

Cabinet



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Report of the Overview and Scrutiny Committee: 7 March 2018	
Report No:	CAB/SE/18/018	
Report to and date:	Cabinet	27 March 2018
Chairman of the Committee:	Councillor Diane Hind Chairman of the Overview and Scrutiny Committee Tel: 01284 706542 Email: diane.hind@stedsbc.gov.uk	
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Purpose of report:	<p>On 7 March 2018, the Overview and Scrutiny Committee considered the following items:</p> <ol style="list-style-type: none">(1) Barley Homes Group Limited Annual Report 2018(2) Lettings Policy(3) Car Parking Update(4) Annual Presentation by the Cabinet Member for Resources and Performance(5) West Suffolk Information Framework – Report from the Joint Task and Finish Group(6) Decisions Plan: March to May 2018; and(7) Work Programme Update. <p>Separate reports are included on this Cabinet agenda for Items (2) and (5) above.</p>	

Recommendation:	The Cabinet is requested to <u>NOTE</u> the contents of Report CAB/SE/18/018, being the report of the Overview and Scrutiny Committee.		
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/> Report for information only.		
Consultation:	<ul style="list-style-type: none"> See Reports listed under background papers below 		
Alternative option(s):	<ul style="list-style-type: none"> See Reports listed under background papers below 		
Implications:			
<i>Are there any financial implications? If yes, please give details</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<ul style="list-style-type: none"> See Reports listed under background papers below
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<ul style="list-style-type: none"> See Reports listed under background papers below
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<ul style="list-style-type: none"> See Reports listed under background papers below
<i>Are there any legal and/or policy implications? If yes, please give details</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<ul style="list-style-type: none"> See Reports listed under background papers below
<i>Are there any equality implications? If yes, please give details</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<ul style="list-style-type: none"> See Reports listed under background papers below
Risk/opportunity assessment: <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>			
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
See Reports listed under background papers below			
Wards affected:	All Wards		
Background papers:	Please see background papers, which are listed at the end of the report.		
Documents attached:	None		

1. Key issues and reasons for recommendation

1.1 Barley Homes Group Limited Annual Report 2018 (Report No: OAS/SE/18/004)

1.1.1 The Committee received Report No: OAS/SE/18/004, which provided the opportunity for Members to note the Barley Homes' Annual Report 2018 and the Shareholder Advisory Group's view and recommendations, and to provide any additional comments to inform the preparation of Barley Homes' next Business Plan.

1.1.2 Attached at Appendix A was the Annual Report of Barley Homes (Group) Limited, which presented the position from a Barley Homes perspective, and the covering report provided the perspective from both FHDC and SEBC's viewpoint, as joint owners (shareholders) of Barley Homes. The covering report also included information on the current progress made against the agreed Barley Homes Business Plan; key challenges and achievements; and a number of recommendations on the way forward, which the Overview and Scrutiny were asked to consider.

1.1.3 The Committee strongly expressed their concerns regarding the deliverability of the Barley Homes five-year business plan, given one of the four initial development sites has been removed from the business plan, (Wamil Court, Mildenhall), because Suffolk County Council (SCC), a shareholder in Barley Homes took a decision to sell the site on the open market, securing a higher price. Although the property was offered to Barley Homes, the offer they were able to make based on the assessed future development was not acceptable to SCC. It was concerned that if SCC has done this once, what was stopping them from doing it again?

Some Members also felt the cost of the work carried out by Barley Homes (approximately £6,500) in assessing and progressing Wamil Court, Mildenhall should be paid back by SCC from the sale proceeds it achieved on the sale of the land. Officers noted the emotion around the sale of the Mildenhall site, which is understandable, and would progress the principle question of the £6,500 being recouped.

1.1.4 The SCC Assistant Director (Strategic Finance) and Head of Procurement, explained in detail the history behind Wamil Court, Mildenhall, which went back to the original business plan and the Care UK's contract for the renewal of the care home, and the need for SCC to maximise the cash receipt for the site when Care UK returned it back to SCC in 2014. Following concerns raised about the sale of the site by the West Suffolk partners, SCC has taken stock of the situation and is now looking at what it wanted as a partner of Barley Homes and stated that SCC is now more open minded to the bigger picture and not just focusing on maximising profits and land receipt sales. All partners are now looking at the original assumption in the original business plan when Barley Homes was established, as these were considered to be too restrictive, and it has become apparent that further work was required with Barley Homes to establish new assumptions and greater flexibilities.

1.15 The Committee questioned whether the Council would have gone ahead

with the joint venture in the first place with just three sites, and whether Barley Homes would still be able to deliver the homes originally set out in the first business plan, and sought reassurances from SCC that they would not sell their other two sites on the open market, without first giving Barley Homes the opportunity to buy the site first. In responses, the SCC Assistant Director informed the Committee that SCC wanted houses to be built on the two sites it owned, and would offer the sites to Barley Homes in the first instance. However, if the sites were not viable for Barley Homes, SCC would consider selling the sites to another buyer.

1.1.6 It was reported that Barley Homes is currently working hard to progress the three remaining sites to ensure they worked and delivered against the timeline set out in Appendix A. Officers reiterated that all council leaders were fully committed and wanted Barley Homes to be a success. It was explained that conditions in the housing market had changed since the original business plan was prepared, and given the desires to maintain schemes that were policy compliant, a revised business plan would be brought forward that still achieved a profitable outcome for the business.

1.1.7 Discussions were also held on how Members were kept informed about Barley Homes, the financial figures set out in Appendix 2 of the Annual Report, the appointment of non-executive directors, the Westfield site in Haverhill and parking issues at Castle Hill, Haverhill to which responses were provided.

1.1.8 In summing up the meeting, the Chairman of the Committee stated that Members had concerns about Barley Homes and about the delivery of housing going forward and suggested the revised business plan be brought back to the Committee in July/September 2018 to enable Members to further assess progress.

1.1.9 The Committee **RESOLVED:** That

- 1) The Annual Report 2018 for Barley Homes (Group) Limited, attached as Appendix A to Report No: OAS/SE/18/04, and the progress made to date be **noted**.
- 2) The Barley Homes Shareholder Advisory Group's views and recommendations set out in Report No: OAS/SE/18/004, to address the current challenges, be **noted**.
- 3) The Barley Homes Revised Business Plan be referred back to the Committee in July/September 2018, along with the full year end set of accounts to enable the Committee to assess further progress being made.

1.2 **Car Parking Update (Report No: OAS/SE/18/006)**

1.2.1 The Committee received and **noted** Report No: OAS/SE/18/006, which provided Members with an update of the car parking service across 2017, off-street parking outcomes and work priorities.

- 1.2.2 The report included information on transactions and usage, issue of fines, car park improvements (credit card enabled pay machines and RingGo cashless payments, electric charging points, Park Mark, Disabled Parking Accreditation and Vinery Road car park), planning for future car parking provision, Civic Parking Enforcement and future work streams.
- 1.2.3 The Committee asked a number of questions to which comprehensive responses were provided. In particular, discussions were held on the drop in transactions made in 2017 compared to 2016 and the reasons behind the drop; what the cost was to the council in using RingGo compared to other parking providers, electric charging points and data usage; discounted weekly tickets sold; the actual budget spend for 2016-2017 and the various areas where surplus funds were spent, to which comprehensive responses were provided.
- 1.3 **Annual Presentation by the Cabinet Member for Resources and Performance (Report No: OAS/SE/18/007)**
- 1.3.1 The Cabinet Member for Resources and Performance, Councillor Ian Houlder was invited back to give an annual update on his portfolio. Report No: OAS/SE/18/007 set out the focus for the annual update.
- 1.3.2 Prior to the meeting taking place, the Cabinet Member was provided with some key questions from Scrutiny Members on what they would like included in the update, and responses were set out the report.
- 1.3.3 The Cabinet Member thanked the Committee for the invitation to address them on progress made within his Portfolio since March 2017.
- 1.3.4 The Committee asked a number of follow-up questions relating to procurement, which included the preferred list of suppliers and how local/small businesses could get onto the councils list of suppliers; what percentage of suppliers were renewed; and whether procurement rules applied when employing consultants, to which comprehensive responses were provided.
- 1.3.5 Other areas discussed was the purpose of the Workforce Strategy 2018-2020. It was confirmed that the Council was increasing its workforce, and continuing to develop its staff through the comprehensive training programme, that would be reflected in the strategy.
- 1.3.6 There being no decision required, the Committee **noted** the annual update.
- 1.4 **Decisions Plan: March to May 2018 (Report No: OAS/SE/18/009)**
- 1.4.1 The Committee received Report No: OAS/SE/18/009, which requested that Members peruse the Cabinet Decisions Plan for the period March 2018 to May 2018, for which it would like further information on or might benefit from the Committee's involvement.
- 1.4.2 The Committee asked questions on the "*Leisure Investment Fund: Consideration of Business Case for Investment in Haverhill Leisure Centre*",

to which a response was provided.

1.4.3 The Committee requested further information on progress with the Western Way Development Programme, including how the expansion of West Suffolk College might impact on education in other parts of St Edmundsbury. It was agreed a written response would be provided.

1.4.4 The Committee also requested whether it would be possible for it to consider the Haverhill Research Park report, prior to it being considered by Cabinet, as it was reported that local Members had not yet been consulted on a proposed way forward. Officers agreed to look into the timetabling of this item through the democratic process.

1.5 **Work Programme Update (Report No: OAS/SE/18/010)**

1.5.1 The Committee received and **noted** Report No: OAS/SE/18/010, which updated Members on the current status of its rolling work programme of items for scrutiny during 2018-2019 (Appendix 1).

1.5.2 The Committee noted that the Portfolio Holder for Families and Communities would be attending its meeting on 18 April 2018, and identified in advance a number of questions they would like the Portfolio Holder to cover in his annual update.

1.5.3 The Committee also noted the additional item for inclusion in its forward work programme on the Barley Homes Revised Business Plan for July/September 2018.

2. **Background Papers**

2.1.1 Report No: [OAS/SE/18/004](#) and [Appendix A](#) to the Overview and Scrutiny Committee: Barley Homes Group Limited Annual Report 2018

2.1.2 Report No: [OAS/SE/18/006](#) to the Overview and Scrutiny Committee: Car Parking Update

2.1.3 Report No: [OAS/SE/18/007](#) to the Overview and Scrutiny Committee: Annual Presentation by the Cabinet Member for Resources and Performance

2.1.4 Report No: [OAS/SE/18/009](#) and [Appendix 1](#) to the Overview and Scrutiny Committee: Decisions Plan: March to May 2018

2.1.5 Report No: [OAS/SE/18/010](#) to the Overview and Scrutiny Committee: Work Programme Update