

# Cabinet



<b>Title of Report:</b>	<b>Report of the Overview and Scrutiny Committee: 8 March 2018</b>	
<b>Report No:</b>	<b>CAB/FH/18/020</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	3 April 20018
<b>Chairman of the Committee:</b>	Councillor Simon Cole Chairman of the Overview and Scrutiny Committee <b>Tel:</b> 07974 443762 <b>Email:</b> <a href="mailto:simon.cole@forest-heath.gov.uk">simon.cole@forest-heath.gov.uk</a>	
<b>Lead Officer:</b>	Christine Brain Democratic Services Officer (Scrutiny) <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:christine.brain@westsuffolk.gov.uk">christine.brain@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	On 8 March 2018, the Overview and Scrutiny Committee considered the following items:  (1) Barley Homes Group Limited Annual Report 2018  (2) Lettings Policy  (3) Annual Presentation by the Cabinet Member for Resources and Performance  (4) West Suffolk Information Framework – Report from the Joint Task and Finish Group  (5) Work Programme Update.  Separate reports are included on this Cabinet agenda for Items <b>(2)</b> and <b>(4)</b> above.	
<b>Recommendation:</b>	<b>The Cabinet is requested to <u>NOTE</u> the contents of Report CAB/FH/18/020, being the report of the Overview and Scrutiny Committee.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> 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.	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>See Reports listed under background papers below</li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Reports listed under background papers below			
<b>Wards affected:</b>		All Wards	
<b>Background papers:</b>		Please see background papers, which are listed at the end of the report.	
<b>Documents attached:</b>		None	

## **1. Key issues and reasons for recommendation**

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

- 1.1.1 The Committee received Report No: OAS/FH/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 expressed concerns regarding the deliverability of the Barley Homes five-year business plan, given one of the four initial development sites had 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 had been offered to Barley Homes, the offer they were able to make based on the assessed future development was not acceptable to SCC.
- 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 by being more flexible in how it interpreted market value and pushing for policy compliance. 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 is required with Barley Homes to establish new assumptions and greater flexibilities.
- 1.1.5 The Committee questioned what needed to be done next to make sure that Barley Homes was a success. In response, member were informed that Barley Homes was currently working hard to progress the three remaining sites set out in the current business plan to ensure that they worked and delivered against the timeline set out in Appendix A.
- 1.1.6 In response to a question raised on the financial figures, the Committee was informed that the figures set out in Appendix 2 of the Annual Report were a

snapshot in time up to the end of January 2018, and the full set of accounts would be available at the end of the financial year. Officers explained the costs incurred to date, and that costs would be charged back to the individual schemes in getting sites ready to the point of submitting planning applications.

- 1.1.7 Discussions were also held on viability challenges at Development Control meetings, achieving development management policy compliance, and Section 123 obligations (land disposal best value considerations), whether social costs could be included as part of the sale of land including timeframes, and the definition of affordable housing to which responses were provided.
- 1.1.8 In summing up the meeting, the Chairman stated he had been concerned about the political pressures, the volatility of the relationship between the partners, and the learning curve which the partners had gone through. However, he was pleased to see that SCC had learnt something from the process, and was encouraged by the SCC Assistant Director's comments throughout the meeting.
- 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/FH/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/FH/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 **Annual Presentation by the Cabinet Member for Resources and Performance (Report No: OAS/FH/18/006)**
  - 1.2.1 The Cabinet Member for Resources and Performance, Councillor Stephen Edwards was invited back to give an annual update on his portfolio. Report No: OAS/FH/18/006 set out the focus for the annual update.
  - 1.2.2 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.
  - 1.2.3 The Cabinet Member thanked the Committee for the invitation to address them on progress made within his Portfolio since March 2017.
  - 1.2.4 The Committee asked a number of follow-up questions relating to procurement, ICT and Treasury Management, to which comprehensive responses were provided.

1.2.5 The Chairman of the Committee thanked the Cabinet Member for the level of detail provided to each of the questions provided by the Committee, in particular ICT, and suggested that the Council should maintain and update these figures on an annual basis, as it would help to plan for ICT costs in the future when we became one council.

1.2.6 There being no decision required, the Committee **noted** the annual update.

### 1.3 **Work Programme Update (Report No: OAS/FH/18/008)**

1.3.1 The Committee received and **noted** Report No: OAS/FH/18/008, which updated Members on the current status of its rolling work programme of items for scrutiny during 2018-2019 (Appendix 1).

1.3.2 Members were informed that an Extraordinary meeting of the Committee had now been arranged to enable the Committee to look at the National Horseracing Museum. This would take place on Monday 16 April 2018 at the National Horseracing Museum, commencing at 6pm, with a tour of the museum arranged for members of the Committee to take place at 5pm.

1.3.3 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/FH/18/004](#) and [Appendix A](#) to the Overview and Scrutiny Committee: Barley Homes Group Limited Annual Report 2018

2.1.2 Report No: [OAS/FH/18/006](#) to the Overview and Scrutiny Committee: Annual Presentation by the Cabinet Member for Resources and Performance

2.1.3 Report No: [OAS/FH/18/008](#) to the Overview and Scrutiny Committee: Work Programme Update