

Overview and Scrutiny Committee
26 MARCH 2018

Present: Councillors: Leonard Crosbie (Chairman), David Coldwell (Vice-Chairman), Toni Bradnum, Peter Burgess, Jonathan Dancer, Matthew French, Nigel Jupp, Tim Lloyd, Mike Morgan, Ben Staines and Michael Willett

Apologies: Councillors: Alan Britten and Paul Clarke
Absent: Councillors: Billy Greening and Brian O'Connell

SO/37 **MINUTES**

The minutes of the Committee held 23rd January 2018 were approved as a correct record of the meeting and signed by the Chairman.

SO/38 **DECLARATIONS OF MEMBERS' INTERESTS**

There were no declarations of interest.

SO/39 **ANNOUNCEMENTS**

The Chairman announced that this was the last meeting of the Committee for municipal year. The Chairman asked that future Members of Overview and Scrutiny be available to support its new work programme over the course of the coming year.

SO/40 **CABINET MEMBER INTERVIEW**

The Cabinet Member for Finance and Assets was invited to the meeting of the Overview and Scrutiny Committee to present his portfolio summary and answer any questions arising based on his area of responsibility.

Three questions had been submitted in advance of the meeting and the Cabinet Member provided full responses:

Question 1:

| Table 1. | 2013/14 | 2017/18 (five years) | Difference |
|-----------------|---------|----------------------|------------------|
| Gov. Settlement | 4,487 | 2,100 | 2,387 (decrease) |
| New Homes Bonus | 1,166 | 4,800 | 3,634 (increase) |
| TOTAL: Gov. | 5,653 | 6,900 | 1,247 (increase) |

| | | | |
|-------------|-------|-------|----------------|
| Funding | | | |
| Council Tax | 7,581 | 8,443 | 862 (increase) |

Despite Austerity and Government reduction in Local Government Funding HDC (primarily because the District is a prime target for housing development) remains solvent and effectively untouched by reduced Government Funding. Is this understanding of the above data valid? Councillor Leonard Crosbie

Response from the Cabinet Member:

“The Council has lost also other government funding in the same period that is not included above. For example, Council Tax support funding was linked to RSG in 2013. As RSG is now zero, the Council has effectively lost this funding by having to now fund this Council Tax support directly. This is running at approximately £200k to £250k a year.

More housing over this period means more householders requiring more services from the Council, which has an impact on the costs of the Council.

Note that in this time, cost inflation as measured by RPI has increased by about 10% since April 2013. This means the cost of goods and services in this period have increased.

If the table was extended back to 2010/11 – the year before austerity started after the May 2010 election, then the changes in funding are comparable as shown: i.e. less.

| Table 2. | 2010/11 | 2017/18 (7 years) | Difference |
|---------------------|---------|-------------------|------------------|
| Gov. Settlement | 6,207 | 2,100 | 4,107 (decrease) |
| New Homes Bonus | 0 | 4,800 | 4,800 (increase) |
| TOTAL: Gov. Funding | 6,207 | 6,900 | 693 (increase) |
| Council Tax | 8,084 | 8,443 | 359 (increase) |

Over 7 years, inflation as measured by RPI has increased by about 18%.

The Cabinet Member added that the Council has been working over the past years to generate additional income.

Question 2:

In the five years (2013/14 to 2017/18) the New Homes Bonus (NHB) was used to fund Council revenues (Revenue Account) to the total of £5.3 million.

From 2018/19 the NHB funds have been switched to fund capital projects and investment purchases projected at over £10 million.

Why not continue to support the Revenue Account with some of the remaining £4m. of NHB funds, as this decision has directly resulted in forecast deficits on the Revenue Account of some £1m and £2m for 2020 and 2021 respectively?
Councillor Leonard Crosbie

Response from the Cabinet Member:

The NHB cannot be regarded as a permanent source of income, until Government confirms that it is. The sharpening of NHB indicates (payments reduced from six years to 4 years and may reduce further) and the introduction of a baseline that is highly likely to increase in the future indicates that the government is delivering on its 2015/16 settlement to reduce the budget envelope for the NHB pot.

It would be risky to rely on something that could easily be switched off. This may happen as part of the reorganisation of business rates in the early 2020s. The Council needs to be prepared for that eventuality and use the funding as the bonus name suggests.

By directing the funding towards capital expenditure, this could also be more easily switched off, by not spending on something. Not spending on revenue is slower to turn off. The application of NHB reserve against infrastructure assets that would otherwise generate a Minimum Revenue Provision (revenue account) charge means that this approach is contributing to the revenue account. This approach also arguably drives greater efficiencies from the Council.

Question 3:

Can the Cabinet Member kindly a) identify which capital projects over the Medium Term Financial Strategy (MTFS) period are funded from revenues, reserves, NHB, loans/borrowings and S106/CIL funds, and b) confirm the budgeted revenues from the newly introduced charges from rural car parks in the MTFS together with confirmation that those revenues are ring fenced to cover the costs to HDC of maintaining and improving those running car parks.
Councillor Nigel Jupp

Response from the Cabinet Member:

Significant capital projects in 2018/19 and the MTFS:

- *£12.3m – BBH LC funded by NHB*
- *£8m Piries Car park – funded by borrowing*
- *£3m p.a. property investment currently from borrowing. May be funded by NHB in future once BBH has been built*
- *£3m Rowan Drive and Peary Close temporary accommodation funded by S106*
- *£1m Swan Walk redevelopments – funded by borrowing*

N.B. borrowing may be internal borrowing or external borrowing, depending on cashflow. The Head of Finance can provide more detailed analysis against the 2018/19 capital programme if required.

The 2018/19 budget includes £374k income from rural car parks, which is a combination of season tickets, rural parking disks and pay and display tickets. £50k per year is placed into a sinking fund reserve to fund capital expenditure on these car parks. There are other costs, e.g. from general maintenance, enforcement, business rates.

The capital programme in 2018/19 includes capital expenditure funded by the rural car park sinking fund of £161k improving two of busiest car parks in the district at Steyning and Henfield. The works include resurfacing, relining and relocating the bays to maximise the space and improve traffic flow.

All the rural car parks are included over the coming years.

The Chairman invited any supplementary questions.

The Cabinet Member was asked to provide details of all the capital projects that are to be funded from revenues, reserves, NHB, loans/borrowing and S106/CIL funds, as only the significant ones had been identified at the meeting. This more detailed information would be provided following the meeting.

The Committee sought further confirmation that the revenue generated from rural car parks would be ring fenced only for the use of improving and maintaining the car parks. The Cabinet Member confirmed that this was the intended use of the funds.

Members questioned the uptake of the parking discs for the rural car parks along with the revenue generated from the fines issued by enforcement officers in the rural areas. It was agreed that the Director of Community Services would provide a written answer with the details following the meeting.

The Chairman of the Committee thanked the Cabinet Member for attending the meeting and answering the questions presented.

SO/41 **TASK AND FINISH GROUPS UPDATES**

The Chairman of the Traffic Around Primary Schools Task and Finish Group updated the Committee. The final report and recommendations of the Group had been presented and accepted by Cabinet and the following responses to each recommendation had been provided:

1. Recommendation to request that West Sussex County Council implement Regulation 10 of The Civil Enforcement of Parking Contraventions (England) General Regulations (appendix 3).

Cabinet response: This work is already underway and WSCC are in the process of adopting Regulation 10. It has been agreed that we will work with WSCC and then implement Regulation 10 across the district. The start date for the use of Regulation 10 will be confirmed as soon as it is agreed.

2. Recommendation to Cabinet that enforcement officer presence is increased during peak times around schools, with a suggested target of visiting each school once per each half term. It is also suggested that the strength of the enforcement team be examined with a view towards increasing numbers.

Cabinet response: Officers will examine our ability to increase the enforcement presence during peak times at schools. Steps have already been taken to increase the amount of officer time available for enforcement. The council has recruited three new parking attendants. These posts will ensure more enforcement capacity.

3. Recommendation to Cabinet that Waste, Street Scene and Fleet team keep road markings around schools clear and visible, especially schools in rural areas.

Cabinet response: The council already ensures that road markings are swept. This includes around schools. Officers will revisit the schedule for the sweeping of road markings to ensure that they continue to be fit for purpose.

4. That the Communications team to draft a press release/newsletter/magazine article to increase awareness/educate those that drop off and pick up students and place same article on social media sites

Cabinet response: We will ask WSCC and schools to participate in this education and awareness campaign.

5. That it is investigated, and if possible, to empower the neighbourhood wardens where possible to enforce traffic regulations.

Cabinet response: It should be noted that neighbourhood wardens already play an active role in resolving local traffic issues. Experience from existing warden schemes like the one in Pulborough suggests that wardens can achieve significant results through education and awareness raising. The possibility of empowering neighbourhood wardens to enforce traffic regulations will be investigated.

SO/42 **CENSUS REVENUES AND BENEFITS TASK AND FINISH GROUP**

The Chairman of the CenSus Revenues and Benefits Task and Finish Group provided the Committee with an update on the review.

The Chief Executive had attended the last meeting of the Group to provide advice and background information on the CenSus Revenues and Benefits partnership. The Group was due to meet again on 28th March 2018 and at this meeting the Group was anticipating to conclude the review and prepare its final report which would look at the issues raised in relation to the CenSus partnership arrangements, its efficiency, transparency, governance and responsibilities and the Council's liabilities going forward into other partnerships.

It was anticipated that the final report would be available for the next meeting of the Overview and Scrutiny Committee.

SO/43 **TO NOTE THE INFORMATION COMMISSIONERS DECISION ON THE VIABILITY STUDY FOR THE NORTH OF HORSHAM PLANNING APPLICATION**

The Committee was asked to note the report by the Information Commissioner's Office (ICO) on its decision regarding the Council's refusal to release confidential viability information for the North of Horsham Planning Application. This item also linked to a suggestion from a member of the public, for the Overview and Scrutiny Work Programme (agenda item 10a.)

The ICO had ruled against the Council's decision to refuse to release the unredacted viability information relating to the planning application in question.

The Chairman invited the Committee to comment.

The Committee noted that the Council had not appealed the ICO's decision and the redacted information had been released following the decision. It also noted that the government was undertaking consultation on proposed changes to the National Planning Policy Framework on how councils should manage information regarding viability.

Some Members of the Committee expressed concern over the difficulty that Councillors had in gaining access to the original report. It was also noted that the report was available to all Councillors who had signed a disclosure note and that member briefings had been held.

Members questioned whether external legal advice on the issue had been sought by the Council at the time and the source of the advice, the full details would be provided following the meeting.

The Chairman concluded that the Committee expressed strong views on this matter. Members recognised and accepted the report by the ICO. The Chairman emphasised that there was on going wider national consultation on this matter and the Committee agreed that the Council's robust position should be that it would maximise information for the public and Councillors unless there was strong evidence to support the decision not to.

SO/44 **TO REVIEW THE ROLE OF OVERVIEW AND SCRUTINY AND TRAINING**

- a Report on the Effectiveness of Local Authority Overview and Scrutiny Committees by the House of Commons Communities and Local Government Committee - For information

The Chairman explained that the Committee was due to undertake a review of the role of Overview and Scrutiny at Horsham. The review would consider the effectiveness of the new approach and the use of task and finish groups. Alongside this, a report had recently been published by the House of Commons on the effectiveness of Overview and Scrutiny at local authority level which highlighted the need for scrutiny to be more effective and proactive. The report was available as a link from the agenda.

Members supported this review. They expressed the need for scrutiny to be involved in major projects at an earlier stage.

There had since been a response to the House of Commons Report, which mainly supported all the recommendations.

The Vice Chairman encouraged Members to be proactive in suggesting items for the work programme.

The Committee noted that a Scrutiny Guide was available on the Council's website.

The Chairman suggested that a review the role of Scrutiny and Overview at Horsham take place by a task and finish group in the forthcoming weeks, the results of which could be applied from 2018/19. The Committee supported this suggestion.

SO/45 **REPORT ON THE CORPORATE PLAN PRIORITIES, FINANCE AND PERFORMANCE IN Q3 2017/18**

The Committee received the Report on the Corporate Plan Priorities, Finance and Performance in Quarter 3 for 2017/18.

No questions on the data in the report had been submitted in advance of the meeting.

Members noted that car park income was at an increasing level which was considered to be a positive reflection of the increasing housing in the District and visitors to the town centre.

Members asked for a short note on the variance between the actual and budget figures against staffing costs in the Highlight Report.

The Committee noted the report.

SO/46 **WORK PROGRAMME AND SUGGESTIONS FOR REVIEW**

- a Suggestion on Redacted Reports for Committees
Two members of the public spoke in support of this item.

This item had been raised as a suggestion from a member of the public regarding concerns about access to information regarding planning and access to viability information.

The Committee noted the suggestion and agreed that this had been covered as part of the discussions held on the earlier agenda item (agenda item 7).

The Committee also noted that it could not review planning matters as they were outside of the remit of Overview and Scrutiny, but agreed that clarification on what was within the remit of Scrutiny would be clearly identified as part of the review of Scrutiny.

Therefore it was concluded that the role of Scrutiny in relation to planning matters would be picked up as part of the overall review of the role of Overview and Scrutiny, which had been agreed under the earlier agenda item (item 8a).

- b Suggestion for the Review of Councillor's Technology
The suggestion to review the technology needs of the Councillors in order to carry out their duties was raised by the Director of Corporate Resources.

It was agreed by the Committee that this was a suitable item for review by a task and finish group and the following Members volunteered to be on the group: Councillor Paul Clarke, Peter Burgess and Mike Morgan.

- c Suggestion for Review of the Health Provision
The health provision in the District had been previously raised as a potential item for review, however the Committee noted that the Cabinet Member for Community and Wellbeing was currently looking at various health provision aspects and this suggestion could be revisited by Overview and Scrutiny next year.

It was anticipated that the Crime and Disorder Year End Report would be available at the next meeting of the Overview and Scrutiny Committee.

Training options for Committee Members would also be considered for the next meeting.

SO/47 **URGENT BUSINESS**

None.

The meeting closed at 7.47 pm having commenced at 5.30 pm

CHAIRMAN