

COUNCIL

15 July 2015

EXTRACT OF MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE
HELD 26 OCTOBER 2015

REPORT OF THE DEMOCRATIC SERVICES MANAGER

Contact Officer: David Blakemore Tel No: 01962 848217,
dblakemore@winchester.gov.uk

RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

Appendix A to this report sets out extracts from the minutes of The Overview and Scrutiny Committee held 26 October 2015 for the consideration of Council.

RECOMMENDATION:

That Council considers the matters set out in the attached minute extracts.

Appendix A

The Overview and Scrutiny Committee Minute Extract – 26 October 2015

1. MEDIUM TERM FINANCIAL STRATEGY 2016/17 – 20/21

(Report CAB2732 refers)

The Committee noted that the Report had been considered by Cabinet at its meeting on 21 October 2015 and the recommendations approved.

Councillor Godfrey introduced the Report which looked at the next stage of the budget setting sequence within the updated Medium Term Financial Strategy and the changes to current forecast expenditure. He outlined the latest position in relation to Business Rates appeals and reported that it was now estimated that £3.8 million would be needed for the Business Rates Reserve in 2015/16 to mitigate against potential successful appeals.

Councillor Godfrey drew Members' attention to the forecast position over the next five year period which indicated a significant shortfall, with the revenue consequences of proposed projects outlined within the graphs, as set out on page 6 of the Report. He made reference to the importance of Major Projects and the need for the Council to increase its funding stream from its assets to assist with the delivery of its services. It would be necessary to establish sources of income to bridge budget gaps for which the Committee's views and ideas were sought. It was the aim for there to be no changes to charges, in areas such as Council Tax and Parking, and to maintain service levels generally.

In response to concerns raised regarding the increasing levels of deficit over the five year period, Councillor Godfrey outlined the impact of Major Projects, such as Station Approach, which were set to favourably affect budgets. He also drew the Committee's attention to the positive benefits of the Capital Programme on the Revenue Budget. The Committee noted that the deficit figures set out in the Report were based on a prudent approach in order for the Council to mitigate its risks, should the expected income generation and associated assumptions not be realised.

Councillor Godfrey reported that a programme of work was to be carried out with the Business Support Team and Planning Services which would then follow on to other services, seeking to achieve efficiencies by streamlining services. This work was looking specifically at areas such as service improvements, shared business services, business process reviews and efficiency across the Council. It would enable the Council to become increasingly self reliant prior to Government announcements regarding future financial settlements and the outcome of devolution proposals.

RESOLVED:

1. That the draft Medium Term Financial Strategy 2016/17 to 20/21 be noted;
2. That the General Revised Estimates (Revenue and Capital) for 2015/16 and the proposed carry forward of budgets be noted; and
3. That the proposed virement from the revenue to capital for flooding resilience schemes, be not called in for review.

RECOMMENDED:

THAT THE COUNCIL BE ADVISED THAT THERE ARE NO MATTERS THAT THE COMMITTEE WISHES TO DRAW TO ITS ATTENTION.

2. **RESPONSES TO NOTICES OF MOTION TO COUNCIL ON RECENT GOVERNMENT HOUSING ANNOUNCEMENTS**

(Report CAB2723 (HSG) refers)

Councillor Horrill introduced the Report which had been considered by Cabinet (Housing) Committee at its meeting on 30 September 2015. Councillor Horrill outlined the response to the two Notices of Motion tabled at the Council meeting on 23 July 2015 in relation to Government proposals to extend "Right to Buy" to housing association tenants and for this to be part funded through the sale of 'high value' council homes as they become vacant. Councillor Horrill updated the Committee on the information available to date and advised that officers would revisit housing budgets in the Autumn based on the latest understanding on reduced rent levels and any sales levy.

The Assistant Director (Chief Housing Officer) informed the Committee that, since the Report was considered by Cabinet (Housing) Committee at its meeting on 30 September 2015, the Housing Bill had been released which included "Right to Buy" to housing association tenants, based on voluntary agreement by associations. Representation had been made to the Department for Communities and Local Government (DCLG) and our Members of Parliament (MPs) proposing that any repayments be based on actual sales (not an assumed levy). Further detail and clarity was still required on various aspects of the Bill, such as, concerns regarding the risks in relation to the impact of "high value" sales, and the risk that any sales levy would not be linked to replacement housing within the District.

It was reported that there were significant aspects of the Housing Bill that the Local Government Association (LGA) and Winchester City Council were concerned about. The Committee noted that the Housing Bill would receive its

second reading next week. The Leader confirmed that MPs had been briefed and updated on the impact on the Winchester District.

At the conclusion of debate, Councillor Horrill reported that she would make further representations regarding the retention and re-investment of receipts from sales within the District.

As soon as the position became clearer and further detail obtained, Cabinet (Housing) Committee would consider the budget impact and would clarify the Business Strategy, reporting back to Council.

RECOMMENDED:

THAT COUNCIL BE ADVISED THAT THE RESPONSE RECEIVED FROM THE MINISTER OF STATE FOR HOUSING AND PLANNING – AND THE LATEST INFORMATION ABOUT THE BILL – DOES NOT PROVIDE THE REASSURANCE NEEDED ABOUT THE IMPACT OF THE HOUSING BILL FOR WINCHESTER TENANTS AND DELIVERY OF THE COUNCIL'S HOUSING BUSINESS PLAN.

3. **WINCHESTER EXTRA CARE SCHEME – AUTHORISATION TO PROCEED (LESS EXEMPT APPENDICES)**

(Report CAB2724(HSG) refers)

EXTRACTS FROM MINUTES OF CABINET (HOUSING) COMMITTEE HELD 30 SEPTEMBER 2015 (LESS EXEMPT MINUTE)

(Report OS133 refers)

Councillor Horrill introduced the Report and stated that the Report had been discussed at Cabinet (Housing) Committee at its meeting on 30 September 2015 (relevant minute contained within Report OS133). In addition, the Report had also been considered by Cabinet at its meeting on 21 October 2015. Due to the revised costs involved, Council approval would be required at its meeting on 4 November 2015.

It was reported that the scheme, incorporated the construction of 52 flats with day care facilities to be situated on the Chesil Street surface car park. Councillor Horrill reported that as there no further alteration to the proposed design and number of affordable homes to be provided she believed the comments of local residents had been taken into account.

The importance of the provision of new homes for those in need of extra care in later years was highlighted and the significant benefits to tenants noted.

The Committee noted that negotiations on the contract were ongoing and a revised Financial Viability Summary had been circulated to reflect this

(Exempt Addendum to Report CAB2724(HSG) refers which replaced and updated Exempt Appendix 2). The Chairman agreed to accept the updated addendum onto the agenda, as it was necessary to consider it before making a decision.

Members made reference to the analysis of parking in the Town Centre and the impact this may have on parking revenue to the Council. However, it was noted that there was still sufficient levels of parking available in car parks across the Town Centre that were not used to their full capacity.

RESOLVED:

That the Committee note the recommendations of Cabinet (Housing) Committee at its meeting on 30 September 2015 (Report OS133 refers) and Cabinet at its meeting on 21 October 2015.

RECOMMENDED:

THAT THE COUNCIL BE ADVISED THAT THERE ARE NO MATTERS THAT THE COMMITTEE WISHES TO DRAW TO ITS ATTENTION.