

Playden DC Report March 2018

1. Contract tendering for waste and recycling. As some of you have unfortunately experienced, there have been some issues with our current waste contract with Kier, which is coming up for renewal in 2019. Work is currently progressing in procuring a new contractor along with Hastings Borough Council and Wealden District Council. The future collection service is likely to consist of fully co-mingled dry recycling service, with chargeable garden waste and residual waste, collected fortnightly. The issues experienced in rural areas, particularly down narrow lanes will hopefully be addressed with the new contract. Companies tendering for the contract will need to respond to questions regarding performance in narrow and/or hard to reach places.

2. Cabinet Meeting 12th February and Full Council Meeting 26th February 2018

This was mainly about the Revenue Budget Proposals and Capital Programme and the Treasury Management Strategy Statement and Annual Investment Strategy.

2.1 Draft Revenue Budget Proposals (2018/19) and Capital Programme 2018/19 to 2022/23: As an overview, the net cost of providing RDC's services 2018/19 is £14.322 million, less the capital expenditure charged to revenue of £2.360 million, giving a total net revenue expenditure of £11.962 million.

The biggest cost is attributed to Community and Economy (£4.008 million), followed by Finance and Welfare (£3.236 million).

The breakdown of RDC funding is as follows:

Council Tax (excluding parish councils) - £6.580 million or 55%;

Business Rates (net retained by RDC) - £2.948 million or 24.6%; and

Other - including Revenue Support Grant, other grants and special expenses - £2.434million or 20.4%.

As regards 2020 efficiency savings, RDC planned to save £1.8 million over the three years 2019/20 to balance the future budget. Good progress has been made against this plan with increases in income from business rates due to growth of over £200k, £100k of income from the return of investment in a property fund and £500k savings delivered as part of the 2018/19 budget process through efficiencies and income growth.

RDC's Revenue Support Grant for 2018/19 will total £111k (inclusive of £38k Rural Services Delivery Grant and £71k Transition Grant). This Revenue Grant funding will cease. In place, RDC - as with all local authorities - will retain 75% of the business rates, although there will still be a distribution of rates income across the country according to the Government's assessment of need. Amongst other grants available now or in the future, RDC will be receiving £714,305k New Homes Bonus (including £11,938k for 2018/19) which will be paid over four years.

The Government intends local authority spending power to return to 2015/16 levels by 2019/20 with an overall growth of 1.2%. However, the Government's estimate of RDC's spending power shows a decrease of 12.8%. The significant reduction in Government funding and movements in business rates will have a significant impact on RDC's income, highlighting not only the importance of commercial regeneration in the District (in line with RDC's Core Strategy of economic regeneration), but also the importance of income generation, including through capital investments and Treasury Management. To ensure a sound financial future RDC needs to uphold a robust financial strategy.

The Cabinet Minutes (see RDC website) also include reference to the Council Tax consultation. In brief, 62% of respondents supported raising Council tax by an average of £5 on a Band D property. Nearly half the residents who commented said that they wanted to protect services and were prepared to raise their Council tax to do so.

It is worth noting that out of the thousands of Rother District residents, only 238 individual responses were received online and none from local organisations or businesses.

Cabinet approved several recommendations to Council, including that the net expenditure 2018/19 of £14,322 be approved and Council Tax for 2018/19 be increased by 2.95% - £5 on a Band D property. It was noted that a further £3 million be invested into a property fund (with an estimated annual return of 5%) and that as part of RDC's strategy to invest in property for economic regeneration and income generation purposes, borrowings of up to £35 million can be accessed. RDC already owns over £10 million of investment property locally, generating a net return of over 6%. It is planned that further property investment will be made and that the difference between the gross return of up to 6.5%, less the cost of interest and minimum revenue provision, will help meet the 2020 efficiency targets and help to maintain the future sustainability of RDC.

2.2 Cabinet recommendation to Council of the Treasury Management Strategy Statement and Annual Investment Strategy: There are two parts to the treasury management operation; firstly, to ensure that RDC's cash-flow is adequately planned for (that cash raised meets cash expenditure) and secondly, the funding of RC's capital plans. The capital plans provide a guide to the borrowing need of RDC - the longer term cash flow planning to ensure that RDC can meet its capital spending obligations. The management of longer term cash may involve arranging short or long term loans, or using longer term cash flow surpluses.

Of note, part of RDCs 2020 programme is to deliver £900k of additional income, mostly delivered through RDC's Property Investment Strategy. Last year RDC decided to invest £7 million of cash reserves into property investment. However, recent changes to investment regulations have meant that we will not be using cash resources for such investment, but by borrowing, which is expected to peak at around £35 million by 2021. RDC must retain 'investor status' by being MIFID II compliant i.e. it needs to maintain £10 million in cash balances - which we could not maintain by using £7 million of cash resources. Without this status, RDC would be treated as a retail investor and would lose access to the majority of financial investment instruments currently used.

Full details can be found on RDC website.

2.3 Recommendation to Council that the Council Tax Protocol be approved and adopted: Council tax arrears are the largest debt issue seen by Citizens Advice offices. Their experience shows that poor collection practices can often exacerbate a resident's debt problems leading to anxiety, stress and mental health issues, which in turn impact on job prospects and so on. The Collection of Council Tax Arrears Protocol was produced by the Local Government Association and Citizens Advice and contains guidance on how local authorities, enforcement agencies and debt advice agencies can work together and improve collection processes. The Protocol offers practical steps aimed at preventing people from getting into arrears in the first place. RDC supports the Protocol; recent experiences have shown that through the changes brought in with RDC's Council Tax Reduction Scheme, proactive engagement and support with such residents can help maintain collection rates and avoid taxpayers going into arrears. RDC provides substantial funding to Rother Citizens Advice, including the provision of debt advice, which actively works with RDC to deal with Council Tax issues.

2.4 Following the governance review of Bexhill last year, you may be interested to note that Battle Town Council have asked that RDC (as the principal council) undertake a community governance review to consider its electoral arrangements, specifically the number of town councillors. The issue seems to be that the Town Council cannot get enough councillors - currently 10 out of a requirement of 17. It hopes to reduce the required number of councillors to 13. By law, the cost of this review (estimated to be in the region of approximately £10k) will fall to RDC taxpayers and not through a precept to Battle residents only.

Cabinet approved recommendation to Council that a CGR, as set out in the Terms of Reference, should be carried out.

2.5 Hackney Carriage and private hire licensing - age of licensed vehicles: The Licensing and General Purposes Committee (L&GP Committee) had recommended to Council in October 2017, and following further discussions in January 2018, that a vehicle age restriction for hackney carriage and private hire vehicles be reintroduced for newly licensed (registered) vehicles. Council approved the recommendation that any new licensed vehicle must be less than 7 years when licensed for the first time and that no licensed vehicle will be licensed beyond 10 years; the age limit will not apply to licensed vehicles which were licensed prior to April 2018 and exceptions can be applied for in respect of classic, novelty or vintage cars.

The reasons for this decisions are several fold, but primarily in respect of emissions - that newer vehicles would have more modern engines and therefore fewer emissions. Also, neighbouring councils have lower limits and if RDC did not reintroduce limits we would find that vehicles too old to be licensed in neighbouring authorities would end up being licensed in Rother. We had to ensure a balance between public safety and the interests of business to taxi companies and individual licence owners.

I did raise an additional point at the L&GP Committee in January - that as a Council looking to the future we should be considering how we can facilitate the provision and infrastructure for electric taxis (such as a rapid charging network). For example in London, from the beginning of this year, new licensed taxis must be "zero emissions capable", able to drive on electric power for at least 48km and with limited emissions.

3. Rother Rural Trust. It has been drawn to Paul and my attention that although Eastern Rother parishes make generous contributions to the Rother Rural Trust, it is noticeable that none of them, or any individuals, have made an application to the Trust on behalf of residents. The Trust was set up with a mission to help individuals and organisations in need in the rural parishes of Rother, excluding Battle and Rye. Its specific aims are to *'relieve poverty, promote education and to do other charitable works. In the past, the Trust has for example, given grants to people in real need, to replace beds or washing machines, or has given support to promising young athletes and musicians to pay for their equipment or instruments'*.

Please do think about how the Trust might help someone locally. Applications can be made in writing to the Clerk to the Trustees at the address below stating where you live and giving the reasons why you are asking for a grant and saying what amount you need. Typically the Trust awards sums in the region of £250.

Contact details are: Clerk to the Rother Rural Trust c/o Town Hall Bexhill on Sea East Sussex TN39 3JX Telephone: 01580 881309 Email: stephenhardy1948@gmail.com

One last word! Our communities need more support by people coming forward, not only as community volunteers, but also at parish, town or district level. We know that this sort of volunteering (though hard work and requiring a balancing act at times!) is fantastic for our communities, rewarding and can even be positive for our own health and wellbeing! Any ideas you may have on how to encourage this would be very welcome - after all, the best way to have a chance to make a difference to the quality of life for people and influence change, is to be involved in decision-making processes.

SAH