

CABINET
30 June 2014

Minutes of the Cabinet meeting held at the Town Hall, Bexhill-on-Sea on Monday 30 June 2014 at 11:00am.

Cabinet Members present: Councillors C.R. Maynard (Leader), Lord Ampthill, A.E. Ganly, Mrs J.M. Hughes, M.J. Kenward, P.N. Osborne and R.H. Patten.

Other Members present: Councillors J.J. Carroll, A.E. Davies, R.V. Elliston, Mrs B.A. George, P.G. Lendon, I.G.F. Jenkins, B. Kentfield, Mrs S.M. Prochak, M. Mooney and M.R Watson.

Advisory Officers present: Executive Director of Resources, Service Manager – Finance and Welfare, Service Manager – Environmental Services and Licensing, Service Manager – Strategy and Planning, Planning Strategy and Environment Manager, Principal Planning Officer - Strategy and Planning and Democratic Services Officer.

Also present: Mark Felgate – Peter Brett Associates.

Publication Date: 2 July 2014

The decisions made under PART II will come into force on 10 July unless they have been subject to the call-in procedure.

Prior to formal commencement of the meeting, the Leader of the Council announced the passing of former Councillor Price. Members paid tribute to Councillor Price who was Chairman of the Council in 1985-1986.

CB14/1. MINUTES

The Chairman was authorised to sign the minutes of the meeting held on 12 May 2014 as a correct record of the proceedings.

CB14/2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Executive Members Councillor S.D. Elford and J.M. Johnson.

PART II – EXECUTIVE DECISIONS – subject to the call-in procedure under Rule 16 of the Overview and Scrutiny Procedure Rules by no later than 4:00pm on 9 July 2014.

CB14/3. DISABLED FACILITY HOME IMPROVEMENT TENDER PROCESS (6.1)

Members received and considered Minute OSC14/08 arising from the Overview and Scrutiny Committee (OSC) meeting held on 16 June

2014. The OSC had considered a report on the disabled facility home improvement tender process together with a copy of the draft Adaptations Support Service specification and timetable.

The report provided details of the Council's Statutory Duty to provide Disabled Facility Grants to qualifying residents in order to improve their homes in terms of accessibility and quality of life. At present, the assessment process was administered by the Council with occupational health support being provided by East Sussex County Council. The delivery of aids and adaptations were being managed through an external contract with In Touch, which was due to expire on 31 March 2015; Rother had procured this contract jointly with Hastings Borough Council (HBC).

The OSC had proposed to procure a new joint contract with HBC from 1 April 2015 to 31 March 2020 with no major changes to the current specification; this would increase the overall value of the contract thereby increasing the economies of scale and opportunities to reduce or contain costs. The procurement process would be overseen by the East Sussex procurement hub and would be advertised in accordance with EU procurement regulations. This would be awarded before Christmas 2014 to allow a 3 month hand over period if required.

RESOLVED: That the Adaptations Support Service specification as submitted to be approved and jointly tendered with Hastings Borough Council for a contract period of 5 years commencing 1 April 2015 to 31 March 2020.

(Councillors Maynard and Davies each declared a personal interest in this matter as Elected Members of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the room during the consideration thereof).

CB14/4.
(6.2)

HOUSING ALLOCATIONS POLICY

Cabinet received and considered Minute OSC14/09 arising from the Overview and Scrutiny Committee (OSC) meeting held on 16 June 2014. The OSC had considered the report that outlined the Council's Draft Housing Allocation Policy (HAP) which had been developed for consultation with key stakeholders and the wider population of Rother.

The draft HAP included up-to-date information on the housing market, welfare benefits, the impact of the Localism Act and clearer guidelines on joining the housing register and definition.

Cabinet agreed with the proposed amendments to the policy suggested by the OSC to include provision for a foster placement to be eligible for a local connection after living in the area for 3 years. It was hoped that this would give foster placements a sense of stability during this potential vulnerable stage in their life. Members were mindful that housing in the Rother district was in short supply and it was therefore requested that this be restricted to those in the East Sussex area.

Officers confirmed that leavers from foster care would be included in the consultation, restricted to the East Sussex area.

RESOLVED: That the draft Housing Allocations Policy, as amended be approved for consultation with key stakeholders and the wider population of Rother.

(Councillors Maynard and Davies each declared a personal interest in this matter as Elected Members of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the room during the consideration thereof).

(Councillor Ganly declared a personal interest in this matter as a landlord and in accordance with the Members' Code of Conduct remained in the room during the consideration thereof).

CB14/5.
(7.1)

CONSULTATION ON THE PRELIMINARY DRAFT CHARGING SCHEDULE (PDCS)

Consideration was given to report of the Executive Director of Business Operations that detailed draft proposals for the introduction of a Community Infrastructure Levy (CIL) to secure financial contributions from development fund infrastructure.

In addition to the report, Members also received a presentation from Mark Felgate of Peter Brett Associates who explained the process and findings of the Viability Assessment.

Legislative changes after April 2015 would restrict the Council's ability to pool Section 106 Agreements (s106) money received to fund infrastructure development, making it more difficult for the Council to secure developer contributions to fund essential infrastructure. It was therefore necessary to ensure that a CIL Charging Schedule was developed and in place to support CIL receipts to fund the infrastructure required to support the new development envisaged in the Local Plan Core Strategy and to ensure that financial contributions were maximised. S106 agreements would still be agreed for site specific infrastructure and affordable housing.

CIL receipts were charged at a rate based on floor space level; all dwellings were liable to pay a CIL however affordable housing, self builds, other buildings with floor space under 100sqm and developments for charitable purposes would be exempt.

The introduction of a CIL would give developers and businesses more certainty as to the overall money a development would be required to contribute to mitigate the impact on infrastructure. In addition the local community would see how the development in their area was contributing to mitigate the impacts of development.

In order to introduce a CIL charge the Council needed to demonstrate a funding gap between the total cost of the infrastructure required to support the local plan and the total funding available to the Council and other infrastructure providers. The Council's Infrastructure Delivery

Plan detailed a comprehensive list of the infrastructure necessary to support future development and this provided justification for introducing a CIL charge in Rother.

A Viability Assessment had been carried out by Peter Brett Associates in order to set the CIL rates and strike a balance between the desirability of funding infrastructure and the potential effect of the levy on economic viability of development across the district.

The following points were noted during the presentation:

- The Council was not required to look at every single scheme that it expected to bring forward and assess; the viability was a generic test.
- The viability study looked at the Land Registry to establish the value of the land. Postcode banding was used and the highest price was in the North and West of the district, lowest in coastal areas (mainly Bexhill) and Rye and Battle were in the middle.
- The Levy was effectively a tax set locally and was levied on the landowner to fund local infrastructure and reduce the return to the landowner; land prices had become inflated and the introduction of a CIL would help to keep prices down. The landowner would absorb the cost of the CIL and this would not be added to the cost of a new home built.
- CIL amounts would be known upfront and land agents would be able to advise those selling land the amounts they could expect to receive.
- There was no restriction over reviewing of CIL charges; the Council could do this at any time, subject to a further consultation and examination process.
- The CIL would be payable on commencement of the development.
- In the Viability Assessment, Rother had been split into 4 charging zones. Zone 4 included North East Bexhill, North Bexhill and Blackfriars. The CIL was set lower to take into account the s106 Agreements that would be made for site specific infrastructure; in order to accommodate new communities it was necessary to receive funding for infrastructure to make it sustainable.
- All surrounding areas (with the exception of Hastings Borough Council) were at an advanced stage of setting their CIL.
- It was expected that £33-£39m of CIL receipts would be received over the period to 2028 amounting to roughly £2.5m per year, compared to £1.1m s106 receipts in the last 4 years (of which a large proportion was from the Marks and Spencer development).
- The Council would set/decide what its priorities were annually for the use of the monies from CIL with the exception of 15% which would go to Parish Councils for development in their parishes. (Or 25% in the case of those Parishes with a Neighbourhood Plan.)
- Parish Councils would not have to identify specific projects but the CIL was for infrastructure and could cover maintenance of existing infrastructure.

The development rates for residential and other developments were detailed in the report and explained during the presentation. The assessment concluded that only residential development (open market housing), some retail development and assisted housing/extra care developments would accommodate a CIL charge and that there was no scope for CIL charges on office, light industrial, industrial or warehouse development as the market remained weak. The key was to ensure that the CIL was set at a level that would not stop development but also not too low so that the Council missed the opportunity to collect money to fund infrastructure.

Members expressed concern that the cost of the CIL would impact on the delivery of schemes and prevent schemes being brought forward i.e. the landowner not agreeing to sell the land. They were also concerned over the proposed zoning; Members felt that there were areas of Bexhill that should have a higher CIL; it was commented that the charging in Bexhill may need to be ward specific.

Appended to the report was the Council's Regulation 123 List; this detailed the infrastructure projects to ensure that there was no duplication between the CIL and s106 contributions; removing the developers' perception of being asked to contribute twice to an item of infrastructure. This list could be used alongside s106 payments where these were used to fund site specific infrastructure not covered by CIL. The Regulation 123 List and the Infrastructure Funding Gap Analysis would be included in the consultation on the Draft Charging Schedule.

Members agreed that as this was a comprehensive and important matter that would affect the Council's finances and house building in the district, that the matter be referred to the Overview and Scrutiny Committee for detailed consideration.

RECOMMENDED: That the report on the Consultation on the Preliminary Draft Charging Schedule (PDCS) be considered by the Overview and Scrutiny Committee on 21 July 2014 and its views / recommendations be reported back to Cabinet on 28 July 2014.

(Councillors Maynard and Davies each declared a personal interest in this matter as Elected Members of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the room during the consideration thereof).

CB14/6.
(7.2)

COLLECTIVE ENERGY SWITCHING

Consideration was given to report of the Executive Director of Business Operations that provided details of the East Sussex energy switching scheme that the Council had an opportunity to participate in.

The draft Corporate Plan included an action to reduce fuel poverty and it was recognised that collective energy switching would help residents get a better deal for their gas and electricity supplies.

The average energy bill had risen from £600 in 2004 to £1,200 in 2013 and evidence suggested that residents often paid £300 more than they needed to; although residents could switch suppliers to benefit from cheaper tariffs, research showed only around 15% of the population regularly switched. It was noted that 17% of Rother homes were defined as being fuel poor, the worst in the South East region and more pressure on prices would mean that fuel poverty would become more of a reality for an increasing number of residents.

The Government had devised a collective energy switching scheme that encouraged people to be less 'loyal' to the big energy companies; effectively it was a group of people who through a third party negotiated a better deal with gas and electricity suppliers. Funding had been made available to local authorities through 'Cheaper Energy Together' government fund to start their own schemes.

Hastings Borough Council (HBC) would act as the lead authority for the East Sussex scheme. HBC had already launched their scheme, contracted with Ichoosr, who was also an OJEC compliant switching partner.

As well as providing training, marketing and administrative support Ichoosr also paid Councils for each switch (£5.50 per single gas or electricity switch or £11 for a dual energy switch).

The Council would incur some expenditure associated with the promotion of the scheme; however this would be contained within existing budgets.

Members supported the proposed energy switching scheme and recognised the importance for residents to obtain cheaper energy supplies.

RESOLVED: That the Council participates in a County wide scheme promoting collective energy switching to enable residents to purchase cheaper energy supplies.

CB14/7.
(7.3)

BREDE EXCEPTION SITE HOUSING

Cabinet considered the report of the Executive Director of Business Operations which detailed proposals for the sale of land at Broad Oak Brede (west of the Rainbow Trout Public House) to a registered provider to develop the site as an exception site for affordable housing.

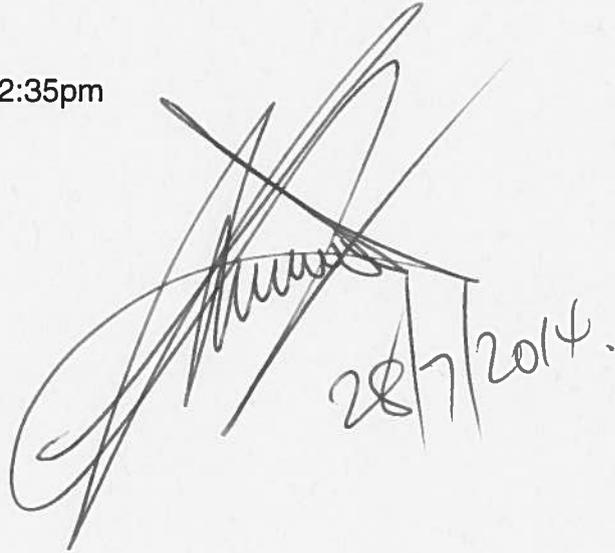
Cabinet had previously approved the acquisition of the land through the use of a Compulsory Purchase Order powers for sale to English Rural Housing Association (ERHA) for the development of affordable homes. However ERHA was no longer a registered development partner and was not in a position to proceed. Members noted that Hasthoe Housing Association (HHA), who was a registered development provider, had approached the Council with a view to developing the site and Cabinet supported the proposal to sell the land to develop the site for affordable housing.

RESOLVED: That the land acquired on 1 March 2014 pursuant to a Compulsory Purchase Order at Chitcombe Road, Broad Oak, Brede, west of the Rainbow Trout Public House be sold to a Registered Provider to develop the site as an exception for affordable housing.

CHAIRMAN

The meeting closed at 12:35pm

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Handwritten signature and date: 28/7/2014.

