

OVERVIEW AND SCRUTINY COMMITTEE

16 October 2017

Minutes of the Overview and Scrutiny Committee held at the Town Hall, Bexhill-on-Sea on Monday 16 October 2017 at 6:30pm.

Committee Members present: Councillors P.N. Osborne (Chairman), S.D. Elford (Vice-Chairman), G.S. Browne, C.A. Clark, S.H. Earl, R.V. Elliston, J. Potts, Mrs S.M. Prochak, G.F. Stevens and M.R. Watson.

Other Members present: Councillors Lord Amptill, K.P. Dixon, I.G.F. Jenkins and C.R. Maynard.

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

Also present: 2 members of the public.

OSC17/25. **MINUTES**

The Chairman was authorised to sign the minutes of the meeting of the Overview and Scrutiny Committee held on 11 September 2017 as a correct record of the proceedings.

OSC17/26. **APOLOGIES**

Apologies for absence were received from Councillors J. Barnes, Mrs M.L. Barnes (ex-officio) and G.C. Curtis.

OSC17/27. **COUNCIL CHAMBER AUDIO/VISUAL EQUIPMENT UPGRADE** (5.1)

In April 2017, the Committee received a report on a number of options to upgrade the Audio/Visual (AV) equipment in the Council Chamber. The current wireless microphone system was approximately 10 years old and was proving unreliable and inadequate.

The options proposed were: Option 1: a complete overhaul (replacing projection equipment and installing fixed cameras; Options 2 and 3 video recording and camera/webcasting meetings in the future. The costs ranged from £34,000 to £68,000, plus £12,000 per annum to webcast. Following discussion, the Committee recommended to Cabinet that a complete overhaul be agreed, but that webcasting not be pursued and kept under review for future consideration. Members were advised that purchasing all three options at the same time would be cost effective and provided enhanced technology. Cabinet was not supportive of the proposals, at the time and expressed concerns

regarding value for money, the procurement process and deferred the decision pending further information/investigation.

Further advice was sought on the procurement process, the systems used at neighbouring authorities, ICT infrastructure and technology advances, as well as a Member survey to gauge the level of support for upgrading the system. The following was noted:

- Procurement Process: East Sussex Procurement Hub managed all large-scale procurement exercises on behalf of the Council. Due to the specialist nature of the goods/services to be purchased, it was noted that an existing Framework Agreement would be used. Such agreements provided the opportunity to secure value for money and reduced the need to follow competitive procedure where there were limited suppliers.
- Neighbouring Authorities: East Sussex County Council webcast the majority of their meetings; September 2016 to 2017 usage data was appended to the report at Appendix B. Hastings Borough Council video recorded all meetings for viewing afterwards; during the period March 2017 to September 2017 there were 897 local views. Wealden District Council webcast all meetings; usage data was appended to the report at Appendix C. Lewes District Council webcast full Council meetings only and Eastbourne Borough Council had no webcast facilities. Members noted that overall webcasting viewing figures were minimal across the county.
- ICT / Infrastructure: The current system lacked modern connectivity support potentially resulting in compatibility issues and technology failure.
- Members' Survey: All Members were asked to provide their views on the three options proposed. Only 15 Members responded with the majority indicating that Option 1 (93%) or Options 1 and 2 (60%) be supported.

Members were reminded that funding had been set aside in the Capital Programme to fund the Rother 2020 Programme which included upgrading the AV equipment however this did not include the £12,000 annual licensing fee to webcast live meetings. Additional funding would need to be incorporated into the Revenue Budget in future years should webcasting be commenced.

Following discussion, the Committee agreed to re-recommend to Cabinet that all three options be purchased for the Council Chamber and that live-streaming of Council meetings not be pursued at this point in time but kept under review.

RESOLVED: That Cabinet be requested to approve that Options 1: Conference and Audio System Upgrade; 2: Video/Presentation System Upgrade; and 3: Camera & Webcasting Encoder Installation be purchased for the Council Chamber and that live-streaming of Council meetings not be pursued at this point in time but kept under review.

(Councillors C.A. Clark, S.H. Earl and S.D. Elford each declared a personal interest in this matter in so far as they were elected Members of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the room during consideration thereof).

OSC17/28. **MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2022/23**
(5.2)

Members considered the report of the Executive Director of Resources which set out the main financial issues affecting the Council's Revenue Budget, Capital Programme and Reserves. All updated information had been incorporated into the Medium Term Financial Strategy (MTFS) appended to the report which set the financial framework for the next five years. Members noted that the strategy would be modified as the financial situation of the Council changed over the five year period. It was important that the MTFS supported the delivery of the Council's aims and objectives set out in the Corporate Plan.

The Committee's views were sought on the Council's new MTFS 2018/19 to 2022/23 and the following was noted:

- Revenue Support Grant (RSG) and New Homes Bonus Grant (NHBG): Immediate concern for the Council was the Government's withdrawal of the RSG, as well as the potential to remove the NHBG by 2019/20. Therefore forward planning would be essential to ensure that any funding gap was met.
- Business Rates: In September, the Government announced that they were expanding the 100% retention in business rates council pilot schemes to two tier areas. Discussion had been held between the local councils to consider the re-establishment of the East Sussex Business Pool (ESBP) and, in particular volunteering to be a pilot area. The pilot scheme was not supported however, if financially sensible, re-establishment of the ESBP would be made in early 2018. The revaluation of business rates came into effect in April 2017; the amount under appeal for Rother and the trend for settlement rates were currently not known and therefore making provision for appeals would be difficult.
- Council Tax: If Council Tax was increased by £5 per annum (maximum below the referendum rate) then an additional £1.1m of income would be achieved on the 2017/18 tax base.
- Council Tax Reduction Scheme: Following discussions across the county, it was proposed to maintain the current and develop a new simplified scheme for 2019/20 onwards. Options for the new scheme would be developed in partnership with the East Sussex councils. A consultation period would commence during summer 2018 for final approval in December 2018. It was assumed that the amount of relief given would be similar to what was currently granted.
- Property Investment Strategy: In December, the Council would be considering adopting a Property Investment Strategy to deliver an annual financial return of approximately £350,000 to support the Revenue Budget based on the £7m initial investment.
- Inflation: Expected to rise during 2018/19 (CPI 3% and RPIx 4%).
- Pay Inflation: £89,000 additional income would be required should a 1% increase be applied in 2018/19.
- Funding Gap: Rother 2020 Programme had been developed to support the MTFS. The Programme formed the basis of the Sustainability and Efficiency Plan and described how the Council would be operating by 2020. The Programme mirrored the Government funding settlement and was a requirement to secure funding and would seek to meet the forecast funding gap of £1.7m

by 2021/22. The main work streams within the plan were all underway, some of which would require investment and had been reflected in the Capital Programme. An additional £100,000 had been secured from the Council's investment of surplus cash with the Churches, Charities, Local Authorities' (CCLA) Property Investment Fund. It was anticipated that the Revenue Budget would be in surplus by 2021/22 should the 2020 Programme deliver planned income and savings. If not, further use of reserves was likely. To achieve a balanced budget over the next three financial years, £1.229m of reserves would be required. Members would be kept abreast of any developments.

- Capital Programme: The Capital Programme reflected the initial investment requirements for Rother 2020 and the Property Investment Strategy of £7m. The Programme included the following projects: Bexhill Leisure and Swimming Centre; Rother 2020 ICT Investment; Community Housing Funding; Waste Contract; and Project Property Assets Sales which would require some external capital funding. Future funding would need to focus on a multitude of different sources including grants, community infrastructure levy, internal and external borrowing.
- Reserves: From April 2017, the Council had £14.9m of Earmarked Reserves (£5.6m related to the MTFS Reserve) and £2.5m of Capital Reserves.

The MTFS highlighted the challenges the Council continued to face due to the reduction in central Government support. The Rother 2020 Programme was designed to meet this challenge and see the Council achieve financial sustainability. The level of Council reserves was an enabler to ensure the MTFS was delivered over the next five years despite the uncertainty beyond 2019/20.

RESOLVED: That it be recommended to Cabinet that:

- 1) the financial considerations detailed in the report be reflected in the Council's Medium Term Financial Strategy;
- 2) the Council maintain its policy of maximising the annual increase in Council Tax within the Government's referendum limit; and
- 3) the revised Capital Programme at Appendix C to the report be recommended to full Council.

OSC17/29. **WORK PROGRAMME**
(6)

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

- the Chairman advised that the November meeting would be held over two sessions: Session 1 commencing at 4:00pm to consider the Community Governance Review item and Session 2 commencing at 6:30pm for the remainder of the business;
- Crime and Disorder Committee: Community Safety Partnership and Anti-Social Behaviour, Noise Nuisance/Enforcement Powers, Public

Spaces Protection Orders and Community Wardens to be reported at the meeting scheduled to be held on 29 January 2018; and

- Civil Parking Enforcement Task and Finish Group report to be presented at the meeting scheduled to be held on 19 March 2018.

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

CHAIRMAN

The meeting closed at 7:20pm

OSC171016/jh

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WORK PROGRAMME 2017 – 2018		
DATE OF MEETING	SUBJECT – MAIN ITEM (Capitalised)	Cabinet Portfolio Holder
27.11.17	Session 1 – commencing at 4:00pm COMMUNITY GOVERNANCE REVIEW FOR BEXHILL Session 2 – commencing at 6:30pm HOUSING STRATEGY (including financial/welfare reforms, Homelessness Reduction Bill, impact of second homes, private sector and affordable housing) <ul style="list-style-type: none"> • Performance Progress Report: Second Quarter 2017/18 • Revenue Budget and Capital Programme Monitoring to September 2017 	Kenward Hughes Johnson
29.01.18	DRAFT REVENUE BUDGET PROPOSALS 2018-2019 KEY PERFORMANCE TARGETS 2018-2019 CRIME AND DISORDER COMMITTEE: TO RECEIVE A REPORT FROM THE COMMUNITY SAFETY PARTNERSHIP <ul style="list-style-type: none"> • Anti-Social Behaviour, Noise Nuisance/Enforcement Powers, Public Spaces Protection Orders and Community Wardens 	Amptill Kirby-Green Maynard
19.03.18	CIVIL PARKING ENFORCEMENT TASK AND FINISH GROUP REPORT <ul style="list-style-type: none"> • Performance Progress Report: Third Quarter 2017/18 • Revenue Budget and Capital Programme Monitoring to January 2018 	Hollidge
23.04.18	<ul style="list-style-type: none"> • Call-in and Urgency Procedures • Draft Annual Report to Council • Review of Task and Finish Groups / Outcomes 	-

ITEMS FOR CONSIDERATION
<ul style="list-style-type: none"> • Cabinet Portfolio Holder Updates • Rother Public Realm Strategic Framework progress [Minute OSC16/25 – 17 October 2016] • Tourism Strategy (creation of a Tourism Task and Finish Group) [Minute OSC17/13 – 24 July 2017] • Waste and Recycling Contract Update