

Minutes of the Cabinet Meeting held on 13 December 2016 at 2.00 pm in the King Edmund Chamber, Endeavour House, Ipswich.

Present: Councillors Councillors Colin Noble (Chairman), Jane Storey (Vice Chairman), James Finch, Tony Goldson, Matthew Hicks, Beccy Hopfensperger, Gordon Jones and Richard Smith MVO

Also present: Councillors Peter Beer, Stephen Burroughes, James Crossley, Mary Evans, John Field, Jessica Flemming, Julian Flood, Sandra Gage, Peter Gardiner, Inga Lockington, Sandy Martin, Guy McGregor, Bill Mountford, Graham Newman, Bill Quinton, Joanna Spicer and Paul West.

Supporting officers present: Susan Cassedy (Democratic Services Officer).

1. Apologies for Absence

Apologies for absence were received from Councillor Christopher Hudson, Cabinet Member for Ipswich.

2. Declarations of Interest and Dispensations

There were no declarations of interest or dispensations.

3. Minutes of the Previous Meeting

The minutes of the meeting held on 15 November 2016 were confirmed as a correct record and signed by the Chairman.

4. Public Questions

No public questions were received.

Cabinet agreed to change the order of Agenda items as follows:

5. Standing Item – Update from the Scrutiny Chairman

At Agenda Item 8 the Chairman of the Scrutiny Committee provided the Cabinet with an update on the Scrutiny Committee on 30 November and the Education and Children's Services Scrutiny Committee on 1 December 2016.

Decision: The Cabinet noted the report.

Reason for decision: The Cabinet recognised the importance of the Scrutiny function.

Comments by other councillors: The Cabinet Member for Finance and Heritage confirmed that he and the Director for Resource Management had discussions on how to increase income generation.

Alternative options: None considered.

Declarations of interest: None declared.

Dispensations: None reported.

6. Ipswich Park and Ride

A report at Agenda Item 6 by the Director of Resource Management invited the Cabinet to consider the revised operating model and then to delegate authority to the relevant Cabinet Member and Director to finalise before implementation of the new arrangements.

The Cabinet Member for Highways and Transport referred to, and addressed the issues raised in, the recent correspondence from Councillor David Ellesmere, Leader of Ipswich Borough Council and Rob Bellamy, Managing Director, Ipswich Buses which had been circulated prior to and at the meeting:

Decision: The Cabinet:

- a) approved the principles of a revised operating model for the Ipswich Park and Ride bus service as set out in paragraph 33 of the report.
- b) delegated authority to the Director for Resource Management, in consultation with the Cabinet Member for Highways and Transport, to finalise the arrangements for the new bus service and organise the smooth transition from the existing arrangements to the new model, following the steps as set out in paragraph 38 of the report;
- c) should final agreement not be reached with the proposed new service operator, agreed that the current service will not be stopped before a further consultation and report.

Reason for decision: In February 2016 the Council approved the 2016/17 Council budget which included a requirement to review the Ipswich Park and Ride service *'to find savings during 2016-17, with the intention of the service being self-funding by 2017-18. If the service was not able to become self-financing then the Council would consider closing the entire operation in order to achieve the required savings.'* Since that time officers had worked with transport operators and other stakeholders to develop a solution.

Cabinet approved the principles of a new operating model in July 2016. However, despite the best endeavours of all those involved an impasse had been reached as that model could not be delivered within acceptable costs and timescales due to the complexity of some of the highways infrastructure improvements required by Ipswich Buses Ltd.

An alternative approach had therefore been developed which could be implemented more quickly, deliver savings earlier, and offered a more attractive customer experience.

Comments by other councillors: The Cabinet Member for Adult and Community Services expressed her support for the proposals. She acknowledged the concerns which had been raised about the number of bus

stopping points and disabled access but noted that a comprehensive Equality Impact Assessment (EIA) had been completed.

In response to a query from the Cabinet Member for Health, the Cabinet Member for Highways and Transport advised that the operating times for the new Park and Ride service would match those of the existing service and may well be extended.

The Cabinet Member for Highways and Transport clarified the proposed pricing and stated that it was incorrect to say that all prices would increase and that there were some discounts available for the Park and Ride users.

The Cabinet Member for Environment and Public Protection advised that he had read the correspondence from Councillor Ellesmere and Rob Bellamy and he considered that the Cabinet Member for Highways and Transport had addressed all the issues raised whilst providing clear reasons for the proposals. The Cabinet Member for Environment and Public Protection considered that the proposals provided clarity to the future of the Park and Ride service, the savings to be made and improvement in customer experience. The Cabinet Member for Highways and Transport confirmed that the Council had been very transparent about the correspondence received and had addressed the concerns raised by them.

The Chamber was advised that Ben Gummer MP was aware of the proposals. The Leader of the Council agreed and advised that Ben Gummer MP also sat on the Ipswich Vision Board.

The Cabinet Member for Finance and Heritage praised and welcomed the proposals and the saving of £500,000 and advised that a £200,000 subsidy would continue for the time being in order to maintain both sites however ways of bringing that cost down were currently being considered. The Cabinet Member for Highways and Transport confirmed that parking at both sites would be free to those using the Park and Ride service. There were however some possible commercial opportunities for the Council to create income which would help pay for the cost of the site maintenance.

The Cabinet Member for Children's Services, Education and Skills referred to the Ipswich Vision Car Parking Strategy which aimed to reduce congestion in the town centre and he considered the Park and Ride proposal to be a sustainable model fitting in with those aims. The Leader of the Council agreed with this statement as he was a signatory to the Ipswich Vision. Another Councillor raised concern about the cheap parking provided in the centre of Ipswich by Ipswich Borough Council and stated that unless there was a system put in place that favoured public transport it would cause difficulty for any Park and Ride scheme.

In response to a Councillor's question the Cabinet Member for Highways and Transport advised that there would be no dedicated staff to sell tickets however, as the EIA had judged, the buses were fully accessible to disabled people. Members of the public were also very courteous in volunteering to help those with mobility problems.

The Cabinet Member for Highways and Transport advised that the proposed express Park and Ride service would have relatively few stops which would include Ipswich Hospital and Ipswich Railway Station. It would be up to the

commercial bus operator to position any further stops to optimise its income. The Cabinet Member for Highways and Transport also advised that there was no firm evidence to suggest that a reduction of frequency in the Park and Ride service resulted in a reduction in use. As to whether the Park and Ride scheme boosted the Ipswich economy, the Cabinet Member for Highways and Transport advised that the challenge the service faced was that of retailers wanting shoppers to park their cars near their shops.

The Cabinet Member for Highways and Transport, in explaining that he was not an expert in the TUPE, advised that he would have a conversation with First Buses to find out more on the process.

In response to a Councillor's question regarding a feasibility study to re-open the Bury Road Park and Ride service, the Cabinet Member for Highways and Transport advised that the County Council did not have control over the Bury Road Park and Ride site as it was owned by Ipswich Borough Council.

In response to a Councillor's question on risk and what would happen if the bus operator demonstrated it was unable to run the service without subsidy, the Cabinet Member for Highways and Transport advised that First Buses was an experienced commercial company which was committed to providing a commercial package and building on its reputation. There was no need for a back-up plan as it was the bus operator's responsibility to ensure that the scheme was successful and the Cabinet Member for Highways and Transport was confident the company would stand by its Service Level Agreement. For this reason also, there had been no need to compare the financial and commercial risk of the proposed service with other commercial services elsewhere in the country. The Cabinet Member for Highways and Transport explained the process of how the Council had formally written to the two Ipswich companies requesting them to submit a 'best and final offer'.

A Councillor asked what the bus operator's opinion was on the phasing in of the highways infrastructure improvements. The Cabinet Member for Highways and Transport advised that the bus operator had not stated that the improvements were a pre-condition of running the service. The Council had set aside £200,000 but some proposals put forward by the bus operator were considered too expensive and not justified. Some sites required further investigation and improvements would be phased to avoid further congestion. The Chamber was advised that there were no schedules for the financing of the improvements however work would have to be carried out in a way that did not cause more congestion.

In response to a Councillor's concern about a seamless transition of provider, the Cabinet Member for Highways and Transport advised that the Council had a contract with Ipswich Buses which required a six month notice period therefore Ipswich Buses was duty bound to continue to avoid a gap in service.

Alternative options: None considered.

Declarations of interest: None declared.

Dispensations: None recorded.

7. **Peasehall and Yoxford Reorganisation – Determination of Statutory Notices**

A report at Agenda Item 6 by the Director for Children and Adults invited the Cabinet to consider the outcome of the representations and to determine the statutory notices.

Decision: The Cabinet approved:

- a) the closure of Peasehall Primary School; and
- b) the expansion of Yoxford Primary School from a pupil admission number (PAN) of 10 to 15

Reason for decision: Peasehall Primary was no longer sustainable in terms of its educational provision or local demand for places and it had not been possible to find an academy sponsor. The Cabinet believed that closure was in the best educational interests of pupils who would be offered places at an expanded Yoxford Primary school.

Comments by other councillors: The Cabinet Member for Highways and Transport stressed the importance of protecting small schools but what was most important was the standard of education pupils received. He did not endorse the decision with pleasure but agreed that in this instance it was the right one.

In response to a question from the Cabinet Member for Broadband and Rural Issues and Localities the Cabinet Member for Children's Services, Education and Skills advised that consultation would take place for the one remaining employee.

A local Councillor noted that it was never a good time to close a school but acknowledged there had been considerable consultation and the Council had to ensure the pupils had the best possible learning environment. The Cabinet Member for Children's Services, Education and Skills confirmed that if the notices were agreed the catchment school for pupils living in the Peasehall catchment would become Yoxford Primary School and free school transport policies would apply.

Alternative options: None considered.

Declarations of interest: None declared.

Dispensations: None reported.

8. **The Cabinet considered whether Agenda item 9 should be taken without the Public (including the Press) present**

Decision: The Cabinet agreed to exclude the public (including the Press) from the meeting during consideration of Agenda Item 9.

Reason for decision: The Cabinet was satisfied that:

- i) the report contained information relating to the financial or business affairs of a particular person including the authority holding that information,
- ii) in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information;
- iii) although the public might have benefited from the decision being taken in public in terms of accountability and transparency, there was a risk that disclosing information about the financial or business affairs of a particular

person including the authority holding that information might have an impact on future partnerships and purchase negotiations.

Comments by other councillors: There were no other comments.

Alternative options: None considered.

Declarations of interest: None declared.

Dispensations: None reported.

9. Barley Homes – Five Year Business Plan

A report at Agenda Item 9 by the Director for Resource Management invited the Cabinet to consider the business plan for the establishment of a Housing Company, limited by shares, for the purpose of developing housing for sale and private and affordable rent.

Decision: The Cabinet:

- a) approved the initial five year business plan;
- b) approved the £6m revolving investment facility, which will be added to the Council's capital programme and financed from borrowing;
- c) approved the delegation of authority to the Director for Resource Management acting in consultation with the Cabinet Member for Finance & Heritage to:
 - i) issue equity and loan funding from the revolving investment facility (set out in 5 above), subject to state aid requirements;
 - ii) be authorised to negotiate and agree the terms of such loans with Barley Homes and the funding and necessary legal agreements, taking into consideration state aid requirements.
 - iii) agree the set up of subsidiary companies under Barley Homes (Group) Ltd to deliver the development and investment activities;
- d) noted the sale of the Council owned land as detailed in the five year Business Plan (Appendix B), with outline planning permission, subject to approval by the planning authority and with Section 123 best value obligations; and
- e) noted that approval of this Business Plan will constitute consent for Barley Homes to issue shares and enter into debt financing, in line with the Business Plan.

Reason for decision: A business plan was required in order for funding to be released to Barley Homes. Without the funding the company would not be able to progress the development of the four sites as set out in the business plan.

Comments by other councillors: Councillors acknowledged the desperate need for more housing, particularly affordable housing, and supported the Business Plan. Councillors, in recognising that the most financial profitability would come from building larger, more expensive houses, raised concern about the type of housing that would be built. The Cabinet Member for Finance and Heritage advised that the company, whilst maximising profits, would develop the sites as appropriate and understood the need for affordable homes. The Leader

reminded the Chamber of the requirement that 30% of all new housing developments had to be affordable housing.

Alternative options: None considered.

Declarations of interest: None considered.

Dispensations: None reported.

The meeting closed at 4.07 pm.

Chairman

