

CabinetDate and Time - **Monday 2 December 2019 – 6:30pm**Venue - **Council Chamber, Town Hall, Bexhill-on-Sea**

Councillors appointed to the Committee:

Councillor D.B. Oliver (Leader), Mrs C.A. Bayliss, J.H.F. Brewerton, C.A. Clark, Mrs D.C. Earl-Williams, K.M. Field, S.M. Prochak (Deputy Leader) and J. Vine-Hall.

AGENDA**1. MINUTES**

To authorise the Leader to sign the Minutes of the meeting held on 4 November 2019 as a correct record of the proceedings.

2. APOLOGIES FOR ABSENCE**3. ADDITIONAL AGENDA ITEMS**

To consider such other items as the Leader decides are urgent and due notice of which has been given to the Head of Paid Service by 9:00am on the day of the meeting.

4. URGENT DECISIONS

The Leader to give details of those reports that have been referred to the Chairman of the Council to consider designating as urgent, in accordance with Rule 17 of the Overview and Scrutiny Procedure Rules contained within Part 4 of the Council Constitution, and to which the call-in procedure will not therefore apply.

5. 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.

At the discretion of the Leader, the order of the items set out in the agenda may be varied

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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**

6. **THE COUNCIL'S CONSTITUTION AND UK EXIT FROM THE EUROPEAN UNION (BREXIT)** (Pages 1 - 2)
7. **HOUSING DEVELOPMENT PROGRAMME** (Pages 3 - 22)
8. **MEDIUM TERM FINANCIAL PLAN 2020/21 TO 2024/25** (Pages 23 - 40)
9. **LOCAL COUNCIL TAX REDUCTION SCHEME 2020/21** (Pages 41 - 42)
10. **IRRECOVERABLE DEBTS** (Pages 43 - 44)
11. **THE COMMUNITY INFRASTRUCTURE LEVY - PROGRESS, UPDATE AND REVIEW** (Pages 45 - 58)
12. **ADOPTION OF THE ROTHER DISTRICT DEVELOPMENT AND SITE ALLOCATIONS (DASA) PLAN** (Pages 59 - 78)
13. **WATER FEATURE - BEXHILL-ON-SEA PROMENADE** (Pages 79 - 82)
14. **CLIMATE CHANGE STEERING GROUP - TERMS OF REFERENCE** (Pages 83 - 86)
15. **INSTALLATION OF VIDEO CAMERAS IN THE COUNCIL CHAMBER** (Pages 87 - 88)
16. **APPOINTMENT OF CABINET CHAMPIONS / SPOKESPERSONS** (Pages 89 - 90)

Malcolm Johnston
Executive Director

Agenda Despatch Date: 22 November 2019

Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Directors
Subject	-	The Council's Constitution and UK Exit from the European Union (BREXIT)

Recommendation 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.

Foreword

This report was considered by the Overview and Scrutiny Committee at its meeting held on 25 November 2019. The report has been reproduced in full for Cabinet; the comments of the Overview and Scrutiny Committee will be tabled at the meeting.

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.

Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Director
Subject	-	Housing Development Programme

Recommendation 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.
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Head of Service: Ben Hook

Lead Cabinet Member: Councillor Clark

Foreword

This report was considered by the Overview and Scrutiny Committee at its meeting held on 25 November 2019. The report has been reproduced in full for Cabinet; the comments of the Overview and Scrutiny Committee will be tabled at the meeting.

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 two 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.

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:

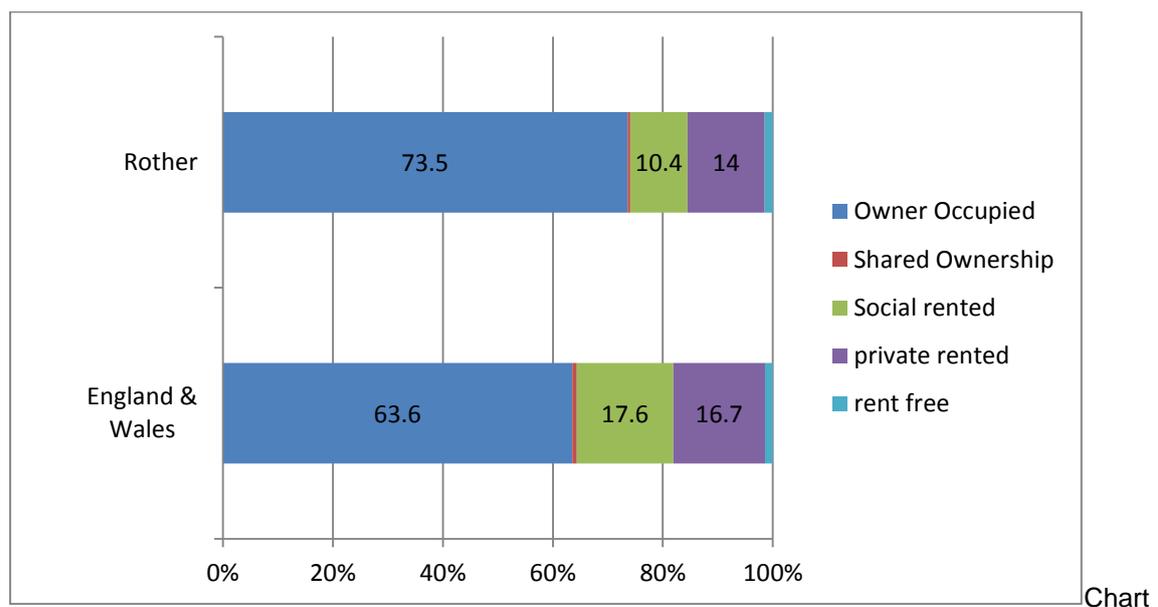
- a) Increase in the land value due to increased competitiveness.
- b) Discouragement of private developers to bring forward target key growth areas.
- c) Suppression of house price growth due to increased supply.

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).



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.

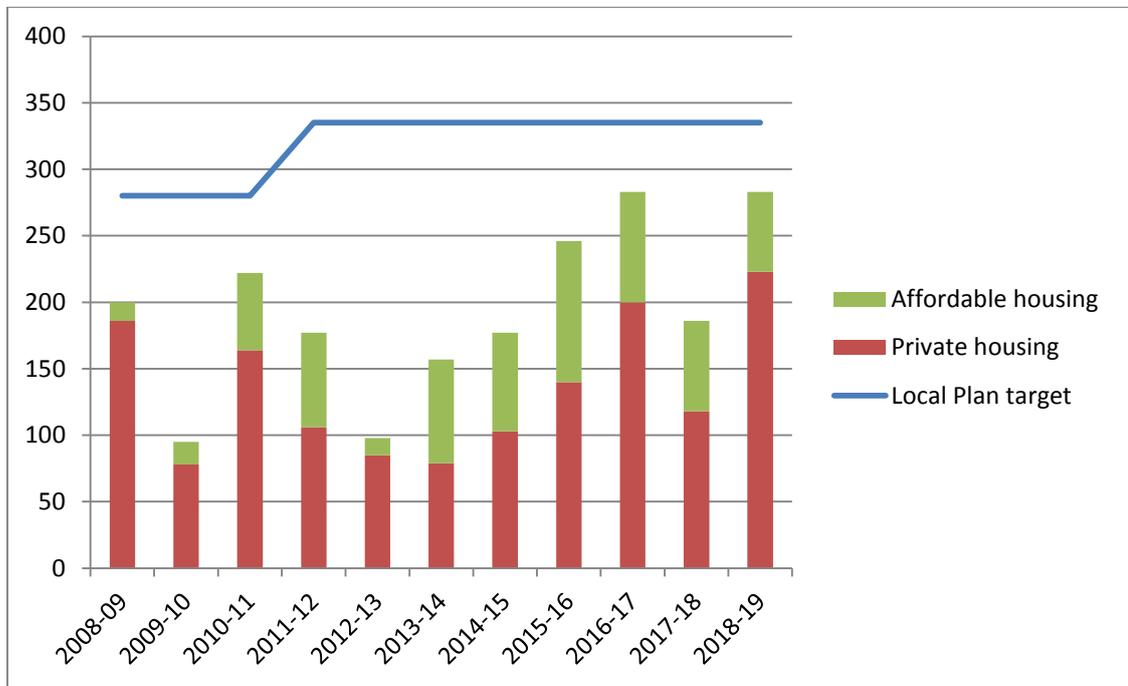


Chart 2: Housing delivery 2008 - 2019, Rother

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 	<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 	<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

	require a housing company	units to respond to local needs <ul style="list-style-type: none"> • Potential to improve locally based supply chains 	
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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 the district) 	<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 • Very likely to require a housing company 	<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 (including Legal and General/pension investors) 	<ul style="list-style-type: none"> • Risks trapping potential first time buyers in private rented

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)

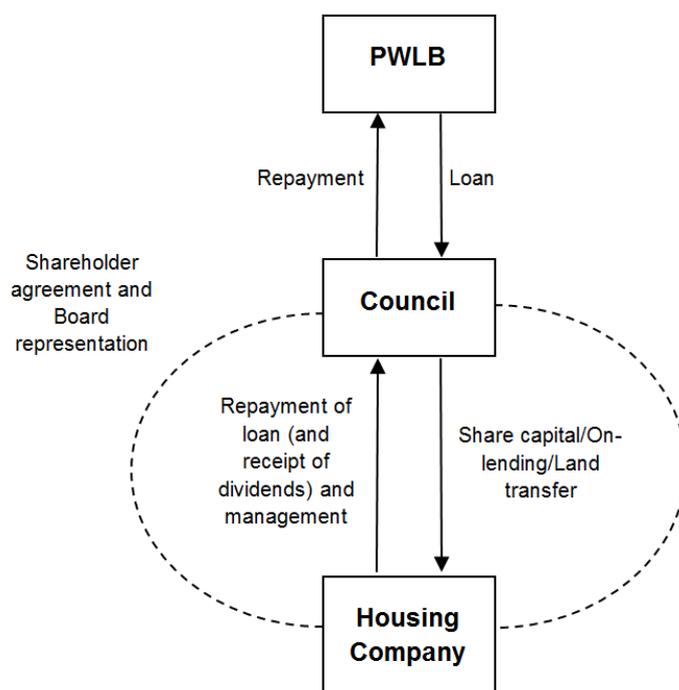
No Councillor Representation on Board

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		£9,803
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

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Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Directors
Subject	-	Medium Term Financial Plan 2020/21 to 2024/25

Recommendation to COUNCIL: That:

- 1) the current Council Tax Reduction Scheme be affirmed and continue for the 2020/21 financial year.

AND

It be **RESOLVED:** That the:

- 2) financial issues considered in this report be reflected in the Council's Medium Term Financial Plan;
 - 3) Council maintain its policy of maximising the annual increase in Council Tax within the Government's referendum limit; and
 - 4) 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.
-

Assistant Director: Robin Vennard
Lead Cabinet Member: Councillor Oliver

Foreword

This report was considered by the Overview and Scrutiny Committee at its meeting held on 25 November 2019. The report has been reproduced in full for Cabinet; the comments of the Overview and Scrutiny Committee will be tabled at the meeting.

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%	0	51	51	51	51	51
	Salaries pay award inflation @ 2% of 2019/20 Base						
16	Budget	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 Contributions to/(from) General Fund Balance and Reserves	(704)	(1,359)	(291)	(291)	(291)	(291)
57		(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
	£'000	£'000	£'000	£'000
Balance 31 Mar 19	1,000	16,362	2,902	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)	
--------------------------------	-----------------	--

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:
N/A

Question 6 – Do you agree with the Government’s proposals for iBCF in 2020-21?

~~Yes~~
~~No~~
No comment

Additional Comments:
N/A

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 £81m 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:
N/A

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Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Directors
Subject	-	Local Council Tax Reduction Scheme 2020/21

Recommendation to COUNCIL: That the:

- 1) Council Tax Reduction Scheme currently in place for 2019/20 be continued for 2020/21; and
 - 2) Executive Director be authorised to make minor textual amendments and uprate premiums and living allowances when they are amended by the Government including an inflationary increase where appropriate.
-

Assistant Director: Robin Vennard
Lead Cabinet Member: Councillor Oliver

Introduction

1. On 18 December 2018, full Council approved a Council Tax Reduction Scheme (CTRS) for Rother to be introduced from 1 April 2019. Each year the Council is required to formally adopt a scheme for commencement on the 1 April of that year. It is recommended to Council that the 2020/21 scheme remains the same as the 2019/20 scheme. It is necessary to amend certain rates contained in the scheme in line with Government increases. Whilst this is not considered a scheme change, in order for the Council to resist any potential challenge to the 2020/21, scheme it is considered necessary to report these changes to Members and to make available the full scheme for Members' consideration. A copy of the full scheme has been placed in the Members' Room including an updated Equality Impact Assessment (EIA). The EIA will also be circulated to Members prior to the meeting.

Proposed Scheme 2019/20

2. The Council is required to review the local CTRS each year and either continue with the existing scheme or devise a new scheme. The current scheme has delivered additional income for the Council and the precepting bodies. In its first year of operation there has not been a significant impact on the overall council tax collection rates. However this has been facilitated by the additional resources part funded by preceptors to bolster collection activities.
3. Officers are aware that Members will be considering the Council's approach to poverty within Rother and this work, if agreed, will likely take place during 2020. It is proposed therefore to continue with the current scheme into 2020/21 with some minor amendments to take account of legislative changes and the annual uprating of amounts and premiums used in the calculation of

entitlement to help. It is recommended the rates used in the CTRS are uprated in line with the rates used in Housing Benefit administration when published by the Department of Work and Pensions and an inflationary increase based on the Consumer Price Index to the income bands where appropriate.

Consultation

4. The Local Government Finance Act requires that if the scheme is to be changed the Council must undertake a full consultation exercise with the exception of an uprating of amounts and premiums used in the calculation of entitlement. As this in itself does not constitute a change to the scheme, merely the rates applicable, the Council is not required to undertake a full consultation exercise. However, the major preceptors have been consulted on the proposal to retain the 2019/20 scheme and no objections have been received.

Equity Impact Assessment

5. As the proposed scheme for 2020/21 is the same as the 2019/20 scheme there is no requirement to undertake a full Equality Impact Assessment (EIA).

Conclusion

6. The proposed scheme for 2020/21 is the same as the 2019/20 scheme. Officers continue to closely monitor the scheme spend and have reflected the forecast in the calculation of the 2020/21 taxbase.

Malcolm Johnston
Executive Director

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

By not following the relevant legislative provisions for CTRS, the Council runs the risk of legal challenge to its scheme. This report and other information provided to Members minimises the risk of challenge.

Rother District Council

Report to - Cabinet
 Date - 2 December 2019
 Report of the - Executive Directors
 Subject - Irrecoverable Debts

Recommendation: It be **RESOLVED:** That the debts shown in Appendix 1 be approved for writing out of the accounts.

Assistant Director: Robin Vennard
Lead Cabinet Member: Councillor Oliver

1. Any debt in excess of £4,000 can only be written out of the accounts with the consent of the Cabinet. This treatment of the debt does not mean that the Council cannot take action in the future if information is received indicating that the amount can then be recovered. Where it is apparent, however, that the debts are not going to be recovered, then it is financially prudent to exclude them from the accounts.
2. Cabinet is asked to agree to write off cases relating to monies owed to the authority as attached at Appendix 1. The following table summarises the total value to be written out of the accounts.

TYPE OF DEBT	TOTAL TO BE WRITTEN OFF
Housing Benefit Overpayment	£17,801.20
Council Tax	£30,760.90
Business Rates	£14,189.39
Sundry Debts	£7,687.50
Total	£70,438.99

3. The Council has robust recovery processes that are in place before debts are written off. Debt recovery work is undertaken in line with current Council policy and the Council's work around debt recovery performs extremely well.
4. Details of all the cases are available on request.

Malcolm Johnston
 Executive Director

Dr Anthony Leonard
 Executive Director

Risk Assessment Statement

The Council is a non-preferential debtor in bankruptcy and winding-up procedures, and the likelihood of a dividend in these circumstances is remote. Writing the amounts out of the accounts leaves a true picture of the size of debt where recovery is still likely.

TYPE OF DEBT		AMOUNT £
HOUSING BENEFIT OVERPAYMENTS		
1	All available options to recovery this debt have been exhausted. Liable person is in receipt of state benefits and is already having the maximum deductions made to repay a large debt from another organisation.	£4,096.22
2	All available options to recovery this debt have been exhausted. Liable person is in receipt of state benefits and is already having the maximum deductions made to repay a large debt from another organisation. A County Court Judgement (CCJ) has been obtained but liable person has no assets.	£13,704.98
	Total	£17,801.20
COUNCIL TAX		
3	The liable person was declared bankrupt on 16 June 2019 leaving no realistic prospect of recovery.	£4,447.16
4	The liable person was granted an Individual Voluntary Arrangement on 30 November 2018 leaving no realistic prospect of recovery.	£5,608.24
5	The liable person was granted a Debt Relief Order on 12 March 2019 leaving no realistic prospect of recovery.	£8,774.31
6	The liable person was declared bankrupt on 20 September 2019 leaving no realistic prospect of recovery.	£6,321.75
7	Liable person is now deceased leaving no money in the estate	£5,609.44
	Total	£30,760.90
BUSINESS RATES		
8	All available options of recovery have been exhausted The liable limited company ceased trading in 2011 and the registered office with Companies House is the former business premises. No realistic prospect of recovery.	£8,285.47
9	The company was dissolved on 20 August 2019 leaving no realistic prospect of recovery.	£5,903.92
	Total	£14,189.39
SUNDRY DEBT		
10	The debt relates to the cost of temporary emergency accommodation provided by the authority for the period 27/2/17 – 20/9/17. All available options of tracing the whereabouts of the liable party have been exhausted, therefore, leaving no realistic prospect of recovery.	£7,687.50
	Total	£7,687.50
	Total to be written off	£70,438.99

Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Director
Subject	-	The Community Infrastructure Levy – Progress, Update and Review

Recommendation to COUNCIL: That:

- 1) the Infrastructure Progress Report be replaced with the Infrastructure Funding Statements from December 2020 in-line with the updated Regulations;
 - 2) the Section 106 collection monitoring be incorporated into the Infrastructure Funding Statements;
 - 3) all new Section 106 Agreements include the provision for a reasonable fee, equating to 5% of the monetary value of each head of term where a financial contribution is secured and a flat fee of £500 for each non-financial head of term, to help provide resources for the new monitoring requirements;
 - 4) bidding for the strategic Community Infrastructure Levy be paused until after the publication of the Infrastructure Funding Statements in December 2020.
 - 5) subsequent to the completion of the Infrastructure Funding Statements in December 2020, a Task and Finish Group be established to present recommendations to Cabinet on how the spending of strategic Community Infrastructure Levy should be prioritised, the threshold for triggering the bidding process for strategic Community Infrastructure Levy and the membership of the strategic Community Infrastructure Levy Decision Making Panel; and
 - 6) the Bexhill local bidding process be paused pending the outcome of the Community Governance Review in relation to the creation of a Town Council for Bexhill-on-Sea.
-

Head of Service: Tim Hickling

Lead Cabinet Member: Councillor Vine-Hall

Introduction

1. The Community Infrastructure Levy (CIL) is a mechanism to allow local planning authorities to raise funds from some forms of development in order to pay for new infrastructure required for growth. The purpose of the CIL is to financially assist infrastructure providers to deliver the required infrastructure to support the planned development through the Local Plan, in line with the Infrastructure Delivery Plan (IDP)¹.

¹ A copy of the latest IDP can be found in the Member's Room.

2. On 7 December 2015, the Council adopted the CIL, Regulation 123 List, CIL Instalment Policy and Governance and Implementation Protocols (Minute CB15/52 refers).
3. Under the CIL Regulations, Rother District Council (RDC) is the 'Charging Authority' and its responsibilities include:
 - Preparing and publishing the CIL Charging Schedule;
 - Applying the levy revenue it receives to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support development of its area;
 - Reporting to the local community on the amount of levy revenue collected, spent and retained each year; and
 - Ensuring a 'meaningful proportion' is transferred to the Parish and Town Councils (P&TC). 15% of CIL receipts is paid to relevant P&TCs arising from developments in their areas. This rises to 25% in areas with a 'made' Neighbourhood Plan.
4. The levy, adopted by RDC, is applied on a £'s per square metre basis and is payable on residential and retail development which creates net additional floor space². The charges for residential development are set on a zonal basis across the district, whereby different zones have different CIL rates.
5. The Council has been collecting contributions under the CIL since 4 April 2016 when the Levy came into force. In total £1,058,313³ (see Appendix 1) has been collected and the Council has run one full round of bidding during 2019 for major infrastructure providers and P&TCs and one round for Bexhill Local CIL bidding (as there is no Town Council) as per the Council recommendation (Minute CB18/46 refers). In total £692,901 was awarded from the strategic CIL fund. No CIL was awarded from the Bexhill Local CIL.

Purpose of the Report and Background

6. The purpose of this report is to:
 - i. set out the recent legislative changes to CIL and how these impact on the current governance arrangements;
 - ii. provide details of the successful bids which were allocated strategic CIL funding and local CIL funding for Bexhill from this year's bidding rounds;
 - iii. identify the lessons learnt through this year's bidding process; and
 - iv. recommend changes required to ensure compliance with the recent legislative changes to CIL and to the CIL bidding processes in order to appropriately plan for strategic CIL and local Bexhill CIL bidding rounds in the future.
7. As per the Governance Arrangements and Reporting approved by Cabinet (Minute CB15/52 refers), the Council is required to produce two reports in respect of the CIL income every year:

² Where the gross internal area (GIA) of new build exceeds 100 square metres. Although that limit does not apply to the creation of new dwellings (houses or flats), and a charge can be levied on a single house or flat of any size, unless it is built by a 'self builder' or is affordable housing.

³ From 4 April 2016 – 31 October 2019.

- the Annual CIL Monitoring Report⁴; and
 - an Infrastructure Progress Report (IPR).
8. The Annual CIL Monitoring Report is a factual report which is not brought before Cabinet but forms part of the Local Plan Monitoring Report which is published annually, by 31 December each year, under delegated authority (Minute CB18/46 refers).
 9. The IPR is a working document that draws upon the following:
 - the Infrastructure Delivery Plan (IDP), which is regularly reviewed;
 - the Corporate Plan (now being reviewed); and
 - the adopted Core Strategy (also being reviewed).
 10. The IPR reflects the development priorities for the area and proposed spend over the coming year with the focus being on the timely delivery of critical infrastructure. New legislative requirements (set out below) indicate that this report should be replaced by Infrastructure Funding Statements (IFS).
 11. At the 3 December 2018 Cabinet meeting, it was resolved to approve the Council's CIL Funding Decision Protocol, Bid Pro-Forma, Assessment Criteria and Bid Validation Checklist, which are used to scope the assessment of CIL bids from applicants (Minute CB18/46 refers). There was a minimum threshold of £250,000 collected before the bidding process was opened. This figure was reached in February 2019.
 12. Paragraph 31 of the Funding Decision Protocol, states:

'An internal review will take place after two full cycles of the process. If there are significant changes proposed this will be presented to Cabinet for approval.'
 13. While the Council has only carried out one full cycle of the CIL bidding process, it is considered prudent to bring this review forward due to the substantial legislative changes to CIL which became effective on 1 September 2019 and Members' desire to review the CIL bidding and governance process sooner.

Part i) Significant Legislative Updates

14. The new Regulations⁵ came into force on 1 September 2019. The Government has also since revised the Planning Practice Guidance.
15. The legislative changes include:
 - allowing authorities more flexibility over the use of CIL and Section 106 planning obligations, by allowing the ability to pool both towards the same infrastructure;
 - where a planning permission is altered, only charging the most recent CIL rate on the altered area;

⁴ As required by Regulation 62 of the CIL Regulations

⁵ Community Infrastructure Levy (Amendment) (England) (No. 2)

- allowing the ability to phase CIL payments on multi-phased developments in certain circumstances;
 - ensuring that developments which are exempt from CIL, including residential extensions and self-build housing, will not lose that exemption when failing to notify an authority that development has commenced;
 - requiring authorities to report annually on what they have received and spent through developer contributions; and
 - enabling authorities to include a fee through Section 106 planning obligations, to support the annual Section 106 monitoring reporting .
16. In addition, the Council's existing 'Regulation 123 List' and IPR is to be replaced by a single IFS which must be published by December 2020 for the previous financial year.
17. The purpose of the IFS is to increase transparency by requiring authorities to report annually on what they have received and spent, both for CIL and Section 106 monies. The IFS should also set out the future spending priorities for infrastructure and affordable housing (Section 106 agreements), and set out the sources of funding. The IFS should include:
- a report relating to the previous financial year⁶ on the CIL and Section 106 planning obligations;
 - a report on the infrastructure projects or types of infrastructure that the charging authority intends to fund wholly or partly by the levy (excluding the neighbourhood or local CIL); and
 - a report on estimated future income from developer contributions.
18. The IDP which was updated in March 2019, will be used to inform the IFS and highlights the critical infrastructure required to deliver the development quantum set out in the Local Plan.
19. The legislation revisions also set out that whilst P&TCs are not required to spend their neighbourhood proportion (local CIL) in accordance with the Charging Authority's priorities, they are advised to work closely with the Charging Authority to agree priorities for spending the local CIL and for this to be reflected in the IFS. It should be noted that the local CIL can be spent on things other than infrastructure, such as affordable housing.
20. The revisions also remove pooling restrictions so that a single piece of infrastructure now can pool financial contributions from more than five Section 106 agreements (previous CIL regulation restriction). This also means that, Charging Authorities can use funds from both CIL and Section 106 agreements to pay for the same piece of infrastructure, regardless of how many have already contributed towards it.
21. Other changes to the legislation are primarily concerned with the adoption of the CIL and therefore would not be applicable to the Council at this time.

Fees for Section 106 Monitoring

22. The legislative changes allow for the charging of a fee where a Section 106 is secured to recover the cost of monitoring. Whilst the Council has rarely used

⁶ First one is to be published in December 2020 for the period 1 April 2019 – 31 March 2020.

this provision in the past in respect of Section 106, 5% of CIL is currently deducted by the Charging Authority to help meet the cost of administration and monitoring of CIL. Given the new requirements of the IFS it is considered appropriate to apply the same requirements to Section 106 agreements going forward.

Part ii) Overview of 2019 CIL Expenditure and details of successful bids

23. This section of the report is to be read in conjunction with the CIL Annual Report which must be published by 31 December every year⁷. This will be published as part of the suite of reports which comprise of the Local Plan Monitoring Report (LPMR).
24. As mentioned earlier in the report, where CIL is collected against a chargeable development within the area of a P&TC, the Charging Authority must pass a proportion of the CIL receipts from the development to the P&TC. This proportion equates to 15% of the CIL collected, except where a Neighbourhood Plan is in force, where this increases to 25%. This is known as the local CIL or neighbourhood proportion (as referred to above). The P&TC must then use the CIL receipts passed to it to support the development of the P&TC's area by funding the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that new development places on the area. In Bexhill, where there are currently no Parishes / Town Council, the Charging Authority retains the local CIL, but through the approach set out in the governance arrangements administers the relevant bidding process.

Award of Strategic CIL (Major Infrastructure Providers)

25. At the time when the CIL Decision Making Panel (DMP) met to review strategic CIL bids, £693,062 had been collected in the strategic CIL pot.
26. In 2019, (the first year of strategic bidding for CIL) the Council received a total of ten bids (including one which was withdrawn). Seven bid applications were heard by the CIL DMP on 5 June 2019 and a further three bids on 28 August (for the P&TCs). Four of the ten applications were successful with a resolution to award funding.
27. The successful bids were as follows:

Scheme	Awarded to	CIL awarded	Total cost of scheme
London Road: Highway, traffic and pedestrian and public realm improvements in London Road, Bexhill	East Sussex County Council (ESCC) Highways	£300,000	£1,200,000
Canada Way: Regionally competitive BMX Track, new skate park, floodlighting, improved accessibility and toilets to facilitate competitions	Rother District Council	£192,901	£582,000

⁷ In accordance with CIL Regulation 62(4)

Health Pathway – Battle Recreation Ground: Purpose-built, disabled accessible, all weather path, which links all four entrances to the recreation ground and includes pathway markings, a cycle skills track, an outside gym, a picnic area, planting and a sensory garden.	Battle Town Council	£75,000	£332,775
Ticehurst Village Centre Project: provision of pedestrian crossing improvements and the restoration of the historic village centre.	Ticehurst Parish Council	£125,000	£561,000
TOTAL		£692,901	£2,675,775

Local CIL- Bexhill

28. In the ‘non-parished’ areas; communities still benefit from the local CIL. In Rother District, the only non-parished area is Bexhill. The Government does not prescribe a specific process for agreeing how the local CIL should be spent in this context. Therefore, the Charging Authority has retained the local CIL of the levy receipts accrued in the Bexhill area and applicants, such as local community groups, have been able to bid for funds during September/October 2019 for funding from the Bexhill portion of the CIL.
29. During the Bexhill Local CIL Bidding Round, two bid applications were received within the eight week period for submissions, with a further bid submitted after the closure of the bidding window. The Bexhill Local CIL DMP met on 5 November 2019, however, no CIL funding was awarded as the bids did not meet the specified assessment criteria.
30. The Portfolio Holder for Strategic Planning sat on the Local CIL – Bexhill DMP and whilst this remains the adopted process, in future will be dependent on the conclusions of the Community Governance Review for Bexhill-on-Sea which is due to commence in January 2020.

Part iii) Lessons Learnt

Current Bidding Process for the Strategic Allocation of CIL and Learning Outcomes

31. A summary of the current bidding process in respect of the bidding and allocation of the Strategic CIL, is set out below:
 - a) Strategic infrastructure delivery partners, such as Southern Water and ESCC are advised directly by letter that the bidding round has commenced and the specified time period by which bids should be received is set out. The process is also advertised on the Council’s website.
 - b) Bids are received via an online form.
 - c) The CIL Officer validates bid applications using the Validation Checklist.
 - d) Following the validation process, the CIL Officer assesses the applications based on the assessment criteria set out in the bid proforma which

- applicants use to make their submission. The CIL Officer drafts a report with a recommendation for each of the bids submitted. The reports are included on the CIL DMP Agenda, and circulated to the group one week before the meeting is held.
- e) CIL DMP consists of the Executive Director and representatives from all the Heads of Services. The CIL Officer is also present, as well as the Planning Policy Manager in an advisory capacity, as approved under the approved governance arrangements. A member of the Audit Team also attends the first meeting of the CIL DMP in order to review the process, in which there is a training session beforehand explaining the purpose of CIL and the governance arrangements and process.
 - f) CIL DMP meet to discuss the proposals and resolve to either grant or refuse the CIL applications against the approved funding criteria. Where funding is considered appropriate, the level of funding is also discussed. Minutes of the meeting are recorded.
 - g) Following the CIL DMP resolution, the CIL Officer will contact the applicants to advise whether they have been successful or otherwise and where appropriate provide feedback on those unsuccessful bid applications.
 - h) If the bid is for an externally funded project, a legal agreement between the Council and the delivery partner is prepared, prior to the transfer of funding.
32. The Council has now completed one full bidding round and a number of observations and proposed changes to the Strategic CIL Bidding Process are set out in this report.
33. RDC is one of the first local authorities in Sussex to allocate their CIL income through a bidding process. Even further afield there has been limited experience which the Council can learn from and follow. Therefore, authorities are looking to RDC for a lead on how to apply the CIL bidding process. As such, there is little in way of best practice to help officers to benchmark adopted procedures.
34. The Council acknowledges that the omission of P&TCs from the initial round of Strategic bidding was an administrative error. This necessitated a “special” strategic bidding process solely for the P&TCs, over the summer that followed the same process and timeline as the major strategic infrastructure bidding round.
35. Similarly, the Council has also found it challenging as there are no models to follow in developing a suitable legal agreement to transferring the CIL monies to third parties to ensure that the funds are used for the purpose they are intended and to make sure that the projects are completed.
36. In addition, going forward, consideration should be given to whether following similar approaches of other authorities (such as Lewes District Council) to ring-fence strategic CIL⁸ into specific funding pots should be investigated in order to appropriately plan for the delivery of infrastructure alongside the IFS, such as High Speed Rail, the Bexhill Leisure Centre and improvements to the A21, amongst other critical infrastructure items set out in the Council’s IDP.

⁸ Strategic CIL refers to CIL monies left after 5% is allocated to administrative costs and 15% is passed to Town and Parish Councils (this rises to 25% in areas with an adopted neighbourhood plan)

Local CIL – Bexhill

37. The bids submitted as part of the Local CIL – Bexhill process did not meet the criteria set out in the published guidance note, hence no awards were made from the CIL fund.
38. During the consideration of these bids, there was some discussion by the CIL DMP regarding the quality of the bids received and what lessons could be learnt for the future to help achieve better prepared bids. The main points raised were:
 - whether eight weeks is sufficient time to prepare a bid for the Local CIL;
 - whether the guidance notes need re-visiting to make them clearer or easier to follow;
 - whether there should be training sessions to assist in the preparation of bids for the submission process (which could include training for local Ward Members, Rother Voluntary Action and Rother Association of Local Councils before the next bidding process so that they could assist local groups in the preparation of these bids);
 - reconfiguration of the application submission process so that bids cannot be submitted without the necessary supporting information (through a specific checklist whereby bids cannot be submitted without the required supporting information); and
 - whether the CIL Officer should have a more hands-on role in advising on the quality of bids before they are formally submitted, whilst also advising whether further information is needed to support submissions before they are put forward to the Local CIL Bexhill DMP.

Bid Assessment Criteria

39. The Assessment Criteria, which is used to assist the CIL DMP in considering bid applications but is also published to assist bidding applicants, has proved difficult to reconcile against those bids which have been received. Bids are required to set out how they meet the following criteria by responding to a series of questions:
 - a. the strategic case;
 - b. the local benefits case;
 - c. equality and fairness;
 - d. delivery;
 - e. financial case; and
 - f. timescales.
40. In assessing schemes through the bidding process, it has become apparent that applications can end up making a case against much of the criteria set out in the bid proforma but not actually demonstrate a clear strategic case, i.e. it has not demonstrated that need for the infrastructure set out in an adopted strategy or plan and not clearly demonstrated how it supports development in the area. It is considered that it is necessary to amend the bid proforma to make it clear that a strategic case must be clearly demonstrated in order for the bid to then be further assessed against the other criteria. All bids should be strategic in nature to qualify for the allocation of the strategic CIL. The assessment criteria by which bids are considered should be revised before the next bidding round commences to reflect this approach.

Total CIL value to be awarded to individual infrastructure items

41. A number of bids submitted under this first bidding round have come forward looking for 100% funding from the CIL. The basis under which the case to adopt CIL, which was tested at Examination, was that there is a funding gap between the total cost of infrastructure required to support the Local Plan and the total funding currently available to the Council and other infrastructure providers. The Council's evidence set out that CIL is not expected to pay for all infrastructure requirements but could make a significant contribution. It also set out that the majority of infrastructure costs will need to be met by agencies' investment programmes and that infrastructure is financed through a blend of several funding sources, including borrowing and Government funding.
42. As part of the Examination of CIL, the Examiner considered the Infrastructure Funding Gap Analysis through his Report (published September 2015) and came to the view that the CIL charges would make a reasonably significant contribution towards filling the likely funding gap. This analysis set out that even with CIL there would be a significant funding gap and there is a need to raise further funds from other sources. It further indicated that the principal sources of funding to meet the gap remaining, even after CIL receipts are secured, are expected to be the main capital programmes of the relevant agencies. Therefore it is considered reasonable that any individual CIL bid proposal should clearly set out in their bid the funding gap that CIL would be required to fill, recognising how other funding streams have been secured for the proposed delivery of that piece of infrastructure. The assessment criteria by which bids are considered should be revised before the next bidding round commences to reflect this approach.

Governance Arrangements

43. Cabinet Minute CB15/52 outlined the approved governance arrangements. Central to this was the development of the IPR, however, this is now superseded by the new requirement for an IFS – the requirements for which are set out above. The allocation of CIL receipts to fund infrastructure is closely linked with the delivery of growth identified in the Local Plan, some of which may be dependent on the delivery of critical infrastructure identified in the IDP. The IFS will be informed by the most recent version of the IDP (March 2019).
44. The CIL DMP did not sit during the first 12 months of CIL implementation, as the CIL revenue had not reached the trigger point of £250,000. Following the first round of bidding almost all of the strategic CIL collected (up to August 2019) has been allocated to successful bids. However, it is anticipated that the next round of bidding will commence in spring 2021 (this is based on the known CIL receipts which are due to the Council once developments commence).
45. With hindsight it is now clear that commencing the CIL bidding process when the amount of strategic CIL collected reached £250,000 was too low, as this does not allow the Council to consider the "big ticket" items requiring larger sums of funding to bring forward projects such as the Bexhill Leisure Centre, High Speed Rail and the A21 improvements. It is therefore being proposed that the bidding for the strategic CIL be paused until after the publication of

the IFS and to allow the CIL budget to increase to support major projects. Estimated projection of CIL receipts is attached at Appendix 2.

46. Those infrastructure items identified as critical in the IDP will be given priority for CIL funding. The IDP is a living document and will be updated throughout the course of the forthcoming Local Plan Review and strategic items may change priority through consultation with the relevant agencies. It should be noted that items such as the potential expansion of High Speed Rail to Bexhill and Rye (and Hastings) is likely to change its priority category in the future when the project gains funding from the Department of Transport.

Part iv) Recommendations

Legislative changes

47. The legislative changes replace the Council's existing 'Regulation 123 List' and IPR with a single IFS which must be published annually, with the first publication by December 2020, for the previous financial year, requiring the Council to report annually on what has been received and spent, both for CIL and Section 106 monies. Therefore it is recommended that the IPR be replaced with the IFS from December 2020 in line with the updated Regulations and that the Section 106 collection monitoring be incorporated into the IFS.

Fees for Section 106 Monitoring

48. The legislative changes allow for the charging of a fee where a Section 106 obligation is secured to recover the cost of monitoring. Given the new requirements of the IFS it is considered appropriate to apply the same requirements to Section 106 agreements going forward. It is considered appropriate that a fee should be included at a cost per head of term contained within that Section 106 obligation and should be charged in addition to the legal charge for drafting and checking the obligation. It is therefore considered reasonable that where a financial contribution is secured via section 106 a fee equivalent to 5% of the monetary value of that head of term is secured for monitoring of that clause. Where a clause refers to a non-financial head of term (such as securing the provision of a Local Area for Play, for example) then a flat fee of £500 per head of term is considered reasonable to ensure monitoring, reporting and delivery of each planning obligation. These costs should be applied to all Section 106's with immediate effect.

Pausing the strategic CIL bidding process until the IFS is completed in December 2020:

49. Following similar approaches of other authorities (such as Lewes District Council) should be considered going forward as to whether strategic CIL funding⁹ should be placed into specific pots to ring-fence CIL to specific types of infrastructure. It is therefore recommended that the strategic CIL spending be paused until after the IFS is completed in December 2020 so that a further report be brought to Cabinet to consider how the spending of strategic CIL should be prioritised, the threshold for triggering the bidding process for strategic CIL and the membership of the strategic CIL DMP. It is proposed

⁹ Strategic CIL refers to CIL monies left after 5% is allocated to administrative costs and 15% is passed to Town and Parish Councils (this rises to 25% in areas with an adopted neighbourhood plan)

that to facilitate this, a CIL Task and Finish Group is convened to consider the options. The 'Terms of Reference' for the CIL Task and Finish Group is set out at Appendix 3

Bexhill Local CIL

50. Moving forward it is considered that the next bidding for the Bexhill Local CIL should be paused until the outcome of the Community Governance Review for Bexhill-on-Sea has concluded.

Conclusion

51. The first round of CIL bidding has allocated nearly £692,901 of CIL funding which will in turn see the delivery of £2.7m of infrastructure projects around the District. Following a review of this process and as a result of legislative changes a number of changes are recommended to the Council's administration and governance of CIL to ensure future compliance and to improve the process of allocating CIL funds. In particular, it is proposed that higher levels of CIL receipts are received before any further bidding rounds take place.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

CIL must be spent on infrastructure needed to support the development growth and is intended to focus on the provision of new infrastructure. The proper monitoring of development growth in the District and associated infrastructure projects to support that growth as set out in the IDP will ensure the funds are allocated and spent in accordance to CIL Regulation 2010 as amended. There is a new requirement to produce an annual IFS starting in December 2020 for the previous financial year. The IFS will reflect the development priorities and proposed spend over the coming year with the focus being on the timely delivery of critical infrastructure, failure to produce this will mean that the Council fails to plan appropriately for infrastructure requirements within the District.

Community Infrastructure Levy (CIL)

Collected April 2016 to November 2019

Total: £1,058,313.30		
→	£840,610	(Strategic) *
→	£71,326	(Bexhill Local CIL)
→	£87,420	(Town & Parish Local CIL)
→	£52,915	(Admin)
→	£6,040	(Surcharge)
*£692,901 has been allocated for CIL projects set out in paragraph 27 of the report		

1 November 2019
Community Infrastructure Levy (CIL) (Projected)

CIL Collected to 1 November 2019	£1,058,313
CIL that will be collected if ALL permissions are implemented (and exemptions not applied)	£9,464,357

Future CIL collections * based on build out rates (up to 2028) (£ millions)

Build Rate	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	Total
195	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63	£21 (£16.8) **
335	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	£36 (£28.8) **
449	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	£52.4 (£42)**
727	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	£78 (£62)**
* Assuming £150 per sq m on 90 sq m house (£13,500 per unit)									
** Will need to deduct 20% for exemptions (e.g. affordable housing)									

195 units	= current
335 units	= Core Strategy
449 units	= rate required to meet the shortfall in delivery
727 units	= Local Plan Review

COMMUNITY INFRASTRUCTURE LEVY STEERING GROUP**TERMS OF REFERENCE**

Aims	- For the Steering Group to present recommendations to Cabinet on how strategic Community Infrastructure Levy (CIL) should be prioritised, the threshold for triggering the bidding process for strategic CIL; and the decision making process for making strategic CIL bidding decisions should be made.
Scope	<ul style="list-style-type: none"> a) Consider how strategic CIL should be prioritised against the infrastructure priorities set out in the Infrastructure Delivery Plan, i.e. Bexhill Leisure Centre, High Speed Rail, A21. b) To set the strategic CIL spending threshold/s. c) The approach to determining CIL bidding applications through a committee (decision making panel) and what the membership of that committee should be.
Approach	<ul style="list-style-type: none"> a) Review current procedure. b) Collect evidence from other Local Planning Authorities. c) Consider how strategic CIL should be prioritised for the next spending round and the thresholds for commencing strategic CIL bidding. d) Consider the membership of a strategic CIL Decision Committee. e) Draw up a report with recommendations for the desired outcomes set out below to present to Cabinet.
Desired Outcomes	<p>To present recommendations to Cabinet on:</p> <ul style="list-style-type: none"> • how the spending of strategic CIL should be prioritised, • the threshold for triggering the bidding process for strategic CIL; and • the membership of the strategic CIL Committee.
Timescale	<ul style="list-style-type: none"> - Preliminary meeting and review – March 2020. - Two themed meetings – spring and summer 2020. - Analysis, report writing and recommendations – Autumn 2020. - Report back to Overview and Scrutiny Committee – November 2020. Report back to Cabinet – December 2020.
Membership	Eight Members appointed in accordance with the political balance requirements (3 Conservatives, 2 Liberal Democrats and 3 Association of Independents) to include the Leader, Deputy Leader and Cabinet Portfolio Holder for Strategic Planning.
Lead Officers	- Tim Hickling, Head of Service Strategy and Planning Nichola Watters, Planning Policy Manager

Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Director
Subject	-	Adoption of the Rother District Development and Site Allocations (DaSA) Plan

Recommendation to COUNCIL: That the submitted Rother District Development and Site Allocations Plan, amended to include all the main modifications recommended by the Planning Inspector to make the plan sound, and the additional modifications, be adopted and duly published (including any consequential and other appropriate minor amendments) in accordance with Regulation 26 of the Town and Country Planning (Local Planning) Regulations 2012 (as amended).

Head of Service: Tim Hickling
Lead Cabinet Member: Councillor Vine-Hall

Introduction

1. The Planning and Compulsory Purchase Act (2004) as amended by the Localism Act, requires local planning authorities to produce a Local Plan for its area. In September 2014 (Minute C14/41 refers), the Council adopted its Rother Local Plan 'Core Strategy' which sets out its vision, overarching development strategy and strategic policies for Rother District over the period up to 2028.
2. The Development and Site Allocations (DaSA) Plan is effectively "part two" of the Council's Local Plan and provides the basis for determining planning applications superseding all generic policies and relevant spatial policies from the earlier 2006 Rother District Local Plan.
3. The DaSA has two principal parts; 'development policies' and 'site allocations':

Part A: Development Policies

- 6.1 The development policies complement the policies already included in the adopted Core Strategy (and those in the National Planning Policy Framework [NPPF]) and relate to topics where further elaboration is considered necessary to provide a proper basis for local development management.
- 6.2 They are laid out under the Core Strategy's thematic headings. For the main part, these are generic policies that would apply to a relevant situation anywhere in the District, but also includes policies relating to certain localities, notably in relation to land inside or beyond development boundaries' (although individual boundaries are contained in Part B), the High Weald Area of Outstanding Natural Beauty, 'Strategic Gaps' (being tracts of land between the settlements

identified in Policies HF1 and RY1 of the Core Strategy) in the Pevensey Levels hydrological catchment and in parts of Fairlight where there are coastal erosion and drainage issues.

Part B: Site Allocations

- 6.3 Chapters in this Part of the Plan set out site specific proposals that are being proposed to meet the requirements of the Core Strategy. It covers Bexhill and villages that are not covered by Neighbourhood Plans.
- 6.4 Policy proposals not only deal with new housing development, but also include, for example, proposals regarding business and retail uses and open space. All existing settlement development boundaries, again excluding those covered by Neighbourhood Plans, are also reviewed.
4. The DaSA Plan needs to be read in conjunction with Neighbourhood Plans that are in force in the district and which form part of the 'development plan' for their area. Taken together, this Plan and Neighbourhood Plans should allocate the sites necessary to meet the Core Strategy's settlement housing targets.
5. The purpose of this report is to adopt the DaSA, following approval by the Inspector.

Background and Consultation

6. Work on the DaSA started in 2014 and involved two phases of local consultation before being submitted to the Planning Inspectorate (PINS) for Examination in January 2019. Officer's prepared a number of statements responding to the Inspector's Matters, Issues and Questions prior to the Examination hearings which were held between 8 – 16 May 2019.
7. The Inspector, through the Examination process considers the DaSA Plan in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). He first considers whether the Plan's preparation has complied with the duty to co-operate. It then considers whether the Plan is sound and whether it is compliant with the legal requirements. In terms of soundness, this is considered against the tests set out in the NPPF 2012 (paragraph 182) which makes it clear that in order to be sound; a Local Plan should be positively prepared, justified, effective and consistent with national policy.
8. During the course of the Examination, a number of modifications were put forward to the Inspector in response to representations made through the submission and examination process, as well as issues raised by the Inspector in response to some of the representations. These modifications fell into three categories:
- main modifications;
 - changes to the policies map; and
 - additional modifications.

These were authorised to be published, in order to enable representations to be made at Cabinet on 29 July 2019 (Minute CB19/34 refers).

9. These modifications were subject to a six-week consultation which commenced on 30 July 2019. On the closure of that consultation process, the representations received were forwarded to the Inspector for his further consideration.

The Inspector's Report and Response

10. The Inspector's Report was received on 5 November 2019, and it was published on the Council's website shortly after.
11. The Inspector found the DaSA Local Plan 'sound', and capable of adoption, subject to a number of changes (the main modifications) being made. The Inspector's main conclusions in his report are summarised as follows:
 - a) The Council has complied with the Duty to Cooperate.
 - b) The DaSA Plan is legally compliant against the relevant requirements.
 - c) The DaSA Plan gives effect to, and is consistent with, the adopted Core Strategy.
 - d) The DaSA Plan is effective in the preparation of neighbourhood plans in the district (subject to the relevant main modification).
 - e) That the Development Management policies are sound, compliant with the Core Strategy, national policy and the evidence (subject to the relevant main modifications).
 - f) That the site allocation policies are justified, effective and consistent with national policy; and are soundly based (subject to the relevant main modifications).
 - g) The overall housing supply and delivery assumptions within the DaSA are justified, effective and accord with the Core Strategy (subject to the relevant main modifications).
12. It should be noted that the DaSA Plan can only be adopted if all of the main modifications, as reported previously (Minute CB19/34 refers), are accepted and incorporated into the DaSA Plan. Failure to include all the modifications recommended by the Inspector will mean that the Council will not be able to adopt the Plan. These are set out at Appendix 1 of the Inspector's report (a copy of which is available on the Council's website¹ and in the Member's Room).

'Additional Modifications'

13. The 'additional modifications' consultation, also previously reported (Minute CB19/34 refers), ran over the same time period as the 'main modifications' and changes to the 'policies map'. The additional modifications were more minor in nature and do not materially affect the policies set out in the DaSA Plan. These predominantly comprised of points of clarification to amend text for clearer explanation, including updated facts or make typographical or grammatical revisions which improve the readability of the Plan. These were not subject to the formal examination process and have not been considered by the Inspector but do require adopting by the Council. The additional modifications can be found on the Council's website² and in the Member's Room.

¹ www.rother.gov.uk/dasa

² www.rother.gov.uk/dasa

14. During that additional modifications consultation, 12 representations were made by 5 respondents. A table setting out summaries of the representations received and responses to them, including any proposed changes can be found on the Council's website³ and in the Members' Room. The comments received did not have any material impact.

Next Steps

15. Following adoption, the DaSA Plan, along with an 'adoption statement' and the accompanying sustainability appraisal report, must then be published and made available for inspection in line with Regulation 26⁴. Parties involved in the process will also be notified. There will be a period of six weeks for legal challenge (as with any Local Plan). Although on adoption of the DaSA Plan, it will become part of the 'development plan' for the area against which planning applications will be judged.
16. There will be various minor amendments to be made to the DaSA Plan prior to publication, such as consequential changes to incorporating the modifications. These amendments, which will not impact on the soundness of the plan, will be authorised by the Executive Director.
17. The DaSA Plan will now form part of the statutory Development Plan for the District and will allow housing sites adopted through the Plan to be set out in an updated Housing Land Supply improving the land supply position for the district in the short term. The current Housing Land Supply position (as at 1 April 2019 is 3.73 years).

Conclusion

18. The adoption of the DaSA Plan will form part of the statutory Development Plan for the District and will allow housing sites adopted through the Plan to be set out in an updated Housing Land Supply improving the Housing Land Supply position in the short term. Moreover, it will mean the Council has an effective plan that will help deliver its vision for the district, its corporate objectives and the needs of local people.
19. It is therefore recommended that the modifications to the DaSA Plan put forward by the Inspector are accepted for adoption by Full Council.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

Failure to accept the modifications would prevent adoption of the DaSA Plan and would result in the district not having a development plan in place to guide new development allocations (and thereby seeking to improve the a five year housing land in Rother). It would result in further reliance on our 2006 Local Plan which was adopted under a different regime (and is already out of date in several respects including housing numbers and allocations). The vacuum created in the absence of an up-to-date allocations plan would be filled by speculative unplanned development in Rother and the uncoordinated delivery of infrastructure, meaning potential

³ www.rother.gov.uk/dasa

⁴ The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended)

increases in the number of planning appeals across the district and therefore subsequent costs to the Council. Failure to adopt the DaSA Plan will further hinder the Council's position in relation to Housing Land Supply and will likely reduce the supply further risking those already 'made' Neighbourhood Plans to become out of date if the position falls below three years supply. The NPPF defines the purpose of the planning system in terms of contributing to "sustainable development", with three interdependent economic, social and environmental objectives, adoption of the DaSA Plan helps to achieve these objectives. The DaSA Plan also introduces a number of new policies specifically termed 'Development Management' policies which cover such topics as Strategic Gaps, space standards, access standards and external residential areas which seek to achieve quality development within the district, failure to adopt the DaSA would mean that the Council would not be able to implement these standards.

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ROTHER DEVELOPMENT AND SITE ALLOCATIONS LOCAL PLAN

SCHEDULE OF ADDITIONAL MODIFICATIONS

July 2019

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This information can be available in large print, Braille, audiotape/CD or in another language upon request.

Please Telephone: 01424 787668

or Email: planning.strategy@rother.gov.uk

Schedule of Additional Modifications

Additional Mod #	Mod Description	Paragraph/s	Amendment/s required	Reason
AM1	Amendment to ensure it is clear that the villages also have development boundaries as well as site allocations.	Table of Contents	Amend title for 'Villages with site allocations' to 'Villages with Development Boundaries and site allocations' and make subsequent amendments to header within the respective chapter to match the revised title.	To ensure that it is clear that the villages also have development boundaries as well as site allocations. This provides a distinction between the next section (12) which is 'other villages with development boundaries' which do not have site allocations.
AM2	Amendment to correct a typographical error by adding Catsfield to the list of 'Villages with site allocations'.	Table of Contents	Add Catsfield to the list of 'Villages with site allocations'.	Typographical error
AM3	Amendment to add page numbers to the lists of Development Policies, Site Allocation Policies and Policies Map Inset Maps to improve usability of document.	Lists: Development Policies, Site Allocation Policies, Policies Map Inset Maps	Add page numbers to the lists of Development Policies, Site Allocation Policies and Policies Map Inset Maps on pages 5-8 of the DaSA.	Improvement of document usability.
AM4	Amendment to correct a typographical error for the policy number of 'Land south of The Paddock/ Goddens Gill, Northiam'.	List: Site Allocation Policies	Amend the title of the second policy under the heading "Northiam" (Land south of The Paddock/ Goddens Gill, Northiam) from NOR1 to NOR2, i.e.: <u>Northiam</u> Policy NOR1: Land south of Northiam CE Primary School, Northiam Policy NOR2: Land south of The Paddock/ Goddens Gill, Northiam	Typographical error.
AM5	Amendment to correct a styling and layout error for the Rye Harbour sub-heading.	List: Site Allocation Policies	Make the text for the heading "Rye Harbour" bold and underlined and separate it from Policy PEA1, to align with the layout of the other headings.	Layout error.
AM6	Amendment to include reference to the safeguarding of minerals sites, wharves and railheads to ensure the introduction provides all key information	1.16	Add the following text after the second sentence of paragraph 1.16: <u><i>The Waste and Minerals Plan includes, inter alia, the safeguarding of minerals sites, wharves and railheads across the county, including some within Rother district.</i></u>	Inclusion of reference to the safeguarding of minerals sites, wharves and railheads to ensure the introduction as overview provides all key information, to ensure that the introduction sets out the key functions of this document.
AM7	Amendment to reflect the latest statement of Government policy.	1.23	Amend paragraph 1.23 as follows: <i>The first NPPF, published in 2012, has recently been revised through the publication of a new NPPF in July 2018 and subsequently, again, in February 2019. While this Local Plan has been prepared to accord with the 2012 NPPF, notably in terms of housing provisions (which are set by the current Core Strategy), regard has also been had to the 2018 NPPF. Hence, it is believed that this Plan's policies, as set out in Part A and Part B, are also consistent with this latest statement of Government policy.</i>	To reflect the latest statement of Government policy.
AM8	Amendment to correct a styling error.	2.3	Unitalicise the following wording: <i>Amongst other recommendations, it encourages that:</i>	Typographical error.
AM9	Amendment to include updated supporting text from Policy LHN2 of the Core Strategy for clarity.	4.2	Insert the following paragraphs after paragraph 4.2, using modified text from the Core Strategy: <u><i>4.3. The Strategic Housing Market Assessment (SHMA), undertaken in 2013, identified a net need for up to 1,647 affordable homes over the period 2011-2028*. The scale of housing proposed in the Core Strategy, allied with affordable housing policy DHG1 below, should meet this need.</i></u>	It is necessary to repeat and update the supporting text to Policy LHN2 of the Core Strategy and merge with the supporting text to Policy DHG1 (which will supersede it) for clarity.

		<p><i>4.4. In determining the appropriate proportions and thresholds for affordable housing in the district, the Core Strategy considered the evidence, particularly in terms of the SHMA and Affordable Housing Viability Assessment, whilst also considering the aims and objectives relating to regeneration and job creation. Further consideration of these matters can be found within the 'Affordable Housing Background Paper'.</i></p> <p><i>4.5. Both the SHMA and the Affordable Housing Viability Study make the distinction between the differing needs and circumstances of the identified spatial areas of the district and the need for distinct approaches in these areas. These studies show that there is a real need for affordable housing in the district, and the potential to deliver affordable homes as part of new housing.</i></p> <p>New Footnote: * Hastings and Rother SHMA Update, June 2013; Figure 8.</p> <p>The insertion of this footnote will have a consequential impact on the numbering of other footnotes which will need amending.</p>	
	4.3	<p>Amend paragraph 4.3, using modified text from the Core Strategy, and re-number to 4.7 as follows:</p> <p><i>4.3 4.7. In light of the relatively high median house price/earnings affordability ratio in Rother (see Figure 1 below) the provision of affordable housing is a strategic matter covered by Policy LHN2: 'Affordable Housing' in the Local Plan Core Strategy The Core Strategy sets requirements for the proportion of on-site affordable housing that is expected to be provided as part of all but smaller developments. Given that the affordability ratio which remains as high as it was when the Core Strategy was prepared (the lower quartile affordability ratio is actually higher), then these requirements remain appropriate. <u>Where housing is used as enabling development in mixed use schemes, consideration may be made to other factors, notably the importance of providing jobs locally.</u></i></p>	
	4.4	<p>Amend paragraph 4.4, using modified text from the Core Strategy, re-number to 4.6 and move paragraph up one position to be in correct order, as follows:</p> <p><i>4.4 4.6 The Core Strategy sets requirements for the proportion of on-site affordable housing that is expected to be provided as part of all but smaller developments. Given that the affordability ratio remains as high as it was when the Core Strategy was prepared (and the lower quartile affordability ratio is actually higher), then these requirements remain appropriate. It concluded that lowering the percentage requirements for affordable housing in Bexhill (30%), Battle (35%) and Rye (30%) from the 2006 Local Plan requirements, will help kick-start the regeneration effort in these areas, as well as support overall housing supply.</i></p>	
	4.5	<p>Amend paragraph 4.5 and re-number to 4.8 as follows:</p> <p><i>4.5 4.8. The Core Strategy <u>also</u> sets variable thresholds for requiring the provision of on-site affordable housing, these being lower in the rural areas (being sites of 5+ dwellings), somewhat higher in the small market towns of Battle and Rye (10+ dwellings) and 15+ dwellings in Bexhill and the Hastings Fringes. Financial contributions were to be sought in the Rural Areas from sites of less than 5 dwellings. These thresholds essentially reflected the amount and site sizes of housing provided for in respective areas, with the lower threshold in rural areas heavily influenced by the contribution of smaller (i.e. non-major) developments in the High Weald AONB.</i></p>	
	4.6	Re-number paragraph 4.6 to 4.9	
	4.7	<p>Amend paragraph 4.7 and re-number to 4.10 as follows:</p> <p><i>4.7 4.10. However, while the 2012 NPPF did not specify affordable housing thresholds, the 2018 2019 NPPF states that on-site provision for affordable housing should not be sought from residential developments that are not major (i.e. less than 10 dwellings), other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).</i></p>	
	4.8	Amend paragraph 4.8 and re-number to 4.11 as follows:	

			<p>4.8. 4.11. It can be seen that the more recent minimum thresholds in national policy virtually align with the adopted Core Strategy's approach. The one exception is for very few villages (notably Camber and Rye Harbour) that are outside the AONB, where national policy sets a threshold of 10, rather than the Core Strategy's threshold of 5. Having regard to the very limited scale of housing proposed in these villages, coupled with their lower land values, the threshold is amended to be consistent with the 2018 <u>2019</u> NPPF. This does not have any real impact on affordable housing supply.</p>	
		4.9	<p>Amend paragraph 4.9 and re-number to 4.12 as follows:</p> <p>4.9. 4.12. The 2018 <u>2019</u> NPPF reinforces the Core Strategy's presumption for on-site affordable housing provision. In view of the relatively poor affordability for households on lower incomes and the focus on 'non-major' developments in AONBs, coupled with the wider definition of affordable housing under the 2018 <u>2019</u> NPPF, this is still considered appropriate, even on sites of 6-9 dwellings in the AONB.</p>	
		4.10	<p>Amend paragraph 4.10 and re-number to 4.13 as follows:</p> <p>4.10. 4.13. There may be exceptional cases where affordable housing cannot be provided on site, in which event a financial contribution equivalent to the increased value of the development without on-site provision will be required. Financial contributions will not be sought on very small schemes, below the 2018 <u>2019</u> NPPF's thresholds.</p>	
		4.11	Re-number paragraph 4.11 to 4.14.	
		4.12	<p>Amend paragraph 4.12 and re-number to 4.15 as follows:</p> <p>4.12. 4.15. Consequently, part (v) of Core Strategy Policy LHN2 is amended only in respect of the affordable housing thresholds in the Rural Areas, as shown below, with new wording <u>underlined</u> and deleted wording shown as strikethrough.</p> <p>[(iv) In the Rural Areas: (a) <u>In the High Weald Area of Outstanding Natural Beauty, 40% on-site affordable housing on schemes of 6 <u>5</u> dwellings or more (or 0.2 hectares or more); or</u> (b) <u>Elsewhere, 40% on-site affordable housing on schemes of 10 or more dwellings (or 0.3 hectares or more). A financial contribution, on a sliding scale up to the equivalent of providing 40% affordable housing, in lieu of on-site provision on all residential schemes of less than 5 dwellings.]</u></p>	
		4.13	<p>Amend paragraph 4.13 and re-number to 4.16 as follows:</p> <p>4.13. 4.16. Policy DHG1 below incorporates these amendments to Core Strategy policy LHN2 and, hence, effectively supersedes that policy.</p>	
		4.14	Re-number paragraph 4.14 to 4.17.	
		4.14	<p>Insert the following paragraphs after paragraph 4.14, using modified text from the Core Strategy:</p> <p><u>4.18. Where a site comes forward as two or more separate development schemes, of which one or more falls below the appropriate threshold, the Council will seek an appropriate level of affordable housing on each part to match in total the provision that would have been required on the site as a whole.</u></p> <p><u>4.19. Where proposals are made for fewer than 15 dwellings in Bexhill, 10 dwellings in Rye and Battle outside the AONB and 6 dwellings in the AONB, the Council will have regard to whether size of the site would make it capable of accommodating more than that number.</u></p> <p><u>4.20. All affordable housing should be indistinguishable from market dwellings and 'pepper potted' individually, or in clusters of no more than 5% of the total housing on the site, up to a maximum cluster of 5 houses or 10 flats. Successfully integrating the affordable rented and shared ownership units provides a sustainable, balanced and mixed community which brings many social and economic benefits.</u></p>	
AM10	Amendment to include updated	n/a	Add the following text after Policy DHG1 (underneath the policy "box"):	It is necessary to repeat and update these notes,

	notes from Policy LHN2 of the Core Strategy for clarity.		<p><i>Note: In accordance with Policy DIM1, if a site comes forward as two or more separate development schemes, of which one or more falls below the appropriate threshold, the Council will seek an appropriate level of affordable housing on each part to match in total the provision that would have been required on the site as a whole.</i></p> <p><i>Where proposals are made for fewer than 15 dwellings in Bexhill, 10 dwellings in Rye, Battle and the Rural Areas outside the High Weald AONB, and 6 dwellings in the Rural Areas within the High Weald AONB, the Council will have regard to whether the size of the site would make it capable of accommodating more than that number.</i></p>	which appear after Policy LHN2 in the Core Strategy (which Policy DHG1 will supersede), for clarity.
AM11	Amendment to correct a typographical error.	4.23	A minor correction is necessary at paragraph 4.23: delete the word “of” in the second to last line, i.e. <i>...as well as consideration of how the of setting of optional standards affects viability and delivery of development.</i>	Typographical error.
AM12	Amendment to correct a typographical error.	4.46	A minor correction is necessary at paragraph 4.46: delete the words “bedded care strategy” in the first line as this is repeated, i.e. <i>The East Sussex Bedded Care Strategy Bedded Care Strategy & Integrated Estates Strategy 2018 estimates...</i>	Typographical error.
AM13	Amendment to correct a typographical error.	4.54	A minor correction is necessary in the sixth line of paragraph 4.54: insert the word 'the' between 'in' and 'future', i.e.: <i>.....that this is likely to continue in <u>the</u> future, and these are already accounted for.....</i>	Typographical error.
AM14	Amendment to correct a typographical error.	4.59	Paragraph 4.59. Amend to: <i>To ensure that self and custom housebuilding is of high quality design, attention is drawn to with the requirements of Core Strategy Policy EN3.</i>	Typographical error.
AM15	Amendment to correct a typographical error.	4.107	At paragraph 4.107 a close bracket should be inserted after “larger schemes” in the fourth line, i.e.: <i>In some situations (usually for larger schemes) a site access may need to include a separate footway/cycleway.</i>	Typographical error.
AM16	Amendment to properly reflect the restrictions of Highways England.	5.2	Add the following additional wording to the end of paragraph 5.2: <i>(It should be noted that Highways England, which has responsibility for the Strategic Road Network, does not allow advertisements within its highway boundary. This is relevant to the A259 and A21).</i>	Addition of information to properly reflect the restrictions of Highways England. This also provides clear information that proposals for advertisements within the Highways England boundary will not be supported.
AM17	Amendment to reflect the normal expectation of accordance with other policies.	Policy DEC3 (ii)	Amend criterion (ii) to read: <i>(ii) Permitting intensification, conversion, redevelopment and/or extension of existing sites and premises having regard to where they accord with other policies of the Plan;</i>	To re-word and strengthen the policy to reflect the normal expectation of accordance with other policies.
AM18	Amendment to improve readability.	6.11	Delete the last sentence of the paragraph and replace with: <i>It adds that proposals for major development should include an assessment of the need for the development, the potential to meet it in another way and the net effect on the landscape and wider environment. It adds that circumstances where exceptional circumstances may exist should include consideration of the need for the development, the potential to meet it in another way and the net effect on the landscape and wider environment.</i>	To improve English. In its existing form the sentence repeats the words “circumstances” and requires re-wording to make it clearer.
AM19	Amendment to correct a typographical error.	Figure 6	Amend title to Figure 6 to reflect accurately the title of the Strategic gap to align with Policy HF1 of the Core Strategy.	Typographical error.

			<i>"Figure 6: Strategic Gap at Bexhill, Crowhurst and Battle"</i>	
AM20	Amendment to correct an erroneous reference to East Sussex County Council.	6.34	Delete the reference to East Sussex County Council from the second sentence of paragraph 6.34, i.e. <i>Information on locally designated sites is available from the Sussex Biodiversity Records Centre. and East Sussex County Council.</i>	To correct an error. Information on locally designated sites is not available from East Sussex County Council.
AM21	Amendment to include new sub-heading and paragraph in relation to information on Priority Habitats/Species and Habitats/Species of Principal Importance.	6.37	Insert new heading and paragraph underneath paragraph 6.37: <i>Priority Habitats and Species</i> <i>As noted above, Priority Habitats and Species (also referred to as "Habitats and Species of Principal Importance") are those listed under Section 41 of the Natural Environment and Rural Communities Act 2006. Those habitats and species on the list are conservation priorities and are used to guide decision-makers in implementing their statutory duty to have regard to the conservation of biodiversity when carrying out their normal functions. Priority Habitats within Rother include woodland, maritime cliff and slopes, hedgerows and lowland meadows, and Priority Species include hedgehog, common toad, house sparrow, brown-banded carder bee and pennyroyal.</i>	Additional explanatory paragraph added to give further information on Priority Habitats/Species and Habitats/Species of Principal Importance.
AM22	Amendment to improve readability and clarity of the wording.	Policy DEN4 (ii)	Delete part (ii) of the policy and replace with the following: <i>(ii) development proposals should seek to conserve and enhance:</i> <i>- The biodiversity value of international, national, regional and local designated sites of biodiversity and geological value, and irreplaceable habitats (including ancient woodland and ancient or veteran trees);</i> <i>- Priority Habitats and Species; and Protected Species, both within and outside designated sites.</i> <i>Depending on the status of habitats and species concerned, this may require locating development on alternative sites that would cause less or no harm, incorporating measures for prevention, mitigation and (in the last resort) compensation.</i>	To improve the English and clarity of the wording and to split the original text up into smaller sections to allow easy reading.
AM23	Amendment to make clear that SuDS can be successfully incorporated into several developments and 'linked' to provide greater benefits.	6.54	Add the following wording after the first sentence of paragraph 6.54: <i>... potential for wider benefits. SuDS should be linked up where possible to achieve greater benefits for water management and wildlife. CIRIA's SuDS Manual C753 and the latest guidance from the LLFA will be key references.</i>	To provide further information that SuDS can be successfully incorporated into several developments and 'linked' to provide greater benefits.
AM24	Amendment to clarify that Highways England also have requirements that will need to be met.	6.56	Add the following sentence to the end of paragraph 6.56: <i>... will require consent from the LLFA. It is noted that the highway authorities (including Highway England in respect of the SRN) have strict controls on water run-off into the highway drainage system.</i>	This adds further information that Highways England also have requirements that will need to be met, alongside Rother's and the Local Lead Flood Authority's considerations.
AM25	Amendment to update to the correct reference in the 2019 NPPF.	6.68	Update references to NPPF 2018, to NPPF 2019 in footnote 39 of paragraph 6.68, i.e.: <i>As defined in Annex 2: Glossary of the NPPF, 2018 2019.</i>	Update to the correct reference in the 2019 NPPF.
AM26	Amendment to ensure the correct terminology is used in line with the NPPF.	6.78	Delete the wording "contaminated land" in the second sentence of paragraph 6.78 and replace with "land contamination".	To ensure the correct terminology is used in line with the NPPF which refers to the definition of "contaminated land" under Part IIA of the Environmental Protection Act 1990 (paragraph 178)). This is also referenced at paragraph 6.96 of the supporting text to Policy DEN7.
AM27	Amendment to ensure the correct terminology is used in line with the NPPF.	6.96	Delete the heading "Contaminated Land" above paragraph 6.96 and replace with "Land Contamination".	To ensure the correct terminology is used in line with the NPPF which refers to the definition of "contaminated land" under Part IIA of the Environmental Protection Act 1990 (paragraph 178)). This is also referenced at paragraph 6.96 of the supporting text to Policy DEN7.
AM28	Amendment to ensure the correct	Policy DEN7	Delete the wording "contaminated land" in the first sentence of the policy and replace with "land	To ensure the correct terminology is used in line with

	terminology is used in line with the NPPF.		contamination", i.e.: <i>... as a result of lighting, noise, odour, contaminated land land contamination, hazardous and non-hazardous substances...</i>	the NPPF which refers to the definition of "contaminated land" under Part IIA of the Environmental Protection Act 1990 (paragraph 178)). This is also referenced at paragraph 6.96 of the supporting text to Policy DEN7.
AM29	Amendment to clarify any ambiguity between the operation of Policy DEN2, DEN3 and DIM2.	7.14	Amend paragraph 7.14 as follows: <i>The substantial AONB coverage of the District is a further key justification for carefully managing development in the countryside in line with the provisions set out in Policy DEN2. Policy DEN3 sets out the circumstances where development will be acceptable within Strategic Gaps, i.e. where proposals are unobtrusive and do not detract from the openness of the area.'</i>	To clarify any ambiguity between the operation of Policy DEN2, DEN3 and DIM2.
AM30	Amendment to clarify that the term 'Plans' is in reference to Neighbourhood Plans specifically.	Figure 14	Amend the note at the bottom of the table to read "Neighbourhood Plans" as opposed to "Plans", i.e.: <i>NB. Until such time as Neighbourhood Plans are in place, the development boundaries of the 2006 Rother District Local Plan continue to be saved, even though in some cases, they may not accommodate the housing requirements of the Core Strategy.</i>	To provide clarification that the term 'Plans' is in reference to Neighbourhood Plans specifically.
AM31	Amendment to correct a typographical error.	8.5	In the last sentence, delete the word "being" and replace with "is", i.e.: <i>Numbers relate to larger sites as there being is a separate small sites allowance for the whole Rural Area.</i>	Typographical error.
AM32	Amendment to correct a typographical error.	8.13	Amend the last sentence of paragraph 8.13 as follows: <i>Hence, the net capacity of "new" sites is <u>1,316</u> 4,384 homes.</i>	Typographical error.
AM33	Amendment to update to the correct reference in the 2019 NPPF.	8.16	Update references to NPPF 2018, to NPPF 2019 in paragraph 8.16, i.e.: <i>Paragraph 68a of the 2018 2019 NPPF requires local planning authorities to identify, through their development plan and brownfield register, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare...</i>	Update to the correct reference in the 2019 NPPF.
AM34	Amendment to ensure the supporting text accords with criterion (v) of BEX1 and the Detail Map (Figure 15).	9.25	Add the following sentence at the end of paragraph 9.25: <i>A buffer of at least 15m should be retained between development and the adjacent Ancient Woodland.</i>	To ensure the supporting text accords with criterion (v) of BEX1 and the Detail Map (Figure 15)
AM35	Amendment to accord with the acceptance of temporary solutions that was determined at the outline planning permission stage (RR/2017/2181/P).	9.27	Delete the words 'prior to occupation' from paragraph 9.27.	To accord with the acceptance of temporary solutions that was determined at the outline planning permission stage (RR/2017/2181/P).
AM36	Cartographical amendment to include NBAR for completeness.	Figure 19	Amend Figure 19: Policy BEX1 Detail Map to include NBAR. <i>Please see Appendix 1: Modified Detail Map 1 for the amended Detail Map.</i>	Cartographical update: The map should include NBAR for completeness. The new road is complete and has now opened.
AM37	Amendment to provide additional clarity to criterion (iv) of Policy BEX2 and the Detail Map (Figure 20) in terms of the ancient woodland buffer that is required.	9.34	Amend the last sentence of paragraph 9.34 to read: <i>In addition, a central greenspace incorporating the pond with a children's play space should be provided for, as well as landscaping throughout the site, including the provision of buffer zones of <u>at least 15m</u> to the ancient woodland to the north and south, and ecological mitigation will also be required.</i>	To provide additional clarity to criterion (iv) of Policy BEX2 and the Detail Map (Figure 20) in terms of the ancient woodland buffer that is required.
AM38	Amendment to improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.	9.53	Add new paragraph after 9.53 as follows: <i>'Development should take into account the highway impact of proposals in line with Policy TR3 of the Core Strategy, requiring schemes to provide off site highway mitigation, including considering the cumulative impacts of other proposals.'</i>	To improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.

AM39	Amendment to correct a typographical error.	Policy BEX3a	Delete the wording "Land with" at the start of the policy, i.e.: Land with Kiteye Farm and adjoining land, as shown on the Policies Map, is allocated for housing...	Typographical error.
AM40	Cartographical amendment to include NBAR for completeness.	Figure 21	Amend Figure 21: Policy BEX3a Detail Map to include NBAR. Please see Appendix 1: Modified Detail Map 2 for the amended Detail Map.	Cartographical update: The map should include NBAR for completeness. The new road is complete and has now opened.
AM41	Policy amendment to clarify that this buffer is required to protect the ancient woodland.	Policy BEX3b (iv)	Amend policy criteria (iv): <i>(iv) trees on the western boundary are retained and safeguarded, alongside a buffer to protect the Ancient Woodland of at least 15m depth;</i>	It is considered appropriate to explicitly state in the policy that this buffer is required to protect the ancient woodland.
AM42	Cartographical amendment to include NBAR for completeness.	Figure 23	Amend Figure 23: Policy BEX3c Detail Map to include NBAR. Please see Appendix 1: Modified Detail Map 3 for the amended Detail Map.	Cartographical update: The map should include NBAR for completeness. The new road is complete and has now opened.
AM43	Amendment to clarify how and where the uses can be accommodated on the site in terms of overall layout.	9.55	Amend paragraphs 9.55 as follows: The Council aspires for a combined wet and dry sports and leisure facility in the town and this centrally located site allows the opportunity to create a "landmark" destination for leisure and complementary facilities. It is envisaged that this would be on the frontage of the site, with the as, potentially, may be complementary restaurant space and a hotel, also taking advantage of the prominent roadside position.	Amended wording to clarify how and where the uses can be accommodated on the site in terms of overall layout.
AM44	Amendment to clarify how and where the uses can be accommodated on the site in terms of overall layout.	9.56	Amend paragraphs 9.56 as follows: There is <i>The site's redevelopment will also include scope for residential elements in the central and northern parts of the site. This may take taking one of two forms; either as a total of some 35 houses or a combination of circa 18 houses and 36 flats, totalling 54 dwellings. It is envisaged that this would occupy the central and northern parts of the site.</i>	Amended wording to clarify how and where the uses can be accommodated on the site in terms of overall layout.
AM45	Amendment to improve accuracy and clarity.	9.68	Amendment proposed to the second sentence at paragraph 9.68: The Council subsequently granted a revised scheme in 2014 (although following a successful Judicial Review the decision was remitted to the Council quashed: to date no further decision was been made).	Wording amended for accuracy and clarity.
AM46	Amendment to remove unnecessary reference to the potential future redevelopment of the Cemetery Lodge Site.	9.72	Amend paragraph 9.72 as follows: The site is partially contained from wider views by the boundary trees but there are more localised views into the site. There is an existing Tree Preservation Order (TPO 312) along the western and southern boundaries. Development of the site would require the protection of existing trees and hedgerows, including suitable buffers and provide for additional landscaping. Regard should be made to the potential future redevelopment of the Cemetery Lodge site, to the east of the allocation, in development layout plans.	Paragraph 9.72 states that regard should be made to the potential future redevelopment of the Cemetery Lodge Site in development layout plans. However it is considered that this reference is not necessary and should be removed.
AM47	Amendment to improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.	9.76	Add new paragraph after 9.76 as follows: <i>Development should take into account the highway impact of proposals in line with Policy TR3 of the Core Strategy, requiring schemes to provide off site highway mitigation, including considering the cumulative impacts of other proposals.</i>	To improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.
AM48	Policy amendment to correct a typographical error.	Policy BEX7 (vi)	Amend the first line of criterion (vi) to replace 'of' with 'off', i.e.: <i>a new access is achieved off Fryatts Way.....</i>	Typographical error.
AM49	Amendment to improve clarity by stating that the development should consider the cumulative highway impacts of other	9.93	Amend paragraph 9.93 as follows: <i>There are viable access points to the site from both Spindlewood Drive and from Barnhorn Road via the existing entrance to Barnhorn Manor Farm and Caravan Park. Development should take into account the</i>	To improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.

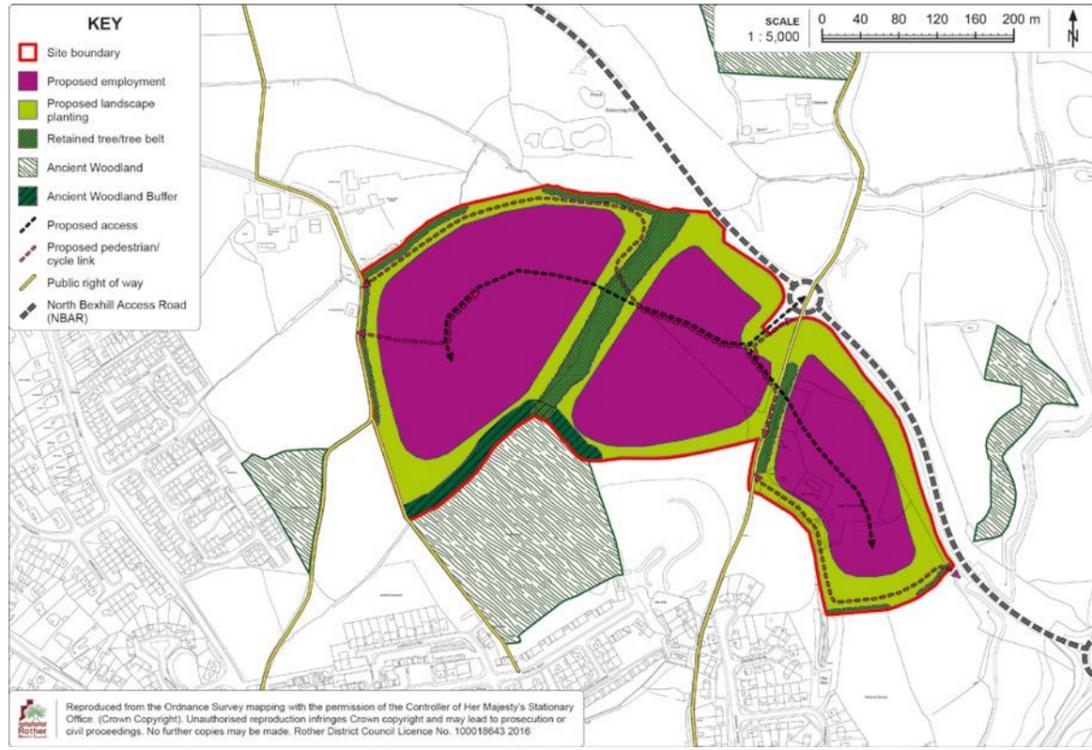
	proposals in line with Policy TR3.		<i>highway impact of proposals in line with Policy TR3 of the Core Strategy, requiring schemes to provide off site highway mitigation, including considering the cumulative impacts of other proposals. Utilising both access points, the highway authorities are satisfied that a development of this scale can be satisfactorily accommodated by the local and strategic highway network subject to some local highway improvements and detailed on-site measures relating to the internal layout of the site to discourage 'rat running' and to discourage the use of the Maple Walk estate private roads through the use of directional signage.</i>	
AM50	Amendment to correct a typographical error.	9.119	There is a minor error at paragraph 9.119. Add the word 'to' in the second to last line i.e. <i>However, a detailed survey will need to be undertaken to review this.</i>	Typographical error.
AM51	Amendment to improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.	9.122	Add new paragraph after 9.122 as follows: <i>Development should take into account the highway impact of proposals in line with Policy TR3 of the Core Strategy, requiring schemes to provide off site highway mitigation, including considering the cumulative impacts of other proposals.</i>	To improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.
AM52	Policy amendment to correct a typographical error.	Policy BEX10 (iii)	Minor amendment to policy criteria (iii): <i>highway access is provided from Wartling Drive and Principal Close, via Coneyburrow Lane, alongside offsite highway works to made make the development acceptable in highway terms;</i>	Typographical error.
AM53	Amendment to correct a layout error between paragraphs.	9.133	Insert a line space between paragraphs 9.133 and 9.134, to align with the layout of the other paragraphs.	Layout error.
AM54	Amendment to correct a typographical error.	9.136	In the first line, delete the word "a" before "floodlighting, i.e.: <i>The use of the site as a 3G AGP will require the use of a floodlighting to allow year round use.</i>	Typographical error.
AM55	Amendment to improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.	9.138	Add new paragraph after 9.138 as follows: <i>Development should take into account the highway impact of proposals in line with Policy TR3 of the Core Strategy, requiring schemes to provide off site highway mitigation, including considering the cumulative impacts of other proposals.</i>	To improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.
AM56	Amendment to improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.	9.167	Amend paragraph 9.167 as follows: <i>Policy TR3 of the Core Strategy provides an appropriate policy basis for requiring schemes to provide off site highway mitigation, including considering cumulative impacts of other proposals. It is also expected that a contribution to off-site highways works will be required to improve the junction of Beeching Road and London Road as part of the wider traffic management improvements referred in Policy BEX12.</i>	To improve clarity by stating that the development should consider the cumulative highway impacts of other proposals in line with Policy TR3.
AM57	Policy amendment to clarify that the floorspace figure is a net figure.	Policy BEX14 (i)	Proposed change: <i>(i) provides 2,000sqm of convenience floorspace (net) and provides only food ancillary retail sales, and excludes a pharmacy and any other form of service outlet which might undermine the vitality and viability of the town centre;</i>	The policy should refer to the floorspace as a net figure, which is in line with the findings of the Retail Capacity Study for Bexhill-on-Sea Report.
AM58	Amendment to correct a typographical error.	9.182	In the first line, change the word "an" before "approach" to "and", i.e.: <i>The significance of these streets to the appeal of, an and approach to, the Town Centre...</i>	Typographical error.
AM59	Cartographical amendment to include NBAR for completeness.	Policies Map Inset Map 1b: Bexhill North	Amend Policies Map Inset Map 1b: Bexhill North to include NBAR. <i>Please see Appendix 2: Modified Policies Map 1 for the amended Policy Map Inset Map.</i>	Cartographical update: The map should include NBAR for completeness. The new road is complete and has now opened.
AM60	Amendment to ensure the correct terminology is used, ie. referencing Waste Management	10.3	In the eighth line, change the word "disposal" to "management", i.e.: <i>The Park will provide access to the countryside, whilst balancing the need to proactively manage wildlife</i>	To ensure the correct terminology is used, ie. referencing Waste Management rather than Waste Disposal.

	rather than Waste Disposal.		<i>habitats with the scope for a wide range of informal and formal leisure uses. Central to the Park is the restoration of the former land-raise operation for waste disposal management...</i>	
AM61	Amendment to the opening text of the Hastings Fringes chapter, to ensure that the ESCC Walking and Cycling Strategy is referred to.	10.5	Proposed change - Add new sentence onto the end of the paragraph: <i><u>ESCC is in the process of developing a County wide Cycling & Walking Strategy, which will aim to deliver cycling and walking infrastructure on key corridors of movement between residential areas (including new developments) and key trip attractors, including education, employment, retail and leisure activities.</u></i>	To ensure that the ESCC Walking and Cycling Strategy is referred to within the opening text of the Hastings Fringes chapter. This text provides additional information in respect of new infrastructure delivery within the area.
AM62	Amendment to correct a typographical error.	10.12	A minor correction is necessary at paragraph 10.12: delete the word "to" in the last line, i.e.: <i>The Park was set up to facilitate the restoration of the landfill areas and to manage to the countryside between the towns.</i>	Typographical error.
AM63	Amendment to correct a typographical error.	11.19	Delete the word "west" in the second line and replace with "east", i.e.: <i>The site is largely enclosed by the existing residential estate to the north and a mature tree belt to the south and west east...</i>	Typographical error.
AM64	Amendment to supporting text to reinforce the need to retain the provision for an accessible path to the beach.	11.73	Add text to the end of paragraph 11.73: <i><u>An accessible route to the beach for pedestrians should be retained.</u></i>	To reinforce the need to retain the provision for an accessible path to the beach.
AM65	Amendment to the supporting text so that it accords with planning application RR/2017/457/P.	11.116	Add the following text to the end of paragraph 11.116: <i><u>A new pedestrian footpath should be provided on the site's south-western boundary alongside Lower Waites Lane. It would be advantageous for additional pedestrian infrastructure on adjoining roads to be provided/improved although this may not be possible due to width and ownership constraints.</u></i>	Additional wording so that the supporting text accords with planning application RR/2017/457/P.
AM66	Policy amendment to correct a typographical error.	Policy FAC1 (vi)	A minor correction is required to the first line to replace 'connection in made' with 'connection is made', i.e.: <i>an acceptable connection in <u>is</u> made to the local sewerage system.....</i>	Typographical error.
AM67	Policy amendment to correct a typographical error.	11.124 and Policy FAC2 (v)	In the last sentence of paragraph 11.124, delete the reference to "Battery Hill" and replace with "Pett Level Road". In part (v) of the policy, delete the two references to "Battery Hill" and replace with "Pett Level Road".	Typographical error. This section of Battery Hill is correctly named "Pett Level Road".
AM68	Amendment to correct a typographical error.	11.172	In the second sentence, amend the reference to 10 additional dwellings to 11 additional dwellings, i.e.: <i>A scheme has been recently permitted at The Maltings for 40 <u>11</u> additional dwellings which can be taken into account.</i>	Typographical error. The correct figure is contained within Figure 17 on page 238.
AM69	Amendment to correct the alignment of a public right of way.	Figure 57	Amend the alignment of the public right of way to the south-east of the site boundary to its correct line. <u>Please see Appendix 1: Modified Detail Map 4 for the amended Detail Map.</u>	The alignment of the public right of way shown in the previously published version is incorrect.
AM70	Amendment to correct a typographical error.	Appendix 1	Add 'Policy Context' and 'Overall Spatial Strategy' policies to Core Strategy Policies list: <u>Policy Context</u> <i><u>Policy PC1 Presumption in Favour of Sustainable development</u></i> <u>Overall Spatial Strategy</u> <i><u>Policy OSS1 Overall Spatial Development Strategy</u></i> <i><u>Policy OSS2 Use of Development Boundaries</u></i> <i><u>Policy OSS3 Location of Development</u></i> <i><u>Policy OSS4 General Development Considerations</u></i>	Typographical error

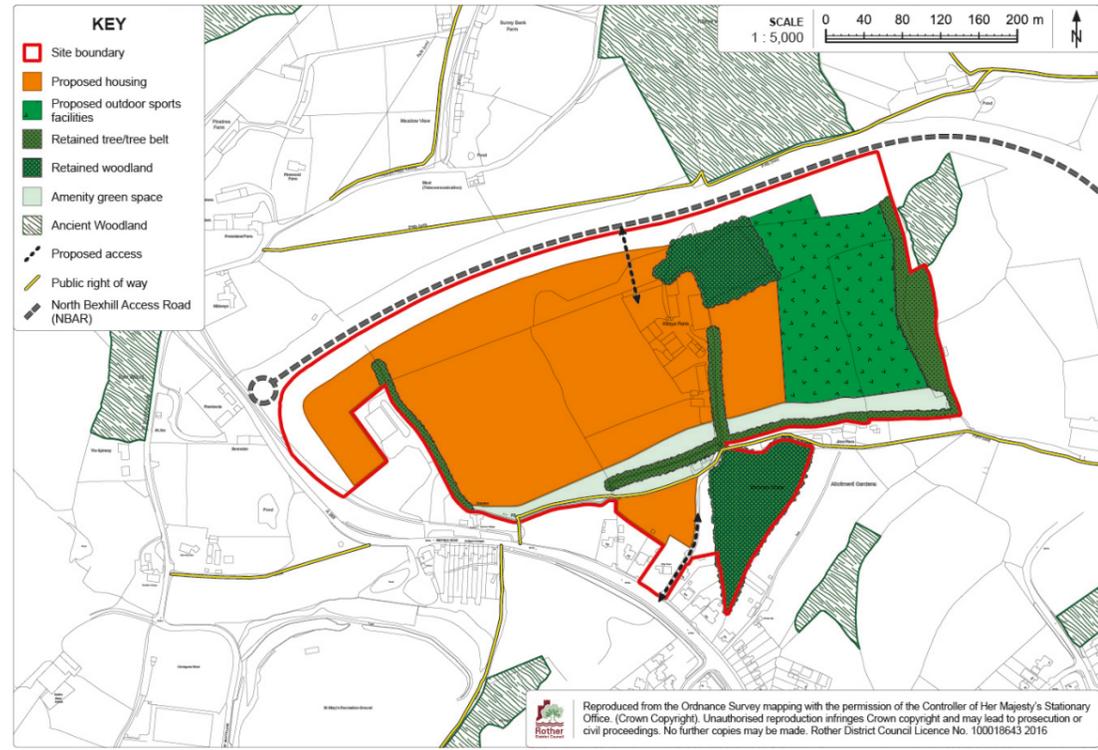
AM71	Amendment to correct a typographical error.	Appendix 1	Remove the paragraph numbering (14.1-14.12) from Appendix 1 (Core Strategy Policies).	Typographical error.
AM72	Amendment to make clear that LP2006 Policy EM13 and Policy Inset Map 2A still apply in Battle until superseded by a made Neighbourhood Plan.	Appendix 2	Add footnote to Policy EM13 to read: <i><u>*Except in Battle, where the Policy and corresponding Policy Inset Map 2A remains saved until replaced through the Battle Neighbourhood Plan.</u></i> The insertion of this footnote will have a consequential impact on the numbering of other footnotes which will need amending.	To ensure that it is clear that this Policy and corresponding Inset Map still applies in Battle, until it has been replaced by neighbourhood plan policy.
AM73	Amendment to correct a typographical error.	Appendix 2	Remove Battle policies from Superseded Local Plan 2006 Policies list: Battle BT2 Land at Blackfriars BT2 Land at North Trade Road	Typographical error.
AM74	Amendment to correct a typographical error.	Appendix 2	Remove the paragraph numbering (15.1-15.10) from Appendix 2 (Superseded Local Plan 2006 Policies).	Typographical error.

Appendix 1: Modified Detail Maps

Modified Detail Map 1 | Figure 19: Policy BEX1 Detail Map [AM36]



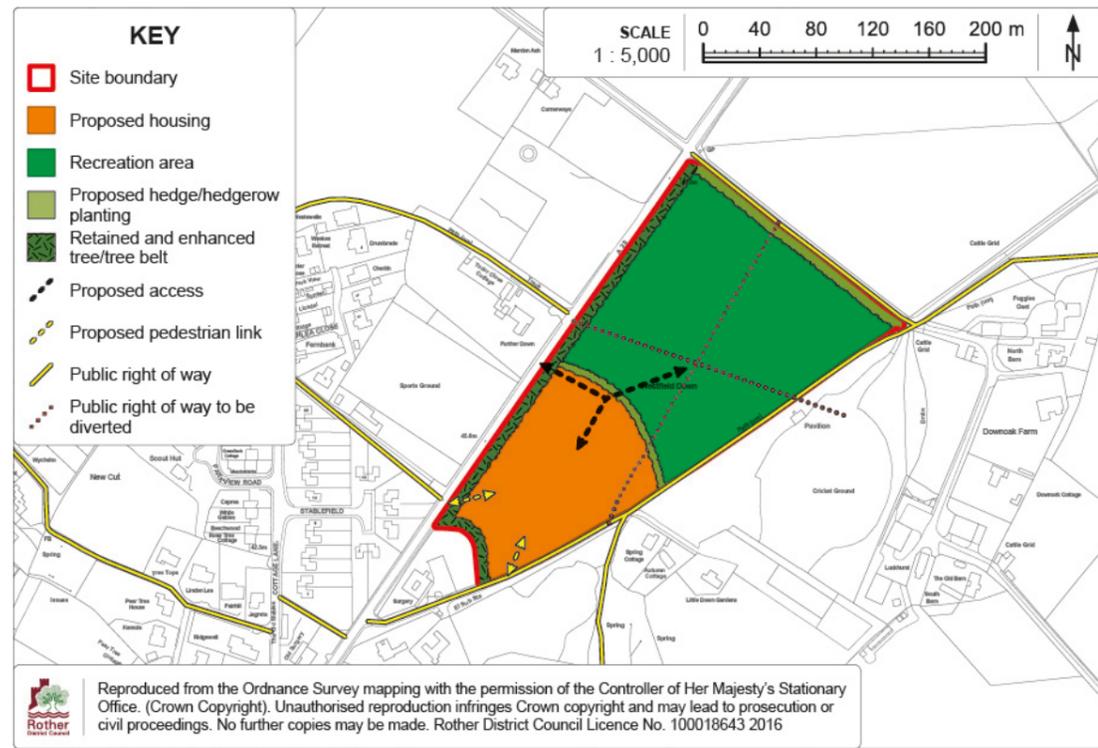
Modified Detail Map 2 | Figure 21: Policy BEX3a Detail Map [AM40]



Modified Detail Map 3 | Figure 23: Policy BEX3c Detail Map [AM42]

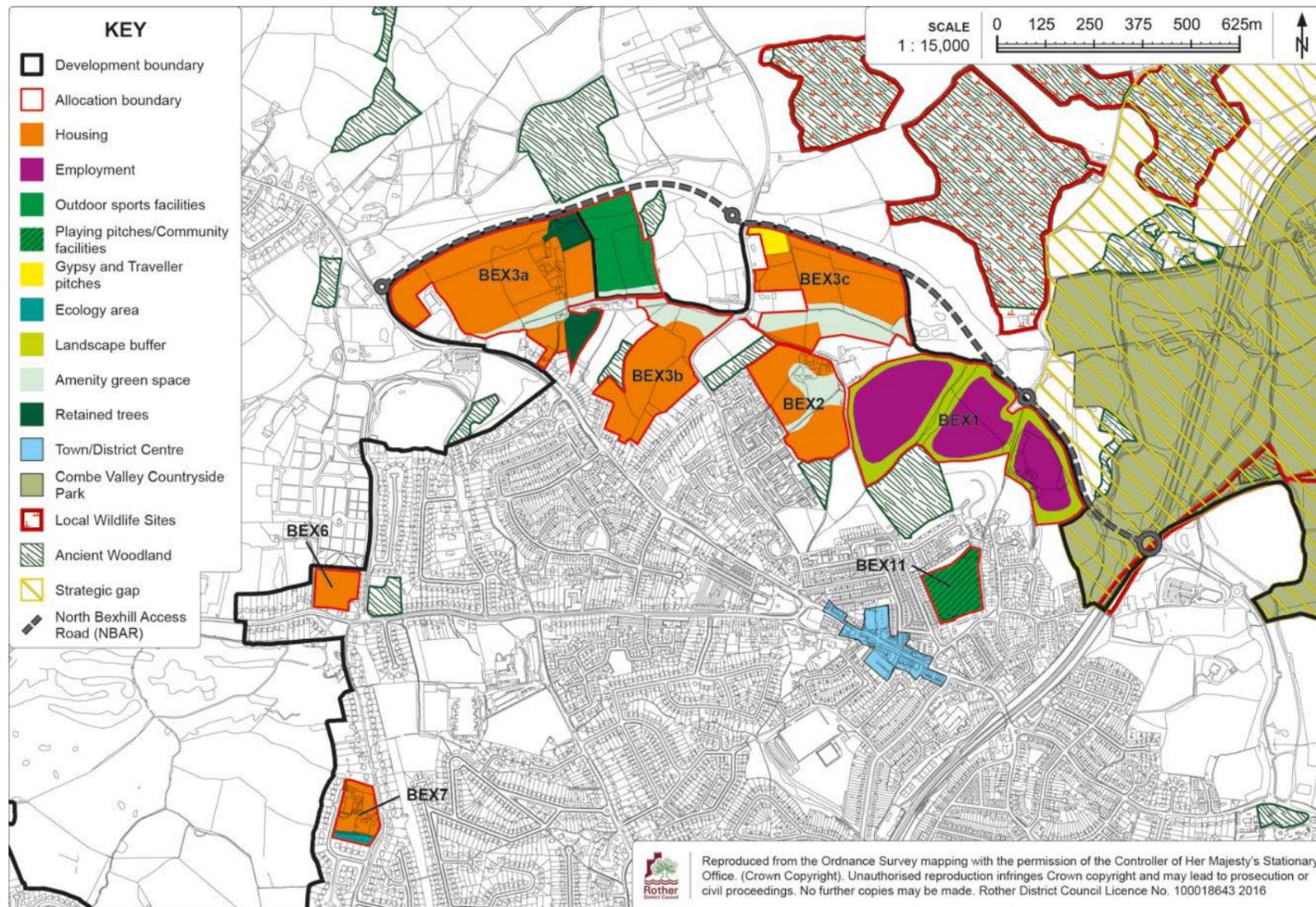


Modified Detail Map 4 | Figure 57: Policy WES1 Detail Map [AM69]



Appendix 2: Modified Policies Maps

Modified Policies Map 1 | Policies Map Inset Map 1b: Bexhill North [AM59]



Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Director
Subject	-	Water Feature – Bexhill-on-Sea Promenade

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

- 1) £350,000 be allocated from earmarked reserves to refurbish and enhance the interactive water feature on the Bexhill-on-Sea promenade; and
 - 2) the Executive Director be granted delegated authority to appoint the preferred contractor against the contract specification.
-

Head of Service: Joe Powell

Lead Cabinet Member: Councillor Mrs Earl-Williams

Introduction

1. The purpose of this report is to seek authority from Members to reinstate the water feature located on the Promenade at Bexhill-on-Sea, and propose a way forward to bring it back into efficient and effective operation.
2. The water feature is a great asset to the public realm and is a corner stone of the regeneration of the Bexhill promenade. The water feature is a destination attraction for the town and supports local businesses by attracting people that may not otherwise come to Bexhill-on-Sea. It is in a safe location, well away from the road, and provides ample seating for parents and carers.
3. The water feature was installed as part of the Bexhill-on-Sea seafront regeneration, completed in 2011/12. In the last two years there have been an increasing number of faults that have led to the fountain only operating intermittently with regular delays in its functioning while the water tank refills.
4. All the equipment for the water feature is held underground, including the clean and dirty water tank, 32 individual pumps and the pipes that link the water mains to the tank and feed the 32 fountain jets.
5. In 2018, a series of structural and mechanical surveys were commissioned to try to establish the faults and the possible cause. The reports highlight that the feature is not operating effectively or efficiently because the system is leaking water. It is evident that the water tank is leaking and it is suspected that the pipes that feed the feature and return water to the tank are also leaking. It would only be possible to confirm that the pipes are leaking if the ground was excavated. Further, the water tank is compromised and at risk of collapse.
6. Due to the leaking pipework the feature uses more mains water than was originally specified and cost in the region of £10,000 from April 2018 to June

2019 in water and sewerage bills alone to operate. There is also a significant impact on officer time as Rother District Council staff are required to manage a high level of enquiries and complaints due to the feature only functioning intermittently.

7. In the spring 2019, the decision was taken not to operate the feature due to concerns regarding the structural integrity of the water tank located within the subterranean plantroom. The risk is that Rother District Council (RDC) staff would come to harm should the water tank collapse as they are required to regularly enter the subterranean plantroom to test the water and service the pumps. The Council has not been advised of any risk to the public or any persons above ground as the concrete structure housing the subterranean plantroom is stable.
8. The surveys that have been commissioned have highlighted various different potential causes for the system leaking water and compromising the structural integrity of the water tank. All the findings have confirmed that the only way of confirming the root cause of the faults and to repair these is to excavate the plantroom and the pipework.

Next Steps

9. The surveys suggest that to remedy this situation and have the water feature up and running for 2020 we would need to excavate the majority of the site, remove and reinstall the 32 pumps, replace the water tank, and repair the underground water pipes.
10. With the above in mind, it is thought the opportunity should be taken to consider reinstalling the pump equipment above ground, and place the water tank and feeder pipes nearer to the fountain jets. This would allow easier access for maintenance of the pumps as they would be above ground, thereby reducing costs, and reduce the amount of equipment underground.
11. The local Ward Members, Cabinet Portfolio Holder for Culture, Tourism and Public Realm and Council Leader have been consulted and have agreed to the appointment of a specialist contracts administrator, Potter Raper, with the structural engineering expertise needed to design a tender specification, review tender responses and oversee the new features replacement. If there is an appetite among Members to retain the water feature and its benefits then we will need to excavate the mechanism in any scenario. The present situation provides the Council with an opportunity to work with Potter Raper and a specialist contractor to replace the water feature for future generations to enjoy.
12. Indicative estimates expect this work to cost in the region of £300-330k, therefore up to £350k will be required to cover consultancy costs and provide a contingency. The expectation is that a water feature specialist contractor will take on full design and construction liability, with relevant and suitable warranties and insurances. They will be expected to propose a robust and effective solution to ensure the water feature meets the required quality in terms of maintenance, operation and longevity.
13. An indicative programme for the works has indicated that a new feature could be reinstated in readiness for the 2020 school summer holiday season. We

are working closely with key stakeholders on the promenade including kiosk owners and the De La Warr Pavilion to minimise the disruption of any works during the winter 2019 and spring 2020.

14. To meet the deadline for replacing the feature it has been necessary to start the tender process; this does not hold the Council to any commitment to complete works to replace the feature prior to approval for the budget being granted. We expect to have responses to the tender before Christmas with a view to appointing a contractor and having works commence in January 2020.

Conclusion and Recommendations

15. Allocating £350,000 from earmarked reserves will enable this popular feature to be brought back into safe operation, attracting people to the promenade and supporting the local businesses and economy. It will also reduce the revenue operating costs in terms of utilities and officer time.
16. Officers recommend that £350,000 is allocated from earmarked reserves and delegated authority is given to the Executive Director to approve appointment of the preferred contractor through a competitive tender process.

Malcolm Johnston
Executive Director

Risk Assessment Statement

This is an estimated budget which may change subject to rising costs and other factors such as the uncertainty of the economy related to leaving the European Union. The water feature cannot be operated in its current condition, therefore if funds are not committed, it will remain switched off indefinitely. This will have an impact on the local economy, particularly the kiosks and Colonnade.

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Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Director
Subject	-	Climate Change Steering Group – Terms of Reference

Recommendation: It be **RESOLVED:** That the Terms of Reference for the Climate Change Steering Group be amended to allow the general public to attend.

Head of Service: Ben Hook
Lead Cabinet Member: Councillor Field

Introduction

1. Cabinet (Minute CB19/49 Refers) set-up a Climate Change Steering Group with the attached Terms of Reference (ToR) Appendix 1. The ToR state the meetings will not be open to the general public.
2. At the first meeting the Chairman allowed three members of the public to attend as they had supported the work of one of the presenters. They left the meeting once the Steering Group got into debate on the direction of the strategy.
3. The Steering Group felt there was no need to exclude the general public and are requesting Cabinet to remove this from the ToR.

Recommendation

4. The ToR for the Climate Change Steering Group be amended to allow the general public to attend.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

There are no risks associated with this report.

Rother District Council

**CLIMATE CHANGE STEERING GROUP
TERMS OF REFERENCE****1. Purpose**

On 16 September 2019 Full Council passed a motion declaring a 'Climate Emergency' and made a carbon neutrality commitment for Rother District with a target date of 2030. The Climate Change Steering Group has been established by Cabinet to develop, plan and initiate the steps that the Council will need to take to meet this highly ambitious target.

2. Objectives

- To produce an action plan or strategy that is designed to ensure that the operations of the Council are carbon neutral by 2030.
- To identify relevant existing powers that the Council may exercise, and any additional powers to be requested from Central Government, that could be used to encourage carbon neutrality throughout the district.
- To identify which policies, strategies and working practices of the Council might require amendment, and to outline a timescale for reviewing these.
- Identify and consult with existing external bodies and partnerships; and make recommendations on new partnerships that should be established to help achieve the 2030 target.
- Identify citizens across Rother who are climate champions for their communities and to use them to inform on ideas to implement locally.
- To investigate all possible sources of external funding and match funding to support this commitment.
- Investigate what Rother District Council can do to minimise the emission of gases other than CO₂ which adversely affect climate change.
- To present a pre-consultation draft action plan to Council for consideration no later than 24 February 2020, including recommendations for next steps and resource requirements.

3. Scope

For the purposes of this initiative, the operations of the Council are considered to be any action taken by the Council either institutionally or through its Members, staff, volunteers, and contractors in the discharge of its duties.

In developing the action plan the Steering Group will need to consider the existing carbon footprint of the Council, existing and emerging carbon reducing technologies, opportunities for change in institutional and personal behaviour, the impact of Council property assets, and the likely financial cost and resource requirements for meeting the 2030 target.

The Steering Group will also consider wider issues related to climate change over which the Council might wield influence, but do not directly contribute to our own carbon footprint.

4. **Membership and Structure**

The Climate Change Steering Group will be a cross party group of seven Members. The Group will be chaired by the Lead Member for Environment and Transport and will consist of one other Executive Member and five non-Executive Members, reflecting a broad political balance.

Councillors S.J. Coleman, K.M. Field, P.J. Gray, Mrs S. Hart, L.M. Langlands, P.N. Osborne and S.M. Prochak.

5. **Meetings**

The Steering Group will meet regularly, the frequency, time and venue to be decided by the Members in liaison with officers. Meetings will not be open to the general public, however Members may wish to organise public engagement events as part of the action plan development.

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Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of the	-	Executive Director
Subject	-	Installation of Video Cameras in the Council Chamber

Recommendation to COUNCIL: That:

- 1) the Executive Director be authorised to proceed with the installation of fixed cameras in the Council Chamber at a budget cost of £17,000 to be met from the capital programme provision for Rother 2020 ICT investment; and
 - 2) the appropriate amendments be made to the Council's Constitution.
-

Lead Cabinet Member: Councillor Oliver

Introduction

1. There is a significant amount of background to this issue and for Members' reference reports were presented as follows:
 - a. Overview and Scrutiny Committee 24 April 2017 (Minute OSC16/58 refers).
 - b. Cabinet 8 May 2017 (Minute CB16/99 refers).
 - c. Overview and Scrutiny Committee 16 October 2017 (Minute OSC17/27 refers).
 - d. Cabinet 6 November 2017 (Minute CB17/37 refers).
 - e. Overview and Scrutiny Committee 27 November 2017 (Call-in item, Minute OSC17/40 refers).
 - f. Cabinet 4 December 2017 (Minute CB17/49 refers).
2. At the Cabinet meeting on 4 December 2017, Members agreed to proceed with the purchase of a conference and audio system (microphones) and presentation equipment (projector and screens) but did not support the purchase of fixed cameras for the videoing of formal Council meetings.
3. Webcasting was not considered as it had been rejected earlier in the process as it was not perceived to be necessary at that time.
4. Cabinet did, however, request confirmation that the camera option could be 'retro fitted' at a future date and this was confirmed.

Filming and Broadcasting

5. Since that time there have been occasions when members of the public, with the full knowledge and cooperation of the Council, have filmed formal Council meetings in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 and the Council's Constitution.

6. Although this has not caused any issues with footage being edited the videoing of formal Council meetings by the Council itself would give greater control and confidence over footage of its formal meetings.
7. Furthermore, several Members have expressed the view that video recording and even webcasting of formal meetings should be something that is reconsidered.
8. Officers have had discussions with the provider of the microphones and screens (there is logic in continuing with them as the system was originally developed as a total package) and they have given an estimated cost of £17,000 for the installation of fixed cameras in the Council Chamber. This cost can be met from the Capital Programme Provision for Rother 2020 ICT Investment. There is also an annual revenue cost of £1,200 (not including parts). *There is no provision for this annual cost within the Revenue Budget and compensatory savings will need to be identified.*
9. They have also provided costings for webcasting and, based on 60 hours per year, this would be just under £12,000 for a one year contract. This sum would be substantially reduced if a longer term contract was taken out. There is no provision for this cost within the Revenue Budget. Compensatory savings would need to be identified for the Council to be able to afford to provide webcasting.
10. The Council can, however, place the video recordings of the meetings on the website (at no additional cost) where they can be viewed. It is therefore recommended that given the cost and the potential viewing numbers the option of live webcasting meetings is not pursued at this time.

Conclusion

11. This report has not rehearsed the issues for the installation of fixed cameras in the Council Chamber or for webcasting some meetings, these issues have been well covered in the previous reports referred to in paragraph 1.
12. There is certainly merit in the Council having the ability to visually record meetings, if for no other reason that it gives a 'master' copy of events. If Members are minded to recommend that all formal meetings of the Council be recorded this is considered a change to the Council's current practice and should therefore be a decision for full Council. An appropriate amendment will be incorporated into the Council's Constitution.
13. It is recommended that webcasting of meeting is not pursued at this time due to the costs involved and the potential viewing numbers/benefit received.

Malcolm Johnston
Executive Director

Risk Assessment Statement

By failing to video record meetings there is a risk footage could be edited and discussions portrayed in a different light from that originally occurring. Also, the lack of publicly available video content could mean the Council may be accused of not being fully transparent or engaged.

Rother District Council

Report to	-	Cabinet
Date	-	2 December 2019
Report of	-	Councillor Doug Oliver, Leader
Subject	-	Appointment of Cabinet Champions / Spokespersons

Recommendation It be **RESOLVED:** That the appointments of Councillor R. Thomas as the Council's Cycling Champion and Councillor J. Brewerton as the Council's Disability and Inclusion Champion be noted.

1. Following the appointment of Cabinet Members and their Portfolios at the Annual Council meeting on 22 May 2019, it is desirable that Cabinet identify Members who will in the future act as its champion or spokesperson on matters which are either not specifically included in any of the allocated portfolios or where additional emphasis is required.
2. There are a number of Members within the Council who have a particular interest or expertise in specific areas and I believe that this expertise and enthusiasm should be harnessed whenever possible to advise Cabinet and Council, to champion and look after the interests of the authority and its residents and to speak on its behalf, on such matters.
3. I have therefore appointed Councillor Richard Thomas to act as the Council's Cycling Champion and Councillor Jay Brewerton to act as the Council's Disability and Inclusion Champion.

Councillor Doug Oliver
Leader

Risk Assessment Statement

There are no risks associated with this report.

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