

Overview and Scrutiny Committee

Date and Time - **Monday 25 November 2019 - 6.30pm**

Venue - **Council Chamber, Town Hall, Bexhill-on-Sea**

Councillors appointed to the Committee:

P.N. Osborne (Chairman), B.J. Drayson (Vice-Chairman), J. Barnes, T.J.C. Byrne (ex-officio), J.J. Carroll, Mrs V. Cook, P.C. Courtel, S.J. Errington, P.J. Gray, A.K. Jeeawon, L.M. Langlands, C.R. Maynard and M. Mooney.

Substitute Members: S.J. Coleman, C.A. Madeley, G.F. Stevens and R. Thomas.

AGENDA

1. MINUTES

To authorise the Chairman to sign the minutes of the meeting of the Overview and Scrutiny Committee held on 14 October 2019 as a correct record of proceedings.

2. APOLOGIES AND SUBSTITUTES

The Chairman to ask if any Member present is substituting for another Member and, if so, to declare his/her name as substitute Member and the name of the absent Member.

3. ADDITIONAL AGENDA ITEMS

To consider such other items as the Chairman decides are urgent and due notice of which has been given to the Head of Paid Service by 12 Noon on the day of the meeting.

4. DISCLOSURE OF INTERESTS

To receive any disclosure by Members of personal and disclosable pecuniary interests in matters on the agenda, the nature of any interest and whether the Member regards the personal interest as prejudicial under the terms of the Code of Conduct. Members are reminded of the need to repeat their declaration immediately prior to the commencement of the item in question.

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5. **MEDIUM TERM FINANCIAL PLAN 2020/21 TO 2024/25** (Pages 1 - 18)
6. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING - QUARTER 2 2019/20** (Pages 19 - 28)
7. **PERFORMANCE REPORT: SECOND QUARTER 2019/20** (Pages 29 - 44)
8. **VOLUNTARY SECTOR SERVICE LEVEL AGREEMENTS** (Pages 45 - 50)
9. **THE PROGRESSION OF THE ROTHER DISTRICT PUBLIC REALM STRATEGIC FRAMEWORK** (Pages 51 - 104)
10. **HOUSING DEVELOPMENT PROGRAMME** (Pages 105 - 124)
11. **THE COUNCIL'S CONSTITUTION AND UK EXIT FROM THE EUROPEAN UNION (BREXIT)** (Pages 125 - 126)
12. **WORK PROGRAMME** (Pages 127 - 128)

Malcolm Johnston
Executive Director

Agenda Despatch Date: 15 November 2019

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**Rother District Council aspiring to deliver...
an Efficient, Flexible and Effective Council, Sustainable Economic Prosperity,
Stronger, Safer Communities and a Quality Physical Environment**

Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Directors
Subject	-	Medium Term Financial Plan 2020/21 to 2024/25

Recommendation: It be **RESOLVED:** That the Overview and Scrutiny Committee recommend to Cabinet:

- 1) that the financial issues considered in this report be reflected in the Council's Medium Term Financial Plan;
 - 2) that the Council maintain its policy of maximising the annual increase in Council Tax within the Government's referendum limit;
 - 3) that the Council continues to be part of the East Sussex Business Rate pool in 2020/21 and that the Assistant Director, Resources be given delegated authority to finalise the necessary agreement with the Member authorities in consultation with the Cabinet Portfolio Holder for Finance; and
 - 4) that the current Council Tax Reduction Scheme be affirmed and continue for the 2020/21 financial year.
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Report Author: Robin Vennard Assistant Director, Resources

Introduction

1. This document sets out the latest forecast budget for 2020/21 and updates the Medium Term Financial Plan (MTFP) for the period 2020/21 to 2024/25 (Appendix A). This is the latest view of the Council's likely finances over this five year period, ahead of confirmation of Government funding and a number of other factors that will affect the Council's finances.
2. Members will be aware that since 2010 the Council has made significant savings to enable it to manage increased demand for vital services such as homelessness and central Government's continued real terms reduction in funding across local government. The financial challenges continue and the Council will be required to take measures, set out in this document, to create a balanced budget as required by law. A balanced budget is where the Council's expenditure is able to be met from its income. This includes the use of reserves to help meet this expenditure.

Budget Process

3. The budget process follows three main phases. The first phase is to update the MTFP which sets out the areas of budgetary pressure and estimates the size of the budget deficit over the next five years.

4. The second phase of the budget process will be the detailed draft budget report to Cabinet on 18 December 2019, which will bring forward further details of the proposals to deliver a balanced revenue budget over the next five years.
5. The third phase will commence in January 2020, once the Government settlement has been announced. Any proposed savings brought forward in December will need to be agreed and the Capital Strategy and Revised Capital Programme will be prepared and incorporated into the MTFP for approval by Cabinet and Full Council in February 2020.

Local Government Settlement 2020/21

6. To remind Members, since 2010 the Council has seen a substantial fall in funding. Taking both Revenue Support Grant and share of business rates, this was at £6.6m in 2010. The Council no longer receives Revenue Support Grant and is budgeting for a net retained income from business rates for 2020/21 of £3.5m. This is a fall of £3.1m in cash terms and ignores the effects of inflation on the Council's costs.
7. The Government have confirmed that the Spending Review and Business Rates reset are being delayed for one year. The expectation is that the 2020/21 settlement will see a rollover of existing funding levels, including any specific grants such as the Homelessness Support Grant. It is not known at this stage whether there will be any redistribution of resources within local government. The date of the settlement may be delayed due to the General Election. However, based on information received from Ministry of Housing, Communities & Local Government (MHCLG), it is likely that grants received for 2020/21 will be the same as 2019/20, save for New Homes Bonus which is expected to continue to reduce.
8. At the time of writing this report, the MHCLG were conducting a technical consultation on the settlement. This is shown at Appendix E together with the officer's response that had to be submitted prior to this meeting. There are a number of issues contained in the consultation, in particular the proposed council tax referendum limit for 2020/21. The Government are suggesting a 2% limit (from 3%), but also asking if there is support for a concession for District Councils to increase up to £5 whichever is the greatest.

Non Domestic Rates (Business Rates)

9. The Council is currently part of the East Sussex 75% business rate retention pilot. The Government have said that nationally the 75% pilots will end this financial year ahead of the business rates reset in 2021/22. The Council can, however, be part of a reformed East Sussex 50% Business Rate Pool which enables the normal Government levy on business rate growth to be retained in the East Sussex area. A draft agreement between the Councils is currently being drawn up and a final decision will be required in December, once the draft settlement is known. It is likely that the final decision to be part of the Pool will not coincide with a meeting of Cabinet and therefore it is proposed that authority to make the final decision be delegated to the Assistant Director, Resources in consultation with the Cabinet Portfolio Holder for Finance.

10. The financial forecast assumes that the Council will be in the business rate pool from 2020/21. The forecast also assumes that the Council's share in the growth of business rate income since 2013/14 continues. There is however, no certainty that this income growth will continue to be kept in part or its entirety, when the Government reset how Business Rates is shared between Councils from 2021/22. It is expected that as a minimum, there will be some redistribution to the County Councils to help support the cost of social care. If growth is reset to the 2019/20 business rate baseline this would result in a £1.2m reduction in the Council's income. Background information on the current business rate arrangements can be found at Appendix D.

New Homes Bonus Grant

11. The New Homes Bonus grant (NHB) was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas and is funded through a top slice of non-domestic rate income. In December 2016, the Government announced a reduction of the number of years NHB is paid to five in 2017-18 and four in 2018-19. They also introduced a national baseline for growth of 0.4% of council tax base and payments of the bonus would only be made above this level. It is the Government's intention to explore how to incentivise housing growth most effectively, for example by using the Housing Delivery Test results to reward or incentivise plans that meet or exceed local housing need. Government will consult on any changes prior to implementation. The Government's technical consultation on the 2020/21 settlement suggests that there may be a further round of NHB grant under the current scheme. However, the five year forecast currently assumes that the Council will not achieve any additional grant and that reliance on this funding will be removed from the base revenue budget.

Council Tax and Council Tax Base

12. As Council Tax is a major source of income to the Council, the MTFP assumes that the Council will increase Council Tax by the maximum allowed before a referendum is required. The Government's technical consultation suggested the referendum limit will revert to 2% from 3% in 2019/20. They are however asking for comment whether districts and borough councils should be allowed to go to 2% or £5 whichever is the higher. The forecast currently assumes an annual increase of 2% which generates additional income of £137,000. An increase of £5 would generate a further £54,000 of income.
13. Based on recent trends, the taxbase has been increased by around 200 "band D" equivalent properties each year. The actual taxbase for 2020/21 will be calculated at the beginning of December as required by legislation. The taxbase is affected by many factors, including the number of new properties built each year, the changes in those households in receipt of Council Tax Reduction (CTR) and the number of single person households in receipt of a 25% discount on the Council Tax charge.
14. For the purposes of the financial forecast, it is assumed that whatever CTR Scheme is in place for 2020/21 onwards, the amount of relief given will be similar to that currently granted. There are no proposals to change the CTR scheme at present and due to the amount of work and consultation requirements, no changes can be implemented until April 2021 at the earliest.

Cost Pressures

15. **Waste Collection and Street and Beach cleaning** – in June this year the Joint Waste contract was retendered and awarded to Biffa and this has resulted in significant cost increases, particularly in relation to garden waste collections. An over spend of £327,000 has been reported in the Quarter Two revenue monitoring forecast, which increases to £1.042m in a full year and this has been factored into the five year forecast.
16. **Homelessness demands** – the Council continues to experience pressure on this budget as a result of an increase in the number of cases and a £200,000 overspend has been reported to Cabinet in the Quarter Two revenue monitoring report. To mitigate this, a budget of £3m has been included in the approved capital programme to purchase high quality temporary accommodation and alleviate budget pressure by reducing the use of more expensive private rented accommodation. The purchase programme will commence in the current financial year and it is expected that cost savings of £36,000 will be generated in 2020/21 and £72,000 in a full year. These have been built into the five year forecast. Furthermore, the Government recently announced further funding to address Homelessness as part of its 2020/21 spending review. The impact of this has been estimated at £33,000 and built into the forecast from 2020/21 onwards.
17. **Staffing Costs** – the forecast assumes an increase of 2% each year for annual pay award, estimated to add £188,000 to the overall budget requirement. Staff budgets are calculated at 100% of the total cost per post including on costs, but a decrease of 3% has also been applied to the overall cost of salaries, which allows for staff turnover. This reduces the budget requirement further by £282,000 each year. The five year forecast also assumes there will be a reduction in posts by £500,000, as explained in paragraph 23 (v) below and shown at line 32 of the forecast at Appendix A.
18. **Non Pay Inflation** – a global increase of 2% has been applied to non-pay and income budgets, which is estimated to add a further £51,000 to the budget. This excludes budgets such as the Joint Waste Contract where inflationary increases are already built into the base contract figures.

Summary Estimated Revenue Budget 2020/21

19. The table below shows how the overall revenue budget position for 2020/21 has moved from that reported to Council in February 2019, taking account of the budget pressures detailed above and changes to council tax, business rates and grant income.

	2020/21 Budget February 2019 £ (000)	2020/21 Budget Latest Forecast £ (000)
Net Cost of Services	13,470	13,470
Joint Waste Contract cost increase		1,075
Temporary Accommodation - net cost increase		64
Non Pay & Income Inflation at 2%		48
Increase income - Property Investment Strategy		1,130
Increase income (net) - other		-94
Lean and Demand		-90
Service Prioritisation		-100
Reduced Staffing Structure		-500
Impact on Revenue Budget of increased Capital Expenditure Charged to Revenue		645
Other Changes to the Base Budget		-125
Net Cost of Services	13,470	15,523
Total Income	-12,243	-12,243
Council Tax		142
Business Rates		154
Other Income		-25
Contributions from Reserves to fund capital expenditure		-1,359
Total Income	-12,243	-13,331
Funding Gap	1,227	2,192

Rother 2020 Programme - Income generation and cost savings

20. The Rother 2020 programme had a number of workstreams designed to deliver an overall reduction in the base revenue budget of £1.8m in line with the financial forecast at the time. The programme has broadly delivered or identified the £1.8m of additional income and savings that was envisaged. Those savings identified but not delivered will need to move to being implemented. Further details of the income and savings are shown at Appendix C.

Five year forecast

21. Taking the above into account, the MTFP has been updated to show the financial forecast for the next five financial years. The forecast includes many assumptions regarding future savings and new income. Taking these into account the following table summarises the remaining shortfall each year:

	2020/21 Budget £ (000)	2021/22 Budget £ (000)	2022/23 Budget £ (000)	2023/24 Budget £ (000)	2024/25 Budget £ (000)
Net Funding Gap	2,192	1,559	598	430	(3)

22. If the savings and additional income identified below are delivered, there will still be a need to support the revenue budget from reserves by about £4.8m until it achieves balance in 2024/25. In addition, an estimated £2.5m of reserves will be used to support the Capital Programme. The detailed forecast is shown at Appendix A.

Cost Saving and Income Generation (Rother 2025)

23. There are five main workstreams designed to deliver the income and savings required and minimise the amount of reserves used to balance the budget over the next five years:

- (i) **Further Lean and Demand** – the work so far on Lean and Demand has implemented a number of improvements, for example a document image processing system, which has improved efficiency and reduced costs in Revenues and Benefits. There is further work the Council can do to improve its efficiency, some of which will require investment in technology, e.g. use of AI software to minimise contact with the Council and better designed office accommodation.
- (ii) **Service Prioritisation** – this workstream is looking at how each service supports the Council's aims and objectives and will need to align with the new Corporate Plan. This workstream is not necessarily looking to stop services being provided, but will consider who is best to deliver them (including in partnership) and review the scope of services (statutory/non statutory/quality). An important part of this work is to consider the implications on users of these services if they are no longer provided by the Council.
- (iii) **Devolution** – for the purposes of this report, it has been assumed that a number of services will be devolved to the Town and Parish areas, including a new Bexhill Town Council, if ultimately agreed. The services include parks and open spaces (including sports pitches and facilities), public conveniences, Museums and bus shelters. The annual direct cost (excluding salaries) for these activities is budgeted in the region of £1.3m albeit that some £0.6m of the costs are currently offset by special expenses levied on Bexhill and Rye. The forecast assumes Special Expenses will end as a result of the devolution process. In overall terms the net cost reduction would be almost £0.7m. As the Community Governance Review of Bexhill is yet to complete, if the scope of services that are devolved is limited, then these non-statutory services will have to be considered as part of the Service Prioritisation workstream.
- (iv) **Income generation** – the forecast includes income from the Council's Property Investment Strategy (PIS) which rises to a peak of £2.2m in 2024/25 before borrowing and other costs. This represents a significant challenge based on progress to date. Whilst the projects involving new construction or refurbishment will deliver income towards the end of the financial planning time horizon, there is a risk that additional income will be difficult to deliver for 2021/22 and 2022/23. The forecast assumes an increase in fees and charges income, primarily through increased garden waste income from increasing the annual charge by £5 for the next three years. This will mean the charge per bin per property will reach £50 by 2023/24. No change in income from off-street carparks is currently being

assumed in the forecast arising from the decriminalisation of on-street parking offences. The effect could be either positive or negative depending on how driver behaviour changes as a result of decriminalisation. This will be considered alongside the proposals East Sussex County Council makes regarding the charging regime they adopt for on-street charging.

- (v) **Reduced Staffing structure** – the Council’s Rother 2020 programme envisaged delivering ongoing service based savings and it was forecast in the financial plan that this would need to include a contraction of the workforce. Members will be aware that the Council is currently seeking voluntary redundancies which will be assessed for their impact on the Council’s ability to deliver on its priorities. Vacant posts are also being reviewed as to whether they can be deleted. Should these two actions not deliver the target saving, then it will be necessary to make compulsory redundancies. This may also arise from the service prioritisation and devolvement workstreams, although it is more likely that this will result in the transfer of staff to new organisations under TUPE arrangements.
- (vi) **Shared Services** – sharing the provision of services with other local authorities can reduce costs, largely through the sharing of management. The savings can, however, be modest in reality and will in the early stages be offset by an investment requirement, e.g. in harmonising IT software. Sharing services does however build service resilience and its appropriateness will be considered as part of the service prioritisation process. A specific target saving has not been set at this stage for new shared services. Any savings achieved would reduce the funding gap.

24. The expected savings from each of the work streams is summarised in the table below:

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Lean and Demand	(90)	(180)	(180)	(180)	(180)
Service Prioritisation	(100)	(250)	(250)	(310)	(370)
Devolvement net of Special Expenses		(663)	(663)	(663)	(663)
Income generation (net of PIS Borrowing)	(368)	(322)	(1,109)	(1,027)	(1,204)
Reduced Staffing structure	(500)	(500)	(500)	(500)	(500)
Share Services	TBD	TBD	TBD	TBD	TBD
TOTAL	(1,058)	(1,915)	(2,702)	(2,680)	(2,917)

Revenue Reserves and General Fund balance

25. The forecast assumes the useable revenue reserves and General Fund balance will be £14.8m as at the end of this financial year, excluding specific grants and contributions. However, the latest financial monitoring for 2019/20 suggests there will be an overspend by £1.2m at outturn and if this happens then revenue reserves will fall to £13.6m. The MTFP estimates that £4.8m of reserves would be needed to support the revenue budget over the next five years. In addition, a further £2.5m of reserves were allocated to support the

Capital Programme. The Capital Programme and its funding have been reviewed and it has significantly reduced its reliance on reserve funding. The reserve funding has largely been replaced with borrowing. The forecast shows that Capital Receipts will be expended by 2022, but no assumption has been made for future receipts.

26. By the end of the five year forecast revenue reserves and balances would be between £5.3m and £6.5m depending on the final outturn for 2019/20. Should the Council's share of Business Rates falls to the current baseline from 2021/22, then unless there is growth in business rates or additional savings are delivered, a further £4.8m of reserves would need to be used to support the Revenue Budget. Appendix B provides further details.

Budget Consultation

27. The Council is required to consult on its budget and council tax proposals with its residents and local businesses. The opinions of residents, partner organisations, businesses and other interested parties are an important part of the budget setting process. It is planned to consult between 3 December 2019 and 31 January 2020 and a draft consultation will be presented to Cabinet at their meeting on the 2 December 2019. An interim report on the consultation will be reported to this Committee on the 27 January 2020.

Conclusion

28. Despite the many pressures, the Council has been able to deliver a balanced budget via sound financial management and an imaginative programme to deliver extra income and cost savings. With the level of reserves and a commitment to sensible borrowing in line with CIPFA's Prudential Code, the Council has created an ability to invest in its area, transform the delivery of its services and find new ways of working to create a sustainable budget. However, this report shows that to meet the latest challenge, the Council does have to continue to deliver on the income and savings targets. Failure to do so will impact on the Council's ability to meet its statutory obligations.

Malcolm Johnston
Executive Director

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

The MTFP is now focused on achieving financial self-sustainability for the Council. If the Council is to achieve this, particularly through investment in the local economy, then its risk appetite will need to continue to increase. This brings the prospect of achieving greater returns on investments, but also the potential for losses. With sound and robust investment appraisal processes these risks can be minimised, but will not be eliminated.

Line	Financial Forecast 2021/22 to 2024/25	2019/20 Revised £ (000)	2020/21 Budget £ (000)	2021/22 Budget £ (000)	2022/23 Budget £ (000)	2023/24 Budget £ (000)	2024/25 Budget £ (000)
1	Head of Service Departmental Budgets						
2	Executive Directors & Corporate Core	2,084	2,084	2,084	2,084	2,084	2,084
3	Environmental Services	750	750	750	750	750	750
4	Strategy and Planning	961	961	961	961	961	961
5	Acquisitions, Transformation and Regeneration	82	82	82	82	82	82
6	Housing and Community Services	7,365	7,365	7,365	7,365	7,365	7,365
7	Resources	3,264	3,264	3,264	3,264	3,264	3,264
8							
9	Base Budget Adjustments						
10	Joint Waste Contract cost increase	0	1,075	1,075	1,075	1,075	1,075
11	Temporary Accommodation costs	0	100	100	100	100	100
13	Temporary Accommodation Savings from self provision	0	(36)	(72)	(72)	(72)	(72)
14							
15	Non Pay & Income Inflation at 2% Salaries pay award inflation @ 2% of 2019/20 Base Budget	0	51	51	51	51	51
16		0	188	188	188	188	188
17	Salaries turnover @ 3% of 2019/20 Base Budget	0	(282)	(282)	(282)	(282)	(282)
18							
19	Total Cost of Services	14,506	15,602	15,566	15,566	15,566	15,566
20							
21	Interest from Investments	(512)	(469)	(169)	(169)	(169)	(169)
22	Capital Expenditure Charged to Revenue	704	1,359	291	291	291	291
23	MRP and Interest - Property Investment Strategy	335	853	1,236	1,243	1,259	1,259
24	MRP and Interest - Other	25	88	125	125	125	125
25							
26	Savings and Income generation						
27	(i) Increase income - Property Investment Strategy	(673)	(1,127)	(1,371)	(2,070)	(2,004)	(2,181)
28	(ii) Increase income (net) - other		(94)	(187)	(282)	(282)	(282)
29	(iii) Lean and Demand		(90)	(180)	(180)	(180)	(180)
30	(iv) Service Prioritisation		(100)	(250)	(250)	(310)	(370)
31	(v) Devolvement			(1,350)	(1,350)	(1,350)	(1,350)
32	(vi) Reduced Staffing Structure		(500)	(500)	(500)	(500)	(500)
33	(vii) Shared Services		TBD	TBD	TBD	TBD	TBD
34							
35	Net Cost of Services	14,385	15,522	13,211	12,424	12,446	12,209

Line	Financial Forecast 2021/22 to 2024/25	2019/20 Revised £ (000)	2020/21 Budget £ (000)	2021/22 Budget £ (000)	2022/23 Budget £ (000)	2023/24 Budget £ (000)	2024/25 Budget £ (000)
36	Special Expenses	(674)	(687)				
37	Business Rates						
38	Local Share of business rates 44% 2019/20 and 40% thereafter	(8,020)	(7,400)	(7,400)	(7,400)	(7,400)	(7,400)
39	s31 Grants	(1,297)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
40	Tariff	5,715	5,100	5,100	5,100	5,100	5,100
41	Pooling Levy	0	380	380	380	380	380
42	Transition grant	0	0	TBD	TBD	TBD	TBD
43	Revenue Support Grant	0	0	0	0	0	0
44	Non-Specific Revenue Grants						
45	New Homes Bonus Grant	(449)	(84)	(12)	0	0	0
46	Rural services delivery grant	0	0	0	0	0	0
47	Local Council tax Support Grant	(100)	(102)	(104)	(106)	(108)	(110)
48	Benefits Administration Grant	(233)	(238)	(223)	(223)	(223)	(223)
49	New Burdens Grant & other non-specific Grants	0	0	0	0	0	0
50	Homelessness Grant - New Burdens	(43)	(43)	(43)	(43)	(43)	(43)
51	Flexible Homeless Support Grant	(275)	(275)	(275)	(275)	(275)	(275)
52	Brexit preparations Grant	0	(18)	0	0	0	0
53	Council Tax Requirement (Rother only)	(6,830)	(7,004)	(7,184)	(7,368)	(7,556)	(7,750)
54	Other Financing						
55	Collection Fund (Surplus)/Deficit	336	0	0	0	0	0
56	Contribution from reserves to fund capital expenditure	(704)	(1,359)	(291)	(291)	(291)	(291)
57	Contributions to/(from) General Fund Balance and Reserves	(1,811)					
58	Total Income	(14,385)	(13,330)	(11,652)	(11,826)	(12,016)	(12,212)
59	Funding Gap	0	2,192	1,559	598	430	(3)
60							
61	Council Tax Base - Properties per CTR form	38,054.10	38,266.10	38,478.10	38,690.10	38,902.10	39,114.10
62	Average Council Tax Charge (Band D)	179.45	183.04	186.70	190.43	194.24	198.13

Estimated Use of Earmarked Reserves

	General Fund Balance	Earmarked Reserves	Capital Receipts	Total
Balance 31 Mar 19	£'000 1,000	£'000 16,362	£'000 2,902	£'000 20,264
Receipts in year			300	300
Estimated used in year		(2,515)	(1,118)	(3,633)
Balance 31 Mar 20	1,000	13,847	2,084	16,931
Estimated used in year		(3,551)	(543)	(4,094)
Balance 31 Mar 21	1,000	10,296	1,541	12,837
Estimated used in year		(1,850)	(1,537)	(3,387)
Balance 31 Mar 22	1,000	8,446	4	9,450
Estimated used in year		(889)		(889)
Balance 31 Mar 23	1,000	7,557	4	8,561
Estimated used in year		(721)		(721)
Balance 31 Mar 24	1,000	6,836	4	7,840
Estimated used in year		(288)		(288)
Balance 31 Mar 25	1,000	6,547	4	7,551

Rother 2020 Income and Savings - Project/Activity (categorised by work stream)

2018/19

2019/20

Income Generation
Budget Reviews:

Street Name and Numbering		(3,000)	
Garden Waste Containers and Bulky Waste		(50,000)	
Income from additional beach huts		(15,000)	
Rental Income		(53,460)	
Additional Car Park Income 2018/19		(100,000)	
Licences - Houses of Multiple Occupation		(1,000)	
Donations - Bexhill Park		(2,800)	
Environmental Heath Partnership - Alcohol Licencing Income		(300)	
Environmental Heath Partnership - Taxi Licensing		(5,000)	
Environmental Heath Partnership - Licences and Registration Income		(2,100)	
Sussex Training partnership		(9,960)	
CIL Admin Fees		(5,000)	
Business rates revaluation		(200,000)	
Additional Car Park Income 2019/20			(250,000)
	Budget Reviews sub-total:	(697,620)	(447,620)
			(250,000)

Work stream activity:

Investment in property funds (£8m)		(320,000)	
Property acquisition (borrow £34m - 2.5% net margin)			(361,173)
Solar Panel / Photovoltaic installation - Amherst Office & Museum			(8,881)
	Work stream activity sub-total:	(690,054)	(320,000)
			(370,054)

Increase Income Total (1,387,674)
Lean Business Process Review
Budget Reviews:

Planning notices review		(3,500)	
Communications Marketing		(5,000)	
Members costs		(1,700)	

Audit Fee	(26,500)	
Communications Costs	(56,000)	
IT Costs	(45,000)	
Stationery	(1,960)	
Neighbourhood services: Beach Hut Licence Renewals		(455)
Removal of Contingencies		(83,410)

Lean Business Process Review Total	(223,525)	
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Demand Management

Budget Reviews:

Gas	(4,800)	
Premises - Repairs, NNDR, Water & Sewage	(10,605)	
Postage Costs – Recycling	(23,660)	
Bexhill Parks	(3,670)	
Local Council Tax Support Grant	(17,880)	

Demand Management Total	(60,615)	
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Organisational Form & Culture

Budget Reviews:

Environmental Health Partnership	(20,150)	
Wage Costs – Camber	(15,000)	
Charging staff costs to Capital for DFG and Capital Projects	0	(101,000)

Budget Reviews sub-total: (136,150)

Work stream activity:

Investment in property funds (£8m)	(55,000)	
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Work stream activity sub-total: (55,000)

Organisational Form & Culture Total	(191,150)	
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Savings/Income to date (1,862,964)

Target (1,800,000)

Variance 62,964

Business Rates – Background information

1. Business Rates applies to any **non-domestic** hereditament, for example applies to all Council Buildings as well as commercial business premises.
2. Properties have **Rateable Values** (akin to rental values) which are set by the Valuation Office Agency, not by the Council. A ratepayer can challenge the rateable value.
3. To calculate how much rates are payable, the Rateable Value is multiplied by the **Rate in the £** which is set by Government. For 2019/20 the amounts are:

Standard multiplier 50.4pence in the £

Small Business rate 49.1pence in the £

4. The rate in the £ is increased by the rate of inflation (RPI) each year
5. The Rateable Values are reviewed periodically; the last one was in 2017.
6. The Gross Rateable Value for Rother £55.5m
7. The Gross Rates collectable £27m
8. There are a number of **discounts and exemptions**. For example if you are a charity you are entitled to 80% relief from the business rates you pay.
9. The actual amount collectable after discounts and exemptions are applied is approximately £18m.
10. For 2019/20 Rother has been part of the **East Sussex business rate 75% retention pooling arrangement**. This means more of the money is collected from Business Rates is kept by the Councils and less goes to the Government.
11. **Rother's share** of business rates under the Pilot is 44% or £8m.
12. However the Government apply a **tariff** (a reduction) to the amount Rother can keep. For 2019/20 this was £5.7m meaning the Net retained = £2.3m. The tariff is redistributed to other Councils.
13. On top of this the Council gets £1.3m of **Section 31 Grants** – these are paid to compensate the Council for some of the recent additional reliefs (e.g. extension to small business rate relief) introduced by the Government.
14. When the business rate funding was revised in 2013, the Government set a **Baseline** amount that the Council should expect to keep from Business Rates. This was based on 2011 figures. The Baseline has been increased each year by inflation and currently stands at £2.4m.
15. The Baseline is used to determine the **Safety Net**. The Safety Net is set at 92.5% of the Baseline amount, approximately £2.2m. This is the minimum amount the Council would receive if there was a significant fall in business rate income. The Government would provide a grant to cover any shortfall between Rother's share of the amount collected and the calculated Safety Net amount.

Local Government Finance Settlement 2020-21: Technical Consultation

Question 1

Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2020-21?

Yes

No

No comment

Additional comments

It is sensible not to make any one off changes to the distribution of resources for 2021/21 ahead of the spending review. It is also important for you to provide assurance at a local authority level that other grants, such as the Flexible Homelessness Support Grant, will be maintained and not redistributed within the overall total funding envelope.

Question 2

Should central government eliminate negative RSG in full through forgone business rates receipts?

Yes

No

No comment

Additional comments

The suggested amount of negative RSG for Rother would have a significant impact on the Council given the level of savings already required to manage a £1.5m increase in the Council's new waste collection and street cleansing contract (on a similar minimal specification).

Question 3

Do you think that there should be a separate council tax referendum principle of 2% or £5, whichever is greater, for shire district councils in 2020-21?

Yes

No

No comment

Additional comments

For Rother, a 2% increase represents an increase of 7pence per week, £3.59 for the whole year. Therefore we would want to see the ability to increase the council tax charge by £5 for District Council's maintained.

Question 4

Do you have views on the proposed package of council tax referendum principles for 2020-21?

Yes

No

No comment

Additional comments

We support the intention not to introduce referendum principles for Parish and Town Councils

Question 5

Do you agree with the Government's proposals for social care funding in 2020-21?

Yes

No

No comment

Additional comments

Question 6

Do you agree with the Government's proposals for iBCF in 2020-21?

Yes

No

No comment

Additional comments

Question 7

Do you agree that there should be a new round of 2020-21 New Homes Bonus allocations for 2020-21, or would you prefer to see this funding allocated for a different purpose, and if so how should the funding be allocated?

Yes

No

No comment

Additional comments

NHB has been an important source of income for the Council and has helped maintain the breadth of housing related services provided by the Council at a time of reduced funding. The Council is now looking to take direct intervention in the local housing market to accelerate the delivery of new housing, particularly affordable housing. Going forward any NHB will be a useful enabler to kick start this policy objective.

Question 8

Do you agree with the Government's proposed approach to paying £81 million Rural Services Delivery Grant in 2020-21 to the upper quartile of local authorities, based on the super-sparsity indicator?

Yes

No

No comment

Additional comments

Sparsity affects all rural authorities, districts and the Counties. Long standing evidence shows that the cost of service delivery is proportionally higher than urban areas. The scope of the grant should be expanded to include all rural authorities.

Question 9

Do you have any comments on the impact of the proposals for the 2020-21 settlement outlined in this consultation document on persons who share a protected characteristic? Please provide evidence to support your comments.

Yes

No

No comment

Additional comments

Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Directors
Subject	-	Revenue Budget and Capital Programme Monitoring – Quarter 2 2019/20

Recommendation: It be **RESOLVED:** That the report be noted.

Assistant Director Resources: Robin Vennard

This report, considered by Cabinet on 4 November 2019, has been referred to this Committee for Members' information. The report has been reproduced as submitted to Cabinet.

Changes to the Revenue Budget

1. This report updates Members on the Council's finances as at the end of September and projects a provisional outturn for 2019/20. The financial position for the Council is shown in the table below and further analysis is shown in subsequent paragraphs:

Rother District Council General Fund Summary	Revised 2019/20 Budget £ (000)	2019/20 Estimated Outturn £ (000)	2019/20 Variance £ (000)	2019/20 Variance %
Executive Directors & Corporate Core	2,084	2,206	122	5.9%
Environmental Services	750	679	(71)	-9.5%
Strategy and Planning	961	1,020	59	6.1%
Acquisitions, Transformation and Regeneration	(591)	(286)	305	-51.6%
Housing and Community Services	7,365	7,891	526	7.1%
Resources	3,264	3,361	97	3.0%
Total Cost of Services	13,833	14,871	1,038	7.5%
Interest from Investments	(512)	(512)	0	0.0%
Capital Expenditure Charged to Revenue	1,670	704	(966)	-57.8%
Rother 2020 Savings				
(i) Increase income - investment in property	0	0	0	0.0%
(ii) MRP	156	257	101	64.7%
(iii) Interest payments	220	489	269	122.3%
Net Cost of Services	15,367	15,809	442	2.9%
	Revised 2019/20 Budget £ (000)	2019/20 Estimated Outturn £ (000)	2019/20 Variance £ (000)	2019/20 Variance %
Special Expenses	(674)	(674)	0	0.0%
Business Rates				
Local Share of business rates	(8,020)	(7,640)	380	-4.7%
s31 Grants	(1,297)	(1,850)	(553)	42.6%

Tariff	5,715	5,715	0	0.0%
Levy	0	0	0	0.0%
Revenue Support Grant	0	0	0	0.0%
Non-Specific Revenue Grants				
New Homes Bonus Grant	(449)	(449)	0	0.0%
Rural Services Delivery Grant	0	0	0	0.0%
Local Council tax Support Grant	(100)	(96)	4	-4.0%
Benefits Administration Grant	(233)	(235)	(2)	0.9%
New Burdens Grant & Other Non-Specific Grants	0	0	0	0.0%
Homelessness Grant - New Burdens	(43)	(43)	0	0.0%
Flexible Homeless Support Grant	(275)	(275)	0	0.0%
Council Tax Requirement (Rother only)	(6,830)	(6,830)	0	0.0%
Other Financing				
Collection Fund (Surplus)/Deficit	336	336	0	0.0%
Contribution from reserves to fund capital expenditure	(1,670)	(704)	966	-57.8%
Contributions to/(from) Earmarked Reserves	(1,827)	(1,827)	0	0.0%
Total Income	(15,367)	(14,572)	795	-5.2%
Net Deficit/(Surplus)	0	1,237	1,237	0.0%

Reportable Virements

- Since the last report to Cabinet there has been the two reportable virements which have been reflected in the table above. Firstly in accordance with Cabinet's decision (Minute CB18/42 refers) the Council has provided an additional grant of £193,000 (funded from reserves) to the De La Warr Pavilion Charitable Trust to help meet the shortfall in pension funds relating to staff transferred to the Trust from the Council. Secondly the Garden Waste Officer post (£24,000) has been transferred from Resources to Housing and Community Services to increase operational efficiency during the first year of operating the new Waste Collection contract.

Review of Significant Variations to the Cost of Services

- The table above shows the Council is predicted to be in deficit by the year end by £1.2m. The majority of this relates to the cost of Services in the table at paragraph 1 which shows a deficit of £1,038,000, which is 7.5% greater than the Revised Budget and represents an increase of £980,000 from the Quarter 1 forecast reported to Cabinet on the 29 July this year. At this meeting, it was reported that there were several risks that could have an adverse impact on future forecasts and many of these have now materialised with clearer information on the detail. All budget risks will continue to be monitored closely and by the finance team who will continue to work with Heads of Services to identify corrective action to minimise the impact on reserves. Any ongoing impact of these overspends is also being considered and will need to be reflected in the five year financial forecast currently being developed. As Members will be aware, reserves are being used to support the Revenue Budget and whilst sustainable in the short term this is not a medium or long term solution to achieve a balanced Revenue Budget. The Council's Rother 2020 programme envisaged delivering ongoing service based savings and it was forecast in the financial plan that this would need to include a contraction of the workforce. Given the increased financial pressure described in this

report, the Council's Strategic Management Team will now take the following action:

- a. review vacant posts to identify if any can be deleted from the organisation without impacting on the priorities of the Council; and
 - b. ask for expressions of interest in taking voluntary redundancy. Again this will need to be assessed to ensure there is no impact on the priorities of the Council. The costs of these redundancies were built into the Medium Term Financial Strategy whereupon the costs would be recovered within a year.
4. At the same time it will also be sensible to consider any additional resources and expertise needed to deliver the new aims of the Council and the projects identified as the new Corporate Plan emerges. Any additional costs arising will however need to be met by equivalent savings elsewhere in the workforce or other operational budgets. Members should also consider that at the same time the new Corporate Plan is developed, it is likely that changes will need to be made to the Council's structure to best ensure delivery of the ambition of the Plan.
5. The main reasons for the variations identified at this stage are detailed in the paragraphs 6 to 13 below.

Executive Directors – Deficit £122,000

6. The predicted deficit is mainly due to the cost of district council elections which, as expected, will be funded from reserves, together with the purchase of new technology equipment for the new administration for improved efficiency.

Environmental Services – Surplus (£71,000)

7. Environmental Services' predicted surplus has decreased by £41,000 from £112,000 since the last reported forecast. The previously reported underspend related to vacant posts but a further review of this area, temporary appointments and other smaller variances has reduced the forecast surplus to £71,000.

Strategy and Planning – Deficit £59,000

8. The Strategy and Planning department forecast has changed from a surplus of £50,000 in Quarter 1 to a deficit of £59,000 in the current quarter. The department has continued to experience delays in appointments to vacant posts, which increased the under spend in this area by a further £47,000. However, Cabinet may recall that an unquantified risk around the achievement of Planning fee income was flagged in the last report and this has now been forecasted to under achieve against budget by £135,000. Furthermore Land Charges income is now also expected to fall short of its target by £21,000.

Acquisitions, Transformation and Regeneration – Deficit £305,000

9. Several minor over spends totalling £68,000 across the Acquisitions, Transformation and Regeneration department were reported in the last

quarter and these have since been reduced by £21,000. Furthermore, whilst the Property Investment Strategy continues to be rolled out successfully it is not in line with the planned timescales and income targets. Therefore rental income derived from property purchases is expected to be short of the budget by £258,000.

Housing and Community Services – Deficit £526,000

10. The Housing and Community Services department forecast is now projected to be over spent by £526,000. In the last report to Cabinet an over spend of £150,000 was included in the forecast due to the expected cost increases in the new Joint Waste contract, particularly in relation to garden waste collections. The Council's required contract specification levels have since been discussed with the new contractor, Biffa, and the estimated overspend is now expected to exceed the budget by a further £177,000.
11. Cabinet will be aware that a sum of £3m has been included in the approved Capital Programme for the purchase of housing to provide high quality temporary accommodation for homeless people and alleviate pressure on the Homelessness Budget by reducing the need to use private rented accommodation. In the meantime however, growing demand continues to put further pressure on the Revenue Budget, which is forecast to be overspent by £200,000 in the current financial year.
12. The other main forecast variances are the replacement of faulty equipment at both Bexhill and Rye Leisure Centres, including swimming pools, at a cost of approximately £75,000. A shortfall in income of £35,000 from Cemeteries has been identified since the last quarter and several other smaller over spends totalling £39,000 have also been identified.

Resources – Deficit £97,000

13. Several offsetting budget variances have been identified since the last quarter but the forecast overspend has remained fairly stable.

Non Service Budgets:

14. At this point Interest Income from investment returns are in line with the budget. The final year end position will depend on treasury management and property investment decisions made between now and March 2020.
15. A review of the Capital Programme has also resulted in a reduction in the use of reserves to fund projects. Reserves for 2019/20 are now expected to meet £704,000 compared to the original budget assumption of £1.67m. Some of the reduction reflects the confirmation of Disabled Facility Grant and also a number of items will now be funded through borrowing. This has been reflected in the funding of the capital programme shown below and at Appendices A and B.
16. The projected outturn for funding any borrowing (MRP and Interest) is very much a worst case projection. If the delays in acquiring properties under the Property Investment Strategy continue the costs are likely to be lower than those currently shown in the table above.

17. At its meeting on 19 December 2018 (Minute CB18/51 refers) Cabinet agreed to fund East Sussex County Council to restore the number of grass cuts for highway verges to its previous levels for 2019/20. The cost to Rother was in the region of £40,000 and was funded from reserves. Given the financial position of the Council, it is proposed that this does not continue into 2020/21. A decision is required now as it may be that the Parish and Town Councils wish to meet this cost themselves and would need to ensure they include this when setting their precept for next financial year.

Collection Fund

18. The Council Tax part of the Collection Fund is currently forecast to be broadly in line with the annual estimate. The collection performance to the end of September is shown overleaf:

Council Tax	Equivalent period		
	2019/20	2018/19	2017/18
Collectable Annual debit (at 100% collection)	£75,668,605.17	£72,338,594.34	£67,899,479.70
Income Received	£43,349,286.58	£41,520,955.86	£39,148,243.98
Income Received as a % of collectable debit	57.29%	57.40%	57.66%
Budgeted yield (at 98.5% collection)	£74,549,856.52	£71,114,683.69	£66,599,906.61
Income Received as a % of budgeted yield	58.15%	58.39%	58.78%

19. For business rates it is forecast that the Council's net retained income will be higher than the budget by £170,000. The following table shows the collection performance to the end of September:

Business Rates	2019/2020	Equivalent Period 2018/2019
Collectable debit	£18,532,723.77	£18,527,752.01
Income Received	£10,669,016.93	£10,737,560.14
Income Received as a % of collectable debit	57.57%	57.95%
Amount outstanding for year	£7,863,706.84	£7,790,191.87

Capital Programme

20. Capital spend to the end of September 2019 totals £9.3m. As reported previously this includes the purchase of a commercial property known as Glovers House in Bexhill at a cost of £7.8m including costs. A summary of spend to the end of September is shown at Appendix A, and the current overall Capital Programme is shown at Appendix B. This has not been amended at this stage to reflect any over or underspends save for Camber car parks.
21. Following meetings with Members, officers and contractors, an alternative way to improve the surface of the untarmacked car park in Camber has been

achieved at a lower cost than previously tendered. The expected cost is now £46,000 and will be met through the Council's Revenue Budget.

Conclusion

22. The current forecast projects that for 2019/20, the Council will be overspent by in excess of £1.2m by the end of the financial year. Officers are closely monitoring spending and income together with taking positive action as set out in this report to mitigate this additional cost and in particular to minimise the impact on future years to minimise the call on the Council's reserves.

Malcolm Johnston
Executive Director

Anthony Leonard
Executive Director

Risk Assessment Statement

Regular financial reporting is integral to good decision making and therefore Members and officers need an up-to-date understanding of the Council's financial position.

Capital Programme 2019/20 – 30 September 2019

	2019/20 Budget £ (000)	Spend to 30 Sept £ (000)	2019/20 Outturn £ (000)	2018/19 Variance £ (000)
Acquisitions, Transformation and Regeneration				
Community Grants	130	27	130	0
East Parade - project B - Shelters and Heritage Hub	32		32	0
Cemetery Entrance	240	5	240	0
Blackfriars Housing Development		42	42	42
Rother 2020 Programme				
Property Investment Strategy - uncommitted	3,076		3,042	(34)
PIS - Beeching Road/Wainwright Road	250	101	250	0
PIS - Glovers House	7,812	7,844	7,844	32
PIS- Barnhorn Road	600	602	602	2
PIS - Beeching Road site 18-40	500		500	0
Rother 20/20 ICT Investment	45		45	0
Corporate Document Image Processing System				
Housing and Community Services				
De La Warr Pavilion - Capital Grant	53	40	53	0
Fairlight Coastal Protection	70	11	70	0
Sidley Sports and Recreation	300	13	300	0
Land Swap re Former High School Site	1,085		1,085	0
Bexhill Leisure Centre – site development	33	11	33	0
Disabled Facilities Grant	1,625	625	1,625	0
New Bins	121	13	121	0
Bexhill Promenade - outflow pipe				0
Bexhill Promenade – Protective Barriers	50		50	0
Housing (purchases – temp accommodation)	1,000		1,000	0
Reinforcement Works to Camber Car Parks	46		46	0
Strategy and Planning				
Highways works - London Road Bexhill	300		300	0
CIL Payments to Parish/Town Councils	200		200	0
Executive Directors & Corporate Core				
Accommodation Strategy	75		75	0
Lift for Amherst Road Offices	100		100	0
Resources				
Enterprise Resource Planning System upgrade	36		36	0
ICT Infrastructure – Ongoing Upgrade Programme	166	26	166	0
Total Capital Programme	17,945	9,360	17,987	42
Funded By:				
Capital Receipts	1,118		1,118	0
Grants and contributions (including CIL)	2,995		3,037	42
Borrowing	13,078		13,078	0
Capital Expenditure Charged to Revenue	704		704	0
Unfunded	50		50	0
Total Funding	17,945	0	17,987	42

Capital Programme – 2019/20 to 2024/25

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
Acquisitions, Transformation and Regeneration						
Community Grants	130	130	130	130	130	130
East Parade - project A - Bexhill East Beach		288				
East Parade - project B - Shelters and Heritage Hub	32					
Cemetery Entrance	240					
Community Led Housing Schemes		450	150			
Blackfriars Housing Development		3,052				
Rother 2020 Programme						
Property Investment Strategy - uncommitted	3,076	7,000				
PIS - Beeching Road/Wainwright Road	250	3,000				
PIS - Glovers House	7,812					
PIS- Barnhorn Road	600	10,000	397			
PIS - Beeching Road site 18-40	500	460				
Rother 20/20 ICT Investment	45	345				
Corporate Document Image Processing System		435				
Housing and Community Services						
De La Warr Pavilion - Capital Grant	53	53	53	53	53	53
Fairlight Coastal Protection	70					
Sidley Sports and Recreation	300					
Land Swap re Former High School Site	1,085					
Bexhill Leisure Centre – site development	33	543	1,746	5,901	6,901	410
Disabled Facilities Grant	1,625	TBD	TBD	TBD	TBD	TBD
New Bins	121	108	108	108	108	108
Bexhill Promenade - outflow pipe		100				
Bexhill Promenade – Protective Barriers	50					
Housing (purchases – temp accommodation)	1,000	2,000				
Reinforcement Works to Camber Car Parks	46					

Capital Programme – 2019/20 to 2024/25

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
Strategy and Planning						
Highways works – London Road Bexhill	300					
CIL Payments to Parish/Town Councils	200					
Executive Directors & Corporate Core						
Accommodation Strategy	75					
Lift for Amherst Road Offices	100					
Resources						
Enterprise Resource Planning System upgrade	36					
ICT Infrastructure – Ongoing Upgrade Programme	166					
Total Capital Programme	17,945	27,964	2,584	6,192	7,192	701

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
Funded By:						
Capital Receipts	1,118	543	1,537	0	0	0
Grants and contributions	2,995	3,962	359	1,948	0	0
Borrowing	13,078	22,000	397	0	0	0
Capital Expenditure Charged to Revenue	704	1,359	291	291	291	291
Unfunded	50	100	0	3,953	6,901	410
Total Funding	17,945	27,964	2,584	6,192	7,192	701

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Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Director
Subject	-	Performance Report: Second Quarter 2019/20

Recommendation: It be **RESOLVED**: That:

- 1) the Overview and Scrutiny Committee consider performance against targets or forecasts and pass any additional recommendations for action to Cabinet for consideration; and
 - 2) it be recommended to Cabinet that the Affordable Homes Built (gross) Supply target be increased to 115 affordable dwellings.
-

Head of Service: Ben Hook

Introduction and Background

1. For the financial year 2019/20, Members of the Overview and Scrutiny Committee (OSC) and Cabinet selected a set of 10 key performance indicators (KPIs). These indicators stand as a barometer of the delivery of the Councils' Corporate Plan and those service areas Members wish to scrutinise over the year (Cabinet Minute CB18/69 refers).
2. For the 2019/20 financial year, the focus has been set on four themes:
 - Housing and Homelessness: to monitor the delivery of the Housing and Homelessness and Rough Sleeping Strategy adopted in 2019.
 - Housing Benefit: to monitor the improvements to service delivery through a number of projects.
 - Waste and Recycling: to monitor the start and roll-out of the new waste and recycling contract from July 2019.
 - Asset Income: to monitor the delivery of the Property Investment Strategy adopted in 2018.
3. This report brings before Members a summary of the Council's performance against the selected themes, giving the position at the end of the second financial quarter (1 July 2019 to 30 September 2019) and for the financial year 2019/20. The report gives Members an opportunity to scrutinise the progress towards the Council's stated aims, outcomes and actions in the Corporate Plan and makes any necessary recommendations to Cabinet for future service delivery.

Overview

4. A summary of the KPI performance is set out in the table below. Performance is compared to the previous four quarters and the previous quarter result.

5. The tables of performance and explanation accompanying each of the four themes can be found at Appendices 1, 2, 3 and 4.

Housing and Homelessness	Status	Compared to previous 4 quarters	Compared to previous quarter
Affordable Homes Built (gross) Supply target			
Affordable Homes Built (gross) Local Plan target			
Prevention of Homelessness Cases per 1,000 Rother Households			
Average Weeks in Temporary Accommodation			
Net additional homes provided (Supply Target)			
Net additional homes provided (Local Plan Target)			
Housing Benefit			
New Benefit Claims: calendar days to decision			
Existing Benefit Claims: calendar days to decision			
Waste and Recycling			
Waste Re-used, Composted and Recycled			
Contractor Re-used, Composted and Recycled			
Missed Bins for every 100,000 Collections			
Asset Income			
Net Income from All Investment Assets			
Investment Asset: Return on Investment %			

PI Status		Long Term Trends		Short Term Trends	
	Alert		Improving		Improving
	Warning		No Change		No Change
	OK		Getting Worse		Getting Worse

Housing and Homelessness

6. It is noted at Appendix 1, that the original Affordable Homes Built (gross) supply target of 46 dwellings was an estimated target. This target is being proposed to be increased from 46 to 115 dwellings to bring the target in line with the Affordable Homes Development Programme, based on the expected numbers of completions for the remainder of this financial year. It is recommended the target in the performance indicator be adjusted accordingly.

Indicators by Exception

7. Members requested to have reported, by exception, any other performance that is doing significantly better or significantly worse than its set target. There are no indicators by exception to report for this quarter.

Conclusion

8. This report sets our performance against the agreed KPIs for the four themes for the second quarter of 2019/20. As set out in Appendix 1 (paragraph 15), Members are requested to recommend to Cabinet a change to the Affordable Homes Built (gross) Supply target to bring the target in line with the Affordable Homes Development Programme.
9. Members are requested to consider performance against targets or forecasts and pass any additional recommendations for action to Cabinet for consideration.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

There are financial, reputational, and statutory health risks to Rother District Council and, more importantly, the wider community if Rother District Council does not monitor and manage its performance across all the services.

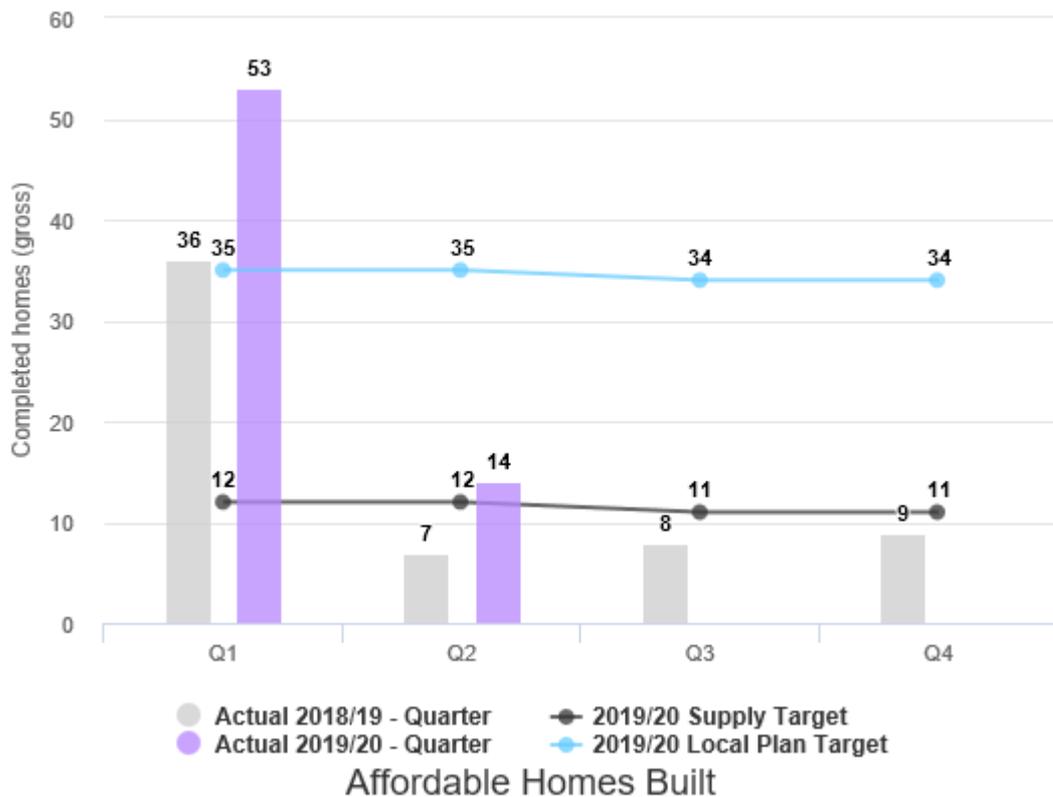
This report mitigates those risks because it ensures that reporting performance to Members takes place and gives Members an opportunity to scrutinise results and make remedial recommendations.

Any changes to risks on individual performance areas are included in the report and the appendices.

HOUSING AND HOMELESSNESS

Affordable Homes Built

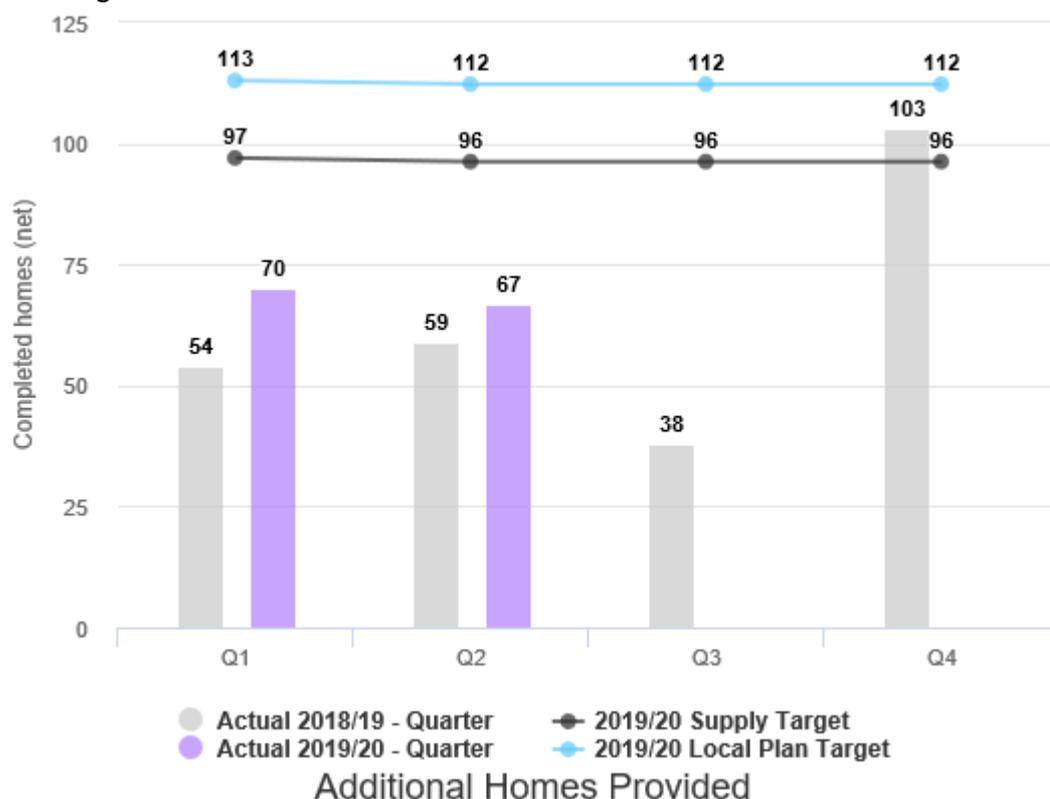
1. This measurement is the gross number of new affordable homes that have been completed in the district. By completed we mean that the home has been built and handed over from the developer to the provider for occupation by a tenant or purchaser. The home may not yet be occupied. This measurement monitors the delivery of the Corporate Plan outcome for affordable and decent housing stock, specifically the action to support the development of affordable accommodation.
2. The indicator has two targets: the supply target and the Local Plan Target. The supply target is based on anticipated delivery from planned sites that we knew about at the time of setting the target. The supply target is 46 affordable new homes for 2019/20. The Local Plan target is based on local housing need set out in the Local Plan and is set at 138 new affordable homes by the end of 2019/20.



Polarity: Higher is better

Additional Homes Provided

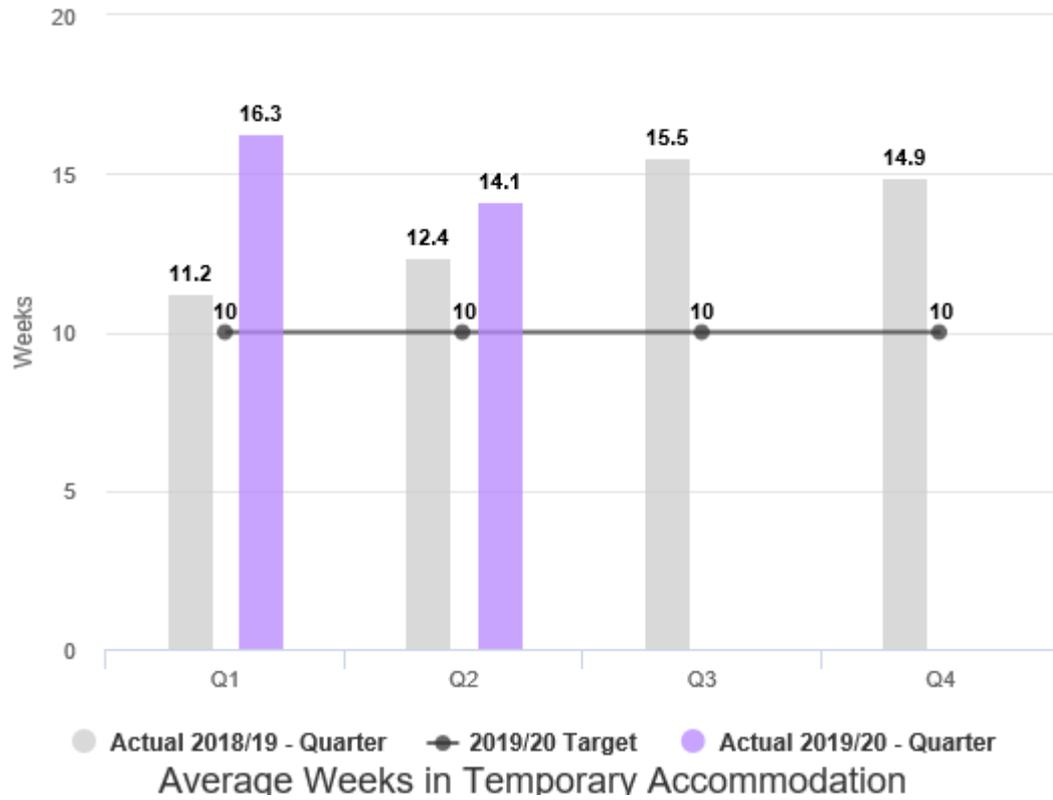
- This measurement counts the number of all new homes in Rother, allowing for demolitions and change of use to give a net gain. This measurement monitors the delivery of the Corporate Plan outcomes to manage spatial development and the provision of affordable and decent housing stock.
- This indicator has two targets: the supply target and the Local Plan target. The supply target is based on the projected delivery for the year, as set out in the April 2016 Housing Land Supply and Trajectory report. The supply target is 385 new homes for 2019/20. The Local Plan target is based on the outstanding annual requirement in order to meet the local need of 5,700 homes identified in the Core Strategy. As at October 2018, the annual Local Plan target is 449.



Polarity: Higher is better

Average Weeks in Temporary Accommodation (TA)

5. This measurement is the average number of weeks that households in TA have remained in TA.
6. The target for 2019/20 is 10 weeks.

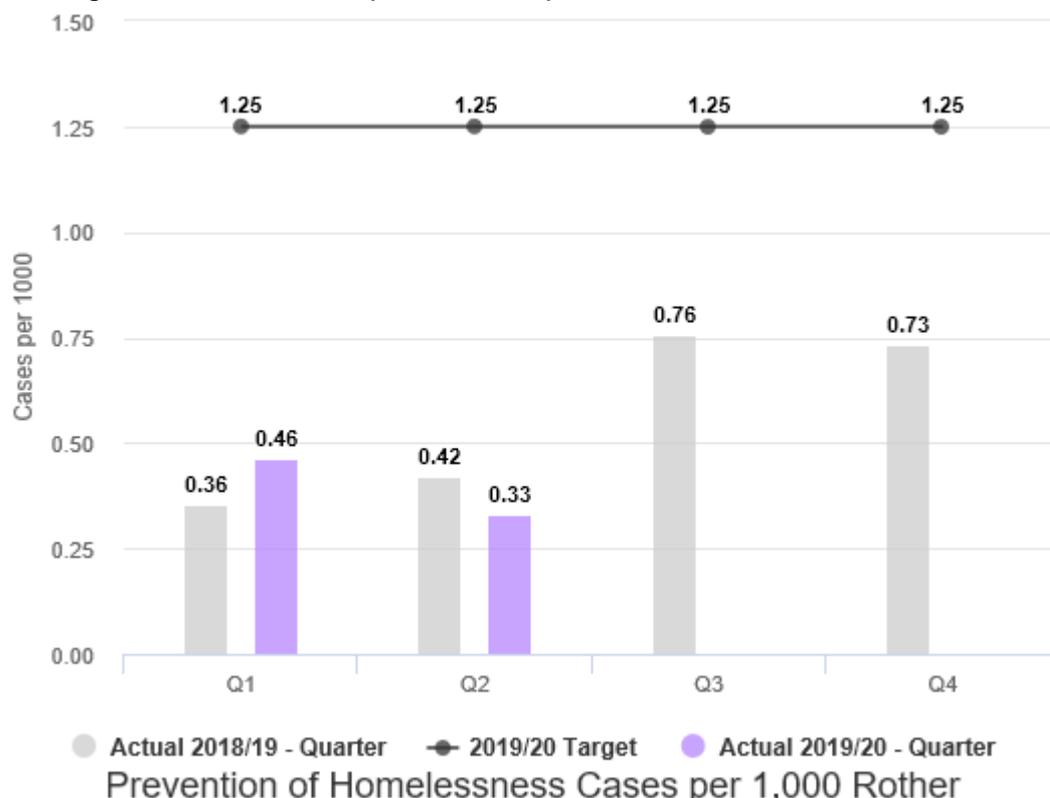


Polarity: Lower is better

Prevention of Homelessness Cases per 1,000 Rother Households

7. This measurement shows the number of households the Housing Needs service prevented from becoming homeless through intervention, advice, assistance and relief. It is expressed as the number of cases in proportion to 1,000 Rother households and can be benchmarked against other district councils in England.

8. The target for 2019/20 is 5 preventions per 1,000 households.



Polarity: Higher is better

Housing and Homelessness Summary

9. The Housing Service continues to experience high demand and low levels of access to all forms of housing, a problem driven by low household incomes relative to the cost of rents and low housing supply. The average time spent in TA has decreased by two weeks since quarter 1; however this is still higher than the target set for 2019/20.

10. The prevention of homelessness cases is lower than the same quarter last year. The results are too low and in the view of the Head of Service they do not reflect the full extent of work being undertaken by officers.

11. A new officer working group has been set-up internally to monitor prevention performance more closely and oversee the delivery of the new prevention measures to which we have recently recruited. We are closely monitoring performance on a monthly basis to ensure that we capture the outputs being achieved. We have also delivered a range of training days in order to review how outputs are being recorded and to ensure consistency across the team.

12. A new triage system has been implemented to allow officers to prioritise those cases which are likely to require TA if their homelessness is not prevented. The approach allows the team to target new homelessness prevention

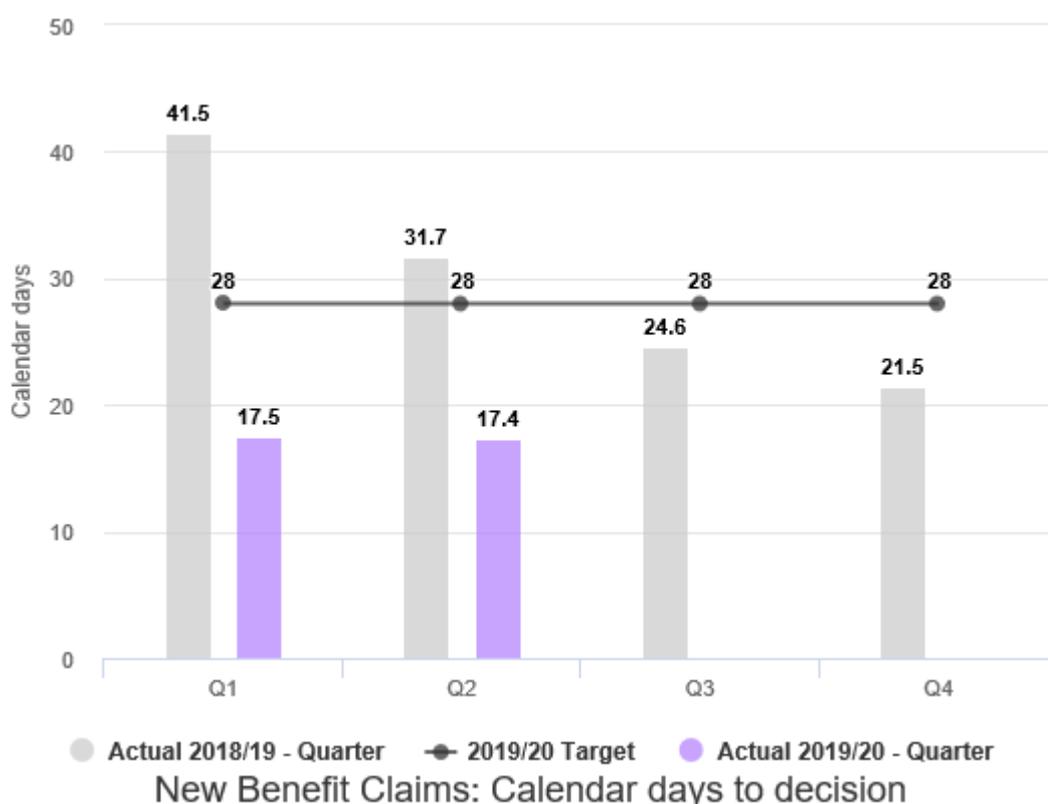
measures at these households and increase the chances of their accessing new accommodation in the private rented sector. The new measures are being finalised by the Private Sector Procurement Officer and include incentive payments to landlords and insurance for landlords against tenant damage and rent arrears. We expect to see improvements during the remainder of 2019/20.

13. The number of net additional homes provided continues to be below the annual level required in order to meet the Core Strategy target. However, the latest projections in the April 2019 Housing Land Supply position statement suggest an improving picture over the next few years, with 2021/22 projected to exceed the Local Plan target. The improving delivery rates are expected to be driven by the large strategic site at Worsham Farm, which has now commenced, as well the Barnhorn Green site which is already providing a steady stream of housing completions. In addition, the Blackfriars site has recently been granted planning permission. Once adopted, the allocations in the Development and Site Allocations (DaSA) Local Plan are also expected to help improve delivery rates.
14. A total of 14 affordable homes completed during quarter two of 2019/20, to include shared ownership units at Rosewood Park, Barnhorn Road. These dwellings are being provided over and above the s106 minimum policy requirement being delivered by Optivo. In total this year, we have received 67 affordable homes.
15. It is recommended that the original estimated Affordable Homes Built (gross) supply target of 46 dwellings be changed to 115 dwellings. This change will bring the target in line with the current Affordable Homes Development Programme based on expected numbers of completions for the remainder of this financial year.

HOUSING BENEFITS

New Benefit Claims: Calendar days to decision

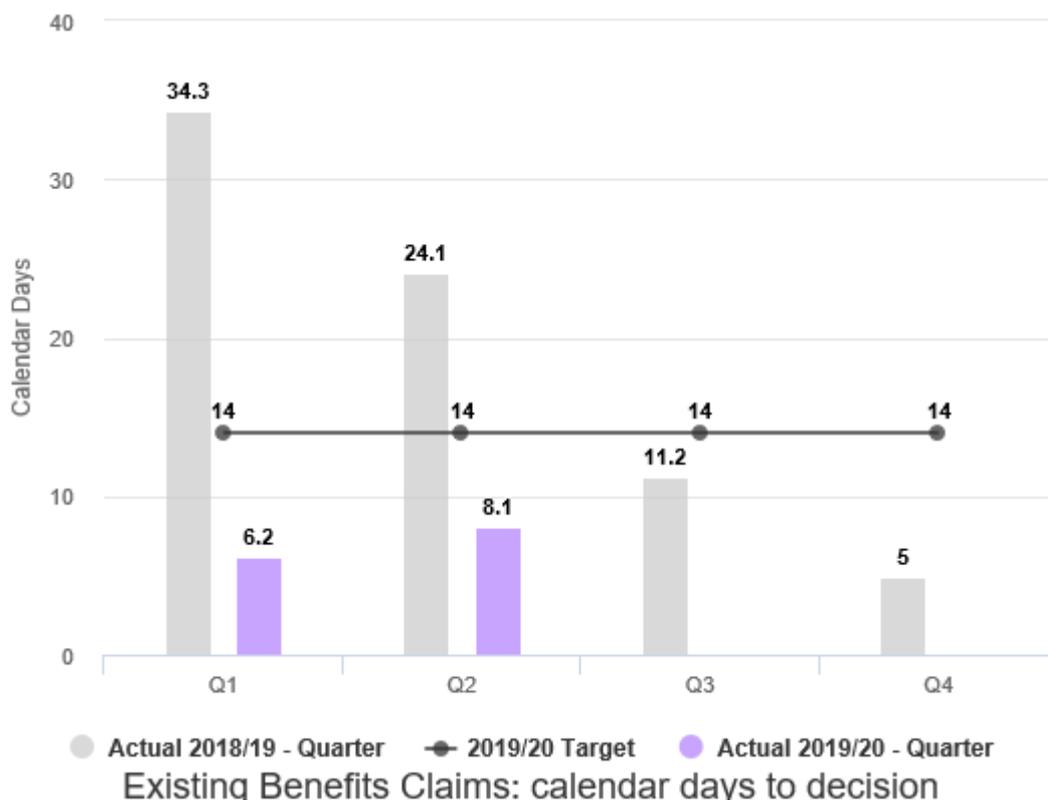
1. This measurement is the average number of calendar days it takes to process a new housing benefit claim from the date the claim is received to the date the decision is taken. This measurement monitors the delivery of the Corporate Plan outcome on addressing deprivation and welfare needs and the actions on managing the impact of welfare reform and monitoring deprivation levels.
2. The target for 2019/20 is 28 calendar days for the average processing time.
3. Results are reported to and are monitored by the Department of Work and Pensions.



Polarity: Lower is better

Existing Benefits Claims: Calendar days to decision

4. This measurement is the average number of calendar days it takes to process a submitted change to an existing housing benefits claim from the date of receipt to the date of the decision.
5. The target for 2019/20 is 14 calendar days for the average processing time.
6. Results are reported to and are monitored by the Department of Work and Pensions.



Polarity: Lower is better

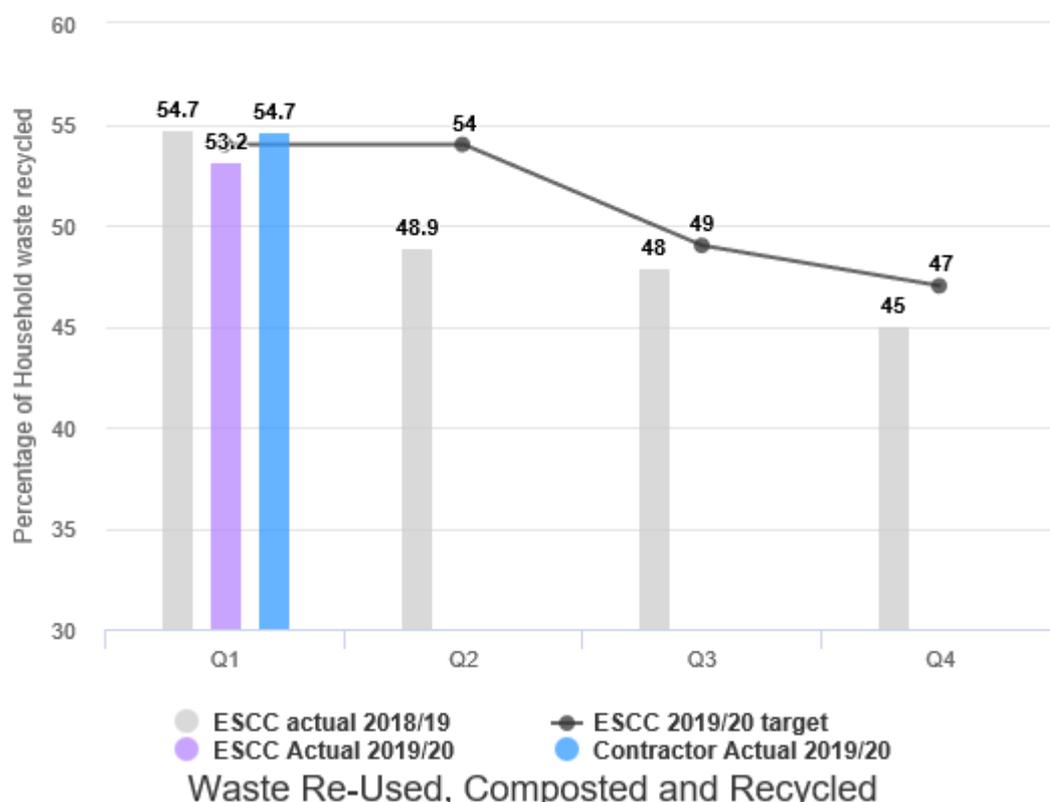
Housing Benefit Summary

7. New claims continue to be processed well within the target of 28 calendar days. However, processing times for existing claims have increased during the second quarter, but still within the target of 14 days set. This is due to July and August being a peak annual leave period within the team. The processing days reduced in September, and subject to staff resourcing being maintained this should be reflected in the third quarter results.
8. The service continues to work on improvements in its systems and processes in accordance with the adopted business improvement plan.

WASTE AND RECYCLING

Household waste Re-used, Composted and Recycled

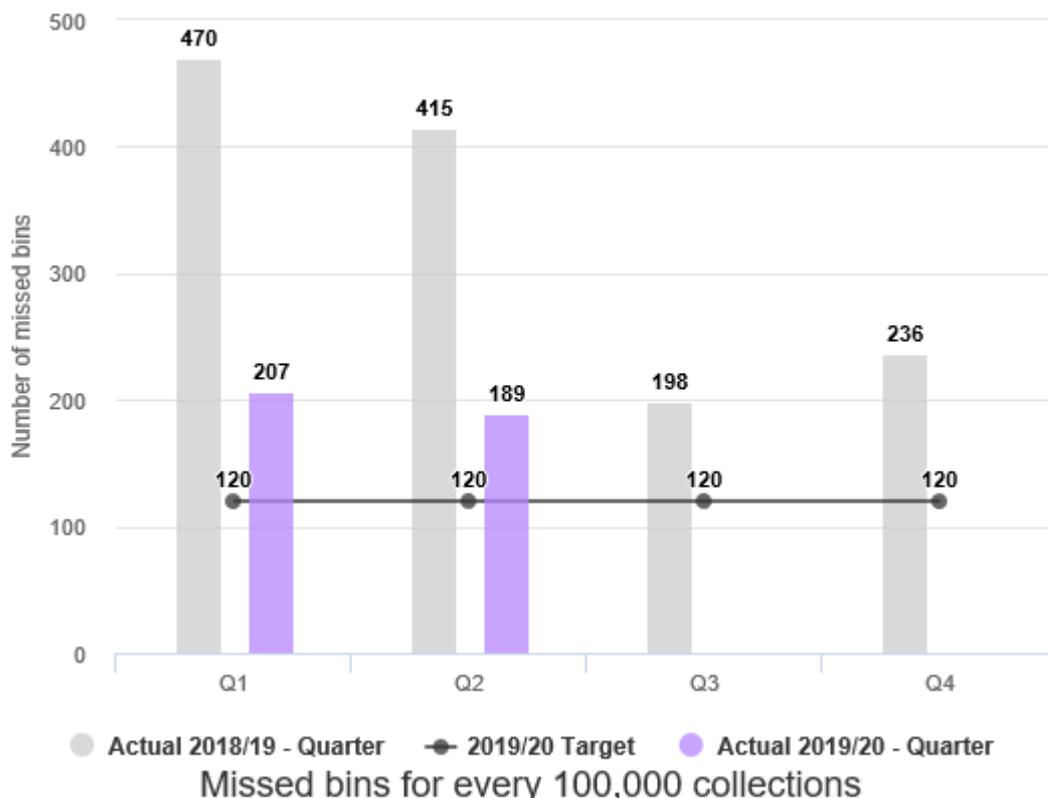
1. This measurement is the percentage of collected household waste sent to be re-used, recycled and composted.
2. There are two measurements. The first based on data reported by East Sussex County Council which includes all waste collection streams, and is reported one quarter in arrears. The second measurement is provided by our contractor and includes most but not all waste collection streams; this measurement is not the official result but gives an indication of likely outturn.



Polarity: Higher is better

Missed bins for every 100,000 collections

3. This measurement is calculated by dividing the number of missed bins by the total number of collections and multiplying by 100,000 so the data is comparable across all waste collection services.
4. The contract target for 2019/20 is no more than 120 missed bins per 100,000 collections.



Polarity: Lower is better

Waste and Recycling Summary

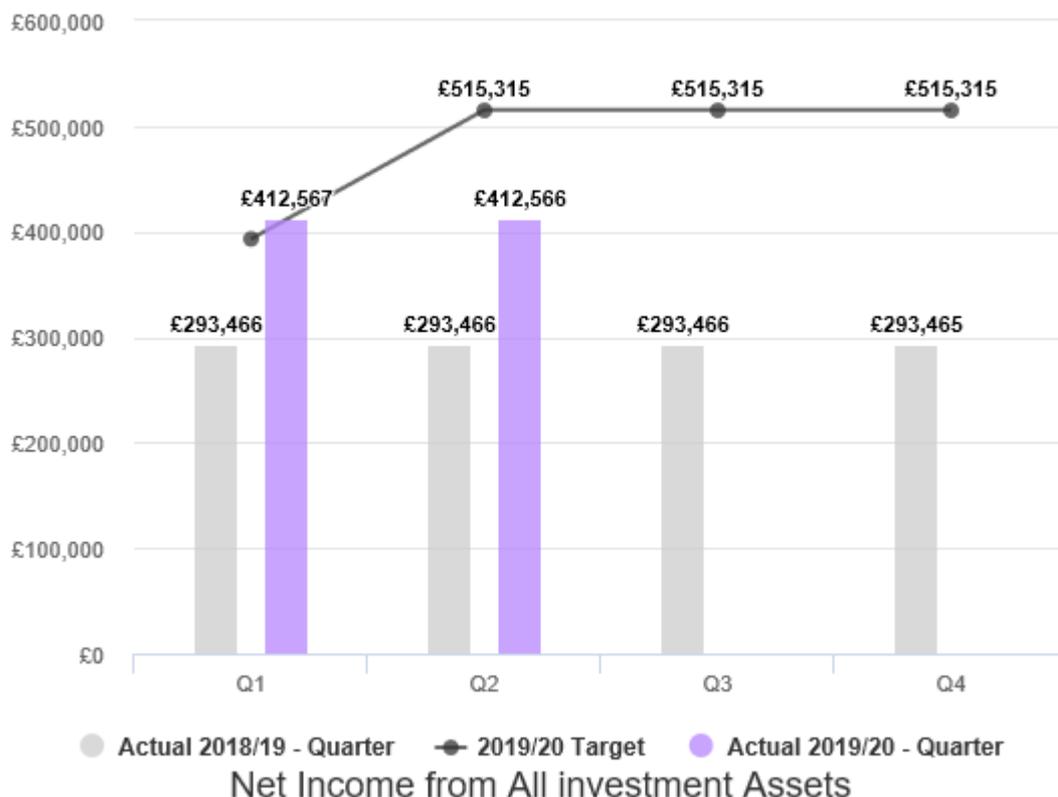
5. The second quarter's performance for the number of missed bins has seen an improvement on the first quarter and is significantly improved against the same quarter last year, reducing by 54% between the second quarter of 2018/19 and that of 2019/20, from 415 missed bins per 100,000 collections to 189.
6. There has been an initial 'honeymoon period' of 12 weeks within the new contract whereby the target of 120 does not apply.
7. Officers are working closely with Biffa to reduce the numbers of missed bins further and achieve the minimum target of 120 on a consistent basis. Weekly review of targets during the weekly operations meetings show that the target has been exceeded on four weeks and close to achieving on a further second weeks.
8. Service levels for the emptying of 'bring sites' has not been acceptable in some areas during this quarter whilst Biffa trialled a new operational approach. These failings have been addressed and the service level has improved during recent weeks.

9. Street cleansing is to standard in most areas with the exception of cleansing of 'fast roads', the operational method for which is being reviewed in light of recent new health and safety regulations.
10. No new data for household waste re-used, composted and recycled has been made available by East Sussex County Council since the contract began. This is normally provided a quarter in arrears and is expected for the third quarter performance update.

ASSET INCOME

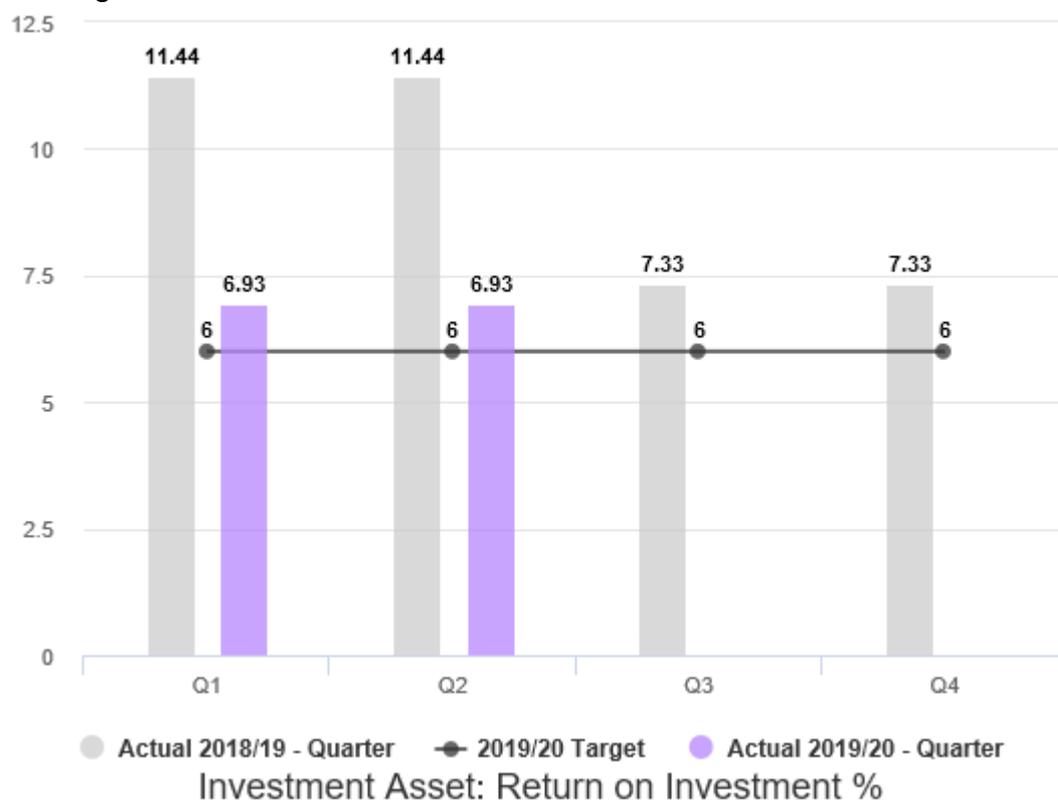
Net Income from All Investment Assets

1. This measurement is forecast annual net income from investments calculated from gross income less expenditure excluding borrowing and interest payments.
2. The target for 2019/20 is £1,939,000 (originally £1,520,000).



Investment Asset: Return on Investment %

3. The Council calculates its return on investment based on the valuation of the investment assets, their combined income and combined expenditure.
4. The target for 2019/20 is a 6% return on investment.



Asset Income Summary

5. Cabinet agreed the increase in target, meaning that without additional investment in this financial year the Council will not meet its expected targets for asset income. The Property Investment Panel continues to work closely with officers to identify and acquire income generating assets.
6. There are a number of properties under consideration which, should the negotiations be successful, will generate income to meet the 2019/20 target. However the increase in the PWLB borrowing rates will impact on the overall return on investment that we are able to achieve.
7. The reduction in return on investment is due to two main factors. Firstly, the increase of the value of the estate following a revaluation. Secondly, the acquisition of Glovers House at a cost more reflective of the 6% target.

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Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Director
Subject	-	Voluntary Sector Service Level Agreements

Recommendation: It be **RESOLVED:** That the Overview and Scrutiny Committee recommends to Cabinet the renewal of the following four year Voluntary Sector Service Level Agreements (unless another term stipulated) from 1 April 2020, and subject to a six month termination clause:

- 1) Hastings Advice and Representation Centre – £19,000 per annum
- 2) Hastings and Rother Mediation Service – £8,400 per annum.
- 3) Rother District Citizens Advice Bureau – £85,000 per annum, to be reviewed after two years and:
 - I. the Council assist the organisation with sourcing and, if required, relocating to suitable premises within Bexhill Town Centre; and
 - II. further funding through Parish Councils be explored.
- 4) Rother Voluntary Action – £38,000 per annum and grant applications be made to the Council for individual projects.
- 5) Bexhill Museum – £8,500 per annum with a review after two years.

And, it be **RESOLVED:** that the Overview and Scrutiny Committee recommend to Cabinet:

- 6) the four year unrestricted contribution of £1,000 per annum be renewed from 1 April 2020 to Rye Harbour Nature Reserve and a business plan be provided; and
- 7) that core funding to the Hastings Furniture Service and Action in Rural Sussex cease but that they are encouraged to continue accessing other Council funding streams.

Introduction

1. The purpose of this report is to bring to the Committee the results of recent work by the Service Level Agreement (SLA) Task and Finish Group and to seek Member approval for onward recommendation to Cabinet.
2. The Task and Finish Group (T&FG) comprised Councillors Dixon (Chairman), Mrs Barnes and Drayson. In summary, the T&FG undertook a scrutiny of a number of existing SLAs with the voluntary sector and considered its recommendations for the future. The SLAs seek to capture the working relationship between the Council and a small number of voluntary sector organisations providing services which strongly complement and support our own provision.

3. The T&FG met on two occasions and took evidence from a range of witnesses.
4. The T&FG was made aware of the contextual issues impacting on their considerations. Primary among these are the current financial pressures facing the authority and the impact of funding cuts to its own services. The work of the T&FG was informed by the financial outlook contained within the Medium Term Financial Strategy.
5. It should be noted that the recommendations in this report are subject to Cabinet approval and further negotiation of the specific terms and conditions. No commitment to future funding is made or implied by the use of figures in this report.

Service Level Agreements: Background

6. The importance of the role of the Member Representative in driving value from the SLA was recognised by the T&FG. Member Representatives are appointed each year at the Annual Meeting of the Council. It is a requirement that funded organisations recognise the role of Member Representatives. The appointed Member is charged with ensuring a good relationship and close working between the organisation and the Council. The Member Representative is asked to work closely with the responsible officer to provide a written annual report on the organisation for publication in the Members' Bulletin. The responsible officer will be charged with budget responsibility and ensure that all proper payments are made and that performance against targets is well managed. A six monthly performance review will be carried out as a minimum and any problems will be addressed at the first opportunity.
7. In consultation with the Assistant Director Resources, it is recommended that each agreement be fixed for a term of four years, April 2020 to March 2024. The funding certainty that this brings the voluntary organisations is known to be very welcome. The controlled termination or variation of any agreements that fail to meet their performance targets or do not achieve the agreed outcomes in any way is built into the detailed terms and conditions governing the agreements. This in effect means that any service not meeting our requirements can be stopped within six months. It is further recommended that to assist financial planning for the Council all agreements work to a fixed fee structure, with no indexing against inflation.

Recommendations: Service Level Agreements

Hastings Advice and Representation Centre (HARC) Member Representative Counsellor Coleman

8. This well-used service offers independent advice to Rother residents on complex welfare benefits and tax credit matters. As the case load is complex, this service avoids tying our own officers up in complicated and time-consuming benefits work, supporting some of the most vulnerable households in the area. The service is preventative, avoiding homelessness and job loss.
9. Over the last two and a half years, HARC has secured over £933,600 for Rother's residents in previously unclaimed, enhanced or reinstated benefits.

10. HARC has requested a £2,840 increase on the current annual SLA fee of £16,160, which would then equate to the salary and overheads of a part-time (0.5 Full Time Equivalent) specialist welfare benefits advisor. HARC currently provides services to Rother residents valued in excess of this amount. If funding is reduced or withdrawn, the service could be at risk; the Council do not have the in-house expertise to offer a comprehensive service and would have to refer clients to other organisations, which may not necessarily be local or accessible. The T&FG acknowledged the excellent work HARC do to support Rother residents and agreed to recommend an increase of £2,840.
11. It is recommended that the agreement be continued at an annual fee of £19,000 subject to detailed terms and conditions. The Revenues and Benefits Manager will monitor this agreement.

Hastings and Rother Mediation Service

Member Representative: Counsellor Thomas

12. This organisation provides an independent, impartial and confidential mediation service, helping to reduce conflict between neighbours, reducing the potential for violence, harassment, stress and tension. This delivers on the Council's duties to securing safer communities and avoids the deployment of officers on this task, delivering considerable savings to the authority.
13. During 2017/18, the Mediation Service worked on 45 Rother referrals, 21 of which were covered by RDC funding and 74% recorded an improvement in the situation. Referral agencies reported that mediation involvement led to a reduction in calls to statutory agencies e.g. the Police or housing associations, leading to reduced anti-social behaviour and the accompanying potential for violence and stress, making communities stronger and safer.
14. Additional funding has been achieved through various avenues including Blagrove Trust, Children in Need, the Police, Optivo and local charitable organisations. However, despite good arrangements with these organisations, funding is not guaranteed year on year. The T&FG noted that funding is not received from Hastings Borough Council, and therefore referrals are not accepted from them.
15. It is recommended that the agreement be continued for a four year term, at an annual fixed fee of £8,400, subject to detailed terms and conditions. The current annual payment is £8,400. The Environmental Services and Licensing Manager will monitor performance against targets.

Rother District Citizens Advice Bureau (CAB)

Member Representative: Counsellor Courtel

16. The Rother CAB provides a well-established free, confidential, impartial and independent advice service for residents of Rother.
17. Over the 2018/19 financial year, 4,557 clients were seen with 9,714 advice issues appraised. The CAB's volunteers have contributed over 24,000 hours of time at no cost. The total estimated benefit to Rother district was £2.5million, of which the value of benefits advice was £1.9million, of debt advice was £633k, and of consumer advice was £21,500.

18. T&FG Members were informed that the CAB is required to vacate their premises resulting from the landlord's decision to redevelop the building; however to date no suitable alternative accommodation has been found. Members were mindful of the CAB's predicament and agreed that their current location was ideally situated, being across the road from the Council's offices and accessible to the town centre. Members therefore recommended that the Council assist the CAB with sourcing and, if required, relocating to suitable premises within Bexhill town centre.
19. A reduction or withdrawal of funding would impact directly on the delivery of the CAB's service to the public and could mean that the service would cease to exist. An increase in funding was requested to £113,000 per annum to meet staffing costs which would ensure requirements of the National Association of Citizens Advice Bureau and overheads of the main office in Bexhill and as many outreaches as possible are met. Members of the T&FG were advised that funding had been received through Parish Councils in the past and agreed that this should be explored further.
20. It is recommended that the Council's core support be set for four years, to be reviewed after two years, at an annual fixed fee of £85,000, subject to detailed terms and conditions. The current annual payment is £85,000. Additionally it was agreed that the Council should assist the CAB with sourcing and, if required, relocating to suitable premises within Bexhill town centre, and that further funding through Parish Councils should be explored. The Housing Needs Manager will monitor performance against targets.

Rother Voluntary Action (RVA)

Member Representative Councillor Brewerton

21. RVA provides support services to the community and voluntary sector, with advice and guidance, fundraising and development work given freely to local groups. RVA aims to strengthen the social and economic well-being of local communities by building sustainability within the voluntary and community sector. They have been operational since 2006 and have a strong relationship with the Council.
22. Over the previous funding period, RVA have supported and helped 345 different organisations across the Rother district with governance, funding start-up, dispute resolution, decision making advice, as well as training.
23. RVA has introduced cost efficiency measures and savings have been achieved through cheaper rents, utility costs, and partnership working.
24. An uplift to £45,000 per year (from the current annual payment of £38,000) has been requested by RVA to ensure service delivery continues at current levels. In terms of additionality, RVA had suggested they may be able to provide further support to the Council in the administrative functions of the Community Grant Scheme. The Grant Scheme is due to be reviewed in spring 2020 and this will be included within the scope for the review.
25. It is recommended that the agreement be continued for four years, at an annual fee of £38,000, subject to detailed terms and conditions, and that RVA approach the Council for additional grant funding for specific projects if

required. The Housing Development, Programme Office and Policy Manager will monitor performance against targets.

Bexhill Museum

Member Representative: Councillor Thomas

26. Established in 1914, Bexhill Museum aims to challenge and inspire audiences of all ages by promoting learning and encouraging discovery. The museum holds unique collections on local history, archaeology, the history of costume, technology and engineering, the arts, ethnography, geology and social history, all housed in a distinctive building combining a traditional Edwardian museum with a modern extension. The museum runs a range of special events, activities and workshops throughout the year for families, adults and local groups and associations.
27. The Bexhill Museum has requested a 2% year on year increase on the current annual SLA fee as a contribution to raised costs due to inflation.
28. It is recommended that the agreement be continued for four years, at an annual fee of £8,500, subject to detailed terms and conditions. The current annual payment is £8,500. The Neighbourhood Services Manager will monitor performance against targets.

Recommendations: Unrestricted Contributions to Core Funding

Action in Rural Sussex (AiRS)

29. This organisation provides services across East and West Sussex, representing the needs of rural communities and working to improve the lives of those living in our rural areas. The Council's contribution is nominal and unlikely to impact adversely on AiRS' finances and it was agreed to recommend ceasing the funding agreement. Opportunities for further joint project working with AiRS will be explored on a case by case basis.

Hastings Furniture Service (HFS)

30. Hastings Furniture Service, from their base in London Road, Bexhill, helps Rother residents on low incomes to furnish and equip their homes affordably. They collect and re-use furniture and electrical goods, preventing surplus items from going to waste. They also offer training and support to enable the unemployed and in particular young people to gain qualifications, skills and confidence. The T&FG agreed to recommend that the Council fund HFS for specific works and projects only, rather than on an annual basis and that the funding agreement ceases.

Rye Harbour Nature Reserve (RHNR)

31. The RHNR is managed by a partnership between Sussex Wildlife Trust, the Environment Agency, the Friends of Rye Harbour Nature Reserve and private landowners. The partners carry out habitat management, nature conservancy, public access and education within this internationally renowned site. The organisation is much respected and the reserve is of national and international significance. It is recommended that the funding be continued

for four years at an annual unrestricted contribution of £1,000 and a business plan to be provided.

Conclusion

32. The T&FG wish to acknowledge the valuable contribution of the voluntary sector in Rother which they have witnessed in taking evidence for this scrutiny review and to thank all those that contributed. Rother clearly has a highly productive track record in this area of partnership working. The T&FG believes that there is great potential still to come for creating alternative, more cost-effective ways to deliver public services and harnessing voluntary and community activity. Members are requested to consider the Group's recommendations.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

A number of strategic and financial risks will attach to the final decisions of the Council in relation to voluntary sector agreements. At this scrutiny stage, the key risk is one of managing expectation, ensuring that all affected parties are aware that we are not yet at the stage of making a financial commitment but are nonetheless committed to a strong and effective relationship with key partners.

Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Director
Subject	-	The progression of the Rother District Public Realm Strategic Framework

Recommendation: It be **RESOLVED:** That Cabinet be requested to recommend to Council that the Rother District Public Realm Strategic Framework be approved and adopted.

Head of Service: Tim Hickling

Introduction

1. The purpose of this report is to present to Members a Public Realm Strategic Framework (PRSF) for recommendation to Cabinet. Attached as Appendix 1.
2. The draft framework has been consulted on with key stakeholders and the public, as agreed by Members at Overview and Scrutiny Committee (Minute OSC18/30 refers) and Cabinet (Minute CB18/58 refers). The responses from that consultation have informed the final draft of the PRSF.

Background

3. The formulation of a PRSF was a key recommendation of the Public Realm Working Group (PRWG).
4. The PRSF is informed by the evidence gathered by the PRWG. It sets out the vision, objectives and key principles for the public realm in Rother district, and aims to address the need for better and more co-ordinated plans, standards and procedures to guide successful management of, and improvements in, Rother district's public realm in co-operation with relevant stakeholders. It is a strategic document that aligns with the Council's Planning Core Strategy policies to manage and improve the district's public realm. This supports a number of the Core Aims and Broad Outcomes of Rother District Council's Corporate Plan 2014 – 2021.
5. The PRSF is structured in three sections;
 - i. **Section 1** This introduces the subject and scope of the document, the local policy context, a vision for the district's public realm, a set of strategic objectives, an overview of national best practice guidance, and a summary of the challenges and opportunities facing the district's public realm, including case studies of recent public realm improvement schemes in the district.

- ii. **Section 2** Analyses the different spatial areas of the district; the towns (Battle, Bexhill and Rye), the villages, and the rural areas. This provides an overview of the current quality and condition of the district wide public realm and proposes place-specific priorities and principles for public realm management, maintenance and potential intervention.
 - iii. **Section 3** Sets out delivery mechanisms and translates into policy, along with funding mechanisms, and explores the roles and responsibilities of the various local authorities, statutory undertakers/utility companies and other key stakeholders (including the local community, businesses and developers) and sets out a number of future actions and initiatives to be developed through a collaborative, multi-agency approach.
6. Rother's role in delivering the actions set out in Section 3 may be varied from enabling, coordinating and supporting, through to direct delivery. Partnership working and a multi-agency approach is highlighted throughout the PRSF as key to successful delivery. The development of many of the actions and initiatives will be a collaborative task between different departments within Rother District Council as relevant, and liaison with appropriate external organisations, statutory agencies and town and parish councils.
 7. A number of actions within the PRSF could potentially benefit from Community Infrastructure Levy (CIL) funds at both district level (through the Regulation 123 list) and locally through Parish and Town Council's CIL fund for improvement to the public realm.

Consultation Feedback

8. A six week consultation exercise was completed in March 2019. A resident and stakeholder consultation was undertaken via an on-line survey. In total, 98 local, regional and national organisations were invited to take part in the consultation, including organisations with an interest in culture, heritage, the environment, and representing the disabled, neighbourhood and residents associations, along with all Rother town and parish councils and neighbourhood planning groups, and statutory agencies with responsibilities for the public realm. Responses were received from 21 of these organisations, and from 48 members of the public, who were all Rother residents.
9. Additionally, due to the specific role of East Sussex County Council (ESCC) Highways with regard to the public realm, officers held a workshop in March with key ESCC officers representing both strategic and operational highways activities.
10. The consultation feedback demonstrated that the PRSF was well received in content, especially well received in its purpose and has widespread support, with 89% of respondents agreeing with the vision and strategic direction. Disagreements with the content were very rare, and related to whether a principle or priority action was deliverable and not about its inclusion.
11. A detailed summary of the feedback, including outcomes by document section in response to the consultation feedback, is available in the Members' Room.

12. A substantial amount of detailed feedback was highly place-specific; localised commentary on specific issues, potential future work-streams or projects. This feedback has not been incorporated into the PRSF itself as it is a high level strategic document, but the feedback will be retained and used to inform any relevant future site-specific delivery plans that come forward through the next stages of delivery programming.
13. Feedback from statutory agencies was low. Disappointingly, no replies were received from Network Rail, British Telecom, Royal Mail Property Group, UK Power Networks, Natural England and Historic England, amongst others. Agencies that did reply, i.e. The Environment Agency, and Southern Gas Network, appeared to have misunderstood the document and commented as if it were a development plan document, for example setting out requirements for others designing and maintaining the public realm in development proposals, rather than acknowledging that they themselves had responsibilities. Both agencies did subsequently forward the document to their estates team for comment, but no further feedback was forthcoming. This highlights the tremendous difficulty with engaging with the statutory agencies and organisations on public realm matters. Highways England commented they would be concerned with proposals that have the potential to impact the safe and efficient operation of the strategic road network, but that they stand *'ready to work with RDC with regard to any works affecting the public realm on the Strategic Road Network within the district.'* Only Southern Water were able to helpfully acknowledge and clarify their statutory responsibilities with regard to the public realm.
14. ESCC Strategic Economic Infrastructure Team commented that:

"We recognise the role that making places attractive can have in terms of economic benefit and we look to consider opportunities for public realm improvements, where appropriate, as part of schemes within our capital programme for local transport improvements."
15. East Sussex Highways (ESH) commented that:

"East Sussex Highways recognise the important contribution that the streetscape can make to the character of the public realm and its significance in supporting local communities. We value the District Council's local knowledge and involvement in our asset management processes for highway maintenance and development."

Where funding is limited, work that improves safety for road users will remain our top priority. However we welcome Rother District Council's proposals for a more collaborative approach to help ensure the best use is made of the available resources."
16. ESH's full detailed comments on the PRSF priorities and delivery actions are included in the detailed summary of the feedback available in the Members' Room, and it is intended that these comments will be followed up with ESCC and ESH through relevant delivery plans that come forward through the next stages of delivery programming.
17. As a result of the consultation feedback, a number of amendments and additions have been made to the document, for example in the Challenges list

on page 15, reference has been added to the limited resources in agencies responsible for the public realm (in response to points made by a number of parish councils), in the Bexhill: Character and Public Realm Analysis section on page 26, specific reference has been added to the two designated Bexhill Conservation Areas and to the Edwardian shelters on East Parade, and in the Public Realm Priorities for the Villages on page 35, reference has been added regarding the maintenance of green features in the public realm. In addition, minor editorial changes have been made to clarify and strengthen certain points, and to ensure factual accuracy.

18. However, a comment from ESH, who, in response to the ESCC Delivery Actions section on page 42, said that they could not agree to the '*presumption of preservation of character historic public realm features*' but would '*aim to preserve the character historic public realm features, where funding and safety allows*'. Officers consider that to delete the 'presumption of preservation' from the Delivery Actions would undermine the strength of the Framework and therefore the original text has been retained in the final document, but acknowledging that funding and safety is a consideration.

Delivery, Future Monitoring and Updates

19. The PRSF exists to set out a strategy to meet the current Rother Corporate Plan (Core Aim 4). Subject to the current review of the Corporate Plan, it is envisaged that delivery of the PRSF will be a Corporate Priority Project in the new Corporate Plan. As such, it is intended that annual updates will be provided as part of the Annual Corporate Plan Update Report. These will provide information initially on project programming and the development of a delivery plan to align with the Corporate Plan 2020-2027, and subsequently on delivery plan progress.

Conclusion

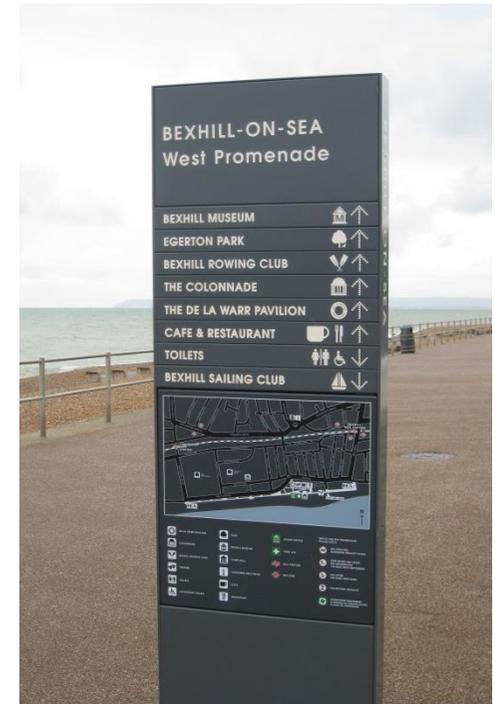
20. The PRSF will help drive a cultural step change to embed the goal of achieving a quality public realm in Rother, supporting planning policies in the Rother District Core Strategy, and the Corporate Plan Vision, including the delivery of a number of the Broad Outcomes of the Corporate Plan. It will encourage a more co-ordinated and consistent approach to public realm design, quality and appearance throughout the district and will promote local distinctiveness, helping to deliver community and civic pride in the environment, and economic prosperity and regeneration initiatives.
20. The consultation and the strategic framework have created a starting point for further discussions with responders through the development of a public realm project plan and delivery programme as part of the Corporate Plan.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

There are reputational and strategic risks to the Council in not acting on the results of this scrutiny review. Taking the opportunity to create a positive impact on the public realm has the potential to create economic, social and financial benefit.

ROTHER DISTRICT PUBLIC REALM STRATEGIC FRAMEWORK



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Images are credited to Rother District Council

Foreword

Rother District Council's Public Realm Strategic Framework is an ambitious and forward thinking document. It will help enable RDC to fulfil its important civic responsibility of good management of the Public Realm and work in partnership with other agencies to not only achieve this, but also our Corporate Vision; that Rother District will be recognised for its high quality of life, as a place where there is a strong emphasis on community and neighbourhoods.

Such a quality environment needs a quality public realm! Research has established the importance of innovative ideas and good management of public realm to regeneration and economic growth and to health and social well-being, as well as contributing significantly to the character and uniqueness of our towns, villages and countryside. Tourism, retail trade, commerce, community life, traffic management and day to day living depend upon a quality public realm.

We are immensely proud of the inspiring and hard work Rother Officers and Councillors have undertaken to produce this important piece of work. The implementation of the public realm initiatives put forward in the Framework will result in real socio-economic and environmental benefits across our District and reflects the confidence we have in our built and landscape environment, our people and our businesses.



Councillor Doug Oliver
Leader of the Council



Councillor Mrs Deirdre Earl-Williams
Portfolio Holder for the Public Realm,
Culture & Tourism



Dr Anthony Leonard
Executive Director

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Section 1: Introductions, Vision & Strategic Objectives

The Purpose of the Strategic Framework document

The Public Realm Strategic Framework (PRSF) is a strategic document that sets out the vision, objectives and key principles for the public realm in Rother district. Supporting Rother's Corporate Plan Vision and helping deliver the Rother Local Plan Core Strategy policies with regard to the public realm, the PRSF aims to guide successful management of, and improvements in, Rother district's public realm in co-operation with relevant stakeholders.

The PRSF provides an overview of the current quality and condition of the public realm across the district. It proposes general and place-specific priorities and principles for public realm management, maintenance and potential intervention, and sets out a number of future actions to be developed through a collaborative, multi-agency approach.

The PRSF will drive a cultural step change to embed the goal of achieving a quality public realm in Rother. It seeks to encourage a more co-ordinated and consistent approach to the design, quality, maintenance and appearance of the public realm throughout the district and will promote local distinctiveness. It will help deliver a number of the Core Aims and Broad Outcomes within Rother District Council's Corporate Plan 2014 - 2021. The PRSF is considered important to help protect and enhance the district. Works affecting the public realm should take into account the principles set out in this Framework.

Detailed place-specific public realm proposals will be developed through other policy and delivery mechanisms, including the Development & Site Allocations Local Plan, supplementary planning documents, Local Transport Plans, and negotiated stakeholder protocols.

What is the Public Realm?

'The public realm embraces the external places in our towns and cities that are accessible to all. These are the everyday spaces that we move through and linger within, the places where we live, work and play'¹

The widely-used term 'public realm' provides a useful unifying concept for open spaces in public ownership. The public realm is a matter of importance for all. The way a streetscape presents itself to those who use it has an effect on quality of life, safety and prosperity at many levels. Good design and ongoing upkeep is vital to protect the social and economic benefit derived from public spaces. Quality public realm has the power to inspire joy, a sense of well-being, community and civic pride, and the economic prosperity of a place.

The term 'public realm' is used in this context to include spaces that are in public ownership and are open and accessible to all to go about their daily lives, including open spaces, squares, streets, pavements, and other routes. The term is further taken to include all the surfacing, furniture and fixings and other elements that are provided for common use. This might for example include road and pavement surfaces, drainage fittings, lighting, street furniture, railings, signage of all types and purposes, nameplates, shelters, line painting, trees and planting. Together these elements make up the public streetscape and over time contribute to the sense of place and heritage.

The quality of the public realm in terms of circulation, connectivity, activity, place-making and visual appearance is a key component of successful places and is highlighted in the document ['Streets for All: South East'](#)

Successful management of the public realm is an important civic responsibility shared between a range of agencies and one which contributes significantly to the well-being, distinctiveness, character and prosperity of Rother district.

The design and management of the spaces in-between the buildings, whether simply highways or larger spaces, determines much of the success of a place in community and economic terms. A run down, badly maintained or cluttered streetscape will contribute much to determining the fortunes of those who live and work within it. Cleanliness, repair and renewal of the public realm will be an important part of sustaining the success of our communities.

Meanwhile investment into new public realm schemes can offer opportunities to create new public spaces and routes which can help meet regenerative and urban design aims of better connecting town centres, improving pedestrian circulation, providing venues for market place and street activity and promoting local pride and sense of place.

Parks and recreation grounds, allotments, beaches and cemeteries, although part of the public realm, are not considered within the scope of this document, being subject to a different range of uses and maintenance regimes. Equally, the interface with shop, office and residential frontages and other 'private realm' issues, subject to separate enforcement regimes, have not been included in this PRSF document.

¹ [Public realm design – Atkins](#)
SNC-Lavalin's Atkins May 2018

Rother District – the Local Context

Background

Rother District covers some 200 square miles and is a predominately rural district. The district population is 94,997², living in approximately 43,000 households, many dispersed across the rural area, but with nearly half being in the town of Bexhill.

It is an attractive place to live, benefiting from a blend of some of the most beautiful countryside and coastline in South East England and contains three towns; the historic market towns of Battle and Rye, the Victorian / Edwardian seaside town of Bexhill, along with many picturesque villages and hamlets. The settlements each have their own distinctive character influenced by their history and landscape setting. The importance of the environment is evidenced by the extent of the district – some 82% - designated as the High Weald Area of Outstanding Natural Beauty (AONB), the large areas of national and international nature conservation value, its number of Conservation Areas and the role that heritage plays in tourism.

These qualities and their wider role are recognised in the East Sussex Cultural Strategy 2013-2023³, coordinated by East Sussex County Council, which sets out in Priority Action 3 to “*Develop and promote well packaged cultural tourism offers which celebrate the identity of East Sussex, raise its profile and attract more visitors and businesses to the County*” and which recognises that East Sussex generally enjoys an outstanding local environment and cultural assets which are some of the key attractions which support the visitor economy in the County. The Strategic Outcome for Priority Action 3 is “*A thriving and high value visitor economy, with great places to visit and enjoy, renowned for its natural assets, unique heritage, culture, market and coastal towns*” and clearly the quality of the public realm has a key role to play in this.

² Mid-2017 Population Estimates (MYE), Office for National Statistics

³ <https://www.eastsussex.gov.uk/media/1320/countywide-cultural-strategy-ebook.pdf>

The Public Realm in Rother

Rother district is fortunate to possess a quality historic public realm, including for example the listed cobbled streets of Rye, brick paving in Winchelsea and Robertsbridge, raised pavements in Battle and the Edwardian and later seaside features of Bexhill. These all are important in defining the special character and local distinctiveness of individual settlements. The materials, finishes and elements used within the public realm often make a significant contribution to an area’s sense of place, and the retention and sensitive repair, and, where appropriate, reinstatement of such features is important in maintaining such character.

However, it is not just within the urban context that public realm is important in defining local character and sense of place. Rural areas can suffer suburbanisation through inappropriate creation of footways with raised kerbs, the loss of grass verges and excessive road signage. Historic features such as milestones, historic fingerpost signs and red telephone kiosks and letterboxes contribute positively to the character of the rural public realm.

Meanwhile the public realm plays an important function in the quality of everyday life in the district, from the accessibility and convenience of bus stops, benches and litter bins, to the community activities and events enabled by quality public spaces, for example the Bexhill Farmers’ Market in Devonshire Square, Fairs and Bonfire celebrations on the Salts in Rye, and arts events on Battle’s Abbey Green.

The individual character and identity of the district’s towns, villages and rural environment is further enriched by positive improvements in the quality of public spaces through high standards of design, materials and maintenance.



Policy Context

As outlined in both the Corporate Plan and the Local Plan Core Strategy, the Council is committed to lead by example in managing change within the public realm.

Rother Local Plan Core Strategy⁴ contains Policy EN4: Management of the Public Realm, which sets out that:

“Priority will be given to working with the relevant agencies to:

- (i) apply the principles of ‘Streets for All: South East’, to ensure high quality management and maintenance of the district’s public realm, with appropriate materials and strategic design vision, to ensure local distinctiveness in both urban and rural areas is respected, and historic features are retained;*
- (ii) develop investment programmes in public realm improvements and enhancements, including reduction of street clutter and road signage;*
- (iii) continue to bring forward programmes to enhance activity and the use of public space.”*

The Council’s strategic intention with regard to the public realm is set out in a number of the Core Aims and Broad Objectives of the Corporate Plan⁵, specifically under Core Aim 4: A Quality Physical Environment (Quality Public Realm) but also under Core Aim 2: Sustainable Economic Prosperity (Town Centre Improvement) and Core Aim 3: Stronger, Safer Communities.

However, there is currently no collaborative strategic direction or lead on how the public realm is treated, maintained and developed. Therefore, there is a need for a more co-ordinated approach to investment in, and management of, the public realm that contributes to the quality of life for people living and working in Rother district, attracts tourists and encourages investment by businesses.

⁴ <http://www.rother.gov.uk/CoreStrategy>

⁵ <http://www.rother.gov.uk/CHttpHandler.ashx?id=22528&p=0>

Vision & Strategic Objectives

Recognising the value of quality public realm to the community, and developing the ‘Broad Outcomes’ of the Corporate Plan, the Council’s vision for the public realm of the district is:

“An attractive, well-maintained, quality public realm, delivered collaboratively by statutory bodies and stakeholders, that protects the locally distinctive character and identity of the district, whilst embracing the potential for new design to create public realm that fosters civic pride and contributes to regeneration aims.”

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The vision for the district’s public realm is underpinned by the four Strategic Objectives set out on the facing page:

In addition to the overarching public realm policy Rother Local Plan Core Strategy Policy EN4, these Strategic Objectives relate to a number of topic or spatial Core Strategy policies:

- SO1: Core Strategy policy EN2 plus relevant spatial policies for each area.
- SO2: Core Strategy policy EN3 plus relevant spatial policies for each area: BX1 (Bexhill), BX2 (Bexhill Town Centre), BA1 (Battle), RY1 (Rye), RA1 (Rural Areas - Villages), RA2 (Rural Areas – Countryside)
- SO3: Core Strategy policies EN1, EN5, and RA2.
- SO4: Core Strategy Policies EN3, TR2, TR3, and CO6.

SO1: Recognising the Value of the District's Unique Heritage Assets

- Recognising that elements of the historic public realm are themselves valuable heritage assets in the district requiring conservation, preservation and enhancement in public realm decisions.
- Understanding the role the public realm plays in the character of the wider historic built environment in the district, including conservations areas, the setting of listed buildings, and other heritage assets.

SO2: Promoting Distinct Local Identity

- Creating a public realm that maintains and enhances the local sense of place, distinctiveness and identity.
- Promoting civic pride, where the culture and sense of place is valued, shared and celebrated.

SO3: Promoting the Natural Environment

- Understanding the role the public realm plays in the character of the rural areas of the district.
- Maintenance and enhancement of the district's distinct and connected natural environment in public realm decisions.
- Promotion of green public realm initiatives in the district and encouragement of best practice sustainability initiatives.

SO4: Promoting Vibrant, Accessible and Safe Public Places

- Promotion of public places that provide for diverse and vibrant activity, fun and enjoyment, that strengthen social connections, improve community health and well-being.
- Safe places that are used and enjoyed by resident and visitors alike, day and night.
- Enhancement of connectivity and ease of movement and access, especially for pedestrians and cyclists
- Recognising the value of well-maintained, quality public places, spaces and routes that attract visitors, investors and businesses to underpin economic growth.

Public Realm Responsibilities – A Multi-Agency Approach

It is important to recognise that no single organisation is individually accountable for the overall appearance of the district’s public realm, but rather a range of authorities, statutory undertakers, and other agencies organisations, including:

- Rother District Council
- East Sussex County Council
- Other government agencies, e.g. Highways England, the Environment Agency and National Rail
- Statutory Utilities Undertakers
- Town/Parish Councils
- Local Amenity Societies and other volunteer groups
- Developers

It is clear that successful management of Rother’s public realm requires a coordinated and committed, multi-agency approach; the importance of effective collaboration, communication and sharing of information between the various organisations is critical to delivering the vision for the District’s public realm promoted by the PRSF. This is developed further in Section 3 of the PRSF.

The proposed vision and strategic objectives for the public realm set out in this PRSF aim to help achieve such a joined-up approach and are intended to complement and support the Council’s overall vision and priorities for the district - as expressed in RDC’s Local Plan Core Strategy, Corporate Plan, Regeneration Strategy and the Bexhill Town Centre Strategy. They also seek to support the strategic objectives of East Sussex County Council’s (ESCC) Local Transport Plan and Economic Development Strategy.

Conservation Areas

Under Section 72 of the Planning (Listed Buildings & Conservation Areas) Act 1990, anyone exercising any functions under the Planning Acts on land in a Conservation Area has a statutory duty to pay special attention to ‘the desirability of preserving or enhancing the character or appearance of that area’.

This sets a bench-mark requirement for works to the public realm in Conservation Areas, regardless of who is carrying them out.

Designated Conservation Areas in Rother district are:

- Battle
- Bexhill Town Centre
- Bexhill Old Town
- Burwash
- Northiam
- Robertsbridge & Northbridge Street
- Rye
- Sedlescombe
- Ticehurst
- Winchelsea

The Council has adopted and published Conservation Area Appraisals for a number of these, which in some instances include analysis of the role of the public realm in contributing to the characters of individual Conservation Areas.

Best Practice Guidance

A range of best practice guidance for the management of the public realm exists, prepared by organisations including the Department for Transport, and Historic England, as well as local amenity societies, though the degree to which the advice is currently followed is variable.

Streets for All: Advice for Highway and Public Realm Works in Historic Places (2018)

This guidance has been prepared by Historic England with assistance from the DfT, and expands the previous Streets for All publications. It provides updated practical advice for those planning and implementing highways and other public realm works in sensitive historic locations. It highlights the importance of public spaces to the special character of England's historic towns and villages, and sets out that protecting the distinctiveness of the public realm is a vital means of creating enjoyable places for people to live and work as well as to visit. The aim of *Streets for All* is to demonstrate what can be achieved through more thoughtful planning of routine maintenance and one-off improvements to the streetscape.

Streets for All; South East (English Heritage/Dft) 2005

This manual, now archived, nevertheless offers detailed guidance on the way in which streets and public open spaces are managed. It recognises that the appearance of the public realm is often the product of several different agencies each with its own priorities, and sets out that a coordinated approach can help provide an environment that is safe, enjoyable and appropriate to its surroundings. It aims to make good practice into everyday practice, and its underlying principles are to reduce clutter, co-ordinate design and to reinforce local character. Specifically, it covers aspects including ground surfaces, street furniture, new equipment, traffic management and environmental improvements.

Historic England has also developed a useful web resource, under the 'Improve your Street' brand, with specific advice for Highway Engineers and Designers.

DfT Traffic Advisory Leaflet 01/13: Reducing Sign Clutter

This guidance recognises that over-provision of traffic signs can have a detrimental impact on the environment and gives practical advice on reducing sign clutter.

DfT Traffic Advisory Leaflet 6/05: Traditional Directional Signs

This guidance provides advice on the use of traditional direction signs, on the repair and conservation of existing examples, and guidance on their reintroduction in appropriate locations. It recognises that traditional direction signs (sometimes called fingerposts) make a very important contribution to the local character and identity of villages and rural areas across the country, and sets out that they are attractive items of street furniture that should be retained, repaired, and reintroduced where appropriate.

Royal Mail Post Boxes: A Joint Policy Statement by Royal Mail & Historic England (2015).

This is a renewed statement of the joint commitment by Historic England and Royal Mail to finding the best ways to ensure that post boxes are retained and well cared for wherever possible. The guidance recognises that traditional red post boxes are a valued part of the local street furniture scene, a useful local amenity which make a significant contribution to the character and appearance of the area. The document contains Royal Mail's policy commitment to retain all post boxes in operational service in their existing positions (unless circumstances or operational need mean that they have to be relocated or removed). It also sets out Royal Mail's standards for the repair, refurbishment and repainting of post boxes to retain them in good order, including livery specifications, following traditional painting schemes.

K6 Telephone Boxes, Sussex Heritage Trust, 2016

This document sets out that the historic red 'K6' public telephone box is an iconic feature of the British landscape and streetscene, and recognises the threat to their survival by increasing mobile technology, neglect and vandalism. It sets out how local communities can take ownership of their historic red telephone boxes, promotes imaginative re-use to retain these public realm features, and sets out detailed repair specifications.

Challenges and Opportunities for the Public Realm in Rother

The Rother District Council Member-led Public Realm Working Group met over a two year period, and identified that, whilst the character and role of the public realm within Rother inevitably varies across the district, and presents a number of strengths and opportunities, there is a commonality to the management issues and challenges it faces.

Multi-agency responsibility

The complexities of multi-agency responsibility for the public realm leads to confusion about who to report faults or problems to, and who to liaise with to bring forward public realm improvement plans.

Maintenance

Many areas of the public realm have suffered from lack of care and attention by public bodies and stakeholder utility providers, resulting in poor maintenance and management; cracked or broken paving slabs, uneven drainage grills, weeds in paved surfaces, faulty litter bins and streetlamps, dirty signage, poor restitution with patch repairs in inappropriate, non-matching materials, peeling paint on letter boxes and so on. These all combine to devalue the quality and appearance of a place, making the public realm less appealing and even unsafe to use. A further concern is the number of redundant 'abandoned' modern style telephone boxes, which attract vandalism and fly-posting.

The PRSF can help shape the future development of maintenance regimes and management protocols, including consultation arrangements, funding agreements, specialist detailed repair specifications, volunteer protocols, and fault-reporting mechanisms.

Poor Quality Materials / Products

In certain locations, the specification, low quality materials and dated product choices contribute to an overall feeling of a tired and uncoordinated public realm character and appearance.

Clutter

Over time a number of ad-hoc alterations, additions and 'improvements' has in many cases led to a cluttered and uncoordinated public realm.

Inappropriate or excessive yellow line painting can have an adverse effect on the character of the public realm streetscene, particularly in historic areas.

Street furniture (benches, planters, cycle racks, etc) has often been installed without a clear strategy. As well as the lack of consistency of style of products used, there is often a lack of successful integration of such elements into the layout of streetscapes and spaces. This is compounded by the installation of a whole range of other street elements such as bus shelters and signs, phone boxes, utilities boxes, parking ticket machines, post boxes, signage, etc. These items are often installed in the street without due regard to the movement of pedestrians, resulting in clutter and obstructions, while the cumulative visual impact of all these items is often damaging to the character of the place.

This issue will be heightened with the likely roll-out of Civil Parking Enforcement in 2020, which will bring the challenge of more parking ticket machines and signs to the streets in the district. The locations and quantum of these will need careful detailed consideration so as not to impact negatively on the character of the public realm.

Funding

The public sector as a whole faces great funding pressures, which has inevitably impacted on public realm management and maintenance. It is the recognition of this that makes the PRSF so important; to ensure that precious funds are spent wisely, to deliver the maximum positive impact for the public realm.

The PRSF can also be used to attract external funding for improvement schemes, and to direct developer contributions via CIL income, to appropriate works.



Key strategic public realm issues and challenges in the district include:

- Joyless, uninspiring and cluttered public spaces with unattractive, dated products,
- Poorly maintained public realm features,
- Clutter of signage and yellow lining,
- Un-coordinated and inconsistent approaches to public realm by statutory bodies,
- Lack of communication between statutory bodies and other stakeholders,
- Lack of clarity about roles and responsibilities and who to report issues to.
- Limited resources in agencies responsible for the public realm

Key strengths and opportunities presented by the public realm in the district include:

- A rich and varied historic environment, with many locally distinctive public realm features.
- A strong civic pride and sense of community engagement and volunteering.
- Strong partnerships with evidence of recent progress e.g. with ESCC at Marina Court Gardens and Sackville roundabout.
- A corporate awareness as to the importance of the public realm in economic regeneration and social benefit.

Case Studies: What Can be Achieved in the Public Realm

Case Study 1: Marina & Marina Court Garden, Bexhill

This comprises two interlinked projects; highways improvements to a stretch of road known as Marina, funded by East Sussex County Council as Highways Authority, and public space improvements to an area of local authority owned land, funded by Rother District Council.

The projects were created to collectively improve pedestrian links from Bexhill town centre to the seafront, and make a more attractive public space.

The width of the carriageway was reduced to make the crossing easier to use, a new plaza style walkway laid out as a direct route from the crossing to avoid pedestrians having to walk through the car park, and new and relocated signage and cycle-parking was provided. Tired and unattractive low walls were removed, and a new public garden set out with additional seating and planting.

The schemes were designed in a highly collaborative manner between ESCC and RDC, to ensure that the traffic management, regenerative and place-making aims of both authorities were met, along with liaison with local disability and access groups and the Bexhill Town Team and Town Centre Steering Group.

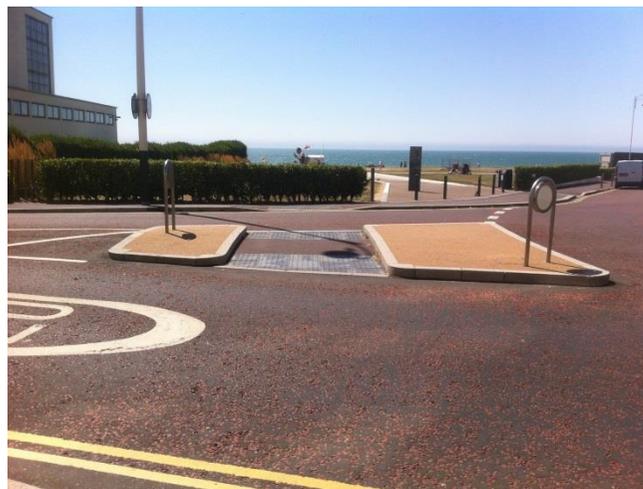
This approach has resulted in a high quality scheme that has significantly improved the environment in this location.



Top – before

Below - after





Case Study 2: Next Wave: West Parade Improvements, Bexhill-on Sea

This project represented a major investment in the public realm by RDC, supported by a £1m grant from the Commission for Architecture & the Built Environment.

The project recognised that when combined with the presence of the iconic Grade I listed De La Warr Pavilion,(DLWP), the core section of Bexhill's seafront offers a real opportunity to become a high-quality destination for both residents and visitors, with consequential regeneration benefits for the whole town.

The scheme sought a cohesive approach to seafront regeneration, including

- improving the landscape setting of the DLWP, and the relationship of the DLWP with the seafront,
- improving the physical connectivity of this part of the seafront with the wider town,
- a new landscape for West Parade, a stretch of some 1km of seafront promenade, including a new series of seafront shelters, a suite of street furniture and planting palette influenced by the contemporary architectural style of the DLWP.

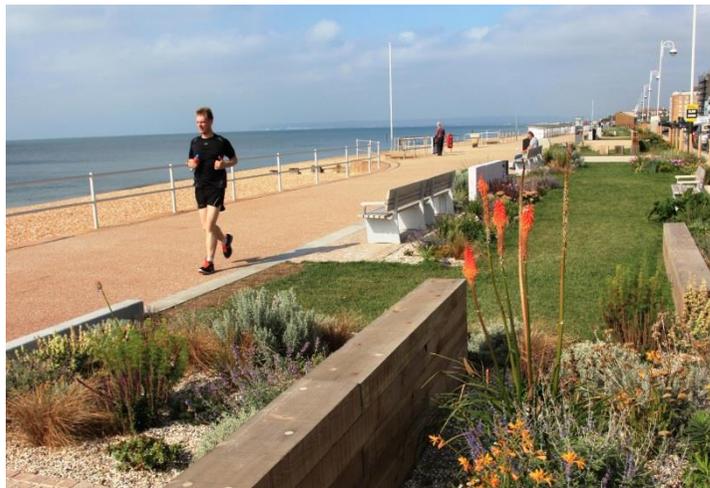
The scheme has been hugely well-received, creating attractive places and spaces that people enjoy using, resulting in a more active seafront year-round.



Top – before



Below - after



Case Study 3: Ticehurst Village Square

RDC is working with Ticehurst Parish Council on a pilot project to identify best practice in a multi-agency approach to driving practical improvements in the safety and amenity value of the public realm.

Ticehurst Parish Council have been working for a number of years on a public realm project focussed on the village square, to create a strong, attractive public space and focal point for activities at the heart of the village, in the Conservation Area.

The scheme aims to better manage traffic flow and direction, speed, and parking in this space, and will use surfacing materials to create a 'shared space' character in the square, and tree planting to define and contain the space, and a pedestrian crossing over the B2099 adjacent to the square for better access and movement around the village.

The project is at concept design stage and valuable lessons have been learned in how parish, district and county authorities can work together to eliminate some of the barriers to effective development and public realm improvements.



(left intentionally blank)

A photograph of a park during autumn. The scene is dominated by trees with vibrant orange, yellow, and brown leaves. In the foreground, there is a well-maintained green lawn. A paved path or road is visible at the bottom of the frame. The background shows more trees and a glimpse of a building with a red roof. The overall atmosphere is serene and seasonal.

Section 2: Rother Public Realm Spatial Analysis

Rother Public Realm Spatial Analysis

This section of the document considers cross-district public realm characteristics and priorities, as well as those particularly relevant to distinct areas of Rother District. It provides a strategic overview of the public realm characteristics of each, and the particular challenges they face, and opportunities that exist, with reference to the Strategic Objectives.

The spatial areas considered are:

- **Towns**
 - **Battle**
 - **Bexhill**
 - **Rye**
- **Villages**
- **Rural areas**

A number of Priority Actions for the specific areas is set out, providing a checklist for those engaged in public realm to respond positively to, and which can help inform the Delivery Actions allocated to different agencies in Section 3 of the Framework.

Cross-district Public Realm Principles & Priorities

Aim: To deliver under the four Public Realm Strategic Objectives;

- SO1 Recognising the value of the District's unique Heritage Assets
- SO2 Promoting Distinct Local Identity
- SO3 Promoting the Natural Environment
- SO4 Promoting Vibrant, Accessible and Safe Public Spaces

Principles & Priority Actions:

1. **Ensure that current national and local policy requirements and best practice in public realm management is followed by relevant organisations, statutory undertakers and other stakeholders.**
2. **Adopt a particularly sensitive approach within areas of historic significance such as Conservation Areas and valued landscapes. In these areas, the careful selection and coordination of materials and finishes are critical to ensure the protection and enhancement of the historic public realm, specifically:**
 - Yellow lines in Conservation Areas should be the narrow conservation type in pale yellow.
 - The painting of lines or other highways markings on historic paving materials, kerbs etc should be avoided.
 - Signage in Conservation Areas should be kept to a minimum, and sited carefully within the historic streetscene.
 - There must be a presumption to retain and repair historic public realm features and materials, as valued heritage assets in their own right.
3. **Develop easy and effective fault reporting mechanisms for public realm issues.**

4. **Develop a consistent palette of materials to express visual co-ordination across the district's public realm, that responds to its unique character.** However, it is important that the use of standardised palettes do not inhibit innovative design responses that reflect locally distinctive townscape characteristics and features of particular settlements. In this context, more detailed materials palettes will be required to identify settlement-specific variations in materiality and/or detailing.
5. **Seek to minimise clutter, particularly signage, wherever possible.** Signage should be limited to that which is statutorily necessary, or helpful in promoting tourism and the enjoyment of a place. Signage should be carefully sited in its context, it may often be appropriate to combine signs on one post to minimise impact, but confusion should always be avoided. Signage posts may be painted in the appropriate colours for a town or village, rather than left the more utilitarian grey metal.
6. **Ensure the timely removal of redundant street furniture and other apparatus (where these are not of heritage value).**
7. **Support the role of arts and culture in the public realm.** This may be through the introduction of bespoke design features, or developing cultural activity programmes in public spaces.

BATTLE

Character & Public Realm Analysis

Battle is a small, historic market town. Although populated by just over 6,000 people, it provides an important service centre role for its residents and those of surrounding villages. In addition, Battle is a popular tourist destination for domestic and foreign visitors.

The whole town of Battle and the immediate surrounding countryside is within the High Weald Area of Outstanding Natural Beauty (AONB). The town centre, with its high concentration of listed buildings, the historic Battle Abbey and the designated battlefield form the historic core, and were first designated as a Conservation Area in 1971, reviewed in 2006.

In terms of the public realm, of particular local interest, the Conservation Area Appraisal makes reference to the metal post-and-railing of traditional and ornate design on the south side of Mount Street, a visually attractive treatment to protect the footpath from the highway here, and the raised pavement to the west side of the High Street, accessed by a long continuous run of two steps, along with a similarly high pavement which runs down Upper Lake alongside the medieval wall. However, the town suffers from poor maintenance of much of its public realm, and lacks a coordinated approach to street furniture.

Public realm improvements in the early 2000s included the reclaiming of Abbey Green as a public meeting place, turning it from the car-park it had become, into a visually attractive venue for community activities. Resurfaced in a buff-coloured resin bonded gravel, the Green now contributes positively in aesthetic terms to the setting of the Abbey Gatehouse in particular.

The town suffers from congestion, particularly in the peak summer tourist season, as traffic is channelled along through the town centre.



Public Realm Priorities for Battle

Core Strategy Objective: To support the market town and tourist centre role and character of Battle, and conserve its historic core and setting.

Priority Actions:

1. Ensure that the quality of the public realm is given due weight in the delivery of the ESCC Local Transport Plan for Battle, which proposes to (inter alia):
 - a. work with Rother District Council to identify improvements to transport infrastructure to support sustainable development in Battle,
 - b. focus on improvements on safe, coherent walking and cycling routes on key routes/corridors in Battle,
 - c. focus on reducing traffic congestion in Battle town centre through careful siting of new development and improving access to the railway station by sustainable transport.
2. Develop a concise database of public realm products and material specifications to aid appropriate repair/replacement works.
3. Ensure that existing heritage style public realm features (street furniture, railings, kerbings) are either repaired in situ or replaced on a like-for like basis.
4. Develop a coordinated approach to street furniture, with agreed suite of products for cycle racks, seating, signage and public noticeboards etc.
5. Ensure works in Abbey Green (including planting and street furniture) maintain the open character of the space, and do not compromise the setting and views of Battle Abbey Gatehouse within the Conservation Area.

BEXHILL

Character & Public Realm Analysis

Bexhill is by far the largest settlement in Rother district. It has a population of around 44,000 people, equivalent to some 48% of that of the district as a whole.

The combination of the town's demographic profile (skewed to a high proportion of older people), history and seaside character, and built environment help give it a genteel character. Public consultation has highlighted a general desire for the town to continue to serve its older, and ageing, population, while at the same time, improving its opportunities and attractiveness to younger people.

The town contains two designated Conservation Area; Bexhill-on-Sea Town Centre, and Bexhill Old Town, each with their own distinct heritage and identity. A series of town centre regeneration and planning studies that have been prepared for Bexhill-on-Sea have identified that the quality and accessibility of the historic environment, including the public realm, is a key factor for enhancing the economy of the town, attracting visitors and improving footfall.

The seafront is one of the town's strongest assets, and a significant piece of public realm. It is a key focus for the Council's heritage-led regeneration initiatives, both in terms of improving the quality and appearance of the place, and improving accessibility and connectivity with the Sustrans Connect2 coastal cycle link and the Coastal Cultural Trail between the towns of Bexhill-on-Sea, Hastings and Eastbourne, designed to boost the economy and support sustainable transport.

The town centre has two distinct architectural characters; the late-Victorian/Edwardian planned town that forms the bulk of the commercial and residential streets along with the Grade II listed shelters on East Parade, and the central and western seafront boasting the modernist Grade I listed icon that is the De La Warr Pavilion. As a result, a conscious decision has been taken to develop two distinct public realm 'palettes', one to respond to each character area.



Edwardian Core

The 'Edwardian Core' utilises a mix of existing historic public realm features and reproduction elements in a late-Victorian/ Edwardian style. These include street lighting in Devonshire Road and Sackville Road installed as part of Heritage Economic Regeneration Schemes in the mid-2000s, using a combination of RDC funding, ESCC Local Transport Plan funding, and grant funding from English Heritage. Also a range of amenity signage funded through the Coastal Communities Fund, and a suite of sundry items in coordinating styles, including, bollards, benches, cycle stands and planters, some installed via the Town Centre Steering Group using s106 monies for town centre improvements.

These items are all to be painted in the Bexhill livery of green (BS 12B29) with gold highlighting. The green paint has also been successfully used in some instances on ESCC road signage columns to tie in the materials palette, and may be appropriate on the new infrastructure associated with the implementation of CPE. Traditional street trees are an important part of the public realm in this part of the town centre.



Contemporary Seafront

The public realm of the central and western stretch of town centre seafront draws on the clean, modernist architecture of the De La Warr Pavilion, to provide a coherent and appropriate setting for this Grade I listed building, along with the simple white lines of the Colonnade. West Parade was refurbished as part of the Next Wave project in 2009, and Marina Court Garden in 2015, both using a palette of white rendered walls, contemporary oak benches, and perennial coastal planting. The style has been continued in monolith amenity signage, stainless steel cycle parking and litter bins, and in highway works such as stainless steel bollards and pavement studs at crossing points, and slot pavement drainage. This design strategy and materials palette should be deployed in future public realm works in this area of the town centre.



Public Realm Priorities for Bexhill

Core Strategy Objective: To strengthen the identity of Bexhill and for it to become one of the most attractive places to live on the south coast, attractive to families, the young and elderly alike, within an integrated approach to securing a more prosperous future for the Bexhill and Hastings area.

Priority Actions:

1. Ensure that the quality of the public realm is given due weight in the delivery of the ESCC Local Transport Plan for Bexhill, which proposes to:
 - a. deliver a package of complementary measures to the Combe Valley Way to enhance the positive impacts of the scheme and enable access by sustainable modes of transport,
 - b. focus on improvements and safety of key walking routes,
 - c. develop and implement the cycle route networks for Bexhill, focusing on key routes into the town centre, along the seafront and providing links to existing and future residential and employment areas.
2. Ensure that the quality of the public realm is considered by the Bexhill Town Centre Steering Group and reflected in the Bexhill Town Centre Strategy and in any investment/improvement projects it delivers.
3. Promote sense of arrival and improve approaches into town; address unattractive arrival points for Bexhill, including London Road, and the gateway to Combe Valley Countryside Park, and improve connectivity between Bexhill town centre and Bexhill Old Town.
4. Develop a concise database of public realm products and materials specifications to aid appropriate repair/replacement works.
5. Ensure that existing heritage style public realm features (street lighting, street furniture, coloured tarmac paving) are either repaired in situ or replaced on a like-for like basis.
6. Improve management of street trees and other horticultural features within the town centre.
7. Promote a sense of community through promoting of events, activities and organisations etc that make strong use of public space, help foster the legitimate use of space and avoid anti-social behaviour.
8. Use a combination of enforcement actions and improved maintenance and facilities (including reviewing bin and street lighting provision) to encourage appropriate behaviour in the public realm, to deter people from creating litter and other negative environmental actions.
9. Consider the replacement schedule for Bexhill bus shelters (maintenance of these being the responsibility of RDC) and liaise with UK Power Networks to disconnect any unnecessary power supply.
10. Examine the routine redecoration programme of Bexhill street furniture and consider the possibility of shortening the cycle for the routine maintenance of public benches in the Town Centre as these get a lot of use and subsequent wear and tear.

RYE

Character & Public Realm Analysis

Rye is a historic market town in the eastern half of the district near the Kent border. The town is the main service and employment centre in eastern Rother, with a population of some 4,500.

Rye is a successful market town attracting a significant number of visitors in the summer months. As a Cinque Port town, the town centre around and including the ancient Citadel forms the historic core, designated as a Conservation Area in 1969, and reviewed in 2006. The town centre is of very high architectural value, with a predominantly medieval street layout and building stock, and the historic public realm is a key part of the character of the Conservation Area. Also important is the town's visual appearance in the landscape, with the Citadel on a sandstone outcrop rising like an island above the low-lying surrounding salt marshes and tidal waters. The countryside surrounding Rye is subject to a number of environmental designations, signifying its landscape character and conservation importance.

The local economy of Rye is dominated by tourism, the main attractions being the historic core of the town and the surrounding countryside. The town boasts a high cultural offer, with a number of regionally noteworthy annual festivals, including the high-profile Rye Arts Festival, the Rye Bay Scallop Festival, and the Rye Bonfire Procession. The quality of the public realm, both in terms of visual appearance, maintenance, and functionality, is key to these tourism and community activities.

The principal transport link through Rye is the A259 trunk road and carries the majority of medium and longer distance east-west traffic. The trunk road at certain sections experiences heavy congestion and journey times can be lengthy. Many visitors come to Rye by car and traffic management is a priority for the town. The town is also served by the East Coastway rail link between Ashford and Hastings.



Twittens and walkways

A defining characteristic of the historic core of Rye is the abundance of pedestrian ways known as ‘twittens’. These are typically formed of a combination of historic paving materials, with an absence of ‘engineering’ based features – no lines or road markings, no highway signage, and minimal lighting – if any, usually just amenity level rather than conventional street lighting. It is important that repairs or other works to these twittens maintain their distinct character and detailing.



Street surfacing

The Citadel of Rye possesses a number of historic paving treatments; cobbles and stone setts. A number of these are listed grade II in their own right, which is highly unusual and testament to their importance as designated heritage assets. Listed Building Consent would be required for any alterations to these listed streets which affects their character.

To aid repairs, Rye Conservation Society have produced a detailed repair specification which sets out how highway authorities and statutory undertakers should reinstate historic cobbles once they have completed works.

Accessibility for those with mobility problems can be a concern with such street surfaces, however, ingenious solutions have been used to create localised ‘crossing points’ with strips of smoother stone setts, whilst still maintaining the distinctive visual and historic character of the streets.

The absence of yellow or white lines on these streets and lanes, or any ‘standardised’ highway signage, is very important to their character and appearance.



Public Realm Priorities for Rye

Core Strategy Objective: To improve the economic and social well-being of Rye, including in relation to its market town role, tourism and the Port of Rye, whilst fully respecting and sensitively managing its historic character, vulnerability to flooding and ecologically important setting.

Priority Actions:

1. Ensure that the quality of the public realm is given due weight in the delivery of the ESCC Local Transport Plan for Rye, which proposes to (inter alias):
 - a. work with RDC to identify improvements to transport infrastructure to support sustainable development in Rye,
 - b. focus on improvements on safe, coherent walking and cycling routes on key routes/corridors in and around Rye,
 - c. focus on improvements to public transport on key routes and corridors in Battle and Rye,
 - d. focus on reducing traffic congestion in Rye town centre through careful siting of new development and improving access to the railway station by sustainable transport,
2. Develop a concise database of public realm products and materials specifications to aid appropriate repair/preplacement works, and promote use of the existing historic cobbled streets repair guidance by making available to East Sussex Highways and utilities companies.
3. Ensure that existing historic and heritage style public realm features (paving and surfacing, kerbing, street lighting, street furniture etc) are either repaired in situ or replaced on a like-for-like basis.

4. Ensure that the quality of the public realm is given due weight in the delivery of the relevant Community Aspirations set out in the Rye Neighbourhood Plan, including:
 - a. Community Aspiration 6 – Town Gateways:
To consider innovative approaches to the town gateways, including a form of ‘shared space’ street environment at the junction of Mermaid Street, Wish Ward and the Strand. (to be more pedestrian friendly and conducive for visitors).
 - b. Community Aspiration 7 – Ferry Road/Station Approach:
To consider innovative improvements to Station Approach to make it more pedestrian friendly, accessible to cyclists and enhancing its appearance. Any approach might include improved pedestrian crossings perhaps combined with system of “shared space”. Clearer signage should also be provided.
 - c. Community Aspiration 8 – Parking Strategy:
This will need to develop to reflect the roll-out of CPE, having regard to an improved town centre allocation of short term on-street car parking, with better clarity for users, including loading bays and blue badge spaces. Clear signage and delineation of car parking bay areas **without** yellow lining is required.
 - d. Community Aspiration 11 – Improved Road Signage:
To encourage a holistic review of all road and pedestrian signage with a view to redesigning to better guide visitors to “interceptor car parks” and to aid through traffic.

Other Community Aspirations seek solutions to address issues of traffic management within the Citadel associated with anti-social driving and parking behaviours damaging the historic public realm including historic cobbles and kerbing.

THE VILLAGES

Character and Public Realm Analysis

Rother district has a high number of villages and hamlets scattered across the High Weald AONB and the coastal belt, many highly picturesque in character. The Rother Local Plan Core Strategy looks to promote attractive, prosperous and vibrant villages where people want to live, work and do business, and recognises that is the responsibility of all local partners in the public, voluntary and the business sectors.

The quality of the public realm plays an important role in this; the juxtaposition of historic public realm features and street furniture with the streetscape of historic building stock is often an important part of the distinctive character of a particular village or hamlet. The state of repair and standard of maintenance of public realm features such as verges, pavements, signage and modern apparatus, greatly influences the overall quality and appearance of villages, important in their intrinsic vitality, their role in the local community, and their tourism appeal.

New Development

Significant new housing development for many of the district's villages is allocated in the Rother Local Plan Core Strategy, and subsequently via either the Development & Site Allocations document, or via emerging Neighbourhood Plans in parishes that have chosen to pursue that route.

Such developments inevitably create their own new public realm, and it is important that this is designed to avoid standardised, generic approaches but instead to reflect and reinforce the distinctive character of individual settlements, in terms of strategic approach, scale, detailing and materials specification.



Road, Kerb and Edge detailing

A characteristic of many villages and hamlets is grass verges with no hard kerbing. The introduction of formal kerbs would significantly undermine the visual quality of the streetscene in these instances.

Many village roads have minimal or no road markings, often no central white lines or edge lines using instead their scale, or surfacing changes to indicate priorities, and with painted lines only where absolutely necessary for highway safety requirements. This absence of white lines contributes to the rural character of these roads and lanes.

Green features

Green features are highly characteristic of the public realm in the district's villages, particularly those in the High Weald AONB. These include grass verges, (often planted with seasonal bulbs) street trees, and village greens. It is important that these green features are appropriately managed and maintained to ensure their attractive contribution to the streetscene is maximised.

Village entrances

Speeding within the villages has been highlighted as a great concern by the Public Realm Working Group. The treatment of the public realm can often help in this regard; a number of villages have sought to use gateway features such as 'gate-way' structures, planters and even bulb planting to help define and reinforce the sense of entrance to the built-up settlement, to help drivers adjust their speed appropriately.



Historic Paving

A number of the villages in the district display attractive, locally distinctive historic paving treatments, for example brick, Bethersden Marble, stone flags, all which are important to the character of the place. Where these exist within designated Conservation Areas, their importance is often highlighted in the Conservation Area Appraisals.

It is important that these surfaces are maintained in any repair/resurfacing works, even where not in a designated Conservation Area, to maintain local distinctiveness and sense of place.



Historic Public Realm Features

The villages are populated with a variety of public realm features which define their quintessential ‘English village’ character; the historic K6 phone boxes and range of historic Royal Mail post boxes, including pillar boxes and wall boxes, are good examples of these, and are important to be retained and well-maintained.



Public Realm Priorities for The Villages

Core Strategy Objectives: To recognise the individual distinctiveness of villages and to retain and enhance their rich cultural heritage, and to promote thriving rural communities with a high quality of life, a strong sense of place, and broad active civic participation.

Priority Actions:

6. Ensure that the quality of the public realm is given due weight in the delivery of the ESCC Local Transport Plan for villages in Rother, which seeks to support the viability of rural villages and support the local economy, along with improving access to key local services through appropriate transport solutions.
7. Develop a series of concise local databases of public realm products and materials specifications to aid appropriate repair/preplacement works.
8. Ensure that existing historic and heritage style public realm features (paving treatments, kerbing, street lighting, and street furniture) are either repaired in situ or replaced on a like-for like basis.
9. Resist the loss of historic K6 telephone boxes and instead look for innovative re-use projects to retain them as properly maintained public realm features.
10. Support local amenity societies and community groups who wish to be more actively involved in local public realm management.

1. Develop 'templates' to promote sense of arrival and improve approaches into the villages, discouraging speeding in entrances into villages, e.g. timber 'gates' either side of the road, planters, change in road surfacing/colour, to be used as appropriate in each locality.
2. Ensure that public realm choices avoid the suburbanisation of the distinctive rural character of the district's individual villages and hamlets through introduction of inappropriate materials, street furniture, lighting in dark sky areas, or other features.
3. Ensure that characteristic green features in the public realm, e.g. grass verges, planting, street trees, and village greens are appropriately managed and maintained.
4. Ensure fulfilment of any Neighbourhood Plan policies and aims for the public realm in the villages.
5. Ensure that new public realm created in housing developments is designed to reflect and reinforce the character of the locality, and is subject to appropriate management and maintenance regimes.

RURAL AREAS

Character & Public Realm Analysis

Rother is a district of predominantly rural character, and this section addresses those parts of the district that lie beyond the built-up towns, villages and hamlets.

The countryside and undeveloped coast is highly valued for nature conservation, heritage, culture, and as a leisure resource for both residents and visitors. Predominantly situated within the High Weald Area of Outstanding Natural Beauty, the public realm of the rural areas has a distinctive character, informed by its environmental context.

Public Rights of Way

The rural areas also enjoy an extensive network of Public Rights of Way (PROW); footpaths, bridleways and byways, providing access to the beautiful countryside, which, along with their associated signage, stiles and so on, form an important part of the rural public realm.

Maintenance of the PROW is the responsibility of both East Sussex County Council and landowners. Landowners are responsible for maintaining stiles and gates along public rights of way, as well as ensuring paths are free from obstruction. ESCC are responsible for the surfaces of public rights of way, ensuring they are in a suitable condition, and for clearing any vegetation growing from the surface of a path. Generally, bridges along public rights of way, along with any access steps, are maintained by ESCC. Waymarkers or fingerpost signs are installed at the roadside by ESCC, along with waymarker discs along the PROW. These signs could often benefit from more frequent cleaning and maintenance, and through being designed as a suite of rural 'street furniture' with a coordinated, quality appearance befitting the rural area.

The "1066 Country Walk" is a key strategic PROW route across much of the rural district, supporting the rural tourism and leisure industries.



Historic Public Realm Features

A number of important historic public realm features exist in the rural areas which contribute to the character of the district. Fingerpost signs are particularly noteworthy; helping to reinforce local distinctiveness, and both timber and cast iron examples can be found within the district, and it is important that these are retained in situ and maintained on a regular basis.

New directional signs on minor roads in rural areas can also be reintroduced as traditional fingerposts, matching the original style, material, and upper case font, following the guidance in DfT Traffic Advisory Leaflet 6/05.

Rural post boxes are typically the 'lamp box' type mounted on freestanding poles or attached to telegraph poles, set in verges, and again are quintessential features of the English rural streetscene.

Roads and Verges

Roadside verges in the rural areas are important public realm features; they provide both visual amenity and ecological habitat. East Sussex County Council have selected a number of verges known as Wildlife Verges, which have been identified as having wildlife of particular interest, either wildlife or fauna. The wildlife verges are marked with small yellow indicators. To help maintain these habitats, and to allow for the wildflowers to seed, Wildlife Verges are not normally cut between 1 March and 31 August.

Like those in villages, many rural roads are characterised by an absence of line markings.



Public Realm Priorities for Rural Areas

Core Strategy Objective: To emphasise the significant contribution of the countryside to the character and culture of the district, and to meet local needs and support vibrant and viable mixed communities in the rural areas, whilst giving particular attention to the social, economic, ecological and intrinsic value of the countryside.

Priority Actions:

1. Ensure that the quality of the public realm is given due weight in the delivery of the ESCC Local Transport Plan for the rural areas, which seeks to ensure that potential transport measures are not detrimental to the environment and protected landscapes, including the AONB, SAC and SPA designations.
2. Ensure that identified Wildlife Verges are appropriately maintained, and support the further identification of additional Wildlife Verges via the process set out on the East Sussex Highways website: <https://www.eastsussexhighways.com/wildlife-verges>
3. Ensure that historic rural fingerpost signs are retained in situ and maintained in an appropriate conservation manner on a regular basis, with routing repainting in the traditional black and white livery, as per the government advice in DfT Traffic Advisory Leaflet 6/05.
4. Improve the cleaning regime of road signs, and the cutting back of immediate vegetation to maintain their visibility.
5. Review the quality, nature and maintenance of rural bus shelters.
6. Support the Hastings and Rother Road Safety Partnership, tasked to look into the issues of speeding on rural roads and where necessary use designed traffic calming measures other than signs.
7. Ensure that rural Royal Mail post boxes are maintained in accordance with the Joint Policy Statement by Royal Mail and Historic England (2015), including repainting on a rolling cycle to a high specification and the correct livery.
8. Encourage the timely maintenance of the PROW network, and look to develop better designed signage drawing on local character and distinctiveness in the High Weald AONB.
9. Improve the branding and appearance of the 1066 Country Walk to support rural tourism and reinforce local character, through coordinated public realm elements including signage, interpretation panels and seating.



Section 3 – Implementation & Delivery

Translation into Policy, Protocols and Delivery

This Framework provides the opportunity for local authorities, statutory undertakers/utility companies and other key stakeholders (including the local community, businesses and developers) to work collaboratively in developing a common, multi-agency approach to the planning, design and maintenance of the district's public realm, to support the delivery of the Framework's vision and strategic objectives.

This section sets out not only the particular roles of each of the relevant organisations, and stakeholders, but also a series of actions to deliver under the place-specific actions set out in Section 2 of this Framework, and to ensure the appropriate quality maintenance and improvement of the public realm in Rother.

The development of each of the actions will be a collaborative task between different departments within Rother District Council as relevant, and liaison with appropriate external agencies. A Public Realm Charter with multi-agency sign-up could detail negotiated protocols and operational agreements, which could be added as Annexes to this Framework as they are prepared.

This section also discusses funding mechanisms; the public realm currently benefits from funding from both Rother District Council and East Sussex County Council, both directly and indirectly through wider highways investment. To deliver best value for money in the public realm, it is critical that the programming of existing funding streams has regard to the Strategic Objectives set out on page 11 of this Framework.

The Role of Rother District Council

The Council has a range of statutory and discretionary responsibilities which affect public realm quality, appearance and use.

As Local Planning Authority

RDC has a particular role as the Local Planning Authority (LPA), which includes development management and the preparation of the Local Plan, including policy formulation. The Rother Local Plan Core Strategy policy specifically regarding the public realm is set out on page 16 of this document, but other policies relating to the character of the area and the design of new developments are also relevant, as are site-specific policies in the emerging Development & Site Allocations Local Plan.

The LPA is also the charging authority for CIL (Community Infrastructure Levy) and responsible for making recommendations on the spending programme for CIL receipts under the adopted Reg 123 list, which includes the public realm.

As an Enforcement Authority

Both the planning and the environmental health departments of the Council undertake enforcement activity under various statutory powers where there is a considered and detrimental impact on the environment.

S215 notices under the Town and Country Planning Act 1990, Public Space Protection Orders and other powers conferred by the Anti-Social Behaviour legislation of 2014, and action under the Environmental Protection Act 1990 have all been successfully used to address specific problems in the public realm.

As Asset Managers

Public realm assets that RDC own and are responsible for include litter bins, benches, cycle racks, planters and certain localised signage. At present, records of product specifications are incomplete, and a more coordinated, planned and proactive approach could be developed to drive up the quality of maintenance and replacement. RDC are also responsible for street cleaning, a key factor in presenting a safe, clean and visually appealing public realm.

As a project instigator / facilitator

The Council has championed a number of large, high profile public realm improvement projects in Bexhill over the last few years, including the acclaimed Next Wave project on West Parade and the Colonnade, as well as works on Marina and at Marina Court Garden. The success of these projects has demonstrated the Council's ability to understand the importance of public realm in delivering attractive, vibrant spaces and routes, and to work collaboratively with external agencies and stakeholders. The public realm continues to feature in the progression of a number of Corporate Priority Projects within the Rother Corporate Plan, to support regeneration, tourism and the quality of the environment.

Delivery Actions:

In order to ensure the appropriate quality maintenance and improvement of the public realm, RDC should:

- i. Continue championing the importance of the public realm, instigating and working with partner stakeholders to drive forward new public realm improvement projects in the district.
- ii. As LPA, ensure that new developments propose quality public realm, in terms of character, purpose, access, appearance and materials specifications, and that planning permissions include appropriate conditions/legal agreements for the effective detailing and management of these schemes.
- iii. Ensure that recommendations regarding strategic public realm works are considered in the CIL spending programme where relevant to the Reg 123 List.
- iv. Continue progressing enforcement action where appropriate
- v. As asset managers, draw up full inventories of public realm assets, and place all the assets on a planned preventive maintenance schedule

The role of East Sussex County Council

In addition to its role in coordinating the East Sussex Cultural Strategy, East Sussex County Council as the Highway Authority have statutory and discretionary responsibilities for roads, pavements, highway structures, street lighting, signing, traffic regulation and road safety, public transport coordination, highway drainage, and public rights of way. ESCC also has responsibility for the roll-out of the Civil Parking Enforcement (CPE) programme in the district, and its associated infrastructure.

ESCC is also the Lead Local Flood Authority for the county and has responsibility for flooding from local sources including surface water, groundwater and ordinary watercourses.

Local Transport Plan

ESCC publishes the Local Transport Plan 3 (LTP) which sets out the County Council's future direction for providing the transport infrastructure needed to deliver sustainable economic growth and support additional housing during the plan period (2011 – 2026). ESCC's vision for LTP3 is:

“To make East Sussex a prosperous county where an effective, well managed transport infrastructure and improved travel choices help businesses to thrive and deliver better access to jobs and services, safer, healthier, sustainable and inclusive communities and a high quality environment.”

LTP3 recognises that the County Council has a statutory duty to take into account the conservation of the High Weald AONB, and to enhance the special features that represent its natural beauty.

The LTP also sets out an Implementation Plan of projects to fulfil its strategic objectives. Recent investment projects have included in Bexhill town centre the Marina and Sackville roundabout, a highly successful scheme that has delivered access and connectivity improvements and a quality public realm in terms of appearance which complements the adjacent heritage assets.

Maintenance

Maintenance of ESCC highway assets is now carried out by the separate department of East Sussex Highways, who have recently re-launched a web-based fault reporting system, to make it easier for members of the public to report highway problems such as faulty street-lighting, pavements, signage, grass verges and so on. This system should help in the efficient management of the public realm, but critically relies on appropriate quality repair protocols being in place between RDC, ESCC and East Sussex Highways.

Delivery Actions:

In order to improve communication, collaboration and to ensure the appropriate quality maintenance and improvement of the public realm, ESCC will undertake to:

- vi. work positively with RDC to identify and deliver strategic, creative public realm improvement schemes in the villages and towns within the district, having regard to current best practice.

and negotiated protocols will be developed to seek to ensure that ESCC:

- vii. Make available to RDC the forward planning of highway works affecting the public realm, including maintenance work.
- viii. Work in partnership with the district council and local town and parish councils to develop technical manuals and local materials schedules setting out agreed use of appropriate materials and finishes for maintenance, repair and other works to the public highway, including footways, particularly in Conservation Areas, and the presumption of preservation of character historic public realm features.
- ix. Ensure that such manuals are shared by, and communicated with, those at East Sussex Highways, responsible for carrying out such works.
- x. Involve stakeholders including RDC at early stages in the design process to discuss the proposed design, materials and street furniture for new public realm improvement schemes, including for the roll-out of CPE.

The Role of other Statutory Agencies

On Trunk roads, Highways England are the Highways Authority. In these instances, similar issues are relevant as for East Sussex County Council overleaf. Particular public realm issues on trunk roads typically include management of grass verges, including wildflower verges and cleanliness and quantum of signage. However, where trunk roads pass through settlements, such as the A259 at Strand Quay in Rye, or the A21 through Hurst Green, more extensive public realm considerations pertain.

Other agencies, such as the Environment Agency and Network Rail, are landowners whose practices and procedures can have a significant effect on the district's public realm, but who also have the potential to deliver or facilitate significant public realm enhancement schemes on their land. Often the multi department nature of these organisations – estates, operations, technical, legal – makes pursuing such public realm schemes highly complex.

Delivery Actions:

In order to improve communication, collaboration and to ensure the appropriate quality maintenance and improvement of the public realm, negotiated protocols will be developed to seek to ensure that statutory organisations:

- xi. Make available to RDC forward planning of works affecting the public realm, particularly giving adequate notice of any maintenance work, and undertake to carry out repairs/making good works to the public realm with appropriate like-for-like materials.
- xii. Ensure that agreed strategies and plans are shared by, and communicated with, those responsible for carrying out such works.
- xiii. Commit to engage positively with RDC and other relevant stakeholders on public realm enhancement schemes on or affecting their land, and to streamline internal communications to facilitate this.

The role of Statutory Undertakers

Utility companies (Gas, Water, Electricity, British Telecom, Cable Television, Post Office and other Telecommunication Companies) have statutory powers and duties to place and maintain their equipment in and on the public highway. The exercise of these powers is controlled and co-ordinated by ESCC. The quality, materials and workmanship of these repairs greatly influences the overall standard of the public realm. If appropriate repair works to the public highway do not take place, ESCC (via East Sussex Highways) has powers under the New Works and Street Works Act 1991 (NRSWA) to retrospectively enforce the Utility Company to 'make good' the surface with matching materials.

Utilities companies are also responsible for certain items of apparatus in the public realm, telephone kiosks, junction boxes and other telecoms equipment, post boxes and so on.

Delivery Actions:

In order to improve communication and to ensure the appropriate quality maintenance of the public realm, negotiated protocols will be developed to seek to ensure that statutory undertakers:

- xiv. Share details of any major repairs/installation works proposed to the public highway via Asset Management meetings with the County Council, and to make this list accessible to RDC, and undertake to carry out any repairs/making good works to the public realm (planned or emergency works) with appropriate like-for-like materials.
- xv. Consult RDC about any proposal to change the appearance of the public realm in a Conservation Area.
- xvi. Maintain the public realm in good order, including cleaning, decoration, and programming the timely removal of obsolete modern items of equipment, junction boxes, modern telephone boxes etc.

The Role of Local Town/Parish Councils, Amenity Groups & Volunteers

As well as being a valuable source of local knowledge, energy and enthusiasm Town and Parish Councils in Rother have certain responsibilities, including maintenance of bus shelters within their parishes, and the purchasing of additional pieces of street furniture (bins etc) along with paying for RDC to collect from them.

CIL receipts

A percentage of the CIL receipt is retained and allocated to the neighbourhood where the CIL was generated. This neighbourhood portion of the CIL can be spent on infrastructure by town and parish councils as they choose, so long as the proposed infrastructure meets the requirement to 'support the development of the area'. This definition would include the public realm.

Neighbourhood Planning

A number of town and parish councils have prepared, or are in the process of preparing Neighbourhood Plans (NPs). Neighbourhood planning provides the opportunity for communities to set out a positive vision for how they want their community to develop, and once made, these plans form part of the statutory development plan, sitting alongside the Rother District Local Plan. There is the potential for such plans to include specific policies relating to local public realm in the parish, and to include public realm audits as appendices.

To help deliver their vision, communities with an NP benefit from an increased neighbourhood allocation of CIL receipts; 25% of the revenues from the CIL arising from development that takes place in their area.

Local Public Realm Audits

There is potential for Town/Parish Councils and Amenity Groups to be encouraged to take greater 'ownership' of their local public spaces by undertaking 'Local Public Realm Audits' These could highlight those areas/features of local public realm which the community particularly value, as well as set out local concerns and aspirations, to help advise all parties with an influence on delivery of public realm schemes (including maintenance/repair work) on what is valued in a local area.

Volunteer Activities

Local amenity and volunteer groups also have a key role in promoting local 'civic pride', helping communities value their local environment. Groups are often keen to become actively involved in public realm improvements, and successful examples of this in the district include the work of Beautiful Battle in creating flower displays and hanging baskets in the town, Bexhill Old Town Preservation Society installing traditional brick pavements, Bexhill Heritage working on the station clock at Bexhill West station, extensive litter picking at the River Rother estuary in Rye, and engaging volunteers through the Great British Spring Clean organised by Keep Britain Tidy.

To harness this volunteer resource, the Public Realm Working Group recognised that volunteer guidance could provide a framework under which minor works in the public realm could be undertaken in a safe and managed way. The Council has recently supported the testing of volunteer guidance protocol in two trial schemes with existing volunteer groups; in Three Oaks, Guestling, with a Working Party under Guestling Parish Council, and at Little Common, Bexhill, with the Little Common & Cooden Business Association. The pilot schemes used emerging guidance on procedures, health and safety, project specifications and materials, and demonstrated the desire by local communities to carry out minor works and projects where they lived.

Delivery Actions:

In order to ensure the appropriate quality maintenance and improvement of the public realm, RDC will endeavour to liaise with town and parish councils and local groups to:

- xvii. Support the inclusion of public realm policies in Neighbourhood Plans.
- xviii. Promote that recommendations regarding public realm works are considered in the local Town or Parish CIL spending programme and encourage that such works have regard to the strategic objectives and design requirements in this PRSF.
- xix. Provide guidance on the carrying out of Local Public Realm Audits, and maintain a record of those completed, and communicate them to ESCC and other stakeholders.
- xx. Develop a campaign of public engagement to widen participation in initiatives such as the Great British Spring Clean.
- xxi. Adopt clear guidance and protocols for volunteer groups to carry out works on RDC public realm assets, to ensure works are carried out safely, and with regard to the strategic objectives and design requirements in this PRSF.
- xxii. Encourage ESCC to develop similar protocol and procedures for volunteer works on ESCC land.

The Role of Developers

The current Rother Local Plan Core Strategy seeks to deliver some 4,300 dwellings in Rother district over the remaining plan period to 2028, approximately half of which benefit from extant planning permissions, often outline. A considerable amount of new public realm will therefore be created by developers over this time, within new housing schemes.

In accordance with Local Plan design policies, developers will be expected to design their schemes to embed high quality, accessible, meaningful public realm at the heart of their schemes. The purpose and nature of public realm, be it streets, squares, multi-functional green spaces, grass verges, and so on, needs to be considered at the earliest stage of site layout in the design process. Existing site features such as trees, hedgerows, ponds and streams should be retained as part of the public realm to embed a genuine local sense of place in new schemes. New public realm character should have reference to its locality and surroundings. At a detailed level, materials choices and planting specifications can greatly impact on the success, usability, enjoyment and richness of the public realm.

Delivery Actions:

In order to deliver a high quality public realm within new housing development, developers will be expected to:

- xxiii. Draw on national and local policy and best practice guidance on public realm design, including the emerging High Weald Housing Development Design Guide, Manual for Streets, and the national PPG.
- xxiv. Seek early pre-application planning advice on their proposals.
- xxv. Look for opportunities to embed public art into public realm proposals, through the form of public spaces, choice of surface materials, and street furniture design.
- xxvi. Include appropriate management plans to ensure the long term quality maintenance of new public realm.

Funding Mechanisms

Funding mechanisms for the maintenance of, and improvements to, the district's public realm include a variety of sources, some of which will require public realm works to be delivered as part of wider programmes of works/investment. It is suggested that an investment strategy is developed to map and align planned and proposed investment into public realm so as to identify gaps and provide the basis for exploring other funding sources.

Rother District Council Revenue Funding

RDC maintains a revenue funding stream for routine repairs to, and maintenance of, public realm assets under the Council's ownership.

East Sussex County Council Capital Funding

Each year the government allocates ESCC a capital sum for highway maintenance. This is used for managing the county's road network including maintenance of roads and footways, bridges and other structures, street lights, signs and signals, all of which are part of the public realm. This Framework should help ensure that the money is spent effectively and efficiently, to deliver the best public realm possible with the budgetary constraint.

A further allocation is made for integrated transport schemes (walking, cycling, public transport and junction improvements) and road safety improvements, which support the local economy by improving access to jobs and services, improving safety, helping cut carbon emissions and improving people's quality of life. Schemes are prioritised through an assessment framework related to how the scheme supports the LTP objectives. Public realm improvements could well form part of the spending under such schemes.

East Sussex County Council Revenue Funding

Additionally, the County Council provides revenue from its annual budget towards a variety of services including further highway maintenance.

Local Growth Fund

SE LEP (South East Local Enterprise Partnership) is responsible for determining strategic transport funding from central government through the Growth Deal and Local Growth Fund; this covers prioritisation, project management and investment, cost control and approval, and programme/risk management. In SE LEP there are four federated areas, of which East Sussex is one. This identifies areas which need investment to boost economic activity, including transport.

Since 2014, East Sussex has been awarded £73.4m in Local Growth Funding, which has enabled key strategic transport projects to be prioritised and delivered following the development and approval of robust business cases. ESCC and partners will continue to develop the business case for the projects that did not receive funding, and to identify new ones, through working with SE LEP to secure funding from future rounds of the Growth Deal.

The LEP may be able to act as a catalyst providing 'enabling mechanisms' for progressing specific schemes for improving the public realm in the district to make it a more vibrant place for businesses to thrive, and may be able to contribute to the funding of a scheme through attracting financial contributions from a variety of sources.

Government (DfT) grant funding

Additionally, ESCC and RDC remain alert to the issuing of Government notices, policies and guidance from which opportunities to bid for external funding can be identified, assessed and achieved to bring forward transport infrastructure and measures identified in the LTP Implementation Plan earlier than programmed. Such grant programmes often have short application windows.

It is important in any grant-funded improvement scheme that 'whole-life' maintenance costs for on-going repairs are built into the capital allocation and transferred to ring-fenced maintenance budgets.

Development Funding

This may include developer contributions related to individual developments secured via Section 106 legal agreements, (though in the future, with the introduction of CIL, this will apply only for site specific requirements such as access), or through the Community Infrastructure Levy (CIL). The Strategic Allocation of CIL receipts is allocated for spending by RDC via recommendations under the adopted Reg 123 list, while a separate certain proportion of CIL receipts are awarded direct to the relevant town and parish councils. Either of these pots could be directed to public realm funding.

External grant funds

A variety of external sources offer a range of grant schemes often with short windows for applications. 'Ready-to-go' schemes of varying sizes can be well-placed to bid for these finds as and when they become available.

Potential funds include:

- Heritage Lottery Fund – the HLF is currently (2018) reviewing its funding programmes, and is aiming to launch its new 5-year Strategic Funding Framework in early 2019. Historically, the HLF has usually only funded public realm works as part of larger townscape wide heritage capital projects.
- Coastal Communities Fund (via the Ministry of Housing, Communities & Local Government) – this scheme encourages the economic development of UK coastal communities by giving funding to create sustainable economic growth and jobs, and has previously funded public realm improvements as part of regeneration masterplans.
- Awards for All (under the Big Lottery Fund) - Small scale funding grants for community based projects, this could help parish councils and local amenity groups fund equipment in the public realm, particularly to help facilitate events and activities.

Other funding options

- Private/business sponsorship of public space improvement projects.

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Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Director
Subject	-	Housing Development Programme

Recommendation: It be **RESOLVED:** That Cabinet be requested to recommend to Council that:

- 1) a Local Housing Company be established with the Board structure outlined at Option 2 on Appendix 4 and a budget of £30,000 be allocated from earmarked reserves to undertake this;
 - 2) a £200m Housing Development Programme to be delivered by the Local Housing Company be approved and financially supported by the Council;
 - 3) the Programme aims to complete up to 1,000 new homes by 2035, with the primary objective being to increase and accelerate the overall delivery of housing in the district;
 - 4) the Programme seeks to deliver mixed tenure developments in accordance with Local Plan and Housing Policy;
 - 5) the Local Housing Company to be financially supported to purchase land on which to develop new homes, accessing borrowing to do so;
 - 6) the Local Housing Company will sell the market housing through direct marketing and should seek to sell the affordable element on each scheme to a local registered provider; and
 - 7) provision of sufficient additional resource is made through the Medium Term Financial Strategy Reserves for the development and delivery of the Housing Development Programme, including £60,000/year to appoint a Housing Development Programme Manager in the first instance.
-

Head of Service: Ben Hook.

Introduction

1. The slow rates of housing delivery in Rother are contributing to a reduction in the ability of local residents to buy and rent good quality, reasonably priced market homes. The purpose of this report is to advise Members how the Council can directly intervene in the housing market, as a developer, to accelerate housing delivery and increase overall housing supply.
2. The target set out in the adopted Local Plan Core Strategy is for 335 dwellings per annum from 2011-2028. However, the average delivery rate of housing completions equates to only 198 dwellings per annum since 2011. This means that we now need to deliver 458 homes a year (over 4,100 homes in

total) between now and the end of the plan period. Appendix 1 provides some high level information on housing need.

3. Following the work of the Housing Task and Finish Group (HT&FG) in 2018 the Housing, Homelessness and Rough Sleeping Strategy (HHRSS) was developed and adopted by Council on 19 February 2019 (C18/65 refers).
4. The HHRSS 'Improvement Delivery Plan' (IDP) lists 'Increasing the Supply of Housing' as its first priority. This report outlines the actions necessary to meet objective 1.1 of the delivery plan and in line with the HT&FG recommendations, this report provides Members with an opportunity to consider and make recommendations to Cabinet in regard to a Council led housing development programme.
5. This report is structured as follows:
 - Background – where we are and how we got here
 - Strategic Direction – what are we trying to achieve?
 - Delivery Methods – how will we meet our objectives?
 - Housing Development Programme – where is housing development needed?
 - Resources required
 - Conclusion and recommendation

Background

6. Like many councils in the 1990s, Rother District Council (RDC) took the decision to transfer its housing stock to a locally established housing association under what is known as a Large Scale Voluntary Transfer or LSVT. In 1997, Rother Homes was established as a Local Housing Company to be set up in conjunction with and under the Group structure of the South London Family Housing Association (SLFHA).
7. The circa 3,500 homes in the ownership of the Council were transferred to Rother Homes for agreed valuation of £33.1m in 1998. At the same time, the Council's Housing Operations Team were also transferred under TUPE regulations.
8. In 2001 SLFHA became known as the Horizon Group, which merged with Amicus in 2006 to form AmicusHorizon. In 2017 AmicusHorizon merged with Veridian Housing to form Optivo, who now own and manage the former RDC housing stock.
9. Optivo remain a key partner in meeting our housing obligations as a Council and the Council gets 100% nomination rights on all new build affordable homes.

Strategic Direction

10. The IDP is broad in its ambition, suggesting that the Council should be looking to increase supply across the board inclusive of all tenures of housing. Whilst this can be achieved in a variety of ways, the Council, as a developer, should have a very clear vision of which objectives it is choosing to prioritise.
11. The prioritised objectives will dictate the scale and ambition of the housing delivery programme. It will also influence where and how we choose to build houses, the timescales for delivery and (if any) financial returns.
12. There are a number of key strategic objectives which could form the basis for future housing development plans; these include:
 - a) Speed up the rate of policy compliant development to meet Local Plan targets.
 - b) Improve the environmental standard of local homes.
 - c) Develop affordable/social rented housing.
 - d) Develop housing for affordable ownership.
 - e) Delivering stalled sites.
 - f) Produce a return back to the Council.
 - g) Discharge statutory homelessness duty.
13. Focusing on accelerating the delivery of policy compliant schemes would be the best way of the Council meeting a broad spectrum of delivery objectives. The remaining objectives would be achieved on a scheme by scheme basis and would depend on cost and viability.
14. The latest KPI performance report shows that 254 homes were built in 2018/19. Currently 458 properties need to be built every year to meet the local plan target, however only 70 were delivered in the three months 2019/20. The scale of the problem is only going to grow with the introduction of the new 'standard methodology for local housing need' through the National Planning Policy Framework (NPPF).
15. The scale of the Council's ambition needs to be realistic and achievable. Starting from a position of nil development, the Council could expect to see starts on site by 2022 with the first units completed in 2023, if sufficient resources were allocated to the programme in the 2019/20 financial year. A 15 year development programme up to 2035 could realistically target delivery of 1,000 homes.
16. Adopted Local Plan policies require a certain percentage of housing units, in developments over a certain size, to be delivered as 'affordable'. These units are secured through a Section 106 agreement as part of the planning permission. The affordable percentage is variable across the district and is reflective evidence supporting the Local Plan as to the 'typical' viability of schemes to deliver affordable units in that area. There are two main types of affordable units; rented, for which the Council will have 100% first-let nomination rights to allocate residents on the housing register; and low cost home ownership options. A full description and SWOT analysis of these tenures can be found at Appendix 2.

Delivery Methods

17. Local authorities have wide ranging powers in relation to housing delivery of all types and the development of property, to facilitate their responsibilities to deliver services and to provide assets for their areas. A combination of these would usually be sufficient for a local authority to undertake any property acquisition, development, sale, rental or related project in its area where at least part of the motivation was connected with the broad benefit or improvement of its area.
18. The Council should therefore be able to root any development proposals in specific powers and to form, where appropriate, corporate vehicles (for example, a limited company or a limited liability partnership, as a wholly-owned vehicle or joint venture), whether for the better discharge of its functions or for some other purpose.

(i) Housing Revenue Account / General Fund

19. Any Local Housing Authority that owns 200 or more dwellings are required to account for them within their Housing Revenue Account (HRA). Therefore Rother can hold up to 199 in the general fund without opening an HRA. Appendix 3 provides a description of a HRA, some particular features that Members should note.
20. As the Council does not currently own any homes, development could initially be undertaken through the general fund. If the Council intends to build homes this way then approval from the relevant Secretary of State is required for each development. Whilst usually only a formality, the Council would have to make a case for each request. Also the Council would still be limited to 199 homes; this would include market sale homes that have not yet been sold.
21. There is a significant lack of flexibility in operating a housing programme through the general fund. As schemes undergo development there is the risk that a scheme may require changes between construction phases. Under this operating model, changes like this would require full committee reports and approval, as well as renewed Secretary of State approval.

(ii) Council Owned Housing Company

22. As outlined above the Council has the necessary powers to start a Local Housing Company (LHC), which can take a number of different formats. The two most common forms of corporate vehicle considered or established by local authorities are:
 - i) a private company limited by shares (**CLS**); and
 - ii) a private company limited by guarantee (**CLG**);
23. The final constitution of the LHC would be determined in a report to Cabinet following comprehensive legal advice.
24. Whichever structure is used, consideration must be given as to the appropriate composition of the Board of Directors. In some examples the Board of Directors is entirely made up by appropriate senior officers. Others have a combination of officers, Members and in some cases even

independent representation. Having independent people with a housing specialism will enable the company to benefit from professional experience at board level.

25. As it is an external body an LHC is not subject to the same democratic processes as regular Council business. The constitution of the Board will dictate the level of transparency and accountability in which the company operates and the levels of influence that Members, officers, and independent representatives will have.
26. For the avoidance of any conflicts of interest, membership of the board is restricted and should not include any person who is part of the Executive of the Council. For this reason the Executive Directors and Section 151 officer cannot be officer representatives and if the board has Councillor representation, they should not be Members of the Cabinet.
27. In circumstances where Councillors are not represented on the board it is common for a separate democratic committee of non-Cabinet Members to be established with the purpose of scrutinising the company and steering strategy. Options for both of these structures have been outlined in Appendix 4.
28. Some examples of how other local authorities have established their LHCs;
 - a) Eastbourne Homes (Eastbourne Borough Council) – CLG with mixed board representation including independent board members, tenant members and two Councillors.
 - b) A Better Choice for Property Ltd (Ashford Borough Council) – CLS with officer only board
 - c) Quercus Housing Ltd (Sevenoaks Borough Council) – CLG with officers and Independent Non-Executive Directors on board
 - d) Sussex Weald Homes (Wealden District Council) – CLS with mixed board of equal Officer and Councillor representation
29. From the options provided in Appendix 4 it is recommended that, should the Council approve the establishment of a LHC, that option 2 (Board and Committee Structure) should be the preferential approach as this enables greater scrutiny and transparency of company operations.
30. To better inform Members' decision making, Appendix 5 provides details on how a LHC is funded and Appendix 6 outlines key advantages and disadvantages of operating with and without a LHC.

(iii) Other Delivery Methods and Objectives

31. As has already been agreed with the site at Blackfriars, Battle the Council has the opportunity to enter into joint ventures with other housing developers and providers. This would allow access to a greater pool of development resources and reduce the risk taken on individual site development. However this approach could limit the Council's ability to influence the development programme, returns generated and the timescales for delivery.
32. In Rother, where the local authority does not own a managed housing stock, private developers will seek to sell their Section 106 contingent to a housing

provider who will operate those homes as affordable/social rent or shared ownership. These homes are usually sold at an average of 60% of market value and are factored into the original development appraisal as a cost to the scheme.

33. The Council as a developer would benefit from operating the same model, which would release vital capital back into the scheme, making development more viable. Retaining stock in the form of 'Council Houses' would mean that the income from those homes would need to cover the cost of both borrowing and management. Income would be limited to local housing allowance (LHA) rates, which for the majority of Rother are prohibitively low and would mean that the Council would have to subsidise the cost of building by meeting the shortfall in the loan financing through the revenue budget. Appendix 7 outlines high level costs for construction of a 2 bed house against the LHA income. This shows that for every Council House that is retained, an additional £3,531/year would need to be allocated in the Annual Revenue Budget to support borrowing costs. This does not include costs for management of a housing team or lifetime property maintenance.
34. Also as RDC does not currently have a housing management team, the Council would have to buy in this service in the first instance at additional cost. A housing provider with a local presence such as Optivo or Orbit would be likely candidates to provide this service, as well as other local authorities such as Wealden District Council who have this function within their structure.
35. Given the acute need for acceleration in the delivery of all housing tenures, the current financial position of the Council, and the unaffordable cost of developing council-owned housing, it is recommended that the Council follow a Local Housing Company model. The Local Housing Company should focus on bringing forward policy compliant schemes, seeking to sell the housing once built.

Housing Development Programme

36. The Council has already taken the decision to maximise the value of existing land assets through the development of housing (CB18/73 refers). The projects at the Former High School Site, Bexhill and the site at Blackfriars, Battle will deliver up to 180 homes over the next five years. However, other opportunities for housing development on Council owned land are limited to smaller sites and the programme will need to consider the acquisition of new housing land to progress further development on any scale.
37. The key growth area for Rother is North East Bexhill, now known as Worsham. The development at Worsham has been slow to commence with Bovis Homes only starting on site for phase one (200 dwellings) following the granting of outline planning in March 2016. This area represents a real opportunity for accelerating delivery of homes that already have outline planning permission.
38. In addition to that, the Development and Site Allocations (DaSA) Local Plan identifies a number of other opportunities, including a significant growth area to the North of Bexhill in Policy BEX3 (equating to 530 dwellings), Land at Northeye (some 140 dwellings), the Hastings Fringes development at the Michael Tyler Furniture site (some 40 dwellings) and a number of rural development sites in excess of 40 homes.

39. There will also be a number of larger scale development opportunities that are presented through neighborhood plans as they are developed and adopted.
40. The housing development programme should focus resources on acquiring and delivering sites that are a reasonable scale, and have either already achieved planning permission or have been allocated through the Local Plan. This will enable the Council to maximise the number of homes that can be delivered throughout the 15 year programme life.
41. The growth areas to the North and North-East of Bexhill would meet this criteria however, we should not be looking to compete with other developers already looking to bring forward sites as this will not meet the primary aim of accelerating delivery.

Resources Required

42. Developing 1,000 homes over a period of 15 years will likely cost in the region of £200m. Each scheme will be appraised on its own merits and viability be assessed to ensure that the sales value of the market housing will be sufficient to cover the gross development cost.
43. The development of housing is a new area for this Council and there is no existing resource to drive this work forward. Additional programme level resource would be required to ensure that projects come forward. Each project will consist of three key stages. Pre-development, Construction and Disposal.
44. A Housing Programme Manager will be required in the early stages to develop a programme, progress the identification of sites and acquisition of land, and commission services necessary for achieving planning permission at additional costs. It is anticipated that the programme manager will cost the authority in the region of £60,000/year, including on-costs. This would initially be funded through the Medium Term Financial Strategy (MTFS) Reserves.
45. This post would also be responsible for managing the establishment of a LHC, should the Council approve that approach. The full cost of establishing the LHC is estimated at about £30,000. This will include all legal, accountant, recruitment and registration fees. Ongoing costs of about £10,000/year are likely to be incurred by the Council in the form additional work for finance and legal departments in relation to maintaining the housing company.
46. Once a development reaches construction stage we have an experienced Development Project Manager who can oversee the delivery of individual schemes.
47. When in a position to do so and dependant on capacity within the wider team, additional resource might be required for either managing the property or for the disposal of the market sale homes. This could also be a function of the LHC but will need consideration at the appropriate time.
48. It is likely that many of these costs would be capitalised as they directly relate to development, meaning that in the longer term they will have little impact on the revenue budget. However, in addition to this there will be additional resources required such as finance and legal to support the running of an

LHC, appraising developments, and developing business cases that would need to be accounted for through revenue budgets.

Conclusion and Recommendations

49. There are a number of different options available to the Council and the approach taken will depend on the key strategic drivers for housing development.
50. The Council understands that the overriding need should be to meet the requirements of both the Local Plan and the HHRSS in accelerating the delivery of housing across all tenures. However, the extent to which this can be achieved will be dependent on the resources available within the existing financial constraints of the budget. Members will need to determine how additional resource would be funded and be aware of the implications on delivery of other services and priorities that the Council may have.
51. Other local authorities who have undertaken similar programmes have been realistic in their ambitions. Wealden District Council for example, when setting up Sussex Weald Homes, targeted delivery of 250 homes in the first five years. As an authority we have less experience in house building and therefore it should be realistic for us to deliver up to 200 homes by 2025. However, an ambitious programme should seek to demonstrate continued growth.
52. It is recommended therefore that the Council set a target of 1,000 homes to be built on policy compliant, mixed tenure developments by 2035. At the start of the programme the Council should aim to complete at least 200 homes by 2025.
53. The Council should establish a Local Housing Company to drive forward the development of housing in the district. Members should consider the structure and board representation of the company, as well as noting the additional resources required to run a LHC.
54. In order to achieve the scale of delivery and to make schemes more financially viable, it is recommended that the Council sell the majority of homes on the open market and the 'affordable' element of developments to a housing provider to release much needed capital back into the programme for future development.
55. The Council, where possible, should look to ensure that sites with planning permission and those allocated through existing Local Plan policies should be brought forward in the first instance and that identified key growth areas such as North and North East Bexhill represent the best initial opportunity. However this should not exclude other sites, particularly those identified in Neighborhood Plans. It will remain the policy of the Council to encourage private development throughout the district so where there is interest from other developers in bringing forward sites, the Council should not seek to compete, but explore other opportunities.
56. It is recommended that a Housing Development Programme Manager be appointed as the first resource required in developing and delivering this ambitious housing programme.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

There are a number of risks that need considering in the recommendations in this paper.

Establishment of LHC – The specific governance arrangements surrounding a LHC will determine the level of exposure to the Council. Whilst specific proposals will be brought back to Council at a later date, Members will need to steer on governance preferences at the early stages.

Funding of LHC – The LHC does not make enough money to repay the loans to the Council, meaning that the Council is liable for the repayments on their own borrowing.

Appointment of Staff – given the financial constraints already faced by this Council the appointment of professional staff to drive forward this programme in the first instance could apply additional pressure to the revenue budget.

Scale of development – the recommendations related to the target for development are ambitious and represent a reputational risk to the Council if they are not achieved.

Intervention in the market – by entering heavily into the local market place in the manner proposed, there could be unintended consequences for the development of housing in the district, namely:

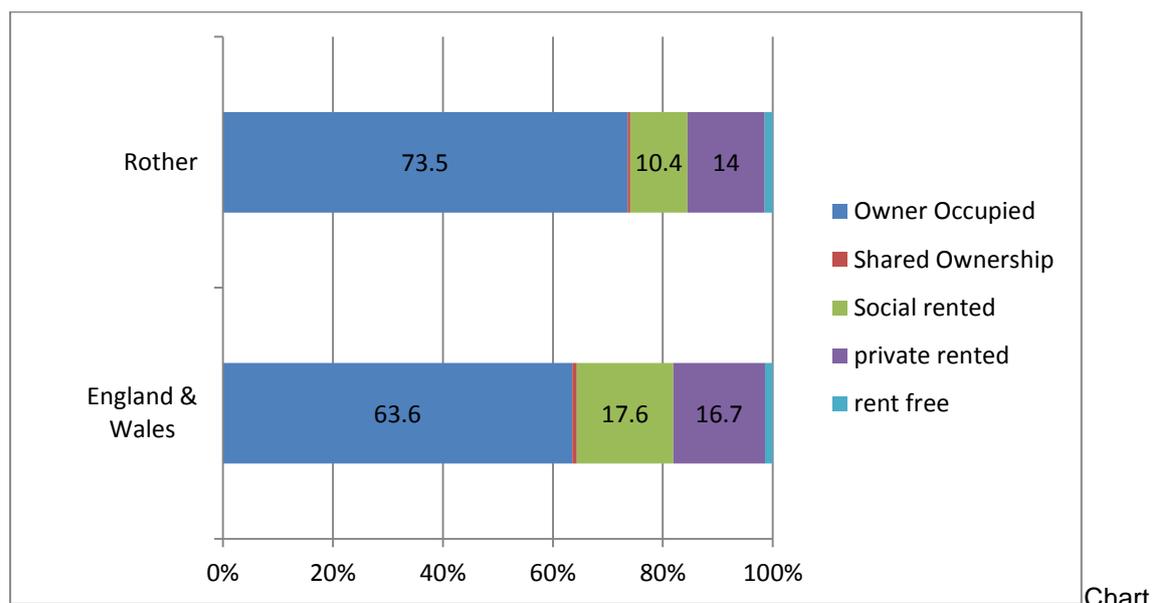
- a) Increase in the land value due to increased competitiveness.
- b) Discouragement of private developers to bring forward target key growth areas.
- c) Suppression of house price growth due to increased supply.

There are a number of factors which drive the need for an increase in housing. These include the following:

- a) Increasing population – the projected population in the Rother district is expected to rise by 9,000 between 2011 and 2028. This equates to a 10% increase.
- b) Increasing life expectancy – during the same period, average life expectancy is expected to increase by five years for men and 3.5 years for women.
- c) Reducing average household size – households are expected to reduce from 2.15 in 2015 to 2.10 in 2025. The effect of this is more single person households and consequent under use of housing stock.

Demand for affordable social housing is increasing and supply is struggling to keep up with demand which is leading to homelessness, sofa surfing, poor quality living conditions and rough sleeping.

Tenure imbalance is an issue, in particular a lack of affordable (shared ownership and social rented) housing (only 10.4% of all housing stock in Rother is social rented housing; compared to 17.6% in England & Wales) (see Chart 1 below).



1: household tenure comparison – England & Wales, Rother

A significant portion of affordable housing delivery is dependent on the delivery of private housing schemes. Although housing delivery for all tenures is increasing, it does not meet the expected Local Plan targets. Chart 2 below shows housing delivery compared to the Local Plan target, broken down by private and affordable housing.

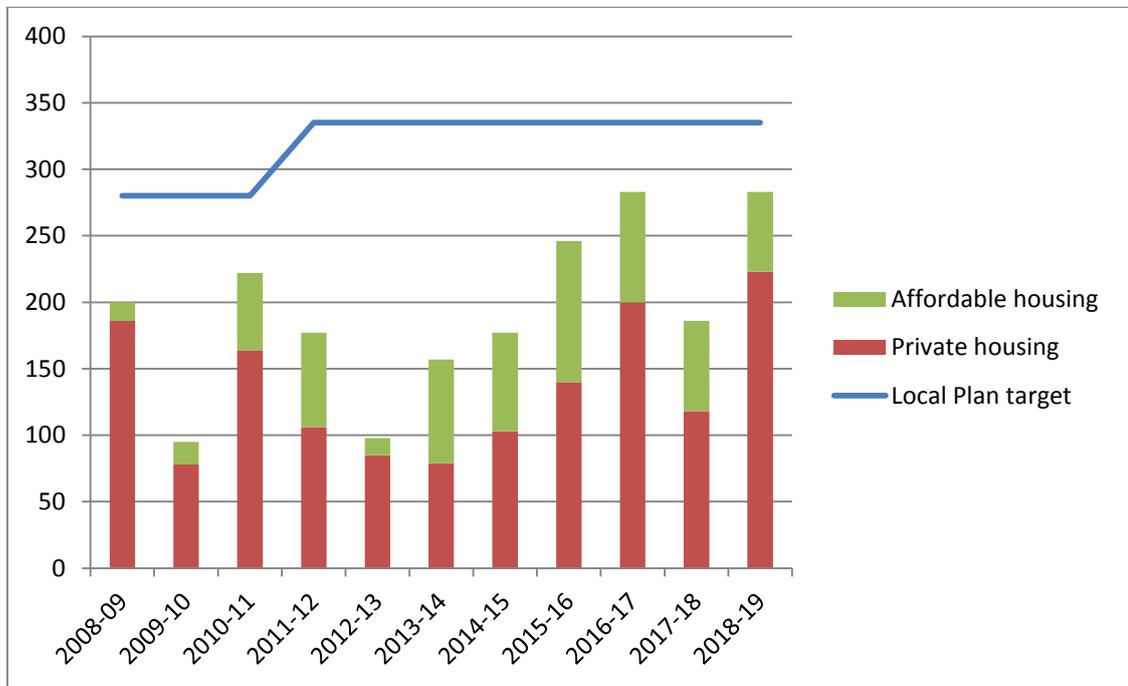


Chart 2: Housing delivery 2008 - 2019, Rother

Social/Affordable Rent

Social and Affordable rented homes are those owned either directly by councils or by registered providers (RPs) and are rented at sub-market rates making them more affordable for households on low incomes. The Council’s housing register provides a useful starting point to understand the current need for social/affordable tenure across Rother. There are currently 1600 households on the housing register. The data confirms that need is greatest for smaller one and two bedroom properties, and the most affordable tenure for our residents is social rented tenure.

The need for one and two bedroom properties is also broadly supported by the Housing Needs Survey, with a higher proportion of two bedrooms to reflect the range of affordable housing tenures included under current guidance, to include intermediate homeownership options. Smaller dwellings is also consistent with the Council’s existing planning policies which requires a mix of housing sizes and types, of at least 30% one and two bedroom dwellings in rural areas to achieve a mixed and balanced community.

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Opportunity to respond to identified local need • Control over allocations (local connection) • Supports meeting Local Plan and Housing Strategy housing delivery numbers • Will meet increasing housing needs 	<p>(if Retained)</p> <ul style="list-style-type: none"> • No capital return • Rental only stream does not cover borrowing and costs • Ongoing management costs • Maintenance liability • Cyclical repairs • Need to establish an HRA <p>(if Sold)</p> <ul style="list-style-type: none"> • Will reduce return on investment 	<ul style="list-style-type: none"> • Partnership working with RPs • Potential for M&M agreement with RP or LA • Reduce housing waiting lists 	<p>(if retained)</p> <ul style="list-style-type: none"> • Potential for bad debts • Likely liable to Right To Buy <p>(if sold)</p> <ul style="list-style-type: none"> • May not be able to find buyer for affordable element

Low Cost Home Ownership

This is an umbrella term for a series of government schemes that seek to make private home ownership more accessible. The most well-known of which is the ‘shared ownership’ tenure, which enables a buyer to purchase a percentage of a property whilst renting the remaining percentage from the RP who manages the scheme. The typical percentage for first time buyers is between 30% and 40% for which they would most likely obtain a mortgage. It also includes market based tenures, such as starter homes, intended for those who can afford to buy, where market values are discounted in some way.

These tenures relieve pressure on the private rented sector by enabling those families with higher incomes to access home-ownership without the need for large deposits. As a developer this tenure can also be critical in releasing capital from schemes ensuring financial viability. Shared ownership does however require on-going management on the part of the provider.

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Meets a specific need • Delivers a level of capital receipt upfront • Allows for the provision of mixed tenure AH developments 	<ul style="list-style-type: none"> • Capital return reduced • Need to ongoing management • Some ongoing maintenance costs • Liability for cyclical repairs • Not always affordable for the even at social rent levels 	<ul style="list-style-type: none"> • Could free up rented affordable housing • Potential to allow young people stay in the District 	<ul style="list-style-type: none"> • DPA legislation • Mortgage availability

Market Sale

Whilst there is a clear need for more affordable housing in Rother the needs of the Local Plan outlined above show that delivery of market housing is also significantly below target. Should the Council seek to address this need then it would need to take the approach of a private developer and deliver predominately market housing.

Market housing plays a key role in addressing the overall balance between supply and demand and tenure mix. The lack of supply is a key driver behind the increase in property prices, however there is a limit to what people working locally can afford to pay. Increased delivery can help suppress house price inflation in the area ensuring that as many people as possible can afford to enter the market.

As a market housing provider, the Council could opt to address local need in the types of dwellings that are built as part of the site. Whilst house type mix is a matter for planning policy the Council should consider the needs of local people when designing sites. The Council could seek to deliver greater numbers of smaller, entry level homes, albeit less profitable, but would address market failings not being redressed by the major developers.

Without significant grant investment from Central Government, or through a registered provider it is inevitable that any site that the Council develops will include a majority of market sale units. Housing development on any scale will likely incur significant short term debt and market sale units will be needed to repay, in part or whole, the cost of developing the site to ensure that the Council limits the on-going impact to the revenue budget.

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Capital receipt returned to Council • No ongoing maintenance • No ongoing management • No lifecycle costs • Easy: In and out 	<ul style="list-style-type: none"> • Aftercare (12 month DLP) • Focused on value/m² rather than need • Higher market facing specification needed • Very likely to require a housing company 	<ul style="list-style-type: none"> • Short term projects allowing rapid progression to next project • Potential to cross subsidise other (AH) projects • Potential to provide a mix of units to respond to local needs • Potential to improve locally based supply chains 	<ul style="list-style-type: none"> • Sales risk • Dependent on national economy • Not necessarily responding to the needs of RDC residents • Augmenting market delivery through direct intervention

Market Rent

Some local authorities have used housing development as an opportunity to increase revenue income to sustain council services. By retaining units in an arm's length housing company and renting them at full market rates could, depending on the viability of the site, generate an income that exceeds the cost of borrowing, therefore adding to the Council's income stream.

Whilst this option does not address the housing needs of low income households who struggle to meet market rent prices, few landlords invest in new property as they tend to be more expensive, there is less capital growth potential. The majority of private rented stock is older meaning it does provide the Council the opportunity to raise the bar in the stock quality available in this sector. The Council is also in the position to offer improved security and quality for those families who may not be eligible for social housing, but in turn have little prospect of ever owning their own home.

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Allows RDC to retain stock • Delivers a rental stream • Responds to a demonstrably high need in the market • Supports balancing tenure mix (current PRS levels are low throughout) 	<ul style="list-style-type: none"> • No capital return • Rental only stream covers borrowing and costs • Ongoing management costs • Maintenance liability • Cyclical repairs • Higher spec (white goods, kitchens etcetera) needed 	<ul style="list-style-type: none"> • Can meet the need of those ineligible for AH but unable to afford OMS • Could free-up affordable housing • To attract large scale investors requiring lower rate of returns 	<ul style="list-style-type: none"> • Risks trapping potential first time buyers in private rented

the district)	<ul style="list-style-type: none">• Very likely to require a housing company	(including Legal and General/pension investors)	
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The HRA is intended to record expenditure and income on running a Council's own housing stock and closely related services or facilities, which are provided primarily for the benefit of the Council's own tenants. The main features of the HRA are:

- it is a landlord account, recording expenditure and income arising from the provision of housing accommodation by local housing authorities (under the powers and duties conferred on them in Part II of the Housing Act 1985 and certain provisions of earlier legislation);
- it is not a separate fund but a ring-fenced account of certain defined transactions, relating to local authority housing, within the General Fund;
- the main items of expenditure included in the account are management and maintenance (M&M) costs, major repairs, loan charges, and depreciation costs;
- the main sources of income are from tenants in the form of rents and service charges;
- the HRA should be based on accruals in accordance with proper accounting practices, rather than cash accounting; and
- it does not make a profit.

Legislative features are:

- ring-fenced account within the General Fund;
- credits and Debits are prescribed by statute;
- no general discretion to breach the ring-fence;
- cannot budget for a deficit;
- all borrowing within the HRA is in line with the CIPFA Prudential Code considerations;
- right to buy – tenants have a right to purchase their property at a discount;
- resourcing for rent collection, monitoring spend both revenue and capital, repairs both everyday and cyclical repairs e.g. kitchens and bathrooms;
- decent homes standards; and
- rents are limited by LHA rate.

Structures for a Local Housing Company Board

Option 1 - Board Only Structure

Rother District Council Officers x 3 (Cannot be Executive Directors or Section 151 officer)

Independent Representative x 2 (Including Chair)

Rother District Councillors x 3 (Cannot be Members of Cabinet)

Option 2 - Board and Committee Structure

LHC Board

Rother District Council Officers x 3 (Cannot be Executive Director or Section 151 officer)

Independent Representatives x 2 (Including Chair)

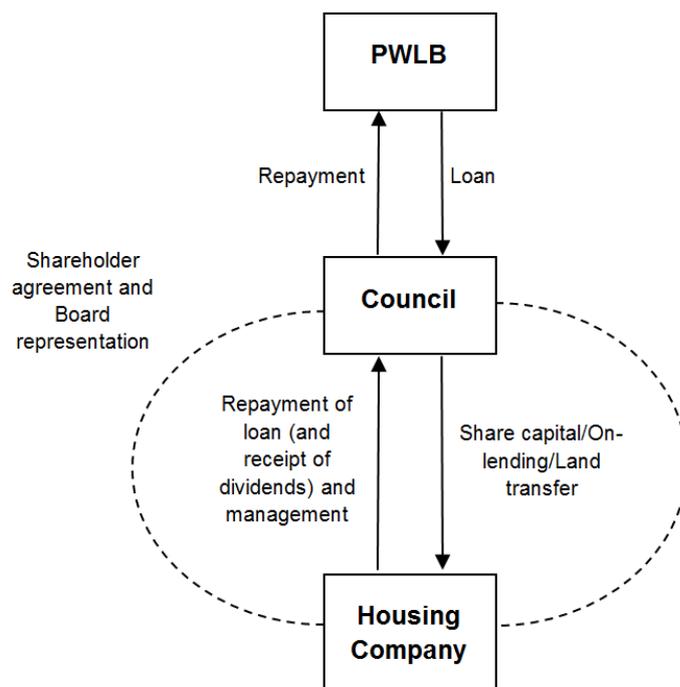
No Councillor Representation on Board

Housing Company Committee

This would be a politically balanced democratic subcommittee of the Council, constituted of between five and seven non-Cabinet Members, that has responsibility for providing the strategic steer and oversight of the Housing Company. The Committee will represent the Council in its role as shareholder with the Board of the LHC reporting and updating regularly in an open transparent forum.

Funding a LHC

Most local authorities that are active in the housing market without a HRA are funding development either through borrowing from the PWLB or through reserves. A LHC cannot directly access PWLB borrowing so the usual process for financing is a process known as 'on-lending'. In this scenario the Council will borrow from the PWLB and 'on-lend' to the LHC at a predetermined interest rate.



The Company makes money for the Council because the margin between the PWLB and market interest rate provides local authorities with an untaxed return. When providing market loans, a local authority is required to act as a notional market lender and not a public authority. HMRC would require and treat such market loans as being given on arms-length terms.

There are a number of other key considerations that the Council needs to take into account before deciding to start a LHC. These include:

- a) The initial revenue financing and resource requirements.
- b) The time needed to run the company
- c) The impact on existing Council resources (Management and Finance)

Some of the advantages and disadvantages of the two primary options:

	Key Advantages	Key Disadvantages
General Fund	<ul style="list-style-type: none"> - No need for arms-length company - Can directly access prudential borrowing 	<ul style="list-style-type: none"> - Limited to 199 homes without activating HRA - Requires Secretary of State approval on all developments - Administrative running costs must be met through revenue budget - Any retained stock must be rented out at LHA rates and would be subject to 'Right to Buy' - Decision making must follow democratic process.
Local Housing Company	<ul style="list-style-type: none"> - No limit to number of homes that can be owned - Does not require Secretary of State approval. - Administrative running costs can be absorbed by the company and funded through borrowing - Greater flexibilities with regards to retained stock - No 'Right to Buy' - Greater flexibility autonomy of decision making. 	<ul style="list-style-type: none"> - Cannot directly access prudential borrowing - Can place additional administrative burden on Council staff.

Description	Annual Income	Annual Expenditure
Loan repayments - 2 Bed House @£175,000 cost of construction		£9803
2-bed LHA Rent	£6,272	
Cost differential per unit		
		£3,531
Cost based on a 200 home development with 80 retained units		
		£282,480

Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	25 November 2019
Report of the	-	Executive Directors
Subject	-	The Council's Constitution and UK Exit from the European Union (Brexit)

Recommendation: It be **RESOLVED:** That Cabinet be requested to recommend to Council that the Council's Constitution be amended by the insertion of the following clause, effective from the date at which the UK leaves the European Union:

References to legislation including statutory instruments contained within this Constitution may have been superseded and therefore substituted by changes derived from the European (Withdrawal) Act 2018 ("the Act") and subordinate legislation introduced following the United Kingdom's exit from the European Union.

Introduction

1. As Members may be aware an officer European Union (EU) Exit Team has been established, under the direction of Dr Anthony Leonard, Executive Director acting as Lead Officer consisting of:
 - Head of Planning and Strategy;
 - Head of Environmental Services, Licensing and Community Safety;
 - ICT Manager;
 - Emergency Planning Officer; and
 - Human Resources Manager.
2. This working group meets on a weekly basis to consider communications received from the Government, the Sussex Resilience Forum, the Local Government association, and to keep under review the risk register and action log, tracking the Council's preparative activity for EU Exit.
3. The Audit and Standards Committee are being kept up to date on the Council's Strategic Risk Register in order to take into account the potential effects of the departure of the United Kingdom from the EU. The last report was made in September 2019 (Minute AS19/22 refers).
4. With the calling of the General Election to be held on Thursday 12 December, the current position with regard to the UK's exit from the EU remains uncertain at this time. Prior to the calling of the General Election an extension had already been agreed until 31 January 2020.

The Council's Constitution

5. Whilst the exact timing is unknown, the EU (Withdrawal) Act 2018 (the EUWA) will end the supremacy of EU law in UK law and will convert directly applicable EU legislation into domestic law. The legislation will generally have the same effect that it had before the UK left the EU, unless or until it is changed by Parliament. Some however have been amended by Statutory

Instruments made under the EUWA to correct “retained EU law” to ensure that the legislation will work properly once the UK has left the EU.

6. It is therefore necessary to ensure that the Council’s Constitution remains robust and actions undertaken by officers in accordance with current EU legislation referenced within the Constitution, are not open to legal challenge. It is therefore recommended that the following clause be inserted into the current Constitution, effective from the date at which the UK leaves the EU:

References to legislation including statutory instruments contained within this Constitution may have been superseded and therefore substituted by changes derived from the European (Withdrawal) Act 2018 (“the Act”) and subordinate legislation introduced following the United Kingdom’s exit from the European Union.

7. In accordance with the Council’s Constitution, amendments to the Constitution are made via the Overview and Scrutiny Committee to Cabinet and Council. The Overview and Scrutiny Committee are requested to recommend this amendment to Cabinet and Council for approval.
8. If for any reason the UK does not leave the EU, this clause will not be inserted into the Constitution.

Malcolm Johnston
Executive Director

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

Failure to ensure that the Council’s Constitution remains robust and legislatively sound post the UK exit from the EU could result in the Council being vulnerable to legal challenge.

OVERVIEW AND SCRUTINY COMMITTEE

WORK PROGRAMME 2019 – 2020		
DATE OF MEETING	SUBJECT – MAIN ITEM (Capitalised)	Cabinet Portfolio Holder
25.11.19	<ul style="list-style-type: none"> • REPORT OF SERVICE LEVEL AGREEMENT TASK AND FINISH GROUP • Performance Progress Report: Second Quarter 2019/20 • Revenue Budget and Capital Programme Monitoring to September 2019 • Housing Development Programme (including affordable and social) • Medium Term Financial Plan 2020/21 to 2024/25 • Public Realm Strategic Framework • The Council's Constitution and UK Exit from the European Union (Brexit) 	Oliver Clark Earl-Williams
27.01.20	<ul style="list-style-type: none"> • DRAFT REVENUE BUDGET PROPOSALS 2020/21 • KEY PERFORMANCE TARGETS 2020/21 • Environmental Policy proposals • Anti-Poverty Task and Finish Group Terms of Reference • Housing Allocations Policy 	Oliver Field Clark
16.03.20	<ul style="list-style-type: none"> • CRIME AND DISORDER COMMITTEE: TO RECEIVE A REPORT FROM THE COMMUNITY SAFETY PARTNERSHIP • Performance Progress Report: Third Quarter 2019/20 • Revenue Budget and Capital Programme Monitoring to January 2020 	Brewerton Oliver
27.04.20	<ul style="list-style-type: none"> • WASTE CONTRACT REVIEW • Call-in and Urgency Procedures • Draft Annual Report to Council • Review of Task and Finish Groups / Outcomes 	Oliver Prochak
ITEMS FOR CONSIDERATION		
Tourism Review [Minute OSC18/52 – 29 April] Regeneration CPE Task and Finish Group – December 2020		

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