

# Public Document Pack

## BRECKLAND COUNCIL

### At a Meeting of the

### CABINET

Held on Tuesday, 30 July 2013 at 9.30 am in  
Anglia Room, The Conference Suite, Elizabeth House, Dereham

#### PRESENT

Mr J.W. Nunn (Chairman)	Mr M.A. Kiddle-Morris
Mr M. A. Wassell (Vice-Chairman)	Mr I. Sherwood
Councillor E. Gould	Mr W.H.C. Smith
Mrs L.S. Turner	

#### Also Present

Mrs S Armes	Mr T. J. Jermy
Mr S.G. Bambridge	Mrs E. M. Jolly
Councillor M. Chapman-Allen	Mr R.G. Kybird
Mr J.P. Cowen	Mrs J A North
Mr P.J. Duigan	Mr F.J. Sharpe
Mr K.S. Gilbert	

#### In Attendance

Phil Adams	- Public Protection Manager
Mark Stokes	- Deputy Chief Executive
Julie Britton	- Senior Committee Officer
David Spencer	- Joint Deputy Planning Manager
Richard Boole	- Environmental Protection Manager
James Heaton	- Housing Enabling Officer
Jessica Woodhouse	- Internal Consultant - Business Development

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#### **53/13 MINUTES (AGENDA ITEM 1)**

The Minutes of the meeting held on 18 June 2013 were confirmed as a correct record and signed by the Chairman.

#### **54/13 APOLOGIES (AGENDA ITEM 2)**

None.

#### **55/13 NON-MEMBERS WISHING TO ADDRESS THE MEETING (AGENDA ITEM 5)**

Mesdames S Armes, M Chapman-Allen, E Jolly and J North and Messrs G Bambridge, P Cowen, P Duigan, K Gilbert, T Jermy, R Kybird and F Sharpe.

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**56/13 CHAIRMAN'S ANNOUNCEMENTS (AGENDA ITEM 6)**

The Chairman announced that this was the last Cabinet meeting that David Spencer the Joint Deputy Planning Manager would be attending. He thanked David for all his help and assistance over the years. The Chairman and Members said that he had been an excellent Officer and would be sorely missed.

**57/13 SUPPORT SERVICES REVIEW - SENIOR RAILCARDS (AGENDA ITEM 7)**

The Vice-Chairman and the Internal Consultant for Business Development introduced the report and summarised the main points.

Senior Railcards had been looked at as part of a review of Support Services which was managed by the Finance Team.

Almost 20 years ago an agreement had been made between 15 councils in Norfolk and Suffolk to collectively buy 10000 cards a year in exchange for discounts that could be passed on to residents. Breckland had been chosen to coordinate bulk purchasing and this had been carried out pretty much unchanged since 1994.

The landscape had changed a lot in that time and the number of passenger journeys continued to rise, increasing by 19% in the last 4 years alone; however, railcards sales by the Council had dropped by 19% in the same period.

No costs were recovered or any administration fees charged for this work; unlike some councils. It took around 6 hours of officer time per week to order, distribute and sell railcards, equivalent to approximately £3000 a year.

The processes to order and sell the railcards were quite complex and often went wrong in the background, which was one of the reasons the Business Development Team chose to look at this work. It was found, by chance, that the supplier was planning to change its own processes so it could deal with its customers direct and phase out the sale of railcards by councils. The Council had to react to these changes as there was no choice as the service would end at some point soon.

The supplier had an idea for an arrangement that would mean that residents could carry on getting the 25% discount for one year and possibly some discount thereafter; however, this would mean that customers would not be able to walk into one of Breckland Council's Service Centres and walk out with a railcard.

The alternative being recommended was to withdraw from railcard ordering and sales, and instead, signpost residents to the best available alternative. This might entail going to the local train station, buying on-line or over the telephone. There were many ways to receive discounts such as 10% off for renewing on-line, 22% for buying a 3 year railcard as well as Tesco Clubcard deals – all of which many of Breckland's residents could benefit from.

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The recommended option would also bring a time saving of 5 to 6 hours per week and whilst this was not currently cashable, it would be added to cumulative efficiency savings from other projects in the support service review.

Other Councils had been alerted that were affected by these changes, including North Norfolk, Norwich and South Norfolk.

It was believed that the recommended option would avoid messing people around twice, and would mean that the Council was acting proactively to a change that was being imposed by the railcard supplier. Should Members' be mindful to approve the recommendation, a plan had been drawn up to implement the preferred option (option B).

The Executive Member for Internal Services had a problem with the alternative method of purchasing a railcard on-line that was being recommended particularly when he had seen sight of the facts highlighted in the next agenda item in relation to Breckland having a higher than average level of retired people of which most would not own or have access to a computer. The Chairman advised that other alternative methods of purchasing railcards were available such as by telephone or at the train station itself. The Executive Member for Assets & Strategic Development drew attention to section 3.45 of the report that highlighted the alternative methods available.

**Options**

A number of options would have been considered and put forward for discussion that were no longer available due to changes to the processes for ordering and selling railcards being introduced by ATOC. These options could have included recharging other authorities for ordering, or transferring the ordering function to another authority in the buying group. As it stood these were no longer options, 'do nothing' was not an option because of ATOC's changes and therefore only two options remained available for consideration:

**Option A**

Implement temporary ATOC process for one year, followed by ceasing the Senior Railcards service (see report for further details).

**Option B**

Cease the Senior Railcards resale service (see report for further details).

**Reasons**

Option B – To cease the Senior Railcards resale service – was recommended for the following reasons:

Due to the changes being introduced by the Association of Train Operating Companies (ATOC), both options would mean a significant change for residents. Customers would no longer be able to walk in to a Council Customer Service Centre, buy a railcard and walk out with it there

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and then. The main benefit of option A was that residents would continue to receive the current discount level, though only for one year, and it would take considerable planning and resource to implement the temporary process. In effect, Option A would mean that the Council introduced changes twice in one year that would have a negative impact on residents – once to adopt the temporary ATOC process (resulting in residents losing access to same-day railcards) and again a year later to cease selling railcards (resulting in residents losing access to the 25% discount). The Project Team felt there was little merit in implementing change that would negatively impact residents twice and that a single change would be easier to implement, have less overall impact on residents and with less potential for negative publicity. The Communications Team had been consulted and shared this view.

Option B would have the same impact as Option A (no same day option) and also mean that residents would not be able to access the discounted price during the one year transition period. This impact was well mitigated as other means were available to residents to obtain discounted railcards from alternative sources. In addition, the full cost of a railcard (£30) was more than covered by national average annual savings on rail travel costs (£113). This option also avoided the need for two sets of changes and two sets of negative publicity. Only one change would need to be implemented and publicised, and the reason (ATOC's changes) could be made clear at that point.

**RESOLVED** that the cessation of the resale service of Senior Railcards by Breckland Council from 13 September 2013 be approved.

**JW**

**58/13 STRATEGIC HOUSING MARKET ASSESSMENT 2013 (AGENDA ITEM 8)**

In 2006/07, Fordham Research had undertaken a sub-regional Housing Market Assessment for the rural East Anglia Sub-Region. Breckland Council had been the lead authority for this work, with Kings Lynn & West Norfolk Borough Council and North Norfolk District Council also being partners. The Assessment had been based on a primary Housing Needs Survey and showed a significant need for affordable housing across all three partner authorities. In 2010, a brief secondary data update had been undertaken in-house. These assessments were now at the end of their life and no longer provided sufficient robust evidence to inform strategy, policy and planning decisions.

The Overview & Scrutiny Commission Chairman made reference to the comments made by the Commission at its meeting on 18 July 2013 (agenda item 11 refers). He had thought that this report was going to be a very dour subject but in fact all Members in attendance had found it to be very interesting and had discovered that the Strategic Housing Market Assessment's data was going to play a crucial role when looking at planning policies in future - particularly the changes required in housing need for single parent families over the next 20 years; and how the Council was going to control the affordable housing provision. It was noted that all Members of the Commission were 100% behind this Assessment going forward.

The Executive Member for Internal Services highlighted paragraph 1.1 of

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the report which referred to quite an old piece of research and asked if all data was now up to date. He also asked how the Council was going to guarantee affordability to be able to make up and sustain the deficit of affordable housing particularly when Housing Associations were still selling off properties. In response to the first question, the Housing Enabling Officer said that the main reason for re-doing the assessment was that the previous data was very outdated and at the end of its life. In response to the latter, he was not aware of large property sales except for pre 1993 Breckland tenants who still had the right to buy their council houses the income of which was used to fund other properties. In terms of affordability, funding also came forward from other sources such as S106 monies, Community Infrastructure levies etc.

The Executive Member for Internal Services said that he had spoken to the Joint Deputy Planning Manager who had explained the quota of affordable housing figure requirement in Local Plan Policy. This, in his opinion, was stifling development and he felt that more housing would be built if this requirement was abandoned. The Joint Deputy Planning Manager added that Breckland was at best delivering between 20% and 25% of affordable housing on larger sites compared to its 40% affordable housing target; however, the report had indicated that the level of need at 40% was still required. The next step was to have a new Local Plan viability test to see if the amount/quota remained deliverable. Councillor Kybird pointed out that the report highlighted that such needs were in different geographical areas. Members were informed that this would come back to the work considered within the new Local Plan. The Local Plan Working Group would be asked to consider where growth could be accommodated in larger villages and some exception sites.

The Executive Member for Assets & Strategic Development pointed out that paragraph 1.22 of the report highlighted the fact that the older generation was expanding and felt that it was very important that suitable homes were built for these people such as small bungalows or one bed flats. He raised concerns that such dwellings were not being built at the moment and would cause problems in the future. The Overview & Scrutiny Commission Chairman advised that the Local Plan Working Group and the Commission would be looking at this. He stated that when the first Local Plan was produced Breckland Council was working and living in a different environment and he felt that the Council would have no choice but to reduce the percentage of affordable housing taking into account the Community Infrastructure Levy (CIL). The facts and figures and projection were fundamentally important as to how Breckland developed its policies and without a really joined up effort the housing that was clearly needed, that this report clearly demonstrated, would not be achieved. He urged Members to understand what he thought was a brilliant report.

Councillor Bambridge agreed with everything that had been said and pointed out that at the recent planning meeting the matter of affordable housing quota had been discussed and was causing much embarrassment at these meetings. Planning Members also wished to assess the quota sooner rather than later.

The Chairman said that he had no problems with the 40% but it should be considered on present day merits – developers who had stalled their

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developments due to this affordable housing quota needed to be contacted. It was imperative that Breckland Council assisted and had talks to these developers as soon as possible as the 40% could be mitigated. The Executive Member for Planning & Environmental Services said that a list had already been created and the Planning Team would be contacting the said developers following the August recess. It was noted that the 40% affordable housing target did have a viability clause in it and could be negotiated down.

The Opposition Leader raised concerns in relation to 'bedroom tax' and pointed out that there was a further need for smaller units as he knew of one parent families that were desperate to move out of their current three bed dwellings. The Overview & Scrutiny Commission Chairman said that was why Breckland needed to liaise with housing providers as they were not building these smaller units and needed to change their building habits.

**Options**

Option 1 – Do nothing

Not publishing an up-to-date SHMA and using it to develop the housing number and associated housing policies in the Local Plan would place the Plan at significant risk of being found unsound. Delays in publishing an up-to-date SHMA would have implications for the Local Plan timetable.

Option 2 – Consider how the SHMA findings would influence housing numbers and policy in the emerging Local Plan.

To recommend that the Cabinet agrees the content of the report which sets out the proposed approach, outputs and reporting for the latest SHMA, and recommend to Full Council that it adopts the SHMA as Breckland Council policy.

**Reasons**

To consider the emerging implications arising from the draft Strategic Housing Market Assessment (SHMA) for the Local Plan. The Rural East Anglia Partnership SHMA of 2006 (updated in 2010) needed to be replaced. In order that the Local Plan was robust and stood up to scrutiny, it needed to be based on robust housing market and needs information, which was also required to support planning decisions.

**RECOMMEND** to Council that the Strategic Housing Market Assessment be adopted.

JH

**59/13 BRECKLAND PEST CONTROL SERVICES (AGENDA ITEM 9)**

The report requested Members' approval to withdraw from the Pest Control Service with affect from 1 April 2014.

The Overview & Scrutiny Commission Chairman made reference to the comments made by the Commission at its meeting on 18 July 2013. A presentation had been provided followed by a healthy debate and many

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concerns had been expressed. The Commission had agreed that the proposal to withdraw the Pest Control Service should not be supported. Concerns had also been raised about people who were troubled by rats from a neighbouring property where the neighbour was not willing to pay to have the problem treated. It would therefore be incumbent of the Council to take action which, in the long run, would not save the Council money.

The Executive Member for Planning & Environmental Services said that this was a really difficult subject and she could see the problems from both sides. In response to the Commission's concerns she advised that there were provisions in place for problems that were caused by neighbouring properties. Members were reminded that the Council was trying to balance its budget and difficult decisions would have to be made; additionally, the results from the 'Could We Should We' consultations should not be ignored, otherwise what was the point of carrying out such an exercise.

Councillor Duigan asked the Commission Chairman if Members, when they rejected the proposal, had come up with an alternative of how this money could be saved elsewhere. The Overview & Scrutiny Commission Chairman said that they had not as the debate had not mentioned the finances of the Council and felt that the recommendation should have been worded as such.

Councillor Gilbert also urged the Cabinet not to support the recommendation. The Pest Control Service was vital for those people who had problems and it was money well spent to help eradicate such pests. He was in full support of the Commission's recommendation.

The Executive Member for Localism, Community and Environmental Services asked Members to take note of the 'Could We Should We' results. It was also noted that there were other mechanisms available that dealt with neighbours' rats.

Councillor Armes said that she felt very strongly about this matter and felt that there was not much weight behind the 'Could We Should We' consultation. She asked how much the service cost per household as she was certain that if the service was stopped people would start trying to extinguish vermin themselves by using harsh chemicals that could cause damage to the environment. She also had concerns about rats in general in public open space.

The Executive Member for Internal Services asked what powers Environmental Health had with such matters. Members were informed that the Law Enforcement Power Act allowed the Council to serve notice on any landowner to require treatment on land, or require/impose a charge on property. The Environmental Services Manager advised that such powers were used fairly infrequently and further advised that it would be impossible to eradicate all rats. The Executive Member for Internal Services was pleased that the Council had sufficient powers to enter property; he was aware, however, that Breckland Council had to find savings even though the cost of the Pest Control Service probably worked out to be a few pence per household, but the deficit was a cumulative figure that had to be dealt with and every pound that could be

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saved would count. He felt that if the Contact Centre was able to point the public in the right direction he would be quite happy to support the report's recommendation.

Councillor Sharpe asked if the Council had a statutory duty to protect the health of its constituents. Members were informed that the Council did not have a statutory duty not unless there was an infestation.

The Executive Member for Performance & Business Development respected Councillor Armes' comments and assured her that chemicals such as rat poison were only sold in a controlled environment. He also assured Members that there were many national and local companies that provided a pest control service that were perfectly acceptable. All Members were aware that the Council had to make savings and therefore he was happy to support the report's recommendation.

**Options**

**Option 1**

Do nothing and retain the Pest Control Service at a budgeted cost of £65,630 in 2014/15 including tendering costs; the cost being offset by income from seasonal insect treatments, circa. £19,530. Net cost to Breckland Council would be circa. £46,100 (inc. contract re-tendering costs).

**Option 2**

Withdraw the Pest Control Service with a saving of circa. £46,100 in 2014/15 and provide appropriate sign-posting to commercial providers via the Customer Services Team.

**Option 3**

Retain the Pest Control Service but introduce a charge for domestic rodent treatments at an amount similar to that charged by South Norfolk Council i.e. £30. Based on the current rodent figures for 2012/13 with some reduction for people not able to pay, 400 payments of £30 and an income of £12,000 could be expected. Net cost to Breckland Council of the Pest Control Service would therefore be circa. £34,100.

**Option 4**

Retain the Pest Control Service but implement appropriate charges to ensure that the service was cost neutral. An income of £19,530 from insects (based on budgeted income was assumed. If 400 rodent treatments were provided each year then a charge of £98.90 would need to be levied to realise an additional income of £39,560 which would make the service cost neutral (excluding re-tendering costs of £6540).

**Reasons**

Pest Control was not a statutory function and disinvestment would make a significant contribution to the Council's 'efficiency programme'. There was public support for disinvestment as evidenced in the "Could We Should We" consultation events. Experience from elsewhere suggested that the impact on residents and businesses diminished over time and was not significant.

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Retaining the Pest Control Service and introducing charges for all treatments could make the service cost neutral. That said, it would be difficult to predict the level of income that would be generated due to the evidenced fluctuations in demand and the overall reduction in demand for such services. Furthermore, there would be a need to re-tender and renegotiate any contractual arrangements with an associated cost to the Authority to vary fees and charges annually to reflect the demand for such a service.

**RESOLVED** that the Pest Control Service with affect from 1 April 2014 be withdrawn and appropriate sign-posting to commercial providers via the Customer Services Team be provided.

**PA/RB**

**60/13 PROCUREMENT OF NORFOLK DRY RECYCLABLES (AGENDA ITEM 10)**

The Executive Member for Localism, Community & Environmental Services presented the report that asked Members to accept the collaborative procurement for the Norfolk Dry Recyclables Processing Contract.

In summary the joint venture proposal would provide the Council's involved with:

- § a lower gate fee than existing;
- § a profit share rate that was higher than in the existing contract (subject to market variations);
- § higher levels of recycling through:
  - a larger range of materials to be recycled at the kerbside than was currently the case. In Breckland the additional materials that would be able to be recycled within the black wheeled bin would include:
    - glass;
    - a wider range of cardboard related materials e.g. food packaging card, carrier trays, tetra-pak type containers;
    - a wider range of plastics e.g. plastic rigid containers such as food pots, tubs and trays;
  - improved capture rates of existing recyclable materials;
  - potential reductions in contamination (as more materials will be able to be dealt with);
- § less waste to landfill resulting in carbon equivalent savings;
- § greater flexibility and measure of control over service changes;
- § joint management and control of risks presented through legislative, compositional and material market price changes, quality and contamination fluctuations over the ten year period.

The Executive Member for Localism, Community & Environmental Services pointed out that Breckland Council would be much better off financially if maximum assumptions on tonnage were met.

The Chairman stated that negotiations had been kept as simple as possible and that it was very good news that everyone would be able to recycle a great deal more.

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The Overview & Scrutiny Commission Chairman said that Breckland Council must liaise with its Parish Councils in relation to their community bring-banks particularly in regard to glass. On the subject of recycling, he asked if road sweeping would continue. Members were informed that statistics had shown that bottle-banks in villages would still be supported. In response to the latter, it was noted that the road sweeping service was under review. Councillor Armes raised concerns about the income that Parish Councils relied on by having these community bring-banks. It was noted that the Executive Member for Localism, Community & Environmental Services had this matter in hand.

The Executive Member for Assets & Strategic Development thought that this new contract was a 'no-brainer' and fully supported the recommendation and also welcomed the wider range of recyclables and profit made by this scheme.

The Executive Member for Internal Services also supported the idea of public partnership as it did tend to drive down costs and he was pleased that there were no employee liabilities at the end of the contract; however, he was aware that the consortium would be at the mercy of the waste market. Referring to the glass recycling, he asked how this would be sorted if it was put in the same bin as other recycling materials. In relation to the Parish Councils he felt that 12 months would be a suitable weaning off period.

The Chairman pointed out that the only downside was if anyone withdrew from the contract as it would affect the overall tonnage. In relation to glass, Members were informed that the company would be installing a high-tech kit which had modern separation techniques. As far as the weaning off period for Parish Councils was concerned, there had been a great deal of debate on this matter but it had been felt that 12 months was a suitable period of time for them to adjust their precepts accordingly.

Councillor North was pleased to see a greater recycling mix but had concerns about the size of the bins and felt that there could be many more requests for larger bins. Members were informed that if residents wanted larger bins they could request them free of charge.

Councillor Bambridge wholeheartedly supported the recommendation. On another matter, he thanked the Executive Member for Localism, Community & Environmental Services for her assistance in organising the clean-up in Bawdeswell in time for the village festival.

**Options**

1. Doing nothing was not an option. The existing contract terminated on the 31<sup>st</sup> March 2014. After that date, without a replacement contract, the Authority would have no facility available to receive and sort the recyclable waste collected in the black bins.
2. To reject the proposal as was currently configured, called a failed procurement and re-commencement of the procurement process. This option was unlikely to produce a better outcome than the current procurement process and would be difficult to fulfil and

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implement before the existing contract terminated.

3. To reject the joint venture proposal and go back to the consortium advising that it was this Council's wish to accept the NORSE enhanced with glass complaint bid on a contracted basis only.
4. To award NORSE Commercial Services Ltd (NORSE) a ten year contract for the recycling of dry recyclable material (being the enhanced contract with glass) pursuant to the procurement process carried out, on the basis that such contract be entered into between the District Councils of the Norfolk Waste Partnership and the JVC (as defined below);
  - a. Approve the entry into of a joint venture shareholders' agreement between the District Councils and Norse on the basis of the Memorandum of Understanding attached at Appendix 1 for the purposes of establishing a joint venture company (the "JVC") to be the contractor under the recycling contract; and
  - b. Approve the entry into of such ancillary documents as shall be necessary pursuant to the establishment of the JVC and the recycling contract to the JVC; and
  - c. delegated authority be given to the Leader of the Council, in consultation with the Executive Member for Localism, Community & Environmental Services and Interim Environmental Services Officer to conclude those agreements and ancillary documents on behalf of the Council.

**Reasons**

The recommendation was in accordance with the outcome of a fully compliant EU procurement process and was considered to offer the Council the most economically advantageous tender. Taking into account risk and reward it was judged to offer the best value for money for the Council.

**RECOMMEND** to Council that:

1. A ten year contract be awarded to NORSE Commercial Services Ltd (NORSE) for the recycling of dry recyclable material (being the enhanced contract with glass) pursuant to the procurement process carried out, on the basis that such contract be entered into between the District Councils of the Norfolk Waste Partnership and the JVC (as defined below);
  - c. the entry into a joint venture shareholders' agreement between the District Councils and Norse be approved on the basis of the Memorandum of Understanding attached at Appendix 1 for the purposes of establishing a joint venture company (the "JVC") to be the contractor under the recycling contract; and
  - d. the entry into such ancillary documents as shall be necessary pursuant to the establishment of the JVC and the recycling

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contract to the JVC be approved; and

- e. delegated authority be given to the Leader of the Council, in consultation with the Executive Member for Localism, Community & Environmental Services and the Interim Environmental Services Officer to conclude those agreements and ancillary documents on behalf of the Council.
2. the community recycling bank scheme continues to operate in 2014/15 but beneficiaries be informed of the potential reductions and Members consider whether they would wish to offer any compensatory payments in lieu of the potential reduction in tonnages collected through the banks and hence payments in 2014/15.

**61/13 REFERENCE FROM THE OVERVIEW AND SCRUTINY COMMISSION (AGENDA ITEM 11)**

See Minute Nos. 58/13 and 59/13 above where these matters had already been discussed.

**62/13 ANGLIA REVENUES AND BENEFITS PARTNERSHIP (AGENDA ITEM 12)**

**RESOLVED** that the Minutes of the Anglia Revenues & Benefits Partnership meeting held on 13 June 2013 be adopted.

**63/13 NEXT MEETING (AGENDA ITEM 13)**

The arrangements for the next meeting on Tuesday, 17 September in the Anglia Room at 9.30am were noted.

The meeting closed at 10.30 am

CHAIRMAN