

Unconfirmed



Minutes of a Meeting of the **Full Council** held in the Conference Room, Riverside, on **Wednesday, 25 January 2023 at 6:30 pm**

Members present:

Councillor Paul Ashdown, Councillor Edward Back, Councillor David Beavan, Councillor Stuart Bird, Councillor Chris Blundell, Councillor Norman Brooks, Councillor Stephen Burroughes, Councillor Peter Byatt, Councillor Alison Cackett, Councillor Jenny Ceresa, Councillor Maurice Cook, Councillor Linda Coulam, Councillor Tom Daly, Councillor John Fisher, Councillor Steve Gallant, Councillor Tess Gandy, Councillor Andree Gee, Councillor Tony Goldson, Councillor Louise Gooch, Councillor Tracey Green, Councillor Colin Hedgley, Councillor Mark Jepson, Councillor Stuart Lawson, Councillor Geoff Lynch, Councillor James Mallinder, Councillor Chris Mapey, Councillor Debbie McCallum, Councillor Keith Patience, Councillor Malcolm Pitchers, Councillor Sarah Plummer, Councillor Carol Poulter, Councillor Mick Richardson, Councillor David Ritchie, Councillor Craig Rivett, Councillor Mary Rudd, Councillor Letitia Smith, Councillor Rachel Smith-Lyte, Councillor Ed Thompson, Councillor Caroline Topping, Councillor Steve Wiles

Officers present:

Chris Bally (Chief Executive), Chris Bing (Head of Legal & Democratic Services and Monitoring Officer), Phil Harris (Strategic Communications and Marketing Manager), Teresa Howarth (Principal Environmental Health Officer), Andy Jarvis (Strategic Director), Nick Khan (Strategic Director), Matt Makin (Democratic Services Officer (Regulatory)), Sue Meeken (Labour Political Group Support Officer), Brian Mew (Chief Finance Officer and Section 151 Officer), Agnes Ogundiran (Conservative Political Group Support Officer), Lorraine Rogers (Deputy Chief Finance Officer), Isabel Rolfe (GLI Political Group Support Officer), Heather Tucker (Head of Housing), Amber Welham (Finance Business Partner - Housing), Paul Wood (Head of Economic Development and Regeneration), Nicola Wotton (Deputy Democratic Services Manager)

1 Apologies for Absence

Apologies for absence were received from Councillors Judy Cloke, Tony Cooper, Janet Craig, Mike Deacon, Tess Gandy, Richard Kerry, Frank Mortimer, Trish Mortimer, Mark Newton, Russ Rainger, Keith Robinson and Kay Yule.

Although apologies had been given, Councillor Tess Gandy arrived during the Announcements at 6.40 pm.

2 Declarations of Interest

There were no Declarations of Interest.

3 Minutes

RESOLVED

That the minutes of the Meeting held on 23 November 2022 be agreed as a correct record and signed by the Chairman.

4 Announcements

The Chairman of the Council

SCC Councillor Graham Newman

The Chairman was saddened to report that after a short illness, County and Felixstowe Town Councillor Graham Newman, died in the St Elizabeth Hospice on 28 December. She asked all Members to join her in sending sincerest condolences to his wife, Jan, and to his family.

Graham worked tirelessly in his support of the Local Government family. He was also a hardworking, honourable man and his passing was a great loss, not only to his family, but to all who knew him.

He had served with distinction as County Councillor for Felixstowe Coastal since 2005. He was Chairman of the County Council in 2020/21. He served on the Felixstowe Town Council since 2009, becoming mayor in 2014/15, and again in 2018/19.

Members then held a few moments of respect for Councillor Graham Newman.

Full Council on 23 November 2022 – Motion about Water Quality Issues

The Chairman stated that Members would remember that Councillor Byatt had submitted a Motion to the last Full Council meeting on 23 November 2022, regarding concerns about water quality issues and sewage leaks. The Motion was amended at the meeting and Members had voted unanimously to support it.

As a result, the Chairman had written to Peter Simpson, Chief Executive of Anglian Water, and to Therese Coffey, the Environment Secretary and MP for Suffolk Coastal, to call for urgent action to address the situation. This had been reported upon in the East Anglian Daily Times and the Chairman stated that she would update Members when she had received formal responses from Peter Simpson and Therese Coffey.

Chairman's Events:

Since the last meeting, the Vice Chairman had attended the following events:

- UCI Masters Cyclo-Cross at Trinity Park, Ipswich on 2, 3 and 4 December 2022
- West Suffolk Civic Carol Service at St Edmundsbury Cathedral on 5 December 2022
- Mayor of Felixstowe's Civic Carol Service at St Andrew's Church on 16

December 2022

Councillor Gallant, Leader of the Council

Members Allowances

As Members would be aware, Members Allowances were linked to the National Pay Agreement for local government officers. As such, following discussions between the Group Leaders, it had been agreed that a 5% increase would be applied to Members Basic Allowances and the Special Responsibility Allowances. This had been implemented in the December 2022 pay run.

The Leader stated that he had also instructed that a meeting of the Independent Remuneration Panel be convened, early in the new Administration, to review Members Allowances. During their usual review, he would, at the request of the two other political Group Leaders, ask them to consider the following 2 questions:

1. Is there a way to seek to provide a more flexible way of paying the allowance, to better support members that need the money, rather than a blanket payment level to all?
2. Is there a way to link allowance payments to the level of Councillors work undertaken?

The Independent Remuneration Panel would undertake their review in due course and their recommendations would be brought back to Full Council, for consideration, during 2023/24.

Changes to Committee Membership

Following discussions within the Labour Group, it has been decided that, with effect from 16 December 2022 that:

- Councillor Tess Gandy would replace Councillor Louise Gooch on the Audit and Governance Committee
- Councillor Louise Gooch would replace Councillor Tess Gandy on the Scrutiny Committee

Cabinet Members

Councillor Rivett, Deputy Leader and Cabinet Member with responsibility for Economic Development

The UK Shared Prosperity Fund

The UK Shared Prosperity Fund had recently awarded East Suffolk Council £2.75

million, which would be used to support High Streets, local businesses, the workforce and community skills development, as well as to support those affected by the cost of living crisis.

It was noted that the grants were alive and accessible for bids now, which included:

East Suffolk High Street Improvement Grant Scheme
East Suffolk Events, Arts and Culture Grant Scheme
East Suffolk Field to Fork Grant Scheme
East Suffolk Warm Room Grant Scheme

It was hoped that there would be another 5 grant schemes announced during the year and further information would be provided when it was available.

Chief Executive

There was no announcement from the Chief Executive.

N.B. Councillor Gandy arrived during this item at 6.40 pm.

5 Questions from the Public

No questions have been submitted by the electorate as provided by Council Procedure Rule 8.

6 Questions from Members

a) Question submitted by Councillor Caroline Topping to Councillor Steve Gallant, Leader of the Council

Would the Leader agree that when a Councillor is elected by the people to represent them and their ward, they should make every effort to attend as many meetings as possible to those committees, etc that they have been selected to sit on (more than the bare minimum) and especially the 10 'Full Council' meetings that are scheduled a year? There are Councillors who have not attended a 'Full Council' meeting for an entire calendar year, have only attended virtual Cabinet meetings or a Planning meeting (where they are not the nominated members, have attended as visitors and have no voting rights). I think when people elect a councillor to represent them it is with the expectation that they will be represented and as fully as possible.

Response from Cllr Steve Gallant, Leader of the Council

Thank you, Councillor Topping, for the somewhat surprising Question.

Attending meetings and indeed participating in debate is an important part of Councillor duties but it is, of course, not the only important thing that they do. A full role description is provided in the Constitution, which I am sure Councillor Topping is both aware of and familiar with.

But just for clarity, some of those other things include.....

- * Acting as a bridge between the community and the Council.
- * Representing individual constituents and local organisations in a fair and equal way.
- * Undertaking casework on resident's behalf.
- * Representing the interests of the Ward and communities they serve.

Some Members have health and / or personal issues that prevent them attending as many meetings as others, some have work commitments that prevent them carrying out as much Community involvement as others.

In respect of attendance at meetings, some members attend many meetings but remain silent.

Councillor Topping will recognise that some Councillors attend the start of meetings but troop out en mass, before the meeting is concluded, in order to catch a train. Often missing out on debating very important matters presented in the later part of the meetings.

Councillor Topping will also recognise that some members storm out of meetings when they hear something they don't like during a debate.

The electorate decide on the Councillor they want to represent them. This is democracy in action. If they are dissatisfied with the efforts of their Councillors, then they will I'm sure make their feelings known at the ballot box.

I am unsure of the motivation for the question posed this evening – but I find it disingenuous and indeed inaccurate to suggest that the Member posing the question is herself beyond potential criticism.

Supplementary Question from Councillor Topping

My question is not political, I feel that all Councillors should be expected to attend the scheduled Full Council meetings each year. Can we ask the Audit and Governance Committee to look at the Constitution and close the loophole that allows Members to attend one meeting, virtually, every 6 months?

Response from Councillor Gallant

No.

b) Question submitted by Councillor David Beavan for Councillor James Mallinder, Cabinet Member with responsibility for the Environment

Currently the 2017 Clean Growth Strategy is not on target to improve all homes to EPC rating C or above by 2035. Can you confirm whether the Warm Home scheme is limited to households that have a combined gross income of less than £30,000 and do not have gas central heating, and as a result what percentage of households in East Suffolk are not covered by your scheme? How do you plan to help these households reduce their energy bills and carbon emissions to meet our target of net zero by 2030?

Response from Councillor James Mallinder, Cabinet Member with responsibility for the Environment

First, I would like to clear up a misunderstanding. The 2017 Green Growth Strategy is a Central Government strategy not an East Suffolk one, although its aim supports our environment vision over a society reduction in carbon footprint, individual household emissions reduction does not contribute to ESC's net zero target.

The Warm Homes Suffolk scheme takes Government funding distributed under the Green Homes Fund. You will be pleased to know Suffolk has been successful in securing funds under the previous 4 phases of this funding and is optimistic that we will be awarded funding in the next phase.

Not being on the gas network or the maximum £30,000 gross household income are parameters set by national government, they are not a local decision.

Schemes to directly support individual households are typically delivered at a county and national level. This is due to the scale of funding and resource involved. Therefore, the focus of District Councils is predominately on those households that qualify for schemes such as Warm Homes Suffolk and our HRA property programme, which are both significant projects. I certainly recognise a number of households are excluded from national schemes, therefore, through our initiatives, in particular our outreach work through the Greenprint Forum, we work hard to connect householders with energy efficiency advice centres and grants when they become available.

Carbon reduction across the UK will only be achieved when we all work together to reduce our footprint.

Supplementary Question from Councillor Beavan

The Scrutiny Committee last week recommended to your Environment Task Group that we need an accelerated programme for our own housing, to reduce our carbon emissions by 2030, which is our current policy. We have more than 1,000 homes below EPC C but we are retrofitting less than 20 a year, so it will take 50 years at the present rate. Landlords will not be allowed to let privately with an EPC below C in three years time, according to the Government plans.

Lord Foster of Bath, speaking in the Lords just before Christmas, said, " My own Council, East Suffolk, was recently approached by researchers from Warwick University, who offered free support to identify clusters of housing where retrofit work would be easily scalable. Although the Liberal Democrat, Green and Independent Councillors on the Council proposed taking this initiative forward, it was very sadly blocked by the majority Conservative group. I hope the Minister might look into why his colleagues in East Suffolk did that."

So how will you explain to the Minister that we are on target?

Response from Councillor Gallant

Councillor Gallant took the opportunity to clarify that the matter was debated and voted upon correctly by Full Council at the last meeting in November. Members were all entitled to take part in the debate. The rationale for voting down the Motion was provided and the decision was made.

c) Question submitted by Councillor David Beavan for Councillor Craig Rivett, Deputy Leader and Cabinet Member with responsibility for Economic Development

As requested, I have supplied you with a full copy of the original 1509 will of William Godyll which bequeathed Havenbeach Marsh to the people of Southwold. Please can you answer my original question, and tell the council what the legal basis is for your transfer of the ownership of the camping field from the Harbour Lands and Southwold Town Council to East Suffolk District Council as evidenced in the pictures of our GIS asset map (to be emailed to all councillors)?

Response from Councillor Craig Rivett, Deputy Leader and Cabinet Member with responsibility for Economic Development

Councillor Beavan had already received a response from the Council's Lawyer regarding his claims. I would not normally see the need to read this out at Full Council, however, as Councillor Beavan has distributed a leaflet calling us thieves, it would benefit all to know the response. The Council's Lawyer replied:

'Your question raises interesting points. You have said this goes back to the original will of William Godell. I have looked at the will in the past and whilst this is of some historic interest, it is difficult, if not impossible, to ascertain the extent of the lands that were the subject of the initial bequest let alone state with any degree of confidence the amount of land that remains in the current day. Based on current research there is a suggestion that the only land remaining from the original bequest is effectively the land known as Southwold Common which seems to be owned by the Southwold Common Trust being a registered charity. When the land was first bequeathed it went to the wife of William Godell and upon her death it passed to the Bailiffs and Commonalty of Southwold who had power to sell or give land according to their judgement. I think it is impossible for anyone to now be able to state what land is left from the original bequest but there would seem to be no direct sustainable evidence that the camping field is part of this land now. I would however be interested to learn if you believe that you have any documentary evidence to support an argument that this land was and remains part of the Godell legacy.

Turning to the point raised regarding the transfer of ownership of the camping field from the Harbour Lands and Southwold Town Council to East Suffolk Council, this could not have happened since it is acknowledged that the camping field has never formed part of the harbour lands.

The harbour lands, which include the caravan park, are now owned by East Suffolk Council following the Local Government Act 1972 devolutions that took effect in 1974 and I do not believe that there is any argument over this.

As far as the camping field is concerned, whilst this is not registered at the Land Registry, it seems clear that as East Suffolk Council and Waveney DC before them have

used this land as part of the overall caravan and camping site and have been in control of it and in receipt of the rents and profits from the same since 1974, there is sufficient legal argument that the land belongs now to East Suffolk Council but this is as a result of acts of ownership, not as a result of any purported transfer which I can say once again, has not happened.

You are, I am sure, fully appreciative of the fact that all income derived from this land as well as the adjoining harbour land/caravan park is invested into the management of the harbour which clearly is a benefit to the Southwold.'

Supplementary Question from Councillor Beavan

So, you are claiming squatters' rights but you cannot legally do that on charitable land. The Harbour Management Committee has agreed that ESC should not extract profit from the Harbour by charging rent for land they claim to own, so there is no financial benefit.

You have just upset the new Harbour Revision Order process and shown ESC in a very poor light to the people of Southwold, recalling all the years that Waveney extracted millions from our harbour. Put the map back to where it was, with the boundary in its rightful place and let us move on.

Response from Councillor Rivett

I will repeat a point that I made to Councillor Beavan at the last Full Council meeting, that this is another attempt to create mistrust between Southwold and ESC. He should have realised by now, as demonstrated by the Harbour Management Committee, that this is not going to work.

The question to be answered is for Members of the GLI - do they think it's appropriate for their Leader to not only call the Council thieves but, in the same newsletter, allege that the Southwold Town Mayor and the Clerk were involved with - in his words - "a nod and a wink". That's members of the community he is supposed to represent. I received a phone call from a long-time resident of Southwold yesterday about this subject and he wanted to tell me how disgusted he was that Councillor Beavan could make such claims against the Clerk of the Town Council. Members of the GLI, is that behaviour you're going to support?

d) Question submitted by Councillor Janet Craig to Councillor Stephen Burroughes, Cabinet Member with responsibility for Customer Experience, IT and Operational Partnerships

100 car parking spaces in Sudbury and Stowmarket have been covered in solar panels to help power two Council owned Leisure Centres and provide Electric Vehicle charging points for Leisure Centre users, providing a useful income stream. This was achieved using part funding from two Government schemes.

This sounds like a positive move to support not only residents but also the visitor economy, so what is there to prevent this Council from following the example from colleagues in Babergh & Mid-Suffolk, and applying to these two sources of grant

funding (Getting Building Fund and Public Sector Decarbonisation Scheme). We could then do something similar at our Leisure Centres, and also potentially expand the existing EV provision at other Council premises?

As Councillor Craig had given apologies for the meeting, the Chairman stated that this question would be taken to the next Full Council meeting scheduled for 22 February 2023.

7 Petitions

No petitions have been received as provided by Council Procedure Rule 10.

8 Notices of Motion

The Chairman reported that 2 Notices of Motion had been accepted for this meeting. In accordance with Council Procedure Rule 11.4, the Leader of the Council and the Leaders of the Opposition Groups had met to discuss the 2 Motions and agree a way forward. A consensus could not be found, therefore, Full Council would need to decide and vote upon whether to discuss the Motions this evening or refer them on to the Cabinet or a relevant Committee.

The Chairman invited Councillor Daly to read out his Motion.

a) Motion submitted by Councillor Tom Daly, to be seconded by Councillor Louise Gooch

Opportunity for a Reset

This Council notes:

1. *That Scottish Power Renewables are explicit that onshore substation construction will not now start until 2024/2025. This affords a window of opportunity to push for a complete reset of approach.*
2. *National Grid Ventures are consulting on proposals to bring new interconnectors ashore to join our electricity grid to Europe. They propose digging single 1.8GW cables into our AONB to feed rural substations and pylons.*
3. *Each windfarm is also queuing for their own connection. It would be more efficient for our communities, the environment, producers and consumers if a national offshore grid was established to connect everything to an area of high demand like London, rather than Suffolk which is a net producer.*
4. *Their sister company, National Grid ESO, is excluding the option of an offshore grid in the consultation.*

This Council resolves:

1. *To formally support a change of approach that protects the rural integrity of our villages and countryside now and into the future.*
2. *To write to Graham Stuart MP, the Energy Minister, backing the call from James*

Cartlidge MP for National Grid ESO to conduct an “independent and open-minded review of offshore options”.

3. *To write to the Rt Hon Grant Shapps MP, Secretary of State for Business, Energy and Industrial Strategy, proposing he consider this review.*

The Chairman invited Councillor Daly to say a few words in support of his Motion.

Councillor Daly stated that time was of the essence, if we were going to halt the industrialisation of swathes of the countryside. There was a window of opportunity for ESC to join the growing demand for a reset of approach to the Friston connection agreements, thereby closing the window on the multiple developments that would follow SPR. However, we need to act now.

Work was not due to start at the Friston site until 2024/25. Changes to those connection agreements were possible by mutual consent. This Motion was a proposal that ESC joined the many voices, both public and parliamentary, to compel National Grid (NG) to make every effort in realising this rational way forward. Conditions had significantly changed since OFGEM instructed NG to find the cheapest options for bringing wind energy onshore, excluding all social and environmental cost and the Friston CAs that resulted. Cumulative impact issues were now explicit and were never consulted on. NG have already indicated the 2030 target was likely to slip to at least 2032. This meant that an Offshore Platform leading to Modular Offshore Grid could now realistically be explored.

This was an opportunity to push for community and environmental costs to be internalised, to leave a truly green legacy, not a semi-industrialised district after our time in office and yet still do our duty to accommodate offshore wind. There was every reason to make this last effort and no reason not to. Please support our communities and countryside and support this Motion.

Councillor Gooch then seconded the Motion and confirmed that she wished to speak at this point in proceedings.

Councillor Gooch began by providing some context to the Motion and by explaining that interconnectors were needed to share electricity between the UK and its European partners. Interconnectors were essential as they allowed for the import and export of renewable, green energy. Currently, wind farms were not connected to this system, therefore, each wind farm would transport the electricity generated onshore, via individual cabling. NG acknowledged that more multi-purpose connectors were needed, to enable wind farms to connect into this wider network of distribution. A study had shown that having such multi-purpose connectors could save consumers £3 - 6 billion and reduce the number of onshore landing points by 50%.

Councillor Gooch reported that a number of local MPs had been campaigning against an assumption in favour of onshore connectors, which they felt would cause irreparable damage to areas of outstanding natural beauty (AONBs). She quoted MPs who felt that there was no strategic planning in relation to the national grid for the next 50 - 100 years, projects were for a much shorter timescale. Indeed, the development of wind farms was held back by the lack of capacity within NG, therefore, offshore interconnectors could increase the value of offshore windfarms. It was noted

that NG was currently under pressure from the Suffolk Wildlife Trust and RSPB regarding the planned pylons for Hintlesham Woods. Councillor Gooch concluded by stating that offshore energy infrastructure should be placed offshore to future proof the system and protect the environment.

The Chairman invited Members to debate the route that this Motion should take, either to be debated by Full Council this evening or referred to the Cabinet or a Committee.

The Leader stated that this Motion was both ignorant of the facts and pure political posturing. The Conservative East Suffolk Council had been unrepentant at getting the best deal for residents and pushing government to see the effects of the energy projects on the district. The Motion demonstrated a complete failure of the Opposition to understand the energy sector and the effects on residents. They stated that the construction of SPR's substation was not until 2024/25 and "this affords a window of opportunity to push for a complete reset of approach" however, SPR have a live and legal planning permission - a DCO - for their project. The delay was only because of the Judicial Review being mounted to the decision and, at the last stage, all 6 grounds of the Judicial Review had been dismissed. A reset, as the proposer described, would require a full re-commencement of the NSIP process, which would take approximately a year, which the developer would not do. The next claim was that "each windfarm was also queuing for their own connection". This was complete rubbish, as each windfarm had a connection offer, before they even started the NSIP process.

The Leader reported that the fantasy of an offshore grid, as explained by experts many times, was not technically possible. Furthermore, the Deputy Leader had explained this again, at a recent Scrutiny Committee meeting, as cable capacities were limited to 2GW. More recently, NG were challenged to explain why the Norwich to Bramford overhead line could not be put out to sea. NG had recently evidenced that seabed cables were far more limited than overhead lines, just one example from their assessment of offshore: the lifetime cost of overhead lines £1.1 billion, offshore multiple cables £7.3 billion and the costs involved were passed onto consumers. This was on top of one suggestion from the Opposition, of an offshore energy island. That project was estimated to cost an eye watering £34 billion, yet another expense for our residents to shoulder.

The Leader stated that this Council had been pushing government to both highlight the concentration of energy projects within our district and change their approach, which had led to the launch of government's Offshore Transmission Network Review – a review of how a more strategic approach to energy projects could be achieved. The proposal to write letters was, again, ignorant of the facts. Last week, the Deputy Leader, whilst in Parliament, took the opportunity to reiterate our current situation with MPs. This Motion isn't helpful to East Suffolk residents, it isn't reality, it's nimbyism to get cheap votes and the proposals they suggest aren't cheap; residents would be left shouldering ever greater energy bills thanks to the GLI. The Leader stated that he saw no benefit in debating the Motion this evening and asked that Members support the proposition that, as set out in paragraph 11.5 of the Constitution, that this Motion be passed to Cabinet for them to continue to engage in this arena. The Leader so proposed, which was duly seconded by Councillor Rivett.

Councillor Rivett stated that the electioneering was clear to see and it was the environment which needed to be protected from the GLI, according to their own press releases. In one such press release, the GLI stated that 'we need localised, low carbon power' and in another, they stated 'we need more projects like Xlinks'. For the benefit of Members, Councillor Rivett explained that Xlinks was a project in Morocco, where the solar panels alone covered 200 km², which was 11 times the size of Lowestoft, and would bring 4 cables ashore to the UK which, when combined, would be larger than the diameter of the earth. Just a month later, they said that there should be a pause on onshore connectors. Their message in the recent Green Newsletter stated that this Council was supportive of the Nautilus Project, when in fact, the Council had raised concerns about the approach taken and a copy of the letter was available on the Council's website.

Councillor Beavan reported that the residents of his ward were flabbergasted to hear that NG proposed to land an electric cable on the eroding shore, to burrow through the marshes and under the rivers and forests, to build a massive substation and then construct more pylons to take the electricity to London. It would be much simpler to integrate all the connections in one offshore grid, running up the Thames Estuary. The electricity was not needed here, however, they need the electricity in London, so they should take it to London. We urgently need to stop this in its tracks, which was why I wrote to James Cartlidge and Therese Coffey to offer a cross party campaign. James replied with his suggestion to Government for an urgent review, which I fully endorse.

Councillor Beavan stated that there was a one year window before Scottish Power started their connection at Friston. Once that happened, all the rest would follow. The people of East Suffolk were looking to us for leadership. Why would we not want to support them and James Cartlidge? Would it be because Opposition Motions were routinely rejected out of hand? Why can't this administration work across party lines for the good of East Suffolk? I urge Members to allow this debate so that we can send a united, resounding NO to NG.

Councillor Gallant stated the Council would continue to engage on this matter, via Councillor Rivett, with full support from the Cabinet. Councillor Rivett knew the situation and was well briefed and knowledgeable about the detailed situation. It would be a waste of time to debate this matter further this evening.

Upon being put to the vote, the vote to refer the Motion to Cabinet was **CARRIED**.

The Chairman invited Councillor Byatt to read out his Motion.

b) Motion Submitted by Councillor Peter Byatt, seconded by Councillor Louise Gooch

This Council notes that:

On 23rd November 2022 this Council approved a Motion regarding sewage pollution flowing untreated into our local waterways and coastal waters.

As a brief reminder, we agreed that a letter should be written to Anglian Water asking for a number of actions to be taken to address this and related issues as a matter of

urgency. In addition it was also decided to write to the Secretary of State for the Environment to ask for our water systems to be protected, and for there to be engagement with all stake-holders to work together to improve water quality across East Anglia.

On December 22nd (conveniently timed just before the Christmas period) the Environment Agency announced that their original plans to clean rivers, lakes and coastal waters of sewage and agricultural materials have been moved back from 2027 to 2063 – some 36 years.

This Council agreed to write to Anglian Water and the Environment Agency before this unexpected announcement by the Environment Agency.

Given this unexpected announcement and lengthy delay, this Council asks:

That this matter be discussed at the next Suffolk Public Sector Leaders Group on 17th February, which includes all six Council Leaders, their Chief Executives, the Chief Officers of both Clinical Commissioning Groups that cover Suffolk, the Police and Crime Commissioner and the Chief Executive and Chair of the New Anglia LEP.

That the Group discusses the issue of sewage and other water pollution across the whole of Suffolk, and further ask that the six Leaders write to the Environment Agency and our seven Constituent Members of Parliament, expressing their concern at this serious delay in dealing with such an important matter which affects all of Suffolk's residents and visitors.

In addition, given that the Environment Agency are due to publish details of their overall Improvement Plans this month, ask that there be details specifically for Suffolk and East Anglia.

The Chairman invited Councillor Byatt to speak to his Motion.

Councillor Byatt stated that the Public Sector Leaders Group (PSLG) was made up of powerful people, including the Leaders and Chief Executives of each Council within Suffolk, the Police and Crime Commissioner, the Clinical Commissioning Groups and the Chairman of the New Anglia LEP. The PSLG was a key body in Suffolk. Their Terms of Reference included: to provide a venue for strategic multi organisational debate on key issues, to resolve differences in strategic matters and to determine a collective lobbying position. If the PSLG could not do as requested by the Motion, as the major players in Suffolk, then who could? The Labour Group were grateful that the Council looked at this issue in November, we know that water quality is a major issue, however, to wait 36 years for improvements was far too long and too late. This was a major issue for our local communities.

Councillor Byatt explained that he had been advised that it was not possible for the Motion to add items on to the PSLG agenda. He asked for assistance with the re-wording of his Motion, to enable the PSLG to consider the matter of water quality at a meeting in the future.

The Chairman asked for a seconder for the Motion.

Councillor Gooch confirmed that she seconded the Motion and that she wished to speak at this point. She stated that the Labour Group had been pushing for improved water quality and the processing of sewage for many years. They had been heartened by co-operative support from all parties and she had been pleased to work with Councillor Mallinder on the Environment Task Group. She stated that this Motion was not particularly political, water quality was integral to public and environmental health and she felt that the Motion did not need to be debated this evening, it could simply be approved and the PSLG asked to consider the matter, at some point in the future. The PSLG were powerful people in our communities and she wanted them to show some leadership on this important matter.

The Chairman invited Members to debate the route that this Motion should take, either to be debated by Full Council this evening or referred to the Cabinet or a Committee.

The Leader stated that he was glad that the Motion was not politically motivated, as everyone should wish to have the best water quality for their communities. He reported that the agendas for Suffolk Public Sector Leaders meetings were populated by items on their Forward Plan and it was not within the gift of this Council to request that items be presented for debate at its formal meetings. If that was the case, they would find themselves at the beck and call of all the constituent Councils, who would be at liberty to bring motions to their respective full Councils, to add items for debate.

The Leader stated that this Council was fortunate to have an excellent Environmental Portfolio Holder, who chaired a very effective and ambitious cross party Task Group. He also sat on a County-wide group which was established under the direction of Suffolk Public Sector Leaders, to look at opportunities where a stronger voice or economies of scale could deliver better environmental outcomes.

As the Environmental Task Group (ETG) was not a formal Committee of the Council, it was not compliant with the Constitution for Full Council to refer the Motion for debate directly to the ETG. The Leader therefore proposed that, as set out in paragraph 11.5 of the Constitution, this Motion be passed to Cabinet for further investigation by the relevant Portfolio Holder, who could discuss the matter at his Environment Task Group and seek to raise the issue with the wider County group. This was duly seconded by Councillor Rivett.

Upon being put to the vote, the vote to refer the Motion to Cabinet was **CARRIED**.

9 Suffolk Strategic Approach to Home Energy Efficiency Improvements

Full Council received a presentation from Teresa Howarth, Principal Environmental Health Officer for Private Sector Housing. In the absence of Councillor Kerry, Cabinet Member with responsibility for Housing, the Leader introduced the presentation. The Leader stated that this presentation was being received following questions and debate at both Full Council and Cabinet, and that he hoped the presentation would provide further clarity on the Council's strategic approach to home energy efficiency improvements and how this would support residents.

Teresa Howarth, Principal Environmental Health Officer, summarised the agreement between the Suffolk Councils to work jointly on schemes such as boiler replacement, solar water heating and similar energy efficiency projects. Ms Howarth stated that funding for various schemes came from a variety of external sources, including central government, utilities providers and charities. Funding was stop start in nature which presented a number of challenges for the projects.

Ms Howarth summarised issues around fuel poverty in Suffolk. 14% of total households in Suffolk were in fuel poverty as of 2020, with 35% of located in East Suffolk. As a result of the cost of living crisis, it was estimated that the overall figure would now be closer to 40%. Ms Howarth stated that although there are centres of deprivation, the issue of fuel poverty and low energy efficiency housing was not isolated to these areas.

At present, the Council was working under the 'Warm Homes Suffolk' scheme which was delivering the governments Green Homes Fund - Local Authority Delivery. East Suffolk's role was to provide customer services and contractor liaison. West Suffolk had taken the lead on the bidding for funding in the current phase.

Under this offer, households with a gross total income of less than £30,000, or landlords with tenants whose gross total income was less than £30,000, properties could receive free insulation (including loft, cavity wall, room in the roof) , solar photovoltaics, and in some cases air source heat pumps. Ms Howarth confirmed that there were strict ventilation requirements associated with the insulation.

The Green Homes Grant had been received in phases, and as Suffolk had been successful in bidding at every phase the programme had been able to continue steadily. The biggest issue had been in delivering HUG, the part of the scheme relating to rural, off-gas, areas. This needed to be maximised as funding would be running out shortly.

Moving forward the idea was to consider retrofitting whole houses rather than individual measures as this was more cost effective and houses could be brought up to maximum EPC. However, the level of funding available was not currently sufficient to do this in solid wall, off-gas properties.

Other challenges included contractor capacity, material availability and the level of demand especially in consideration of the cost of living crisis. The marketing for the Warm Homes Suffolk scheme had reached far more people than would usually be reached by Council marketing which also presented challenges. Ms Howarth stated that the checks in household income were also taking time, as they included not only the homeowners or main tenants but also any adult children and required delicate conversations with applicants. The scheme was also constrained by central government rules, which did not necessarily work in all situations. Quality of installation was important, and all installers were Trustmark registered and worked to the PAS retrofit quality standard.

Ms Howarth summarised the new system for funding the project, HUG 2. An allocation of £4.9million had been confirmed, to be spent in each of the next two years. The team would have to adapt to the new system of funding by proposing batches of properties.

There were also additional limits in the scheme depending on the EPC rating of the building, and the scheme would only apply to off-gas properties.

Ms Howarth summarised help for other type of properties, including ECO and ECO plus provided by Energy Companies, although this was quite complicated to apply for. Other funding had been received from Suffolk Public Sector Leaders to provide continuity. The Warm Homes Suffolk project also signposted residents to other sources of help, including winter fuel payments.

Ms Howarth summarised a number of 'able to pay' options which were provided to households where income was higher than the £30,000 threshold. This included a bulk buy scheme for solar panels, interest free loans for energy efficient measures, thermal imaging community projects, energy advice and other support through the Greenprint Forum.

The Leader thanked the officers who worked on these projects and asked that Members who had any questions on the projects direct them to Councillor Kerry or to Ms Howarth.

10 Capital Strategy 2023-24 to 2026-27

Full Council received report **ES/1427** by Councillor Cook, Cabinet Member with responsibility for Resources, which sought approval of the Capital Strategy 2023/24 - 2026/27. It was reported that the Capital Strategy gave a high-level overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of local public services in East Suffolk, along with an overview of how associated risk was managed and the implications for future financial sustainability. The Capital Strategy was a critical component in the delivery of many ambitions included within the Strategic Plan. It was not only essential to achieving one of the three overarching strategic priorities of the Plan ("Financial Sustainability") but was also vital in the delivery of a vast range of service development and delivery initiatives.

The East Suffolk Capital Strategy for 2023/24 through to 2026/27 was at Appendix A to the report. The strategy pulled together all the various policies and strategies that the Council has in relation to capital and provides the key elements from them, such as:

- capital expenditure and financing, which relates to the Council's capital programme.
- treasury management, covering borrowing and investments.
- investment for service purposes and regeneration.
- revenue implications of the capital programme.
- the Chief Finance Officer's statement on the affordability and risk of the Capital Strategy.

Councillor Cook reported that the Audit and Governance Committee reviewed the Strategy at its meeting on 12 December 2022 and recommended it to Full Council for approval.

The Chairman invited questions to Councillor Cook.

Councillor Beavan stated that the Council had decided to invest £600,000 in the Southwold Enterprise Hub, which would provide a very small return of 0.8% compared to other investments, which would provide a return of around 5%. He felt that the plans for the Hub were too optimistic. The Chairman asked Councillor Beavan if he had a question, as this was not the time for debate. Councillor Beavan stated he would debate this later.

Councillor Byatt thanked Councillor Cook and the Finance Team for their thorough report. He commented that he was disappointing that Suffolk did not receive any Levelling Up funding in this round of awards. He asked if the projects the Council had planned, were aiming to be Carbon Zero, as he felt it was important that Council Tax was used in the best way possible? Councillor Cook confirmed that the Capital Programme was focussed upon environmental issues wherever possible. He reminded Members of the various housing schemes which had been considered by Cabinet and Full Council, which had high energy efficiency standards including some with passivhaus standard.

There being no further questions, Councillor Cook moved the recommendation, which was seconded by Councillor Lynch.

The Chairman invited Members to debate.

Councillor Beavan continued to raise his concerns regarding the investment in the Hub in Southwold. He stated that whilst he would support the Capital Programme this evening, he hoped that the Hub project would not progress further. Councillor Cook reported that the Council had decided to support the Hub project, at the request of Southwold Town Council, who were very supportive of the project, as it would help to increase the diversity of Southwold.

There being no further debate, the recommendation was put to the vote and it was by unanimous vote

RESOLVED

That the Capital Strategy 2023/24 to 2026/27 be approved.

11 Treasury Management Strategy Statement for 2023/24 & Treasury Management Investment Strategy for 2023/24

Full Council received report **ES/1428** by Councillor Cook, the Cabinet Member with responsibility for Resources, which sought approval of the Treasury Management Strategy Statement and Treasury Management Investment Strategy. It was noted that the East Suffolk Council's Treasury Management Strategy Statement for 2023/24 was Appendix A to the report and the Investment Strategy for 2023/24 was Appendix B, which covered:

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy; and
- the investment strategy.

Councillor Cook stated that the Treasury Management Strategy Statement at Appendix A provided Members with details of the economic background that the Council had been operating in and the credit outlook and interest rate forecast.

The Treasury Management Indicators help the Council to measure and manage its exposure to treasury management risks. The indicators covered:

- security, liquidity, and interest rate exposure,
- maturity structure of borrowing,
- principal sums invested for periods longer than one year,
- operational boundary for external debt and authorised limit for external debt.

Annex A of Appendix A provided Members with Arlingclose's economic and interest rate forecast as at November 2022. It was noted that as at 30 November 2022, the Council held £65.65m of borrowing and £131.34m of investments. Annex B of Appendix A provided a further breakdown of those amounts.

Councillor Cook stated that the Investment Strategy at Appendix B provided Members with details on treasury management investments, risk exposure and the rate of investment return. Members noted that the Audit and Governance Committee had reviewed the Strategy at its meeting on 12 December 2022 and had recommended it to Full Council for approval.

The Chairman invited questions to Councillor Cook.

Councillor Byatt had a query on page 56 of the report. He asked why the limit on principal invested beyond year end had changed? In 2022/23 it was £10 million and in 2023/24 and for subsequent years it had reduced to £5 million. Councillor Cook invited Mr Mew, Chief Finance Officer, to answer this query. Mr Mew reported that the limit had been changed following the advice received from Arlingclose.

Councillor Byatt queried page 62 of the report, which showed the Council had invested in other local authorities. He asked why the investment at Watford Borough Council provided 0.20% interest, when the investments at other authorities were much higher? Mr Mew reported that this was likely to have been a 1 year investment, which was rolled over for a second year, just prior to the increases in the interest rates.

Councillor Cook moved the recommendation, which was seconded by Councillor Lynch.

Councillor Lynch commented that the Audit and Governance Committee looked at the investments made by the Council, at their last meeting, and the at the time of the initial investment to Watford Borough Council, interest rates had been extremely low and the Council had proceeded, due to the security of the loan. It was a judgement call and difficult to predict that interest rates would increase rapidly, as in 2022.

There being no further comments, the recommendation was put to the vote and it was unanimously

RESOLVED

That the Treasury Management Strategy Statement and the Treasury Management Investment Strategy for 2023/24 be approved.

12 Council Tax Premiums on Second Homes and Empty Properties

Full Council received report **ES/1430** by Councillor Cook, Cabinet Member with responsibility for Resources, which sought approval for the Council Tax Premiums on Second Homes and Empty Properties. Councillor Cook reported that the Council and its predecessors had lobbied for a number of years regarding the high levels of second homes in the district and some of the issues associated with this, including the impact on local housing supply and the loss of income to local authorities resulting from second homes being liable for business rates rather than council tax.

Members noted that reducing the number of long-term empty properties had also been a key Council priority. The Council currently charged the maximum council tax premiums on long term empty properties that were allowed under the current legislation and following an extensive Scrutiny Committee review of this subject, in April 2022, Cabinet approved revenue funding to deliver a three year long term empty homes programme.

In May 2022 the Government published the Levelling Up and Regeneration Bill which included proposals aimed at further addressing empty properties through the application of Council Tax premiums, in addition to measures which recognised the impact that high levels of second home ownership can have in some areas. It was reported that subject to the Bill receiving Royal Assent, the proposed changes would come into effect on 1 April 2024. If the Council wished to adopt any changes arising from the Bill it was required to make a resolution confirming its requirements by no later than 31 March 2023.

The proposals in the report were considered in some detail and were intended to assist in addressing the problems of the provision of affordable housing in the district, and in securing significant levels of Council tax income, supporting all precepting authorities in the provision of services, especially the County Council. Members were asked to note that the recommendations were for additional council tax premiums, as all the existing premiums would also remain in place.

There were no questions, therefore the recommendations were moved by Councillor Cook and seconded by the Leader.

Councillor Beavan stated he was concerned that second homes could be converted to businesses to escape this extra tax. He hoped that the valuation office would share lists of registered businesses with HMRC, in order that they could check for extra income, if any. In respect of holiday lets businesses, he stated that they were also a problem that needed to be controlled by planning. There was an amendment to the Levelling Up Bill, to call for second homes and holiday lets to apply for new planning use classes on change of ownership.

Councillor Beavan commented that his Ward, Southwold, was predicted to contribute an extra £1.5m in council tax. He sincerely hoped that this would be used for affordable housing, rather than being given to the Police and Crime Commissioner.

Councillor Cook commented that it was important to close the loophole and ensure that Council Tax was paid, if the property was not a legitimate business. He provided reassurance that the Council would be robust in pursuing second home owners. He conceded that some owners may flip their main residence with their second home, however, one of the properties would have to pay Council Tax, or alternatively, they may choose to sell the property, freeing up much needed homes in Southwold.

The Leader took the opportunity to thank Councillor Cook, the Finance Team and the Audit and Governance Committee for all of their hard work in relation to this report.

Upon being put to the vote, the recommendation was

RESOLVED

1. That, in principle, the following additional Council Tax premiums be applied from 1 April 2024, subject to the Levelling Up and Regeneration Bill receiving Royal Assent:

- 100% premium for properties which have been empty and unfurnished for a period of between 1 and 2 years;
- 100% premium for second homes.

2. That the Chief Finance Officer and Section 151 Officer be granted delegated authority to implement the introduction of these additional premiums when the Levelling Up and Regeneration Bill receives Royal Assent.

13 Housing Regulation

Full Council received report **ES/1432** by Councillor Kerry, Cabinet Member with responsibility, which was presented by Councillor Rivett, Deputy Leader and Cabinet Member with responsibility for Economic Development, in the absence of Councillor Kerry.

The report set out the responsibilities of East Suffolk Council as a Registered Provider of Social Housing. East Suffolk Council owned and was the social landlord for approximately 4,500 properties, which were managed under the Housing Revenue Account. Prior to East Suffolk Council being created, only Waveney District Council retained its housing stock. Suffolk Coastal District Council had transferred its properties to a Registered Provider a number of years before. Therefore, the Council's stock was predominantly located in the North of East Suffolk.

Members noted that Registered Providers of social housing were governed by the Regulator of Social Housing. The regulator had a set of standards, which landlords, must comply with. As a Local Authority, East Suffolk must comply with the Rent Standard and four Consumer Standards, including the Home Standard.

Councillor Rivett stated that Members would recall that Cllr Gallant had written to them last year, advising that, East Suffolk was making a self-referral to the Regulator for potential breaches of the Rent and Home Standards, following a review by the

recently appointed Head of Housing.

The report provided detailed information about the matters which led to a Regulatory Notice being issued by the Regulator for breaching the standards. It also provided an update on the significant amount of progress officers have made, since then, in relation to Rent Setting, and the Health, Safety and Compliance management of the Council's properties.

It was reported that the Housing Service had carried out a significant piece of work to review compliance of the stock and develop work programmes and contracts to ensure the properties were compliant and remained compliant, with levels of compliance being reviewed monthly. Councillor Rivett was pleased to advise that at the end of December 2022, East Suffolk's Housing Stock was 100% compliant for Asbestos Safety, Fire Safety, Lift Safety and Water Safety. Gas Safety was at 99.97%, with properties that officers were unable to access, now being dealt with by the Council's in-house legal team. Finally, East Suffolk was 97.67% compliant with electrical regulations. Members were reassured that this would be 100% by the end of the financial year, as there was a work programme in place, which was making great progress.

Councillor Rivett explained that the rents issue had been more difficult to fully resolve, due to the difference in policy and guidance documents which needed to be considered for different years. A thorough, forensic audit had been conducted, which had reviewed approximately 9,000 tenancies from 2010 to the present day. As a result, all current tenants rent levels would be reset at the end of the financial year. Councillor Rivett stated that he was pleased to assure Members that, from April 2023, the Council was confident that all tenants would be paying the correct rent levels.

Once the correct rent levels had been implemented, officers would then begin the refund process. Initially, current tenants would receive a letter outlining the impact any incorrect charges have had on them and the process for repayment. Once the current tenants had been refunded, officers would then start the process of contacting former tenants.

Members noted that this was a significant piece of work and the time it would take should not be underestimated. Each tenant would receive a personalised letter, to explain the incorrect charging in each financial year, the level of overpayment and a calculation of what, if any, was due back to Housing Benefit. To support this piece of work, three additional rents officers had been employed on a short-term basis. They would support the general day to day work associated with rent collection, whilst the Council's own permanent rent officers would lead on this complex area of work.

Councillor Rivett reported that at the time of producing this report, the forensic audit was 88% complete. Therefore, the figures detailed in the report were the current confirmed levels and the report also set out the 'projected' levels. For the period 2010/11 to 2021/22 the current confirmed level of refunds was £6,302,905 and was projected to increase to £7,203,320 once the audit was completed. In addition to the refunds up to and including the financial year 2021/22, corrections would be made to rent accounts for the current financial year 2022/23. It was estimated a further

£385,672 in refunds would be owed for the incorrect charging for heating services and £451,431.71 in relation to incorrect charging of rents.

Based on the data analysed, when 88% complete, there were 72% of current and former tenancies, which either currently or previously had been identified as being in receipt of housing benefit. Therefore, a significant level of refunds would be paid back to the Department for Work and Pensions. The report also set out a number of key policy decisions, which Members were required to make, which would then enable East Suffolk to rectify incorrect rent accounts and enable the refund process to commence. Once this was completed, East Suffolk would be fully compliant with the Regulators Rent Standard.

Councillor Rivett explained that there was a policy decision on how rent levels should be re-set and there were 3 options:

Option 1 – Members approve all rents previously converted from Social Rent to Affordable Rent, to be reset back to a Social (Formula) Rent, utilising Rent Flexibility, which was 5% for General Needs tenants and 10% for Retired Living Scheme Tenants.

Option 2 – Members approve all rents previously converted from Social Rent to Affordable Rent, to be reset back to a Social (Formula) Rent, without utilising Rent Flexibility.

Option 3 – Members approve any remaining Affordable Rents, from the original 260, which were permitted to be converted, to continue being charged an Affordable Rent.

There were multiple competing demands that needed to be covered in the HRA Business Plan, including the need to ensure all properties were maintained to a high standard, new requirements set out in legislation such as the Building Safety Act 2022 and Fire Safety (England) Regulations were adhered to, alongside ensuring that the Council's commitment to ensure all of the HRA stock could achieve Energy Performance Certificate (EPC) rating of Band C by 2030. In addition to this, the Council had also made a commitment to build at least 50 new homes per year and to pay back the HRA financing debt owed to the Government as soon as possible.

Members noted that, as a result, there was significant investment required to both maintain, improve and increase the Council's stock. The Council and its predecessor Waveney District Council had historically levied social rents below the maximum possible under the Formula Rent system. Accordingly, providing the level of investment required going forward was going to be a major challenge, which would require significant innovation and hard decisions. Therefore, achieving what was required and both maintaining and further improving the quality of the HRA stock would not be possible without applying rent flexibility.

Councillor Rivett asked Members to note Recommendation 4 in the report, which proposed Members agree to 'Option 1', listed above, that all tenancies formerly converted to an 'Affordable Rent' were reset back to a 'Social Rent' plus flexibility (5% for general needs and 10% for retired living schemes).

Councillor Rivett then took the opportunity to stress that no tenants would have a rent

increase as part of this process, every tenant would either be paying the same or less rent than they pay currently.

Another key policy decision that Members were required to make, related to the level of refunds the Council proposed to carry out. The Regulator of Social Housing had since April 2020 regulated local authorities in relation to Council Housing. The Regulator had set out its expectations (for the period it had regulated the Council) that the Council's rents for its council tenants should be adjusted to correct the previous mistake and that the tenants were refunded. In view of the Regulator's role, the Council was, in practice, expected to implement the Regulator's preferred action. It was noted that prior to April 2020, the Welfare Reform and Work Act 2016 set out requirements and a process for setting social rents which the Council should have complied with. In practice, the Council's mistake meant this was not complied with. The Council was not challenged about its non-compliance at that time. Prior to the 2016 Act, the Council was required to have regard to guidance issued by central government in regard to setting council housing rents. The Council's mistake meant it did not give proper regard to that guidance.

In making a decision in relation to providing financial restitution to affected tenants, the Council should have regard to its fiduciary duties. These could be briefly summarised as it acting as 'a trustee' of rental income, tax and public sector income on behalf of its tenants and rate and local taxpayers and other residents. The Council in effect holds money but does not own it, rather it spends money on behalf of its council tenants and leaseholders (and more widely its business rate and council taxpayers).

Therefore, Councillor Rivett requested that Members, whilst taking into consideration their fiduciary duties (as discussed at paragraphs 4.4 to 4.13 of the report) to agree as a matter of policy that any money incorrectly charged for rent charges as a result of the mistaken conversion of social rents to affordable rents, or the setting of incorrect social rent levels, be refunded in full. He then took the opportunity to thank officers within the housing service, who had achieved an incredible amount of work, since the issues were identified.

The Chairman invited questions from Members.

Councillor Byatt thanked all those involved in resolving these issues. He also thanked the Leader, for updating the other Group Leaders about the matter, as soon as the problem was discovered. He then stated that he had a query on page 108, regarding the Regulatory Notice, which contained comments from the RSH and he felt that one of the comments was misleading. It was 'the breach of rent requirements was significant and had been compounded by the fact that the Council continued to charge incorrect rents for a period of almost 2 years, while knowing this may not be permissible.' Councillor Byatt felt that this was a very broad statement and he asked for the evidence that the Council knew about the incorrect rents? He noted that he and other Members had received correspondence about this matter from a member of the public who was suggesting that the Council had been devious and caused mischief regarding the issue. He stated that, in his opinion, the whole matter had been handled thoroughly by officers and by the Cabinet Member. He queried whether it would be possible to deny the misleading comment? Councillor Rivett shared Councillor Byatt's sentiments that this had not been a devious act, the actions of the Leader in keeping

the Opposition Group Leaders apprised, plus the many public statements and the Council's self-referral to the Regulator shows that there was no cover up. An honest mistake had been made and the Council was now putting things right. This report was, of course, public and anyone interested could read for themselves and see the actions that the Council had taken.

Councillor Gooch reported that this matter had been considered by the Scrutiny Committee last week, where she had raised a query regarding scams. She sought reassurance that tenants would be safeguarded and provided with clear information about the process of getting a refund, so that they could not be taken advantage of by scammers, asking for their bank details to pay them the refunds owed. Councillor Rivett stated that the Housing Team were cognisant that there were many people trying to take advantage of others and he invited Heather Tucker, Head of Housing, to provide further information. Ms Tucker confirmed that she was acutely aware of this issue and, as such, tenants would be written to on an individual basis, as part of the rent setting exercise, after the Full Council meeting in February. The letter would set out the Council's approach to the refund process, whereby only East Suffolk Council would contact them about their rent. She confirmed that none of this work would be passed on to any third party organisations. Also, after this meeting, should the recommendations be approved, a communications programme had been planned, with a dedicated Housing Regulation page being added to the website. When the refund process took place, it would be clearly stated that refunds would only proceed via East Suffolk. The Council also needed to make sure that it was paying the correct people back, therefore, in the case of former tenants who no longer had a rent account, mechanisms would be put in place to ensure proof of ID and bank accounts were sought, ensuring that all processes were robust.

Councillor Lynch stated that the Council currently had rent arrears of approximately £1.6 million and there was also a significant amount of money about to be refunded to tenants. He asked if those tenants who were in arrears could use some of their refund to balance some of those debts, as that would improve the situation for some tenants overall. Councillor Rivett invited Ms Tucker to provide a response. She stated that legal advice had been sought and the Council would be able to credit current rent accounts and also former tenants that still had rents outstanding. Therefore, the outstanding rent arrears levels were anticipated to reduce, however, further information would not be available until all of the data had been entered into the computer system. The Council would not need to pay any tenant back if they were in arrears, unless there was a difference owing at the end of the process.

Councillor Rivett then moved the recommendations within the report, which were seconded by the Leader.

The Leader thanked Councillor Rivett for his comprehensive introduction, to what was a complex and detailed report, as well as standing in at the last minute for Councillor Kerry. He stated that it was disappointing that there had clearly been significant failures, which went back many years. However, he was incredibly grateful that the Council had identified these issues and once they were identified, a significant programme of work had been put in place to return to full compliance.

The Leader reported that he had regular meetings with the Strategic Management

Team and Head of Housing and had been assured throughout the whole process that this was being treated with the utmost importance, professionalism and in a thorough and co-ordinated way, to ensure all scenarios were considered and solutions found. When these issues first became public last year, he had made a commitment that the Council would ensure anyone who was impacted financially would be refunded in full, and he stood by that commitment.

The Council must consider its fiduciary duties, and as Councillor Rivett had said previously, these could be briefly summarised as acting as 'a trustee' of rental income on behalf of tenants, so the Council in effect holds money but does not own it, rather it spends money on behalf of its Council tenants and leaseholders. Therefore, he believed that anyone who had been overcharged should be repaid in full and I hoped Members would agree and support that recommendation.

In relation to the recommendation that the Council utilised rent flexibility, he felt that this was prudent on the basis that there was significant investment required to both maintain Council properties and also ensure they met the Council's carbon reduction aspirations. Not only that, but he was proud that new housing was being developed and he wanted that to continue.

The Leader stated that it was very reassuring to hear that no tenants would see any rent increases as a result of the rent re-setting process. He was also really pleased to hear about the level of asset compliance within the Council's housing stock. This had not been possible without the support of external specialists. However, this work was being embedded within the Council's own service and Cabinet had been delighted to approve a Business Case at the end of last year, to recruit a dedicated compliance and servicing team. The roles had been advertised, and interviews had been taking place over the last couple of weeks. He had been pleased to hear there had been an incredibly high calibre of candidates and the new team was expected to start over the next couple of months.

The Leader wished to place on record his thanks to the Leaders of the other political parties at East Suffolk, who had been supportive with officers in meetings regarding the work they had been carrying out. He also wanted to pay tribute to everyone within the Housing Service who had worked tirelessly to improve the levels of compliance and deal with the legacy rent issues. It had been an incredibly challenging time and the level and quality of work they have produced had been phenomenal. He also thanked the other teams within the organisation, without whom the Housing Service would not have been able to make the progress they had, which included Legal, Procurement, Human Resources, Health and Safety, Building Control, Customer Services and the Communications Team.

Councillor Topping then sought clarification regarding recommendation 5 and asked whether it needed to be made clearer that any refund could be used to clear arrears? The Leader stated that it was clear that the refund would be paid in full, into their rent account. However, that money would offset any rent that they owed to the Council, via their rent account, rather than the Council with-holding any of their refund.

There being no further questions or debate, it was put to the vote and unanimously

RESOLVED

1. That Members noted the information contained within this report and endorse the actions set out to ensure the Council is compliant with the Regulator of Social Housing Consumer 'Home Standard'.
2. That Members noted the information contained within this report and endorse the actions set out to ensure the Council is compliant with the Regulator of Social Housing Economic 'Rent Standard'.
3. That Members noted that all heating service charges, also referred to as de-pooled rental charges, are (after further and more detailed legal advice) now acknowledged to be a breach of Section 11 of the Landlord and Tenant Act 1985 and that therefore, all such money received from this charge must be refunded in full, for the years 2010 – 2023.
4. That Members agreed to 'Option 1', listed above, that all tenancies formerly converted to an 'Affordable Rent' are reset back to a 'Social Rent' plus flexibility (5% for general needs and 10% for retired living schemes).
5. That Members, whilst taking into consideration their fiduciary duties (as discussed at paragraphs 4.4 to 4.13 of this report) agreed as a matter of policy that any money incorrectly charged for rent charges as a result of the mistaken conversion of social rents to affordable rents, or the setting of incorrect social rent levels, be refunded in full.
6. That Members noted that quarterly updates will be presented to Cabinet, detailing the progress against the Compliance and Rent Improvement Plans.

14 Freeport East Business Rates Relief and Retained Rates Policies

The Chairman announced that there would be a 10 minute comfort break at this point in the proceedings. The meeting was therefore adjourned between 8.25pm to 8.35 pm. It was noted that Councillors John Fisher, Sarah Plummer, Rachel Smith-Lyte, Ed Thompson and Caroline Topping left the meeting during this adjournment.

Full Council received report **ES/1146** by Councillor Rivett, Deputy Leader and Cabinet Member with responsibility for Economic Development, which sought approval to adopt the Freeport East Business Rate Relief and Freeport East Retained Rates policies, as they applied to East Suffolk. As the billing authority for the Felixstowe Tax Site, the Council needed to approve a Rate Relief policy in order to award rate reliefs to businesses locating on the site, in accordance with the Freeport objectives.

It was noted that the retained rates policy set out how the Council would manage retained rates income and the governance structure which would approve expenditure in line with Freeport East objectives. The policy detailed the allocation of rates into various 'pots' dependent on the end use of that funding, as well as setting out the principle of 'top slicing' to cover Freeport East's operational costs and any direct costs borne by ESC in its role as Lead Authority/ accountable body. Furthermore, the policy

covered ESC's accountable body role with respect to the management of the pooled retained business rates contributed by all Freeport East billing authorities.

Councillor Rivett reported that the use of these retained rates would partially reimburse ESC for forgone rates, allow significant infrastructure investment within the Freeport tax sites, thereby maximising the value of development which could take place on the site and contribute to a collective rates pool which would enable the delivery of wider Freeport East initiative, as set out within the Full Business Case across the whole freeport zone.

Freeport East's Full Business Case was approved by the government's Treasury Assessment Panel in November 2022. Following approval, a Memorandum of Understanding was issued to Freeport East, the billing authorities and the accountable body (ESC) by DLUHC. This will form an agreement between DLUHC and these organisations which commits partners to deliver the objectives set out within the Full Business Case. Within the MoU the awarding of rate relief and the management/ allocation of retained rates was detailed. For ESC to comply with these elements of the MoU the Council needed to establish policies for the awarding of Freeport business rate relief and the management/ expenditure of retained rates. The proposed policies were contained in appendices A and B to the report.

It was anticipated that the total retained rates pot over the course of the 25 year initiative would be in excess of £300m (c£69m just from the Felixstowe Tax Site) and would contribute significantly to the economic, financial and net zero priorities of the Strategic Plan.

Councillor Beavan sought clarification that if a business were to move into the Freeport area, from outside the area, they would not be eligible for the subsidised rates? Councillor Rivett invited officers to answer this question. Mr Mew, Chief Finance Officer, reported that there needed to be evidence that the move was genuine growth in business in the area rather than displacement from another area before rate relief and other tax advantages were awarded. Freeports were closely modelled upon Enterprise Zones initiatives.

Councillor Byatt referred to page 187 and the application forms for discretionary relief and sought further information about the publicity planned to raise awareness of the rate reliefs available? Councillor Rivett stated that it was in everyone's interest to promote the Freeport as far as possible and the Council would be very proactive in that. He commented that this was a long process and there was still much to be achieved. Paul Wood, Head of Economic Development and Regeneration, advised that marketing would be done at a range of levels, which would include a Communications and Marketing Strategy. The Freeport opportunities would be marketed nationally and internationally as part of the Government's flagship policy.

Councillor Byatt also sought further clarification about where those adjacent areas were, which were mentioned in relation to Pot B. He asked if they were the Wards affected or further afield? Mr Wood reported that adjacent areas were those areas immediately surrounding the tax site, where investment in infrastructure in the immediate vicinity would maximise opportunities for business investment on a tax site. It was noted that there was a clear assessment and criteria, which would be

closely monitored by the Council.

Councillor Gooch asked if there was a single consolidated document regarding all of the training opportunities? Councillor Rivett reported that the aspirations for the Freeport were included within the Full Business Case and a copy of this would be provided to Councillor Gooch, for information, which would include skills, community, levelling up and the investment in net zero.

Councillor Daly asked about how the planning rules were applied in relation to the Freeport and the immediately surrounding areas? Councillor Rivett reported that the planning rules were the same as those for Enterprise Zones. There would be a slight relaxation of the planning rules and the Council was used to dealing with this at the Enterprise Zones within the District. Councillor Daly stated that he was not familiar with Enterprise Zones and their planning rules and he requested a further, more detailed explanation as to the differences in planning regulation that the Freeport could enjoy. Councillor Rivett reported that he did not have the information to hand and would provide Councillor Daly with further information outside of the meeting.

Councillor Rivett moved the recommendations within the report, which were seconded by Councillor Cook. Councillor Cook commented that he was happy to support the recommendations and thanked those officers involved in this complex area of work.

Upon being put to the vote it was

RESOLVED

1. That the Freeport East Business Rate Relief policy attached as Appendix A be approved.
2. That the Freeport East Retained Rates policy attached as Appendix B be approved.

N.B. Councillor Patience left the meeting after the voting on this item, at 8.48 pm.

15 Freeport East Capital Seed Funding

Full Council received report **ES/1429** by Councillor Rivett, Deputy Leader and Cabinet Member with responsibility for Economic Development. The report sought approval from Full Council to the proposed management and operation of the Freeport East Capital Seed Fund, which set out how £25m of central Government Freeport capital funding would be managed and allocated. ESC, as Accountable Body, for Freeport East was required to establish a process for the management of those funds which demonstrated good governance and ensured they were allocated as detailed within the Full Business Case and Memorandum of Understanding (MoU).

The Capital Seed Fund allocation would support Freeport East's development through major investment in the three tax sites, to maximise inward investment and create confidence in Freeport East as a commercial proposition. Maximising the business investment potential through the use of the Capital Seed Fund would support the delivery of the wider Freeport East objectives, as set out within the Full Business Case

and Memorandum of Understanding (MoU) through the generation of retained business rates.

Councillor Rivett reported that the decision on how this funding would be allocated across the Tax Sites was set out within Full Business Case, with the Felixstowe Site receiving the largest allocation (£12m) to invest in site infrastructure between 2023 and 2025.

Councillor Rivett moved the recommendation within the report, which was seconded by Councillor Cook.

There being no questions or debate, the recommendation was put to the vote and it was

RESOLVED

That the Freeport East Capital Seed Funding Management process attached as Appendix A be approved in line with the Council's role as the Freeport Accountable Body.

16 Calendar of Meetings for 2023/24

Full Council received report **ES/1426** by the Leader of the Council, which sought approval for the Calendar of Meetings for the 2023/24 Municipal Year. Members noted that the Calendar of Meetings provided the framework for the democratic and decision-making processes that would underpin the delivery of the key priorities identified within the Council's East Suffolk Strategic Plan.

The Chairman of the Council / Chairmen of the Committees had the power to call additional or 'Extraordinary' meetings when required, to accommodate urgent or unscheduled items of business or to change a meeting date to reflect unexpected circumstances e.g. bad weather.

The Calendar (once approved) would be published on the Council's website via CMIS. The meeting papers for Full Council, Cabinet and the Committees were also available to view on the website. The majority of the Council's meetings were available to view on the Council's YouTube channel, when 'open' items of business are being considered.

The Leader advised that the meeting dates for the Community Partnerships and the Community Partnership Board would be populated as soon as was practicable and this would then be shared with Members, when it was available. The Community Partnership Board and the eight Community Partnerships would all meet in late May or June, where possible, to ensure that the momentum of the last three and a half years was maintained.

The Chairman invited questions to the Leader.

Councillor Byatt queried the standardised start time for meetings and suggested that it may be helpful for meetings to start earlier, which may assist some Members to remain present for the duration of the meeting. The Leader reported that it was not possible

to please all Members and it was important to note that many Members worked, therefore, an earlier start time would cause them difficulties in attending.

Councillor Gooch commented that the start time of Full Council meetings could be changed to 6.00pm, which may assist those Members who relied upon public transport and the time change should not negatively impact those who worked. The Leader stated that it took him 1 hour and 15 minutes to travel to Riverside from his home, and many other Members had a similar journey time. It would negatively impact those Members who worked if the start time was changed and he confirmed it was not possible to please everyone.

Councillor Gandy commented that she worked in Norwich and was able to get to meetings for 6.30pm. She stated that Members could choose to catch a later train, they did not need to leave the meeting at 8.30pm.

The Leader then moved the recommendation within the report and this was seconded by Councillor Rivett and upon being put to the vote it was unanimously

RESOLVED

That the Calendar of Meetings for 2023/24 be approved.

17 Cabinet Members Report and Outside Bodies Representatives Reports to Council

Full Council received report **ES/1425**, which was presented by Councillor Gallant, Leader of the Council, and provided individual Cabinet Members' reports on their areas of responsibility, as well as reports from those Members appointed to represent East Suffolk Council on Outside Bodies. The Leader stated that the written reports could be taken as read and he invited relevant questions on their contents.

In relation to the Cabinet Member update from Councillor Smith, Cabinet Member with responsibility for Communities, Leisure the Tourism, Councillor Blundell requested that the Community Partnership Chairmen be kept updated on the outcomes of the work being undertaken with schools in their areas. It was confirmed that information would be provided as appropriate.

Councillor Gandy asked Councillor Smith, Cabinet Member with responsibility for Communities, Leisure and Tourism, if there was any information about the number of people using the Warm Rooms that were being provided across the District, to assist with the cost of living crisis. Councillor Smith confirmed that information about attendance was being collated and this information would be shared with Councillors at a future Full Council meeting.

18 Exempt/Confidential Items

The Chairman reported that in exceptional circumstances, the Council may, by law, exclude members of the public from all, or part of, an executive decision-making meeting. There were various reasons that the Council, on occasions, had to do this and examples were because a report contained information relating to an individual, information relating to the financial or business affairs of a particular person, or

information relating to any consultations or negotiations.

This evening, there was one set of Exempt minutes for approval, which were from the Full Council meeting which took place on 23 November 2022.

On the proposition of the Chairman, seconded by the Leader, it was by a unanimous vote

RESOLVED

That under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 1, 2, 3 and 4 of Part 1 of Schedule 12A of the Act.

19 Exempt Minutes

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

The meeting concluded at 9.23 pm

.....
Chairman