision-making does not seem to apply to local justice. I, alongside everyone in West Suffolk I am sure, was very disappointed by the Ministry of Justice (MoJ) announcement that the Bury St Edmunds Magistrates Court is to close. However, the MoJ has left a window of opportunity slightly open, by saying that it will explore options suggested by us and other local stakeholders. On behalf of our residents we will be pursuing our alternative for the court services as part of our vision for the redevelopment of Western Way.
7. It was with considerable surprise that St Edmundsbury heard from another Government department recently, the Ministry of Defence (MoD), which has stated it will dispose of the RAF Barnham site for housing. This had never been suggested to us at any point but since that announcement we have worked very hard on building a relationship with the MoD which I hope will minimise such surprises in the future. The MoD has now told us that it doesn't have any firm plans, immediate or otherwise, regarding the future use of the site and recognises the heavy planning constraints that would need to be taken into account before any future use is decided. Certainly it does not consider the site a priority for redevelopment but we have received a commitment that, as the local planning authority, St Edmundsbury will be fully engaged in any future plans. We will endeavour to ensure that all Members, relevant partners and the local community are kept aware of any further news regarding timescales and plans.
8. The additional six-week consultation about the proposed West Suffolk Operational Hub closes a few days before the February 2016 full Council meeting and it will be very interesting to see what further comments West Suffolk's residents have said throughout that time. A great deal of research was made available for public scrutiny and we have asked whether people agree with us or not that bringing operational facilities together on to a single, shared site makes sense and, if so, where it should be. We have listened, and now those responses will be carefully considered. We will publish a Consultation Report when that consideration is completed and we have answers to the questions posed during the consultation.

9. I would like to take this opportunity to thank everyone who came along to the very well-organised and attended drop-in events, and the public meeting, and to thank ward members for encouraging people to take part. Thank you to all those who have sent in their responses – your time and thoughtfulness is appreciated.
10. Finally, and with a great deal of pleasure, I would like to congratulate all those who have worked so steadfastly on the incredibly complicated project to deliver the Eastern Relief Road. For very many years the road has been one of this council's ambitions – and at times it threatened to become simply a dream, or even a nightmare – but now it is set to become a reality. This is a road that enables the Suffolk Business Park to come alive, with up to 14,000 jobs and 500 homes. Building a road sounds simple, yet it has taken years of patience, skilful negotiating and cajoling – even perhaps threatening, at times – to get every partner finally on to the same, signed up and committed, page.
11. St Edmundsbury stepped in when it became apparent that the market wasn't going to deliver the necessary infrastructure. Not only did we put in £3 million of our own funding, but Suffolk County Council came in with £2 million and the New Anglia LEP with a further £10 million. Everyone – Taylor Wimpey, Churchmanor, Rougham Estates – also agreed the road was vital but the complications, and consequent legal requirements, at times made things seem almost insurmountable. Like all worthwhile challenges, this has been frustrating and fraught at times, but I am confident that tremendous progress will soon be made – watch this space, and I would again like to thank everyone involved who has helped to make this happen.

Councillor John Griffiths
Leader of the Council

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Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Schedule of Referrals from Cabinet and Democratic Renewal Working Party	
Report No:	COU/SE/16/002	
Report to and date:	Council	23 February 2016
Documents attached:	Appendix 1: Recommendation of the Democratic Renewal Working Party: 4 February 2016: Revised Freedom of the Borough Protocol.	

(A) Referrals from Cabinet: 9 February 2016

1. Annual Treasury Management and Investment Strategy Statements 2016/2017

Portfolio Holder: Cllr Ian Houlder

Report No:

[CAB/SE/16/004](#)

(Treasury

Management Sub-

Committee Report No:

[TMS/SE/15/002](#))

RECOMMENDED: That

(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

(2) the Treasury Management Code of Practice 2016/2017, as contained in Appendix 2 to Report No: TMS/SE/16/002, be approved.

1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management requires that, prior to the start of the financial year that Council formally approves an Annual Treasury Management and Investment Strategy, setting out the Council's treasury management policy and strategy statements for the forthcoming year.

- 1.2 The proposed Annual Treasury Management and Investment Strategy Statements 2016/2017 (including treasury related prudential indicators) is attached as [Appendix 1](#) to Report No: TMS/SE/16/002. The Treasury Management Sub-Committee had been advised that that no major changes had been made to the Strategy since it was last presented on 19 January 2015.
- 1.3 The Sub-Committee had been 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 have been made to the Code of Practice since it was last presented on 19 January 2015.

2. Budget and Council Tax Setting: 2016/2017 and Medium Term Financial Strategy

Portfolio Holder: *Cllr Ian Houlder*

Report No:
[CAB/SE/16/005](#)
[\(AMENDED\)](#)

- 2.1 The recommendations emanating from the Cabinet's consideration of this report are contained within Report No: COU/SE/16/003, 'Budget and Council Tax Setting: 2016/2017 and Medium Term Financial Strategy', for consideration as Agenda Item 9 on this Council agenda.

3. Enterprise Zones: Update

Portfolio Holder: Cllr Alaric Pugh

Report No:
[CAB/SE/16/006](#)

RECOMMENDED: That

- (1) the allocation of the Enterprise Zones be accepted for implementation in April 2016 and delegated authority be given to Cabinet to negotiate and agree the details and precise terms of the Enterprise Zones (including entering into any legal agreements), subject to inclusion of a clause that requires discussions and, if necessary, renegotiation of the terms around the possible changes that come with Business Rates Retention in 2020;**
- (2) subject to (1) above, delegated authority be given to the Head of Planning and Growth in consultation with the s151 Officer to work with the Local Enterprise Partnerships and other bodies to promote the two Enterprise Zones;**
- (3) delegated authority also be given to Cabinet to approve business cases for investment in on-site infrastructure to support the development of the EZs as and when these come forward and before any works can commence; and**
- (4) Council approves the discretionary business rates discount for new businesses locating within the EZs as explained in paragraph 4.7 of Report No: CAB/SE/16/006.**

- 3.1 Approval of Report No: [CAB/SE/15/064](#) gave delegated authority for the S151 and Monitoring Officers to pursue the Enterprise Zone (EZ) discussions further in the event that either or both of the bids were successful.
- 3.2 In the 2015 Autumn Statement the Chancellor, George Osborne, announced the successful new EZs which included both the new EZ bids submitted by the New Anglia Local Enterprise Partnership (NALEP) and Greater Cambridge Greater Peterborough (GCGP) Local Enterprise Partnership (LEP). These new EZs will commence from 1 April 2016.
- 3.3 The new multi-sited EZs are –
 - GCGP 'Cambridge Compass' which alongside Haverhill Research Park (HRP) includes land at Lancaster Way, Ely – East Cambridgeshire, Cambridge Research Park, Camborne Business Park and Northstowe in South Cambridgeshire.

- NALEP 'Space to Innovate' which alongside the 14 hectares at Suffolk Business Park (SBP), Bury St Edmunds includes sites at Norwich Research Park, Scottow Enterprise Park and Egmore Business Zone in North Norfolk, 4 sites in Greater Ipswich, Nar Ouse Business Park, King's Lynn and Mill Lane Business & Enterprise Park, Stowmarket.
- 3.4 The Government announcement means, effectively, that St Edmundsbury will have two key commercial sites with EZ status from 1 April 2016 and authority is sought from Council to accept the allocation of EZ status.

Current position

- 3.5 Whilst Officers have been working to fully understand what this may mean to St Edmundsbury Borough Council's (SEBC) future share of business rates income before the start of the EZs, the timescales put before us have meant that it has not been possible to put together an acceptable businesses case at this date to aid this understanding. This situation affects all local authorities.
- 3.6 Officers have modelled potential income from an indicative development at both SBP and HRP. However, as both SBP and HRP are new 'Greenfield' sites, future commercial development is unknown, as is the actual share of business rates growth that St Edmundsbury Borough Council (SEBC) will receive.
- 3.7 Both sites are currently vacant 'Greenfield' land and there is no business rates income from either site at present.
- 3.8 Whilst we understand that discussions have taken place with businesses interested in locating to HRP, no final decisions have been taken to do so. At SBP development is dependent upon the completion of the Eastern Relief Road (ERR), the construction of which is due to commence this spring (2016). The ERR is likely to be completed in 12 to 18 months from its commencement.
- 3.9 However, EZ status brings the potential to positively bring forward and stimulate interest and commercial development. EZs offer benefits for businesses such as business rates discounts (where applicable) and a simpler route to development, as Local Authorities are encouraged to put in place simplified planning processes.
- 3.10 These incentives are supported by enhanced marketing to promote the unique EZ offer and by support from organisations such as UK Trade & Investment to assist in delivering growth within the EZ from abroad.
- 3.11 Locally, EZ designation means that all business rates growth sits outside of the existing arrangements, and is effectively retained by the relevant LEP for the life of the EZ (25 years). Key to the acceptability of this arrangement is that a share agreement is put in place to locally to redistribute this growth with local partners, such as LAs.
- 3.12 The Government's expectation is that some of the business rates growth within the EZs will be invested by the local partners, such as the LEPs,

SEBC and Suffolk County Council (SCC), back into the EZ to deliver the necessary infrastructure. It is argued that investing in the EZ is usually essential for its success. It is extremely likely, therefore, that SEBC will need to make a contribution towards these costs from its anticipated business rates growth. Consequently only a portion of new rates income will be available for revenue use. No discussions have been held with SCC at this moment with regard to this issue. SCC will clearly need to make this decision itself.

- 3.13 No decisions will be made regarding SEBC's possible investment in the on-site infrastructure without the provision of a business case. Delegated authority is requested for Cabinet to approve such a case.

Remaining questions

- 3.14 Whilst the announcement is welcomed, one or two questions remain and the position regarding the following still needs to be determined.
- 3.15 Business Rates Income – through the current business rates sharing arrangements St Edmundsbury Borough Council (SEBC) is able to retain approximately 26% of business rates growth. (SEBC's actual current share of growth is 40% but it actually retains 20% and pays the other 20% into the 'Suffolk Pool'. It then receives back 6%. Overall, SEBC retains 26% of the growth).
- 3.16 In contrast, both LEPs have taken a different approach to how business rates growth should be shared between the local partners within the EZs, and it is these figures that need to be negotiated and agreed as part of a wider business case that reflects possible infrastructure contributions. Whilst it is not possible to put a timeline on the completion of the business plan, officers will seek to complete this as soon as further information is available. No decisions will be made regarding SEBCs possible investment in the on-site infrastructure without the provision of a business case. Such a business case is likely to include the vision and objectives for the zone; the approach to development; the likely impact; the baseline; growth sectors and barriers to growth. In other areas this business case has been prepared by the LEP itself. Delegated authority is requested for Cabinet to approve such a case.
- 3.17 The proposals put to us by both LEPs for the 25 year term of the EZs include:
- (1) confirmation that a share of the business rates growth is retained locally by the LAs (SEBC/SCC);
 - (2) an expectation that contributions will be made from the business rates growth on the EZ towards the delivery of any infrastructure costs that may need to be met; and
 - (3) that the LEPs retain an amount of the business rates growth for investment in the wider LEP area. The details of these are also to be negotiated.

- 3.18 Business Rates Retention 2020 - it was also announced in the 2015 Autumn Statement that the Government would consult on its plans for Business Rates Retention (BRR) at some point in 2016. This is likely to be a new approach to how business rates will be shared, including how they are retained by LAs from 2020. Again, the details of BRR are unknown.
- 3.19 Though indications from DCLG are that these new local government finance arrangements will not alter the EZ position, these changes will undoubtedly occur during the term of the EZ agreement if they are approved by Government. What this means to business rates income outside of an EZ, and how this compares with income from within an EZ, is unknown. It is therefore important to protect the Council's position from any negative unknown change to its income through the inclusion of a review clause in the 25 year local agreement with the LEPs.
- 3.20 Business Rates Discount - one of the benefits to a business of basing themselves on an EZ is the 100% business rate discount which they may be able to access (worth up to £275,000 per business over a five year period, up to the EU de minimus level). Whilst this is fully funded, as Government reimburses the Local Billing Authority, it is still a discretionary discount and Anglia Revenues Partnership has asked for it to be formally approved by the Council.

Conclusion

- 3.21 The Council's previous decision to support the principle of EZs is not affected, as the benefits are still demonstrable. Whilst the financial impacts of entering into the EZs are still being worked through, officers, under the guidance of Cabinet, will seek to agree a position with both LEPs whereby the longer term growth of the EZs will enhance overall local business growth and protect/potentially increase income to SEBC in the future. This is a position that will also deliver new local jobs for local people.
- 3.22 It could be argued that EZ status has a positive impact upon the amount of business rates income from the sites. If this is the case, the reinvestment of business rates growth in each EZ is likely to result in more business rates in the longer term.

Important note: The following Cabinet referral is as presented to Council on 23 February 2016. However, the content of this particular referral 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](#)

4. Third Generation Artificial Pitch Provision in Haverhill

Portfolio Holder: Cllr Joanna Rayner

Report No:
[CAB/SE/16/007](#)

RECOMMENDED:

- (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**
- (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:**
 - (a) the Haverhill Community Sports Association confirming acceptance of the loan agreement conditions; and**
 - (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.**

- 4.1 Haverhill Community Sports Association, who manages the New Croft football facility in Chalkstone Way, Haverhill, 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.
- 4.2 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.
- 4.3 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.

- 4.4 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.
- 4.5 The West Suffolk Playing Pitch Assessment which was 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.
- 4.6 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.
- 4.7 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.
- 4.8 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 to Report No: CAB/SE/16/007.
- 4.9 The financial considerations are as follows:
- 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.

5. Park Farm, Ingham: Adoption of Concept Statement

Portfolio Holder: Cllr Alaric Pugh

Report No:
[CAB/SE/16/009](#)
**(Sustainable
Development Working
Party Report No:**
[SDW/SE/16/001](#))

RECOMMENDED:

That 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.

- 5.1 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.
- 5.2 The Draft Concept Statement incorporating post-public consultation amendments is attached as [Appendix A](#) to Report No: SDW/SE/16/001.
- 5.3 The Sustainable Development Working Party had drawn attention to traffic generation issues and pedestrian access/egress, and whilst early discussion had been held with officers of the highway authority regarding such matters, there were outside the remit of the Concept Statement and would be addressed at the later Masterplan and planning application stages.
- 5.4 The Cabinet is satisfied that the Concept Statement has been prepared in accordance with the Vision 2031 Development Plan document and the Council's Protocol for Preparing Concept Statements and has therefore recommended it to Council for approval.

6. Tayfen Road Development Area, Bury St Edmunds: Masterplan

Portfolio Holder: Cllr Alaric Pugh

Report No:
[CAB/SE/16/009](#)
(Sustainable
Development Working
Party Report No:
[SDW/SE/16/002](#))

RECOMMENDED:

That 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.

- 6.1 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.
- 6.2 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.
- 6.3 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 with SDW/SE/16/002 as [Appendix A](#). Officers had recommended 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.
- 6.4 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).

- 6.5 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.
- 6.6 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).
- 6.7 Whilst the Masterplan under consideration retained the concept of mixed uses for the site, Officers outlined at the Sustainable Development Working Party meeting 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).
- 6.8 Officers had 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).
- 6.9 The Sustainable Development Working Party had raised concerns in relation to the Masterplan, in respect of the following, to which officers duly responded, as set out in Cabinet Report No: CAB/SE/16/009:

- (a) increased traffic generation;
- (b) affordable housing;
- (c) type of commercial development; and
- (d) pedestrian/cyclist links.

6.10 In conclusion the Working Party and Cabinet have asked that the importance they place on Section 3 of the Masterplan, i.e. 'the Planning Process' which lists and summarises the relevant planning policies relating to the development of the Masterplan area, be stressed by the inclusion of an appropriate minute to that effect.

**(B) Referral from the Democratic Renewal Working Party:
4 February 2016**

1. Freedom of the Borough: Protocol

Chairman of the Working Party:
Cllr Patsy Warby

Report No:
[DEM/SE/16/001](#)

RECOMMENDED:

That the Freedom of the Borough Protocol, attached as Appendix 1 to Report No: COU/SE/16/002, be approved.

- 1.1 The Working Party considered a draft Freedom of the Borough Protocol ([Appendix 1](#) to DEM/SE/16/001) which provided a formally agreed process to assess nominations for persons (or organisations) to be considered for the honour of Freedom of the Borough. This ensured transparency and reflected best practice in other local authorities.
- 1.2 The protocol included a nomination form (at Appendix A); this would be completed by the elected Member proposing the nomination and would be supported by ten Members. The form would be submitted to the Head of HR, Legal and Democratic Services who would ensure that sufficient information had been provided before forwarding the nomination to the Leader.
- 1.3 Members of the Working Party discussed the draft protocol in some detail and agreed that the following amendments should be made:
 - (a) the Freedom of the Borough should not be awarded to serving councillors;
 - (b) the nomination should be considered against the criteria by the Group Leaders and the Mayor, and they will decide whether or not to make a recommendation to Council that the honour is bestowed;
 - (c) the 'free text' box on the Nomination Form at Appendix A to the Protocol should be expanded and include wording to '*continue overleaf or attach supporting evidence*'.
- 1.4 Councillor Rout proposed the amendments as detailed above, and these were duly seconded and approved by all Members of the Working Party. A revised Protocol is at Appendix 1 to Report No. COU/SE/16/002.

Freedom of the Borough - Protocol

Background

The medieval term 'freeman' traditionally meant someone who was not the property of a feudal lord, but enjoyed privileges such as the right to earn money and own land. Town dwellers who were protected by the charter of their town or city were often free - hence the term 'freedom of the city'.

The conferment of the Honorary Freedom of a borough or city has been established since 1885 as the highest honour which the local authority can bestow. Historically, it had not always been treated with such reverence. Until the Municipal Corporations Act of 1835 put an end to the practice, it had been possible to appoint honorary freemen for less noble reasons, not least of which might have been the future disposition of their vote at elections.

To be granted the title of Honorary Freeman is a mark of distinction upon the person whom the Council wishes to honour. The Freedom itself carries no privilege and is purely an honour, reflecting the eminence of the person on whom it is conferred or as recognition of significant and valuable services rendered to the city or borough by that person. It is normally an honour or award to men or women of note who have lived or worked in the city, and who are proud to be a part of the city's history by becoming freemen or in the case of HM Services Units, Freedom of the Borough. ***It should not be awarded to serving councillors.***

What criteria is to be used to award this status?

The overriding principle is that these awards should be made on merit, defined as:

- Achievement
- Exceptional Service

Awards should not be for a job well done or because someone has reached a particular level. They should be awarded because an individual has 'gone the extra mile' in the contribution they have made or stand out 'head and shoulders' above others in what has been achieved.

To be considered, the nominee should meet at least 2 of the following criteria:

- delivered in a way that has brought distinction to borough life and enhanced the borough's reputation in the area or activity concerned
- contributed in a way to improve the lives of those less able to help themselves
- demonstrated innovation and entrepreneurship which is delivering results in the borough.

As this is the highest honour that a Borough council can grant it should be used sparingly and should not be given too often in order to preserve its status and value.

The title of Honorary Freeman does not give any rights but it is hoped that person would support the Office of Mayor at civic functions.

The awarding of the Freedom of the Borough to Service Units 'to march through the streets of the borough with bayonets fixed, drums beating and Colours flying' is really an empty grant. The practice has been generally accepted and provides a dignified and satisfactory means of enabling a city or borough to honour a distinguished unit of Her Majesty's forces.

The Process

The recommendation to confer the status of Freeman is made by ***the Group Leaders, the Deputy Leader and the Mayor***, following nomination by any elected member.

For candidates to be considered they must be able to demonstrate a strong and continuing connection with, and commitment to, the Borough or have made a major contribution to national life and in doing so, have enhanced the reputation of the borough.

To assist it is suggested that this could include the following:

- Artistic and cultural endeavours
- Business, economic growth and prosperity
- Charitable work
- Improvement to the built and natural environment
- Religious and spiritual life
- Sports activities
- Civic service

Only in exceptional circumstances should consideration be given to the admission of organisations.

The Procedure

The Democratic Renewal Working Party has agreed the following procedure.

Nominations for persons or organisations to be granted Freedom of the Borough, may be made by any serving Member of the Council to the Head of HR, Legal & Democratic Services on the appropriate form (see Appendix A). Each nomination must contain the support of at least 10 Members of the Council and where appropriate, the member should first raise the matter for discussion within their political group.

The Head of HR, Legal & Democratic Services will check that sufficient information has been provided on the form and will then pass the nomination to the Leader for consideration.

The Group Leaders, Deputy Leader and the Mayor will meet to consider the nomination against the criteria. Following unanimous agreement they will make a recommendation to Council that the honour is bestowed. Alternatively they may decide that the nomination is not suitable as it does not meet the criteria.

The Leader shall report to Council and, should Council accept the nomination, a Special Meeting of Council would then be called to pass the resolution pursuant to Section 249 of the Local Government Act 1972, for the admission as Honorary Freemen of the Borough of the relevant persons.

The Ceremony

The ceremony for the admitting of an Honorary Freeman is to be a very formal occasion. Section 249 of the Local Government Act 1972 (sub section 5) deals with the admission to the Freedom of the Borough by Borough or City Councils of 'persons of distinction and persons who have in the opinion of the Council, rendered eminent services to the Borough'.

The act provides that a special meeting of the Council (made public 5 days prior to the meeting) must be convened with the specific object of passing the resolution to Honorary Freedom - one of the highest honours that the Borough can bestow. This will take place on the same date as the Annual Council meeting when possible.

The resolution should recite the grounds upon which the recommendation is being made, and details of the public services rendered by the recipient should be included. The resolution must be passed by not less than two thirds of the members present.

The procedure should be carried out with the utmost formality and the Honorary Freeman Elect is invited and should attend the Council Meeting and be placed on the right hand of the Lord Mayor.

After the passing of the resolution, the newly admitted Freeman should take the appropriate Freeman's Oath and sign the Freeman's Roll, his/her signature being witnessed by the Mayor and the Chief Executive or nominated Ooficer.

A sealed and illuminated certificate of the grant of Honorary Freedom, containing a copy of the formal resolution, should then be presented to the newly appointed Honorary Freeman by the Lord Mayor with a Freedom of the City medal, with an opportunity being given for the recipient to reply.

After the formal proceedings come to an end, it is usual to close the meeting and adjourn for a reception. This gives an opportunity for the invited guests to offer their congratulations to the newly appointed Honorary Freeman.

APPENDIX A

NOMINATION FORM FOR FREEDOM OF THE BOROUGH.

I Councillor wish to nominate the following person (organisation) to be considered for the status of Freedom of the Borough of St. Edmundsbury Borough Council.

Nominee.....

I am aware that the following criterion needs to be applied to the achievements of the nominee.

They have:

- delivered in a way that has brought distinction to borough life and enhanced the borough’s reputation in the area or activity concerned
- contributed in a way to improve the lives of those less able to help themselves
- demonstrated innovation and entrepreneurship which is delivering results in the borough.

I believe that they have met this criteria in the following way:

Please continue overleaf or attach supporting evidence.

We the undersigned Councillors support this nomination for Freedom of the Borough:

1.	6.
2.	7.
3.	8.
4.	9.
5.	10.

Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Budget and Council Tax Setting: 2016/2017 and Medium Term Financial Strategy	
Report No:	COU/SE/16/003	
Report to and date:	Council	23 February 2016
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This report sets out details of the Council's proposed revenue and capital budgets for 2016/17. The Council is required to consider the 2016/17 budget for the authority and to set the level of Council Tax required to fund this budget.	
Recommendations:	<p>It is <u>RECOMMENDED</u> that:</p> <p>(1) Having taken into account the information received by Cabinet on 9 February 2016 (Report No: CAB/SE/16/005) including the Report by the Head of Resources and Performance (S151 Officer) set out in Attachment C, together with the up to date information and advice contained in this report, the level of Band D Council Tax for 2016/2017 be set at £178.65.</p> <p>(2) Subject to (1) above, the following formal Council Tax resolution be adopted:</p>	

	<ul style="list-style-type: none"> (i) the revenue and capital budget for 2016/2017 attached at Attachment A to Report No: COU/SE/16/003, and as detailed in Attachment D, Appendices 1-5 and Attachment E, be approved; (ii) the Medium Term Financial Strategy (MTFS) projected budget position for 2017/2018 to 2019/2020, as detailed in Attachment D Appendix 1, be noted; (iii) a general fund balance of £3 million be agreed to be maintained, as detailed in paragraph 1.9.2 of Report No: COU/SE/16/003; (iv) the statutory calculations under Section 30 to 36 of the Local Government Finance Act 1992, attached as Attachment G, be noted; (v) the Suffolk County Council and Suffolk Police Authority precepts issued to St Edmundsbury Borough Council, in accordance with Section 40 of the Local Government Finance Act 1992 and outlined at paragraphs 2.5 and 2.6 of Report No: COU/SE/16/003, be noted; and (vi) in accordance with Section 30(2) of the Local Government Finance Act 1992, the amounts shown in Schedule D of Attachment F be agreed as the amount of Council Tax for the year 2016/2017 for each of the categories of dwellings shown. <p>(3) The Head of Resources and Performance, in consultation with the Portfolio Holder for Resources and Performance, be authorised to transfer any surplus on the 2015/2016 revenue budget to the Invest to Save Reserve as detailed in paragraph 1.9.4 of Report No: COU/SE/16/003, and to vire funds between existing Earmarked Reserves (as set out at Attachment D, Appendix 3) as deemed appropriate throughout the year.</p> <p>(4) The revised Minimum Revenue Provision (MRP) policy, as set out in section 1.8 of Report No: COU/SE/16/003 and Attachment D Appendix 4, is adopted.</p>
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	(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.
Key Decision:	<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"/> As it is a full Council decision and not a Cabinet decision.
Consultation:	<ul style="list-style-type: none"> As detailed in the body of this report
Alternative options:	<ul style="list-style-type: none"> The Council is legally required to set a balanced budget.
Implications:	
<i>Are there any financial implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> As detailed in the body of this report
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> Staffing implications are considered as part of any proposed structure changes.
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none">
<i>Are there any legal and/or policy implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> As detailed in the body of this report
<i>Are there any equality implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> To be considered as part of implementation of service changes
Risk/opportunity assessment:	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 2016/17 budget plans. Council is advised to have regard to this report when making its decisions on the 2016/17 budget.

Wards affected:	All Wards
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	<u>PAS/SE/15/026</u> Delivering a Sustainable Budget 2016/17 – 23 September 2015 <u>PAS/SE/15/035</u> Delivering a Sustainable Budget 2016/17 – 25 November 2015 <u>PAS/SE/16/005</u> Budget Monitoring 1 April 2015 – 31 December 2015 -28 January 2016 <u>CAB/SE/16/005 (AMENDED)</u> Budget and Council Tax Setting: 2016/17 and Medium Term Financial Strategy - 9 February 2016 West Suffolk Medium Term Financial Strategy Included as Attachment D
Documents attached:	Attachment A – Revenue Budget Summary Attachment B – Summary of major budget changes Attachment C – Report by the Head of Resources and Performance Attachment D – Medium Term Financial Strategy (MTFS) Appendix 1 - 5 Year Revenue Budget (MTFS) Appendix 2 – 5 Year Capital Budget Appendix 3 – Earmarked Revenue Reserves Appendix 4 – Prudential Code for Capital Finance Appendix 5 – Scenario Planning and Sensitivity Analysis Attachment E – Strategic Priorities and Medium Term Financial Strategy (MTFS) Reserve Attachment F – Council Tax Schedules Attachment G – Council Tax Resolution

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 2016/17

1.2.1 The Local Government Finance Settlement for 2016/17 was announced on 8 February 2016. In previous years the settlement figures only covered one year, with an indicative figure for the following year. In the 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 but officers will continue to review the details as they become available and will report to members in due course.

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. In addition to this the finance settlement includes two years of transitional grant funding for those councils with above average cuts in Revenue Support Grant. As a consequence, the borough has been allocated £0.050m in transitional grant for both 2016/17 and 2017/18.

1.2.3 The Council has seen a 67% cumulative cut in revenue support grant funding over the three years from 2013/14 to 2016/17. Further cuts to the Revenue Support Grant (RSG) element (including Council Tax Freeze Grant) in subsequent years have been outlined in the settlement and, based on the four year settlement referred to above, it is forecast that by 2019/20 the Council will actually be in a negative RSG position. DCLG intend to achieve this by making an adjustment through the business rates system.

1.2.4 The borough has seen an increase in the amount of Rural Services Delivery Grant from £29,000 in 2015/16 to £150,000 in 2016/17.

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 agree 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 (the higher of 2% or £5 for shire district councils).

- 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 shire district councils such as St Edmundsbury Borough Council. 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 1.952% increase in council tax for 2016/17, which equates to an increase of £3.42 per year for a band D taxpayer.

1.4 **Business rates retail relief 2016/17**

- 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 – 2016/17**

- 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

St Edmundsbury Borough Council	2016/17 £000s	2016/17 £000s
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
Revised Budget Gap		1,903

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 approved by 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 25 November 2015 meeting, the Committee considered 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 £12.846 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 overleaf.

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

	2016/17 millions	2017/18 millions	2018/19 millions	2019/20 millions	Total
Gross capital expenditure	£14.596	£2.041	£1.596	£1.690	£19.923
Funded by:					
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
Total	£14.596	£2.041	£1.596	£1.690	£19.923

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**

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>
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 decisions of full Council.

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: COU/SE/16/002) 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 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 2016/2017. However, many of the assumptions supporting the budget projections for 2016/2017 (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 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 considered by 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 £12.292 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 (Forest Heath District Council and St Edmundsbury Borough Council) 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 six years to four, 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 for consideration by full Council. Attachment E summarises the proposed draws on this reserve as part of the 2015/16 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 attached 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 £1.694 million for St Edmundsbury (that is, £1.028 million 2017/18, £0.500 million 2018/19, and £0.166 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. Calculation of the Council Tax

- 2.1 At its meeting on 9 February 2016, the Cabinet recommended an increase of £3.42 (1.952%) in St Edmundsbury's council tax for 2016/17 to £178.65 for Band D properties (£175.23 for 2015/16).
- 2.2 The council tax is set for a Band D property and then adjusted for the other council tax bandings. The number of Band D equivalent properties (the Tax Base) is the national benchmark and for St Edmundsbury, the number of Band D equivalents for 2016/17 is 35,737.08 (compared to 35,058 for 2015/16).
- 2.3 Since the meeting of Cabinet on 9 February 2016, the precepts of the other organisations have been received and these are detailed below and in the schedules at Attachment F and Attachment G.
- 2.4 The parish councils have set their own council tax requirements for 2016/17. These are detailed at Attachment F, Schedule A. The total Parish and Town Councils precepts for 2016/2017 amount to £1,864,974 which results in an average Band D parish council tax of £52.19.
- 2.5 Suffolk County Council met on 11 February 2016 and set its precept at £41,062,977.03 resulting in a Band D council tax of £1,149.03, a 2.00% increase relating entirely to a new charge for adult social care services.
- 2.6 Suffolk Police Authority notified the Council of its precept requirement on 8 February 2016, an amount of £6,197,881.78, resulting in a Band D council tax of £173.43, a 1.96% increase on the 2015/16 figure of £170.10.
- 2.7 Based on the figures above, the proportions of an average 2016/2017 council tax bill will be:
- | | |
|---------------------------------|--------|
| Suffolk County Council: | 73.97% |
| St Edmundsbury Borough Council: | 11.50% |
| Suffolk Police Authority: | 11.17% |
| Parish/Town Council: | 3.36% |
- 2.8 There are a number of statutory calculations that follow from this budgetary decision and these are detailed in Attachment G.

- 2.9 If the formal Council Tax Resolution attached at Attachment G is approved, the total Band D council tax will be as follows:

	2015/16 £	2016/17 £	Increase %
St Edmundsbury Borough Council	175.23	178.65	1.95%
Suffolk County Council	1,126.53	1,149.03	2.00%
Suffolk Police Authority	170.10	173.43	1.96%
Sub-Total	1,471.86	1,501.11	1.99%
Town and Parish average	47.31	52.19	10.31%
Total	1,519.17	1,553.30	2.25%

3. Legal implications

- 3.1 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 Borough Council this year.

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Service	Ref.No.	2014/15 Actual	2015/16 Budget	2016/17 Budget
Net Service Expenditure by Service Area				
Services				
Head of Resources & Performance	1	370,164	1,089,592	643,490
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	2,219,129	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
Total Net Expenditure excluding Parishes	7	12,872,356	12,757,007	12,846,063
Budgeted use of General Fund Balance	8	(460,000)	0	(224,000)
Year end actual Transfer to General Fund Balance	9	(354,684)	0	0
BUDGET REQUIREMENT EXCLUDING PARISHES	10	12,057,672	12,757,007	12,622,063
GRANTS AND COUNCIL TAX REQUIREMENT				
Collection Fund Deficit / (Surplus) - Council Tax	11	82,782	(167,300)	(187,000)
Collection Fund Deficit / (Surplus) - Business Rates	12	463,301	239,942	331,044
Government Support				
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)	(538,794)
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)	(150,100)
Transition Grant	20	0	0	(50,524)
Council Tax Freeze Grant - 2011/12 to 2015/16 (see Note 1)	21	(299,744)	(365,077)	0
New Homes Bonus	22	(885,975)	(1,219,085)	(1,754,021)
Totals	23	6,085,033	6,143,482	6,384,429
Amount met from Collection Fund				
St Edmundsbury Borough Council	24	6,085,033	6,143,482	6,384,429
Parish Councils	25	1,586,833	1,658,461	1,864,974
Total met from Collection Fund	26	7,671,866	7,801,943	8,249,403
Working Balances				
Opening General Fund Balance	27	3,579,055	3,224,371	3,224,371
Transfers to General Fund	28	(354,684)	0	(224,000)
General Fund Balance carried forward:	29	3,224,371	3,224,371	3,000,371

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)
Budget gap, as per 2015/16 Budget setting process	1,443
<i>Additional Budget Pressures Identified April - September 2015</i>	
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
Revised Budget Gap, as reported to Performance and Audit Scrutiny Committee 23 September 2015	1,903
<i>Budget Pressures identified during the 2016/17 process:</i>	
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
Increase in NNDR appeals provision	333
<u>Budget saving proposals</u>	
<i>Income Generation</i>	
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)
<i>Changes in Budget Assumptions</i>	
Budget assumption change - 1% for pay inflation	(70)
Budget assumption change for car parking to reflect current volumes	(100)
Council Tax increase - 1.95%	(122)
<i>Efficiencies and Other Savings</i>	
Business Process Re-Engineering (BPR) - release of staffing capacity following efficiencies created through process redesign	(163)
Contract efficiencies including ICT supplies and services	(98)

Description	2016/17 £'000 Pressure/ (Saving)
Contract efficiencies through Facilities Management joint venture - part year savings	(32)
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)
Fund increased NNDR appeals provision from Business Rate Reserve	(333)
Increase in Rural Services Delivery Grant on confirmation of settlement	(113)
RSG Transition Grant added to budget on confirmation of settlement	(50)
Other minor budget changes	(20)
Review of Reserves and Balances - post Finance Settlement	
Contribution to Invest to Save Reserve, following confirmation of finance settlement	285
Reduction of General Fund balance to policy level of £3M	(224)
Final Budget Gap	0

**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 1st 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 £1.694m 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 simplifies public sector structures in the west of Suffolk.

Working more efficiently, through shared services, moving to digital forms of communication, behaving more commercially 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 local families and 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.

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 funding arrangements or structures, 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 took place 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.

DRAFT

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 will commence 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

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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, 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.

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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.

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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/>

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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

	2017/18	2018/19	2019/20
	Annual saving *	Annual saving *	Annual saving *
Forest Heath DC	£0.949m	£0.452m	£0.224m
St Edmundsbury BC	£1.028m	£0.500m	£0.166m
Both Councils	£1.977m	£0.952m	£0.390m

* 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 MTFS

	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
- £11.0m 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

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

Treasury management

Both Council's 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

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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 2019/20, 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 MTF5.

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.

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Forest Heath
District Council



St Edmundsbury
BOROUGH COUNCIL

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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
Net Service Expenditure before Interest	1	12,771	13,012	13,123	12,047	12,551	12,926
Forecast Underspend	2		0				
Interest received on investment of cash balances	3	(360)	(256)	(277)	(385)	(515)	(640)
Net Expenditure after Interest and Capital	4	12,411	12,756	12,846	11,662	12,036	12,286
Savings Required:							
2016/17	5	0	0	0	0	0	0
2017/18	6	0	0	0	(1,028)	(1,028)	(1,028)
2018/19	7	0	0	0	0	(500)	(500)
2019/20	8	0	0	0	0	0	(166)
Transfer to/(from) General Fund Balance	9	(355)	0	(224)	0	0	0
Budget Requirement (excluding Parishes)	10	12,056	12,756	12,622	10,634	10,508	10,592
Collection Fund Deficit/(Surplus) - Council Tax	11	83	(167)	(187)	0	0	0
Collection Fund Deficit/(Surplus) - Business Rates	12	463	240	331	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)	(539)	(504)	(514)	(385)
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)	(150)	(121)	(93)	(121)
Transition Grant	20	0	0	(51)	(50)	0	0
Council Tax Freeze Grant 2011/12 to 2015/16	21	(300)	(365)	0	0	0	0
New Homes Bonus Grant	22	(886)	(1,219)	(1,754)	0	0	0
Amount to be charged to Council Taxpayers	23	6,085	6,143	6,384	6,636	6,898	7,171
Council Tax Base	24	34,725	35,058	35,737	36,429	37,135	37,854
Council Tax at Band D (£ p)	25	£175.23	£175.23	£178.65	£182.16	£185.76	£189.45
Budgeted Increase Year on Year (%)	26	0.00%	0.00%	1.95%	2.00%	2.00%	2.00%
Budgeted Increase Year on Year (£ p)	27	£0.00	£0.00	£3.42	£3.51	£3.60	£3.69
Total Council Tax Generated Excluding Parishes	28	6,085	6,143	6,384	6,636	6,898	7,171

General Fund

Balance as at 1 April	29	3,579	3,224	3,224	3,000	3,000	3,000
Transfer to / (from) Reserve	30	(355)	0	(224)	0	0	0
Closing Balance as at 31 March	31	3,224	3,224	3,000	3,000	3,000	3,000
Net Expenditure for General Fund purposes	32	12,411	12,756	12,846	11,662	12,036	12,286
General Fund balance as % of Net Expenditure	33	25.98%	25.27%	23.35%	25.72%	24.93%	24.42%

Earmarked Reserves

Balance as at 1 April	34	12,614	13,404	14,228	12,292	11,649	11,470
Contributions to / (from) Reserves	35	790	824	(1,936)	(643)	(179)	(432)
Closing Balance as at 31 March	36	13,404	14,228	12,292	11,649	11,470	11,038

Capital Receipts

Balance as at 1 April	37	14,763	15,114	13,580	6,747	6,797	6,847
Movement in the year	38	351	(1,534)	(6,833)	50	50	50
Closing Balance as at 31 March	39	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	1,552,500	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	24,913	24,913	0	0	0	24,913
Peach Maltings	SEBC ASSET	M Walsh	51,000	0	0	0	0	51,000	0	0	0	51,000	51,000
Haverhill Plaza	SEBC ASSET	M Walsh	1,060	0	0	0	0	1,060	1,060	0	0	0	1,060
Children's Play Equipment - Haverhill Recreation Ground	SEBC ASSET	M Walsh	11,207	0	0	0	0	11,207	0	11,207	0	0	11,207
Children's Play Equipment - Allington Walk	SEBC ASSET	M Walsh	75,000	0	0	0	0	75,000	0	75,000	0	0	75,000
Children's Play Equipment - Priors	SEBC ASSET	M Walsh	155,000	0	0	0	0	155,000	0	145,000	10,000	0	155,000
Children's Play Equipment - Nowton Pit	SEBC ASSET	M Walsh	70,000	0	0	0	0	70,000	0	70,000	0	0	70,000
Cycle Stands Cattle Market	SEBC ASSET	M Walsh	5,000	0	0	0	0	5,000	0	0	0	5,000	5,000
Gypsy and traveller site	SEBC ASSET	S Phelan	0	587,000	0	0	0	587,000	0	0	587,000	0	587,000
Havebury - Bury Road, Chedburgh	SEBC ASSET	S Phelan	400,000	0	0	0	0	400,000	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	4,051,100	0	4,051,100	0	0	4,051,100
TV Cameras and Server	VP&E	M Walsh	448,303	0	0	0	0	448,303	0	448,303	0	0	448,303
Folk Business Park Investment	GROWTH AREA	S Wood	33,784	2,250,000	0	0	0	2,283,784	500,000	0	1,783,784	0	2,283,784
North Area Initiatives	GROWTH AREA	S Wood	88,000	0	0	0	0	88,000	0	0	88,000	0	88,000
Haverhill Railway Walks, Education	GROWTH AREA	S Wood	27,000	0	0	0	0	27,000	0	0	27,000	0	27,000
High Street Haverhill Improvements	GROWTH AREA	S Wood	693,000	0	0	0	0	693,000	0	0	693,000	0	693,000
Millfields Way, Haverhill - Housing Scheme	GROWTH AREA	S Wood	85,000	0	0	0	0	85,000	0	0	85,000	0	85,000
Lark Valley Path	GROWTH AREA	S Wood	27,000	0	0	0	0	27,000	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
Asset Management Plan													
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
Core & 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
PENDING ITEMS													
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
			5,784,790	14,595,705	2,040,900	1,596,200	1,690,500	25,708,095	10,716,442	9,181,428	5,236,734	573,491	25,708,095

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	285,297	(26,740)	819,057	0	0	819,057
Risk/Recession Reserve	38,795	62,900	101,695	48,046	316,945	466,686	0	0	466,686
BRR Equalisation Reserve	588,294	112,978	701,272	0	(336,774)	364,498	0	0	364,498
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-Gershon 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
St Edmundsbury Reserve Totals:	13,404,482	823,584	14,228,066	4,462,385	(6,398,675)	12,291,776	2,398,850	(3,041,231)	11,649,395

* 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	819,057	0	0	819,057	0	0	819,057
Risk/Recession Reserve	466,686	0	0	466,686	0	0	466,686
BRR Equalisation Reserve	364,498	0	0	364,498	0	0	364,498
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
St Edmundsbury Reserve Totals:	11,649,395	2,398,850	(2,578,522)	11,469,723	2,398,850	(2,830,803)	11,037,770

* 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.

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

Financed by:	2015/16 Approved	2015/16 Revised	2016/17 Budget	2017/18 Indicative	2018/19 Indicative
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
Total	8,392	5,785	14,596	2,041	1,596

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

Indicator 2	2015/16 Approved	2015/16 Revised	2016/17 Budget	2017/18 Indicative	2018/19 Indicative
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'

Incremental Impact of Capital Investment Decisions					
Indicator 3	2015/16 Approved	2015/16 Revised	2016/17 Budget	2017/18 Indicative	2018/19 Indicative
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.

Estimate of Capital Financing Requirements					
Indicator 4	2015/16 £000 Approved	2015/16 £000 Revised	2016/17 £000 Budget	2017/18 £000 Indicative	2018/19 £000 Indicative
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:

Authorised Limit of External Debt			
Indicator 5	2016/17 £000 Budget	2017/18 £000 Indicative	2018/19 £000 Indicative
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:

Operational Boundary for External Debt			
Indicator 6	2016/17	2017/18	2018/19
	£000	£000	£000
	Budget	Indicative	Indicative
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.

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

Indicator 8			
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:

Period (years)	Lower Limit	Upper Limit
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.

Period (years)	Upper limit £M
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:

Method	Explanation
<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	The CFR method 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)	Equal instalment method 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)	Annuity Method 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	Depreciation method 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 loan¹.
- 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 instalment 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:

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

¹ 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>St Edmundsbury Borough Council</p> <p>Risk Area</p>	<p>2016/17</p> <p>Impact</p> <p>£000s</p>	<p>2016/20</p> <p>MTFS</p> <p>Impact</p> <p>£000s</p>
<p><u>Pay Inflation</u></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>535</p>
<p><u>Employers Pensions</u></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>480</p>
<p><u>Industrial Unit Rental Income</u></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>775</p>
<p><u>Commercial Income</u></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>154</p>

<p>St Edmundsbury Borough Council</p> <p>Risk Area</p>	<p>2016/17</p> <p>Impact £000s</p>	<p>2016/20 MTFS</p> <p>Impact £000s</p>
<p><u>Planning Income</u></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>377</p>
<p><u>Transfer of Waste Station</u></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>N/A</p>
<p><u>Blue Bins</u></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>130</p>
<p><u>Interest Receipt Rates</u></p> <p>The Council’s current assumptions around interest receipts are as follows:</p> <p>2016/17 – 0.90% 2017/18 – 1.50% 2018/19 – 2.00% 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>541</p>

<p>St Edmundsbury Borough Council</p> <p>Risk Area</p>	<p>2016/17</p> <p>Impact</p> <p>£000s</p>	<p>2016/20</p> <p>MTFS</p> <p>Impact</p> <p>£000s</p>
<p><u>Government Grant</u></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>83</p>
<p><u>Council Tax Collection</u></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>252</p>
<p><u>Business Rate Retention - Amount collectable</u></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>764</p>

<p>St Edmundsbury Borough Council</p> <p>Risk Area</p>	<p>2016/17</p> <p>Impact</p> <p>£000s</p>	<p>2016/20</p> <p>MTFS</p> <p>Impact</p> <p>£000s</p>
<p><u>Business Rate Retention - Multiplier</u></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><u>Housing Benefit Subsidy</u></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>TOTALS (£000s):</p>	<p>1,329</p>	<p>5,344</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 1st 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.

Area	One-Off Funding	Annual Funding that spans more than one year	Comments
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.

Area	One-Off Funding	Annual Funding that spans more than one year	Comments
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.

Parish Estimates 2016/17

Parish	Parish Spending Requirement						Less Support Grant		Parish Precept £	Tax Base	Band D Parish/ Town Council Tax £
	Grants Paid £	S137 Spend £	Administration Costs £	Other Costs £	Use of Reserves £	Total Requirement £	Parish Revenue £	Local Council Tax £			
Ampton, Timworth & Livermere	-	-	-	-	-	-	-	-	-	48.63	-
Bardwell	-	400	4,930	6,096	(1,066)	10,360	452	53	9,855	307.79	32.02
Barnardiston	-	-	-	-	-	-	-	-	-	58.89	-
Barnham	700	200	2,630	3,470	-	7,000	257	51	6,692	235.81	28.38
Barningham	-	200	10,305	12,350	(55)	22,800	1,035	411	21,354	330.97	64.52
Barrow cum Denham	-	-	11,065	12,754	-	23,819	1,195	483	22,141	651.47	33.99
Barton, Great	1,500	240	23,292	7,728	-	32,760	1,943	269	30,548	931.26	32.80
Bradfield Combust with Stanningfield	-	50	5,900	7,405	163	13,518	583	185	12,750	215.51	59.16
Bradfield St Clare	-	-	989	711	-	1,700	96	26	1,578	68.49	23.04
Bradfield St George	-	50	4,650	800	-	5,500	408	95	4,997	150.86	33.12
Bradley, Great	-	20	2,930	7,650	-	10,600	358	94	10,148	155.60	65.22
Bradley, Little	-	-	-	-	-	-	-	-	-	20.38	-
Brockley	-	-	3,630	8,444	(3,630)	8,444	200	61	8,183	128.26	63.80
Cavendish	-	300	9,500	13,742	-	23,542	1,081	284	22,177	418.59	52.98
Chedburgh	100	2,000	5,225	1,500	137	8,962	415	30	8,517	244.10	34.89
Chevington	250	200	4,600	1,500	-	6,550	388	50	6,112	267.58	22.84
Clare	9,391	3,500	26,690	68,124	(10,914)	96,791	2,710	2,276	91,805	817.53	112.30
Coney Weston	1,138	1,027	1,701	-	-	3,866	229	17	3,620	165.11	21.92
Cowlinge	-	25	2,350	8,995	-	11,370	353	17	11,000	131.52	83.64
Culford	1,716	268	3,105	719	-	5,808	252	11	5,545	184.22	30.10
Denston	104	-	96	200	-	400	-	-	400	54.28	7.37
Depden	-	-	2,565	135	-	2,700	195	16	2,489	84.30	29.53
Euston	-	800	150	750	-	1,700	15	2	1,683	60.41	27.86
Fakenham Magna	-	-	1,647	1,150	-	2,797	154	22	2,621	59.67	43.92
Flempton-cum-Hengrave	100	-	1,720	2,500	(1,000)	3,320	108	-	3,212	146.54	21.92
Fornham All Saints	566	3,400	8,816	5,620	(810)	17,592	681	406	16,505	294.82	55.98
Fornham St Martin-cum-St Genevieve	1,325	25	10,800	9,708	-	21,858	900	208	20,750	483.87	42.88
Hargrave	-	10	1,600	2,500	-	4,110	174	68	3,868	116.11	33.31
Hawkedon	200	282	150	-	(250)	382	-	-	382	66.05	5.78
Hawstead	-	300	6,600	3,700	(2,600)	8,000	322	103	7,575	130.89	57.87
Hepworth	-	960	3,890	400	-	5,250	185	67	4,998	211.84	23.59
Honington-cum-Sapiston	1,800	5,393	5,046	4,680	-	16,919	469	278	16,172	283.05	57.13
Hopton	-	280	3,870	3,745	(550)	7,345	336	164	6,845	234.18	29.23
Horringer	4,500	1,000	11,175	10,190	-	26,865	803	87	25,975	407.65	63.72
Hundon	186	465	4,916	7,801	(775)	12,593	516	229	11,848	433.99	27.30
Ickworth	-	-	445	-	-	445	25	4	416	9.51	43.74
Ingham	-	150	3,000	1,250	(500)	3,900	214	44	3,642	151.97	23.97
Ixworth cum Ixworth Thorpe	-	2,000	15,960	26,425	-	44,385	1,802	831	41,752	762.05	54.79
Total Carried Forward	23,576	23,545	205,938	242,742	(21,850)	473,951	18,854	6,942	448,155	9,523.75	47.06

Parish Estimates 2016/17

Parish	Parish Spending Requirement						Less Support Grant		Parish Precept £	Tax Base	Band D Parish/ Town Council Tax £
	Grants Paid £	S137 Spend £	Administration Costs £	Other Costs £	Use of Reserves £	Total Requirement £	Parish Revenue £	Local Council Tax £			
Kedington	3,500	100	26,545	40,915	-	71,060	2,770	641	67,649	671.14	100.80
Knettishall	-	20	145	140	-	305	14	8	283	10.58	26.75
Lackford	-	500	4,473	1,427	-	6,400	385	-	6,015	102.21	58.85
Lidgate	-	250	4,359	1,800	(306)	6,103	344	53	5,706	99.36	57.43
Livermere, Great	-	100	3,318	2,860	(1,548)	4,730	229	180	4,321	75.65	57.12
Market Weston	-	700	2,680	1,197	-	4,577	223	43	4,311	97.51	44.21
Nowton	125	-	1,773	375	-	2,273	14	-	2,259	69.97	32.29
Ousden	-	205	4,069	2,770	(1,710)	5,334	278	87	4,969	112.29	44.25
Pakenham	1,845	200	4,890	9,539	(3,750)	12,724	510	151	12,063	336.05	35.90
Poslingford	-	-	1,878	1,852	-	3,730	184	49	3,497	85.90	40.71
Rede	-	-	266	1,144	-	1,410	51	6	1,353	51.43	26.31
Risby	-	100	6,428	4,357	(1,716)	9,169	458	151	8,560	264.81	32.33
Rushbrooke with Rougham	785	1,400	7,490	3,200	(375)	12,500	624	199	11,677	407.60	28.65
Stansfield	-	50	3,767	1,393	(233)	4,977	291	75	4,611	88.95	51.84
Stanton	-	200	11,310	49,970	-	61,480	1,799	1,194	58,487	862.70	67.80
Stoke by Clare	-	1,500	5,800	7,500	(1,650)	13,150	430	94	12,626	229.45	55.03
Stradishall	-	100	4,745	2,750	(1,020)	6,575	339	105	6,131	157.61	38.90
The Saxhams	-	50	2,000	3,950	-	6,000	200	-	5,800	125.92	46.06
Thelnetham	-	-	-	914	800	1,714	92	12	1,610	98.49	16.35
Thurlow, Great	100	100	2,200	2,500	-	4,900	219	8	4,673	83.38	56.04
Thurlow, Little	-	300	3,341	2,135	-	5,776	282	104	5,390	106.92	50.41
Troston	1,800	-	4,440	2,760	-	9,000	376	-	8,624	264.87	32.56
West Stow	900	140	1,626	377	-	3,043	132	-	2,911	77.13	37.74
Westley	-	-	1,492	200	-	1,692	116	-	1,576	96.65	16.31
Whelnetham, Great/Little	-	-	3,465	4,110	-	7,575	356	105	7,114	368.54	19.30
Whepstead	840	-	5,775	2,239	-	8,854	520	11	8,323	215.57	38.61
Wickhambrook	1,250	300	12,050	17,881	-	31,481	1,322	477	29,682	482.92	61.46
Withersfield	217	-	5,049	4,100	(2,000)	7,366	245	90	7,031	243.68	28.85
Wixoe	-	-	50	990	-	1,040	-	5	1,035	67.22	15.40
Wordwell	109	17	197	46	-	369	16	-	353	8.43	41.87
Wratting, Great	600	7	4,480	119	-	5,206	329	58	4,819	89.37	53.92
Wratting, Little	-	-	-	-	-	-	-	-	-	65.44	-
Total of Parishes	35,647	29,884	346,039	418,252	(35,358)	794,464	32,002	10,848	751,614	15,641.49	48.05
Town Councils:											
Bury St Edmunds	-	-	-	-	-	307,296	-	4,831	302,465	12,925.88	23.40
Haverhill	-	-	-	-	-	843,128	-	32,233	810,895	7,169.71	113.10
Total of Parish and Town Councils	35,647	29,884	346,039	418,252	(35,358)	1,944,888	32,002	47,912	1,864,974	35,737.08	52.19

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1. Grouped parishes which levy a precept are shown bracketed together.
2. Grouped parishes which precept as a group are shown on one line.

BASIC AMOUNTS OF COUNCIL TAX IN THOSE PARTS OF THE AREA TO WHICH SPECIAL ITEMS RELATE

PART OF THE COUNCIL'S AREA	Valuation
	Band D £ p
Bardwell	210.67
Barnham	207.03
Barningham	243.17
Barrow cum Denham	212.64
Barton, Great	211.45
Bradfield Combust with Stanningfield	237.81
Bradfield St Clare	201.69
Bradfield St George	211.77
Bradley, Great	243.87
Brockley	242.45
Bury St Edmunds	202.05
Cavendish	231.63
Chedburgh	213.54
Chevington	201.49
Clare	290.95
Coney Weston	200.57
Cowlinge	262.29
Culford	208.75
Denston	186.02
Depden	208.18
Euston	206.51
Fakenham Magna	222.57
Flempton-cum-Hengrave	200.57
Fornham All Saints	234.63
Fornham St Martin-cum-St Genevieve	221.53
Hargrave	211.96
Haverhill	291.75
Hawkedon	184.43
Hawstead	236.52
Hepworth	202.24
Honington-cum-Sapiston	235.78
Hopton	207.88
Horringer	242.37
Hundon	205.95

PART OF THE COUNCIL'S AREA	Valuation
	Band D £ p
Ickworth	222.39
Ingham	202.62
Ixworth cum Ixworth Thorpe	233.44
Kedington	279.45
Knettishall	205.40
Lackford	237.50
Lidgate	236.08
Livermere, Great	235.77
Market Weston	222.86
Nowton	210.94
Ousden	222.90
Pakenham	214.55
Poslingford	219.36
Rede	204.96
Risby	210.98
Rushbrooke with Rougham	207.30
Stansfield	230.49
Stanton	246.45
Stoke by Clare	233.68
Stradishall	217.55
The Saxhams	224.71
Thelnetham	195.00
Thurlow, Great	234.69
Thurlow, Little	229.06
Troston	211.21
West Stow	216.39
Westley	194.96
Whelnetham, Great/Little	197.95
Whepstead	217.26
Wickhambrook	240.11
Withersfield	207.50
Wixoe	194.05
Wordwell	220.52
Wrating, Great	232.57

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BASIC AMOUNTS OF COUNCIL TAX IN RESPECT OF DIFFERENT VALUATION BANDS

Schedule C

AUTHORITY	VALUATION BANDS							
	A £ p	B £ p	C £ p	D £ p	E £ p	F £ p	G £ p	H £ p
Suffolk County Council	766.02	893.69	1,021.36	1,149.03	1,404.37	1,659.71	1,915.05	2,298.06
Suffolk Police Authority	115.62	134.89	154.16	173.43	211.97	250.51	289.05	346.86
St. Edmundsbury Borough Council	119.10	138.95	158.80	178.65	218.35	258.05	297.75	357.30
Ampton, Timworth & Livermere	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bardwell	21.35	24.90	28.46	32.02	39.14	46.25	53.37	64.04
Barnardiston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Barnham	18.92	22.07	25.23	28.38	34.69	40.99	47.30	56.76
Barningham	43.01	50.18	57.35	64.52	78.86	93.20	107.53	129.04
Barrow cum Denham	22.66	26.44	30.21	33.99	41.54	49.10	56.65	67.98
Barton, Great	21.87	25.51	29.16	32.80	40.09	47.38	54.67	65.60
Bradfield Combust with Stanningfield	39.44	46.01	52.59	59.16	72.31	85.45	98.60	118.32
Bradfield St Clare	15.36	17.92	20.48	23.04	28.16	33.28	38.40	46.08
Bradfield St George	22.08	25.76	29.44	33.12	40.48	47.84	55.20	66.24
Bradley, Great	43.48	50.73	57.97	65.22	79.71	94.21	108.70	130.44
Bradley, Little	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Brockley	42.53	49.62	56.71	63.80	77.98	92.16	106.33	127.60
Bury St Edmunds	15.60	18.20	20.80	23.40	28.60	33.80	39.00	46.80
Cavendish	35.32	41.21	47.09	52.98	64.75	76.53	88.30	105.96
Chedburgh	23.26	27.14	31.01	34.89	42.64	50.40	58.15	69.78
Chevington	15.23	17.76	20.30	22.84	27.92	32.99	38.07	45.68
Clare	74.87	87.34	99.82	112.30	137.26	162.21	187.17	224.60
Coney Weston	14.61	17.05	19.48	21.92	26.79	31.66	36.53	43.84
Cowlinge	55.76	65.05	74.35	83.64	102.23	120.81	139.40	167.28
Culford	20.07	23.41	26.76	30.10	36.79	43.48	50.17	60.20
Denston	4.91	5.73	6.55	7.37	9.01	10.65	12.28	14.74
Depden	19.69	22.97	26.25	29.53	36.09	42.65	49.22	59.06
Euston	18.57	21.67	24.76	27.86	34.05	40.24	46.43	55.72
Fakenham Magna	29.28	34.16	39.04	43.92	53.68	63.44	73.20	87.84
Flempton-cum-Hengrave	14.61	17.05	19.48	21.92	26.79	31.66	36.53	43.84
Fornham All Saints	37.32	43.54	49.76	55.98	68.42	80.86	93.30	111.96
Fornham St Martin-cum-St Genevieve	28.59	33.35	38.12	42.88	52.41	61.94	71.47	85.76
Hargrave	22.21	25.91	29.61	33.31	40.71	48.11	55.52	66.62
Haverhill	75.40	87.97	100.53	113.10	138.23	163.37	188.50	226.20
Hawkedon	3.85	4.50	5.14	5.78	7.06	8.35	9.63	11.56
Hawstead	38.58	45.01	51.44	57.87	70.73	83.59	96.45	115.74
Hepworth	15.73	18.35	20.97	23.59	28.83	34.07	39.32	47.18
Honington-cum-Sapiston	38.09	44.43	50.78	57.13	69.83	82.52	95.22	114.26
Hopton	19.49	22.73	25.98	29.23	35.73	42.22	48.72	58.46
Horringer	42.48	49.56	56.64	63.72	77.88	92.04	106.20	127.44
Hundon	18.20	21.23	24.27	27.30	33.37	39.43	45.50	54.60
Ickworth	29.16	34.02	38.88	43.74	53.46	63.18	72.90	87.48
Ingham	15.98	18.64	21.31	23.97	29.30	34.62	39.95	47.94
Ixworth cum Ixworth Thorpe	36.53	42.61	48.70	54.79	66.97	79.14	91.32	109.58
Kedington	67.20	78.40	89.60	100.80	123.20	145.60	168.00	201.60
Knettishall	17.83	20.81	23.78	26.75	32.69	38.64	44.58	53.50
Lackford	39.23	45.77	52.31	58.85	71.93	85.01	98.08	117.70
Lidgate	38.29	44.67	51.05	57.43	70.19	82.95	95.72	114.86
Livermere, Great	38.08	44.43	50.77	57.12	69.81	82.51	95.20	114.24
Market Weston	29.47	34.39	39.30	44.21	54.03	63.86	73.68	88.42
Nowton	21.53	25.11	28.70	32.29	39.47	46.64	53.82	64.58
Ousden	29.50	34.42	39.33	44.25	54.08	63.92	73.75	88.50
Pakenham	23.93	27.92	31.91	35.90	43.88	51.86	59.83	71.80
Poslingford	27.14	31.66	36.19	40.71	49.76	58.80	67.85	81.42
Rede	17.54	20.46	23.39	26.31	32.16	38.00	43.85	52.62
Risby	21.55	25.15	28.74	32.33	39.51	46.70	53.88	64.66
Rushbrooke with Rougham	19.10	22.28	25.47	28.65	35.02	41.38	47.75	57.30
Stansfield	34.56	40.32	46.08	51.84	63.36	74.88	86.40	103.68
Stanton	45.20	52.73	60.27	67.80	82.87	97.93	113.00	135.60
Stoke by Clare	36.69	42.80	48.92	55.03	67.26	79.49	91.72	110.06
Stradishall	25.93	30.26	34.58	38.90	47.54	56.19	64.83	77.80
The Saxhams	30.71	35.82	40.94	46.06	56.30	66.53	76.77	92.12
Thelnetham	10.90	12.72	14.53	16.35	19.98	23.62	27.25	32.70
Thurlow, Great	37.36	43.59	49.81	56.04	68.49	80.95	93.40	112.08
Thurlow, Little	33.61	39.21	44.81	50.41	61.61	72.81	84.02	100.82
Troston	21.71	25.32	28.94	32.56	39.80	47.03	54.27	65.12
West Stow	25.16	29.35	33.55	37.74	46.13	54.51	62.90	75.48
Westley	10.87	12.69	14.50	16.31	19.93	23.56	27.18	32.62
Whelnetham, Great/Little	12.87	15.01	17.16	19.30	23.59	27.88	32.17	38.60
Whepstead	25.74	30.03	34.32	38.61	47.19	55.77	64.35	77.22
Wickhambrook	40.97	47.80	54.63	61.46	75.12	88.78	102.43	122.92
Withersfield	19.23	22.44	25.64	28.85	35.26	41.67	48.08	57.70
Wixoe	10.27	11.98	13.69	15.40	18.82	22.24	25.67	30.80
Wordwell	27.91	32.57	37.22	41.87	51.17	60.48	69.78	83.74
Wratting, Great	35.95	41.94	47.93	53.92	65.90	77.88	89.87	107.84
Wratting, Little	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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AMOUNT OF AGGREGATE COUNCIL TAX FOR THE YEAR FOR EACH CATEGORY OF DWELLINGS

Schedule D

PARISH/TOWN AREA	VALUATION BANDS							
	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Ampton, Timworth & Livermere	1,000.74	1,167.53	1,334.32	1,501.11	1,834.69	2,168.27	2,501.85	3,002.22
Bardwell	1,022.09	1,192.43	1,362.78	1,533.13	1,873.83	2,214.52	2,555.22	3,066.26
Barnardiston	1,000.74	1,167.53	1,334.32	1,501.11	1,834.69	2,168.27	2,501.85	3,002.22
Barnham	1,019.66	1,189.60	1,359.55	1,529.49	1,869.38	2,209.26	2,549.15	3,058.98
Barningham	1,043.75	1,217.71	1,391.67	1,565.63	1,913.55	2,261.47	2,609.38	3,131.26
Barrow cum Denham	1,023.40	1,193.97	1,364.53	1,535.10	1,876.23	2,217.37	2,558.50	3,070.20
Barton, Great	1,022.61	1,193.04	1,363.48	1,533.91	1,874.78	2,215.65	2,556.52	3,067.82
Bradfield Combust with Stanningfield	1,040.18	1,213.54	1,386.91	1,560.27	1,907.00	2,253.72	2,600.45	3,120.54
Bradfield St Clare	1,016.10	1,185.45	1,354.80	1,524.15	1,862.85	2,201.55	2,540.25	3,048.30
Bradfield St George	1,022.82	1,193.29	1,363.76	1,534.23	1,875.17	2,216.11	2,557.05	3,068.46
Bradley, Great	1,044.22	1,218.26	1,392.29	1,566.33	1,914.40	2,262.48	2,610.55	3,132.66
Bradley, Little	1,000.74	1,167.53	1,334.32	1,501.11	1,834.69	2,168.27	2,501.85	3,002.22
Brockley	1,043.27	1,217.15	1,391.03	1,564.91	1,912.67	2,260.43	2,608.18	3,129.82
Bury St Edmunds	1,016.34	1,185.73	1,355.12	1,524.51	1,863.29	2,202.07	2,540.85	3,049.02
Cavendish	1,036.06	1,208.74	1,381.41	1,554.09	1,899.44	2,244.80	2,590.15	3,108.18
Chedburgh	1,024.00	1,194.67	1,365.33	1,536.00	1,877.33	2,218.67	2,560.00	3,072.00
Chevington	1,015.97	1,185.29	1,354.62	1,523.95	1,862.61	2,201.26	2,539.92	3,047.90
Clare	1,075.61	1,254.87	1,434.14	1,613.41	1,971.95	2,330.48	2,689.02	3,226.82
Coney Weston	1,015.35	1,184.58	1,353.80	1,523.03	1,861.48	2,199.93	2,538.38	3,046.06
Cowlinge	1,056.50	1,232.58	1,408.67	1,584.75	1,936.92	2,289.08	2,641.25	3,169.50
Culford	1,020.81	1,190.94	1,361.08	1,531.21	1,871.48	2,211.75	2,552.02	3,062.42
Denston	1,005.65	1,173.26	1,340.87	1,508.48	1,843.70	2,178.92	2,514.13	3,016.96
Depden	1,020.43	1,190.50	1,360.57	1,530.64	1,870.78	2,210.92	2,551.07	3,061.28
Euston	1,019.31	1,189.20	1,359.08	1,528.97	1,868.74	2,208.51	2,548.28	3,057.94
Fakenham Magna	1,030.02	1,201.69	1,373.36	1,545.03	1,888.37	2,231.71	2,575.05	3,090.06
Flempton-cum-Hengrave	1,015.35	1,184.58	1,353.80	1,523.03	1,861.48	2,199.93	2,538.38	3,046.06
Fornham All Saints	1,038.06	1,211.07	1,384.08	1,557.09	1,903.11	2,249.13	2,595.15	3,114.18
Fornham St Martin-cum-St Genevieve	1,029.33	1,200.88	1,372.44	1,543.99	1,887.10	2,230.21	2,573.32	3,087.98
Hargrave	1,022.95	1,193.44	1,363.93	1,534.42	1,875.40	2,216.38	2,557.37	3,068.84
Haverhill	1,076.14	1,255.50	1,434.85	1,614.21	1,972.92	2,331.64	2,690.35	3,228.42
Hawkedon	1,004.59	1,172.03	1,339.46	1,506.89	1,841.75	2,176.62	2,511.48	3,013.78
Hawstead	1,039.32	1,212.54	1,385.76	1,558.98	1,905.42	2,251.86	2,598.30	3,117.96
Hepworth	1,016.47	1,185.88	1,355.29	1,524.70	1,863.52	2,202.34	2,541.17	3,049.40
Honington-cum-Sapiston	1,038.83	1,211.96	1,385.10	1,558.24	1,904.52	2,250.79	2,597.07	3,116.48
Hopton	1,020.23	1,190.26	1,360.30	1,530.34	1,870.42	2,210.49	2,550.57	3,060.68
Horringer	1,043.22	1,217.09	1,390.96	1,564.83	1,912.57	2,260.31	2,608.05	3,129.66
Hundon	1,018.94	1,188.76	1,358.59	1,528.41	1,868.06	2,207.70	2,547.35	3,056.82
Ickworth	1,029.90	1,201.55	1,373.20	1,544.85	1,888.15	2,231.45	2,574.75	3,089.70
Ingham	1,016.72	1,186.17	1,355.63	1,525.08	1,863.99	2,202.89	2,541.80	3,050.16
Ixworth cum Ixworth Thorpe	1,037.27	1,210.14	1,383.02	1,555.90	1,901.66	2,247.41	2,593.17	3,111.80
Kedington	1,067.94	1,245.93	1,423.92	1,601.91	1,957.89	2,313.87	2,669.85	3,203.82
Knettishall	1,018.57	1,188.34	1,358.10	1,527.86	1,867.38	2,206.91	2,546.43	3,055.72
Lackford	1,039.97	1,213.30	1,386.63	1,559.96	1,906.62	2,253.28	2,599.93	3,119.92
Lidgate	1,039.03	1,212.20	1,385.37	1,558.54	1,904.88	2,251.22	2,597.57	3,117.08
Livermere, Great	1,038.82	1,211.96	1,385.09	1,558.23	1,904.50	2,250.78	2,597.05	3,116.46
Market Weston	1,030.21	1,201.92	1,373.62	1,545.32	1,888.72	2,232.13	2,575.53	3,090.64
Nowton	1,022.27	1,192.64	1,363.02	1,533.40	1,874.16	2,214.91	2,555.67	3,066.80
Ousden	1,030.24	1,201.95	1,373.65	1,545.36	1,888.77	2,232.19	2,575.60	3,090.72
Pakenham	1,024.67	1,195.45	1,366.23	1,537.01	1,878.57	2,220.13	2,561.68	3,074.02
Poslingford	1,027.88	1,199.19	1,370.51	1,541.82	1,884.45	2,227.07	2,569.70	3,083.64
Rede	1,018.28	1,187.99	1,357.71	1,527.42	1,866.85	2,206.27	2,545.70	3,054.84
Risby	1,022.29	1,192.68	1,363.06	1,533.44	1,874.20	2,214.97	2,555.73	3,066.88
Rushbrooke with Rougham	1,019.84	1,189.81	1,359.79	1,529.76	1,869.71	2,209.65	2,549.60	3,059.52
Stansfield	1,035.30	1,207.85	1,380.40	1,552.95	1,898.05	2,243.15	2,588.25	3,105.90
Stanton	1,045.94	1,220.26	1,394.59	1,568.91	1,917.56	2,266.20	2,614.85	3,137.82
Stoke by Clare	1,037.43	1,210.33	1,383.24	1,556.14	1,901.95	2,247.76	2,593.57	3,112.28
Stradishall	1,026.67	1,197.79	1,368.90	1,540.01	1,882.23	2,224.46	2,566.68	3,080.02
The Saxhams	1,031.45	1,203.35	1,375.26	1,547.17	1,890.99	2,234.80	2,578.62	3,094.34
Thelnetham	1,011.64	1,180.25	1,348.85	1,517.46	1,854.67	2,191.89	2,529.10	3,034.92
Thurlow, Great	1,038.10	1,211.12	1,384.13	1,557.15	1,903.18	2,249.22	2,595.25	3,114.30
Thurlow, Little	1,034.35	1,206.74	1,379.13	1,551.52	1,896.30	2,241.08	2,585.87	3,103.04
Troston	1,022.45	1,192.85	1,363.26	1,533.67	1,874.49	2,215.30	2,556.12	3,067.34
West Stow	1,025.90	1,196.88	1,367.87	1,538.85	1,880.82	2,222.78	2,564.75	3,077.70
Westley	1,011.61	1,180.22	1,348.82	1,517.42	1,854.62	2,191.83	2,529.03	3,034.84
Whelnetham, Great/Little	1,013.61	1,182.54	1,351.48	1,520.41	1,858.28	2,196.15	2,534.02	3,040.82
Whepstead	1,026.48	1,197.56	1,368.64	1,539.72	1,881.88	2,224.04	2,566.20	3,079.44
Wickhambrook	1,041.71	1,215.33	1,388.95	1,562.57	1,909.81	2,257.05	2,604.28	3,125.14
Withersfield	1,019.97	1,189.97	1,359.96	1,529.96	1,869.95	2,209.94	2,549.93	3,059.92
Wixoe	1,011.01	1,179.51	1,348.01	1,516.51	1,853.51	2,190.51	2,527.52	3,033.02
Wordwell	1,028.65	1,200.10	1,371.54	1,542.98	1,885.86	2,228.75	2,571.63	3,085.96
Wratting, Great	1,036.69	1,209.47	1,382.25	1,555.03	1,900.59	2,246.15	2,591.72	3,110.06
Wratting, Little	1,000.74	1,167.53	1,334.32	1,501.11	1,834.69	2,168.27	2,501.85	3,002.22

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PROVISIONAL COUNCIL TAX RESOLUTION**Council Tax Resolution – An Explanation**

The Council Tax resolution has to be very precise legally and so has to quote the sections of the appropriate Acts of Parliament. The following is a simplified explanation of each of the significant parts of the resolution:

- (1)(a) the number of Band D equivalent properties to be used in the calculation of the Council Tax;
- (2) the Council Tax Requirement, excluding parish precepts;
- (3)(a) the Council's budgeted gross expenditure, including parish precepts and special expenses;
- (3)(b) the Council's budgeted income;
- (3)(c) the Council's Budget Requirement, including parish precepts;
- (3)(d) the average band D Council Tax being levied in the district, for the Council and all the parishes;
- (3)(e) the amount of parish precepts and special expenses;
- (3)(f) the headline Council Tax amount for the Council. This is the amount required to fund this Council's general expense services that cover the whole district.

For those areas that raise a parish precept, the figure in Schedule B of Attachment F shows the Council's band D equivalent Council Tax figure inclusive of the relevant parish precept;

The figures in Schedule C of Attachment F shows the amount of the Council Tax for each of the valuation bands, by County, Police, Borough and Parish, and

Schedule D of Attachment F shows the total aggregate Council Tax for each of the valuation bands, (i.e. inclusive of County, Police, Borough and Parish precepts).

The Council is recommended to resolve as follows:

1. It be noted that the Council calculated the Council Tax Base 2016/17:-
 - (a) for the whole Council area as 35,737.08 [Item T in the formula in Section 33(1) of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which one or more special items relate as in the attached Schedule A of Attachment F.

2. That the Council Tax requirement for the Council's own purposes for 2016/17 (excluding Town and Parish precepts) is £6,384,429.

3. The following amounts be now calculated by the Council for the year 2016/17 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-
 - (a) £64,619,933, being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) of the Act taking into account all precepts issued to it by Town and Parish Councils.
 - (b) £50,132,897, being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act.
 - (c) £14,487,036, being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 32(4) of the Act as its Budget requirement for the year. (Item R in the formula in Section 33(1) of the Act).
 - (d) £230.84, being the amount at 3(c) above (Item R), less the total of Revenue Support Grant, Business Rates and other Government Grants (Item P), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year (including Town and Parish).
 - (e) £1,864,974, being the aggregate amount of all special items (Town and Parish precepts) referred to in Section 34(1) of the Act (as per the attached Schedule A of Attachment F).
 - (f) £178.65, being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Town and Parish precept relates.

- (g) the figures in Schedule B of Attachment F , being the amounts given by adding to the amount at 3(f) above the amounts of the special item relating to dwellings in those parts of the Council's area mentioned above divided, in each case, by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate; and
 - (h) the figures in Schedule C of Attachment F , being the amounts given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which, in that proportion, is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
4. The Council's basic amount of Council Tax for 2016/17 is not excessive in accordance with principles approved under Section 54(2) Local Government Finance Act 1992.

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Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Review of the Constitution: Recommendations from the Joint Constitution Review Group	
Report No:	COU/SE/16/004	
Report to and date:	Council	23 February 2016
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Steven Boyle Interim Service Manager (Legal) and Monitoring Officer Tel: 01284 757165 Email: steven.boyle@westsuffolk.gov.uk	
Purpose of report:	To present to Members revised wording in the Forest Heath District Council Constitution in relation to: (a) <u>Part 3 - Functions and Responsibilities; Section 2 – Responsibility for Council Functions</u> - C. Other Committees C.4 - West Suffolk Joint Emergency Planning Panel C.6 - West Suffolk Joint Health and Safety Panel C.7 - West Suffolk Joint Staff Consultative Panel (b) <u>Part 4 - Rules of Procedure – Council Procedure Rules</u> - Section 6 – Public Question Time (c) <u>Part 4 - Rules of Procedure – Committee Procedure Rules</u> - Section 11 – Public Speaking	

Recommendation:

It is **RECOMMENDED** that Council approves the following amendments to the St Edmundsbury Borough Council Constitution:

**(1) Part 3 - Functions and Responsibilities;
Section 2 – Responsibility for Council Functions; C. Other Committees; C.4 - West Suffolk Joint Emergency Planning Panel;C.6 - West Suffolk Joint Health and Safety Panel;C.7 - West Suffolk Joint Staff Consultative Panel**

- (a) That Sections C.4, C.6 and C.7 be amended, for reasons of clarity, to reflect the position with regard to the public access to these meetings and that the following wording be incorporated within these Sections:**

"These meetings are not governed by the normal Access to Information rules (The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012) in both Councils."

- (b) That additional wording be included on the agenda papers for these Panels to confirm that these meetings are not open to the public and that any recommendations which arise from these meetings will be reported onto Cabinet/Council, where required to do so.**

(2) Part 4 - Rules of Procedure – Council Procedure Rules; Section 6 – Public Question Time

That an additional new paragraph 6.2 be added to Section 6 - Public Question Time as follows:

6.2 *A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start. This can be done online by sending the request to democratic.services@westsuffolk.gov.uk or telephoning 01284 757120/01638 719363 or in person by telling the committee administrator present at the meeting.*

	<p>(3) <u>Part 4 - Rules of Procedure – Committee Procedure Rules; Section 11 – Public Speaking</u></p> <p><i>That additional paragraphs 11.5 and 11.6 be added to Section 11 – Public Speaking, as follows:</i></p> <p>11.5 <i>These public speaking rules do not apply to meetings of the Development Control Committee, as the Committee has its own authority to determine from time to time, its own arrangements for public speaking on applications, and which matters are to be included within those arrangements (see Part 3 – Functions and Responsibilities; Section 2 – Responsibility for Council functions; A - Development Control; paragraph 4.2 and as set out in the 'Guide to Having a Say on Planning Applications')</i></p> <p>11.6 <i>These public speaking rules do not apply to meetings of the Licensing and Regulatory Committee, when the Committee sits as a hearing, in which case the Hearing Procedure Rules will apply (Part 3 – Functions and Responsibility; Section 2 – Responsibility for Council Functions; B-Licensing; paragraph 4.1 and Appendix A).</i></p>
<p>Key Decision:</p> <p><i>(Check the appropriate box and delete all those that <u>do not</u> 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>Consultation:</p>	<ul style="list-style-type: none"> The Joint Constitution Review Group has been consulted on the form of these proposed amendments.
<p>Alternative option(s):</p>	<ul style="list-style-type: none"> No other options have been considered.
<p>Implications:</p>	
<p><i>Are there any financial implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><i>Are there any staffing implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><i>Are there any ICT implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>

<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input type="checkbox"/>	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Confusion, mistakes and challenge if the Constitution does not reflect actual Council and Officer practice	High	Ensuring that any anomalies are corrected and the adoption of revisions to correct those anomalies	Low
Ward(s) affected:		Not applicable	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		None	
Documents attached:		<p>Appendix A - Proposed new Section 6 of the Council Procedure Rules (Public Question time).</p> <p>Appendix B - Proposed new Section 11 of the Committee Procedure Rules (Public Speaking).</p>	

1. Key issues and reasons for recommendations

1.1 Background

1.1.1 At its meeting on 3 February 2016, the Joint Constitution Review Group had been made aware by Officers of some operational anomalies within the Constitution in relation to the following Sections:

- (a) Part 3 - Functions and Responsibilities; Section 2 – Responsibility for Council Functions
 - C. Other Committees
 - C.4 West Suffolk Joint Emergency Planning Panel
 - C.6 West Suffolk Joint Health and Safety Panel
 - C.7 West Suffolk Joint Staff Consultative Panel
- (b) Part 4 - Rules of Procedure – Council Procedure Rules
Section 6 – Public Question Time
- (c) Part 4 - Rules of Procedure – Committee Procedure Rules
Section 11 – Public Speaking

and following this meeting, the Review Group has now made the following recommendations.

1.2 Part 3 – Functions and Responsibilities; Section 2 – Responsibility for Council Function – C. Other Committees

1.2.1 As the following Joint Panels are not defined as “decision-making bodies” they are not covered under the Access to Information Rules. Therefore, the public do not have a right of attendance at its meetings. However, the Council has previously taken the decision to publish these agendas on its website for information/transparency:

- (a) West Suffolk Joint Emergency Planning Panel
- (b) West Suffolk Joint Health and Safety Panel
- (c) West Suffolk Joint Staff Consultative Panel

1.2.2 The publication of these agendas, has in the past, led to some confusion with regard to the public being able to attend.

1.2.3 **Therefore, to avoid any doubt with regard to the public attendance at these meetings, the Group recommends that Sections C.4, C.6 and C.7 be amended, for reasons of clarity, to reflect the position with regard to the public access to these meetings and that the following wording be incorporated within these Sections:**

“These meetings are not governed by the normal Access to Information rules (The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012) in both Councils.”

1.2.4 **The Group also recommends that additional wording be included on the agenda papers for these Panels to confirm that these meetings are**

not open to the public and that any recommendations which arise from these meetings will be reported onto Cabinet/Council, where required to do so.

[Note: As Cabinet/Council are 'decision making bodies', their meetings are subject to the Access to Information Rules, therefore, allowing the public to attend]

1.3 **Part 4 - Rules of Procedure – Council Procedure Rules - Section 6 – Public Question Time**

1.3.1 The Council Procedure Rules allow for members of the public who live or work in the Borough to put questions about the work of the Council to members of the Cabinet or any Committee.

1.3.2 The Constitution states that written questions, detailing the full question to be asked, may be submitted by members of the public to the Service Manager (Democratic Services and Elections) no later than 10.00 am on the previous working day to the meeting of the Council.

1.3.3 The Constitution does not, however, state any deadline for registering to speak at Council meetings, other than with a written question. This has, on occasion, caused some last minute alterations to the arrangements for the Council meeting.

1.3.4 **Therefore, to ensure that there is a clear deadline for registering to speak at Council meetings, the Group recommends that an additional new paragraph 6.2 be added to Section 6 - Public Question Time as follows:**

"6.2 A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start. This can be done online by sending the request to democratic.services@westsuffolk.gov.uk or telephoning 01284 757120/01638 719363 or in person by telling the committee administrator present at the meeting."

1.3.5 This proposed amendment would also be in line with the rules for Public Speaking at Committees, as set out in Section 11 of the Committee Procedure Rules.

1.3.6 Appendix A to this report sets out in full, the proposed new Section 6 of the Council Procedure Rules. The rules for public speaking will also be set out within the Council agenda papers.

1.4 **Part 4 - Rules of Procedure – Committee Procedure Rules - Section 11 – Public Speaking**

1.4.1 The Committee Procedure Rules allow for members of the public who live or work in the Borough to speak at any open meeting of a committee or sub-committee. They may ask a question or make a statement on any item on the agenda for that meeting.

- 1.4.2 There are also separate public speaking rules for meetings of the Regulatory Committees (ie the Development Control Committee and the Licensing and Regulatory Committee (when it sits as a hearing)).
- 1.4.3 As the public speaking rules within the Committee Procedure Rules do not apply to meetings of the Regulatory Committees, it was considered that further reference was needed within the Committee Procedure Rules to explain these separate rules.
- 1.4.4 ***Therefore, for clarity purposes, the Group recommends that additional paragraphs 11.5 and 11.6 be added to Section 11 – Public Speaking, as follows:***
- "11.5 These public speaking rules do not apply to meetings of the Development Control Committee, as the Committee has its own authority to determine from time to time, its own arrangements for public speaking on applications, and which matters are to be included within those arrangements (see Part 3 – Functions and Responsibilities; Section 2 – Responsibility for Council functions; A - Development Control; paragraph 4.2 and as set out in the ['Guide to Having a Say on Planning Applications'](#))***
- 11.6 These public speaking rules do not apply to meetings of the Licensing and Regulatory Committee, when the Committee sits as a hearing, in which case the Hearing Procedure Rules will apply (see Part 3 – Functions and Responsibility; Section 2 – Responsibility for Council Functions; – B-Licensing; paragraph 4.1 and Appendix A)."***
- 1.4.5 Appendix B to this report sets out in full, the proposed new Section 11 of the Committee Procedure Rules.

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St Edmundsbury Borough Council (Extract from) Council Procedure Rules

(Proposed new Section 6 – amended wording is set out in ***bold, underline and italics*** below)

6. Public question time

General

6.1 At each ordinary meeting of the Council, members of the public who live or work in the Borough may put questions about the work of the Council to members of the Cabinet or any Committee. 30 minutes will be set aside for this. 30 minutes will also be set aside for questions at extraordinary meetings of the Council, but must be limited to the business to be transacted at that meeting.

6.2 A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start. This can be done online by sending the request to democratic.services@westsuffolk.gov.uk or telephoning 01284 757120/01638 719363 or in person by telling the committee administrator present at the meeting.

6.3 Written questions, detailing the full question to be asked, may be submitted by members of the public to the Service Manager (Democratic Services and Elections) no later than 10.00 am on the previous working day to the meeting of the Council.

Order of questions

6.4 Questions will be asked in the order in which notice of them was received, except that the Mayor may group together similar questions.

Time limits

6.5 Each person may ask one question only. A total of five minutes will be allowed for the question to be put and answered. One supplementary question will be allowed provided that it arises directly from the reply and the overall time limit of five minutes is not exceeded. The member to whom the question is directed may refer it to another member or may choose to give a written response. A written response will be provided if the member to whom the question was directed is not present at the meeting and it cannot be answered by another member.

6.6 If no questions are received or all the questions are dealt with in less than 30 minutes, the Council will move immediately to the next business.

Scope of Questions

6.7 The Service Manager (Democratic Services and Elections), in respect of any question notified before the meeting, or the Mayor, in respect of any question notified at the meeting, may reject a question if it:-

- (a) is not about a matter for which the Council has a responsibility or which affects the Borough;
- (b) is defamatory, frivolous or offensive;
- (c) is substantially the same as a question which has been put at a meeting of the Council in the past six months; or
- (d) requires the disclosure of confidential or exempt information.

Record of Questions and answers

6.8 All questions and answers under Public Question Time will be summarised in the minutes of the meeting. The summary for rejected questions will include the reasons for rejection.

Written Answers

6.9 As well as being sent to the person asking the question, written answers will be distributed to all councillors and published on the Council's website.

St Edmundsbury Borough Council (Extract from) Committee Procedure Rules

(Proposed new Section 11 – amended wording is set out in ***bold, underline and italics*** below)

11. Public speaking

- 11.1 Members of the public who live or work in the Borough are welcome to speak at any open meeting of a committee or sub-committee. They may ask a question or make a statement on any item on the agenda for that meeting.
- 11.2 A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start. This can be done online by sending the request to democratic.services@westsuffolk.gov.uk or telephoning 01284 757120/01638 719363 or in person by telling the Committee Administrator present at the meeting.
- 11.3 The Service Manager (Democratic Services and Elections) in respect of any question notified before the meeting, or the chairman, in respect of any question notified at the meeting, may reject a question if it:-
- (a) is not about a matter for which the Council has a responsibility or which affects the Borough;
 - (b) is defamatory, frivolous or offensive;
 - (c) is substantially the same as a question which has been put at a meeting of the Council in the past six months; or
 - (d) requires the disclosure of confidential or exempt information.
- 11.4 There will be an overall time limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion. Speakers will be called in the order in which they gave notice. Each person may ask one question or make one statement and will be allowed up to three minutes. If the question can be answered orally at the meeting it will be, and the question and answer will be summarised in the minutes. Questions that cannot be answered immediately will be answered in writing to the questioner, distributed to all members of the committee or sub-committee and published on the council's website. 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 which may be answered orally or in writing as above.

11.5 These public speaking rules do not apply to meetings of the Development Control Committee, as the Committee has its own authority to determine from time to time, its own arrangements for public speaking on applications, and which matters are to be included within those arrangements (see Part 3 – Functions and Responsibilities; Section 2 – Responsibility for Council Functions;

A - Development Control; paragraph 4.2 and as set out in the 'Guide to Having a Say on Planning Applications').

11.6 These public speaking rules do not apply to meetings of the Licensing and Regulatory Committee, when the Committee sits as a hearing, in which case the Hearing Procedure Rules will apply (see Part 3 – Functions and Responsibilities; Section 2 – Responsibility for Council Functions; B-Licensing; paragraph 4.1 and Appendix A)

Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Calendar of Meetings 2016/2017	
Report No:	COU/SE/16/005	
Report to and date:	Council	23 February 2016
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Karen Points Head of HR, Legal and Democratic Services Tel: 01284 757015 Email: karen.points@westsuffolk.gov.uk	
Purpose of report:	To approve the forthcoming Calendar of Meetings for 2016/2017.	
Recommendation:	It is <u>RECOMMENDED</u> that the Calendar of Meetings for 2016/2017, attached as Appendix A to Report No: COU/SE/16/005, be approved.	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	The Leadership Team and both the West Suffolk councils' Cabinets were informally consulted on the content of the draft calendars.	
Alternative options:	Not applicable	
Implications:		
<i>Are there any financial implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> The Council has a statutory responsibility for the provision of a range of services and has to ensure that the procedures which are followed to make relevant decisions are efficient, transparent, and accountable to local people. The publication of a calendar of meetings supports this decision making process.	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Risk/opportunity assessment:		(potential hazards or opportunities affecting corporate, service or project objectives)	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Not publishing a calendar of meetings could mean that local people were not aware of when the Council was due to conduct business and could restrict their opportunity for their rightful participation	Medium	Publication of the calendar of meetings on the Council's website	Low
Wards affected:		Not applicable	
Documents attached:		Appendix A – Calendar of Meetings for 2016/2017	

1. Key issues and reasons for recommendation

- 1.1 The Council is invited to approve the Calendar of Meetings for 2016/2017 as at Appendix A.
- 1.2 Other meetings not listed in the Council's Constitution will also be scheduled for the 2016/2017 year and Members will be advised of these accordingly.
- 1.3 Those meetings which are arranged on an 'as required' basis such as the Democratic Renewal Working Party, will continue to be scheduled and publicised as normal and Members will receive notification of these as per the current process.

DRAFT Calendar of Meetings 2016/2017

APPENDIX A



	Normal Day	Time	2016								2017				
			May*	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
SEBC Cabinet	Tues	5.00pm	24	21			6	18		6		7	28		23
Joint FHDC/SEBC Cabinet*	Tues	6.00pm			19(iii)		20(iv)		1(iii)			28(iii)			
SEBC Council	Tues	7.00pm	19(i)	28			27			20		21(ii)		25	18(i)
SEBC Overview & Scrutiny	Wed	4.00pm		8	20		14		9		11		15	19	
SEBC Performance & Audit Scrutiny	Wed	4.30pm					21								
Joint FHDC/SEBC Perf & Audit Scrutiny**	Wed/ Thurs	5.00 pm	25(iii)		27(iii)				24(iv)		25(iii)				25(iv)
SEBC Development Control	Thu	10.00am	4(v)	2	7	4	1	6	3	1	5	2	2	6	2(vi)
SEBC Licensing & Regulatory full	Tues	5.00pm			5			11			24			11	
SEBC Sustainable Development WP	Various	4.30pm	12		14		20		17		18		9		11
West Suffolk Joint Standards Cttee	Mon	6.00 pm		13(iii)						12(iv)					
West Suffolk Jt Growth Steering Group	Tues	10.00 am		28(iii)				11(iv)				21(iii)			
Member Development Sessions***	Various	5.30 / 6.00pm	26	22	18		8	17	15	8	10	16	22	18	30

Notes

- (i) Annual Meeting of the Council
- (ii) Budget setting meeting
- (iii) Meeting at West Suffolk House
- (iv) Meeting at District Offices
- (v) Meeting on a Wednesday instead of usual Thursday due to Elections
- (vi) Meeting on a Tuesday instead of usual Thursday due to Elections

*Dates provided for May 2016 were previously approved by Council in February 2015 and are published here for ease of reference.

** Joint Cabinet and Joint Performance & Audit Scrutiny Committee are subject to being formally constituted by both authorities' Councils

***MD sessions are held at alternate venues of the District Offices and WSH; venue and topic of session will be communicated directly to Members by the L&D team

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