

OVERVIEW AND SCRUTINY COMMITTEE

23 November 2020

Minutes of the Overview and Scrutiny Committee meeting held remotely on Monday 23 November 2020 at 6:32pm.

Committee Members present: Councillors P.N. Osborne (Chairman), Mrs V. Cook (Vice-Chairman), J. Barnes, J.J. Carroll, C.A. Clark, P.C. Courtel, B.J. Drayson (ex-officio), Mrs D.C. Earl-Williams, P.J. Gray, C.A. Madeley, C.R. Maynard and M. Mooney.

Other Members present: Councillors Mrs. M.L. Barnes, T.J.C. Byrne, S.J. Coleman, K.P. Dixon, L.M. Langlands, G.F. Stevens and H.L. Timpe.

Advisory Officers present: Chief Executive, Assistant Director Resources, Head of Service Acquisitions, Regeneration and Transformation, Head of Service Environmental Services, Licensing and Community Safety, Head of Service Housing and Community and Democratic Services Officer.

Also Present: 28 members of the public, via the YouTube live broadcast.

OSC20/29 **MINUTES**

The Chairman was authorised to sign the Minutes of the meeting of the Overview and Scrutiny Committee held on 19 October 2020 at a later date as a correct record of the proceedings.

OSC20/30 **APOLOGIES AND SUBSTITUTES**

An apology of absence was received from Councillor Errington.

OSC20/31 **DISCLOSURE OF INTERESTS**

There were no Declarations of Interest.

OSC20/32 **COMMUNITY GRANTS SCHEME – THE PELHAM CHARITABLE INCORPORATED ORGANISATION UPDATE**

On 3 September 2018, Cabinet awarded the Pelham Charitable Incorporated Organisation (CIO) a sum of £29,975 from the Rother Community Grants scheme and requested an update to the Council's Overview and Scrutiny Committee a year after funding had been provided.

The funding, along with other grant funders, enabled the renovation and opening of the whole of the first floor of The Pelham as a Community Space, which opened in September 2019 and by February 2020 had enabled over 90 hours of community activities, events and bookings per week across the whole building. The Pelham had eight available rooms for hire to meet the needs of the 85 active local partnerships, further details of which were appended to the report.

The Pelham CIO were unable to open to the public due to the COVID-19 pandemic between 17 March 2020 and 30 June 2020, however was able to work together with the Rother Community Hub, Rother Voluntary Action and other Bexhill groups to support the COVID-19 response to the most vulnerable. The Pelham was able to complete over 1,300 tasks for the community, including delivering foodbank parcels twice weekly, shopping trips and prescription pickups, through over 900 voluntary hours of the team of 25 volunteers.

The Pelham CIO re-opened a 'COVID-19 Secure' venue and re-launched its wide range of community activities in June 2020. Attendance had been lower which was to be expected, but the organisation was hopeful of a gradual increase in activities and had seen an increase in new organisation enquiries. Funding had been secured for a ceiling hoist to enable changing facilities for people in wheelchairs and their carers, which would contribute to establishing The Pelham as a central part of the local community.

Members thanked the Pelham CIO for the work done for both the local community and the whole of Bexhill, and in particular during the COVID-19 pandemic. It was agreed that any further updates from the Pelham CIO or any other organisation who had received funding from the Community Grants Scheme would be featured in the monthly 'Members' Bulletin'.

RESOLVED: That the report be noted.

OSC20/33 **REVIEW OF THE HOUSING, HOMELESSNESS AND ROUGH SLEEPING STRATEGY (2019-2024)**

Members received the report of the Heads of Service which provided an update on the progress of the Improvement Delivery Plan of the Housing, Homelessness and Rough Sleeping Strategy (2019-2014), in particular the three strategic priorities: Increasing the Supply of Housing; Rough Sleeping, Homelessness and Meeting Housing Aspirations; and Improving the quality and suitability of existing housing and new build housing. The outcome of the full review was in the Improvement Delivery Plan at Appendix A to the report and a summary of all actions achieved so far at Appendix B.

Key highlights from the Improvement Delivery Plan were outlined to Members:

PRIORITY 1: Increasing the Supply of Housing

- In December 2019, the Council had approved setting up a local authority owned housing company, Alliance Homes (Rother) Ltd, which had been legally incorporated and the Business Plan approved;
- the main priority of the company was to accelerate delivery of all forms of housing in Rother, with an ambitious target of delivering 1,000 new homes over the following 15 years. The Business Plan set out an initial 3-year delivery plan focussed on developing sites already in Council ownership with planning permission/planning potential or that had been acquired as part

- of other Council-led projects. The delivery of the site at Blackfriars, Battle was of significant importance;
- the Company would seek opportunities to acquire sites allocated for housing in the Rother District Local Plan and associated Neighbourhood Plans;
- the Company had pledged to deliver all new homes to high environmental standards where feasible, taking a fabric first approach to design and maximising thermal efficiency; and
- the Strategy had identified empty homes as a wasted resource in view of the chronic shortage of housing to meet need, to include affordable housing; a draft Empty Homes Action Plan had been developed to bring back empty properties into use.

PRIORITY 2: Rough Sleeping, Homelessness and Meeting Housing Aspirations

- Rother Tenant Finder was launched in October 2019 to improve access to accommodation in the private sector to reduce homelessness, by incentivising landlords to consider homeless households and supporting tenants to access and sustain private sector tenancies;
- up until March 2020, 55 households had been helped through the service, resulting in private sector tenancies being agreed. However, the COVID-19 pandemic had reduced the numbers of tenancies secured in recent months; and
- the Council commissioned the Homelessness Unity Group (HUG) to deliver a new 'Safe Space' service from March 2020. Safe Space, delivered from St Barnabas Church in Bexhill, was designed to support the reduction of rough sleeping through the provision of a community meeting space available twice weekly. The service was designed to improve access to a range of vital services including housing, health and social care via its own outreach support worker who operated alongside various multiagency initiatives.

PRIORITY 3: Improving the quality and suitability of existing housing and new build housing

- Services provided by Environmental Health had already exceeded targets in 2020 to improve the condition of five dwellings in the private sector, as a result of licensing or statutory notices being served;
- the Council had undertaken a number of inspections of new properties falling into the Housing in Multiple Occupation category since mandatory licensing had been extended to cover properties less than three storeys high; and
- a further 21 assessments of private sector dwellings had been carried out since the beginning of April 2020, with improvements made to property conditions required to meet appropriate standards. (A number of these inspections had been a direct consequence of the increased number of temporary accommodation units secured by the Council during the previous couple of years and, in particular, during the COVID-19 pandemic to ensure the homes were safe for occupants, demonstrating the importance of the relationship between the supply and quality of all housing.)

Members congratulated officers on the work that had been done to purchase an additional five properties in order to house people in temporary accommodation (TA) within the district. The additional properties also helped to ensure families with children in particular, were in self-contained units. Members recommended and agreed that sites on which pre-fabricated buildings could be installed be investigated in order to provide further TA.

Members were given the opportunity to ask questions and the following points were noted:

- the Community Led housing scheme at Cemetery Lodge, Bexhill was making progress, with a planning application expected the following year;
- the Floating Housing Support Service was a county commissioned service of approximately 90 support workers visiting clients across the county dedicated to delivering housing support needs;
- concealed homelessness was a further problem to address, with many properties housing multigenerational households given away by the number of vehicles outside the house;
- the Local Plan Housing Target had not been met and Members felt that a more realistic target should be set; and
- Members suggested consideration be given to marketing the establishment of Community Land Trusts and exceptions sites to Parish Councils.

RESOLVED: That:

- 1) Cabinet be requested to agree that the 'targets achieved' as listed in Appendix B to the report be removed from the Improvement Delivery Plan and replaced with the proposed new/amended targets at Appendix C to the report, with revised Outcomes included;
- 2) the progress made against the Housing, Homelessness and Rough Sleeping Strategy included in the Improvement Delivery Plan (Appendix A) be noted;
- 3) investigations be undertaken to identify sites on which pre-fabricated buildings could be installed to be used for Temporary Accommodation; and
- 4) a review of the Housing, Homelessness and Rough Sleeping Strategy be undertaken annually.

OSC20/34 **PERFORMANCE REPORT: SECOND QUARTER 2020/21**

Consideration was given to the report of the Head of Service Acquisitions, Transformation and Regeneration on the Performance Report of the Second Quarter 2020/21. Members were given the opportunity to scrutinise the progress towards the Council's stated aims, outcomes and actions in the Corporate Plan and make any necessary recommendations to Cabinet for future service delivery.

A summary of the Council's performance against the selected Key Performance Indicators (KPI) areas (Housing and Homelessness, Waste and Recycling, Asset Income and Other Income) was set out in the report. Performance was compared to the previous quarter result and to the same quarter the previous year.

Housing and Homelessness: During quarter two, one measure met its target (Average Weeks in Temporary Accommodation) and six had not met their target (Affordable Homes Built (gross) Supply target, (Affordable Homes Built (gross) Local Plan target, New Homes Built (net) Supply Target, New Homes Built (net) Local Plan Target, Homelessness Prevention Cases per 1,000 homes and Number of all Households in Temporary Accommodation).

Waste and Recycling: Two of the indicators had not met their targets (Re-use, Recycling, Composting: East Sussex County Council and Re-use, Recycling, Composting: Contractor) and one had met its target (Missed Bins per 100,000 Collections).

Asset Income: Tenants had started paying rent following the issuing of invoices at the beginning of quarter two, but the full income picture remained unclear as the full impact of the first shutdown was unknown. The latest national lockdown was predicted to be less impactful on income given both the time of year and the limited exposure of those sectors affected by the new regulations. With the limited investment opportunity during the current financial year and the overall loss of income, it was projected that the Council would miss its income target for the financial year.

Other Income: All three indicators had not met their targets (Car Park Income, Garden Waste Income and Planning Income) due to the impacts of the COVID-19 pandemic. The original projections for losses in the region of £280,000 against budget had been revised down to £140,000 following a busy summer season and this would continue to be monitored. The income for garden waste was performing well against target despite the £5 reduction in the subscription charge due to COVID-19 service disruption. It was anticipated that income would increase further as officers worked to incentivise new subscribers to the service to achieve a minimum of 20,000 subscribers by March 2021, to reduce the cost per household charged by the contractor.

The onset of the COVID-19 pandemic had adversely affected performance levels in quarter one for all KPIs reported and continued to do so in quarter two. The Committee had previously agreed that the KPIs should remain the same to provide a baseline for the overall impact of COVID-19 in the current financial year.

RESOLVED: That the report be noted.

OSC20/35

MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2025/26

Members received and considered the report of the Assistant Director Resources on the Council's Medium Term Financial Plan (MTFP) 2021/22 to 2025/26, which had been considered by Cabinet at their

meeting on 2 November 2020. The MTFP set the financial framework for the next five years and would be modified as the financial situation of the Council changed during that period. The following salient points were noted:

- **Budget Process:** The Council followed a three phased budget process. The third phase would commence in January 2021, once the Government settlement had been announced. Any proposed savings would need to be agreed and the Capital Strategy and Revised Capital Programme would be prepared and incorporated into the MTFP.
- **Government Funding:** Since 2010, the Council had seen a substantial fall in income. With the loss of Revenue Support Grant in 2019/20 and net business rates income of £3.5m, this was a reduction of £3.1m in income over 2010 levels. The East Sussex Business Rates Pool enabled the Council to retain a greater share of any business rates growth. Members were advised that, in 2021/22, the Government was scheduled to reset how business rates were shared between councils. This could result in a reduction of income in excess of £1m per annum for the Council if related to the current baseline.
- **News Homes Bonus Grant (NHBG):** The five-year forecast assumed that the NHBG would reduce so it may not be possible to rely on this funding in the future.
- **Council Tax:** If Council Tax was increased by 2% (maximum below the referendum rate) then an additional £140,000 of income would be achieved in normal circumstances. With the ending of the furlough scheme, it was expected that the number of council tax relief (CTR) claimants would rise. Therefore, it was assumed that the taxbase would fall by 750 Band D equivalent properties in 2021/22 but would improve over the subsequent years to pre-pandemic levels by 2024/25. The additional amount of council tax income raised by a 2% increase would likely reduce to £70,000. The Anti-Poverty Task and Finish Group had been tasked with considering options regarding the future of the Council's CTR Scheme. Changes to the scheme would not take effect until April 2022, therefore it had been recommended and agreed by Cabinet that the current scheme be affirmed for 2021/22.
- **Cost Pressures:** It was predicted that the base Revenue Budget would increase by £648,000 for homelessness demands, £190,000 staffing costs based on the current workforce, £51,000 on major service contracts, the impact of COVID-19 across all services including £730,000 on leisure / sport services (De La Warr Pavilion and Freedom Leisure), as well as projects identified within the new Corporate Plan.
- **Cost Saving and Income Generation:** There were five main workstreams designed to deliver the income and savings required to minimise the amount of reserves used to balance the budget over the next five years, namely Business Transformation Programme; Devolvement and Service Prioritisation, Income Generation (Property Investment Strategy and off-street car park income), reduced staffing structure, and shared services.

- Reserves and General Fund Balance: The latest financial monitoring suggested an overspend of £1.9m at outturn, reducing Reserves to £12.7m after funding capital expenditure. The current MTFP estimated that £11.5m of reserves would be needed to support the Revenue Budget over the next five years (including £2.3m to support the Capital Programme). By the end of 2025/26 revenue reserves and balances would be approximately £3.5m depending on the final outturn for 2021/22. If business rates growth was reset to the 2020/21 baseline reserves would be completely depleted by 2024/5.
- Capital Programme: Totalled £186m and included £80m for housing development through the Council's new housing company. Investment would increase the Council's exposure to borrowing which would need to be reflected in the Treasury Management Strategy. Through the East Sussex Rough Sleeping Initiative, the Council had received positive feedback that £430,000 of government funding (60% match-funded) would be granted to provide accommodation in Rother during 2020/21. The Council would be required to fund the outstanding 40% capital contribution which equated to £285,000 and could do this from within the £3m already allocated to the Temporary Accommodation project.
- Treasury Management: The level of borrowing was expected to peak at £93m excluding housing development.
- Budget Consultation: Would be held between 1 December 2020 and 31 January 2021. An interim report on the consultation would be reported to the Overview and Scrutiny Committee on 25 January 2021.

Cabinet had been supportive of the Council maintaining the current CTR Scheme for 2021/22 and had agreed to maximise the annual increase in Council Tax within the Government's referendum limit, additional NHBG funding be used to reduce the amount of drawdown from reserves, the Council remained part of the East Sussex Business Rate Pool, and delegated authority be granted to the Assistant Director Resources, in consultation with the Cabinet Portfolio Holder for Finance and Performance Management to finalise the consultation wording.

The MTFP highlighted the challenges the Council continued to face due to the reduction in central Government support, the impact of COVID-19 and both lockdown periods. Motivation and reorganisation of resources were required to ensure the Council was focused on delivering the MTFP.

RESOLVED: That the report be noted.

OSC20/36 **WORK PROGRAMME**

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

- 'Accessibility of green spaces across the district' to be added to 'Regeneration' under Items for Consideration; and

- Report of the Anti-Poverty Task and Finish Group be moved to the 26 April 2021 meeting.

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

OVERVIEW AND SCRUTINY COMMITTEE

WORK PROGRAMME 2020 – 2021		
DATE OF MEETING	SUBJECT – MAIN ITEM IN BOLD	Cabinet Portfolio Holder
25.01.21	<ul style="list-style-type: none"> • Draft Revenue Budget Proposals 2021/22 • Key Performance Targets 2021/22 • Revenue Budget and Capital Programme Monitoring – Quarter 2 2020/21 	Dixon
15.03.21	<ul style="list-style-type: none"> • Progress on the Environment Strategy • Crime and Disorder Committee: to receive a report from the Community Safety Partnership • Performance Progress Report: Third Quarter 2020/21 • Revenue Budget and Capital Programme Monitoring – Quarter 3 2020/21 	Field Dixon
26.04.21	<ul style="list-style-type: none"> • Report of the Off-Street Car Park Task and Finish Group • Report of the Anti-Poverty Task and Finish Group • Call-in and Urgency Procedures • Draft Annual Report to Council 	Field
ITEMS FOR CONSIDERATION		
<ul style="list-style-type: none"> • Regeneration incl Leisure Centre, Fountains, Skate Park and Accessibility of Green Spaces across the district • Corporate Plan review – referred back by Cabinet • Review of the Tourism Strategy • Review of the Economic Regeneration Strategy • Peer Review 		