

Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda																		
Date:	Wednesday 9 November 2016																		
Time:	4.00 pm																		
Venue:	Conference Chamber West West Suffolk House Western Way Bury St Edmunds																		
Full Members:	<p style="text-align: center;">Chairman Diane Hind</p> <p style="text-align: center;">Vice Chairman Jeremy Farthing</p> <p><u>Conservative Members</u> (12)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Simon Brown</td> <td style="width: 33%;">Angela Rushen</td> <td style="width: 33%;"></td> </tr> <tr> <td>Patrick Chung</td> <td>Andrew Speed</td> <td></td> </tr> <tr> <td>Jeremy Farthing</td> <td>Clive Springett</td> <td></td> </tr> <tr> <td>Paula Fox</td> <td>Sarah Stamp</td> <td></td> </tr> <tr> <td>Susan Glossop</td> <td>Jim Thorndyke</td> <td></td> </tr> <tr> <td>Richard Rout</td> <td>Frank Warby</td> <td></td> </tr> </table> <p><u>Charter Member</u> (1) Diane Hind</p> <p><u>Independent Member</u> (1) Paul Hopfensperger</p> <p><u>UKIP Member</u> (2) John Burns Tony Brown</p>	Simon Brown	Angela Rushen		Patrick Chung	Andrew Speed		Jeremy Farthing	Clive Springett		Paula Fox	Sarah Stamp		Susan Glossop	Jim Thorndyke		Richard Rout	Frank Warby	
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Jeremy Farthing	Clive Springett																		
Paula Fox	Sarah Stamp																		
Susan Glossop	Jim Thorndyke																		
Richard Rout	Frank Warby																		
Substitutes:	<p><u>Conservative Members</u> (6)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Wayne Hailstone</td> <td style="width: 33%;">David Roach</td> <td style="width: 33%;"></td> </tr> <tr> <td>Margaret Marks</td> <td>Peter Thompson</td> <td></td> </tr> <tr> <td>Jane Midwood</td> <td>Patricia Warby</td> <td></td> </tr> </table> <p><u>Charter Member</u> (1) Julia Wakelam</p> <p><u>UKIP Member</u> (1) Anthony Williams</p>	Wayne Hailstone	David Roach		Margaret Marks	Peter Thompson		Jane Midwood	Patricia Warby										
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Margaret Marks	Peter Thompson																		
Jane Midwood	Patricia Warby																		
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.																		
Quorum:	Six Members																		
Committee administrator:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: christine.brain@westsuffolk.gov.uk																		

Public Information



St Edmundsbury
BOROUGH COUNCIL

Venue:	West Suffolk House Western Way Bury St Edmunds Suffolk IP33 3YU	Tel: 01284 763233 Email: democratic.services@westsuffolk.gov.uk Web: www.westsuffolk.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 speaking:	<p>Members of the public who live or work in the Borough are invited to put one question or statement of not more than three minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within three minutes, the person who asked the question may ask a supplementary question that arises from the reply.</p> <p>A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start.</p> <p>There is an overall time limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.</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 lifts 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

Part 1 - Public

1. Substitutes

Any Member who is substituting for another Member should so indicate, together with the name of the relevant absent Member.

2. Apologies for Absence

3. Minutes

1 - 12

To confirm the minutes of the meetings held on 14 September 2016 and 4 October 2016 (copies attached).

4. Public Participation

Members of the public who live or work in the Borough are invited to put one question or statement of not more than 3 minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within 3 minutes, the person who asked the question may ask a supplementary question that arises from the reply.

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

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

5. Annual Presentation by the Cabinet Member for Operations **13 - 16**

Report No: **OAS/SE/16/027**

The Cabinet Member for Operations has been invited to the meeting to provide an annual account on his portfolio and to answer questions from the Committee.

6. Barley Homes - Five Year Business Plan **17 - 28**

Report No: **OAS/SE/16/028**

7. Car Parking Update **29 - 36**

Report No: **OAS/SE/16/029**

8. Review and Revision of the Constitution **37 - 42**

Report No: **OAS/SE/16/030**

9. Directed Surveillance Authorised Applications (Quarter 2)

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 requires that Members should scrutinise the authority's use of its surveillance powers on a quarterly basis.

The Monitoring Officer advised that in Quarter 2, no such surveillance has been authorised.

10. Work Programme Update

43 - 46

Report No: **OAS/SE/16/031**

11. Exclusion of Press and Public

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

Part 2 - Exempt

12. Exempt Appendix A - Barley Homes Group Business Plan (Para 3)

47 - 120

Exempt Appendix A to **Report No: OAS/SE/16/028**

(This exempt Appendix A is to be considered in private under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as it contains information relating to financial or business affairs of any particular person (including the authority holding that information).

Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Overview and Scrutiny Committee** held on **Wednesday 14 September 2016** at **4.00 pm** at in **Conference Chamber West**, West Suffolk House, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Chairman Diane Hind
Vice Chairman Jeremy Farthing

Simon Brown
Patrick Chung
Paula Fox
Susan Glossop
Richard Rout
Angela Rushen

Clive Springett
Jim Thorndyke
Frank Warby
John Burns
Tony Brown
Paul Hopfensperger

Substitutes attending:
Margaret Marks

By Invitation:
John Griffiths, Leader of the Council
Ian Houlder, Cabinet Member for Resources and Performance
Alaric Pugh, Cabinet Member for Planning and Growth

100. **Substitutes**

The following substitution was declared:

Councillor Margaret Marks for Councillor Sarah Stamp.

101. **Apologies for Absence**

Apologies for absence were received from Councillors Sarah Stamp and Andrew Speed.

102. **Minutes**

The minutes of the meeting held on 20 July 2016, were confirmed as an accurate record and signed by the Chairman.

103. **Public Participation**

There were no questions/statements from members of the public.

104. **Presentation by the Cabinet Member for Planning and Growth**

[Councillor Simon Brown arrived at 4.10pm and Councillor Clive Springett arrived at 4.58pm, during the consideration of this item]

As set out in the Council's Constitution, at every ordinary Overview and Scrutiny meeting at least one Cabinet Member would be invited to attend to give an account of his or her portfolio and answer questions from the Committee. Therefore, to carry out this constitutional requirement, members were asked to consider the responsibilities of the Cabinet Member for Planning and Growth, who had been invited to the meeting.

Report No: OAS/SE/16/021 set out the overall responsibilities of the Cabinet Member for Planning and Growth.

Councillor Alaric Pugh, Cabinet Member for Planning and Growth opened his presentation by thanking the Committee for the invitation, and explained that the service had improved significantly over the last five years and was heading towards being exemplary. He then set out the main focus of the presentation, that being

- What planning and growth did;
- Current success and initiatives;
- Current challenges and how they were overcome; and
- Vision for the future to 2019.

The presentation also included information on the areas covered under the portfolio; being Development Management; Planning Policy; Economic Development and Growth; Environmental Health; technical support and local land charges. Each of the areas included examples of success and initiatives, for example:

- Successful transfer of the planning helpdesk to Customer Services;
- Successful implementation of the pre-application charging;
- Suffolk Business Park Growth initiative;
- Neighbourhood planning initiative;
- Solar Power generation programme initiative
- Strengthen licensing enforcement capabilities.

The vision for 2019 was to be more proactive and responsive, for example:

- Sufficient available, accessible housing and employment land supported with appropriate infrastructure.
- Increased employment opportunities.
- More higher paid jobs.
- Increased road and rail connectivity
- Working towards a West Suffolk Local Plan
- Enabling growth through smarter regulation, stronger relationships with businesses.

Members discussed the presentation in detail and asked a number of questions of the Cabinet Member for Planning and Growth and officers, to which comprehensive responses were provided.

In particular detailed discussions were held and responses provided on the Vision 2031 document and whether housing figures would need to be amended; whether there were plans in place to provide affordable homes for lower paid workers; the shortage of commercial land; taxi licensing and how the system worked; Houses in Multiple Occupation and enforcement; conservation and the deterioration of listed buildings across the Borough, for example the Corn Exchange building in Haverhill; the new pre-application advise service; growth in rural areas with regards to looking where industrial sites could be located across the borough; IT issues with the Planning Portal and devolution.

In response to two questions raised, the Cabinet Member agreed to arrange a briefing for members updating them on the A1307, and would circulate to members the parameters used regarding A-boards.

The Chairman and the Committee thanked the Cabinet Member for his informative and comprehensive presentation.

There being no decision required, the Committee **noted** the presentation.

105. **Approach to Delivering a Sustainable Medium Term Financial Strategy 2016-2020 and Consideration of the Four-Year Settlement Offer from Central Government**

The Head of Resources and Performance presented Report No: OAS/SE/16/022, which sought to gain the Committee's support for the Council's:

- Approach in delivering a sustainable medium term financial strategy 2017-2020; and
- Direction on whether it wished to accept Government's offer of a four-year finance settlement.

The Committee was reminded that the current West Suffolk Medium Term Financial Strategy was approved by Council on 22 September 2015, and the six themes continued to be at the forefront of the council's financial strategies for delivering a sustainable medium term budget. The approach(es) taken to date in delivering a year-on-year savings programme, had in the main, been very successful in delivering balanced budgets that had held up to member scrutiny and challenge and able to absorb changes as a result of external circumstances.

The report also included information on a shift in emphasis for income generation (behaving more commercially and considering new funding models); the current medium term budget gaps and an analysis of the main factors creating those budget gaps; a new approach in delivering a sustainable medium term financial strategy 2017-2020 (Appendix C); central government's four-year settlement offer (Appendix A); and the four-year settlement offer process (accept or reject the Government's offer).

The Committee considered the report, and with the vote being unanimous, it was,

RECOMMENDED

That subject to the approval of full Council, the Cabinet:

- 1) Support the approach to delivering a sustainable medium term financial strategy 2016-2020 as set out in Report No: OAS/SE/16/022;
- 2) Accept Government's offer of a four-year Finance Settlement, and authorises the Head of Resources and Performance (Chief Finance Officer) to advise Government of Council's decision; and
- 3) The Council's existing Medium Term Financial Strategy document and this approach paper be recognised as the Council's Efficiency Plan, for the purposes of accepting any four-year Finance Settlement under (2) above.

106. Final Report of the New Housing Development Sites Joint Task and Finish Group

The Committee received Report No: OAS/SE/16/023, which provided the findings and recommendations of the New Housing Development Sites Joint Task and Finish Group.

The Joint Task and Finish Group (the Group) was formed in March 2013, to look into the problems of adoption sometimes encountered on larger housing developments, and related to both open space and highways matters. Problems had been encountered in the past when houses were occupied before the promised open space or access roads had been completed and adopted.

The Group considered ways in which the Development Management Service and other corporate teams (such as Parks), and Suffolk County Council Highways could work smarter together to avoid these problems in the future with major housing schemes.

It was reported that both Cambridgeshire County Council and Northamptonshire County Council had protocols in place to ensure that suitable planning conditions were imposed with major developments to ensure that phasing of streets and adoptions were controlled through the planning process. In addition, Central Government recommended the use of similar standard conditions where appropriate.

The use of such conditions needed to be agreed with Suffolk County Council (SCC), as Highways Authority. SCC had indicated that they would be amenable in using such conditions, subject to all other Suffolk authorities signing up to their use. The use of such conditions was generally seen as good practice and other colleagues in Suffolk were also informally amenable to their use.

In addition to moving forward with conditions to address matters of concern regarding adoption of roads, there were a number of other ways identified in which officers could work more corporately in ensuring issues regarding adoption of highways and other facilities, such as open space and play

facilities were well planned with joined up thinking from the start of the development process. This was felt to be particularly important for major developments and strategic sites across the two authorities. A new pre-application advice regime which was tailored to the type of development proposed had just been launched across West Suffolk. The service included involving key stakeholders/consultees such as the highways authority and the Council's Parks team for major and strategic sites. Best practice recommended that early involvement from consultees, in particular, ensured a smoother process and a better scheme being delivered when a planning application was formally submitted.

The Group had concluded that the introduction of standard conditions regarding adoption would improve the situation currently encountered and the good practice pre-application advice and the development team approach would also provide benefits in addressing the concerns raised by the Group.

The Committee considered the report of the Joint Task and Finish Group and asked questions to which responses were provided. In particular, some members were concerned about roads which had not been adopted. The Head of Planning and Growth advised members to provide a list of roads, which he would then raise with Suffolk County Council Highways.

With the vote being unanimous, it was

RECOMMENDED

That the Head of Planning and Growth progresses with Suffolk County Council and the other Suffolk authorities the introduction of standard conditions regarding highway adoption.

107. Decisions Plan: September 2016 to May 2017

The Committee received Report No: OAS/SE/16/024, which requested that Members peruse the Cabinet Decisions Plan for the period September 2016 to May 2017, for which it would like further information on or might benefit from the Committee's involvement.

The Committee considered the Decisions Plan, and discussed the West Suffolk Gypsy and Traveller Accommodation Assessment, to which the Cabinet Member for Planning and Growth provided information.

There being no decision required, the Committee **noted** the contents of the Plan.

108. Work Programme Update

The Committee received Report No: OAS/SE/16/025, which updated Members on the current status of its rolling work programme of items for scrutiny during 2016-2017 (Appendix 1).

The Chairman informed members that following the Committee's last meeting she had drafted a work programme suggestion form, and had also met with the Cabinet Member for Families and Communities and the Head of Families

and Communities regarding the Bus Station in Bury St Edmunds. At that meeting it was confirmed that the savings objectives had been met, and secondly the tenant had paid and therefore the capital costs of the conversion were being met. The Council was currently at a delicate, but advanced stage of negotiations with a tenant for the front part of the Bus Station. Therefore, as Chairman of the Committee I have agreed for a report to be presented to the Committee once negotiations had concluded. She made the Cabinet Member and Head of Service aware of the Committee's main concerns and of residents, namely:

- the short tenure of the café;
- if it had been financially successful;
- that there were no contact details on the machines, should there be any failures; and
- the lack of contact details where real time information was unavailable.

As a result of further input on behalf of Overview and Scrutiny, the Head of Service promised to be pro-active and had signage made by the Borough Council, rather than waiting on Suffolk County Council and the tenant. All vending machines now displayed contact information, and there was clear signage with contact details for bus companies and the relevant transport information helplines or website.

There being no decision required, the Committee **noted** the contents of the Work Programme for 2016-2017 and the update on the Bus Station at Bury St Edmunds.

The Meeting concluded at 5.50pm

Signed by:

Chairman

Extraordinary Informal Joint Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

**Notes of Informal Discussions held on Tuesday 4 October 2016
at 6.00pm in the Conference Chamber West, West Suffolk House,
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Tony Brown, John Burns, Patrick Chung, Jeremy Farthing, Paula Fox, Susan Glossop, Diane Hind, Paul Hopfensperger, Richard Rout, Angela Rushen, Clive Springett and Patricia Warby.

Forest Heath District Council (FHDC)

Councillor Simon Cole
(Chairman for the informal discussions)

Councillors Chris Barker, John Bloodworth, Ruth Bowman, Rona Burt, Brian Harvey, Christine Mason and David Palmer.

IN ATTENDANCE: Ian Gallin, Chief Executive of Forest Heath District Council and St Edmundsbury Borough Councils

SEBC – Councillor John Griffiths, Portfolio Holder with responsibility for Devolution

SEBC – Councillor Ian Houlder, Cabinet Member for Resources and Performance

FHDC – Councillor James Waters, Portfolio Holder with responsibility for Devolution

Prior to the formal meeting, at 6.00pm informal joint discussions took place on the following item:

(1) What Will Devolution Mean for West Suffolk?

All Members of Forest Heath District Council's Overview and Scrutiny Committee had been invited to attend West Suffolk House, Bury St Edmunds to enable informal joint discussions on the above report to take place between the two authorities.

The Chairman of St Edmundsbury's Overview and Scrutiny Committee welcomed all those present to West Suffolk House, Bury St Edmunds and advised on the format of the proceedings for the informal joint discussions and subsequent separate meetings of each authority, prior to handing over to the Chairman of Forest Heath's Overview and Scrutiny Committee, who would be chairing the informal joint discussions.

Members noted that each Council permitted public participation at their Overview and Scrutiny meetings. Therefore, for the purpose of facilitating these Constitutional requirements, it was proposed that public speaking should be permitted prior to the start of the informal joint discussions to enable any questions/statements to be considered by both Overview and Scrutiny Committees on item 1 above.

On this occasion however, there were no questions/statements from members of the public.

The report was then considered in the order listed on each authority's agenda.

1. **What Will Devolution Mean for West Suffolk?**

Councillor Diane Hind introduced Report No: OAS/SE/16/026, which provided Members with a summary of the key issues identified following a workshop session held on 8 September 2016.

In examining the issue of Devolution, and how Overview and Scrutiny could influence or have an input, a workshop was initiated by Councillor Diane Hind, Chairman of St Edmundsbury's Overview and Scrutiny Committee and Councillor Simon Cole, Chairman of Forest Heath's Overview and Scrutiny Committee, to help inform, focus and drive the agenda for the Informal Joint Overview and Scrutiny Committee on 4 October 2016.

The aim of the workshop was to identify any points of concern members had on Devolution, and covered the following areas:

- Overall principle of Devolution and its ever changing environment;
- Content of the Norfolk/Suffolk Devolution deals;
- Summary of consultation results;
- Double Devolution and Subsidiarity; and
- The role of scrutiny in a devolved structure.

Five areas were identified during the workshop, which it was felt scrutiny would benefit from more information on:

- 1) Running costs of the Combined Authority;
- 2) Statutory bodies and their duties/powers in relation to the role of the Combined Authority and the arrangements proposed for voting;
- 3) The Combined Authority Board and Co-opted persons;
- 4) Governance and exit arrangements;
- 5) Double Devolution and Subsidiarity.

Section 3 of Report No: OAS/SE/16/026 provided additional information on the five areas identified, as set out above.

The Committee was asked to discuss the key issues as set out in Section 3 of the report, and to formulate any findings, as appropriate.

The Committee scrutinised the report and asked a number of questions to which responses were provided.

In response to a number of questions raised, the Chief Executive and the Leader's advised the Committee that:

Update on Devolution Process

- 1) MORI would be running through the consultation results with Members across Suffolk on 11 October 2016 (11am and 1.30pm). The event was also being videoed for members who could not attend.
- 2) The timetable for Council to consider giving consent to an Order establishing a Mayoral Combined Authority for Norfolk and Suffolk had been delayed by the Government. Council was now being asked to consider the Draft Order on the following dates:
 - SEBC – Monday 21 November 2016, 6.30pm (SEBC Conference Chamber)
 - FHDC – Tuesday 22 November 2016, 6pm (FHDC Council Chamber)
- 3) In the last couple of days the Prime Minister, Theresa May had stated "no mayor, no devolution deal". This had been welcomed by many, as the clarity was needed.
- 4) All constituent councils in the Norfolk and Suffolk Devolution Deal would be asked by 24 November 2016 to vote for a Combined Authority. If one of the remaining constituent councils voted against a Combined Authority, then the deal would collapse.
- 5) A Suffolk only devolution deal had not been ruled out. There were a number of potential future options if any of the constituent councils did not vote for the Combined Authority. However, it would be a new deal from scratch and any future options would need careful consideration.

Running costs of a Combined Authority

- 1) Within the Norfolk and Suffolk Deal, £25 million a year of new money would be provided for the next 30 years to support economic growth; development of local infrastructures and jobs.
- 2) The Government had proposed gateway reviews to be carried out every five years between the Combined Authority and the Government in relation to the £25 million funding per year.

- 3) All Constituent Councils within a Combined Authority would be equal partners and would have one vote, except where the members had a statutory role.
- 4) A Shadow Combined Authority would be created and would be made up of existing staff to carry out the roles of the three statutory posts. Once the Elected Mayor was in place, they would then decide on staffing.

Combined Authority Board and Co-opted persons

Members expressed concerns regarding the Mayor and their ability to vote against a majority decision or proposal by right of veto.

Double devolution and subsidiarity

Double devolution and subsidiarity was not about structural change, but wanting to see more engagement and delivery locally, making accountability more local and the need to deliver what was contained with the devolution deal.

The Chairman summed up the informal joint discussions by thanking the Leaders and the Chief Executive for attending the meeting. The session had served its purpose in allowing Overview and Scrutiny members in making the Leaders aware of their concerns, in particular the Mayor and their veto vote.

On the conclusion of the informal joint discussions at 7.34pm, the Chairman then formally opened the St Edmundsbury Borough Council's Overview and Scrutiny Committee in Conference Chamber West at 7.37pm.

Extraordinary Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Overview and Scrutiny Committee** held on
Tuesday 4 October 2016 at **7.37pm** at the **Conference Chamber, West
Suffolk House**, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Chairman Diane Hind
Vice Chairman Jeremy Farthing

John Burns
Tony Brown
Patrick Chung
Paula Fox
Susan Glossop

Paul Hopfensperger
Richard Route
Angela Rushen
Clive Springett

Substitutes attending:

Patricia Warby (In place of Frank Warby)

By Invitation:

John Griffiths, Leader of the Council
Ian Houlder, Cabinet Member for Resources and Performance

109. **Substitutes**

The following substitution was declared:

Councillor Patricia Warby for Councillor Frank Warby.

110. **Apologies for Absence**

Apologies for absence were received from Councillors Sarah Stamp, Jim Thorndyke and Frank Warby.

Councillors Simon Brown and Andrew Speed were also unable to attend.

111. **Public Participation**

Public participation had been included within the previous informal discussions and there had been no questions/statements from members of the public.

112. **What will Devolution Mean for West Suffolk?**

Further to the informal joint discussions held prior to the meeting with Forest Heath District Council's Overview and Scrutiny Committee, the Committee formally considered Report No: OAS/SE/16/026.

Members had scrutinised the report in detail and had asked questions to which responses were provided.

Councillor Patrick Chung moved the recommendation, this was duly seconded by Councillor Paula Fox and with the vote being 8 for and 4 abstentions, it was

RECOMMENDED: That

The Overview and Scrutiny Committee wished to express its concerns to Cabinet regarding the veto vote of the Mayor.

The Meeting concluded at 7.40pm

Signed by:

Chairman

Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Annual Presentation by the Cabinet Member for Operations	
Report No:	OAS/SE/16/027	
Report to and date:	Overview and Scrutiny Committee	9 November 2016
Portfolio Holder:	Peter Stevens Portfolio Holder for Operations Tel: 01787 280284 Email: peter.stevens@stedsbc.gov.uk	
Lead officer:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	As part of the "Challenge" role, Overview and Scrutiny are asked to consider the roles and responsibilities of Cabinet Members. It is part of the Scrutiny role to challenge in the form of questions. Therefore, to carry out this constitutional requirement, at every ordinary Overview and Scrutiny meeting at least one Cabinet Member shall attend to give an account of his or her portfolio and answer questions from the Committee.	
Recommendation:	Members of the Committee are asked to question the Cabinet Member for Operations on his portfolio responsibilities.	
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> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

Consultation:	• N/A		
Alternative option(s):	• N/A		
Implications:			
Are there any financial implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	•
Are there any staffing implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	•
Are there any ICT implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	•
Are there any legal and/or policy implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	•
Are there any equality implications? <i>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)
	Low/Medium/ High*		Low/Medium/ High*
None			
Ward(s) affected:	All		
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	None		
Documents attached:	None		

1. Key issues and reasons for recommendation

1.1 Background

1.1.1 As part of its "Challenge" role, the Overview and Scrutiny Committee is asked to consider the roles and responsibilities of Cabinet Members.

1.1.2 To carry out this constitutional requirement, at every ordinary Overview and Scrutiny meeting at least one Cabinet Member shall be invited to give an account of his or her portfolio and to answer questions from the Committee.

1.1.3 On 11 November 2015, the Committee received a presentation from the Cabinet Member for Operations, Councillor Peter Stevens, summarising the following responsibilities covered under his portfolio for operations:

- Car parking;
- CCTV;
- Cemeteries;
- Fleet management;
- Grounds maintenance;
- Land drainage;
- Markets (delivery);
- Operations;
- Property services and estate management;
- Public conveniences;
- Refuse/recycling
- Street scene; and
- Tourism (operations)

1.2 Progress Update

1.2.1 At this meeting, the Cabinet Member for Operations has been invited back to provide a follow-up presentation on his portfolio.

The presentation by the Cabinet Member will be focusing on the following by:

- Outlining the main challenges which were faced during the first year within the Portfolio:
- Outlining some key successes and any failures during the first year and any lessons learned?
- Setting out the vision for the Operations Portfolio through to 2019 and whether on target to meet that vision?

1.3 Proposals

1.3.1 That the Overview and Scrutiny Committee ask questions of the Cabinet Member for Operations, following his presentation.

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Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Barley Homes – Five Year Business Plan	
Report No:	OAS/SE/16/028	
Report to and dates:	Overview and Scrutiny Committee	09 November 2016
	Cabinet	08 December 2016
	Council	20 December 2016
Portfolio holder:	Sara Mildmay-White Portfolio Holder for Housing Tel: 01359 270580 Email: sara.mildmay-white@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	<p>In November 2015 the Council approved the establishment of a Housing Development Company, limited by shares for the purpose of developing housing for sale, private and affordable rent.</p> <p>In principle approval was given for the Council to provide the Company with funding through state aid compliant loans in line with the Council's Loans Policy. This in principle funding was subject to the approval of a Business Plan by the Shareholders (Forest Heath District Council's full Council, St Edmundsbury Borough Council's full Council and Suffolk County Council's Cabinet).</p> <p>In December 2016, full Council will be asked to consider Barley Homes initial five year Business Plan and approve the funding mechanism required to deliver the plan. Prior to consideration at Cabinet and Full Council, this committee is asked to scrutinise the content of the Business Plan.</p>	

<p>Recommendation:</p>	<p>It is <u>RECOMMENDED</u> that, the Committee:</p> <ul style="list-style-type: none"> (1) Considers the initial Barley Homes five year Business Plan; and (2) Recommends to Cabinet, subject to full Council: <ul style="list-style-type: none"> (a) Any amendments and approval of the five year Business Plan attached at Exempt Appendix A; (b) Approval of a £3m revolving investment facility, to be added to the Council's capital programme, financed from the reallocation of the 'Housing Company' pending capital budget of £2.35m and an additional £0.65m from the Strategic Priorities and MTFS reserve; (c) Delegation to the S151 Officer and Monitoring Officer, in consultation with the Portfolio Holders for Resources and Performance and Housing, to issue equity and loan funding from the revolving investment facility (set out in 2b above), subject to state aid requirements; (d) The S151 Officer and Monitoring Officer, in consultation with Portfolio Holder Resources and Performance, be authorised to negotiate and agree the terms of such loans with Barley Homes and the funding and necessary legal agreements, taking into consideration the Council's loans policy and state aid requirements; (e) Note the sale of the Council owned land as detailed in the five year Business Plan (Exempt Appendix A), with outline planning permission, subject to approval by the planning authority and with Section 123 best value obligations, with the costs of planning permission being approximately £35,000 being funded from the Strategic Priorities and MTFS reserve. (f) Note that approval of this Business Plan will constitute consent for Barley Homes to issue shares and enter into debt financing, in line with the Business Plan.
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Consultation:		<ul style="list-style-type: none"> • Barley Homes Shareholder Advisory Group • Suffolk County Council • Internal – finance, legal and Human Resources 	
Alternative option(s):		<ul style="list-style-type: none"> • None – a Business Plan is required in order for funding to be approved. 	
Implications:			
Are there any financial implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • Refer to section four of this report 	
Are there any staffing implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> • None directly but Barley Homes will be appointing a Development Manager to take the developments forward, all the costs have already been included the development appraisals. 	
Are there any ICT implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> • None arising from his report 	
Are there any legal and/or policy implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • Refer to section six of this report 	
Are there any equality implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> • None arising from this report. An Equality Impact Assessment (EqIA) was undertaken prior to consideration of the establishment of the company. Paper OAS/SE/15/014 refers 	
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)
	Low/Medium/ High*		Low/Medium/ High*

Business Plan insufficiently robust / not tested	Medium	<p>Utilising the expertise of specialist financial and property consultants</p> <p>Sensitivity analysis carried out to test impact of negative movement on key assumptions (see section 2.5 of Business Plan)</p> <p>Scrutiny of external modelling by Finance staff and tax advisors.</p> <p>Detailed site appraisals and costings to be undertaken on obtaining planning permission(s) on the sites</p>	Low
Insufficient regular monitoring of performance of Barley Homes against Business Plan by shareholder councils	Medium	Regular monitoring through Shareholder Advisory Group - made up of Councillors from shareholding councils, supported by S151 and Monitoring officers	Low
Insufficient expertise to ensure achievement of best value in property construction	Medium/High	<p>Costs of Development Manager to oversee the development process included within the business plan modelling</p> <p>Provision for future appointment of independent Company directors with a background in housing development</p> <p>Option to use Homes and Communities Agency's framework agreements for technical consultants and construction</p>	Low/Medium

Adverse movements in the housing market, such as property sales and/or rental price deflation, higher than anticipated building cost inflation, leaving the Company committed to unviable schemes	Medium	Consideration of viability on a site-by-site basis so that if a scheme is not modelled to be viable, commencement is delayed or cancelled With assistance of the Development Manager, keep up-to-date with building costs and sales market	Low
Uncertainty over the impact upon the construction and housing market post EU referendum	Medium/high	Sensitivity analysis included in Business Plan (see exempt Appendix A section 2.5)	Low
Failure of Barley Homes and loss of shareholder capital and loans	Medium	Business Plan has tested the viability of sites and profitability of Barley Homes. Loans to be secured against assets of Barley Homes such as land and retained properties. Shareholder capital level to be regularly reviewed to minimise overall shareholders exposure	Low
Barley Homes is challenged over its financial make up in the market	Medium	Funding proposals are based on advice obtained around state aid and HMRC rules compliance. Barley Homes is structured as a commercial company.	Low
Council receives less than market value for the land	Medium	Site viabilities have been tested within the development of the Business Plan (still subject to planning and site investigations). Council to ensure land is sold at market value to Barley Homes to comply with its S123 best value obligations.	Low

Council relies on returns from Barley Homes which are not sustainable in the future	Medium	Continue to review (rolling) five year business plans for Barley Homes and seek stable returns in the longer term. Reflect any reduced returns in the medium term financial projections as part of reviewing the five year business plan.	Low
Ward(s) affected:		All Ward/s	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		CAB/SE/15/070 COU/SE/15/031 OAS/SE/15/014	
Documents attached:		EXEMPT – Appendix A - Barley Homes Five Year business plan and appendices	

1. Key issues and reasons for recommendation(s)

1.1 Background

- 1.1.1 Following approval by both Forest Heath and St Edmundsbury in November 2015 (report COU/SE/15/031 refers) Barley Homes (Group) Limited was incorporated in March 2016 as a company limited by shares, jointly owned by Forest Heath District Council (25%), St Edmundsbury Borough Council (25%) and Suffolk County Council (50%). The primary function of Barley Homes is to generate capital and revenue income for the councils through the development of new housing for sale and rent, on land owned by one of the councils initially in west Suffolk. The establishment of the housing company is one of the many ways that the council is using to generate income to become self-sufficient as central government grants are reduced and eventually removed.
- 1.1.2 Financial returns to the councils will be generated through a combination of, the councils' role as a:
1. **Landowner through land sale receipt** – with Barley Homes paying market value for the land it buys with planning permission from the landholding council
 2. **Funder through interest receipts** – on loans provided to Barley Homes at commercial rates
 3. **Shareholder through dividends** – from profits generated by Barley Homes
 4. **Service provider through contracts** – from services contracted by Barley Homes from the council
- 1.1.3 All funding provided to Barley Homes by the councils will be provided in a form to satisfy both HMRC tax and state aid regulations. Further information is contained in sections six and seven of the Business Plan (**Exempt Appendix A**).
- 1.1.4 Shareholder oversight of Barley Homes activities is undertaken via the Shareholder Advisory Group, which consists of eight elected members drawn from the three Councils, supported by the Section 151 and Monitoring officers. The group meets regularly with the directors of the company to scrutinise the performance of the company and to represent the interests of the shareholders.

2. Five year business plan –key issues

- 2.1 Since its establishment in March 2016, Barley Homes has focussed on the development of its first Business Plan. The Business Plan is based on the delivery of initial sites over the first five years of activity.
- 2.2 Following an open quotation process, Savills were commissioned by Barley Homes to assist in the development of the initial five-year Business Plan, a copy of which is attached to this paper (**Exempt Appendix A**). The Business

Plan contains details of the initial developments, the amount and type of funding required to complete the developments and the expected returns generated for the councils. Section 2 of the Business Plan contains an executive summary of all the key financial information, with the rest of the plan going into greater detail.

- 2.3 To aid presentation and an understanding of the overall Barley Homes operation and to provide transparency on the investment and returns from the different activities, the financial analysis and modelling has been separated into the two distinct business activities: (i) development; and (ii) investment.
- 2.4 Since the Business Plan was produced a further review of the advice given by Deloitte (as part of the initial Housing Company business case), has confirmed that it would be most tax efficient to separate the various activities of Barley Homes into separate entities to reflect the nature of the activity i.e. development and investment. This would likely require Barley Homes (Group) Ltd to act as the holding company. The exact nature of the company structure will be discussed with the Shareholder Advisory Group in due course. Regardless of the company structure, the value, type and timing of this funding is detailed in the Business Plan (**Exempt Appendix A, section 2.2**) with an overview provided in section four below.

3. Initial sites

- 3.1 In preparation of the Business Plan, a total of 43 development sites (under the ownership of the three councils) were identified and rated as to their suitability and deliverability within the timeframe. Following this assessment four "initial sites" have been prioritised for delivery in the first five years. In addition to the initial sites, an outline programme of activity for a number of "secondary sites" has also been drawn up, with work also starting on identifying a portfolio of longer-term pipeline sites. Information relating to the sites is contained in the Business Plan (**Exempt Appendix A**).
- 3.2 In order to maximise the return from the sale of the land to Barley Homes it is assumed that the landholding authority secures outline planning permission for residential development on the land prior to its sale. In this instance, St Edmundsbury Borough Council owns one of the sites and will be required to seek outline planning permission before sale to Barley Homes and ensure that its best value obligations have been met. These costs are estimated to be in the region of £35,000 and will be funded by the Strategic Priorities and MTFS reserve.
- 3.3 As the development of housing through Barley Homes is a new venture for the shareholding councils and in order to limit the potential exposure to risk, it was agreed by the Shareholder Advisory Group to concentrate on those sites that were the most straightforward to develop and readily available. The advice from Savills is that the proposed development programme is a realistic and deliverable one for a new company the size of Barley Homes to be able to deliver over the life of the five-year business plan. As knowledge and expertise is gained within the company from developing the initial sites, there would be scope to increase the scale and ambition of development.
- 3.4 The initial five-year business plan will be revised on a regular basis as new sites are identified and brought forward. In accordance with the Shareholder

Agreement an annual delivery plan will be presented to the Shareholder Advisory Group and presented to the councils for approval.

4. Investment opportunity and financial returns

- 4.1 The investment required to deliver the four initial sites and the expected returns to be achieved are summarised on pages 7-11 of the Business Plan (**Exempt Appendix A**). It is important to note that all of the figures contained in the business plan are based on the current modelling and without detailed site investigations so there may be variations in both the costs and receipts in the final scheme delivery. A sensitivity and risk analysis has been undertaken and is included within the Business Plan (sections 2.5 and 3.7).
- 4.2 The total funding required for the five year plan, with a peak funding requirement of £11.1m in 2019/20, equates to an investment (through a combination of equity and debt) of £2.782m, rounded to £3m to allow some flexibility, for both St Edmundsbury and Forest Heath reflecting the individual councils' 25% shareholdings. It should also be noted that the current approved Capital Programme for St Edmundsbury includes an allocation of around £2.365m towards investment in Barley Homes (report COU/SE/16/003 refers), so a further £0.635m is proposed to be funded from the Strategic Priorities and Medium Term Financial Strategy Reserve.
- 4.3 As detailed in the Business Plan all of the development loan funding will be repaid by Barley Homes. However, there will be a long term funding requirement for investment of £1.23 million from St Edmundsbury (£4.9m in total from the three councils) in order to be able to purchase the rental portfolio if this is felt to be financially beneficial (see paragraph 4.6 below).
- 4.4 The revenue returns expected for the shareholders, from investment in the short term development period and long term property investment across the five year business plan total £3.8m, to the period 2021/22. This equates to £954,000 each for both St Edmundsbury and Forest Heath. The long term property investment return will of course continue beyond the 5 year period contained within the report.
- 4.5 In addition to the revenue returns, the councils will receive full market value payments for land sales in their ownership and will benefit from the longer-term growth in the value of the investment properties retained.
- 4.6 An option also exists for the councils not to build the private rented units, but to replace them with open market properties nor to retain the affordable rented units within the investment company, but to sell them to a suitable registered provider. This option would not require the on-going £4.9m capital investment across all the shareholders, but would result in the loss of the on-going revenue income. Further analysis will need to be undertaken as to the viability of both options and will be presented to Shareholder Advisory Group for their consideration.
- 4.7 In order to comply with state aid and HMRC tax rules the investment modelling for the shareholders, contained in the Business Plan (**Exempt Appendix A**), works on an equity investment (as unsecured shareholder capital) of around 35% and a loan investment (attracting a commercial interest rate) of 65%. It

is this funding that will be used by the investment company to purchase the rental properties for investment, should it wish to do so.

- 4.8 This investment opportunity is in line with the internal rate of return within the Council's Medium Term Financial Strategy of 10% and therefore meets the desired return when appraised on the basis of being funded by prudential borrowing. Actual borrowing will only take place when the Council's treasury management activities identify such a need, for example, the Council's cash flow management activities project that an external cash injection is required to maintain the appropriate level of cash balances for the Council to operate and fulfil its budget and service delivery requirements.
- 4.9 The Council currently manages funds in excess of this and therefore external borrowing is not expected during the life of this investment for this investment in isolation. The proposal is that the funding for this investment is financed (albeit it will be a revolving fund so is financing on a cash flow basis) from a pending capital programme allocation and a strategic revenue reserve therefore it is proposed that the full revenue returns of this investment opportunity is realised to support the general fund budget.

5. Monitoring of progress and future development decisions

- 5.1 In order for Barley Homes to operate flexibly in the commercial market, it is proposed that a revolving investment fund of £3m (covers equity share capital and loan facility) is agreed by full Council with the necessary delegations to the statutory S151 and Monitoring Officer to negotiate, sign and implement the loan agreements between Barley Homes and the Council to deliver the business plan.
- 5.2 Each development scheme will require detailed project and financial management and the Shareholder Advisory Group will be responsible for scrutinising the Company's development appraisals. In addition, each year the Councils will receive an Annual Report detailing progress made and future development plans.
- 5.3 During the delivery of the five year business plan it is recognised the commercial opportunities may arise which would benefit the councils. In order to maximise these opportunities, Barley Homes will be able to access the capped loan fund. However, any investment decision would only be made in line with the financial delegation, subject to the scrutiny of the Shareholder Advisory Group and reported as part of the annual report to the councils. Any further sums of money required over and above the capped load would be requested from full Council.

6. Delivery of the Business Plan

- 6.1 Barley Homes requires support to deliver the four initial sites, and develop potential future sites. This support is likely to be in the form of a Development Manager whose role would be to prepare a detailed delivery plan and provide leadership, management and procurement of a professional team to deliver the sites. An allowance to meet these costs has been included within the Business Plan (see section 3.3.3)

7 Legal implications

- 7.1 Expert legal opinion was sought by Trowers and Hamlins during the development of the business case to establish the company and they have supported the preparation of the company's Memorandum and Articles of Association and Shareholder Agreement.
- 7.2 In terms of state aid, the councils must show that they are **not** providing state aid and this has been reflected in the loan terms and market interest rate used. State aid, in whatever form, which could distort competition and affect trade by favouring certain undertakings or the production of certain goods, is incompatible with the common market. Having sought independent advice on this, the Council is satisfied that the equity/loan split does not constitute state aid.
- 7.3 It is for Barley Homes to ensure that it complies with all the necessary tax rules, particularly relating to thin capitalisation (a company is said to be thinly capitalised when the level of its debt is much greater than its equity i.e. its gearing, or leverage, is very high). If HMRC believe that the rules around thin capitalisation, and other matters are not met then the amount of interest the company can offset against its profits will be restricted. In turn this means the company paying higher corporation tax and less profit being available as distribution to the shareholders. The company will continue to seek tax advice throughout its operations and report to the Shareholder Advisory Group as appropriate.

8. Next steps

- 8.1 Following discussion at this Committee, the Business Plan will be considered by Cabinet and full Council in December (with the other councils also seeking the appropriate approval in December). Delivery of the Plan will then begin with construction and completion dates as outlined in the Business Plan (**Exempt Appendix A**). During this period the Shareholder Advisory Group will continue to monitor progress and performance as appropriate.

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Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Car Parking Update	
Report No:	OAS/SE/16/029	
Report to and date:	Overview and Scrutiny Committee	9 November 2016
Portfolio holder:	Cllr Peter Stevens Portfolio Holder for Operations Tel: 07775 877000 Email: peter.stevens@stedsbc.gov.uk	
Lead officer:	Mark Walsh Head of Operations Tel: 01284 757300 Email: mark.walsh@westsuffolk.gov.uk	
Purpose of report:	To update Members on the implementation of the Car Parking Review and future car park related priorities.	
Recommendation:	Overview and Scrutiny Committee: 1) Members are asked to <u>note</u> the report; and 2) Recommend that the Head of Operations, under his delegated authority, in consultation with the Portfolio Holder for Operations, vary the Traffic Road Orders as needed to implement the priority work streams as set out in Paragraph 1.9.2 of the report.	
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> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

Consultation:		<ul style="list-style-type: none"> Significant consultation was undertaken by the Overview and Scrutiny Task and Finish Group that established the outcome identified in this report. 	
Alternative option(s):		N/A	
Implications:			
Are there any financial implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> Parking fees and charges provide revenue and costs to the Council. Any surplus income after operation, investment, maintenance and staffing costs have been deducted, is directed towards the delivery of other highways and transport-related services within the borough. No recommendations contained in this report will result in a significant budgetary variation to the car parking account 	
Are there any staffing implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any ICT implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any legal and/or policy implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any equality implications? If yes, please give details		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)
Car Park charges are set incorrectly resulting in either charges being too high or too low. Both scenarios could result in suboptimal performance in the car parks and town centres	Medium	Consultation has been carried out resulting in a clear rationale being provided by the O&S review for the proposed charges	Low
Town centres adversely affected by any increase	Low	Feedback from customers and other stakeholders along with benchmarking information demonstrates that the charges are not excessive in comparison to other comparable towns	Low

Ward(s) affected:	All Wards
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	Report CAB/SE/15/078 dated 8 December 2015 – Report of Overview and Scrutiny Task and Finish Group report on Car Parking.
Documents attached:	None

1. Key issues and reasons for recommendation

1.1 Review from 1 April 2016 to 1 October 2016

1.1.1 In 2015 the Overview and Scrutiny Committee set up a Task and Finish Group to undertake an extensive review of car parking provision and charges in St Edmundsbury. The recommendations of the Task and Finish Group were endorsed by Cabinet (see background papers) and were implemented on the 1 April 2016. This report sets out the progress to date and the impact of these changes.

1.2 Usage

1.2.1 A total of 2,453,629 car parking events were recorded in 2015 across all car parks in the Borough (including the Country Parks) representing an increase of 96,313 (4%) on the previous year. These figures are based on all transactions made from a ticket machine, the pay by phone option (Ringo) and the purchase of permits.

1.2.2 The number of transactions made specifically in Bury St Edmunds town centre was 2,014,671 in 2015 compared to 1,942,719 in 2014 – an increase of 3.7%. Haverhill recorded a total of 438,958 parking events compared with 414,597 in 2014 – an increase of 5.9%.

1.2.3 Since the change to the tariffs and car parking restrictions implemented on 1 April 2016, the number of recorded car parking events has continued to increase. Between 1 April and 30 September 2016, an additional 68,137 transactions were made across the Borough compared to the same period last year. We should be minded that this figure includes two car parks that recorded no transaction data previously - the Shire Hall Car Park in Bury St Edmunds (1,782 transactions) and Corn Exchange Car Park in Haverhill (4,557 transactions).

1.2.4 Over the period 1 April to 30 September 2016, the Parkway multi storey has recorded on average 110 more transactions on a Saturday. This has been increasing month on month, with September accommodating a combined Saturday total of 3,865 parking events which is on average 200 more transactions per Saturday than September 2015. The profile for Sunday has not changed. The data suggests that more vehicles are parking in the car park due to placing the mid stay restriction and a greater level of turnover is providing more capacity.

1.2.5 Ram Meadow Car Park has seen a significant increase in usage with 16,000 more transactions recorded since the 1 April 2016 than in previous years. The lower tariff and long stay parking supply in the town centre has encouraged more parking events by local workers. This is supported by more the 4,000 weekly tickets sales and a third more season tickets purchased for the car park over the six month period.

1.2.6 Capacity testing in Bury St Edmunds has been undertaken across September and early October. The following observations have been made:

- Parkway MSCP did not exceed 90% capacity before the Saturday 1 October.

- Ram Meadow has increased to 85% capacity on weekdays and Saturday.
- St Andrews Long Stay car park averages at 90% capacity with the exception of a Saturday when it is full at peak times.
- Weekday short stay car parking is approximately 60-65% full on Parkway Surface, St Andrews and Cattle Market. Robert Boby and Lower Baxter Street exceed 85% capacity.
- The Cattle Market car park continues to operate at a stress level over the weekend whilst all other short stay car parks have marginal spare capacity of between 5-10%.
- Anecdotally, car parking attendants report that less traffic management has been required due to the availability of spaces on Parkway since the TRO variation was implemented in April.

1.2.7 Haverhill has seen a continued growth in parking activity. In the first six months of this financial year the number of transactions has risen by 24,000 compared to the same period last year. Whilst the inclusion of the Corn Exchange accounts for some of this increase, the re-designation of the Leisure Centre as a short stay car park has seen 14,400 more parking events recorded whilst the adjacent long stay car park at the Meadow has seen an increase of 1,460 parking events.

1.3 Issue of Fines

A total of 2,721 parking fines have been issued since the start of the current financial year, an increase of 529 over the same period in 2015. Whilst the car parking service continues to develop an ambassadorial, customer focused approach to service delivery, inevitably as occupancy increases in our car parks and more staff employed to enforce and manage the car parks, the number of fines issued is likely to increase. Members will be minded that the number of fines issued over the course of this period equates to only 0.1% of our total transactions, reinforcing that almost 99.9% of our customers understand and comply with our car parking regulations.

1.4 Car Park Improvements

1.4.1 Upgrade of Ticket Machines

A total of 25 machines have been upgraded to accommodate contactless card payments and Apple Pay in addition to coins and the chip and pin facility. The machines across Bury St Edmunds and Haverhill now complement the pay by phone cashless payment system, RingGo.

Since the upgrade of the machines in April, approximately 60,000 payment transactions have been made on the 25 machines using this contactless payment method.

The pay by phone cashless payment system, RingGo, remains popular. In 2014 a total of 76,000 transactions were made on the system and increased to 120,000 in 2015. It is estimated that in excess of 150,000 transactions will be

made in 2016.

This highlights the shift in customers embracing new technology and the convenience and trust in cashless payment.

1.4.2 Electric Charging Points

Six Electric Charging Points have been ordered – four to be located in Bury St Edmunds (Parkway Multi Storey and Ram Meadow car parks) and two for Haverhill in Ehringhausen Way Car Park. They are due for installation in January 2017. The electric charging point's, manufactured and operated by Charge Master, will provide a source of electric to enable a vehicle to be fully charged within 3-4hrs. Given the authority's commitment to the promotion of green energy, vehicles will not be charged for parking but will be required to pay a charge for the electricity.

1.4.3 New Information Boards

All car park information and tariffs boards have been revamped and standardised arising from the restriction and tariff changes made earlier in the year.

1.4.4 New Directional Signs in Haverhill

An audit of highway signage in Haverhill has been completed and new signs to car parks identified. Suffolk County Council is currently working up a scheme of works with a view to completion in the new year.

1.5 Park Mark

As in previous years, the Council's pay and display car parks have been independently inspected by the police and parking specialists. The inspection considers the level of safety, cleanliness, quality of signage, frequency of patrols and uniformed attendants, and maintenance within our car parks. The Borough's car parks have again been recognised for their high quality of management with a Park Mark award.

1.6 Planning for Future Car Parking Provision

Cabinet instructed officers at its meeting on 8 December 2015 to undertake a review to identify additional car parking provision across Bury St Edmunds no later than the end of 2017. This was based on capacity issues arising from peak time parking and the need to provide infrastructure to service growth in the local economy.

The timetable for the delivery of a Bury St Edmunds Masterplan has now been established which will commence with public consultation next spring and a final draft for approval by December 2017.

The Masterplan will not only consider town centre retail and leisure uses but also traffic management and car parking which will form an important part of the study outcome. Rather than undertaking a review of car parking in isolation, an approach that is fully integrated with the Masterplan is

recommended on grounds of efficient use of resources and stakeholder engagement. Furthermore the Masterplan will become Supplementary Planning Guidance and the inclusion of additional car parking capacity will support the planning process.

Potential sites for additional parking will be included for comment as part of the Masterplan Issue and Options Consultation in Spring 2017 with a preferred option identified in Draft Masterplan in the Autumn. It is intended that a business plan for additional car parking capacity will be considered by Cabinet and Full Council following approval of the Masterplan in December 2017. This will include detailed costings, options to fund the car park and expected return on investment. Pay on Exit car park management systems will be included as part of the business case.

1.7 Civil Parking Enforcement

The police, Suffolk County Council and District/Borough Councils in Suffolk are working up a business model for the potential transition of on-street parking enforcement in Suffolk from the Police to Local Authorities. Such a change is known as Civil Parking Enforcement (CPE). The aim of the business case will be to ensure that an effective system is created, allowing all parking enforcement to be fully coordinated across the west and east of the county in addition to the current operation that exists in Ipswich.

If agreed by all partners, the aim will be for transfer of powers to be fully operational across Suffolk by April 2019. This would be subject to the approval of business case by SEBC Cabinet and a successful application to the Secretary of State for Transport.

1.8 Financial

In the first 6 months of the current financial year, income from fees and charges amounted to £2,156,726 - an increase of £200,000 compared to the previous year. This is the result of greater turnover greater turnover of vehicles in our car park, targeted tariff changes agreed in the Car Parking Review and the inclusion of two additional car parks. The car parking budget is predicted to meet the budgeted efficiency target. The improvements identified in this report will be funded from in year car parking receipts and as part of the Medium Term Financial Strategy. The funding of additional car parking provision will be considered in the review of the Council's Investment Plan.

1.9 Conclusion and Future Work Streams

- 1.9.1 Members will note the continued increase in parking events. Whilst high levels of spare capacity continue in Haverhill, the management of car parking provision in Bury St Edmunds remains a challenge. Initial data set out in this report would suggest that since the TRO changes made in April, more car parking events have been accommodated in the town centre at peak times and capacity levels have exceeded 95% less often.

Nevertheless, this sample period has traditionally less parking events than the busier period leading up to Christmas when we anticipate a deficit in peak time parking provision in Bury St Edmunds. This year we have secured an additional

700 weekend long stay car parking spaces at the Greene King Staff Car Park, the Manor House Car Park and West Suffolk College Car Parks over December illustrating the partnership approach taken by private and public sector bodies. Greater promotion of free weekend parking at the Olding Road Car Park will be undertaken along with the free town centre parking incentives for Tuesday and Thursday evenings from mid-November. The provision of free daily parking after 3pm in Haverhill will commence on 16 December along with the provision of an additional Christmas Market to encourage greater footfall in the town centre.

1.9.2 Priority work streams for the remaining six months of the financial year and into 2017-2018:

- Sampling and modelling of car park events in Bury St Edmunds and Haverhill
- Development of business cases for the implementation of (i) Civil Parking Enforcement and (ii) new car parking provision in Bury St Edmunds
- Investment in existing car park provision including (i) the provision of more contactless payment machines, (ii) resurfacing of Vinery Road Car Park and (iii) highway directional signage.
- To develop a management plan for Moreton Hall Car Parks in consultation with local members, including the introduction of machines that issue tickets with an expiry time to ensure vehicles to not exceed the maximum stay restrictions.

2. Recommendations

- 2.1 Members are asked to note the report, and recommend the Head of Operations under his delegated authority, in consultation with the Portfolio Holder for Operations, to vary the Traffic Road Orders as needed to implement the priority work streams as set in 1.9.2 of the report.

Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Review and Revision of the Constitution	
Report No:	OAS/SE/16/030	
Report to and date:	Overview and Scrutiny Committee	9 November 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 Democratic Services)/Monitoring Officer Tel: 01284 757165 Email: steven.boyle@westsuffolk.gov.uk	
Purpose of report:	To note the minor amendments made to the St Edmundsbury Borough Council Constitution arising from changes to legislation, changes to staffing structures/ job descriptions or changes in terminology.	
Recommendation:	It is <u>RECOMMENDED</u> that the minor amendments undertaken by the Monitoring Officer under delegated authority, as set out in Appendix A to this report, be <u>noted</u>.	
Key Decision: (Check the appropriate box and delete all those that <u>do not</u> apply.)	Is this a Key Decision and, if so, under which definition? Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	• Not applicable.	
Alternative option(s):	• Not applicable.	
Implications:		
Are there any financial implications? If yes, please give details	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Are there any staffing implications? If yes, please give details	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"/> Under the Local Government and Housing Act 1989, the Monitoring Officer is responsible for the operation of the Council's Constitution. Under S37 of the Local Government Act 2000, a local authority which is operating executive arrangements, must prepare and keep up-to-date, a document (referred to as their constitution).	
<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 legal challenge if delegations in the Constitution do not reflect actual Council and Officer practice	High	Ongoing review and revision to ensure that the Constitution is up-to-date	Low
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		St Edmundsbury Borough Council Constitution	
Documents attached:		Appendix A – Minor Amendments made to the Constitution by the Monitoring Officer under Delegated Authority – July to September 2016	

1. Key issues and reasons for recommendation(s)

1.1 Heading

1.1.1 Article 14 of the St Edmundsbury Borough Council Constitution refers to the review and revision of the Constitution.

1.1.2 Paragraph 14.1.1 of Article 14 states that:

"14.1.1 The Monitoring Officer will monitor and evaluate the operation of the Constitution to ensure that its aims and principles are given full effect."

1.1.3 Paragraph 14.4.3 of Article 14 also states that:

"14.3.3 The Monitoring Officer, in consultation with the Head of Paid Service and relevant Portfolio Holder, has delegated authority to make minor amendments to the constitution arising from changes to legislation, changes to staffing structures or job descriptions or changes in terminology. Such changes will be reported quarterly to the Overview and Scrutiny Committee. The Monitoring Officer also has authority to amend the constitution to implement decisions of the Leader in relation to the delegation of executive functions to the Cabinet."

1.1.4 **Appendix A** to this report sets out the minor amendments which have been made to the St Edmundsbury Borough Council Constitution, under the delegated authority of the Monitoring Officer, from July to September 2016.

1.1.5 All Members of the Council have also been informed of these minor amendments, as part of the ongoing review and revision of the Constitution. The latest updated version of the Constitution is also available on the Council's website and is available for inspection by members of the public, upon request.

St Edmundsbury Borough Council

Review and Revision of the Constitution

Minor Amendments made by the Monitoring Officer under Delegated Authority (July to September 2016)

Amendment Date	Approved By	Sections of the Constitution Affected	Nature of Amendment
August 2016	Monitoring Officer	Part 2 (Articles) (f) Article 6 – The Cabinet	Appendix A (List of Portfolio Responsibilities) within this Article was amended to reflect the areas of responsibility under the Leader of the Council Portfolio (in line with Part 3 Functions and Responsibilities – Section 3: Responsibility for Cabinet functions).
August 2016	Monitoring Officer	Part 3 (Functions and Responsibilities) (b) Section 2 – Responsibility for Council Functions: C.10 Sustainable Development Working Party	Amendments had been made to correct an error within the Terms of Reference of this Working Party.

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Overview and Scrutiny of Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Work Programme Update	
Report No:	OAS/SE/16/031	
Report to and date:	Overview and Scrutiny Committee	9 November 2016
Chairman of the Committee:	Diane Hind Chairman of the Overview and Scrutiny Committee Tel: 07890 198957 Email: diane.hind@stedsbc.gov.uk	
Lead officer:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	1) To update the Committee on the current status of its rolling work programme of annual items for scrutiny during 2017 (Appendix 1);	
Recommendation:	Overview and Scrutiny Committee: 1) That, Members <u>note</u> the current status of the work programme and the annual items expected during 2017.	
Key Decision: (Check the appropriate box and delete all those that <u>do not</u> apply.)	Is this a Key Decision and, if so, under which definition? Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Documents attached:	Appendix 1 – Current Work Programme	

1. Key issues and reasons for recommendations

1.1 Rolling Work Programme

- 1.1.1 The Committee has a rolling work programme, whereby suggestions for scrutiny reviews are brought to each meeting, and if accepted, are timetabled to report to a future meeting.
- 1.1.2 The work programme also leaves space for Call-ins and Councillor Calls for Action. The current position of the work programme for 2017 is attached at **Appendix 1** for information.
- 1.1.3 Members are asked to note the current status of its work programme for 2017.

Overview and Scrutiny Committee Rolling Work Programme (St Edmundsbury Borough Council)

The Committee has a rolling work programme, whereby suggestions for scrutiny reviews are brought to each meeting, and if accepted, are timetabled to report to a future meeting. The work programme also leaves space for Call-ins and Councillor Calls for Action.

Description	Lead Officer	Details
11 January 2017		
Portfolio Holder Presentation	Leisure and Culture	The Portfolio Holder has been invited to give a short presentation / account of their portfolio and answer questions from the Committee.
West Suffolk Housing Strategy	Head of Housing	Update on progress against Action Points.
Designated Public Place Orders in Bury St Edmunds and Haverhill and Change to Public Space Protection Orders	Head of Families & Communities	To scrutinise proposed conditions and changes to the Designated Public Place Orders in Bury St Edmunds and Haverhill and Change to Public Space Protection Orders, as required by legislation.
Review and Revision of the Constitution	Monitoring Officer	The Constitution requires the Committee to receive on a quarterly basis a report on minor amendments made by the Monitoring Officer under delegated authority.
Directed Surveillance (Quarter 3)	Monitoring Officer	To scrutinise the authority's use of its surveillance powers on a quarterly basis.
Cabinet Decision Plan	Democratic Services Officer (Scrutiny)	To peruse the latest Decision Plan for items on which it would like further information or feels might benefit from the Committee's involvement.
Work Programme Update	Democratic Services Officer (Scrutiny)	To receive suggestions for scrutiny reviews, appoint Task and Finish Groups for these reviews and indicate review timescales.
15 March 2017		
Portfolio Holder Presentation	To be confirmed	The Portfolio Holder has been invited to give a short presentation / account of their portfolio and answer questions from the Committee.
West Suffolk Information Strategy	Head of Resources and Performance	To scrutinise a West Suffolk Information Strategy which has been jointly produced with Forest Heath District Council.

Description	Lead Officer	Details
Cabinet Decision Plan	Democratic Services Officer (Scrutiny)	To peruse the latest Decision Plan for items on which it would like further information or feels might benefit from the Committee's involvement.
Work Programme Update	Democratic Services Officer (Scrutiny)	To receive suggestions for scrutiny reviews, appoint Task and Finish Groups for these reviews and indicate review timescales.
19 April 2017		
Portfolio Holder Presentation	To be confirmed	The Portfolio Holder has been invited to give a short presentation / account of their portfolio and answer questions from the Committee.
Western Suffolk Community Safety Partnership	Community Safety Co-ordinator	To review the work of the partnership on an annual basis.
Review and Revision of the Constitution	Monitoring Officer	The Constitution requires the Committee to receive on a quarterly basis a report on minor amendments made by the Monitoring Officer under delegated authority.
Directed Surveillance (Quarter 4)	Monitoring Officer	To scrutinise the authority's use of its surveillance powers on a quarterly basis.
Cabinet Decision Plan	Democratic Services Officer (Scrutiny)	To peruse the latest Decision Plan for items on which it would like further information or feels might benefit from the Committee's involvement.
Work Programme Update	Democratic Services Officer (Scrutiny)	To receive suggestions for scrutiny reviews, appoint Task and Finish Groups for these reviews and indicate review timescales.

Futures items identified to be programmed:

1. Future Developments for Regional Transport in West Suffolk (A1307) – Progress Report.
2. North West Haverhill Relief Road and Haverhill Town Centre Master Plan (To receive for information, a progress report on the schemes)
3. Bury St Edmunds Bus Station (Update)
4. Draft West Suffolk Strategic Plan 2017-2020

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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