

## **OVERVIEW AND SCRUTINY COMMITTEE**

30 January 2017

Minutes of the Overview and Scrutiny Committee held at the Town Hall, Bexhill-on-Sea on Monday 30 January 2017 at 5:30pm.

Committee Members present: Councillors I.G.F. Jenkins (Chairman), C.J. Saint (Vice-Chairman), J. Barnes, Mrs M.L. Barnes, R.K. Bird, G.S. Browne, G.C. Curtis, S.H. Earl, Mrs D.C. Earl-Williams, S.D. Elford, R.V. Elliston, K.M. Field, T.W. Graham, B. Kentfield, P.N. Osborne (ex-officio), J. Potts, Mrs S.M. Prochak and G.F. Stevens.

Other Members present: Councillors Lord Ampthill (in part), C.A. Clark, Mrs J.M. Hughes, M.J. Kenward (in part) and M.R. Watson.

Advisory Officers present: Executive Director of Business Operations, Executive Director of Resources, Service Manager – Finance and Welfare, Service Manager – Community and Economy, Programme Office and Policy Manager and Democratic Services Officer.

Also present: Vanessa Biddiss – Head of Area/East Sussex (in part), Angela Prickett – Regional Director/Sussex (in part) and Neill Tickle – Regional Development Director/Counties (in part) from AmicusHorizon; 3 members of the public.

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Prior to the commencement of the meeting, the Chairman congratulated Councillor John Barnes on his recent award of the MBE (Member of the Order of the British Empire) for his services to the community.

### **OSC16/39. MINUTES**

The Chairman was authorised to sign the minutes of the meeting of the Overview and Scrutiny Committee held on 28 November 2016 as a correct record of the proceedings.

### **OSC16/40. APOLOGIES**

Apologies for absence were received from Councillors A.K. Azad, J.J. Carroll, Mrs B.A. George and non-Committee Member Councillor C.R. Maynard (Leader of the Council).

The Chairman advised that Councillor J.J. Carroll was still in hospital and requested that the Council's best wishes be forwarded to him for a speedy recovery.

OSC16/41. **AMICUSHORIZON REPORT ON FUTURE HOUSING  
(5) DEVELOPMENT, FUNDING, INVESTMENT AND SHARED  
WORKING OPPORTUNITIES**

The Chairman welcomed to the meeting, Vanessa Biddiss – Head of Area/East Sussex, Angela Prickett – Regional Director/Sussex and Neill Tickle – Regional Development Director/Counties from AmicusHorizon (AH) who provided a presentation and update on future housing development, funding investment and shared working opportunities. Councillor Mrs Hughes, the Council's Cabinet Portfolio Holder for Housing was also in attendance.

Members' attention was also drawn to the report which detailed a number of questions the Committee had submitted to AH prior to the meeting.

During the presentations the following key points were noted:

- there were significant changes and reductions to the grant funding regime;
- efficiency agenda had been launched, to date £7m saved;
- 1% rent reduction applied by the Government in July 2015 (impact of £40m less in AH's business plan over four years);
- local housing allowance cap for all housing inclusive of service charges;
- expectation to evidence value for money;
- tenants rated AH's service delivery as 99%;
- from March 2017 forming partnership with Viridian Housing which would provide increased capacity to borrow and in turn provide capacity to build more homes. New name and company logo was still to be announced;
- encouraging residents to complete transactions online with a target of 70% by 2020 (currently 39%);
- co-working with Plumpton College and the Landscape Group to improve grounds maintenance at their properties;
- collaborating with Safer Rother Partnership to tackle anti-social behaviour issues;
- working with Rother's housing and planning teams to meet housing need for the district;
- continued support for residents through a dedicated Money Matters team;
- delivering homelessness prevention/budgeting workshops, "eviction is the last resort";
- delivering employment initiatives supporting residents back into work;
- providing one-to-one support for vulnerable residents;
- supporting community development projects e.g. Coronation Gardens play equipment/area etc.;
- this year's programme of neighbourhood fun days to be published shortly;
- overall investment of £18.5m, £3.6m invested in stock with an additional 117 new homes built by March 2018;
- limited amount of suitable land/development opportunities;

- starter homes now classed as affordable housing, therefore fewer section 106 agreement opportunities;
- current capacity for delivery on average of 350 homes per annum in London, Kent and Sussex; new business plan based on 1,500 homes per annum;
- long term delivery plan to develop a programme of exploring larger, more complex, land and sites over a wider geographical area, as well as building homes for private sale;
- 111 more homes to be completed within Rother by March 2018;
- Roselands, Sedlescombe: 17 homes, 10 for over 55s scheduled and seven shared ownership, opening in 2018;
- Maltings, Peasmarsh: de-canting timing issues (lessons learnt), demolition was due to start on site and completion expected by March 2018;
- Pebsham Lane, Bexhill: 32 homes, six due to be completed in March 2017 (phased scheme and subject to section 106 agreement);
- Station Road, Northiam: 26 homes (subject to section 106 agreement); and
- AH shortlisted for a National Housing Innovation Award – results to be announced on Wednesday 8 February 2017.

Following the presentation, Members had an opportunity to put forward questions and the following points were noted during the discussion:

- important to respect local design, particularly in village locations and conservation areas;
- simplified kitchen appliances were encouraged (with customised larger print instructions), where applicable;
- source advice from disability/older people reference groups regarding the design and location of products, especially regarding the practicalities of accessibility e.g. wheelchair access etc.;
- younger generation unable to afford shared ownership properties, therefore it was important that rented properties were developed, particularly in the villages and rural areas of the district;
- premature decanting to be avoided in the future; and
- it was clarified that only minor adaptations made within properties required reinstatement once the resident had vacated the premises e.g. doors to be reinstalled if removed or light fittings replaced etc.

Councillor Mrs Hughes offered her full support for AH and was very complimentary of the services they provided for Rother and its residents.

At the conclusion of the discussion, the Chairman thanked the representatives from AH for attending the meeting and providing a comprehensive presentation.

**RESOLVED:** That the presentation received by AmicusHorizon be noted.

OSC16/42. **DRAFT REVENUE BUDGET 2017/18**  
(6.1)

Members gave consideration to the report of the Executive Director of Resources on the draft Revenue Budget which detailed the financial settlement figures for 2017/18. The Committee had been requested to consider the draft budget and make recommendations to Cabinet, to be considered at its meeting on 13 February 2017. To ensure that Members were provided with a clear identifiable core cost for each service, all budgets were shown at "Net Operational Expenditure Levels", excluding capital charges, central costs and support service recharges.

The Service Manager – Finance and Welfare provided an updated outline of the budget and Members noted the main considerations, constraints and variations within the budget setting process.

On 15 December 2016, the Government confirmed the Council's Revenue Support Grant for 2017/18 as £570,000 inclusive of £49,000 Rural Services Delivery Grant and £71,000 Transition Grant which was consistent with the four year settlement deal announced in December 2015.

Rother's New Homes Bonus (NHB) would be £1,117,000 for 2017/18 which reflected the Government changes for next year. This included a reduction from six to five years for the grant to be paid (further reduced to four years in 2018/19) and assumed a 0.4% annual increase in the Council tax base before any grant was paid. Members were advised that based on the 2017/18 tax base, the latter was estimated to cost the Council approximately £25,000. The balance of grant above £1m (£117,000) would be set aside in earmarked reserves.

Prior to Christmas the 2017/18 business rate income was forecast at £2,559,000 (£341,000 higher than the Government baseline) which included compensatory grants in relation to additional reliefs previously given by the Government. The latest forecast accounted for the financial effect of the national business rate revaluation including any rate relief changes and it was anticipated that over the 2016/17 financial year, business rate income would increase to £2.7m. However, a number of appeals were expected from April 2017 and these had been factored into the forecast income.

Since 2015, the Council had been part of the East Sussex Business Rate Pool (ESBRP), which meant that Rother shared the financial benefits of growth in business rates and/or improved collection performance across all East Sussex district and borough councils. The Council equally shared the financial impact associated with any loss of business rate income through either poor collection performance or an actual decline in the rateable value of business premises in East Sussex. As a result of the national revaluation of business rates and the expected increase in appeal provision, the latest forecast for 2017/18 indicated that there would be minimal financial benefit for the ESBRP to continue. Therefore it was mutually agreed by the Chief Finance Officers, along with the relevant Cabinet Portfolio Holders for finance to dissolve the ESBRP from 1 April 2017.

The total Housing Benefit Administration Grant was confirmed as £300,000 which was inclusive of £40,000 for Universal Credit, £2,800 new burdens funding, as well as changes to housing benefit regulations.

All of the above changes had been consolidated into the 2017/18 draft Revenue Budget which was appended to the report at Appendix A.

Concern and questions were raised regarding the financial burdens small businesses might experience with increased rateable values and whether the Council was in a position to assist these organisations financially should they require it. The Service Manager – Finance and Welfare advised that small businesses would be entitled to rate relief dependent on the value of the property and could apply to the Council for assistance. It was confirmed that to go beyond the nationally funded reliefs would result in an additional cost to the Council which, given the financial forecast, would require additional savings to be found from other council services. It was acknowledged that movements in business rates would have a significant impact on the Council's income, highlighting the importance of delivering commercial regeneration. Therefore, Members sought clarity on the Council's strategy for attracting businesses/commercial activities to the district and requested that a report be presented at a future meeting. The Executive Director of Business Operations advised that a number of projects were currently being pursued and commercial activity was projected to increase as a result of the North East Bexhill development.

Members were advised that 6,409 households within Rother were in receipt of council tax reduction, of those 2,807 were of working age and 3,602 were of pensionable age. During 2016/17 and up to 30 January 2017, 2,565 accounts received empty and unfurnished exemption which totalled £211,248.92.

In light of the recent launch of Rother's Community Governance Review for Bexhill to develop/increase public engagement, it was suggested that the Council re-visited the option of video/audio (web-cam) recording all public meetings.

Clarity was sought on whether the Council was allocating sufficient funding for Neighbourhood Plan referendum fees. The Service Manager – Finance and Welfare advised that these were one-off payments and would be drawn from the Council's reserves, if required.

The Committee was supportive of a £5 per annum (3%) council tax increase which would deliver additional income of £186,400; an average annual charge of £169.32. Members suggested that Cabinet consider the feedback results of the public consultation appended at Appendix 3 to the report, prior to formulating its proposals to Council on the draft Revenue Budget for 2017/18.

The Council faced major challenges with the significant reduction of Government funding and volatility in business rate income. To ensure a sound financial future, Members noted that the Council would need to uphold a robust financial strategy.

**RESOLVED:** That:

- 1) Cabinet be requested to receive the comments made by the Committee when it formulates its proposals to Council on the 2017/18 draft Revenue Budget, at its meeting on 13 February 2017; and
- 2) a report on attracting businesses/commercial activities be presented at a future meeting.

(When it first became apparent, Councillor Clark declared a personal interest in this matter in so far as he was a Member of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the room during consideration thereof).

(Councillor Earl declared a personal interest in this matter in so far as he is a landlord and in accordance with the Members' Code of Conduct remained in the room during consideration thereof).

(Councillor Elford declared a personal interest in this matter in so far as he is a landlord and in accordance with the Members' Code of Conduct remained in the room during consideration thereof).

(Councillor Osborne declared a personal interest in this matter in so far as he is a landlord and in accordance with the Members' Code of Conduct remained in the room during consideration thereof).

(Councillor Mrs Prochak declared a personal interest in this matter in so far as she is a landlord and in accordance with the Members' Code of Conduct remained in the room during consideration thereof).

OSC16/43. **KEY PERFORMANCE TARGETS 2017/18**  
(7.1)

The Committee considered the report of the Executive Director of Business Operations which gave details of the proposed Key Performance Targets for 2017/18.

Managing performance to deliver the best possible outcomes within the resources available was a core function for Rother District Council. The way in which the Council approached this task was to set a series of annual performance targets against the Council's Corporate Plan (2014-2021) four Core Aims (an Efficient, Flexible and Effective Council; Sustainable Economic Prosperity; Stronger, Safer Communities; and A Quality Physical Environment).

Members had previously agreed that a small set of carefully selected corporate Key Performance Indicators (KPIs) would be reviewed each year by the Scrutiny Committee. Seven KPIs had been identified and were proposed for 2017/18, which focused on key outcomes within the Corporate Plan and the impact of both the local economy and efficient delivery of key services to Rother's residents, within the Council's resources.

The Committee was supportive of the proposed seven KPIs and agreed that the five year land supply indicator would be a significant aspirational target for the Council to achieve, particularly where planning applications were proposed on land within areas of outstanding natural beauty in the district. This target would be carefully monitored in conjunction with development on the land identified through the Council's Development and Site Allocations Plan and Neighbourhood Plans.

Aside from the seven KPIs to be reported quarterly, other indicators informing Service Managers of performance would be reported by exception to the Scrutiny Committee where they were significantly missing their target.

In conclusion, Members agreed that the KPIs selected would adequately reflect a review of the Council's performance. Any future improvements or actions would be proposed to Cabinet to ensure the targets were met.

**RESOLVED:** That Cabinet be requested to approve the following corporate Key Performance Indicators and their performance targets for 2017/18:

- 1) **Housing Benefits: New Claims Processed on Time** – Target: 32 days.
- 2) **Housing Benefits: Existing Claims Processed on Time** – Target: 20 days.
- 3) **5 Year Land Supply** – Target: 5 years.
- 4) **Number of Individuals supported through Local Employment and Skills Plan** – Target: 25.
- 5) **Homelessness Applications Received** – Target: 200.
- 6) **Number of Affordable Homes Delivered (gross)** – Target: 102 homes.
- 7) **Recycling Rate from Household Waste Collections** – Target: 50%.

OSC16/44. **WORK PROGRAMME**  
(8)

Consideration was given to the Overview and Scrutiny Committee's Work Programme and the following points were noted.

- a report on Fuel Poverty would be reported at the meeting scheduled to be held on 24 April 2017;
- Councillor Clark advised that he would submit an additional disability report regarding the disability access item scheduled to be presented at the meeting on 24 April 2017.

- Members requested that 'Attracting businesses/commercial activities to the district' be added to "Items for Consideration". It was also recommended that tourism be addressed with this item.
- It was requested that the name 'Superfast' be changed to 'High Speed' for the item scheduled to be reported to the Committee on 24 April 2017.

Members were reminded that the Annual Scrutiny Work Programme meeting was scheduled to be held on Monday 22 May 2017 at 10:00am in the Council Chamber.

**RESOLVED:** That the Work Programme, as attached at Appendix A, be agreed.

**CHAIRMAN**

The meeting closed at 7:08pm

OSC170130jh



## OVERVIEW AND SCRUTINY COMMITTEE

| WORK PROGRAMME 2016 – 2017 |   |
|----------------------------|---|
| DATE OF MEETING            | SUBJECT – MAIN ITEM (Capitalised)   |
| 20.03.17                   | <b>CRIME AND DISORDER COMMITTEE: TO RECEIVE A REPORT FROM THE COMMUNITY SAFETY PARTNERSHIP</b> <ul style="list-style-type: none"> <li>• Civil Parking Enforcement Update [Minute OSC16/31 – 28 November 2016]</li> <li>• Performance Progress Report: Third Quarter 2016-2017</li> <li>• Pest Control Service – 2017 [Minute OSC15/36 – 25 January 2016]</li> </ul> |
| 24.04.17                   | <b>DISABILITY ACCESS ISSUES</b> <ul style="list-style-type: none"> <li>• Call-in and Urgency Procedures</li> <li>• Community Governance Review for Bexhill</li> <li>• Draft Annual Report to Council</li> <li>• Fuel Poverty</li> <li>• High Speed Broadband Update</li> <li>• Revenue Budget and Capital Programme reference from Cabinet, if any</li> </ul>       |

| WORK PROGRAMME 2017 – 2018 |   |
|----------------------------|---|
| DATE OF MEETING            | SUBJECT – MAIN ITEM (Capitalised)   |
| 12.06.17                   | <ul style="list-style-type: none"> <li>• Annual Work Programme</li> <li>• Community Governance Review</li> <li>• Performance Progress Report: Year End and Fourth Quarter 2016-2017</li> </ul>  |
| 24.07.17                   |   |
| 11.09.17                   | <ul style="list-style-type: none"> <li>• Performance Progress Report: First Quarter 2017-2018</li> <li>• Revenue Budget and Capital Programme Monitoring to July 2017</li> </ul>  |
| 16.10.17                   | <ul style="list-style-type: none"> <li>• Community Governance Review</li> <li>• Medium Term Financial Strategy 2018/19 to 2022/23</li> </ul>  |
| 27.11.17                   | <ul style="list-style-type: none"> <li>• Performance Progress Report: Second Quarter 2017-2018</li> <li>• Revenue Budget and Capital Programme Monitoring to September 2017</li> </ul>  |
| 29.01.18                   | <b>DRAFT REVENUE BUDGET PROPOSALS 2018-2019</b><br><b>KEY PERFORMANCE TARGETS 2018-2019</b>   |
| 19.03.18                   | <b>CRIME AND DISORDER COMMITTEE: TO RECEIVE AN REPORT FROM THE COMMUNITY SAFETY PARTNERSHIP</b> <ul style="list-style-type: none"> <li>• Performance Progress Report: Third Quarter 2017-2018</li> <li>• Revenue Budget and Capital Programme Monitoring to January 2018</li> </ul> |
| 23.04.18                   | <ul style="list-style-type: none"> <li>• Call-in and Urgency Procedures</li> <li>• Draft Annual Report to Council</li> </ul>  |

| ITEMS FOR CONSIDERATION  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Asset Programme Update [Minute CB16/58 – 5 December 2016]</li> <li>• Bexhill Hive [Minute CB16/16 – 4 July 2016]</li> </ul> |  |

- Cemetery Provision/Charging System [Minute CB16/58 – 5 December 2016]
- Emergency Motions at Council Meetings [Minute C16/24 – 11 July 2016]
- Executive Priorities for 2016/17 and performance of 2015/16 (Leader of the Council)
- Attracting businesses/commercial activities and tourism to the district [Minute OSC16/42 & 44 – 30 January 2017]
- Leisure and Recreational Areas: Commercial Fitness Operator's Registration Scheme [Minute OSC16/32 – 28 November 2016]
- Locate East Sussex [Minute CB16/56 – 5 December 2016]
- Rother Public Realm Strategic Framework progress [Minute OSC16/25 – 17 October 2016]
- Tourism (impact of second homes) [Minute OSC16/07 – 13 June 2016]