

## **GROWTH SCRUTINY COMMITTEE**

Minutes of a meeting of the Growth Scrutiny Committee of the Bolsover District Council held in Chamber Suites 1 & 2, The Arc, Clowne, on Wednesday 16<sup>th</sup> March 2016 at 1000 hours.

### **PRESENT:-**

Members:- Councillors T. Alexander, A. Anderson, J.A. Clifton, M. Dixey, S. Statter, B. Watson and J. Wilson.

Officers:- G. Galloway (Assistant Director – Property and Estates)(to Minute No. 0869), P. Campbell (Head of Housing)(to Minute No. 0869), C. Millington (Scrutiny Officer) and A. Bluff (Governance Officer).

Councillor S. W. Fritchley in the Chair

### **0863. APOLOGIES**

Apologies for absence were received on behalf of Councillors P. Barnes and P. Smith.

### **0864. URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **0865. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

### **0866. MINUTES – 17<sup>th</sup> FEBRUARY 2016**

It was noted that the Chair, Councillor Fritchley, had been left out of the names of Members present at the meeting.

Moved by Councillor A. Anderson and seconded by Councillor J. Wilson

**RESOLVED** that subject to Councillor Fritchley's name being included in the list of Members present, the Minutes of a Growth Scrutiny Committee held on 17<sup>th</sup> February 2016 be approved as a correct record.

(Governance Manager)

### **0867. LIST OF KEY DECISIONS AND ITEMS TO BE CONSIDERED IN PRIVATE**

Members considered the List of Key Decisions and Items to be considered in private document.

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Moved and seconded

**RESOLVED** that the List of Key Decisions and Items to be considered in private document be noted.

### **0868. UPDATE ON CORPORATE PLAN TARGET G09 – DELIVER A MINIMUM OF 100 NEW COUNCIL PROPERTIES BY MARCH 2019**

The Head of Housing provided a short slide presentation to the meeting in relation to Corporate Plan target G09 – Deliver a minimum of 100 new council properties by March 2019.

In assessing the viability for new build council properties on an identified site in the District, officers would consider the waiting list to see if there was a demand for housing in the area. The next step would be to see if there were any obvious site problems, for example, access issues to the site. A judgement would then be made at the Asset Management Group where the Deputy Leader and Portfolio Holder for Housing also attended along with Housing officers.

The second stage of the process would be a high level feasibility assessment including, desk top assessment and a high level financial assessment carried out by independent consultants and signed off by the Asset Management Group.

A further detailed feasibility study of the site to outline planning permission would then be carried out. This would include engineering, ground conditions, utilities (drains etc) and layout. The size of the scheme would determine which consultants would be used. The scheme would then be approved by the Asset Management Group and presented to Council for budget approval.

A detailed design would be carried out by architects, planning officers and housing officers and costings would be checked by an Independent Quantity Surveyor.

The financial valuation assessment of a scheme could be difficult; consideration needed to be given to a 50 year Net Present Value (NPV) to ensure that the investment was viable. An example of a financial valuation for a recent housing scheme in Creswell was provided in the slide presentation.

In response to Members' questions, the Head of Housing advised the meeting that each housing scheme was an investment of the Council and did not rely on any external funding. Previously, around £2m each year was put aside from the HRA for new build properties, for example, 20 properties; income, savings and the HCA grant meant the Council could build an extra 2 properties the following year but the Government's current programme of a 1% rent reduction on local authority housing meant less money in the HRA for housing schemes and the Council would have to borrow to build new properties and larger developments in the future.

The Council would seek to secure agreements long term with development partners and would have access to better borrowing rates from the Public Works Loans Board (PWLB) as the interest rate was below market rate. Housing was a long term investment and there

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would be no need for short term profit. Good quality buildings with good materials minimised the risk to the Council.

In response to Members questions, the Head of Housing advised that if a new build Council property was sold under Right to Buy within the first 15 years then the sale price would be at the full value of the property, the Council would lose an asset but would regain the cost of the property.

Housing's 30 Year Business Plan would be updated at the end of the current financial year to reflect the Government's 1% rent reduction on local authority housing and also the potential forced sale of the Council's high value properties of which full details were not yet available. The updated Business Plan would be presented to Members at a future meeting of Council.

Other Government proposals were Council tenants no longer having a tenancy for life and tenancies only being between 2 to 5 years; also 'pay to stay' legislation were rents could increase on a tenant earning over £40k per annum.

A lengthy discussion took place regarding how the Council could protect its housing income in the future and the consideration of a 'shell company' or Arms Length Management Company (ALMO).

In response to a Member's question, the Head of Housing advised the meeting that alternative housing options had been looked at in previous years but rejected by Members. Also, because Housing was only a small team of staff, it did not have the resources to devote time on larger project investigations. He added that he felt the time was now right to consider other options, including 'Joint Venture'.

The Head of Housing and the Assistant Director – Property and Estates left the meeting.

### **0869.           ROLE OF GROWTH SCRUTINY COMMITTEE**

The Scrutiny Officer circulated notes from an informal Growth Scrutiny Committee meeting held on 2<sup>nd</sup> March 2016 where Members had discussed the role of the Growth Scrutiny Committee in relation to the Council's Growth agenda.

The Scrutiny Officer and the Chair of the Growth Scrutiny Committee had then met with the Chief Executive Officer to discuss the issues raised by Members at the informal meeting.

The Chief Executive Officer had suggested that he and other relevant staff attend the Growth Scrutiny Committee meetings on a quarterly basis from June 2016 to provide Members with a general update on growth across the District. Updates on specific sites, i.e. Coalite, Sherwood Lodge, etc could be presented to separate Committee meetings as and when required.

Growth Scrutiny Members questioned whether the Growth Corporate Plan Targets were meaningful. As things changed so rapidly it was stated that there was perhaps a different way to monitor performance.

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It was suggested that Growth Scrutiny Members could develop a set of Performance Indicators (PI's) which would enable the Committee to monitor Growth in terms of NNDR received, Planning Applications approved, etc. Members were asked to consider a set of Performance Indicators to allow the Committee to monitor Growth in the District and agreed to consider this at the meeting on 20<sup>th</sup> April 2016.

Other suggestions for work programme items included an update and demonstration of the Council's database of public assets (land), rural broadband and considering what other Derbyshire authorities had done to enhance connectivity beyond Digital Derbyshire's footprint.

The Growth Scrutiny Committee had recommended that work on a Development Prospectus be prioritised and completed by 1<sup>st</sup> September 2016. It was suggested that the Committee could consider how a Development Prospectus could promote business and residential development opportunities and enhance the relationship with developers to generate Growth.

Members raised their concern that the Authority did not have a Growth Director when the key priority of the Council was Growth. Members agreed that a dedicated Growth Director was needed for the Authority.

Members requested that the Scrutiny Officer carry out investigations on other local authorities growth targets and how the reported these with a focus on those authorities who were mentioned in the APSE report.

### **0870. WORK PLAN 2015/2016**

The Scrutiny Officer would update the Committee's Work Plan to reflect the items as discussed above.

The meeting concluded at 1130 hours.