
Cabinet



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Cabinet** held on
Tuesday 28 March 2017 at **5.00 pm** in the **Conference Chamber West,**
West Suffolk House, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

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

Robert Everitt	Joanna Rayner
Ian Houlder	Peter Stevens
Alaric Pugh	

In attendance:
Susan Glossop

315. **Apologies for Absence**

(Prior to commencing consideration of formal business, Councillor John Griffiths, Leader of the Council and Chairman, formally welcomed Leah Mickleborough and Mark Miller to their first Cabinet meetings. Mrs Mickleborough and Mr Miller had recently been appointed to the posts of Service Managers for Democratic Services (and Monitoring Officer) and Strategic Communications respectively for St Edmundsbury Borough and Forest Heath District Councils.)

No apologies for absence were received.

316. **Minutes**

The minutes of the meeting held on 7 February 2017 were confirmed as a correct record and signed by the Chairman.

317. **Open Forum**

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

318. **Public Participation**

There were no members of the public in attendance.

319. Report of the Overview and Scrutiny Committee: 15 March 2017

The Cabinet received and noted Report No: CAB/SE/17/017, which informed the Cabinet of the following items discussed by the Overview and Scrutiny Committee on 15 March 2017:

- (1) Annual Presentation by the Portfolio Holder for Resources and Performance;
- (2) Update on Haverhill Town Centre Masterplan and North West Relief Road, Haverhill;
- (3) Decisions Plan: March 2017 to May 2017; and
- (4) Work Programme Update.

320. Enterprise Zones: Infrastructure Investment

The Cabinet considered Report No: CAB/SE/17/018, which sought approval for a £4 million revolving investment loan facility for infrastructure and associated works at Suffolk Park (Suffolk Business Park extension).

Together with 8 hectares of land being allocated at Haverhill Research Park, Enterprise Zone (EZ) status had previously been awarded to 14 hectares of land at Suffolk Business Park.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth, drew relevant issues to the attention of Cabinet, including that significant progress had been made by the developer/promoter with regard to bringing forward the EZ at Suffolk Park, including making provision for the construction of a spine road and associated services. The completion of this work would enable the developer/promoter to market the EZ as 'fully serviced', which would be a significant incentive for businesses to locate quickly to the site.

A large upfront cost would however, be required to enable the EZ to be serviced and whilst a proportion of the funding had been met through already secured land sales, a request for a loan had been received from the developer/promoter to bridge the temporary gap until further land sales came forward.

It was noted that the request for a loan was only to enable the phase 1 spine road and services to be constructed/completed; however it was likely that further requests for funding towards upfront infrastructure costs would be received in the future to support the EZ and on the wider business park extension.

The Cabinet therefore considered approval of a £4m revolving investment facility, subject to due diligence. Members recognised the benefits of the proposal, which would enable funding decisions of up to that amount to be made (subject to appropriate checks and balances) on a quicker timeframe, thereby ultimately resulting in the faster occupation of the Enterprise Zone at Suffolk Park.

RESOLVED:

That:

- (1) a £4m revolving investment loan facility be agreed, as set out in Report No: CAB/SE/17/018, for infrastructure and associated works for Suffolk Park; and
- (2) subject to the satisfaction of the Section 151 and Monitoring Officers that appropriate security is in place to protect the Council's investment and due diligence highlighting no significant risks to the Council has been completed, delegated authority be given to the Chief Executive in consultation with the Portfolio Holder for Planning and Growth to enter into a loan agreement(s) with the developer.

321. **Development of a new Partnership Agreement with Abbeycroft Leisure**

The Cabinet considered Report No: CAB/SE/17/019, which sought approval for entering into a new Partnership Agreement with Abbeycroft Leisure Ltd.

Councillor Joanna Rayner, Portfolio Holder for Leisure and Culture, drew relevant issues to the attention of Cabinet, including that the new Partnership Agreement had been developed in line with the previously approved principles and commitments of Cabinet and full Council, as set out in Section 2 of Report No: CAB/SE/17/019, and therefore satisfactorily supported the objectives and priorities of the Council and Abbeycroft regarding the promotion of health and wellbeing by supporting people to engage in physical activity.

Members noted that the Agreement built on the positive relationship that had been established with Abbeycroft some 12 years ago. Amongst a raft of issues, the new Agreement detailed financial management plans and proposed investment opportunities in leisure facilities, such as the recently opened Skyliner Sports Centre and the proposed development of a revised leisure offer at Haverhill Leisure Centre. In addition, Abbeycroft had committed to delivering a zero management fee to the Council by 2022.

As the new Agreement would be subject to annual review, this provided a degree of flexibility, therefore any potential issues that might need reconsideration could be addressed as part of that review.

The Cabinet acknowledged the value of the partnership with Abbeycroft Leisure, and that through effective collaborative working, the Council and Abbeycroft were able, and would continue, to deliver financially viable, quality leisure services.

RECOMMENDED TO COUNCIL:

That:

- (1) a new Partnership Agreement be entered into with Abbeycroft Leisure Ltd for a period of 15 years, with options to extend for 5 + 5 years , subject to the protections included in the Partnership Agreement; and**

(2) the Partnership Agreement is finalised in line with Report No: CAB/SE/17/019 and the Heads of Terms attached at Appendix 1.

322. Establishing a Mechanism for Investing in our Growth Agenda

The Cabinet considered Report No: CAB/SE/17/020, which presented a proposed approach for establishing a mechanism for investing in the Council's growth agenda.

The Council had previously committed (with Forest Heath District Council (FHDC)) in its Medium Term Financial Strategy 2017-2021, its intention to facilitate sustainable growth that benefited the communities of West Suffolk, including through investment, over the period of the strategy. This was in order to deliver the Council's growth objectives as well as moving towards its goal of self-sufficiency.

As part of the Budget and Council Tax setting report presented to Council on 23 February 2017, a £20 million (plus £20m from FHDC) revolving capital investment fund was created as a pending item within the Council's capital programme, funded from external borrowing. Report No: CAB/SE/17/020 proposed an approach to govern that fund and the creation of a £1 million (plus £1m from FHDC) revenue reserve budget to facilitate the fund's next steps in delivering growth and investment opportunities in West Suffolk.

Councillor Alaric Pugh, Portfolio Holder for Planning and Growth drew relevant issues to the attention of Cabinet, including that the strategic approach to investment planning and the principle of the proposed governance for the revolving capital investment fund, as set out in Section 3 of the report, would enable the Council to be proactive as new investment and growth opportunities arise. The creation of the revenue reserve budget, which was proposed to be funded through a reserve transfer from the Strategic Priorities and Medium Term Financial Strategy Reserve utilising existing delegations of the Assistant Director for Resources and Performance, would be used to support delivery of the capital fund on such items set out in paragraph 5.2 of the report.

The Cabinet recognised the vision and forward thinking of the proposals, which fully supported the Council's strategic priorities and themes of the Medium Term Financial Strategy 2017-2021. Subject to the relevant checks and balances as addressed in the report, the Cabinet agreed that the proposed governance would enable the Council to act more nimbly, swiftly and commercially to progress its growth agenda throughout the towns and rural areas of the Borough and West Suffolk.

Members also noted that further approval would be required on certain elements of the overall approach in relation to the development of an overarching investment strategy, which would be presented to Cabinet and Council in due course.

RESOLVED:

That:

- (1) the strategic approach to investment planning (outlined in Report No: CAB/SE/17/020 and at Section 3) and the development of an overarching investment strategy for Council approval in due course, be supported and approved;
- (2) the principle of the Cabinet's role in the leadership and decision-making in relation to the investment fund (outlined in Report No: CAB/SE/17/020 and at Sections 4 and 5), be supported and approved;
- (3) the transfer from the Strategic Priorities and Medium Term Financial Strategy Reserve, be noted, as detailed in paragraph 5.2 and 5.3 for the creation of a £1m revenue budget to support the capital investment fund; and
- (4) it be noted that prior to the adoption of the overarching investment strategy, referred at (1) above, that the current constitutional decision mechanisms will continue to operate.

323. Decisions Plan: March 2017 to May 2017

The Cabinet considered Report No: CAB/SE/17/021, which was the Cabinet Decisions Plan covering the period March to May 2017.

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

The meeting concluded at 5.15 pm

Signed by:

Chairman
