



Email: committeeservices@horsham.gov.uk
Direct line: 01403 215465

Council

Wednesday, 22nd April 2020 at 6.00 pm
Park Suite, Parkside, Chart Way, Horsham

To: All Members of the Council

(Please note that prayers will be taken by The Reverend Canon Lisa Barnett, St Mary's Horsham, before the meeting commences)

You are summoned to the meeting to transact the following business

Glen Chipp
Chief Executive

Following the Government's decision to ask public venues to shut, Horsham District Council's office at Parkside has closed until further notice. Council meetings will go ahead with Councillors participating via remote video link and the public via an audio link. Public participation will be by pre registration with committeeservices@horsham.gov.uk

Agenda

	Page No.
1. Apologies for absence To receive any apologies for absence.	
2. Minutes To approve as correct the minutes of the meeting of the Council held on the 12 th February 2020. <i>(Note: If any Member wishes to propose an amendment to the minutes they should submit this in writing to committeeservices@horsham.gov.uk at least 24 hours before the meeting. Where applicable, the audio recording of the meeting will be checked to ensure the accuracy of the proposed amendment.)</i>	3 - 12
3. Declarations of Members' Interests To receive any declarations of interest from Members	
4. Announcements To receive any announcements from the Chairman of the Council, the Leader, Members of the Cabinet or the Chief Executive	

5. **Questions from the Public**

To receive questions from the public under Rules 4a.2(f) and 4a.8-18.

6. **Decisions Arising from the COVID-19 Emergency**

13 - 22

To note the report.

7. **Members' Questions on Notice**

To receive questions from Members under Rules 4a.20(b)-25 of the Constitution.

8. **Urgent Business**

To consider matters certified by the Chairman as urgent

Public Document Pack Agenda Item 2

Council 12 FEBRUARY 2020

Present: Councillors: Kate Rowbottom (Chairman), Karen Burgess (Vice-Chairman), Matthew Allen, Andrew Baldwin, Tony Bevis, John Blackall, Toni Bradnum, Chris Brown, Jonathan Chowen (Deputy Leader), Philip Circus, Paul Clarke, Roy Cornell, Christine Costin, Michael Croker, Ray Dawe (Leader), Ruth Fletcher, Billy Greening, Frances Haigh, Tony Hogben, Liz Kitchen, Lynn Lambert, Gordon Lindsay, John Milne, Mike Morgan, Godfrey Newman, Roger Noel, Bob Platt, Louise Potter, Josh Potts, Stuart Ritchie, Jack Saheid, Jim Sanson, David Skipp, Diana van der Klugt, Claire Vickers, Belinda Walters and Tricia Youtan

Apologies: Councillors: Alan Britten, Peter Burgess, Leonard Crosbie, Brian Donnelly, Nigel Jupp, Richard Landeryou, Tim Lloyd, Colin Minto and Christian Mitchell

Absent: Councillors: Ian Stannard and James Wright

CO/60 **MINUTES**

The minutes of the meetings of the Ordinary Council and the Extraordinary Meeting of Council on the 11th December were approved as a correct record and signed by the Chairman.

CO/61 **DECLARATIONS OF MEMBERS' INTERESTS**

There were no declarations of interest.

CO/62 **ANNOUNCEMENTS**

The Cabinet Member for Planning and Development announced that the consultation document for the Horsham District Local Plan Regulation 18 would be published on the 17th February, and the public would be able to submit comment on the Local Plan for six weeks. There would be exhibitions across the District, and hard copies of the document would be available in all libraries.

The Cabinet Member for Local Economy and Parking reported that the Coast to Capital Local Enterprise Partnership had awarded £2m local growth funding toward the converged fibre connectivity project to increase digital infrastructure across West Sussex. This supported a roll out of full fibre broadband. The council was part of the team, led by West Sussex County Council, that secured the funding.

The Cabinet Member for Community Matters and Wellbeing reported that new temporary accommodation had been built for residents who found themselves homeless. This was the third such scheme completed since late 2017, and

demonstrated the council's commitment to reducing and eventually eliminating the use of bed and breakfast accommodation for homeless households. The latest development was made of 9 self-contained flats.

CO/63 **QUESTIONS FROM THE PUBLIC**

No questions relevant to the business of the meeting had been received.

CO/64 **PETITIONS**

No petitions had been received.

CO/65 **TO NOTE CHANGES TO THE MEMBERSHIPS OF THE ORDINARY COMMITTEES OF THE COUNCIL**

Changes to the membership of the Ordinary Committees of the Council were noted.

CO/66 **RECOMMENDATIONS FROM CABINET**

EX26 CORPORATE PLAN 2019-2023

The Leader reported that Horsham District had been recognised as one of the best places to live in the UK and that the Council intended to enhance that reputation.

The Corporate Plan provided a focus for the Council's activities, and explained how it would prioritise resources and continue to deliver high quality, easily accessible and value for money services to the people living and working in the District over the next five years.

RESOLVED:

That the draft Corporate Plan be adopted.

Reasons for Recommendations

To ensure that Corporate Priorities for Council period are clear and form the basis of service plans, budget and activity across the Council.

EX/52 BUDGET 2020/21 AND THE MEDIUM TERM FINANCIAL STRATEGY TO 2023/24

The Leader stated that the report sets out details of the proposed 2020/21 revenue and capital budgets following the receipt of the provisional financial settlement from Government on 20 December 2019. The net budget requirement for 2020/21 at £11.2m was £0.77m

higher than in 2019/20. This was largely due to the loss of £0.87m of recycling credits received from West Sussex County Council from 1 April 2020. The Council was able to set a budget that would generate a surplus. In the year, the Council would be delivering a £13.3m capital programme.

The report also reviewed the Medium Term Financial Strategy 2020-24 approved by Council in December 2019 in the light of any updated information. The outlooks remained uncertain due to limited detail available on Government's proposed significant changes to the future of business rates and the Fair Funding Review.

The current projection was for the Council to have a budget surplus in 2020/21 and near-balanced budgets over the period of the Medium Term Financial Strategy. This was despite a continued reduction in Government funding although we anticipate any effect to be dampened over the period, rather than a step change in 2021. The near-balanced budgets were dependent on delivering a programme of digital transformation.

RESOLVED

That:

- i) The level of Council Tax for 2020/21 be increased from £149.53 by £2.99 (2.0%) to £152.52 at Band D.
- (ii) The net revenue budget set out in Appendix A for 2020/21 of £11.201m be approved.
- (iii) The Special Expenses of £309,500 set out in Appendix D and a Band D charge of £25.85 be agreed in respect of the unparished area for 2020/21.
- (iv) The capital programme for 2020/21 set out in Appendix E be approved and that the indicative capital budgets in the programme for future years be noted.
- (v) The projected future near-balanced budgets on the revenue account in 2021/22 to 2023/24 be noted and the Medium Term Financial Strategy continue to be reviewed and refined to ensure that decisions be taken to deliver these balanced budgets in these three years.
- (vi) The Minimum Revenue Provision Statement set out in Appendix F be approved.
- (vii) The Capital Strategy and prudential indicators and limits for 2019/20 to 2022/23 set out in Appendix G be approved.
- (viii) To note the statement on the robustness of the level of reserves in Appendix I.

- (ix) That the increases to fees and charges set out in Appendix J be approved.
- (xi) That the Council remain in the West Sussex business rates pool for 2020/21.

Reasons for Recommendations

To meet the Council's statutory requirement to approve the budget and the prudential indicators before the start of a new financial year.

CO/67 **COUNCIL TAX RESOLUTION 2020/21**

It was moved by Councillor Ray Dawe and seconded by Councillor Gordon Lindsay that the Council Tax resolution for 2020/21 be approved.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, the voting in respect of the motion was recorded and was as follows:

FOR THE MOTION: Councillors: John Blackall, Toni Bradnum, Chris Brown, Karen Burgess, Jonathan Chowen, Philip Circus, Paul Clarke, Roy Cornell, Michael Croker, Ray Dawe, Billy Greening, Tony Hogben, Liz Kitchen, Lynn Lambert, Gordon Lindsay, Mike Morgan, Roger Noel, Bob Platt, Josh Potts, Stuart Ritchie, Kate Rowbottom, Jim Sanson, Diana van der Klugt, Claire Vickers and Tricia Youtan.

AGAINST: Councillors: Matthew Allen, Anthony Bevis, Christine Costin, Ruth Fletcher, Frances Haigh, John Milne, Godfrey Newman, Louise Potter, David Skipp and Belinda Walters

ABSENT: Councillors: Andrew Baldwin, Alan Britten, Peter Burgess, Leonard Crosbie, Brian Donnelly, Nigel Jupp, Tim Lloyd, Richard Landeryou, Colin Minto, Christian Mitchell, Ian Stannard and James Wright.

The motion was declared CARRIED and it was:

RESOLVED

1. The Council Tax Base 2020/21 be noted
 - a. for the whole Council area as 63,029.0 (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended (the "Act") and
 - b. for dwellings in those parts of its area to which as Parish Precept or Special Expenses relates as shown below:

Parish	2020/21 tax base
Amberley	325.0
Ashington	1,146.8
Ashurst	148.3

Parish	2020/21 tax base
Billingshurst	4,182.2
Bramber	414.7
Broadbridge Heath	2,263.4
Coldwaltham	471.8
Colgate	1,606.7
Cowfold	854.5
Henfield	2,729.5
Itchingfield	770.0
Lower Beeding	547.9
North Horsham	8,733.3
Nuthurst	1,067.8
Parham	124.8
Pulborough	2,524.4
Rudgwick	1,408.5
Rusper	907.1
Shermanbury	285.5
Shipley	638.6
Slinfold	921.4
Southwater	4,613.9
Steyning	2,586.7
Storrington & Sullington	3,314.8
Thakeham	1,031.7
Upper Beeding	1,452.0
Warnham	1,002.2
Washington	1,093.6
West Chiltington	2,194.2
West Grinstead	1,311.2
Wiston	107.8
Woodmancote	274.8
Horsham Town	11,973.8
Total	63,029

2. That the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Special Expenses and Parish precepts) should be £152.52
3. That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the Act:
 - (a) £92,757,151 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - (b) £78,969,315 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £13,787,876 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

- d) £218.75 being the amount at 3(c) above (Item R), all divided by Item T (1(a)), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £4,174,709 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
- (f) £152.52 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

(g)				
Parish	Precept Amount £	Council Tax at Band D		
		Parish Precept / Special charge for Unparished Area £	Basic Amount of District Council Tax £	Total £
Amberley	28,287.00	87.04	152.52	239.56
Ashington	101,733.00	88.71	152.52	241.23
Ashurst	12,300.00	82.94	152.52	235.46
Billingshurst	373,325.00	89.27	152.52	241.79
Bramber	24,304.00	58.61	152.52	211.13
Broadbridge Heath	117,880.00	52.08	152.52	204.60
Coldwaltham	16,180.00	34.29	152.52	186.81
Colgate	25,772.00	16.04	152.52	168.56
Cowfold	63,218.00	73.98	152.52	226.50
Henfield	257,548.00	94.36	152.52	246.88
Itchingfield	65,000.00	84.42	152.52	236.94
Lower Beeding	37,010.00	67.55	152.52	220.07
North Horsham	335,194.00	38.38	152.52	190.90
Nuthurst	49,842.00	46.68	152.52	199.20
Parham	5,014.00	40.18	152.52	192.70
Pulborough	234,655.00	92.95	152.52	245.47
Rudgwick	100,331.00	71.23	152.52	223.75
Rusper	32,276.00	35.58	152.52	188.10
Shermanbury	22,570.00	79.05	152.52	231.57
Shipley	34,361.62	53.81	152.52	206.33
Slinfold	59,935.00	65.05	152.52	217.57
Southwater	693,102.00	150.22	152.52	302.74
Steyning	322,305.00	124.60	152.52	277.12
Storrington & Sullington	240,577.00	72.58	152.52	225.10
Thakeham	59,854.00	58.01	152.52	210.53
Upper Beeding	199,125.00	137.14	152.52	289.66
Warnham	84,199.61	84.01	152.52	236.53
Washington	41,808.00	38.23	152.52	190.75

Parish	Precept Amount	Council Tax at Band D		
		Parish Precept / Special charge for Unparished Area	Basic Amount of District Council Tax	Total
West Chiltington	143,172.00	65.25	152.52	217.77
West Grinstead	71,500.00	54.53	152.52	207.05
Wiston	4,156.00	38.55	152.52	191.07
Woodmancote	8,675.00	31.57	152.52	184.09
Horsham Town - Special charge	309,500.00	25.85	152.52	178.37

being the amounts given by adding to the amount at (f) above the amounts of the special items relating to the dwellings in those parts of the Council's area mentioned above, calculated by the Council, in accordance with section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

4. To note that the County Council have proposed precepts and the Sussex Police and Crime Commissioner has notified precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below:

Band	A	B	C	D	E	F	G	H
Authority								
West Sussex County Council	959.16	1,119.02	1,278.88	1,438.74	1,758.46	2,078.18	2,397.90	2,877.48

Band	A	B	C	D	E	F	G	H
Authority								
Sussex Police and Crime Commissioner	133.27	155.49	177.70	199.91	244.33	288.76	333.18	399.82

- a. to delegate authority to the Director of Corporate Resources and S151 officer to amend the County precept in section 4 of the report and the aggregate amounts in section 5 of the report, if so notified by West Sussex County Council following the County's budget setting meeting at Council on 14 February 2020.

The Horsham District Figures are shown below:-

Band Authority	A	B	C	D	E	F	G	H
Horsham District Council	101.68	118.63	135.57	152.52	186.41	220.31	254.20	305.04

5. That, having calculated the aggregate in each case of the amounts at 3 and 4 above the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings:

BAND	A	B	C	D	E	F	G	H
	£							
Amberley	1,252.13	1,460.84	1,669.52	1,878.21	2,295.58	2,712.97	3,130.34	3,756.41
Ashington	1,253.25	1,462.14	1,671.00	1,879.88	2,297.62	2,715.39	3,133.13	3,759.76
Ashurst	1,249.40	1,457.65	1,665.87	1,874.11	2,290.57	2,707.05	3,123.51	3,748.22
Billingshurst	1,253.62	1,462.57	1,671.50	1,880.44	2,298.30	2,716.19	3,134.06	3,760.87
Bramber	1,233.18	1,438.72	1,644.24	1,849.78	2,260.83	2,671.90	3,082.96	3,699.55
Broadbridge Heath	1,228.83	1,433.65	1,638.44	1,843.25	2,252.85	2,662.48	3,072.08	3,686.50
Coldwaltham	1,216.97	1,419.81	1,622.63	1,825.46	2,231.12	2,636.79	3,042.44	3,650.93
Colgate	1,204.80	1,405.62	1,606.41	1,807.21	2,208.80	2,610.42	3,012.01	3,614.42
Cowfold	1,243.43	1,450.68	1,657.91	1,865.15	2,279.62	2,694.11	3,108.58	3,730.30
Henfield	1,257.01	1,466.53	1,676.02	1,885.53	2,304.53	2,723.54	3,142.54	3,771.05
Itchingfield	1,250.39	1,458.80	1,667.19	1,875.59	2,292.37	2,709.18	3,125.97	3,751.17
Lower Beeding	1,239.14	1,445.68	1,652.19	1,858.72	2,271.76	2,684.82	3,097.86	3,717.44
North Horsham	1,219.70	1,422.99	1,626.27	1,829.55	2,236.11	2,642.69	3,049.25	3,659.10
Nuthurst	1,225.23	1,429.44	1,633.64	1,837.85	2,246.25	2,654.67	3,063.08	3,675.69
Parham	1,220.89	1,424.39	1,627.86	1,831.35	2,238.30	2,645.28	3,052.24	3,662.69
Pulborough	1,256.08	1,465.44	1,674.78	1,884.12	2,302.81	2,721.52	3,140.20	3,768.25
Rudgwick	1,241.60	1,448.54	1,655.47	1,862.40	2,276.26	2,690.14	3,104.00	3,724.81
Rusper	1,217.83	1,420.81	1,623.78	1,826.75	2,232.69	2,638.65	3,044.58	3,653.50
Shermanbury	1,246.81	1,454.63	1,662.42	1,870.22	2,285.82	2,701.44	3,117.04	3,740.45
Shipley	1,229.98	1,434.99	1,639.98	1,844.98	2,254.97	2,664.97	3,074.96	3,689.96
Slinfold	1,237.48	1,443.73	1,649.97	1,856.22	2,268.70	2,681.21	3,093.69	3,712.44
Southwater	1,294.26	1,509.98	1,725.68	1,941.39	2,372.80	2,804.24	3,235.65	3,882.78
Steyning	1,277.18	1,490.05	1,702.91	1,915.77	2,341.49	2,767.23	3,192.95	3,831.54
Storrington & Sullington	1,242.49	1,449.59	1,656.66	1,863.75	2,277.90	2,692.08	3,106.24	3,727.49
Thakeham	1,232.79	1,438.26	1,643.72	1,849.18	2,260.11	2,671.05	3,081.97	3,698.37
Upper Beeding	1,285.54	1,499.80	1,714.05	1,928.31	2,356.81	2,785.34	3,213.84	3,856.62

BAND	A	B	C	D	E	F	G	H
	£							
Warnham	1,250.12	1,458.48	1,666.83	1,875.18	2,291.88	2,708.60	3,125.30	3,750.37
Washington	1,219.60	1,422.87	1,626.13	1,829.40	2,235.93	2,642.47	3,049.00	3,658.80
West Chilmington	1,237.61	1,443.89	1,650.15	1,856.42	2,268.95	2,681.50	3,094.03	3,712.84
West Grinstead	1,230.46	1,435.55	1,640.62	1,845.70	2,255.85	2,666.02	3,076.16	3,691.40
Wiston	1,219.81	1,423.13	1,626.42	1,829.72	2,236.32	2,642.94	3,049.53	3,659.45
Woodmancote	1,215.16	1,417.69	1,620.21	1,822.74	2,227.78	2,632.85	3,037.89	3,645.48
Horsham Town - Special charge	1,211.34	1,413.25	1,615.13	1,817.02	2,220.79	2,624.59	3,028.36	3,634.04

6. To note that the Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

Horsham District Council Tax Band D, inclusive of the special charge, as reported to Government.

2019/20	2020/21	Council Tax increase
£154.34	£157.43	£3.09 (or 2%)

As the billing Authority the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2020/21 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 522K Local Government Act 1992.

7. To approve a change in the Council Tax discount policies which have been updated to include:

- Horsham District Council has determined that Council Tax payable in respect of long-term empty properties over 5 years will be 100% of Council Tax due, plus an additional premium of 100% of Council Tax due.

CO/68 **REPORTS OF REPRESENTATIVES**

Councillor Liz Kitchen, the Council's representative on the Gatwick Airport Consultative Committee (GATCOM), updated Members on a number of current issues including the London Airspace Modernisation Programme (LAMP). Use of the emergency/standby runway, Gatwick railway station/Gatwick Express, and noise management.

CO/69 **CALENDAR OF MEETINGS 2020/21**

The Chief Executive reported on the proposed programme of Council, Cabinet and Committee meetings, including standing Cabinet Member Policy Development Advisory Groups, for 2020/21.

Members and officers had been consulted to ensure that the proposed programme met the requirements for reporting on statutory matters, such as the budget and final accounts, and comments received had been taken into account in the submitted calendar.

RESOLVED

That the calendar of meetings for 2020/21 be approved as submitted.

Reason

To fix a programme of Council meetings, in accordance with the Council's Constitution, and to approve a calendar for Cabinet and Committee meetings, which enables the Council to transact its business in a timely and efficient manner.

CO/70 **MEMBERS' QUESTIONS ON NOTICE**

No questions had been received.

CO/71 **URGENT BUSINESS**

There was no urgent business.

The meeting closed at 7.15 pm having commenced at 6.00 pm

CHAIRMAN

Report to Council

22 April 2020

By the Chief Executive



DECISION REQUIRED

Not Exempt

Decisions Arising from the COVID-19 Emergency

Executive Summary

The COVID-19 emergency the subsequent lockdown and associated recession is having a devastating impact on the lives of our residents and businesses. The Government has required councils to carry out emergency action at considerable speed. The impact on our communities has generated issues needing other fast decisions.

Governance of local authorities, specifically how we hold meetings, was based primarily on the 1972 Local Government Act. This required Councillors to be present in a room in order to vote. The regulations allowing remote meetings came into effect on 10 April 2020. This report tells Council about decisions made between 11 March 2020 and 10 April 2020 that were made under the Head of Paid Services 'delegations for an emergency. It asks the Council to note these decisions.

The report asks Council's permission for some decisions around the lockdown and its impact that need making now.

The report tells Council about matters outside the Council's control that will impact its finances and its longer term financial viability.

Recommendations

That the Council is recommended:

- i) To note the decisions made by the Chief Executive under his Head of Paid Service powers outlined in section 3.1.
- ii) To allow the continued free access to the Council's car parks until such time as the effect of the COVID-19 lockdown becomes sufficiently reduced to allow charging to resume.
- iii) To delegate to the Director of Corporate Resources, in consultation with the Leader as Cabinet Lead for Finance and Assets, the approval of the changes to Council's

Discretionary Hardship Scheme for Council Tax to allocate of the Local Council Tax Hardship scheme grant fairly.

- iv) To delegate to the Director of Communities, in consultation with the Deputy Leader as Cabinet Lead for Leisure and Culture any payment holiday for Places Leisure created by the closure of Horsham District Council's leisure centres by the Government.
- v) To note the financial position the Council finds itself in and the actions it may need to take in the current financial year and in setting its 2021/22 budget.
- vi) To agree the following amendments to the Constitution from 22 April 2020 until the end of the COVID-19 emergency:
 - a. To allow meetings of the Council to be conducted remotely in line with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 No.392.
 - b. To authorise the Chief Executive (and Directors if the Chief Executive is not available) to cancel and to call meetings of Council and meetings of non-executive committees and sub-committees in consultation with the Council Leader, including cancelling meetings where there would be sufficient business for a meeting to take place.
 - c. To agree to suspend the six-month rule in relation to Members attending meetings of the Council and the Committees on which they serve, pursuant to Section 85 (1) of the Local Government Act 1972.

Reasons for Recommendations

- i) The Council needs to make these decisions to regularise actions already taken and approve actions needed to mitigate the impact of the COVID-19 lockdown and recession on Horsham District's communities and businesses.
- ii) The Council needs to acknowledge the severe financial realities it faces in the next year and start considering the actions it may need to take.
- iii) The Council needs to make temporary changes to the Constitution to enable the Council to operate using remote meetings and to enable quick changes to the meeting calendar if needed during the crisis and to ensure any Councillors unable to attend meetings during the emergency period are not disqualified from being Members of the Council.

Background Papers

None

Wards affected:

All

Contact: Glen Chipp, Chief Executive, 01403 215101

Jane Eaton, Director of Corporate Resources, 01403 215300

Background Information

1. Introduction and Background

- 1.1. The World Health Organisation declared a global pandemic of the COVID-19 virus on 11 March 2020. For Horsham District Council the emergency and its subsequent lockdown led to the need for quick decisions. The largest of these arose from direct instructions by the Government about business rates and grants to businesses that pay business rates. It was necessary to make other decisions because of the impact of the lockdown on residents, local businesses, our tenants and our suppliers.
- 1.2. The Council includes in its delegations to the Head of Paid Service the right to make decisions in an emergency even if there is no provision in the budget and, in consultation with the Leader or Deputy Leader in respect of any matter in an emergency subject to a report on the circumstances being made to the next Cabinet or Council meeting.
- 1.3. The need for decisions arising from COVID-19 began with the Chancellor's budget on 11 March 2020 coinciding with the World Health Organisations designation of a global pandemic. In this budget the Chancellor announced extensions of business rate reliefs to take place from 1 April 2020.
- 1.4. Under the Local Government Act 1972 all Council decision making meetings have to be held in person. In the first week in April the Government made two sets of regulations under the Coronavirus Act 2020. The first set enables all local authority meetings before 7 May 2021 to be held remotely and removes the requirement for the normal annual meeting this year, although a virtual meeting may permit some aspects to take place. The second set related to the postponement of elections. The absence of these regulations meant the Council was unable to hold meetings to put in place the relevant decisions.

2. Relevant Council policy

- 2.1. Having a thriving local economy is one of the five key priorities in our Corporate Plan. The COVID-19 outbreak is profoundly impacting our local economy. This effect is especially high because so many of our businesses are small, personal services, shops, restaurants and leisure facilities as well as businesses associated directly and indirectly with the closed operations at Gatwick airport. The decisions reached as part of the Council's Emergency Response were needed to mitigate the damage the lockdown is doing to our economy.
- 2.2. A strong safe community is another of Council's five key priorities. Within this priority was a commitment to reduce rough sleeping. The priority for housing rough sleepers arose with the declaration of a lockdown. Another key aim is an empowered and independent voluntary sector that has the capacity to tackle local priorities. A large part of Horsham District Council's response to the lockdown has been supporting communities to tackle the priority of protecting our vulnerable residents.

3. Details

3.1. Decisions Made between 11 March 2020 and 21 April 2020

- 3.1.1. In the budget on 11 March 2020 the Chancellor announced a 12 month business rates holiday for all non-local authority childcare providers, retail, leisure and hospitality sectors including pubs. This was to be implemented using the discretionary relief powers under s47 of the Local Government Finance Act 1988. In normal times a change to our discretionary relief scheme would have come to Cabinet and Council. However to get the reliefs issued to businesses on 1 April and without the powers for a remote meeting, officers in consultation with the Leader issued the 12 months business rate holiday for all retail, hospitality and leisure businesses on 1 April as required by the Government. The total sum of these reliefs is around £18.5m.
- 3.1.2. The Government announced Small Business and Retail, Leisure & Hospitality Grants of £10,000 or £25,000 to qualifying small in the retail, leisure & hospitality sectors. On 1 April the Government gave the Council £29.5m to fund these grants with the instruction to start paying the money across to the businesses immediately. In normal times any grant not known at the time Council set the budget is referred back to Council for a supplementary estimate to allow the money to be spent. In this case, with pressure on from the Government, the first payments of grants were made on 7 April with businesses receiving the money on 8 April.
- 3.1.3. The Government's budget and subsequent announcement on grants introduced eight new Government reliefs and grants to be processed at speed. In addition the immediate impact of the COVID-19 shutdown doubled our Revenues caseload in a fortnight and significantly increased the number of Council Tax Reduction Scheme applications, as well as changing many existing claimants' benefits. Our partner Revenues and Benefits supplier, LGSS, had to take up this extra workload. It is likely they will have to use staff from other Councils to assist with our Revenues workload, due to Horsham District, and the rest of the Coast-to-Capital Local Economic Partnership Area, being especially badly hit by the COVID-19 lockdown. The cost of this extra work is already being incurred. We do not yet know what this will cost but it is certain this part of our service will overspend in the 2020/21 financial year.
- 3.1.4. Alongside our Revenues and Benefits Service our Waste and Recycling Service is one our key services to keep operating through the lockdown. Reductions in staffing due to ill health have been low so far. Offers from staff with lower priority workloads to take part in this work have been received and officers are being trained in refuse collection should we face staff shortages later in the lockdown. However, none of our office-based staff have HGV driving licenses so are only able to help as loaders. In addition the Council employs several regular casual staff in sports development, running courses, who earn much of their living from us. Therefore Waste and Recycling have employed some of these casual staff as loaders to help with pressure points and are employing some casual HGV drivers. It is early in the year to see if this will be containable within budget, and this will depend on how the COVID-19 virus effects our area over time, but it is likely the Waste and Recycling Service will overspend on staff costs during the year.

- 3.1.5. Following the start of the COVID-19 lockdown on 23 March the County Council asked the Parking Enforcement Service to change its focus to keeping streets clear for emergency services and deliveries. Reviewing staffing with the Leader and Cabinet Member for the Local Economy and Parking on 25 March it became clear Council car parks were falling into disuse, while street parking was coming under pressure. Therefore the Leader and Cabinet Member for Local Economy and Parking agreed to open all car parks to the public free of charge until such time as the Covid19 lockdown emergency permits reasonable economic activity to resume. The loss of income is around £417,000 for each month compared with normal economic activity.
- 3.1.6. From the start of the lockdown Council tenants approached the Council about rent payment holidays. The Head of Property & Facilities has agreed payment holidays of up to six months for businesses who are shut down by the lockdown, or whose businesses are affected by the COVID-19 recession. For a 6 month period the loss of income to the Council is likely to be between £700,000 and £800,000. The Head of Property & Facilities will seek to recover some of this cost in the periods after the end of the emergency.
- 3.1.7. Along the same lines as the issues with our tenants the Director of Corporate Resources has agreed in principle a payment holiday for Henfield Leisure Centre for its loan. Legal Services are preparing documentation to extend the loan by one year. Therefore there will be no loss in the long term but will impact on income in the 2020/21 financial year.
- 3.1.8. Since the start of the lockdown the Council have accommodated twelve people who were rough sleeping or living insecurely (sofa surfing). We expect to rehouse at least three more. This will cost £43,200 for 3 months or £86,400 for six months above budget because we would not normally have to house these individuals.
- 3.1.9. The Council has worked with volunteers and local charities to set up twenty-seven hubs to support vulnerable residents who the Government has advised to stay at home but are not part of the 1.5m people in the group of very vulnerable people known as the “shielded” group. This group includes everyone over seventy years of age and people with a range of commonly occurring conditions such as diabetes, asthma, heart disease and hypertension. The hubs are led by local volunteers with support from Council staff, in particular wardens where they exist, and they buy and deliver food and medical supplies to local residents in need. The residents supported by the hubs are able to pay for the help they need and hubs have been working with local shops and suppliers on innovative ways to make sure transactions can take place safely. Occasionally this is not possible and Council staff are making payment for food and pharmaceuticals using Council payment cards. Payments are recorded and bills will be sent to the individuals supplied. There is no budget for these payments but they are relatively small.
- 3.1.10. Horsham Matters is one of the organisations providing food to the people in our communities most hard hit in the pandemic. They are taking calls from our community hubs and providing food when families and individuals have no other source of income. Like most charities Horsham Matters has lost many fundraising events during the lockdown. There are also fewer opportunities for

people to make physical food contributions due to the reduction in supermarket visits. Because Horsham Matters has been helping Horsham District Council avoid cost by helping those most at risk of food shortage the Council has contributed to £7,600 to help with its running costs for the next two months. It is also providing them with free fuel from the depot at a cost of around £300 a month. This situation will be kept under review. Although the Chancellor has announced £750 million support to charities working through the crisis it is not yet known if or when Horsham Matters will receive any of this money.

3.2. Decisions needed

- 3.2.1. Paragraph 3.1.5 explains how the Council came to close its car parks during the crisis to allow people staying at home to park free until 22 April. The lockdown is continuing. Therefore this report asks Council to grant a further extension until there is a reasonable resumption of normal economic activity.
- 3.2.2. The Council's leisure centres closed following the Government's advice. Places Leisure asked to not pay any contribution to the Council during the closure and is seeking amendments to its contract with the Council. The Director of Communities is working with them and suggested a deferral of the contract sums for the next two months to allow for further discussions to take place. There is no such budget for the closure and it is likely that they will need more support the longer the pandemic continues. The report recommends this decision is delegated to the Director of Community Services in consultation with the Deputy Leader.
- 3.2.3. The Government gave the Council £602,000 to issue as Local Council Tax Hardship scheme grants to Council Tax payers receiving Council Tax Support using their Discretionary Hardship policies. The money received is more than is needed for the current numbers on the Council Tax Reduction Scheme but, due to the impact of the lockdown, more residents are applying. The scale of the new applicants is unknown. Therefore this report asks Council to delegate to the Director of Corporate Resources in consultation with the Leader as Cabinet Lead for Finance & Assets the design of the changes to its Hardship Scheme to allow a fair distribution of this money to those in need.

3.3. Other significant financial losses or pressures arising from the COVID-19 lockdown

- 3.3.1. Due to the COVID-19 lockdown and subsequent recession the Council faces financial pressures that will worsen its financial position. These are not due to actions taken by officers or Cabinet and are not outside the budget framework. However, they will materially impact the Cabinet's ability to deliver the 2020/21 budget. The Government has asked for details of Council's losses. We do not yet know whether the Government will give us funding to cover some or all of these.
- 3.3.2. The money the Council makes from its cash and liquid holdings fell with interest rates and the stock market. If income returns to normal after six months the loss in 2020/21 is expected to be around £150,000. If recovery is slower the loss will be around £300,000.

- 3.3.3. Most of our office-based staff are now working from home. Due to this we will lose £2,000 a month in staff parking charges.
- 3.3.4. The Capitol theatre is receiving no income but retains most of its costs, leading to a loss of around £50,000 a month for each month of closure. Closure of Parks and the Museum is close to neutral impact, or possibly a small saving, because their income is low.
- 3.3.5. Around one hundred and fifty businesses have stopped their trade waste service. This equates to a net loss of around £40,000 a month.
- 3.3.6. Planning, Building Control and Land Charges income is falling as people defer house sales, stop applying for planning permission and businesses close building sites. How large the annual impact of this will be in 2020/21 we do not yet know.
- 3.3.7. There are further risks around housing. As a result of the lockdown domestic violence is reported to have increased by 25% nationally. We have been informed by the Probation Service they are releasing prisoners early. We expect more discharges from hospital we need to house. There has been a steady increase in applications for homeless support due to the COVID-19 recession. All these changes could need extra staff as well as extra spending, which is currently unbudgeted. The rough cost of housing a family in bed and breakfast for one night is £70.

3.4. Work needed going forward

- 3.4.1. The Chief Executive, in consultation with the Leader, made the decisions in section 3.1 of this report under the Head of Paid Service's emergency powers within the Constitution. Given the potential length of this emergency the Monitoring Officer suggests the Council make some temporary revisions to the Constitution for the duration of the COVID-19 emergency.
- 3.4.2. To agree for the Monitoring Officer to make changes to the Constitution to reflect arrangements for meetings of the council to be conducted remotely in line with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 No.392.
- 3.4.3. Authorise the Chief Executive (and Directors if the Chief Executive is not available) to cancel and to call meetings of Council and meetings of non-executive committees and sub-committees in consultation with the Leader, including cancelling meetings where there would be sufficient business for a meeting to take place.
- 3.4.4. To agree to suspend the six-month rule in relation to Members attending meetings of the Council and the Committees on which they serve, pursuant to Section 85 (1) of the Local Government Act 1972. Councillors may not be able to be physically attend meetings, or participate "remotely" for more than six months, either because they have already been absent due to illness or another reason, or because they will be unwell going forward, must self-isolate or

undertake social distancing. For the local authority to be able to continue to function it is therefore proposed that the six-month rule is suspended.

4. Next Steps

- 4.1. If approved the legal team will complete the necessary documentation with Places Leisure in the next couple of weeks. Car parks will remain closed until the agreed timings. The Director of Corporate Resources will finalise the details for the allocation of the Council Tax Hardship Grants and will start distributing the money. The checking and issuing of small business rates grants will continue.

5. Outcome of Consultations

- 5.1. The Cabinet, Senior Leadership Team and Monitoring Officer have commented on this paper.

6. Other Courses of Action Considered but Rejected

- 6.1. The Council could have not taken the actions listed in section 3.1. This would have been impossible given some were tasks given to the Council by the Government. Failing to carry out other tasks would have worsened the impact COVID-19 on our communities and economy.
- 6.2. The full Council could have been recalled at an earlier date to make the decisions remotely. However before the COVID-19 Bill amendment was approved the decisions it made would not have been legal.

7. Resource Consequences

- 7.1. The Council's overall financial position is 2020/21 is now considerably out of line with the original budget and Medium Term Financial Strategy. The Medium Term Financial Strategy showed a small surplus for the 2020/21 year and near balanced budgets in subsequent years. Losses in the 2020/21 financial year are thought to be between £4m and £9m dependent on the length of the lockdown and the length and depth of the associated recession. The Council had £11.5m in its General Fund Reserve at 31 March 2019. The figure has not yet been finalised for 31 March 2020 but will be higher than this. The purpose of the General Fund Reserve is to cover the unexpected events. The Council requires £6m be kept in this reserve. If money is not received from the Government to cover the costs of the lockdown and recession the Council will need to use this reserve to fund its losses. At the moment the Council has enough to cover the predicted losses but its finances could fall below the required £6m in this reserve and its financial position going forward will be considerably more precarious than it was at 12 February 2020 when the s151 officer gave her view the Council's reserves were adequate for its needs. To rebalance its position, in the absence of Government support, the Council will need to reconsider carefully its service offer and capital programme for 2021/22 and the longer period.
- 7.2. Staff throughout the Council continue to be paid according to their existing employment contracts. Some have been, and will be, redeployed to other roles.

Their pay remains that for their substantive post. Trade Unions are aware of this situation.

8. Legal Consequences

- 8.1. The actions taken to date have been in line with the Chief Executive's emergency powers in paragraphs 3.5.1 2 c) and 3 of the Constitution.
- 8.2. This report recommends the Monitoring Officer make temporary changes to the Constitution to allow the Council to make decisions remotely under the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 No.392 and to ensure no Councillor loses his or her right to be a Councillor due to non-attendance during the COVID-19 emergency.

9. Risk Assessment

- 9.1. Many figures provided in this report are guestimates at this stage. There is a high risk that a prolonged lockdown or longer or deeper recession could mean losses are nearer the upper end of the range of losses suggested or even higher.
- 9.2. The issuing of the small business rate grants, and to a lesser extend the reliefs, at speed carries a high risk of fraud. LGSS internal audit are checking claims in higher risk categories to mitigate this risk.
- 9.3. Illness figures among employees are currently low. There is a high risk these could increase in the next few weeks and need further measures to protect service delivery. Services most at risk of this are Revenues and Benefits and Waste Collection.
- 9.4. There are a number of potential single points of failure in the resourcing of key functions of the Council. These are well known to managers but a loss of one of these employees as a result of COVID-19 could have a disproportionate impact on service delivery.
- 9.5. There is a moderate risk when paid for services such as parking, planning, building control, land charges and the cultural and leisure offer resume demand will have moved elsewhere and the original financial position will not be recoverable. Services such as the Capitol and leisure centres are staying in touch with customers to try to prevent this.

10. Other Considerations

- 10.1. Actions proposed in this report are intended to lessen the impact of the COVID-19 lock-down and recession on vulnerable individuals especially older people, those who have lost their jobs or livelihoods and those with underlying medical conditions that make them susceptible to the illness.