

OVERVIEW SELECT COMMITTEE

28 January 2020 at 6.00 pm

Present: Councillors Coster (Chairman), Clayden (Vice-Chair), Bennett, Bicknell, B Blanchard-Cooper, Mrs Catterson, Dendle, Elkins, English, Miss Rhodes, Tilbrook and Mrs Worne

Councillors Mrs Gregory, Gunner, Lury, Oppler, Purchase, Stanley, Dr Walsh and Mrs Yeates were also present during the meeting.

406. WELCOME

The Chairman welcomed Members, Officers and members of the press to the meeting.

407. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Huntley, Miss Needs and Miss Seex.

408. DECLARATIONS OF INTEREST

Councillor Elkins declared a Personal Interest in Agenda Item 5 [Council Budget 2020-2021] in his position as a Cabinet Member at West Sussex County Council.

409. MINUTES

The Minutes of the Special Meeting of the Committee held on 14 January 2020, as circulated at the meeting, were approved by the Committee as a correct record and were signed by the Chairman.

410. COUNCIL BUDGET 2020 - 2021

The Chairman welcomed the Financial Services Manager to the meeting and invited her to work through the Council's Budget for 2020/2021 highlighting what she felt were the significant areas that Members should be made aware of. It was explained that any comments that the Committee wished to make would be forwarded onto the next meeting of Cabinet taking place on 10 February 2020 before the Minutes from that meeting would be submitted to the Special Meeting of the Council on 19 February 2020.

The Financial Services Manager then presented the Council's Budget for 2020/21 and explained the main strategic issues. These have been summarised below:-

- The General Fund budget needed to be seen in the context of increasing deficits from 2021/22 which the Council needed to address. It was planned to consult Members on efficiencies and income generating ideas during 2020.
- The Budget for 2020/21 was a roll forward settlement as important decisions about Local Government funding such as the future of the New Homes Bonus (NHB); details of the retained business rates system; and the Fair Funding formula that had been planned for 2020/21 had been delayed. This had had a positive effect on the Council's Budget, but it needed to be emphasised that this was only a one-off experience.
- The draft settlement had finally been issued on 20 December 2019 after being delayed by the General Election and Brexit preparation.
- Looking at Government funding, it was outlined that for NHB for 2020/21 the Budget included a one-off windfall and then it would only be legacy payments received from 2021/22. The report highlighted at Table 2.8 that the Council was not anticipating any NHB from 2023/24.
- The Council stopped receiving Revenue Support Grant (RSG) in 2018/19. The negative payment of £430k was cancelled by the Government in 2019/20 and for 2020/21.
- The Business Rate Retention Scheme, which would result in a reset of the growth in business rates was now anticipated for 2021/22. It was expected that this would have a very negative impact on the Council as the accumulated growth would be wiped out when the baseline was reset to the current level. However, the system had not been finalised.
- The changes in Government funding had been fully set out in Table 2.10 of the report.
- Council Tax Income – Council Tax was proposed to be increased by £4.95 or 2.73% for a Band D property. The Council's tax base for 2020/21 showed a significant increase from 61,281 to 62,244 which was mainly due to the completion of new dwellings in the District.
- Looking at the General Fund Budget the main highlight was a planned reduction in the General Fund Balance of £671k. Table 4.1 in the report illustrated a balance of around £7m at the end of 2019/20 which would reduce to around £6m by the end of 2020/21. The Council was required to keep higher level of balances given the threats to government funding forecasted for the future.
- The major budget variations were highlighted. These included:
 - A likely 2% pay award to Council staff.
 - The loss of £1m of recycling credits from West Sussex County Council over two years adding significant budget pressure.
 - The recently approved supplementary estimate to support the cost of homelessness nightly paid accommodation. It was emphasised that this was a national problem and so £500k had been added to the service budget for 2020/21 with £500k in the contingency budget in case this situation did not improve. This was matched by the Flexible Homelessness Support Grant but that was for 2020/21 only.

- Another big item of change was the contingency budget increase for housing related activities; the invest to save scheme of £250k and the Council's strategic target table at 4.14 of the report.
- Looking at the Housing Revenue Account Budget (HRA), it was confirmed that this budget was all in line with the approved priorities of the HRA Business Plan as updated. This identified how the Council intended to deliver its strategic target of providing 250 new affordable homes over a ten-year period.
- A budget of £15m had been approved in 2018/19 for the acquisition/new build programme. An additional £9m had been made available in 2020/21 to allow for the necessary amount of flexibility in terms of planning for this enhanced programme. The approved schemes had been set out in the report.
- It was explained that 2019/20 had been the last of the statutory annual 1% rent reductions, this had been over a 4-year period due to statutory prescription. For 2020/21 rents would be increased by 2.7% in accordance with the provisions of the new rent standard.
- Finally, looking at asset management and projects, Table 8.6 of the report showed the projects that would be funded from the Capital Programme Budget. This included £200k for Littlehampton Public Realm with the remainder being mainly essential maintenance works such as the Fizzleet Car Park. The remaining balance of £610k could be spent on Bognor Regis seafront and Sunken Gardens but it was outlined that this would be subject to appraisal and would be required to be viewed against the Council's other priorities.

Finally, and in summing up, the Financial Services Manager stated that the General Fund Revenue Budget and Capital Budgets had been set robustly and within the Council's approved Financial Strategy. Although this was a good news story, Members needed to look to 2021 and beyond when there would be more need for the Council to critically appraise its expenditure and investment decisions to meet the future challenges outlined earlier.

The Chairman thanked the Financial Services Manager for her detailed presentation and invited questions from the Committee. These have been summarised below:

- How could the proposed increase in Council Tax be justified at a rate of 2.7% when CPI was 1.7% and as the Council's staff would only be receiving a potential 2% pay increase, leaving them worse off. It was explained that the staff pay award had not been confirmed but if awarded this was more than CPI, the two could not be related. Any increases proposed in Council Tax were to bridge the budget gap.
- Could a breakdown be provided in terms of contingencies and miscellaneous items referred to in Appendix 1? The Financial Services Manager outlined the main items which were homelessness; Invest to Save, pump priming and the Council's Strategic Targets.

- In terms of capital expenditure by portfolio, in terms of the Economy budget for 2019/20 was zero and for 2020/21 was £200k – what was this? It was explained that Appendix 3 to the report detailed this and that it related to Public Realm work.
- Concern was expressed over the loss of funding for recycling credits and an explanation was requested. It was confirmed that the funding used to be received from WSCC which had been scrapped. This had been a way for WSCC to get their budget to balance.
- It seemed that Arun was being punished by WSCC for doing well with its recycling figures. In response, Councillors were referred to Table 4.4 in the report which showed that this had been the second year of reduction in recycling credits. The decision by WSCC could not be reversed.
- It seemed that the Council was increasing Council Tax partly due to WSCC cuts – were there any other issues that Councillors needed to be made aware of? There were none at present.
- On the Business Rate Retention scheme, would the Council receive more money and if so, how much? It was explained that the Council would lose the growth that the Council had benefited from when the system was reset and would only receive funding from new growth. Future funding would be redistributed through the fair funding formula which was likely to be adverse to District Councils as funding was redirected to Council's with responsibility for social care.
- Looking at the changes in Government grant funding which had increased very slightly, this would not continue and so what was the expectation in terms of how it was looking for next year? It was explained that there would be cuts but the level was impossible to predict as the new system had not been agreed.
- The Technical Services Budget had been cut from £691 to £ 424 and now £380k. Was this a staff reduction? It was confirmed that a written response would be provided.
- On the Retained Business Rates Reset and the appeal proves, had there been any challenges as expected? It was confirmed that there had been quite a lot of challenge which had had a knock-on effect as they could go back a number of years.
- On the same issue, had the Council seen significant income because of cases, how many cases had there been and to what extent. As these were technical questions it was confirmed that a response would be provided in writing.
- Turning to the new Governance structure approved by Full Council on 15 January 2020, the budget cost for a new Committee Clerk confirmed as £37k in the table at 4.14 did not match the figures set out in the report that went to Full Council confirming this to be £54k. Could this be explained? It was agreed that a written response would be provided.

In summing up the comments made, the Chairman outlined that he formally wished to have recorded his thanks passed onto the Finance Team for producing the budget and during very difficult times.

The Committee in giving its general support and noting the contents of the Council Budget for 2020/2021 [which would be considered by Cabinet at its next meeting on 10 February and then at the Special meeting of the Council on 19 February 2020] then confirmed that it noted and approved the Budget for 2021/21, with its discussion points being circulated to Cabinet on 10 February 2020.

Councillor Dendle requested that it be recorded that he abstained from voting on this item.

411. CORPORATE PLAN - 2018 - 2022 - Q2 PERFORMANCE OUTTURN REPORT FOR THE PERIOD 1 APRIL 2019 - 30 SEPTEMBER 2019

The Committee received the Quarter 2 performance outturn for the Corporate Plan performance indicators for the period covering 1 July to 30 September 2019. It was explained that this report was being submitted to Members later than normally scheduled as result of the snap General Election held on 12 December 2019.

The Group Head of Policy provided some background to the report and 2020 Vision programme in place. Behind the three Council Priority themes of Your Services; Supporting You; and Your Future sat a series of targets that were measurable with the performance of these targets being reported to the Council's Corporate Management Team (CMT) every quarter and to this Committee and Cabinet every six months and at year end.

There were 11 Corporate Plan indicators and six were measured at Quarter 2. The report set out what indicators were not achieving their target; were behind target; were achieving their target; and over achieving the target. Each of the thresholds and categories of performance for each indicator was outlined to the Committee and set out in the Appendix to the report with CMT providing their comments and where remedial action was required.

It was outlined that the Director of Place, with support from CMT, was recommending the Committee to consider recommending to Cabinet to amend the target figure for indicator CP10 [Total Rateable Business Value for the Arun District] from £91m to £99.138 m with effect from Quarter 1 in 2020. If approved, Cabinet would then make this a recommendation to Full Council to amend this target. The Committee was being requested to support this amendment to this target figure and to note the Council's overall Quarter 2 performance against the targets of the Corporate Plan.

The following questions were asked by the Committee:

- On CP11 questions were asked about the Government's proposals to introduce weekly food waste collections and if this was being introduced in 2021/22, was the Council proposing to get rid of weekly waste collections? The Leader of the Council, Councillor Dr Walsh responded confirming that WSCC were looking at introducing a trial of food waste collections in the Arun District, based upon a trial recently undertaken at Mid Sussex District

Council. It was explained that the area this trial would cover needed to be very carefully considered in terms of having a wide range of demographics. The results of this pilot project would inform how such a project would be extended to whole of the District.

- On CP11, the comment was made that it would have been beneficial to have had the appropriate Director present at the meeting so that a more in-depth explanation could have been provided in terms of why this indicator had been failing. What was the Council doing to address this? Had this been down to the withdrawal of recycling credits by WSCC? The Leader of the Council, Councillor Dr Walsh, explained that WSCC had withdrawn its recycling credits from every Local Authority, nothing could be done about this action. The Group Head of Policy confirmed that she would raise this issue with the Director of Services so that a written answer could be provided.
- On CP11, could the Council look at renewing stickers for recycling bins to improve recycling levels so that the public were aware of all new items that could be recycled. It was explained that this had happened but accepted that the Council could do more to engage the public, through use of Arun Times and social media platforms.
- On CP11, mention was made of the Council's decision to increase the target last year. Did the Council receive any accreditation for rubbish that was taken to a recycling centre as this could impact figures? It was explained that WSCC would take the credit for this and so it did impact figures.
- Further questions were asked about the new WSCC Food Waste trial and whether this would add to the Council's recycling rates - this would then assist the Council in getting to achieve the increased rate. Councillor Dr Walsh explained that this would have an improving effect.
- On CP11, to boost recycling rates could more work be done by junior officers to provide updates on social media to pass information onto the younger generation. Councillor Dr Walsh confirmed that the Council had now adopted a Digital Strategy and so this work would be taking place.
- On CP11, would the food trial include the recycling of nappies? Councillor Purchase explained that the trial would include all 'smelly' waste including hygiene products, not just food.
- Concern was expressed over the varying provision of recycling bins over the District and could this be addressed. Councillor Purchase confirmed that this would be looked at when the Council came to retender its contract.

The Chairman then reminded the Committee of the proposal to amend the target figure for indicator CP10 [Total Rateable Business Value for the Arun District] from £91m to £99.138m with effect from Quarter 1 2020. He explained that this would be a recommendation to Cabinet on 9 March 2020 who would then make a recommendation to Full Council on 18 March 2020.

The Committee

RESOLVED

That the Council's Quarter 2 Performance against the targets for the Corporate Plan Indicators as set out in this report and Appendix A be noted.

The Committee also

RECOMMEND TO CABINET ON 9 MARCH 2020

That the target figure for Indicator CP10 [Total Rateable Business Value for the Arun District] be amended from £91m to £99.138 m with effect from Quarter 1 2020.

412. SERVICE DELIVERY PLAN - 2018 - 2022 - Q2 PERFORMANCE OUTTURN REPORT FOR THE PERIOD 1 APRIL 2019 - 30 SEPTEMBER 2019

The Committee received the Quarter 2 performance outturn for the Service Delivery Plan performance indicators for the period covering 1 July to 30 September 2019.

It was explained that the performance of these indicators was reported to the Corporate Management Team (CMT), this Committee and Cabinet every six months and at year end.

There were 23 Service Delivery Plan indicators and 13 were measured at Quarter 2. The report set out what indicators were not achieving their target; were behind target; were achieving their target; and over achieving the target. Each of the thresholds and categories of performance for each indicator was outlined to the Committee and set out in the Appendix to the report with CMT providing their comments and where remedial action was required.

The following questions were asked by the Committee:

- SDP4 [Occupied Rental Units in Littlehampton] – concern was expressed that there were 10-12% of empty shops in Littlehampton and that there should be more of a strategic push to get these premises re-let. Could the Council do more to improve this situation and was the Council flexible in providing discounts for business rates.
The Leader of the Council, Councillor Dr Walsh, responded stating that the figures quoted were better than other areas across the southern coastal strip. There was a scheme in place whereby any business with a turnover of less than £80k did not have to pay business rates – this was applied as widely as possible.

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- On SDP4 – in Littlehampton 1 in 9 properties were empty and there did not seem to be much of a plan to address this.
- SDP 18 [Cost of Emergency Accommodation per annum] – figures were requested on the average length of stay for a family in emergency accommodation.

The Cabinet Member for Residential Services, Councillor Mrs Gregory, responded stating that the Homelessness Reduction Act confirmed that no families could stay in emergency accommodation for longer than 56 days. The Council was complying with this and this was why it was buying more of its own property. Also, a review of the Housing Service had put into place measures allowing the Council to employ more staff to face the demands of this part of the housing service.

- SDP 18 [Housing Benefit Overpayments Recovered] – had the Council seen an increase in spend since WSCC had cut its grants to homeless charities. Councillor Mrs Gregory stated that she did not have the figures to hand but thought that this would have had an impact.
- SDP 4 and SDP 5 – could the exact figures for Littlehampton and Bognor Regis please be provided to the Committee.
- SDP 4 and SDP 5 – now that the Council was part of the Greater Brighton Economic Board, could the Cabinet Member confirm if this had helped in attracting more businesses to the District and had there been any more interest from larger business looking to relocate? Councillor Dr Walsh confirmed that having membership to this Board was bringing to the District greater publicity with Arun now being a great area to migrate to as opposed to some areas of central Brighton. Exciting projects such as Gigabyte West Sussex were all positive moves.

The Committee

RESOLVED

That the Council's Quarter Two Performance against the targets for the Service Delivery Plan (SDP) indicators as set out in the report and the Appendix is noted.

413. FEEDBACK FROM MEETINGS OF THE HEALTH AND ADULT SOCIAL CARE SELECT COMMITTEE HELD ON 27 NOVEMBER 2019 & 15 JANUARY 2020

The Committee received and noted the feedback reports received from Councillor Bennett following his attendance at the meetings of the West Sussex County Council's Health and Adult Social Care Committee (HASC) held on 27 November 2019 and 15 January 2020.

414. CABINET MEMBER QUESTIONS AND UPDATES

A wide range of questions were asked by the Committee to Cabinet Members present in the Public Gallery. These have been summarised below:

- Councillor Dendle – Could the Council commit to planting 10,000 trees per annum across the District? The Cabinet Member for Neighbourhood Services, Councillor Purchase, stated that a full answer could not be provided but that he would investigate this request and provide a written response.
- Councillor B Blanchard Cooper – various points were made about Regeneration in Bognor Regis and Littlehampton. Could anything be done to put the following issues into one document to prove what the Council was doing to improve regeneration – being discounted rates for shops, progressing work on the Littlehampton Public Realm, the relationship with traders, money for events; Town Councils working with the District Council on improving security in the Towns and plans to make buildings look better. The Leader of the Council, Councillor Dr Walsh, confirmed that all of this work was in progress, some of it would feature in the Arun Times publication with other issues featuring in the Position Statement reports that were submitted to each meeting of the two Regeneration Sub-Committees.
- Councillor Bennett to the Cabinet Member for Planning - it was felt that there was a serious lack of staff in the planning enforcement team and that large development firms were getting away with not adhering to planning conditions as part of an approved planning application – could a response be provided in terms of how this could be addressed? Councillor Lury outlined that staffing levels and processes were being looked at but that a written response to the question would be provided.
- Councillor Bennett to the Cabinet Member for Community Wellbeing on anti-social behaviour. There was concern that levels of anti-social behaviour in young people was increasing. This had affected the youth centre in Rustington with staff being harassed to such a level that the centre had closed on a temporary basis. Councillor Bennett referred to the Council's Wellbeing Team being overstretched and how could they deal with this? He asked the Cabinet Member if she could investigate the situation. Councillor Mrs Yeates stated that she would raise this at the next meeting of the Police and Crime Panel which she would be attending soon but would take the concerns back to Arun Officers to see what could be done.
- Councillor Dendle to the Cabinet Member for Technical Services regarding renewable energy on top of the Civic Centre and whether this could be rolled out to other public buildings. Could the Cabinet Member provide a response outlining the Council's plans to introduce this? Councillor Stanley confirmed that he would provide a written response.
- Councillor Dendle to the Cabinet Member for Community Wellbeing on leisure, did the Council have plans to work with the NHS in organising free entrance to the Council's leisure facilities for people who were disadvantaged? Councillor Mrs Yeates reminded Members of the presentation that this Committee received last year from Freedom Leisure where it was explained the new initiatives in place to do this.

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- Councillor Bicknell on local infrastructure and utility companies requiring access underground for power; gas and drainage work. Was there a way of organising a central bank of information so that such works could happen at the same time and to reduce the risk of building over sewers to prevent flooding issues? Councillor Dr Walsh confirmed that this was a function of West Sussex County Council and he recommended that Councillor Bicknell should contact the Cabinet Member for Highways and Infrastructure, Councillor Elkins.
- Councillor Gunner referred to some notices on Climping beach which had been placed by the Environment Agency stating that it was not economical to maintain groyne – could this be explained? Councillor Stanley confirmed that a written response would be provided.

415. WORK PROGRAMME 2019/2020

The Committee received and noted a verbal update from the Group Head of Policy which reminded Members that its next meeting the Committee would be looking at its Work Programme for 2020/21.

(The meeting concluded at 8.04 pm)