

# Extraordinary Council



St Edmundsbury  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Referral of Recommendations from Cabinet</b>	
<b>Report No:</b>	<b>COU/SE/15/034</b>	
<b>Report to and date:</b>	<b>Extraordinary Council</b>	<b>17 November 2015</b>
<b>Documents attached:</b>	<b>None</b>	

## (A) Referrals from Cabinet: 20 October 2015

### 1. Enterprise Zones

**Cabinet Member:** Cllr Alaric Pugh

**Report No:**  
[CAB/SE/15/064](#)

#### **RECOMMENDED:**

***That due to the potential financial implications of a successful Enterprise Zone bid, as detailed in Section 2 of Report No: CAB/SE/15/064, the S151 and Monitoring Officers be given delegated authority to pursue the Enterprise Zone discussions further in the event that either or both bids submitted by the Local Enterprise Partnerships are successful.***

- 1.1 In addition to recommending the above for Council approval, the Cabinet also formally noted:

*That at this time, Local Enterprise Partnerships (LEPs) are awaiting a decision by central Government regarding the award of Enterprise Zone status. The latest bidding round is once again a competitive process and Government will decide which applications are successful.*

*It has been made clear to both LEPs that, in the event that either of their applications are successful, that the sites submitted within St Edmundsbury will still require consideration by full Council.*

- 1.2 Established in 2012, Enterprise Zones (EZ) are at the heart of the Government's long term economic plan, supporting businesses to grow. EZs are effectively designated commercial areas of land that offer incentives to businesses, which in turn increase the likelihood of bringing forward commercial development sooner than would otherwise be achieved. EZ status is granted for an initial 25 years period. Further background information on EZs is contained in Report No: CAB/SE/15/064.
- 1.3 Local Enterprise Partnerships (LEPs) were recently invited by central Government to make an application into the latest Enterprise Zone bidding round which closed on 18 September 2015.
- 1.4 Report No: [CAB/SE/15/064](#) provides an update regarding the approach taken by our two LEPs, Greater Cambridge Greater Peterborough and New Anglia, in response to this invitation.
- 1.5 The criteria used to judge the latest round of submissions will focus on locations that offer:
  - (1) **Delivery of strong economic growth.** Proposals must have: a clear strategy, aligned with the LEPs Strategic Economic Plans; a strong commercial proposition; and a strong location drawing on local assets or infrastructure.
  - (2) **Strong value for money.** Proposals must show: Economic Benefits exceed costs – the cost of creating the zones should deliver a positive return; activity generated is genuinely additional, so doesn't just support jobs that would have happened anyway or have just been moved from other locations; and that the proposal delivers wider economic benefits beyond the zone itself.
  - (3) **Implementation.** Sites should be clear and ready for occupiers (clear sites without existing buildings make the impacts easier to measure); no complicated land issues e.g. infrastructure, remediation etc; clear support from local partners – LAs and landowners; and clear arrangements for managing the zone.
- 1.6 Sites that met the above criteria were assessed, both internally by officers (taking into account the impacts and benefits from a change/increase in the business rates collected), and then externally by agents appointed by the LEPs, for suitability against this criteria. Support was also sought from the relevant landowners.
- 1.7 Following this assessment, an initial agreement was reached with both LEPs to include sites from St Edmundsbury within the current bidding round. GCGP has included land at Haverhill Research Park (HRP) within its bid, whilst NALEP has included 14 hectares of land at Suffolk Business Park (SBP) within their bid.
- 1.8 Section 3 of the Cabinet report provides details of the the potential benefits and implications of EZ status for West Suffolk Councils (WSC) and St Edmundsbury Borough Council (SEBC), including the proposals

from each LEP. The GCGP proposal is for local authorities (LAs) to retain 70% of business rate growth in the first 5 years, and then 50% of growth from years 6 to 25. NALEP has proposed that LAs retain 10% of business rate growth, whilst 35% is ring fenced for investment in the EZ. The remaining 55% is paid to NALEP to create a fund to invest in development across the entire LEP area. Importantly, NALEP has confirmed that they will not pursue any agreement on an EZ that is detrimental to the LA. Further discussions and agreement will, therefore be required.

- 1.9 Other considerations are the potential impact on planning fee income; the possible implications with regard to the Suffolk Pooling Agreement which was currently 26%; the interaction between future business rates pooling arrangements and any changes to the business rates arrangements in Suffolk arising from the ongoing devolution discussions; and the Government's recent announcement that from 2020 Councils will be handed the power to both set business rates, and to retain 100% of all locally raised business rates.
- 1.10 Section 4 of the Cabinet report outlines various modelling scenarios. Officers have modelled the likely impact upon business rates collection based on assumed development scenarios modelled at both locations (on a net developable area), applying the percentage shares proposed by both LEPs.

## **2. Transfer of Street Lighting Columns to Suffolk County Council**

**Cabinet Member:** Cllr Peter Stevens

**Report No:**

**[CAB/SE/15/065](#)**

**RECOMMENDED:**

- (1) the contents of Report No: CAB/SE/15/065 be noted; and**
- (2) £1,810,000 of non-allocated capital be allocated to upgrade 3,027 St Edmundsbury Borough Council (SEBC) owned street lighting assets to enable 1,547 of them to be transferred and adopted by the Suffolk County Council Highway Authority and to reduce the cost to power and maintain the 1,481 lighting assets retained by SEBC (reducing annual SEBC revenue expenditure by £156,500 per annum).**

- 2.1 SEBC owns 3,028 electrical items of street furniture across the Borough (including assets due to be adopted as part of Section 38 developments). They are maintained under a service agreement with Suffolk County Council (SCC) who in turn also purchase and recharge for the energy consumed. Of the various models of lighting units the majority are of a type where the lamps are no longer manufactured as they do not comply with EU requirements and spares are now virtually exhausted.
- 2.2 SEBC has committed to making all street lighting controllable in respect of timing and light level output. The current SEBC units do not generally

offer the ability to switch or dim without modification. In addition, a significant number of SEBC owned units are mounted on wooden poles and situated too close to overhead power lines to be maintained within current engineering recommendations (referred to as G39/1).

- 2.3 From site surveys and data extracted from SCC's street lighting asset management system (Mayrise) 1,547 assets are on the highway and meet the criteria as eligible to transfer to SCC. 1,481 would remain under SEBC ownership. The exemption criteria are listed in Report No: CAB/SE/15/065.

### **Financial**

- 2.4 The estimated cost of upgrading and altering the 1,547 eligible assets to comply with G39 requirements and to reduce their future maintenance and energy consumption cost, and to fit Intelligent Lighting Systems (ILS) for timing control is £1,033,386. Say £1.03 million.
- 2.5 On completion of the work the 1,547 lighting assets would be transferred to the responsibility of SCC.
- 2.6 The estimated cost of altering / upgrading the remaining 1,481 assets to meet current guidance inclusive of G39 requirements, European Legislation (regarding lamp types with mercury content) and to generally upgrade the SEBC asset including supplying and, where the fitting permits, fitting the ILS would require an investment of £752,081 (say £752k)
- 2.7 The above figures do not include works to assets such as feeder pillars, uprighters, footway bollards etc. and do not include traffic management above Chapter 8 signing and guarding. It is recommended to include a contingency sum of say £25,000 to cover those costs. **The total required capital investment is £ 1,810,468 (£1.81m).**
- 2.8 2014/2015 expenditure on energy costs including SCC administration charges was £141,765. 2014/2015 maintenance costs including SCC admin charges were £55,962. In calculating savings a 5% annual cost increase has been included for energy and maintenance. It is not possible to allocate the costs to individual lighting assets, but in total the costs represent a current average of £65.30 per asset per annum.
- 2.9 The 1,547 units transferring to SCC will show a 100% saving in on maintenance and energy. £101,019 based on 2014/2015 costs. **Saving say £100,000 p.a.** and a payback period after year 8.
- 2.10 The 1,481 units to remain with SEBC will consume less electricity and require reduced maintenance. Units capable of accepting Part Night Control (ILS) will consume further reduced energy. There are however, approximately 150 assets that may not accept ILS as listed in the Cabinet report.

- 2.11 Savings attributable to the 1,481 retained units are estimated as £21,000 p.a. for energy and £29,000 p.a. maintenance. **Total annual saving at current values is £50,000.**
- 2.12 If the Council elects to take advantage of the ILS and turn off lights during part of the night a **further £6,500 saving** is anticipated. The payback of costs to the retained assets varies between 10 years (with ILS) and 12 years (without ILS).

**The total annual saving is therefore £156,500 p.a. at current prices**

- 2.13 At 8.65% the internal rate of return of the project is slightly below the target return set within the Council's Medium Term Financial Strategy of 10%, when appraised on the basis of being funded by prudential borrowing. However, due to reasons outlined above this is considered acceptable. Actual borrowing will only take place when the Council's treasury management activities identify such a need e.g. 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.
- 2.14 The Council currently manages funds in excess of this and therefore external borrowing is not expected during the life of this project in isolation. The Council also holds unallocated capital receipts in excess of this scheme and therefore it is proposed that the full 8.65% return value of this project is realised to support the general fund budget.

***Part Night Lighting***

- 2.15 SCC will implement part time lighting to all transferred lights and the retained lights will be similarly equipped.
- 2.16 The estimated savings assume that SEBC accepts part night lighting but SEBC would have discretion over whether to also implement part night time lighting. We are informed that each individual light can be controlled separately and, if required, can be switched on again at very short notice.
- 2.17 SCC implemented part night lighting in 2011 and report that after minor public disquiet this has been well received and there are now considerably more complaints when lights are operating all night. In areas that are part night lit, this initiative has contributed to a reported reduction in crime in excess of 25% although there may be seasonal variations and other factors that influence these figures. SCC is gathering figures regularly to identify if there are any trends). Appendix A attached to the Cabinet report outlines the preliminary findings of the impact of part night street lighting on crime and road accidents

***Parish owned and maintained street lights***

- 2.18 It is understood that there are a number of street lighting assets that are owned and operated by parish councils. These lights fall outside of the

scope of this report and its recommendations. However, if the recommendations of this report are approved and the project moves forward, officers will investigate if this approach could benefit parish councils.

- 2.19 The proposed programme of works is outlined in Report No: [CAB/SE/15/065](#), which assumes a site start of January 2016 with all upgrades and transfers complete by October 2016.

### **3. Hopton Village Hall Site and Sarson's Field: Development Brief**

**Cabinet Member:** Cllr Alaric Pugh

**Report No:**  
[CAB/SE/15/067](#)  
**(Sustainable  
Development Working  
Party Report No:**  
[SDW/SE/15/012](#))

#### **RECOMMENDED:**

***That the draft Development Brief for the Hopton Village Hall Site and Sarson's Field, as contained in Appendix A to Report No: SDW/SE/15/012, be adopted as non-statutory planning guidance.***

- 3.1 Policy RV21 of the adopted Rural Vision 2031 document sets out that 3.5 hectares of land are allocated for residential, community and / or village hall facilities and open space on land to the south of Hopton. The Policy states that applications for planning permission on the site will only be determined once the development brief has been adopted by the local planning authority. Furthermore it sets out that the indicative capacity of the site is for 25 dwellings. However, if the new community and/ or village hall facilities were to be developed on the site of the existing village hall and playing field, a higher level of housing may be feasible, provided that appropriate contributions were secured towards the delivery of the new facilities.
- 3.2 The draft Development Brief, incorporating post-public consultation amendments was attached as [Appendix A to Report No: SDW/SE/15/012](#) and has been prepared by consultants acting on behalf of the landowner. It proposes 'around 37 dwellings' which means on face value an amount of development that is significantly in excess of the capacity of the site and contrary to planning policy. However the policy states that;
- 'if new community and or village hall facilities were to be developed on the site of the existing village hall and playing field, a higher level of housing may be feasible, provided that appropriate contributions were secured towards the delivery of the new facilities'.*
- 3.3 The parish have for many years had aspirations to expand village hall provision. In this instance the developers have stated that they are seeking to give the Parish Council a sum of money towards enhanced village facilities with the delivery of 37 residential dwellings (with 30% being affordable). The Parish Council have stated that they feel that this

is an appropriate sum of money and is considered to be an 'appropriate contribution' and satisfies officers that the additional dwellings are acceptable. The Development Brief would not secure this sum however, and would be for a Section 106 agreement with a future planning application to secure the payment.

- 3.4 The Parish Council and many residents within the village are extremely keen for the village to retain its GP Surgery and the draft Development Brief allocates a site for a new GP surgery.
- 3.5 The draft Development Brief also sets out:
- (a) access and new car parking arrangements for the proposed new doctors' surgery, parents for the school and the village hall;
  - (b) in detail a walking route away from adjacent Weston Fen Site of Special Scientific Interest (SSSI), which is a component of Waveney and Little Ouse Valley Fens Special Area of Conservation (SAC);
  - (c) Sustainable Urban Drainage principles which will be used to ensure the volume of water entering the SAC is not likely to change and the quality of water leaving the site is still at acceptable standards;
  - (d) how the scheme results in the loss of playing field/ public open space; however the scheme proposes a new significantly larger playing field very close to the existing provision which more than adequately replaces the loss of the existing playing field and creates additional open space which more than serves the proposed residential scheme; and
  - (e) areas where strategic landscaping is necessary.
- 3.6 The adopted policy states that a new scheme should allow for the potential expansion of the primary school. This scheme does not do that. However, Suffolk County Council at the time of the drafting of the Rural Vision 2031 considered that necessary and that position has now changed. The County Council have confirmed that they do not object to the school not being able to expand as shown in the draft Development Brief.
- 3.7 The Development Brief Statement of Community Involvement was attached as [Appendix B to Report No: SDW/SE/15/012](#). Officers are satisfied that the draft Development Brief has broadly been prepared in accordance with the Vision 2031 Development Plan document, Core Strategy Development Plan Document and the Council's Protocol for Preparing Development Briefs.
- 3.8 Hopton is located in the Borough's Barningham Ward and the County Council's Blackthorpe Division. Both the respective Ward Member and the County Councillor have expressed support for the content of the Development Brief.