

## South Somerset District Council

**Minutes** of a meeting of the **District Executive** held at the **Council Chamber, Brympton Way, YEOVIL, Somerset BA20 2HT** on **Thursday 1 September 2016**.

(9.30 am - 12.30 pm)

**Present:**

Councillor Ric Pallister (Chairman)

|                     |                 |
|---------------------|-----------------|
| Clare Aparicio Paul | Sylvia Seal     |
| Carol Goodall       | Peter Seib      |
| Peter Gubbins       | Angie Singleton |
| Jo Roundell Greene  | Nick Weeks      |

**Also Present:**

|              |              |
|--------------|--------------|
| Mike Beech   | Sue Steele   |
| Tony Lock    | Colin Winder |
| David Norris |              |

**Officers**

|                  |   |
|------------------|---|
| Rina Singh       | Interim Chief Executive                           |
| Gary Orr         | Chief Executive, Yarlington Housing Group         |
| Ian Clarke       | Assistant Director (Legal and Corporate Services) |
| Donna Parham     | Assistant Director (Finance & Corporate Services) |
| Martin Woods     | Assistant Director (Economy)                      |
| Jo Manley        | Policy Planner                                    |
| Colin McDonald   | Corporate Strategic Housing Manager               |
| Charlotte Jones  | Performance Manager                               |
| Anna-Maria Lenz  | Performance Officer                               |
| Angela Cox       | Democratic Services Manager                       |
| Emily McGuinness | Scrutiny Manager                                  |

**Note:** All decisions were approved without dissent unless shown otherwise.

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**54. Minutes of Previous Meeting (Agenda Item 1)**

The minutes of the District Executive meeting held on 4<sup>th</sup> August 2016, copies of which had been circulated, were taken as read and, having been approved as a correct record, were signed by the Chairman.

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**55. Apologies for Absence (Agenda Item 2)**

An apology for absence was received from Councillor Henry Hobhouse.

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**56. Declarations of Interest (Agenda Item 3)**

There were no declarations of interest made.

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**57. Public Question Time (Agenda Item 4)**

There were no questions from members of the public present.

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**58. Chairman's Announcements (Agenda Item 5)**

The Chairman introduced Mr Alex Parmley as the new Chief Executive Officer for the Council from 3<sup>rd</sup> October 2016.

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**59. SSDC / Yarlinton Homes Right to Buy (RTB) Clawback Agreement (Agenda Item 6)**

The Chairman welcomed Mr Gary Orr, Chief Executive of the Yarlinton Housing Group, to speak regarding the Right to Buy clawback agreement.

Mr Orr advised that when the company was formed in 1999, they had raised significant private finance and had built 1,211 new houses since then. However, 889 houses had been lost in the preserved Right to Buy scheme and people who could afford to buy their own homes 10 to 15 years ago could no longer afford the current housing prices. In the last 5 years £5.2m had been paid to SSDC in preserved Right to Buy receipts and he said a significant proportion of this had not been reinvested into new housing. He said that if SSDC could commit the £1m per annum they received each year to new housing, then Yarlinton Group could lever in further private finance which could generate an additional 30 homes built per year.

The Portfolio Holder for Strategy and Policy noted that Government funding for the disabled facilities grants was expected to be reduced which would be at a cost to the Council

The Chairman of the Scrutiny Committee suggest that the Council consider if the Right to Buy clawback monies should be ring fenced as a principle and she offered to set up a Scrutiny Task and Finish group to look at this and assess any impact on the Council's Capital Programme.

The Assistant Director (Finance and Corporate Services) cautioned Members against ring-fencing all the Right to Buy receipts for affordable housing. She reminded them that there were several priority projects on-going however, they could review this decision on an annual basis.

The Corporate Strategic Housing Manager reminded Members that they had allocated £750,000 to Yarlinton for affordable housing projects in the previous year and this was realising 3 bungalows in Yeovil and 17 properties in Misterton.

During discussion, Members drew attention to the flexibility of the current scheme which allowed them to direct funding to their highest areas of need and also that there were other Housing Associations in the area who SSDC worked with.

At the conclusion of the debate, Members agreed to retain the current clawback arrangement from Preserved Right to Buy receipts, and, to undertake a Scrutiny Task &

Finish review in the Autumn to review the SSDC position on the Right to Buy (RTB) Clawback.

Mr Orr thanked Members for their consideration of his proposal and said he looked forward to working positively with the Scrutiny Task and Finish group.

**RESOLVED:** That District Executive agreed:

1. to note the presentation made by the Chief Executive Officer of Yarlington Housing Group regarding the future use of Right to Buy Receipts;
2. that given the current position of the total lack of any HCA funding for General Needs Affordable Rented Housing, SSDC agreed to retain the current clawback arrangement from Preserved Right to Buy with the Yarlington Housing Group. This will enable the Council to take a targeted approach to the allocation of scarce capital resource to support priority affordable housing schemes in South Somerset;
3. to undertake a Scrutiny Task & Finish review in the Autumn to review the SSDC position on the Right to Buy (RTB) Clawback Agreement.

**Reason:** To review and confirm the existing Right To Buy Clawback arrangement with Yarlington Housing Group.

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## 60. **SSDC Medium Term Financial Strategy and Plan (Agenda Item 7)**

The Portfolio Holder for Finance and Legal Services introduced the report and drew Members attention to the forecasted future budget shortfalls and the proposal to use capital receipts for revenue costs. He said there was still an opportunity to influence the Government's 4 year Rate Support Grant offer as he and other Members would be meeting with Government officers the following week in the hope of negotiating an improved offer.

The Chairman advised that recommendation 8 could be removed as an additional meeting of Full Council had been scheduled for 13<sup>th</sup> October, one day before the deadline to notify the Government of the Council's intention regarding their 4 year Rate Support Grant offer.

The Assistant Director (Finance and Corporate Services) noted that the 4 year Government grant offer had been made by the previous Chancellor and there may be room for negotiation with the new Chancellor of the Exchequer.

In response to questions from the Scrutiny Committee, the Assistant Director (Finance and Corporate Services) advised:-

- 168 Local Authorities were adversely affected by the Government's 4 year RSG offer and of those, 146 were District Councils.
- The Government were currently consulting on a proposal for Local Authorities to keep 100% business rates retention which should be in place by 2020.
- There was also a business rate revaluation due before 2020.

At the conclusion of the debate, Members were content to endorse recommendations 1 to 7 (with the deletion of recommendation 8) of the report and propose recommendation 5, 6 and 7 to Full Council.

**RESOLVED:** That District Executive:

1. Approved the current Medium Term Financial Strategy and Efficiency Plan;
2. Agreed that £104,000 in Council Tax Reduction Grant be passported to support Town and Parish Councils' Precepts;
3. Approved in principle that South Somerset District Council remains in the Somerset Business Rates Pool for 2017/18 with a final decision delegated to the Assistant Director – Finance and Corporate Services in Consultation with the Leader and Finance Portfolio Holder;
4. Noted the current position and timetable for the Medium Term Financial Plan.

That the District Executive recommended to full Council:

5. Approval to utilise the capital receipts outlined in the Efficiency Strategy attached at Appendix A for revenue costs;
6. To note that a 4-year Rate Support Grant settlement deal has been made available by the Department for Communities and Local Government and that the terms offered for South Somerset includes a negative grant in 2019/20 whereby £330k would be collected locally for return to the Government;
7. To authorise the Leader and/or Portfolio Holder for Finance and Legal Services to make representations to the Department for Communities and Local Government, and others, to seek to improve the 4 year deal RSG offer;

**Reason:** To advise members of the Medium Term Financial Strategy and the current position on the MTFP (Revenue Budgets for 2017/18 to 2021/22).

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## 61. Affordable Housing Development Programme (Agenda Item 8)

The Chairman introduced the report and noted that the Government's Housing and Planning Act 2016 introduced 'starter homes' as an alternative to affordable housing, which could impact on developers selling open market housing on development sites at the same time as starter homes. He also drew attention to the reducing percentage of affordable housing achieved on development sites and the extension of the right to buy scheme for housing association tenants.

The Corporate Strategic Housing Manager advised that the report covered a 7 year period, looking 5 years back, looking at the current year and forward to the next year. He noted that in the last 5 years, with HCA funding, SSDC had enabled an average of 191 new dwellings per year but it would realise only 50 dwellings in the current year. Housing Associations had been approached to help bring development sites forward, particularly in Crewkerne where there was a need for housing and Stonewater had come forward with a proposed site in North Street, Crewkerne so funding was proposed to assist that scheme. If the Executive agreed the recommendations, then £472,000 would remain in the General reserve to encourage other schemes to come forward.

The Chairman of the Scrutiny Committee thanked the Corporate Strategic Housing Manager for a comprehensive report and noted that the outcome of the ongoing Task and Finish Group looking at the issue of the disposal of housing association housing in rural communities would have an impact on future reports.

At the conclusion of a short debate, Members were content to confirm the recommendations of the report.

**RESOLVED:** That District Executive:

- a. noted the outturn position of the Affordable Housing Development Programme for 2015/16 [*ref section 11*];
- b. confirmed that the Council continue to use the hybrid rent model when acting as the sole source of grant funding for four or five bedroom properties and for all property types in certain higher value rural locations, but otherwise accept the affordable rent model for the majority of new grant funded homes [*ref section 10.8*];
- c. de-allocated £373,000 from Stonewater for the scheme at West Hendford, Yeovil [*ref section 13*];
- d. confirmed retention of £375,000 allocation for underwriting of the Learning Disabilities project by Stonewater [*ref section 13*];
- e. confirmed allocation of £1,040,000 to Stonewater for the scheme at North Street, Crewkerne subject to appropriate planning permission being in place [*ref section 14*];
- f. confirmed the creation of a new rural contingency fund of £500,000 [*ref section 15*].

**Reason:** To update Members on the final position of the Affordable Housing Development Programme for 2015/16 and future prospects in the light of the Housing & Planning Act 2016 and other recent Government announcements.

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**62. South Somerset Authority Monitoring Report (September 2016) (Agenda Item 9)**

The Portfolio Holder for Strategic Planning thanked officers for compiling the report and she drew Members attention to the conclusions on pages 115 and 116. She said the Scrutiny Committee had highlighted a perceived gap in mentioning tourism within the report and that had now been corrected and a paragraph on this would be added to the final report.

The Assistant Director (Economy) advised that this was an annual report which looked at how the policies within the Local Plan were being achieved and household changes across the district as the Council moved towards an early review of the Local Plan. He noted that the CIL examination had taken place in early August and it was hoped that the outcome would be favourable.

During discussion, some Members felt there were inconsistencies between the data presented in some of the tables and it was confirmed that the data source was ONS statistics and although there had been questions raised on how the data was collected, the supporting text within the report confirmed the correct age profile within South Somerset. The Assistant Director (Economy) said the team were confident that the data taken from approved sources, such as ONS, was correct and consistent, but that a final sense check would be made.

The Chairman of the Scrutiny Committee thanked officers for noting their comments and adding a paragraph to the report on tourism in the district.

At the conclusion of the debate, Members were content to endorse the Authority Monitoring Report (2016) (as amended) for publication.

**RESOLVED:** That District Executive:

1. endorsed the Authority Monitoring Report (2016) (at Appendix A); and
2. delegated responsibility to the Assistant Director for Economy in consultation with the Portfolio Holder for Strategic Planning to make any final minor text amendments which may be necessary to enable the Authority Monitoring Report to be published;

**Reason:** To confirm the SSDC Authority Monitoring Report (2016).

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**63. Quarterly Corporate Performance and Complaints Monitoring Report - 1st Quarter 2016/17 (Agenda Item 10)**

The Performance Officer introduced the report and highlighted the performance indicators within target and the one below target. She noted the significant decrease in the number of complaints received by the Council compared to the same period the previous year, and also that the telephone call logging software was now operational so data would be available from quarter 3.

The Chairman noted the recent rise in the number of abandoned vehicles which he said should be monitored as there was a cost to the Council to dispose of them.

The Chairman of the Scrutiny Committee thanked the Performance Officer for attending their meeting and answering their questions relating to Planning Appeals and telephone calls to the Contact Centre.

**RESOLVED:** That the District Executive noted the report.

**Reason:** To note the Corporate Performance and Complaints data presented for the period 1st April – 30th June 2016 (Q1)

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**64. District Executive Forward Plan (Agenda Item 11)**

The following addition to the Executive Forward Plan was noted:

- Homeless Strategy – November 2016

**RESOLVED:** That the District Executive:-

1. approved the updated Executive Forward Plan for publication as attached at Appendix A, with the following amendments;
  - Homeless Strategy – November 2016
2. noted the contents of the Consultation Database as shown at Appendix B.

**Reason:** The Forward Plan is a statutory document.

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**65. Date of next Meeting (Agenda Item 12)**

Members noted that the next scheduled meeting of the District Executive would take place on Thursday 6<sup>th</sup> October 2016 in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.

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Chairman

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Date