

Committee Manager: Jane Fulton (Ext. 37611)

15 January 2016

OVERVIEW SELECT COMMITTEE

A meeting of the Overview Select Committee will be held in Committee Room 1 at the Arun Civic Centre, Maltravers Road, Littlehampton on **Tuesday, 26 January 2016 at 6.00 pm** and you are requested to attend.

Members: Councillors Dingemans (Chairman), English (Vice-Chairman), Ballard, Mrs Bence, Blampied, Mrs Daniells, Edwards, Mrs Harrison-Horn, Hitchins, Hughes, Mrs Oakley, Oliver-Redgate, Mrs Rapnik, Warren and Dr Walsh

A G E N D A

1. APOLOGIES FOR ABSENCE
2. DECLARATIONS OF INTEREST

Members and Officers are reminded to make any declaration of personal and/or prejudicial/pecuniary interests that they may have in relation to items on this agenda.

You should declare your interest by stating:

- a) the item you have the interest in
- b) whether it is a personal interest and the nature of the interest
- c) whether it is also a prejudicial/pecuniary interest

You then need to re-declare your interest and the nature of the interest at the commencement of the item or when the interest becomes apparent.

3. MINUTES

To approve as a correct record the Minutes of the meeting of the Overview Select Committee held on 24 November 2015 (which have been previously circulated.)

4. ITEMS NOT ON THE AGENDA THAT THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCES.

5. *COUNCIL BUDGET - 2016/2017

The report sets out the Capital, Housing Revenue and General Fund Revenue Budgets for 2016/2017 which the Committee is requested to consider and recommend onto Cabinet so that the recommendations can be considered at the Special Meeting of the Council taking place on 23 February 2016.

6. *CORPORATE PLAN 2013-2017 - PERFORMANCE OUT-TURN FOR THE PERIOD 1 JULY TO 30 SEPTEMBER 2015

The attached report is the report that Cabinet considered at its meeting held on 7 December 2015. This sets out the Quarter 2 performance outturn for the Corporate Plan indicators which are measured at six months (quarterly and six monthly targets) for the period 1 July to 30 September 2015.

This report is being presented to the Committee for its information.

7. *SERVICE DELIVERY PLANS (SDPS) - QUARTER 2 PERFORMANCE OUTTURN REPORT FOR THE PERIOD 1 JULY TO 30 SEPTEMBER 2015

The attached report is the report that Cabinet considered at its meeting held on 7 December 2015. This sets out the Quarter 2 performance outturn for the Service Delivery Plans (SDPs) Performance Indicators which are measured at six months (quarterly and monthly targets) for the period 1 July to 30 September 2015.

This report is being presented to the Committee for its information.

8. CABINET MEMBER QUESTIONS AND UPDATES

- (i) Members are invited to ask Cabinet Members questions and are encouraged to submit their questions to the Committee Manager in advance of the meeting to allow a more substantive answer to be given.
- (ii) Cabinet Members are invited to update the Committee on matters relevant to their Portfolios of responsibility.

9. * COUNCIL TAX SUPPORT TASK AND FINISH WORKING PARTY - 9 DECEMBER 2015

The Committee is asked to consider the Minutes from the meeting of the Council Tax Support Task and Finish Working Party meeting held on 9 December 2015 which are attached.

10. FEEDBACK FROM THE MEETINGS OF WEST SUSSEX COUNTY COUNCIL'S HEALTH AND OVERVIEW SELECT COMMITTEE (HASC) HELD ON 4 DECEMBER 2015 AND 20 JANUARY 2016

The feedback report from the meeting of West Sussex County Council's Health and Overview Select Committee (HASC) held on 4 December 2015 will be circulated separately. Councillor Blampied will also provide a verbal report back from the meeting of HASC held on 20 January 2016.

11. FEEDBACK FROM MEETING OF THE SUSSEX POLICE AND CRIME PANEL HELD ON 22 JANUARY 2016

A verbal feedback report will be provided from the Cabinet Member for Community Services, Councillor Wotherspoon, following his attendance at a meeting of the Sussex Police and Crime Panel held on 22 January 2016.

12. WORK PROGRAMME - UPDATE

The Committee Manager will verbally update the Committee on any changes that needs to be made to the Committee's Work Programme for the remainder of 2015/2016.

(Note: *Indicates report is attached for Members of the Committee only and the Press (excluding exempt items). Copies of reports can be viewed on the Council's web site at www.arun.gov.uk or can be obtained on request from the Committee Manager.)

(Note: Members are also reminded that if they have any detailed questions, would they please inform the Head of democratic Services, Cabinet Member and/or relevant Lead Officer in advance of the meeting in order that the appropriate Officer/Cabinet Member can attend the meeting.)

AGENDA ITEM NO. 5ARUN DISTRICT COUNCILOVERVIEW SELECT COMMITTEE – 26 JANUARY 2016

Recommendation

Subject : Arun District Council Budget 2016/17

Report by : Alan Peach Head of Finance and Property

Report date: January 2016

EXECUTIVE SUMMARY

The report sets out the Revenue and Capital Budgets for 2016/17 (in Appendix A) for both the General Fund and Housing Revenue Account. The Committee is requested to consider and recommend onto Cabinet in order that any recommendations can be considered at the Special Meeting of the Council on 23 February 2016.

RECOMMENDATIONS

Members are requested to discuss and note the Council's Budget report for 2016/17 (contained in Appendix A) and to pass comment onto Cabinet.

1.0 INTRODUCTION

- 1.1 The Council's Revenue and Capital Budgets for 2016/17 for both General Fund and housing Revenue Account are set out in appendix A.

Background Papers: Correspondence from the DCLG (Department of Communities and Local Government) and Department for Work and Pensions (DWP). Budget working papers (held by Accountancy).

Contact: (Alan Peach, Head of Finance and Property ext.37558)

ARUN DISTRICT COUNCIL BUDGET 2016/17

REPORT BY THE HEAD OF FINANCE AND PROPERTY

1. Introduction

1.1 This report sets out the Capital, Housing Revenue and General Fund Revenue budget for 2016/17. These budgets have been prepared taking account of the following:

- The Medium Term Financial Strategy 2015/16 to 2020/21 considered at Cabinet 16th November 2015
- The provisional Local Government Finance settlement issued by the Department of Communities and Local Government (DCLG) in December 2015
- Housing Revenue Account business plan
- The 2015 Spending Review

1.2 The Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of the estimates made for the purposes of calculating Council Tax and housing rent levels, and the adequacy of the proposed financial balances. I am satisfied that the estimates, as presented in the draft budget, are sufficiently robust and that the reserve balances proposed for 2016/17 are adequate. However, there are concerns relating to the HRA balance from April 2017 onwards as outlined in paragraph 7.5.

2. Local Government Finance Settlement and Council Tax

2.1 The provisional Local Government Finance Settlement issued by the Department of Communities and Local Government (DCLG) in December 2015 is the fourth year of funding under the new Business Rates Retention scheme.

2.2 The scheme focuses on promoting economic growth through retention of business rates. This is a significant change in the way Central Government financially supports Local Councils from 2013/14 onwards.

2.3 The Business Rates Retention scheme has transferred a considerable risk to the council by linking DCLG support directly to the local economy. This is a strong incentive for the Council to ensure that the business ratings list is fully inclusive and to encourage a buoyant local economy. It is also important to note any significant negative changes in the value of the ratings list will directly reduce the level of funding received in future, such as valuation appeals which can go back a number of years.

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- 2.4 The Council has set up a specific Business Rate Equalisation Reserve to help mitigate the risk associated with the volatility of the scheme.
- 2.5 The 2015 Spending Review announced a number of significant changes in the way Local Government will be funded in the future. The announcements made confirmed the proposal for the 100% business rate retention by 2020. It is anticipated that this will go out to consultation during 2016. There is anticipated to be a shift between the tiers of local government and the potential of transferring extra responsibility (and cost) to Local Government.
- 2.6 The New Homes Bonus (NHB) was introduced in 2011/12. The aim of the grant is to create an incentive which rewards local authorities that deliver sustainable housing growth in their areas. The basis of the grant is that for each new housing unit delivered an annual bonus of £1,500 (band D equivalent) will be paid for six years (of which 80% is paid to the District Council and 20% to the County Council). In addition, a £350 bonus is also paid for each additional unit of affordable housing.
- 2.7 The New Homes Bonus increased by £926k to £4.014m for 2016/17. The Council has had significant benefits from the New Homes Bonus. However, the increasing amount of NHB awarded should be considered in light of significant reductions in other sources of external funding, notably Revenue Support Grant. The level of NHB is summarised in the table below:

NHB Payment relating to:	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000	£'000
2011/12	509	509	509	509	509	509
2012/13		556	556	556	556	556
2013/14			1,000	1,000	1,000	1,000
2014/15				484	484	484
2015/16					539	539
2016/17						926
Total	509	1,065	2,065	2,549	3,088	4,014

- 2.8 There is a proposal to change the New Homes Bonus, which is currently out to consultation. The potential changes include a reduction in the number of years on which current and future payments are made; a reduced level of grant for those authorities that have not published or adopted a Local Plan; withholding grant for developments approved on appeal; and a deadweight adjustment for development which would have been judged to have occurred naturally without the NHB incentive. The changes are anticipated to take effect from 2017/18. The changes will almost certainly lead to significant reductions in NHB and an assessment will be made following the conclusion of the consultation exercise.

2.9 The changes in Government grant funding are summarised in the table below:

Non-Ringfenced Grant Income	2015/16	2016/17	Change
	£`000	£`000	£`000
Business rates retention*	3,491	3,183	(308)
Revenue Support Grant (RSG)**	2,820	1,666	(1,154)
Total Formula Grant:	6,311	4,849	(1,462)
New Homes Bonus:	3,088	4,014	926
Other non-ringfenced grants:			
Housing Benefits Administration Grant	634	524	(110)
Localising Council Tax Support Administration Grant	175	157	(18)
Localising Council Tax Support s32 Grant	29	0	(29)
Business rates collection allowance	174	174	0
Total Other Non-ringfenced grants:	1,012	855	(157)
Total non-ringfenced grant income	10,411	9,718	(693)
*including s31 grants, Tariff and Levy			
** RSG adjusted for Council Tax Freeze Grants			

2.10 The Council Tax income figure of £9.510m for Arun (excluding Parish/Town Councils) referred to in the General Fund Summary is based on an Arun Band D Council Tax of £164.52 (an increase of £3.15 per annum or 1.95%). This is the first increase since 2010/11.

3. Budget Assumptions

- 3.1 The budget for 2016/17 includes provision for a 1.0% pay award. As in previous years, no provision has been made for price increases in goods, services and contracts except where there is clear evidence of the need for it.
- 3.2 The budget reflects the loss of the 3.4% Employers National Insurance Contribution contracting out rebate resulting from the Governments single tier pension.
- 3.2 With regard to fees and charges, increases have been applied either in accordance with statutory provisions, or, where the Council has discretion, having regard to specific service circumstances. The fees and charges for car parks have been increase by an average of approximately 11%.
- 3.3 HRA rents have been set at 1% below the 2015/16 current year's level in accordance with statutory provisions (Welfare Reform and Work Bill).

4. General Fund Revenue Budget

- 4.1 A summary of the General Fund Revenue budget showing 2015/16 Original Budget and 2016/17 proposed budget, summarised by Service Portfolio is shown in **Appendix 1**. A summary of the projected movement on General Fund Reserve is shown in the table below:

General Fund Reserve Movement	Original Budget	Current Budget	2016/17 Budget
	£ 000	£ 000	£ 000
Net Budget Requirement	25,094	26,106	23,851
Financed by:			
Government Grants and Retained Business Rates	(10,411)	(11,148)	(9,718)
Council Tax	(12,809)	(12,809)	(13,310)
Taken From / (Added to) Balances	1,874	2,149	823
General Fund Balance 01 April 2015*	12,035	12,035	10,664
Supplementary Estimates		(275)	
Outturn on General Fund	(1,874)	(1,874)	(823)
Current Budget Variation Estimated Outturn 2015/16	0	778	
General Fund Balance 31 March 2016	10,161	10,664	9,841

* current budget estimate November 2015

- 4.2 The proposed 2016/17 budget draws (£0.823m) from reserves, a change of (£1.051m) from the 2015/16 original budget. Budget monitoring as at November 2015 is showing a current budget variation of £778k, resulting in an estimated draw down from reserves of (£1.371m) for 2015/16 after supplementary estimates totalling (£275k).
- 4.3 The (£823k) proposed draw down from reserves for 2016/17 includes £1.560m revenue funding towards a significantly enhanced capital programme (approved by Cabinet in November 2015). It should be noted that this expenditure is one-off in nature.
- 4.4 The Council is anticipating the receipt of significant s106 sums for maintenance in perpetuity in respect of a number of sites and these sums will enhance the forecast level of General Fund balance. However, the receipt of these sums will also lead to the requirement for additional revenue expenditure in respect of maintaining the relevant sites. These sums are not included in the budget for 2016/17 as the timing of the receipts is not certain.

4.5 A summary of headline changes is given below:

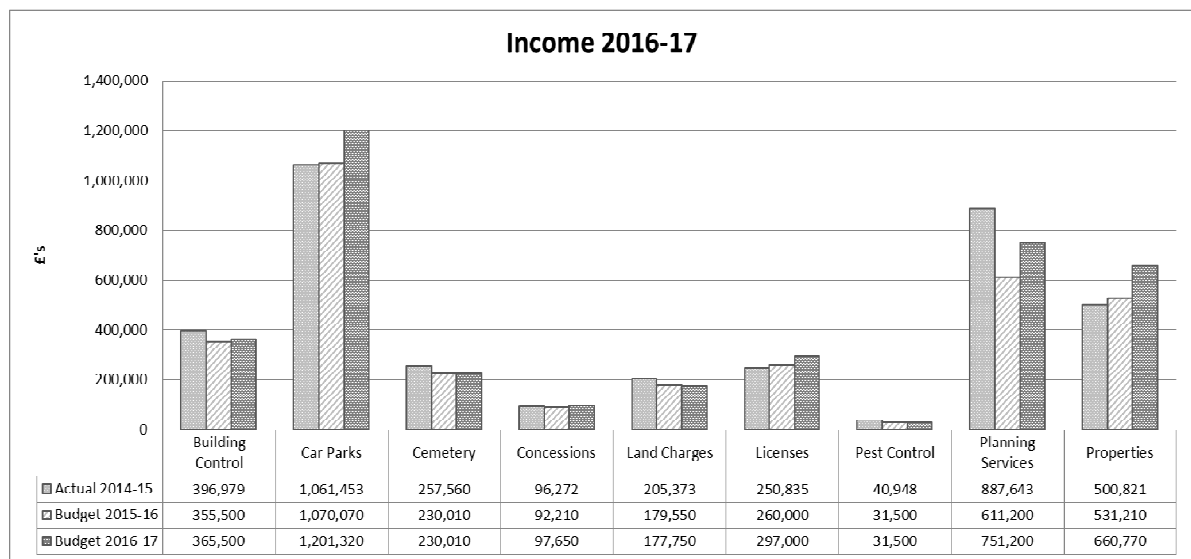
General Fund Budget 2016/17	Changes +/- £ 50k	£'000
Service changes:		
Pay award		126
Superannuation rate increase		90
Increase in employers national insurance contributions		217
Planning market supplement		139
Rent Allowances changes in claimant status		274
Fall out of 2015 District Election		(100)
Registration of Electors (Individual Elector Registration)		54
Empty Homes grants programme end of 2 year programme		(50)
Increase in income		(452)
Major contracts inflation		79
Leisure Management contract reduction net		(400)
Recycling credits		(175)
HRA recharge		(95)
IT rolling programme from projects		115
Other net service changes in service budgets <£50k		9
Net change in service budgets		(169)
Change in required Contingencies		446
Parish grant taper		(143)
Council Tax Income increase		(350)
Collection Fund surplus		(80)
Earmarked Reserves funding change		(345)
Interest & investment income		(59)
Capital expenditure financed from revenue change in capital programme		(1,038)
Change in Retained Business Rates		308
Reduction in RSG		1,154
Additional New Homes Bonus		(926)
Other non-ringfenced grants		157
Other changes <£50k		(6)
Net change in budgeted reserve movement		(1,051)
Reserve 2015/16 budgeted draw down		(1,874)
Reserve 2016/17 budgeted draw down		(823)
Net reserve change		1,051

4.6 The headline changes show that there is significant pressure on demand led services like Housing Benefit (and Homelessness). Overall the service budgets have not significantly changed from the previous year. The changes have all been specific with minimal general upward drift in the cost of service delivery. The single biggest increase has been in the cost of establishment inflationary increases through the pay award and changes in employers' pension and national insurance contributions.

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- 4.7 The tendering of the Leisure Management contract is anticipated to deliver savings of around (£400k) depending on certain mobilisation issues.
- 4.8 The Registration of Electors budget has been under considerable pressure due to the processes required for the Individual electoral representation (IEA) introduced in 2014. Additional funding was received in previous years but there has been no indication of additional funding for this service for 2016/17. The additional costs of £54k mainly relate to postages and printing.
- 4.9 The contingencies budget is assessed each year as a provision for known possible service changes that have not been sufficiently developed to fully cost into the budget. The budget includes £380k for projects relating to the new investment projects (paragraph 8.4) which are not capital by definition and cannot be included in the capital programme.
- 4.10 Environment Agency (EA) is responsibility for managing local water courses. There are two Internal Drainage Districts (IDDs) which fall within the Arun District (River Arun Drainage Board; and South West Sussex Drainage Board). The total levy for both IDDs was £149k for 2015/16. The EA anticipates that the IDDs in the Arun District will be abolished by the autumn of 2016, subject to ministerial (Defra) approval. The responsibility for managing local water courses will then transfer to the Council. No levy has as yet been requested for 2016/17, however, a sum has been included in the contingencies budget for 2016/17 to cover any levy (if requested for all of or part of 2016/17) and for the costs that the Council may incur when taking on the IDDs functions. A full report will be prepared for cabinet when further details become available.
- 4.11 The budget contains an £1.078m contribution from the specific Business Rate Equalisation Reserve which the Council has set up to help mitigate the risk associated with the volatility of the Business Rate Retention scheme.
- 4.12 Income from fees, charges and rents are included within net cost of service. In total this amounts to overall financing of £3.8 million. Income is a key risk area to the budget as it is predominantly externally influenced, without a direct link to service cost and each source is unique. Total income has increased by (£452k). The main income variations are summarised in the following paragraphs.
- 4.13 The budget for car parking charges has been increased by (£124k). Fees have not been increased for a number of years for reasons including the support of the local economy. A review of parking charges by the Environmental Services and Community Development Working Group (13th October 2015) confirmed that charges were below those of other Local Authorities and had not kept up with inflation and therefore recommended that charges be increased in a number of car parks (see also Cabinet 16th November 2015).
- 4.14 The budget for Development Control fees has been increased by (£140k) to more closely align with recent outturns.
- 4.15 The budget includes (£121k) of new property services income relating to the provision of beach huts. There are also projects identified in the new investment programme which will lead to future increases in income.

4.16 The graph below shows income by source and value, and demonstrates trend. The income estimates included in 2016/17 appear robust.



5. Earmarked Reserves

5.1 Earmarked Reserves are amounts of money specifically identified for operational purposes and held alongside the General Fund for drawdown as required. The total value of earmarked reserves at the end of 2014/15 financial year was £11.458m, with approved in-year virements of £4.304m during 2015/16. The carry forward balance into 2016/17 will therefore be a minimum of £7.154m, depending upon the amount of budget variation during 2015/16. Budget expenditure relating to these reserves is isolated from the cost of service for General Fund financing purposes. Earmarked reserves are drawn down into the budget as required through the virement approval process.

6. Risk analysis

6.1 Corporate and Operational risk registers have been reviewed for financial implications as part of the budget process on the criteria of probability of occurrence and materiality of impact upon balances.

6.2 The Our Future Council 2020 Vision report considered at full Council on 13th January 2016 summarises the progress that has made on the transformation process and outlines the next stage of the programme. At the point in time it is not possible to estimate the likely cost of the transformation programme with any degree of accuracy. A further report is due to go to Council to outline the required cuts and the potential costs associated with the changes which are likely to require a supplementary estimate during 2016/17 (as detailed in the report).

6.3 The NHB funding is currently out to consultation (as mentioned in 2.8 above). The potential change relating to a reduced level of grant for those authorities that have not published or adopted a Local Plan is a significant risk to future budgets.

6.4 The level of New Homes Bonus (NHB) has been relatively buoyant but this could easily change if the level of house building tailed off in the District and this is closely monitored on a monthly basis.

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- 6.5 No provision has been made in the HRA budget in respect of the proposed levy re the sale of high value dwellings (7.8). No firm data has been made available in time to set the budget for 2016/17. There will almost certainly be significant adverse consequences for the HRA, leading to a further reduction in the level of balance.
- 6.6 The Council has gained substantial benefit from business rate growth, particularly due to the opening of new supermarkets in the district. However, there is a risk that the level of business rate appeals is more than has been anticipated and this risk lies with local government. The Council has set up a Business Rate equalisation reserve to mitigate this risk.
- 6.7 No further significant risks have been identified relating to 2016/17. However, some lesser risks are inherent within the overall budget. These are discussed below.
- 6.8 Income: the budget includes £3.8 million from fees, charges and rents; these have been set on the basis of achievement of the level of predicted income and previous outturn, including known changes in environment. A potential risk could be a poor summer resulting in lower car park income. A review of income has been undertaken and it is considered to be achievable.
- 6.9 Vacancy management factor continues to be set at £450k. The achievement of the target is dependent upon strict control of vacancies due to the low rate of staff turnover.
- 6.10 Homelessness: The number of people presenting as homeless is increasing, resulting in financial pressures on the Council. The mitigation is to ensure strict application of the eligibility criteria, sign posting to other more appropriate organisations and getting people onto Housing Benefit as soon as possible.

7. Housing Revenue Account Budget

- 7.1 A summary of the Housing Revenue Account (HRA) budget, including Major Repairs Reserve, is shown at Appendix 2.
- 7.2 A complete reappraisal of the current year's HRA was undertaken as part of the budgetary process. The financing of the acquisition/new build programme was reassessed in the light of the available level of "1 for 1" receipts and a number of savings identified. However, these savings were more than offset by additional repair & maintenance costs, particular in respect of void dwellings (this issue is the subject of a separate Cabinet report). All these changes are reflected in the opening HRA balance for 2016/17.
- 7.3 The budget includes the approved acquisition/new build programme of £8m (49 dwellings). It is assumed that this programme will be funded from a mix of borrowing and "1 for 1" receipts.
- 7.4 HRA rents for 2016/17 have been set at 1% below the current year's level in accordance with the provisions of the Welfare Reform and Work Bill.

Appendix A

- 7.5 The HRA balance is expected to reduce steadily from April 2017, falling to below the recommended minimum level of £2m during 2020/21.
- 7.6 The phasing of the acquisition/new build programme will need to be carefully monitored to ensure that the requirements of the “three year rule” are met. (“1 for 1” receipts must be spent within three years or returned to the Government plus interest at 4% above base rate).
- 7.7 The priority given to the acquisition/new build programme means that there is no budgetary provision for major works at the sheltered schemes or for any possible emergency works relating to the existing stock
- 7.8 No provision has been made in respect of the proposed levy re the sale of high value dwellings. (This levy is intended to fund discounts for housing association tenants exercising their Right to Buy). No firm data is yet available but there will almost certainly be significant adverse consequences for the HRA, leading to a further reduction in the level of balance.

8. Capital, Asset Management and other projects Budget

- 8.1 A summary of the Capital, Asset Management and other projects budget is shown at appendix 3
- 8.2 The new capital programme for 2016/17, together with the proposed method of financing, is set out in the table below. The programme includes the second stage of the major investment programme approved by Cabinet at its November 2015 meeting.

2016/17 Capital Programme	
General Fund :	£`000
New Investment Programme (Phase 2)	1,890
Asset Management	690
Disabled Facilities Grants	800
Other	1,153
Total General Fund	4,533
Housing Revenue Account :	
Improvements (including Decent Homes)	2,255
Total Housing Revenue Account	2,255
Total programme	6,788
Financed by :	
Capital Grants (Disabled Facilities Grant)	794
Capital Receipts	716
Charge to General Fund	1,870
Charge to Housing Revenue Account	2,255
Total Financing	5,635
Net Borrowing Requirement	1,153

Appendix A

- 8.3 The budget assumes capital receipts financing of £0.716m and prudential borrowing of £1.153m (for works at the Arun Leisure Centre). However, the actual use of capital receipts and prudential borrowing will depend on the nature of the expenditure incurred and the availability of alternative funding sources.
- 8.4 The enhanced new investment programme for 2016/17 includes expenditure that is not capital by definition and has therefore been included in the Contingency and Special Items budget to be vired to service when further detail is known. The table below shows the budgets for 2016/17. The budgets for 2017/18 and 2018/19 are also included, however, it should be noted that these budgets will be subject to annual appraisal and approval.

2016/17 New Investment Programme			
	£'000	£'000	£'000
	2016/17	2017/18	2018/19
Civic Centre Windows (phase 2 of 3)*	120	120	
Public Toilets (phase 2 of 5)*	200	200	200
Beach Hut Replacement (phase 2 of 2)*	110		
Resurfacing (phase 2 of 2)*	100		
Play Area Investment (phase 2 of 5)*	100	100	100
EH IT System**	170		
Marine Park Gardens Café	180		
Bognor Regis Seafront Hub (additional)	50		
RSL Housing Programme (phase 3 of 5)*	100	100	100
LSSC New Build Capital **	610	7,800	6,350
LSSC New Build Revenue **	150	70	50
Community Flood Fund (phase 1 of 3)***	250	250	250
Future Schemes***	130	0	100
	2,270	8,640	7,150

* Included in the Capital Projects Prioritisation Report 15th September 2014 - C/031/150914

** Assumptions made with regards to the timings of cashflows and also the split between Revenue & Capital, at this time it is assumed that Project Management and Consultancy are revenue.

*** In contingency for 2016/17

- 8.5 Arun has entered into an agreement with the Government to retain the additional receipts generated by the relaxation of the Right to Buy discount rules ("1 for 1" receipts), subject to these receipts being used for the provision of new social housing and Arun matching every £30 of receipts with £70 of its own funding (the 70/30 rule). At current sale levels, these "1 for 1" receipts are accruing at the rate of some £0.840m per annum, which means that Arun is required to spend £2.800m in total (£0.840m X 100/30) per annum on the provision of new social housing.
- 8.6 The Local Authority Mortgage Scheme (LAMS) has been developed by CAPITA Asset Services to assist first time buyers who can afford mortgage repayments but are unable to fund the level of deposit required by the lenders. If the first time buyer meets the strict lending requirements of the financial institution and has a

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5% deposit the Council would indemnify to the value of the difference between the loan amount (typically 75% of property value) and a 95% loan. The first time buyer would be able to obtain a 95% mortgage on similar terms to a 75% mortgage. The indemnity will be in place for a fixed 5 year period and would only be called upon if a loss is incurred by the lender. The scheme will be subject to a maximum per dwelling and a total indemnity of £1m. The details of the LAMS is contained in a separate report to be considered at full Council on 23rd February 2016.

9. Conclusion

9.1 The General Fund revenue budget and Capital budgets are set robustly within the medium term financial strategy.

10. Recommendations:

10.1 Cabinet is requested to note that the Head of Finance and Property, in consultation with the Deputy Leader of the Council and Cabinet member for Corporate Governance, has approved a Council Tax base of 57,803 for 2016/17.

10.2 Cabinet is requested to recommend to Full Council that:

- i. The General Fund Revenue budget as set out in **Appendix 1** is approved.
- ii. Arun's band D council tax for 2016/17 is set at £164.52, an increase of 1.95%.
- iii. Arun's Council Tax Requirement for 2016/17, based on a Band D Council Tax of £164.52, is set at £9,509,750 plus parish precepts as demanded, to be transferred to the General Fund in accordance with statutory requirements.
- iv. The HRA budget as set out in **Appendix 2** is approved.
- v. The HRA rents for 2016/17 are set at 1% below the current year's level in accordance with the provisions of the Welfare Reform and Work Bill.
- vi. HRA garage rents are increased by 5% to give a standard charge of £10.12 per week, and heating and water/sewerage charges increased on a scheme by scheme basis, with a view to balancing costs with income.
- vii. The Capital budget as set out in **Appendix 3** is approved.

11. Background Papers

Correspondence from DCLG and Department for Work and Pensions
Budget working papers held by Accountancy

Contact: Alan Peach, Head of Finance and Property Ext: 37558

Appendix 1

General Fund Revenue Budget Summary

Actual 2014-15 £'000	Description	Budget 2015-16 £'000	Budget 2016-17 £'000
	Cost of Service		
689	Community Services	679	778
1,905	Corporate Governance	1,800	2,074
544	Council Strategy	442	445
925	Environmental Services	1,735	1,831
1,453	Housing	1,020	1,001
5,935	Leisure and Amenities	5,013	3,997
393	Planning & Infrastructure	1,187	1,229
8,586	Support Services	7,976	8,423
0	Vacancy Management	(450)	(450)
(1,171)	Recharges to Housing Revenue Account	(1,041)	(1,136)
19,259	Total Cost of Service:	18,361	18,192
	Corporate Cost		
3,440	Parish Precepts	3,589	3,660
431	Grant payments to parishes	287	144
250	Other precepts and levies	253	103
(527)	Interest & investment income	(411)	(470)
0	Contingencies / miscellaneous	775	1,371
3,018	Contribution to/(from) earmarked reserves	(1,863)	(2,208)
418	Capital expenditure finance from revenue	2,908	1,870
1,228	Pension deficit contributions	1,195	1,189
8,258	Total Corporate Cost:	6,733	5,659
27,517	Total Net Budget Requirement	25,094	23,851
	Financed By		
(5,300)	Retained Business Rates	(3,491)	(3,183)
(3,768)	Revenue Support Grant	(2,820)	(1,666)
(2,550)	New Homes Bonus	(3,088)	(4,014)
(1,540)	Other non ringfenced grants	(1,012)	(855)
(9,020)	Council Tax Income - Arun Excluding Parishes	(9,160)	(9,510)
(3,440)	Council Tax Income - Town & Parish Councils	(3,589)	(3,660)
(100)	Collection Fund deficit/(surplus)	(60)	(140)
(25,718)	Total External Finance:	(23,220)	(23,028)
1,799	Transfer (to) / from General Fund Reserve	1,874	823

Appendix 2

Housing Revenue Account Budget Summary

Actual 2014-15 £'000	Description	Budget 2015-16 £'000	Budget 2016-17 £'000
	Expenditure		
4,798	Supervision and management	4,622	4,991
3,770	Repairs and maintenance	3,958	4,434
2,480	Financing of capital expenditure	2,572	2,255
5,316	Net loan charges	5,250	5,250
16,364	Total Expenditure:	16,402	16,930
	Income		
(16,141)	Rents (dwellings, garages, hostels, other property)	(16,307)	(16,092)
(598)	Charges for services and facilities	(610)	(631)
(76)	Interest on balance	(27)	(92)
(16,815)	Total Income:	(16,944)	(16,815)
(451)	HRA (surplus) / deficit	(542)	115
(5,927)	Balance brought forward	(2,599)	(5,478)
(6,378)	Balance carried forward	(3,141)	(5,363)

Appendix 3

Capital, Asset Management and other projects Budget Summary

Actual 2014-15 £'000	Description	Budget 2015-16 £'000	Budget 2016-17 £'000
Capital expenditure by portfolio			
	Corporate Governance		
2,502	Asset Management	2,078	1,450
309	IT	1,140	170
774	Council Strategy	0	0
1,452	Environmental Services	100	100
3,566	Housing	3,572	3,055
58	Leisure & Amenities	0	1,913
163	Planning & Infrastructure	100	100
8,824	Total Expenditure:	6,990	6,788
Summary			
5,898	General Fund	4,418	4,533
2,926	Housing Revenue Account	2,572	2,255
8,824	Total Expenditure	6,990	6,788

ARUN DISTRICT COUNCIL

**REPORT TO AND DECISION OF CABINET
ON MONDAY 7 DECEMBER 2015
AND OVERVIEW SELECT COMMITTEE – 26 JANUARY 2016**

SUBJECT: Corporate Plan 2013-2017 – Quarter 2 performance out-turn for the period 1 July 2015 to 30 September 2015.

REPORT AUTHOR: Gemma Stubbs – Executive Assistant to the Chief Executive
DATE: 28 October 2015
EXTN: 37601

EXECUTIVE SUMMARY:

This report sets out the quarter 2 performance out-turn for the Corporate Plan performance indicators for the period 1 July 2015 to 30 September 2015.

RECOMMENDATIONS

Cabinet is requested to:

- i) Note the Council's Quarter 2 performance against the Corporate Plan targets for the period 1 July 2015 to 30 September 2015 as set out in Appendix A **(attached)**.

1. BACKGROUND:

- 1.1 Full Council approved the Corporate Plan for 2013-2017 in February 2013.
- 1.2 The Corporate Plan indicators were reviewed in early 2015 as part of a progress review and some targets were amended slightly for the remaining two years of the Corporate Plan.
- 1.3 The Corporate Plan consists of 18 indicators, split out into the three priority headings of Your Council Services, Your Future and If you and your Family Need Help.
- 1.4 It was agreed by Cabinet that performance of these indicators will be reported to the Corporate Management Team every quarter and to Cabinet and Overview Select Committee (OSC) every six months and at year end.
- 1.5 This report sets out the Quarter 2 performance out-turn for the period from 1 July 2015 to 30 September 2015 for the Corporate Plan indicators which are measured quarterly and six monthly. This report therefore gives data for 15 of the 18 performance indicators as three are measured annually.

2. CORPORATE PLAN QUARTER 2 PERFORMANCE

- 2.1 7 out of the 15 performance indicators have either over achieved or achieved the target set for them.

- 2.2 The Corporate Plan indicators have been divided into their Directorates, and have then been sub divided to show which indicators were:

Over Achieving	Achieved at least 10% more than target
Achieved Target	Achieved 100% of target or up to 9% more than target
Behind Target	80-99% of target achieved
Not Achieving	79% or less of target achieved

- 2.3 The performance out-turn report for this period is ***attached in Appendix A*** which gives detail of the 15 indicators, their level of performance against the set target and the commentary from the relevant officers to explain the current status of the indicator.

2.4 Recommendation to Cabinet

The majority of indicators have achieved or over achieved their target. For the four which were behind target, they were only slightly behind and are in the main not significantly influenced by local action and more by the general state of the economy and market confidence.

Therefore, CMT are not recommending to Cabinet for any specific action to be taken on any of the indicators which are not achieving their target as they feel that all steps are being taken to address any performance issues at this stage of the year.

2. PROPOSAL(S):

- (i) To note the Q2 performance out-turn for the Corporate Plan for the period 1 July 2015 to 30 September 2015.

3. OPTIONS:

- i) To note the report and not request any remedial actions for under achieving indicators
 ii) To note the report and to request remedial actions for under achieving indicators

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		√
Relevant District Ward Councillors		√
Other groups/persons (please specify)		√
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES:	YES	NO
Financial		√
Legal		√
Human Rights/Equality Impact Assessment		√
Community Safety including Section 17 of Crime & Disorder Act		√
Sustainability		√
Asset Management/Property/Land		√
Technology		√
Other (please explain)		√

6. IMPLICATIONS:

Where targets were not met, Cabinet may consider whether they wish to request that remedial actions be taken by the relevant service area.

7. REASON FOR THE DECISION:

So that Cabinet are updated with the Q2 Performance Out-turn for the Corporate Plan (2013-2017) for the period 1 July 2015 to 30 September 2015.

8. BACKGROUND PAPERS:

None

Indicator No.	Performance Indicator	Measure Interval	Council Priority Theme	CMT Member	Assess by	Corporate Plan 2013-2017 Target April 2015- March 2017	Q1 2015- 2016	Q2 2015- 2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
3	CSR001 % of Council Tax collected	Quarterly	Your Council Services	Paul Warters	Higher is better	98.40%	32.99%	60.81%	Over achieving	Collection figure slightly down on last year by 0.16%. The reasons for this being, an increase in the number of new properties and the additional charges raised caused by the Single Resident Review. At present more than 120 discounts have been cancelled. Having just introduced a further date upon which customers can pay by Direct Debit, the number of customers choosing this method remains exceedingly high at 70%.	No
4	CSB001 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	Quarterly	Your Council Services	Paul Warters	Lower is better	8 days	2.70 days	5.9 days	Over achieving	Total number of cases assessed in period 1/7/15-30/9/15=15984. Average time 5.9 days consisting of: Total number of new claims assessed in period 1/7/15-30/9/15 =1356, Average time =18.5 days Total number of changes assessed in period 1/7/15-30/9/15 = 14628, Average time = 4.8 days	No
17	DCN007 % reoffenders following anti-social behaviour intervention	Quarterly	Supporting you if you need help	Nigel Croad	Lower is better	5%	1.20%	3.20%	Over achieving	Arun DC ASB Caseworkers intervened with 124 individual perpetrators of nuisance in local communities over the period from April 2015 to September 2015 achieving a 3.2% re-offending rate. This equates to 2 individuals who breached their Acceptable Behaviour Contract and 2 who breached their Anti-social behaviour Order. This can be viewed as 96.8% success rate in effectively reducing and stopping anti-social behaviour by identifying perpetrators in Arun local communities. Note - this is a cumulative figure over the performance year. It is anticipated that the overall annual target will be met.	No
1	ESC001 % household waste sent for reuse, recycling and composting	Quarterly	Your Council Services	Philippa Dart	Higher is better	40%	40.86%	40.45%	Achieved target	The overall recycling rate for the end of Quarter 2 is 40.45% which is up 0.68% on the corresponding period the previous year. The dry recycling rate is 24.52% and composting rate is 15.92%. The introduction of Pots, Tubs and Trays into the recycling scheme is the major reason for the improved performance in dry recycling with over 300 extra tonnes of being collected through the kerbside scheme. It is also very positive to note that material quality of recycling taken to the MRF has improved significantly with 200 tonnes less tonnes being recorded as contamination as compared with the previous year. The reduction in wrong materials can be partly attributed to on-going promotion in conjunction with WSCC regarding recycling.	No
6	PEP023 % of planning appeals dismissed	Quarterly	Your Future	Karl Roberts	Higher is better	70%	76.92%	70%	Achieved target	21 out of 30 appeals were dismissed. Performance in line with expectations.	No
7	PEP001 Achieve key milestones in the Local Plan 2013-2028 timetable	6-monthly	Your Future	Karl Roberts	Yes is better	Yes	N/A	Yes	Achieved target	Timetable for Local Plan has been delayed due to formal suspension in the examination for 12-18 months. It is worth noting that the Government are introducing as part of the Housing Bill a requirement for Plans to be in place during 2017.	No
8	ESL001 Achieve key milestones within the project plan for the Leisure and Culture Strategy 2013-2028	6-monthly	Your Future	Philippa Dart	Yes is better	Yes	N/A	Yes	Achieved target	All on target. Leisure operator appointed. Recommendation for location of Littlehampton Swimming Centre agreed going to Cabinet in November.	No
9	PER020 Overall Employment rate (working-age)	6-monthly	Your Future	Karl Roberts	Higher is better	85%	N/A	82%	Behind target	This figure is from the ONS annual population survey showing people aged 16 - 64 in active employment no other breakdown is available. This indicator shows a relatively static situation.	No
10	PER025 Total rateable value for the Arun District	6-monthly	Your Future	Karl Roberts	Higher is better	£87,000,000	N/A	£86,722,038	Behind target	The indicator shows the situation remaining relatively static which is consistent with other indicators.	No
11	PER004 % Occupied retail units in Bognor Regis	6-monthly	Your Future	Karl Roberts	Higher is better	92%	N/A	90%	Behind target	The level of occupancy is relatively static.	

Indicator No.	Performance Indicator	Measure Interval	Council Priority Theme	CMT Member	Assess by	Corporate Plan 2013-2017 Target April 2015- March 2017	Q1 2015- 2016	Q2 2015- 2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
12	PER005 % Occupied retail units in Littlehampton	6-monthly	Your Future	Karl Roberts	Higher is better	94%	N/A	92%	Behind target	The way this particular indicator measures occupancy does not reflect the impact of the closure of single large premises, such as Waitrose.	No
14	PES002 Number of affordable units for purchase or rent	6-monthly	Supporting you if you need help	Karl Roberts	Higher is better	200	N/A	30	Not achieving	There have been relatively few completions of affordable housing units in the period April - Sept 2015 as developers have phased schemes over a longer timescale. Recent changes to the funding of registered partners will affect future delivery of affordable housing in Arun as providers will have less capital finance than they had anticipated earlier this year.	No
15	CSH030 Number of new Council homes built or purchased	6-monthly	Supporting you if you need help	Paul Warters	Higher is better	30	N/A	0	Not achieving	Work is progressing in connection with the build or acquisition of 33 Council Homes. The first properties should become available in 2016/17.	No
16	DCN041 Number of families assisted through the Think Family Programme	6-monthly	Supporting you if you need help	Nigel Croad	Higher is better	110	N/A	23	Not achieving	23 families successfully turned around to date for this performance period. 21% of target met. The 2015-16 Arun target for Think Family is to turn around 110 local families. Whilst 23 families have made significant and sustained change (using the Phase 2 expanded criteria), it should be noted that the Think Family workforce are currently working with and supporting 332 families in Arun to bring about positive difference. Therefore, although performance for this period is underachieving, the overall target should be met given that the number of families receiving support (attachments) significantly outnumber the overall target for the number of successes required.	No
18	CSH006 % of homelessness approaches where homelessness prevented	Quarterly	Supporting you if you need help	Paul Warters	Higher is better	80%	69.50%	69.50%	Not achieving	Homeless approaches April - June = 262 Homeless decisions April - June = 80 The two highest causes of homelessness remain as possession proceedings taken by private landlord and parental/family evictions. In cases of landlord possession proceedings, it is not always possible to prevent homelessness and persuade a landlord to keep their tenant, particularly when there are rent arrears. We are experiencing an increase in the number of private tenants unable to sustain their tenancy due to debt. The number of homeless approaches to Arun has increased in Quarter 2 (212 in quarter 1; 262 in quarter 2). This additional volume has been handled by the Housing Options team during a period when the staffing numbers were not up to full capacity.	No

AGENDA ITEM NO. 7**ARUN DISTRICT COUNCIL**

**REPORT TO AND DECISION OF CABINET
ON MONDAY 7 DECEMBER 2015
AND
OVERVIEW SELECT COMMITTEE ON 26 JANUARY 2016**

SUBJECT: Service Delivery Plan (SDP) Quarter 2 performance out-turn for the period 1 July 2015 to 30 September 2015.

REPORT AUTHOR: Gemma Stubbs – Executive Assistant to the Chief Executive
DATE: 28 October 2015
EXTN: 37601

EXECUTIVE SUMMARY:

This report sets out the Quarter 2 performance out-turn for the Service Delivery Plan (SDP) performance indicators for the period 1 July 2015 to 30 September 2015.

RECOMMENDATIONS

Cabinet is requested to:

- i) Note the Council's Quarter 2 performance against the Service Delivery Plan (SDP) targets for the period 1 July 2015 to 30 September 2015 as set out in Appendix A **attached**.

1. BACKGROUND:

- 1.1 Cabinet approved the new Service Delivery Plan (SDP) Performance Indicators for 2013-2017 in March 2013.
- 1.2 The SDP level indicators reflect the themes of "Your Council" 2013 – 2017" and the Council's Corporate Plan. They have been formulated to measure progress on achieving targets within the Council's service areas with a view to increasing the overall performance of the Council.
- 1.3 The SDP indicators were reviewed in early 2015 as part of a progress review and some targets were amended slightly and some indicators were deleted entirely (with the agreement of Cabinet).
- 1.4 There are 51 SDP indicators. It was agreed by Cabinet that performance of these indicators will be reported to the Corporate Management Team every quarter and to Cabinet and Overview Select Committee (OSC) every six months and at year end.
- 1.5 This report sets out the Quarter 2 performance out-turn for the period from 1 July 2015 to 30 September 2015 for the SDP indicators which are measured quarterly and six monthly. This report therefore gives data for 37 of the 51 performance indicators as 14 are measured annually.

2. SERVICE DELIVERY PLAN (SDP) QUARTER 2 PERFORMANCE

- 2.1 20 out of the 37 performance indicators have either over achieved or achieved the target set for them. This means that just over half of the SDP 2015/16 targets are currently on target to achieve

their annual target.

- 2.2 The SDP indicators have been divided into their Directorates, and have then been sub divided to show which indicators were:

Over Achieving	Achieved at least 10% more than target
Achieved Target	Achieved 100% of target or up to 9% more than target
Behind Target	80-99% of target achieved
Not Achieving	79% or less of target achieved

- 2.3 The performance out-turn report for this period is ***attached in Appendix A*** which gives detail of the 37 indicators, their level of performance against the set target and the commentary from the relevant officers to explain the current status of the indicator.

2.4 Recommendation to Cabinet

The majority of indicators have achieved or over achieved their target and for those two indicators which were behind target, they were only slightly behind.

The 10 indicators which are not achieving have clear commentary detailing the way forward for the future.

Therefore, CMT are not recommending to Cabinet for any specific action to be taken on any of the indicators which are not achieving their target as they feel that all steps are being taken to address any performance issues at this stage of the year.

2. PROPOSAL(S):

- (i) To note the Q2 performance out-turn for the Service Delivery Plan indicators for the period 1 July 2015 to 30 September 2015.

3. OPTIONS:

- i) To note the report and not request any remedial actions for under achieving indicators
 ii) To note the report and to request remedial actions for under achieving indicators

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		√
Relevant District Ward Councillors		√
Other groups/persons (please specify)		√

5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES:

	YES	NO
Financial		√
Legal		√
Human Rights/Equality Impact Assessment		√
Community Safety including Section 17 of Crime & Disorder Act		√

Sustainability		√
Asset Management/Property/Land		√
Technology		√
Other (please explain)		√

6. IMPLICATIONS:

Where targets were not met, Cabinet may consider whether they wish to request that remedial actions be taken by the relevant service area.

7. REASON FOR THE DECISION:

So that Cabinet are updated with the Q2 Performance Out-turn for the Service Delivery Plan indicators for the period 1 July 2015 to 30 September 2015.

8. BACKGROUND PAPERS:

None

SDP Performance Indicator	Measure Interval	CMT Member	Assess by	SDP Target 2015/16	Q1 2015-2016	Q2 2015-2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
PER032 No. business start ups (rolling 12 month total, source Bank)	Quarterly	Karl Roberts	Higher is better	1100	927	926	Over achieving	In the last 12 months 926 new businesses have started in Arun. The ward with the highest start up rate is Barnham with 61 whilst Ferring is the lowest with 18.	No
PEB003 – Percentage of Building Regulation Submissions assessed within 21 days of date of deposit with the Council	Quarterly	Karl Roberts	Higher is better	40%	41.01%	63%	Over achieving	Out of 145 submissions 63% were assessed within 21 days of deposit	No
CSR003 % Miscellaneous Sundry Debt Collected	Quarterly	Paul Warters	Higher is better	96%	37.78%	68.82%	Over achieving	To confirm the reason why this figure is so much over target is due to the fact that a number of large payments have been recently received (over £20k) and one for (£794k). Overall the collection of miscellaneous income is very good (over 80%) however the collection of Housing Benefit is disappointing with only around 50% having paid. Despite Housing Benefit being notoriously difficult to collect, should collection continue in this vain we shall have to study the reasons and consider alternative methods of collection.	No
CSH001 Reduce cost of emergency accommodation (B and B) net	Quarterly	Paul Warters	Lower is better	£272,000	£43,836.79	£115,286	Over achieving	B&B expenditure is only a little over half of the budget at the halfway point of the financial year. We have managed to reduce expenditure compared to previous years by a range of factors: improved void turnaround times; changes to the Allocation Scheme; careful monitoring of voids and efficient allocation of Council and housing association properties; proactive work with clients in Temporary Accommodation hostels to help them move on to permanent accommodation; where possible, preventing homelessness to avoid the need for emergency B&B. Homelessness demand is increasing, and therefore maintaining projected expenditure indicates how well the Housing Services teams are working together.	No
CSH041 % Repairs appointments made and kept	Quarterly	Paul Warters	Higher is better	95%	98.23%	97%	Over achieving	Good achievement	No
CSH042 Average void turnaround time (excludes long term voids) - days	Quarterly	Paul Warters	Lower is better	28 days	14 days	14 days	Over achieving	Good achievement	No
DCLO10 Number of stage 2 corporate complaints found to be justified or partially justified	Quarterly	Nigel Croad	Lower is better	5	0	2	Over achieving	Of the 8 Stage 2 complaints determined in the period - 2 were found to be partially justified and 6 not justified. Appropriate action taken regarding the complaints that were found to be justified.	No
CSC101 % telephone enquiries resolved at first point of contact in Arun Direct (excl switchboard)	Quarterly	Paul Warters	Higher is better	83%	85.70%	85.90%	Over achieving	Up 0.2% on last quarter figures. Call volumes remain similar. Some of the previous quarter has been challenging in terms of staff resources, however with new staff in post the situation going forward looks better.	No
CSB020 No. of Benefit Fraud Sanctions	Quarterly	Paul Warters	Higher is better	15	9	18	Over achieving	Consists of 5 Prosecutions and 13 Penalties for period 1 April 2015 - 30 September 2015	No
CSR002 % of non-domestic rates collected	Quarterly	Paul Warters	Higher is better	98.38%	29.76%	59.31%	Over achieving	The collection of Business Rates is slightly down on what was collected last year (0.38%). The section is being more proactive in trying to identify new or expanded businesses to which additional rates can be levied. However once identified we then have to collect which is not always an easy exercise. We are also suffering a little from appeals in that businesses can appeal their charge with the Inland Revenue whereby if successful a large refund normally occurs.	No
CSH123 % of customers satisfied with service (private sector housing) 14/15	Quarterly	Paul Warters	Higher is better	95%	97.60%	96.20%	Over achieving	Good customer satisfaction levels for the team and ahead of target.	No
ESC105 90% of all legal action followed through to satisfactory compliance or penalty	Quarterly	Philippa Dart	Higher is better	90.00%	100%	100%	Over achieving	All legal action followed through to satisfactory compliance.	No

SDP Performance Indicator	Measure Interval	CMT Member	Assess by	SDP Target 2015/16	Q1 2015-2016	Q2 2015-2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
ESC106 Sustain or improve customer satisfaction levels with Env. Health service	Quarterly	Philippa Dart	Higher is better	95.00%	98.17%	98.54%	Over achieving	Only 1.5% of customers dissatisfied. Sustained high levels of customer satisfaction.	No
ESC112 Completion of Licensing Inspection programme	Quarterly	Philippa Dart	Higher is better	100.00%	45%	74%	Over achieving	This figure is a huge achievement for the team and demonstrates the level of commitment from the officers whilst we are currently so understaffed. We are now starting to see the knock on effect of this into other areas however as we cannot sustain service at this level with current resource. This is ahead of target for this stage of the year.	No
ESC031 No. of inspections undertaken to ensure businesses complying with waste removal duty of care	Quarterly	Philippa Dart	Higher is better	100	49	83	Over achieving	Total of 83 enforcement actions from April 2015 with July and August data. No action in September as the member of staff was unwell. July - 15 August - 19 September - No actions due to staff sickness.	No
CST011 Undertake IT Customer satisfaction survey, draw up action plan, report progress to ICM	6 Monthly	Paul Warters	Higher is better	90%	N/A	97%	Over achieving	Very high levels of performance sustained from previous half year performance.	No
DCN001 No. of most serious violent crimes per 1,000 population	Quarterly	Nigel Croad	Lower is better	Target figure TBC during 2015	0.12	0.21	Baselining	Serious violent crime has decreased by 0.02 per 1000 population in Arun compared to the same 6 month period last year. The risk of becoming a victim of serious violent crime in Arun remains low.	No
DCN002 No. of incidents of public place violent crime per 1,000 population	Quarterly	Nigel Croad	Lower is better	Target figure TBC during 2015	2.77	5.98	Baselining	Public Place Violent Crime has increased by 1.13 crimes per 1000 population in Arun compared to the same 6 month period last year. In real terms, this relates to an actual increase of 174 crimes (a 23% increase) however it is difficult to relate this to actual impact as the Home Office have changed how this type of crime is recorded from 2014 to 2015 which has resulted in an increase. However, operational data suggests there is little or minimal impact to local residents for this offence.	No
DCN003 Overall crime per 1,000 population	Quarterly	Nigel Croad	Lower is better	Target figure TBC during 2015	13.38	27.58	Baselining	As per commentary provided for DCN004, overall crime in Arun has increased slightly with the risk and likelihood of becoming a victim of crime increasing by 1.05 crimes per thousand compared to the same 6 month period for the previous year. In real terms, this equates to one offence increase per thousand population and therefore is not considered a risk.	No
DCN004 Reduce overall crime	Quarterly	Nigel Croad	Higher is better	Target figure TBC during 2015	-12%	-4	Baselining	Overall crime in Arun has increased (since April 2015), up 4% compared to the same 6 month period last year, equivalent to 161 more victims of crime. Please see explanatory commentary provided for DCN003 which states that this increase is not considered a risk for this period. Fluctuations and hotspots for crime across Arun are identified by the Joint Action Group and tactical action is taken by relevant partners to decrease the impact.	No
DCN005 Reduce criminal damage	Quarterly	Nigel Croad	Higher is better	Target figure TBC during 2015	-7%	6	Baselining	Note: offence category includes both Criminal Damage AND Arson. Overall decrease of 6% since April 2015 compared to the same 6 month period in the previous year, equivalent to 37 less victims of Criminal Damage and Arson. The Safer Arun Partnership regularly monitors this crime and takes tactical partnership action where issues and hotspot areas identified.	No
PEL002 Land Charges: % of standard searches carried out in 7 working days	Quarterly	Karl Roberts	Higher is better	100%	100%	100%	Achieved target	All searches have been carried out within the 7 day period	No

SDP Performance Indicator	Measure Interval	CMT Member	Assess by	SDP Target 2015/16	Q1 2015-2016	Q2 2015-2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
DCN030 Deliver projects through the Arun Wellbeing Team under the agreed priorities which support the West Sussex Public Health Plan	Quarterly	Nigel Croad	Yes is better	Yes	Yes	Yes	Achieved target	30 Sep 2015 Projects (internal and external) continue as per quarter 1. Pre-Diabetes project has started with two courses held in GP surgeries during September 2015 (one in Bognor Regis and one in Rustington). Forward planning for next year (2016/17) has begun, taking into account indications of possible reduced funding available from Public Health which is likely to result in reduction or cancellation of some wellbeing projects. Continued high performance during the current year with planning taking place to effectively manage any reduction in funding for future years.	No
CSE001 Reach the achieving level of the new Equality Framework	Quarterly	Paul Warters	Yes is better	Yes	Yes	Yes	Achieved target	Training and team set up on track. We have recently completed a seminar session for Councillors and are exploring training options for all staff, probably to be carried out in the new financial year.	No
CSH124 % complaints responded to in time: private sector housing 14/15	Quarterly	Paul Warters	Higher is better	95%	94%	95%	Achieved target	On target and maintaining good response times for service requests.	No
CSH121 Vacant private sector dwellings returned to occupation 14/15	Quarterly	Paul Warters	Higher is better	17	4	7	Behind target	Good progress has been made and only slightly target for the end of 2nd quarter.	No
ESC107 EH response to complaints in timescale	Quarterly	Philippa Dart	Higher is better	98.00%	97.54%	96.90%	Behind target	1441 out of 1486 requests for service were dealt with in 7 days. High levels of adherence to rigorous service standards. Only just 'not achieving' target	No
PEP009 Average number of days to determine application - Major	Quarterly	Karl Roberts	Lower is better	100 days	98 days	131 days	Not achieving	13 Major applications were determined and the average time for determination was 131 days. Performance for major applications has understandably declined against our own targets due to the on-going absence of a strategic team.	No
PEP010 Average number of days to determine application - Minor	Quarterly	Karl Roberts	Lower is better	54 days	69 days	66 days	Not achieving	141 Minor applications were determined and the average time for determination was 66 days. Performance of minor applications over the last quarter has slightly improved which is good in view of the fact that another vacancy has occurred.	No
PEP011 Average number of days to determine application - Householder	Quarterly	Karl Roberts	Lower is better	40 days	57 days	57 days	Not achieving	350 householder applications were determined and the average determination time was 57 Days. Performance has been maintained from the first quarter which is good given an increase in vacancies.	No
PEP030 % of customers satisfied with Planning Service	Quarterly	Karl Roberts	Higher is better	80%	0%	0%	Not achieving	The necessary surveys have not been carried out this quarter. This will be addressed next quarter and data will be provided in Q3.	No
DCN008 Satisfaction with Arun Anti-Social Behaviour Team service	Quarterly	Nigel Croad	Higher is better	70%	0%	0%	Not achieving	Data is not available in the quarter due to reduced resources in the Community Safety team.	No
CSC001 Working days lost due to sickness absence	Quarterly	Paul Warters	Lower is better	7 days	8.59 days	8.72 days	Not achieving	The majority of the service areas are above the target figure however, the sickness figures for the 12 month rolling period have gone up for 10 service areas and down for 4 service areas, with one remaining the same. The overall figure has gone up slightly from the previous review period. During the last 12 months we have had a number of serious long term sickness cases. Long term sickness absence accounted for 5.18 average days per employee and short term sickness absence accounted for 3.54 average days per employee during this 12 month period. It is acknowledged that the figures are going in the wrong direction, something which is unlikely to improve as we move into a winter quarter. We are offering free flu vaccinations to staff which we hope will have an impact on the full year figures. We are also offering support to staff via Wellbeing, an initiative around supporting staff who are carers (to start before Christmas) and increased training and support on dealing with mental health issues.	No

SDP Performance Indicator	Measure Interval	CMT Member	Assess by	SDP Target 2015/16	Q1 2015-2016	Q2 2015-2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
CSH043 No. of council properties without a valid gas safety certificate 14/15	Quarterly	Paul Wartars	Lower is better	0	0	1	Not achieving	There was one overdue Gas Safety Certificate September 2015. By following our new robust 'no access process and procedure' the Council applied for an injunction which was granted on 21 October. The papers were served by the courts and the tenant then called our gas contractor and the gas service was completed on the 26 October so we are again 100% compliant.	No
ESC109 Completion of Risk based inspection programme - food	Quarterly	Philippa Dart	Higher is better	100.00%	18.86%	34%	Not achieving	Food inspection in the 1st two quarters out of 227 a planned 668. It is anticipated that the full programme of inspections will be completed by the end of the March 2016. There are a number of factors which have led to a lower proportion of inspections in the first half of the year: Low risk food premises will have interventions undertaken in the second half of the year. One of the administration officers retired two months ago leading to officer time being used to cover elements of her work on an interim basis. The availability of our food safety contractor is weighted to the second half of the year.	No
ESC061 Number of missed refuse collections per 100,000	Quarterly	Philippa Dart	Lower is better	15	41.93	40.45	Not achieving	Combined Cleansing Contract target rate is 80 per 100,000 collections, so Biffa are still well within performance targets as laid out in the contract. Missed refuse bin collections: July - 121 missed from 332,470 collections; Aug - 121 missed from 303,559 collections; Sept - 130 missed from 318,014 collections; This equals 40.45 missed bins per 100,000 collections or 99.99% right first time	No
ESC062 Number of missed recycling collections per 100,000	Quarterly	Philippa Dart	Lower is better	15	25.76	25.76	Not achieving	Combined Cleansing Contract target rate is 80 per 100,000 collections, so Biffa are still well within performance targets as laid out in the contract. Missed recycling bin collections: July - 39 missed from 166,235 collections; Aug - 39 missed from 151,780 collections; Sept - 49 missed from 159,007 collections. This equals 25.76 missed recycling bins per 100,000 collections or 99.973% right first time.	No
PES001 Net additional homes provided	Annually	Karl Roberts	Higher is better	565	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
DCN031 Adult participation in sport and active recreation	Annually	Nigel Croad	Higher is better	32%	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
DCL011 % of complaints reported to the Local Government Ombudsman that are upheld	Annually	Nigel Croad	Lower is better	11%	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
CEP001 % of Corporate Plan Items achieving their objectives	Annually	Nigel Lynn	Higher is better	85%	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESC081 Maintain 26 Safer Parking Awards from ParkMark	Annually	Philippa Dart	Higher is better	26	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESC002 Residual household waste per household	Annually	Philippa Dart	Lower is better	466kg	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESC108 Section 18 and FSA plans produced	Annually	Philippa Dart	Higher is better	Yes	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESC110 Deliver Annual Health & Safety Action Plan	Annually	Philippa Dart	Higher is better	Yes	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESC111 Completion of risk based inspection programme - pollution	Annually	Philippa Dart	Higher is better	100%	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A

SDP Performance Indicator	Measure Interval	CMT Member	Assess by	SDP Target 2015/16	Q1 2015-2016	Q2 2015-2016	Q2 Status	Measurer or Validator Comments	Any action recommended by CMT?
ESG031 Progress Memorial Safety inspection as per agreed annual programme	Annually	Philippa Dart	Higher is better	100%	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESG041 Performance of grounds maintenance contracts per package of work - nil default notices and damages	Annually	Philippa Dart	Lower is better	0	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESG042 Complete relevant elements of Restoration Management Plan for Hotham Park in accordance with Project Programme	Annually	Philippa Dart	Higher is better	100%	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESG043 Achieve Green Flag awards for Hotham and Mewsbrook Parks and Marine Park Gardens	Annually	Philippa Dart	Higher is better	3	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A
ESG051 No. of trees planted	Annually	Philippa Dart	Higher is better	200	N/A	Not measured at Q2, measured Annually	N/A	N/A	N/A

COUNCIL TAX SUPPORT TASK AND FINISH WORKING PARTY9 December 2015 at 4.06 pm

Present: Councillors Hitchins, (Chairman), Clayden, Dingemans and Mrs Oakley.

[Note: Councillor Mrs Oakley was absent from the meeting during consideration of the matters detailed in Minutes 6 to 9 (part)].

6. Apology for Absence

An apology for absence had been received from Councillor Mrs Rapnik and also from the Cabinet Member for Corporate Governance, Councillor Wensley.

7. Declarations of Interest

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the Government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions on the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a member declares a "Prejudicial Interest", this will, in the interests of clarity for the public, be recorded in the minutes as a Prejudicial and Pecuniary Interest.

Councillor Clayden declared his Personal Interest in Agenda Item 5 (Council Tax Reduction Scheme – Year 6 – April 2017) in so far as he claimed the single discount in respect of his Council Tax.

8. Minutes

The Minutes from the last meeting of the Working Party held on 15 September 2015 were approved by the Working Party as a correct record and were signed by the Chairman.

9. Council Tax Reduction Scheme – Year 5 – April 2017

The Working Party received a report from the Benefits Manager which asked Members to consider:

- The proposed timetable for the design and content of the Local Council Tax Reduction Scheme for Year 5 – April 2017.
- The approach or approaches to be taken in the formulation of the scheme from April 2017; and
- Whether a presentation by an external consultant would be useful in assisting Members with the design of the scheme for year 5.

The Benefits Manager then worked through the report and drew Members' attention to Section 3 which highlighted the various components of the existing scheme as well as providing an analysis of the current Council Tax Reduction caseload. This set out how the current scheme supported vulnerable groups by the provision of additional allowances and premiums in the calculation. It was pointed out that the Council's existing scheme also provided an extra 4 weeks benefit to qualifying claimants who returned to work, thus making the transition from benefit to work easier.

Members were advised that the Working Party may wish to consider whether any group or groups of customers should receive additional protection over and above that already provided for in the current scheme, bearing in mind that careful consideration needed to be given to equality issues, as targeting additional support to specific groups could be open to challenge and full equality impact assessments would need to be undertaken.

Prior to considering designing the scheme for Year 5, the Working Party was reminded that the estimated cost of the Council's existing scheme was £10,752,251 with Arun's contribution being £1,075,225. Using the principles in the West Sussex framework, some initial modelling had been carried out to show where changes could be made and to provide some indication of the levels of savings which could be achieved. Members were asked to bear in mind that these figures were indicative as external factors, such as changes to other Welfare Benefits, could impact on Arun's mean tested scheme. They did, however, provide a starting point for discussion of the options available if Members wished to modify the scheme. The results of the initial modelling had been provided within Appendix D to the report.

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At this point, questions were asked about the additional 4 weeks benefit that the current scheme paid to qualifying claimants returning to work. Members were keen to know whether other local authorities provided this additional benefit. The Benefits Manager confirmed that most other Councils did not provide this additional benefit. The feeling of the Working Party was that this was something that should be looked into further with a view of either reducing this benefit completely or adopting some phased approach to ceasing such payments. The Benefits Manager was asked if she could provide any evidence as to whether the additional 4 weeks payment assisted qualifying claimants greatly. The response provided was that it provided little benefit and that its provision was anecdotal. There was a need to pay it in terms of housing benefit but for Council Tax the same level of need did not seem to be there.

The Working Party then considered the initial modelling that had been undertaken showing where changes could be made. This provided some indication of the levels of savings that could be achieved and set out a starting point for the Working Party, allowing it to focus on the options available to it and where modifications could be made.

Looking at the modelling options set out in Appendix D to the report, the Chairman suggested that the Working Party focus on the following:

- Option 1 – Limitation in liability (maximum eligible Council Tax to be used in the calculation of the reduction 80%)
- Option 2 – Limitation in Council Tax Band used within the calculation of the reduction (illustrated at Band D)
- Option 5 – The inclusion of Child Benefit as an income used within the calculation of the reduction
- Option 6 – The inclusion of Child Maintenance as an income used within the calculation of the reduction
- Option 10 – the inclusion of a minimum weekly amount of reduction (under £5)
- Option 11 – The inclusion of a minimum weekly payment (£5.00) – all working age
- Option 12 – The inclusion of a minimum weekly payment (£5.00) excluding passported cases

In discussing these options in more detail, the Working Party was reminded of the County Council's wish for the Council, as part of its next review of the scheme, to consider the potential for a modified scheme of support for Council Tax. This was because the national funding support for Council Tax support scheme was tapering sharply in line with the overall major funding cuts that all Councils were facing. It was important for the Working Party to bear this in mind at an early stage in looking at the design of the Council's scheme for 2017 onwards.

The Working Party then agreed that the following actions be undertaken before its next meeting planned for 2 March 2016. These were that the Benefits Manager:

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- (1) provides more figures on Options 1, 2, 10 and 11 and provides information on the pros and cons of changing or removing each of these from the existing scheme;
- (2) provides figures on the extra 4 weeks benefit paid to qualifying claimants
- (3) provides information on what other authorities are doing/the changes that they have adopted;
- (4) provide details of Worthing's hardship fund
- (5) approaches an external consultant with a view to organising a Seminar for all Members of the Council to explain the legislation/the Council's existing scheme and advice in terms of designing a scheme for the Council for year 5 – 2017.

Finally, the Working Party was reminded that any revised or replacement scheme needed to be approved by Full Council by the end of January 2017 and that in addition to this, any new scheme, including changes made to the existing scheme, had to forego full public consultation. This was why a detailed timetable of work had been produced building into this adequate time for a thorough consultation exercise to take place.

The Working Party noted this timetable accepting that it may need to change as work progressed on designing the Year 5 scheme. It was hoped that the Seminar for Members could be held before the next meeting of the Working Party on 2 March 2015 – though it was accepted that the date of this meeting might need to change to accommodate the seminar taking place first.

The Working Party finalised the meeting by thanking the Benefits Manager for her work and that it looked forward to receiving further modelling options and information for its next meeting.

(The meeting concluded at 5.20 pm)