

OVERVIEW AND SCRUTINY COMMITTEE

24 January 2022

Minutes of the Overview and Scrutiny Committee meeting held at the Council Chamber, Town Hall, Bexhill-on-Sea on Monday 24 January 2022 at 6:30pm

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

Other Members present: Councillors Mrs M.L. Barnes, P.C. Courtel, K.P. Dixon, K.M. Field, L. Hacking and Mrs E.M. Kirby-Green.

Advisory Officers in attendance: Deputy Chief Executive, Director - Place and Climate Change, Chief Finance Officer, Head of Service Neighbourhood Services, Head of Service Environmental Services, Licensing and Community Safety, Head of Service Housing & Community, Revenue and Benefits Manager and Democratic Services Officer.

Also Present: 26 members of the public, via the live webcast.

OSC21/41 **MINUTES**

The Chairman was authorised to sign the Minutes of the meeting of the Overview and Scrutiny Committee held on 22 November 2021 as a correct record of the proceedings.

OSC21/42 **APOLOGIES AND SUBSTITUTES**

An apology for absence was received from Councillor B.J. Drayson (ex-officio).

OSC21/43 **DISCLOSURE OF INTERESTS**

Declarations of interest were made by Councillors in the Minutes as indicated below:

Clark Agenda Item 6 – Member of East Sussex County Council.

Field Agenda Item 6 – Member of East Sussex County Council.

Kirby-Green Agenda Item 6 – Member of East Sussex County Council.

Maynard Agenda Item 6 – Executive Member of East Sussex County Council.

OSC21/44 **KEY PERFORMANCE TARGETS 2022/23**

Members received the report of the Director - Place and Climate Change, which gave details of the current Key Performance Indicators (KPIs) and their target levels of performance for the financial year 2021/22. Members were requested to review the current KPIs and

consider if they were still relevant for 2022/23 when considering the priorities of the Council as set out in the Corporate Plan.

The 13 KPIs for 2021/22 were detailed at Appendix A to the report, reported within five themed areas, namely:

- Housing and Homelessness (five indicators)
- Economic Development and Poverty (three indicators)
- Waste Collection (one indicator)
- Additional Income (two indicators)
- Planning (two indicators)

Several other indicators were used to inform the qualitative narrative. This gave the Overview and Scrutiny Committee (OSC) the ability to scrutinise more effectively and pass on any recommendations they had as a result to Cabinet.

Aside from the above 13 measurements to be reported quarterly, other indicators informing Heads of Service, Directors and the Chief Executive of performance would be reported by exception to the OSC where they were exceeding or significantly missing their target.

Whilst the KPI set were important indicators of organisational performance against the objectives and ambitions laid out in the Corporate Plan, they were not the only mechanism by which this delivery was being monitored. Projects described in the Corporate Plan were monitored through the Corporate Programme, for which a programme board had been established, whilst lower profile activities were monitored through the organisation's various service plans, which were agreed with portfolio holders. An annual report would also be presented to the OSC for an update on all activity and completion of Corporate Plan targets.

The Environment Strategy 2020-2030 set out the activities and actions that were to be undertaken in response to the Council's Climate Emergency Declaration in 2019. At their meeting of 10 January 2022, Cabinet agreed that the performance of the organisational carbon reduction programme should be the remit of the Climate Change Steering Group. The OSC considered monitoring this within their remit and Members were advised it was unlikely that the performance against the baseline would be updated any more frequently than annually.

Members were given the opportunity to ask questions of the Heads of Service in attendance and the following points were noted during the discussion:

- Net Additional Homes Built in the District was a difficult target to achieve, as the Council had little control over build-out rates and it was agreed that it be recommended to remove this as a target. It was noted that this was regularly monitored by the Planning Committee;
- it was suggested that there be a more ambitious target for Additional Income Generation, as it had been previously

expected that the Council would be achieving £2.5m by this time;

- current planning targets were in line with statutory timescales, however had been measured in days rather than weeks. The Director – Place and Climate Change advised that this target would be measured in weeks going forward;
- the interim Development Manager had been funded through the existing staffing budget and significant improvements in planning performance was expected;
- the Asset Income Total target included rental income generated from the Property Investment Strategy (PIS), which was reported to the Audit and Standards Committee. Members recommended that a separate PIS income target be included within the KPIs to ensure the Council did not fall behind the financial strategy;
- in monitoring levels of homelessness, Members agreed that the number of households prevented from going into Temporary Accommodation (TA) would be a more helpful indicator than the current target of the Average Length of Stay in TA. In addition, it was agreed that a target of Average Cost Per Unit of TA be recommended to add to the KPI set;
- the Council currently owned nine properties for TA and was in the process of finalising the purchase of another for completion by the end of the financial year, taking the total number of units to 20;
- the Number of Council Tax Reduction Claimants was a misleading target, as residents' personal lives dictated whether they were eligible or not. It was, however, considered useful data to remain included in the KPIs to indicate the state of the district rather than performance;
- Environmental indicators would be reported back to the OSC from Cabinet; and
- Members agreed that it would be useful for other indicators of the state of the district to be reported to the OSC on a quarterly basis, such as air quality.

RESOLVED: That Cabinet be requested to review and approve the following Key Performance Indicators for 2022/23:

- 1) Housing and Communities
 - Number of households in Temporary Accommodation: Target 60
 - Number of households on the Housing Register: Target 1,200
 - Number of affordable homes delivered (gross): Target 106 (supply) and 121 (local)
 - Number of prevented homelessness: Target to be confirmed
- 2) Financial Performance
 - Asset Income Total: Target £1,850,000
 - Property Investment Income: Target to be confirmed
 - Cost of Temporary Accommodation: Target to be confirmed

- 3) Economic Development and Poverty
 - Number of Council Tax Reduction Claimants: Target: 6,960 (3,919 working age, 3,041 pensionable age)
 - Council Tax Collection Rates: Target: 98.30%
 - Business Rates Collection Rates: Target: 98.00%
- 4) Environment
 - Waste re-used, composted and recycled: Target: 52%
 - Carbon Baseline: Target to be confirmed
- 5) Planning
 - Major Applications: weeks to process: Target: 13 weeks
 - Minor Applications: weeks to process: Target: 8 weeks

OSC21/45 **RECOMMENDATIONS OF THE OFF-STREET CAR PARKS TASK AND FINISH GROUP**

Members considered the report of the Off-Street Car Parks Task and Finish Group (OSCPT&FG) which summarised the work and final recommendations of the Group in reviewing the impact of the introduction of Civil Parking Enforcement (CPE) on the use of Rother District Council (RDC) car parks during the previous 12 months, flowing from evidence gathering, stakeholder engagement and car park data.

The OSCPT&FG met on four occasions during the six months from October 2020 to March 2021, to receive a number of presentations from officers advising on monthly car park income data and the current car park usage compared to previous years. The OSCPT&FG reported to the OSC on 26 April 2021, recommending various changes to car park operations for onward recommendation to Cabinet. Cabinet were supportive of the OSC's recommendations which were subsequently actioned.

Since April 2021, the OSCPT&FG had met on a further four occasions. The first 'call for evidence' from stakeholders earlier in the year had identified from the responses that it was too early in the easing of COVID-19 restrictions to make proper judgements regarding the impact of CPE. A second 'call for evidence' opened on Monday 3 September 2021 and closed on 8 October 2021, a period of six weeks, to give people a further opportunity to make comments. 17 responses were received and were summarised in the report.

As well as reviewing the 'call for evidence', discussions of the Group had centred on monitoring the use of car parks since the three 'long stay' car parks were in place and since the chargeable hours were brought in line across the district. Further work focused on cost and level of parking permits, impact on sports club parking and Manor Gardens car park.

It had been noted by the Group that a more normal level of car park use was gradually returning since COVID-19 lockdown was lifted in several phases from 8 March 2021, but that car park use had only just returned to near pre-COVID-19 levels in October 2021. The Council had seen an increase in visitors staying "all day" in many of its car parks since the introduction of CPE; however, most visitors' duration of

stay remained between 0 to 3 hours. There had been no evidence to suggest a particular car park was being overwhelmed with longer-stay users since CPE was introduced.

CPE had had a positive impact on the three town centres in terms of congestion and turnover of 'on-street' parking bays but had had some adverse impact on certain streets adjacent to the restricted zones and which residents and businesses had fed back to East Sussex County Council (ESCC) for considering future mitigations.

The Group had previously discussed the use of car parks adjacent to sports clubs and recommended that charges be suspended at the Polegrove (Bexhill) and Rye Salts car parks temporarily and to monitor the level of parking over a period of 12 months. The risk to free parking in these car parks was that they may become overwhelmed by non-sports users.

Councillors had been asked to encourage residents to give their feedback directly to the ESCC CPE review website, and officers used social media and MyAlerts to remind residents to respond before the deadline. This proved successful, as ESCC confirmed they received almost 1,000 responses to their annual review, a response far in excess of the usual response expected of 300. ESCC reported that it would take time to collate and assess this number of responses and that as a result it would take longer than the normal 14 months for any changes to be implemented, depending on process and legislation required.

Attached at Appendix A was Rother's proposed formal response to ESCC to be considered as part of their annual review.

During discussions the following points were noted:

- Councillor Mrs Cook who had chaired the OSCP T&FG paid tribute to the Head of Service Neighbourhood Services and her team for their work and to her fellow members of the Group;
- Members agreed that time-limited bays were difficult to enforce and that ESCC be requested to consider extending the number of resident permit bays in their place;
- Members requested that the signage for the Manor Gardens payment machine be improved as car park users reported not being aware of its existence; and
- Members were impressed with the level of checks being carried out in Camber.

RESOLVED: That Cabinet be requested to consider that:

- 1) the formal response to East Sussex County Council regarding the impact of Civil Parking Enforcement across the district and to inform their annual review, attached at Appendix A to the report, be approved;

- 2) car park charges be suspended in The Polegrove Bexhill and Rye Salts for 12 months and then either reinstated or removed according to levels of use;
- 3) on-street directional signage for long stay car parks be reviewed on a continual basis as business as usual; and
- 4) recommendations on changes to car park charges remain within the annual 'fees and charges' report as part of the overall setting of the Council budget;

AND

RESOLVED: That: the OSCPT&FG be reconvened at a later date to review usage at Manor Gardens car park and East Sussex County Council's response to the Civil Parking Enforcement annual review, and the Terms of Reference be amended accordingly.

(When it first became apparent, Councillors Clark, Field and Mrs Kirby-Green declared a Personal Interest in this matter as Members of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the meeting during the consideration thereof).

(When it first became apparent, Councillor Maynard declared a Personal Interest in this matter as an Executive Member of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the meeting during the consideration thereof).

OSC21/46 DRAFT REVENUE BUDGET 2022/23 PROPOSALS

Members gave consideration to the report of the Chief Finance Officer on the draft Revenue Budget, which outlined the likely financial position and key issues that Members needed to consider as part of the budget setting process. The Committee had been requested to consider the draft budget and make recommendations to Cabinet, to be considered at its meeting on 7 February 2022.

The report updated Members on the second phase of the budget setting process. Appended to the report were details of the summary draft Revenue Budget (Appendix A), the summary information for each service area (Appendix B), main changes in net cost of services between 2021/22 and 2022/23 (Appendix C) and the Council's revenue reserves (Appendix D).

The following assumptions had been made in calculating the draft Revenue Budget:

- inflation of between 1.8% and 2% had been applied except for contracts where specific indices were applied;
- salaries had been assumed to increase by 1% from September 2022;
- the use of transfers between existing budgets had been applied enabling funding to be re-directed into priority areas; and
- increased income in line with increases agreed by Cabinet on 9 November 2021.

The following key issues were highlighted:

- the draft Local Government Finance Settlement announced by the Government in December applied to 2022/23 only and did not guarantee any future funding streams; the Council's Core Spending Power (what the Government believes the Council requires to fund services across the district) had been set at £11.4m, an increase of £0.7m from 2021/22;
- an additional £738,000 in various one-off grants and New Homes Bonus that had not been expected had been announced; the Government had stated a commitment to address these grants (with the exception of the Services Grant of £164,000) going forward as part of its Fair Funding Review;
- the East Sussex Business Rates Pool for 2022/23 would be retained;
- the 2022/23 council tax base had been calculated at 38,626.8 and showed an increase of 1,020 Band D equivalents mostly due to an increase in chargeable dwellings, new developments and reduction in Council Tax Reduction Scheme claimants;
- the council tax referendum principle for Rother would allow an increase in council tax of £5 or 2% whichever was the highest; it had been assumed that the Council would increase council tax by the maximum allowed before a referendum was required;
- for 2022/23, to ensure the Council remained within the referendum limit, it was assumed that an increase of £4.67 to £193.38 would be agreed for a Band D property, resulting in additional income of £373,000;
- it would be essential to deliver the savings identified as part of the Financial Stability Programme (FSP), or risk the increased use of reserves, cutting statutory services and stop providing some non-statutory services altogether; and
- £3.670m of reserves would be used in order to meet specific costs (capital and service expenditure).

The cost pressures that may affect the Council's finances were highlighted within the report and these included homelessness demands, planning appeals, staffing costs, non-pay inflation and the continued impact of COVID-19.

It was proposed to establish a budget contingency of £200,000 for 2022/23 to be controlled by the Chief Finance Officer in consultation with the Chief Executive and used to fund large unexpected events that had not been included in the 2022/23 i.e. further significant inflation increases, judicial reviews and emergency building maintenance works.

The budget consultation was currently on-going and due to close on 31 January 2022. Responses would be reviewed and reported to Cabinet on 7 February 2022.

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

- in order to prevent reserves falling below £5m, Members agreed that further properties should be acquired through the Property Investment Strategy (PIS);
- the homelessness budget was difficult to predict and often resulted in an overspend. Members agreed that further properties for use as Temporary Accommodation be acquired rather than using B&Bs. To date, only half of the allocated budget had been spent;
- in order to make savings, Members agreed that the consideration of services to be transferred to the Bexhill Town Council was required; and
- the waste contract had resulted in an extra £1m per year and was increasing by a further 5%.

The Council's ability to deliver a balanced budget was dependent on strong financial management and the successful delivery of the FSP. Failure to do so would impact on the Council's ability to meet its statutory obligations.

RESOLVED: That the comments of the Overview and Scrutiny Committee be considered by Cabinet when setting the 2022/23 Draft Revenue Budget at its meeting on 7 February 2022.

OSC21/47 **FINANCIAL PROCEDURE RULES UPDATE**

Members received the report of the Chief Finance Officer, which had previously been considered by the Audit and Standards Committee (ASC) at its meeting held on Monday 6 December 2021. The report gave details of updates to the Council Financial Procedure Rules (FPRs) to reflect changes made to the senior management team and to improve the operational efficiency of the Council and clarify any rules that were out of date or no longer applicable. Any changes to the Constitution currently were required to go to Council via the Overview and Scrutiny Committee (OSC).

The most significant change that was proposed to the FPRs related to the approval and reporting arrangements for the writing out of the accounts (write off) of debts that cannot be or are unlikely to be collected, as shown in section Q. The thresholds for requesting Member approval to the write off were proposed to be increased significantly, which would reduce the reporting to Members and increase internal process efficiency. However, it was proposed that these increased thresholds were restricted to those circumstances where the Council effectively had no choice but to write off, e.g. in the event of liquidation of a company or a debt relief order is granted to the debtor. There was a requirement to report to Cabinet the total write offs made in a year under the various categories to ensure transparency.

Rule G35 had also been updated to better reflect its original intention regarding the need to carry out a review by Members of the specifications for the Council's major service contracts, such as Waste Collection. As such, the value threshold had been increased to an annual cost of £500,000. It was also proposed to amend the process and that the initial review should be undertaken by Cabinet who would

then pass to the OSC for their views and recommendations back to Cabinet. Members expressed concerns about an increase in the value threshold to £500,000 and agreed with the ASC's recommendation that this be amended to £250,000. It was however noted that some service contracts may exceed £250,000 and the requirement for a review by Cabinet and OSC would cause a delay of two to three months. Officers would provide details of any contracts this might affect at full Council.

A new section, U, had been added to cover the responsibilities for officers when establishing a subsidiary company. This did not extend to the detailed requirements of the company, which would form part of their own internal governance arrangements. The chief Finance Officer advised that, on the ASC's recommendation, he had discussed a rewording of rules U8 and U9 with the Chief Executive, as the dual roles of officers left them in an advisory capacity in these circumstances only. It was proposed and Members agreed to recommend that the word 'ensure' be replaced with 'assure' in rules U8 and U9.

Recommendation to COUNCIL: That:

- 1) the revised Financial Procedure Rules set out at Appendix A to the report be approved and adopted, subject to the value threshold for the Council's major service contracts being amended to £250,000 from a £500,000 limit in rule G35 and the word 'ensure' be replaced with 'assure' in rules U8 and U9 to reflect the dual roles of officers in these circumstances; and
- 2) the Chief Executive be granted delegated authority to make minor changes consequent to the finalisation of the Council staffing restructure.

OSC21/48 **WORK PROGRAMME**

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

- Progress on the Environment Strategy be added to 25 April 2022 meeting; and
- Town Hall Renaissance Project was likely to be reported in July 2022 and therefore was added to Items for Consideration.

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

CHAIRMAN

The meeting closed at 8:27pm

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OVERVIEW AND SCRUTINY COMMITTEE

WORK PROGRAMME 2021 – 2022		
DATE OF MEETING	SUBJECT – MAIN ITEM IN BOLD	Cabinet Portfolio Holder
14.03.22	<ul style="list-style-type: none"> Crime and Disorder Committee: to receive a report from the Community Safety Partnership Performance Report: Third Quarter 2021/22 Revenue Budget and Capital Programme Monitoring – Quarter 3 2021/22 Draft Anti-Poverty Strategy Proposals 	Dixon Byrne
25.04.22	<ul style="list-style-type: none"> Final Report and Recommendations of the Constitution Review Steering Group Call-in and Urgency Procedures Draft Annual Report to Council Progress on the Environment Strategy 	Oliver Field
WORK PROGRAMME 2022 - 2023		
06.06.22	<ul style="list-style-type: none"> Performance Report: Fourth Quarter 2021/22 Annual Work Programme 	
18.07.22	<ul style="list-style-type: none"> Draft Revenue Budget and Capital Programme Outturn 2021/22 	
12.09.22	<ul style="list-style-type: none"> Performance Report: First Quarter 2022/23 Revenue Budget and Capital Programme Monitoring – Quarter 1 2022/23 	
17.10.22	<ul style="list-style-type: none"> Medium Term Financial Plan 2023/24 to 2027/28 Annual Review of the Housing, Homelessness and Rough Sleeping Strategy (2019-2024) 	
21.11.22	<ul style="list-style-type: none"> Performance Report: Second Quarter 2022/23 Revenue Budget and Capital Programme Monitoring – Quarter 2 2022/23 	
23.01.23	<ul style="list-style-type: none"> Draft Revenue Budget Proposals 2023/24 Key Performance Targets 2023/24 	
13.03.23	<ul style="list-style-type: none"> Crime and Disorder Committee: to receive a report from the Community Safety Partnership Performance Report: Third Quarter 2022/23 Revenue Budget and Capital Programme Monitoring – Quarter 3 2022/23 	
24.04.23	<ul style="list-style-type: none"> Call-in and Urgency Procedures Draft Annual Report to Council 	
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 Economic Regeneration Strategy Peer Review Draft Corporate Customer Services Strategy Proposals Litter Strategy Review of the Tourism Strategy and the impact of Airbnbs – Spring 2022 Impact of Airbnb and second homes in Rye/Winchelsea/Camber – Spring 2022 		

- Effectiveness of 'MyAlerts'
- Town Hall Renaissance Project