

Council
14 DECEMBER 2022

Present: Councillors: Kate Rowbottom (Chairman), Ian Stannard (Vice-Chairman), Matthew Allen, Tony Bevis, John Blackall, Martin Boffey, Toni Bradnum, Karen Burgess, Peter Burgess, Jonathan Chowen (Leader), Philip Circus, Paul Clarke, Michael Croker, Ruth Fletcher, Joan Grech, Tony Hogben (Deputy Leader), Nigel Jupp, Liz Kitchen, Lynn Lambert, Richard Landeryou, Gordon Lindsay, Tim Lloyd, John Milne, Colin Minto, Christian Mitchell, Roger Noel, Jon Olson, Bob Platt, Louise Potter, Josh Potts, Sam Raby, Stuart Ritchie, Jack Saheid, David Skipp, Clive Trott, Diana van der Klugt, Belinda Walters and Tricia Youtan

Apologies: Councillors: Andrew Baldwin, Alan Britten, Christine Costin, Ray Dawe, Brian Donnelly, Billy Greening, Mike Morgan, Claire Vickers and James Wright

Absent: Councillors: Chris Brown

CO/44 **MINUTES**

The minutes of the meeting of the Council held on 19 October were approved as a correct record and signed by the Chairman

CO/45 **DECLARATIONS OF MEMBERS' INTERESTS**

Item 7: Councillor Martin Boffey and Councillor Ruth Fletcher were members of the Neighbourhood Forum Steering Group.

Item 10 Notice of Motion: Councillor John Milne declared an interest as a West Sussex County Councillor and sat on the Committee that reviews matters in relation to the highways. Councillors Nigel Jupp and Christian Mitchell also declared that they were West Sussex County Councillors.

CO/46 **ANNOUNCEMENTS**

The Chairman apologised that Councillors were not invited to the staff lunch that took place on the previous day.

The Chairman then announced that Sharon Evans, the Monitoring Officer was leaving Horsham District Council. It was agreed that she would be missed and Members wished her luck for her new role.

The final announcement from the Chairman was that Lieutenant Kevin Milligan, commander of the Horsham Sea Cadets, was in attendance to return the HMS Una crest. Lieutenant Milligan explained that towns, including Horsham, were encouraged to adopt warships to replace those that had been destroyed during World War II. The residents of Horsham raised the finance to commission a

submarine into the fleet and the crest was returned to Horsham District Council, to be displayed.

Councillor Toni Bradnum, Cabinet Member for Recycling and Waste announced that the Cabinet had recommended to increase Fixed Penalty Notice fines to £150, which was the maximum amount allowed by legislation. This was agreed with the aim to discourage littering, and was considered by the Policy Development Advisory Group, as well as the Cabinet. Councillor Bradnum also thanked residents who assisted in clearing roadside litter, as well as the street cleaning services.

Councillor Roger Noel, Cabinet Member for Leisure & Culture made two announcements:

- The new skate park in Horsham Park had opened on 3 December. Members from both parties were in attendance, as well as many members of the public. The project had been a success for the Council, Officers, users and friends of the park.
- The use of Horsham Museum has grown steadily under the new curator. This Christmas there would be several craft opportunities available for members of the public.

CO/47 QUESTIONS FROM THE PUBLIC

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

CO/48 RECOMMENDATIONS FROM CABINET

UPDATE ON THE COUNCIL'S FINANCIAL POSITION IN 2022/23 AND MEDIUM-TERM FINANCIAL STRATEGY UPDATE 2023/24 TO 2026/27

Councillor Tony Hogben, Cabinet Member for Finance & Parking, stated that a high level of uncertainty around the Medium Term Financial Strategy (MTFS) remains. It was noted that CPI inflation had increased to 11.9% in October, which placed further pressure on costs, in particular building materials and maintenance. The increased interest rates had a positive impact on savings held by Horsham District Council, which would help to cover the higher costs. Councillor Hogben stated that higher parking income and raising other fees and charges would assist with projecting a balanced budget for 2023-24. The Council were awaiting information from the Government about future funding, and although the threshold for holding a referendum on Council Tax increases had been raised, if the funding gap was larger than anticipated, an increase in Council Tax would be unlikely to cover the shortfall. There would be a final report on the budget to Council in February. The proposal was seconded by Councillor Stuart Ritchie.

Councillor Martin Boffey, Shadow Cabinet Member for Finance, noted that he would support the recommendations in the report. He also raised that plans to assist with the cost of living crisis were contingent on the Council moving to a

surplus position, or receiving additional support from WSCC. He highlighted that we were due to enter a steep recession, and that the Council should do more to support residents.

Councillor Tony Hogben advised that issues should have been raised at previous meetings of the Cabinet and the Overview and Scrutiny Committee. He also supported Councillor Boffey's view that the Council should continue to support residents affected by the cost of living.

Members supported the increase in fines, and asked how these changes were due to be publicised in order to effectively act as a deterrent. Councillor Bradnum advised a press release would be issued and further ideas would be welcomed.

Councillor Jonathan Chowen, Leader of the Council, highlighted the initiatives that the Council had undertaken and requested that if Members had ideas to support disadvantaged residents that they are shared with the Cabinet. Members highlighted the positive financial position that the Council was in, in comparison with other local authorities.

It was noted that in relation to the revenue account, it was not unusual to forecast a deficit and not have a plan for how to address it. In relation to the capital budget, it was noted that the Council is in a financially strong position, but there would be a significant demand on this budget in the future.

RESOLVED:

- (ii) That the charges from 1 April 2023 for the garden waste subscription service be increased from £44 for the first bin to £49 and for any subsequent bin increased from £35 to £41.
- (iii) That Fixed Penalty Notices for littering and fly tipping be raised from £75 to £150 with a £110 early payment fee (currently £50).
- (iv) That the car park advertising fees be increased as set out in Appendix 3.
- (v) that the creation of a revenue budget in Leisure services for the Drill Hall of £9,000 income and £27,100 expenditure be approved, which is a net cost of £18,100 in the 2022/23 budget.
- (vi) that the capital budget be increased for the Highwood Community Centre project by £150,000, from £2.75m to £2.9m.

REASON

- (i) The Council needs to acknowledge the effects that high levels of inflation will have on its financial position both in the short and medium-term. This has moved the council from what has been a long-term healthy financial position to one with predicted deficits unless action is taken on fees and charges. Given the level of

uncertainty in the projections, the economy and proposed Government action, the report does not recommend direct action to reduce expenditure at this stage.

- (ii) to iv) Council required to approve fees and charges, as per the constitution.
- (v) Council is required to set the revenue budget, as per the constitution. The budget will enable the Council to continue to operate the Drill Hall for the final quarter of 2022/23.
- (vi) Council is required to set the capital budget, as per the constitution.

REFUSE VEHICLE REFURBISHMENT TENDER AWARD

Councillor Toni Bradnum, Cabinet Member for Recycling and Waste, introduced the report and advised the Council that 21 refuse collection vehicles (RCVs) were in need of refurbishment or replacement. She set out that in line with the Council's carbon reduction targets, the aim was for RCVs to be powered by electric battery or hydrogen although at the current time the cost and functionality of these vehicles meant that they were not viable at the current time. The cost of alternatively fuelled vehicles was between £450,000 and £600,000, and electric vehicles did not have the range to complete a round, before requiring a charge. The proposal to invest in refurbishing the vehicles would allow them to be operational for a further six years during which time it was hoped that alternative fuelled RCVs would become viable. The refurbishment programme would take place over the next 2 years. It was noted that all of the Council's RCVs were powered by HVO fuel, which had 90% lower carbon emissions than diesel. The cost of the refurbishment was £57,000 per vehicle. The proposal was seconded by Councillor van der Klugt.

Councillor Fletcher suggested that electric vehicles could be trialled in the urban areas, and felt that an opportunity had been missed. The Cabinet Member advised that electric vehicles have been adopted for non-HGVs. Due to the cost of the electric HGVs, it would not be economic to adopt at this time.

Councillor Mike Croker offered support for the proposal to reuse existing equipment with improved emissions standards. Members offered support for the proposal due to the economic efficiency, and thanked those operating the vehicles.

RESOLVED

That the capital budget of £566,520 in 2023/24 and £623,172 in 2024/25 for the refurbishment of 21 vehicles is approved

REASON

- (i) and (ii) To refurbish our RCV fleet over the next two years will enable the vehicles to be used for a further six years to allow alternative fuel

options to be more available at a reasonable cost and refuelling infrastructure to be in place.

- (iii) The constitution requires full Council to set capital budgets.

APPROVAL OF BUSINESS CASE FOR HORSHAM DISTRICT HOMES FOR AFFORDABLE HOMES IN LONDON ROAD, HORSHAM

Councillor Tricia Youtan, Cabinet Member for Housing and Public Protection, introduced the report and highlighted that the homes would be appropriate for the location and deliverable. Rental levels would be appropriate with the local rate, and allocations would be made via the housing register. The proposal was seconded by Councillor John Blackall.

Members queried whether the site was appropriately utilised, and suggested that there was excessive parking given that it was in a town centre location. The Cabinet Member confirmed that this had been considered.

Councillor Martin Boffey asked whether there was scope for the homes to be social rent, rather than affordable rent.

The Cabinet Member confirmed that the rental levels of the finished homes would be set at the appropriate local housing allowance rate for the size and location of the accommodation. This would ensure that those on the lowest incomes and in receipt of income related benefits would receive full support with their rent. It was highlighted that the key concern was to reduce the housing register.

Councillor Tricia Youtan also confirmed that there would be accessible units on the ground floor. She also stated that due to new safety criteria, properties with 4 or more storeys require a lift, which meant that the design remained at 3 storeys. Councillor Tony Hogben also advised that there were also overlooking issues should the building be 4 storeys. The Cabinet Member also confirmed that they wish to maximise the use of the site and would come forward with proposals once it has been approved to ensure value.

Questions were then raised in relation to the financial aspect of the proposal. Members asked whether the business case would be affected if interest rates continue to rise. A further question was raised about whether the capital structure of the subsidiary company could be reviewed, given that a loan for £2.65m at 7% interest was proposed, and the interest expense exceeds rental income. In addition to this, repayments would begin during the construction phase.

The Director of Resources advised that 4% plus base rate was agreed to ensure that it was not a soft loan to a company. It was noted that this can be discussed with the housing company, however he suggested that the recommendation should not be amended. The company are also able to take a loan from a lender other than the Council. It was further noted that this was a decision for the parties to negotiate, and was not a Council decision.

Members offered their support for the proposals due to the urgent need for this type of housing.

RESOLVED

- (a) that the transfer of s106 funds to Horsham District Homes (Holdings) Limited for the purchase, at affordable rent market rate, of the eleven 2-bedroomed homes in London Road, Horsham for a sum of no greater than £2,650,000 plus stamp duty land tax (if applicable given intra-group relief) and agents fees be approved; and
- (b) that the transfer of the homes from Horsham District Homes Limited to Horsham District Homes (Holdings) Limited be approved

REASON

Approval of the recommendations will allow the details of the transactions to be completed so that the affordable rental properties can be delivered for the benefit of households on the housing list.

CO/49 **APPOINTMENT OF INTERIM HEAD OF LEGAL & DEMOCRATIC SERVICES/MONITORING OFFICER**

Councillor Jonathan Chowen introduced the report and recommended that Council appoint Lauren Kelly to the post of Interim Head of Legal & Democratic Services/Monitoring Officer. Lauren had worked for the Council for a number of years and had an impressive CV. Councillor Martin Boffey, Leader of the Opposition, seconded the proposal.

RESOLVED:

- i) That the appointment of Lauren Kelly to the position of interim Head of Legal and Democratic Services with effect from 2 January 2023 be agreed, in accordance with the recommendation of the Employment Committee;
- ii) that the designation of Lauren Kelly as interim Monitoring Officer of Horsham District Council under Section 5 of the Local Government and Housing Act 1989, be agreed, with effect from 2 January 2023;
- iii) that the duration of the interim post be agreed to be six months, in which to start the appointment process to the substantive role, and as necessary until such date as a substantive appointment is made and the appointee commences their duties.

REASON:

- i) To comply with the provision of Section 5 of the Local Government and Housing Act 1989 in respect of the appointment of the Monitoring Officer.
- ii) To ensure a timely and smooth transition until a permanent appointment can be made

CO/50 **REPORTS OF REPRESENTATIVES**

Councillor van der Klugt provided an update on the South Downs National Park Authority. The SDNP were reliant on Government grants and had undertaken a restructure to balance its budget, and therefore would focus on its core programmes. The SDNP were pleased with the quality of responses to the consultation on the Shoreham Cement works, and the area action plan would be merged as a chapter in the SDNP local plan review, instead of remaining as a separate document. This would bring an 18 month delay in progressing the plan, but would account for water neutrality and be less resource intensive to review. This would also take into account the changes being implemented by the Levelling Up Act in relation to how action plans are dealt with.

CO/51 **HORSHAM BLUEPRINT BUSINESS NEIGHBOURHOOD DEVELOPMENT PLAN**

Councillor Lynn Lambert, Cabinet Member for Planning and Development introduced the report. She advised the Council that on 20 October 2022 residents and businesses voted in favour of the Blueprint Plan. Following the successful referendum, the plan must be made and the Horsham Blueprint Neighbourhood Development Plan would gain statutory status as part of the Council's development plan to determine future planning applications within the Neighbourhood Forum Area. The Cabinet Member thanked the volunteers and forum members who worked on the project. Councillor Tim Lloyd seconded the proposal.

Councillor Martin Boffey thanked all those who played a role, and shared their ideas. Members highlighted the importance of Neighbourhood Development Plans.

RESOLVED:

- i) That the following Neighbourhood Plan be formally made as part of the statutory Development Plan for Horsham District and apply the policies within the plan for the purpose of determining planning applications within the relevant neighbourhood area:

1. Horsham Blueprint Business Neighbourhood Development Plan 2019 - 2036

CO/52 **NOTICE OF MOTION**

One motion had been received, as set out in the agenda.

- (a) Motion Proposed by Councillor John Milne and seconded by Councillor Ruth Fletcher

The West Sussex Speed Limit Policy which applies across Horsham District is being reviewed. If implemented, this revised Policy will mean that our residents will only be able to seek reduced limits in areas which already have relatively low speeds.

For example, the Policy states that a 30mph limit can only be introduced in roads where the average speed is already less than 35mph. If the risk is much greater – for example, if average speeds exceed 40mph – then it's likely no action will be taken. This Policy therefore proposes to do nothing where the safety risks are greatest, while concentrating scarce Highways funds into the areas which need them least.

We move that this Council requests that West Sussex County Council reconsider their new Speed Limit Policy, such that Horsham District residents will be able to reduce speeds in the roads where need is greatest.

The proposer spoke in support of the motion and proposed to amend the motion to the following:

The West Sussex Speed Limit Policy which applies across Horsham District is being reviewed.

In the light of recent evidence that speed limit reductions have significantly higher impact on speeds and collisions than previously believed, we move that this Council requests that West Sussex County Council reconsider their new Speed Limit Policy to put greater emphasis on reducing speeds on those roads where need is greatest. We also request it to reconsider the delivery mechanism to accelerate efficient rollout both across existing roads and for new developments.

The seconder also spoke in support of the amended motion.

Councillor Tricia Youtan, Cabinet Member for Housing and Public Protection, highlighted that this was a complex issue and there was limited time available at the meeting of the Council. She therefore proposed to REFER the Motion to the Housing and Public Protection Policy Development Advisory Group for consideration, without further debate (under rule 4a.16(f) of the Constitution). The proposal was seconded by Councillor Jonathan Chowen.

The proposal to refer the Motion was put to the vote and was CARRIED.

CO/53 **MEMBERS' QUESTIONS ON NOTICE**

(a) Councillor Mike Croker asked Jonathan Chowen, Leader of the Council, the following question:

Following last week's press release and subsequent ministerial statement from the Department for Levelling Up, Housing and Communities, what is the cabinet members view on their likely effect on the forward plan (published on 1st December 2022) regarding the timing of decisions on the Horsham District Local Plan 2022-2039 and the Horsham District Local Plan - Local Development Scheme 2022-2025?

The Leader replied:

On 5th December, Michael Gove wrote a letter to all MPs regarding changes to the Levelling Up and Regeneration Bill. This has slightly muddied the water for us in Horsham District as we are very close to publishing our long awaited Regulation 19 Local Plan, which will give us additional protection, along with Water Neutrality, from Developer Lead Speculative development. The letter is however, very welcome as its intentions strengthens our proposed Local Plan.

We welcome the suggestion of the removal of the legal duty to co-operate, although this is not until the end of 2024 and it being a less onerous legal bar. Whilst water neutrality may not be specifically mentioned, our legal advice is this will count as a genuine constraint and allow us to mitigate against the current Standard Methodology and our old housing targets of 1,100, to a locally evidenced based target of 600 homes a year for 5 years of current permissions to an average of 800 per year, in a stepped allocated process that delivers on our own Local Plan and Neighbourhood Plans. Or less, with continuing water neutrality and water availability.

Recently, DLUHC confirmed that having an adopted, up to date plan, is always the best way to avoid unwanted speculative development. One very important revision to the NPPF by DLUHC for us is the inclusion of Transitional Arrangements. That give Local Authorities two years to make changes to their housing targets if required. This can only be done if the Local Plan is at an advanced stage. Legal advice has confirmed that "plans at an advanced stage" are those which have reached Regulation 19.

This transitional arrangement will allow us to scrutinise the interpretation of "genuine constraints", local character, landscape issues along with water stress to our drinking water and sewage disposal through treatment plants and into our rivers and estuaries.

Conversely, the lack of a five year supply, and no prospect of rectifying it without a local plan, will leave the Council and District increasingly

vulnerable to speculative development. This is because we have our Part C Mitigation Strategy in place and in the public domain with Developers working hard to produce possible solutions to Water Neutrality. As seen in the Duckmoor Development at Billingshurst.

Another welcome announcement was a change to increase the time neighbourhood plans are protected. I am sure residents don't know that their hard won neighbourhood plan has only limited protection at the moment of 2 years. So the suggested increase to 5 years is very welcome. However for Neighbourhood Plans to avoid speculative development, this Council will still be required to have a 3 year housing supply and without new sites coming forward in a Regulation 19 Local Plan, this will leave communities with neighbourhood plans and those in the process, vulnerable to widespread piecemeal speculative development. All that time and effort by local parishes and volunteers will be to no avail.

As a Leader of a neighbouring authority informed me recently, "what is not to like for a developer than an area of high value housing with no plan in place.". In his authority the developers picked off smaller lucrative sites that required less infrastructure, roads, schools and community facilities, with fewer affordable homes and with no consideration for biodiversity and landscape, all on unplanned greenfield sites. Let alone the cost of defending these appeals £850,000 they now need to fund the missing infrastructure.

I can imagine many such vulnerable sites across our district, towns and villages. It would be destructive piecemeal development of our District. Not a great legacy for future generations.

So while I am Leader of Horsham District Council I will champion along with members and officers, our Plan, a Local one taking advantage of our unique, exceptional constraints of water neutrality to have a local plan here in this District, for our communities rather than a Developer Led Plan. Officers will release a more detailed explanation with legal advice after tonight's meeting.

Councillor Croker I hope that answers your question and you will join me in championing your Local Plan and all its additional environmental, ecological protection and local control. It's our plan.

In reply, Councillor Croker asked whether there was any indicative timing for when the matter would be considered by the Council, and Cabinet. Councillor Chowen confirmed it would be considered in January 2023.

(b) Councillor John Milne asked Lynn Lambert, Cabinet Member for Planning and Development, the following question:

"At the Council meeting of 13 October 2021 a Motion was unanimously agreed setting out a policy to provide homes for Social Rent in the

forthcoming Local Plan. It proposed that a report is to be prepared which would identify 'how best to deliver Affordable Housing that ensures each new development maximises Social Rented homes on new sites to achieve at least 35%.'

However, the brief given to consultants Icenl did not specify this. As a result, the report as presented to the Planning PDAG in October 2022 instead contains recommendations on how to achieve a minimum provision of 25% First Homes and 5% Shared Ownership, which are entirely different categories of tenure.

The report does affirm that Social Rent housing is both justified and necessary to improve affordability in Horsham District. But far from guaranteeing 35%, it sets no minimum quota at all. It asks only that homes for social rent should be provided 'as a priority' from the remaining 70% of the affordable quota.

Effectively this is just a continuation of our existing policy, which has failed to deliver a single home for social rent for the last 10 years. There's no reason to expect it to perform any better in the future.

The proposed housing tenure policy is therefore in direct contradiction of an approved council Motion. Given that Council Motions are binding this would be unconstitutional.

We very much hope the Cabinet will choose to keep faith with their promises. Can the Cabinet Member for Planning confirm what action will be taken to avoid this situation arising?"

The Cabinet Member replied:

Thank you for your question Councillor Milne. Firstly, I would like to make it clear that the Notice of Motion was included in the brief and the aims and aspirations of the Council were clearly apparent to the appointed consultants.

As you are already aware, it is a requirement that all Local Plan policies must be supported by clear evidence. Without this in place, policies will not succeed at Examination, however much we might wish them to.

The brief to consultants asked for a clear analysis of the need for social rented housing, and at what level this could be set.

The results of the study do show that there is a strong moral argument for social rented housing. However, we must demonstrate that our Local Plan policy is deliverable, so we asked the consultants how social rented housing can best be delivered, together with supporting evidence.

The nature of affordable housing has changed in recent years, with an increase in the variety of options (social rented, affordable rented, shared ownership and first homes), all of which are aimed at different types of personal situations. The current funding streams for the provision of

affordable housing are limited, and social housing is the most expensive to deliver.

We have therefore tested whether the delivery of 35% social rented housing is financially viable. Unfortunately, this clearly shows that having a 35% target for social rented would make the vast majority of development sites in the District either unviable or unacceptably marginal.

This would prevent most development sites from coming forward and would ultimately reduce the number of any type of affordable housing delivered.

The result would be that fewer households would be able to access any form of affordable housing. The housing register would grow even faster than it is currently, and more people would end up being housed in unsuitable accommodation.

Whilst I accept that social housing rental costs are lower than those for households paying affordable rent, for the majority of these lower income households, rental costs are met through the payment of housing benefit. As the rent for these households is covered by other means, the difference in tenure has no impact on the remaining income of affected households.

At a time when housing waiting lists are growing, and the housing crisis is worsening, my view is that the focus should be on helping as many local people as possible to access affordable housing and that this can best be achieved through strengthening our policy wording to prioritise social rented ahead of affordable rented, but not to the point where housing delivery is compromised. The Local Plan policy will be worded accordingly.

In reply, Councillor Milne questioned whether the local plan could be challenged, should a target of at least 35% for social rented not be set. The Cabinet Member advised that if the policy required 35% social rent that there would be significantly less affordable housing and therefore fewer residents would be removed from the housing register. Councillor Milne concluded by saying:

The fact is that a case can be made for a lower number of course, but to drop from 35% all the way down to zero is not acceptable. I further note that the consultant's report back to members has been tremendously delayed a whole year in the making. Now that it's finally here it's been circulated to councillors as a statement of fact or decision, as if that commitment never existed.

There's been no attempt to explore and understand other options with councillors. The 35% guarantee was a unanimous decision by all of us. As it stands we there all therefore all share a moral and constitutional

obligation to respect the outcome of that vote. Any version of the local plan which doesn't include this commitment could be vulnerable to challenge by anyone who didn't get the decision they wanted. You may say that's unlikely, but we can't afford the slightest chance because the stakes are so high. I fully understand the pressure on section 106 funds but the fact remains the report is wrong because the brief was wrong. As a result the focus on first homes has sucked up so much of the subsidy that there isn't enough left to go around for any other form of tenure. We are being told that we have no option but that can't be true councils, such as Bath, face exactly the same dilemma as us with high house prices and limited section 106 funds but instead of sacrificing their entire social rent sector both are looking to balance one lead against another including homes for social rent but we haven't even discussed this.

Our obligations are clear so notwithstanding the answer given today I ask the Cabinet to reconsider their decision before progressing the Local Plan any further.

CO/54 **URGENT BUSINESS**

There was no urgent business.

The meeting closed at 8.16 pm having commenced at 6.00 pm

CHAIRMAN