

Cabinet
28 JANUARY 2016

Present: Councillors: Ray Dawe (Leader), Jonathan Chowen (Deputy Leader), Philip Circus, Roy Cornell, Brian Donnelly, Kate Rowbottom and Claire Vickers

Apologies: Councillors: Gordon Lindsay

Also Present: Andrew Baldwin, John Blackall, Alan Britten, Karen Burgess, Peter Burgess, John Chidlow, Paul Clarke, Leonard Crosbie, Matthew French, Ian Howard, Nigel Jupp, Tim Lloyd, Christian Mitchell, Mike Morgan, Godfrey Newman, Stuart Ritchie, Jim Sanson, David Skipp, Simon Torn, Michael Willett and Tricia Youtan

EX/33 **MINUTES**

The minutes of the meeting of the Cabinet held on 23rd November 2015 were approved as a correct record and signed by the Leader.

EX/34 **DECLARATIONS OF MEMBERS' INTERESTS**

Councillor Philip Circus advised that although he had been a member of the steering committee of the 'Keep Sunday Special' campaign, he had been advised by the Monitoring Officer that this did not constitute a declarable interest in relation to the item on the agenda regarding proposed car parking charges for Sundays and Bank Holidays.

EX/35 **ANNOUNCEMENTS**

There were no announcements.

EX/36 **PUBLIC QUESTIONS**

No questions had been received.

EX/37 **REPORT OF THE CABINET MEMBER FOR WASTE, RECYCLING AND CLEANSING ON RECYCLING PAYMENTS MECHANISM - MEMORANDUM OF UNDERSTANDING**

The Cabinet Member for Waste, Recycling and Cleansing reported that the Council had formally entered into the West Sussex Waste Partnership Memorandum of Understanding (MOU) agreement in 2004. The MOU incorporated a mechanism to cover recycling payments made by West Sussex County Council (WSSCC) to each Collection Authority based on tonnages of material collected and delivered to the WSSCC transfer stations. The

mechanism agreed in 2004 favoured this Council at the time due to its high recycling rates and provided in 2015/16 a payment of £1,044,000.

In light of changes to waste collections and recycling markets over the last ten years, a new MOU had been developed by the District/Borough Councils and West Sussex County Council which was geared towards the collection of quality recycling materials that had a significant commodity value. The revised Recycling Payment Mechanism (RPM) also gave a financial incentive to Collection Authorities to encourage more recycling in an attempt to achieve EU recycling targets of 50% by 2020. The Council's current recycling rate was just under 45%.

The RPM would be reviewed on an annual basis to account for fluctuations in commodity values and other associated trends within each authority area such as new housing stock.

It was noted that there would be a significant financial consequence for the Council given that the original agreement had favoured this authority. However, the proposed base support allocation plus the incentive package to encourage greater recycling and reduce contamination provided an opportunity to enhance the recycling payments over the next five years.

The Cabinet Member and the Director of Community Services answered a number of Members' questions regarding the reliability of the calculation of the RPM; the possible impact of increased recycling on the value of the materials collected; the need for continuing education/information about what can and cannot be put in the recycling bins for collection; and materials rejection.

RESOLVED

That the 2016 West Sussex Waste Partnership MOU Recycling Payment Mechanism be approved as detailed in the report.

REASON

The MOU and associated repayment mechanism should be adopted in order to drive recycling performance and receive an equitable payment for recycling materials collected.

EX/38

REPORT OF THE CABINET MEMBER FOR LOCAL ECONOMY ON PROPOSED CAR PARKING CHARGES FOR SUNDAYS AND BANK HOLIDAYS

The Cabinet Member for Finance and Assets, on behalf of the Cabinet Member for Local Economy, reminded Cabinet that, in October 2011, the Council had approved a strategy for town centre car parks. One of the objectives of this strategy was to ensure funds were available to invest in Town Centre car parks in order to be able to provide a quality user experience for shoppers and visitors and for funds to be reinvested back into parking infrastructure.

The provision of car parking was a discretionary service. In order to continue funding on-going improvements and recover running and operating costs it was necessary to generate sufficient revenue that could be reinvested back into car parks and contribute towards the Council's Mid-Term Financial Strategy.

The number of motorists now using the town centre multi-storey car parks on a Sunday and Bank Holidays meant it was no longer viable for them to be unmanned. In order to cover staffing costs the introduction of a Sunday and Bank Holiday tariff throughout Horsham town was therefore proposed. It was noted that Sunday parking charges had been introduced in most peer towns.

Staffing the car parks on Sundays and Bank Holidays would also enable the Council to operate the Shopmobility service, to undertake parking enforcement of dangerous and unsafe parking and to assist with town events.

Approval was therefore sought for the introduction of Sunday and Bank Holiday (off-street) car parking charges in Horsham town car parks.

It was noted that Horsham Unlimited (a partnership of town centre businesses) was not supportive of the proposal as part of their marketing of Horsham's unique offer was the availability of free parking on Sundays. Also, Horsham Denne Neighbourhood Council did not support the proposed changes as they were concerned about the possible impact on on-street car parking. If approved, the relevant Parking Orders would be subject to a further period of consultation.

Members' comments included considerable support for the proposal, particularly in view of the usage statistics which indicated that the number of cars per hour using the multi-storey car parks on a Sunday were comparable with those on Saturdays. It was also noted that many visitors now expected to pay for parking on Sundays as this was the norm in many other areas and there was a need for staff to be present to manage service as it was increasingly perceived as a normal trading day.

Comments in opposition to the proposal included the likely increase of the charge in future years; the impact on church-goers who currently benefitted from free parking on Sundays; the possible impact on residents close to the town centre who might be affected by an increase in on-street parking on Sundays; and a possible reduction in the number of visitors to the town on Sundays if a charge was introduced.

RESOLVED

- (i) That the introduction of Sunday and Bank Holiday parking charges at a £1.50 flat fee from 1st April 2016 in all Horsham town surface and multi-storey car parks be approved.

- (ii) That the Parking Services Manager be authorised to give appropriate notice of any revised charges pursuant to the Off-street Parking Places Order 2015 and the Road Traffic Act 1984.

Note: Councillor Philip Circus requested that his abstention from this vote be recorded.

REASONS

- (i) Given that parking demand on Sundays is almost at a similar level to that of Saturdays, it is necessary to manage car parking in the town and the charge will finance the extra costs of providing this service.
- (ii) The multi storey and surface town centre car parks require considerable capital investment and over the past six years up to 2014/15 the council has spent £1.45m on enhancing car parking infrastructure, with an additional £1.093m budgeted for 2015/16 and 2016/17.
- (iii) Over the years the Council has been moving to a "user pays" approach to the provision of discretionary services and this proposal fits with this philosophy.

EX/39

REPORT OF THE CABINET MEMBER FOR WASTE, RECYCLING AND CLEANSING AND THE CABINET MEMBER FOR FINANCE AND ASSETS ON THE APPOINTMENT OF BUILDING CONTRACTOR - HOP OAST DEPOT

The Cabinet Member for Waste, Recycling and Cleansing reminded Cabinet that, on 26th March 2015, it had approved the redevelopment of the waste depot at Hop Oast (Minute No. EX/51 (26.2.15) refers) and the necessary budget had been approved by Council on 29th April 2015 (Minute No. CO/86 (29.4.15) refers). The project had now reached the stage where it was necessary to appoint a building contractor to undertake the development.

The professional team had advised that the most suitable form of contract for the project would be a two stage design and build contract, where a contractor would be brought into the team at an early stage to help develop the design and to agree the most appropriate methodology for phasing the work in order to minimise the impact on the operational service, which was critical to a successful outcome. At this stage, the contractor's financial bid would be for their preliminary costs and their overheads and profit.

The final fixed price would be obtained when the design development had been completed and the majority of the various sub-contractor packages had been tendered. At that point, Cabinet approval would be sought for a fixed price and the contract placed.

The framework route was chosen as the most appropriate procurement option for selecting a contractor for this project and the Sussex Cluster Contractor Framework had been selected as the most suitable framework as it included contractors of the appropriate size and with the track record to undertake the proposed construction works.

Of the seven contractors approached, four expressed an interest in tendering. Tenders were therefore sought and received from those four companies. The cost and quality elements of the tenders were marked and it was concluded that Company B should be selected as contractors for the proposed project.

RESOLVED

That the tender received from Company B be accepted and that Company B be formally appointed as the building contractor for the project.

REASON

Following analysis of the tender submissions the company was considered to have the relevant experience and capability and to offer the best balance of cost and quality.

EX/40

REPORT OF THE CABINET MEMBER FOR PLANNING AND DEVELOPMENT ON THE HORSHAM PLACE PLAN (PART OF THE WEST SUSSEX GROWTH PLAN)

The Cabinet Member for Planning and Development referred to the continuing pressure on the budgets of all public bodies to deliver investment in essential infrastructure which was needed to facilitate the new homes and businesses that were also needed. It was therefore important that all existing and proposed commitments were brought together in a comprehensive approach amongst stakeholders. For this reason, and to maximise investment, West Sussex County Council was developing a Growth Plan which could be used to prioritise investment and as a lobbying tool that would hopefully secure additional funding as it became available.

Within the Growth Plan there would be a section for each local authority called a 'Place Plan' which identified and prioritised key issues and a delivery and investment plan for that area. The Horsham Place Plan had been produced in close cooperation with this Council and brought together existing projects and requirements. The Cabinet Member emphasized that there were no new proposals in the Place Plan, they were all already allocated, had planning permission in the development plan or met identified priorities such as the provision of high speed broadband to support the rural economy.

If endorsed by Cabinet, the Horsham Place Plan would be included by West Sussex County Council in the West Sussex Growth Plan.

In response to comments by Members, the Cabinet Member indicated that, if approved, she would use her ability to agree minor editorial changes to ensure that:

- it was clear that the housing figure in the table relating to the growth offer for Horsham Town did not refer solely to the Novartis site;
- that the list of other stakeholders engaged during the process included the Horsham Neighbourhood Councils and Horsham Blueprint;
- the table of housing and employment trajectories was checked to ensure that the jobs estimate in respect of Shipley was correct.

Other issues discussed included the accessibility of the other business and employment space identified north of Horsham, particularly around Langhurstwood Road; and education issues including the need for more primary schools and the role of Forest School in meeting secondary education needs.

RESOLVED

- (i) That the proposed Horsham Place Plan, including the identified key issues and priorities for Horsham District, be endorsed.
- (ii) That the Cabinet Member for Planning and Development be authorised to agree minor editorial changes.

REASON

Horsham District Council through the Growth Board has identified the key issues and priorities for Horsham District. The Horsham Place Plan is the result of this joint work.

EX/41 REPORT OF THE LEADER ON THE CORPORATE PLAN 2016 TO 2019

The Leader reported that, prior to the local elections in 2015, it had been agreed that the Council's 2011 to 2015 District Plan priorities would be revised following the elections. To enable budgets and service plans for 2015/16 to be set the priorities in the District Plan had been carried forward for the current financial year. In recent months Cabinet Members had discussed revisions to the District Plan with the Senior Leadership Team and had identified a set of draft priorities, which were set out in the report.

Following consideration by Cabinet, the draft priorities would be recommended to Council on 24th February 2015 alongside the Budget recommendations and, once agreed, these would both form the basis for the 2016/17 departmental service plans.

The priorities were grouped and presented under four broad headings, which covered the Council's economic, environmental, social and organisational responsibilities. These four themes would replace the six contained in the last District Plan and would help put individual priorities and the routine work of the Council in context. It was noted that the timescale for the delivery of the new Broadbridge Heath Leisure Centre would be amended to 'by Spring 2018'.

RECOMMENDED

That Council adopts the draft Corporate Plan as submitted.

REASON

To ensure that Corporate Priorities for the remainder of the current Council are clarified and form the basis of service plans and related activity across the Council.

EX/42 **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES ON THE 2016/17 BUDGET AND THE MEDIUM TERM FINANCIAL STRATEGY TO 2019/20**

The Leader reminded Members that this was the Director of Corporate Resources' last meeting before she left to take up her new post at West Sussex County Council. He therefore took the opportunity of thanking her for all her hard work over the last four years and wishing her well in her new role.

The Director of Corporate Resources presented a report which set out details of the proposed 2016/17 revenue and capital budgets and reviewed the Medium Term Financial Strategy. It was noted that the Council was able to set a balanced budget for 2016/17.

Owing to the continuing drive to reduce Government debt, the pressure on Council finances remained strong and the Comprehensive Spending Review in the Autumn Statement in November 2015 had made it clear that the policy to significantly reduce funding to local authorities would continue. The settlement in December 2015 had confirmed a 23.9% reduction in Settlement Funding Allocation in 2016/17 and a 62.3% cumulative reduction by 2019/20 when compared to funding of £3,549,000 in 2015/16. The current estimate for the future deficit for the Council was approximately £1,500,000 for 2017/18, rising to £2,400,000 in 2018/19 and approaching £3,900,000 in 2019/20.

The Council expected to deliver savings and income generation to tackle the deficit over the period 2017/18 to 2019/20 through a combination of a range of measures including a refreshed operating model, commissioning, shared services, procurement, income generation and other efficiency measures. In addition, consideration would need to be given to the possibility of some reductions to discretionary services.

The report also set out a series of prudential indicators that were a statutory requirement to demonstrate that the Council's capital programme was affordable and prudent in the context of the Council's overall finances. In accordance with Section 25 of the Local Government Act 2003, the Director of Corporate Resources also reported on the robustness of estimates and the adequacy of reserves.

Details of the provisional funding available for a four year settlement had been announced in the Local Government Finance Settlement on 17th December 2015. It was noted that the Government had qualified the offer by stating that final grant determinations in future years would still be subject to change. The Government had not yet indicated how Councils were to request the four year settlement or details of the efficiency plans required. Once these details were known a decision on whether or not to accept the settlement would need to be made. It was proposed that this decision should be delegated to the Cabinet Member for Finance and Assets, in consultation with the Section 151 Officer.

The report was based on the assumption that, after five years without an increase, Council Tax would be increased by 1.2% in 2016/17, reflecting RPI to December 2015, which would increase the Council Tax from £135.54 to £137.17 for a Band D property.

As a result of the changes to council tax benefits, the tax base of the unparished area had reduced in 2013/14. To ensure comparability with the funding of the parishes, an element of the Council Tax Support Grant (£6,148) needed to be attributed to the unparished area. It was currently proposed that the Special Charge for 2016/17 should be set at £23.93, raising a sum of £264,762. This, with the addition of the grant, would be sufficient to fund the proposed Special Expenses. A small increase in the special charge had been discussed with the Neighbourhood Councils in November 2015 and January 2016.

Cabinet Members supported the proposals in the report and expressed their thanks to officers for their efforts in delivering a balanced budget for 2016/17.

The Director of Corporate Resources responded to questions regarding New Homes Bonus and business rates.

The Leader confirmed that, whilst it would be possible for the Council to raise Council Tax by £5 for a Band D property in 2016/17, an increase of only 1.2% was being proposed in accordance with the Conservative pledge at the last elections that any rise would be no more than RPI.

RECOMMENDED

- (i) That the level of Council Tax for 2016/17 be increased from £135.54 by 1.2% to £137.17 at Band D.***
- (ii) That the net revenue budget for 2016/17 of £12.55m be approved, as submitted.***

- (iii) That Special Expenses of £270,909 and a Band D charge of £23.93 be agreed in respect of the unparished area for 2016/17.**
- (iv) That the capital programme for 2016/17 be approved as submitted and that the indicative capital budgets in the programme for future years be noted.**
- (v) That the projected future deficits on the revenue account be noted and the Medium Term Financial Strategy continue to be reviewed and refined to ensure that decisions are taken to develop a balanced budget in 2017/18 and subsequent years.**
- (vi) That the Minimum Revenue Provision Statement be approved, as submitted.**
- (vii) That the prudential indicators and limits for 2015/16 to 2018/19 be approved, as submitted.**
- (viii) That the statement on the robustness of the level reserves be noted.**
- (ix) That a further £2,000,000 of New Homes Bonus Reserve be allocated towards the Broadbridge Heath Leisure Centre capital project.**
- (x) That the decision to accept the proposed four year settlement be delegated to the Cabinet Member for Finance and Assets, in consultation with the Section 151 Officer, once the detail of the four year settlement has been finalised and the results of the consultation announced.**

REASON

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

EX/43 SCRUTINY & OVERVIEW COMMITTEE

There were no matters currently outstanding for consideration.

EX/44 TO NOTE THE FORWARD PLAN

The Forward Plan was noted.

EX/45 **TO CONSIDER MATTERS OF SPECIAL URGENCY**

There were no matters of special urgency to be considered.

The meeting closed at 7.45 pm having commenced at 5.30 pm

CHAIRMAN