

## Appendix A

### Minutes of the meeting of the Scrutiny Committee for Leader, Resources and Economic Growth on 30 January 2018 from 7:00 p.m. to 8.40 p.m.

**Present:**

Edward Belsey  
Margaret Belsey\*  
John Belsey  
Richard Cherry  
Rod Clarke

Ruth de Mierre  
Tony Dorey\*  
Andrew Lea  
Judy Llewellyn-Burke  
Gordon Marples

Norman Mockford  
Geoff Rawlinson  
Peter Reed  
Linda Stockwell  
Colin Trumble

\* Absent

**Also present (as nominated substitute):** Cllr Peter Wyan,

**Also present:** Cllr Jonathan Ash-Edwards and Cllr Garry Wall.

The Chairman began the meeting by welcoming Councillor Rex Whittaker as a new Member of the committee.

**1. SUBSTITUTES AT MEETINGS OF COMMITTEE – COUNCIL PROCEDURE RULE 4**

Councillor Peter Wyan substituted for Councillor Tony Dorey.

**2. APOLOGIES**

Apologies were received from Councillor Tony Dorey and Councillor Margaret Belsey.

**3. DECLARATIONS OF INTEREST**

Councillor Andrew Lea declared an interest as a West Sussex County Councillor. Councillor Ruth de Mierre declared a contract interest relating to the Orchards Shopping Centre during the discussion of item 6.

**4. MINUTES**

The minutes of the meeting held on 8 November 2017 were agreed as a correct record and signed by the Chairman.

**5. URGENT BUSINESS**

None.

**6. DRAFT CORPORATE PLAN AND BUDGET FOR 2018/19**

At the invitation of the Chairman, the Cabinet Leader for Resources and Economic Growth introduced the report and thanked Members for their time in scrutinising it in detail. He highlighted that the proposed budget underpins the priorities that the Council has set for the forthcoming year in terms of economic growth and the District Plan. He noted the ambitious programme of flagship activities which feeds into some of the pressures on the budget. With regard to Council Tax, he noted the proposal of a 3.2% increase which is a common position of Councils this year, and would still place Mid Sussex as the third lowest Council Tax in the Sussex area.

## Section 1

Regarding the flagship activities, a Member requested that the objectives be specific and measurable. Kathryn Hall, Chief Executive confirmed that the details contained in the report were high level to give an indication of what is planned for 2018/19 and that full details of progress are presented in specific quarterly monitoring reports. In reference to a concern about the Queen's Walk redevelopment, this would be addressed outside the Committee meeting.

A Member sought clarity on a number of figures in the Inflation Calculation table on p12 and 13. Peter Stuart, Head of Corporate Resources confirmed that the amount listed under 'subscriptions' relates to items such as membership of the Local Government Association, and the percentages listed under the contracts section on p.13 should have quotation marks around it as they are standard indices.

Members had a number of queries relating to The Orchards Shopping Centre. The Head of Corporate Resources confirmed that the change to the reserve in paragraph 3.3.3 results from a change in accounting treatment. He stated that he will provide Members with the net yield after expenses outside of the meeting and further information on The Orchards will be presented to the Committee at the March meeting. With regard to the level of expertise to manage The Orchards, he confirmed that the administrative side of centre management has been brought in-house but the Council has retained GCW for their knowledge and contacts in terms of lease negotiations and have TUPE transferred the Centre Manager to the Council's establishment.

A Member expressed concern regarding the negative RSG listed on the Medium Term Financial Plan (p.16). The Chief Executive confirmed that when the Government made its final settlement there were round table discussions by a number of local authorities and the Secretary of State committed to look at it further. The Leader also confirmed that the Council would be lobbying on this issue through its memberships of the LGA and similar forums.

## Section 2

The Chief Executive introduced the section noting the proposal for modest investment in front line services to address an increase in service volumes and to focus on specific areas that the Members have put forward such as significant investment in skilled staff, development management and economic growth and a restructure and redesign of commercial services.

A number of Members commented on the subject of parking. It was clarified that paragraph 2.1.8 should read 'a net increase in parking', not 'parking income'. Judy Holmes, Assistant Chief Executive confirmed that the recent shortfall in car park transactions will not impact on the overall budget as it has been profiled based on a

trend analysis over three years. It was also noted that although parking movements were lower, the dwell time was longer.

A Member requested that measures be put in place to mitigate queues when the new parking machines are installed. The Assistant Chief Executive confirmed that not all pay machines would be cashless and would not require vehicle registration numbers to be entered. She confirmed that cashless pay options will be rolled out on a carefully managed basis with staff available to assist. Further clarification of parking costs was sought, related to information in the Capital Programme (Section 4). Concern was raised that a cost of £78,000 to move to cashless parking was significant, if it was only anticipated that the take up would be 15 – 20%. The Assistant Chief Executive confirmed that the cost of including cashless payment options at this stage were marginal when compared to replacing cash only machines. There would also be savings in the reduction of people contracted to collect the cash from machines. She also confirmed that the cost incurred for contactless payments at 21 – 28p per transaction is the industry standard although this would be reconfirmed.

Members also raised concerns regarding planning income figures detailed on p.21 and 22, and information on p.20 relating to the Audit Commission and mistakes made as a result of a high workload. The Assistant Chief Executive confirmed that the Audit Commission provided benchmarking information on planning, and noted that the planning function at Mid Sussex is high performing. There are no major concerns, purely a need to be mindful of accuracy as well as speed when processing increasingly complex applications. In terms of attracting skilled staff, Mid Sussex is considered an attractive place to work because of its ambitious growth work in Burgess Hill. The Chief Executive addressed concerns regarding the projected income of £1,169K in relation to the fact that the number of applications are going up. She confirmed that the figures are based on a trend analysis of the last 3 years and taking into consideration the impact on the number and type of applications received once the District Plan is in place.

A Member raised concern regarding the LAPF investment and queried the value of it. The Head of Corporate Resources confirmed that the investment pays 4% a year and it would be hard to match it elsewhere without risk. He confirmed that the Council has invested in the long term for the yield not the value. He also confirmed that the investment mentioned on p.20 refers to increased revenue spend, i.e. investment in staff.

### Section 3

The Assistant Chief Executive introduced the section noting that each area was supported by detailed business plans on how areas of delivery are to be monitored. She noted some key challenges, particularly the profile of housing nationally and the commitment of the Scrutiny Committee to look at ways to deliver more affordable homes using Council assets. She confirmed that following a recent housing workshop, Officers will develop an action plan with advice from consultants which will be presented to Members for their input. There are also the key ambitions to deliver the District Plan and Burgess Hill Development and to bring together the frontline contract services.

A Member commended the Council on the investment with Places for People as the revenue negotiated is £1.1m per annum.

A Member proposed that the objectives listed in the Assistant Chief Executive's section of the report were excellent and quantifiable and should be used as a model for other sections of the report.

The Head of Corporate Resources clarified a Member's query on the community building located at the Keymer Brick and Tile Development. It is being built by the developer and may be managed by Burgess Hill Town Council, and is funded by Section 106 funds. With regards to a query on the CCTV contract he confirmed that he will provide the budget figures to Members outside the meeting, and confirmed that Mid Sussex District Council are part of the overall coordination of the project.

Members were satisfied with the information provided by the Head of Digital and Head of Regulatory Services. One question was posed on the impact of the apprenticeship levy and it was confirmed that the Council can reclaim training costs against this so there is only a marginal net loss.

The Head of Corporate Resources confirmed that the section on Strategic Core (p.50) accounts for all management costs and where more time is being spent in the corporate core, there have been adjustments to salary allocations which is reflected in the figures.

#### Section 4

The Head of Digital confirmed that the reference to 'modernisation of corporate records' related to a digitisation project and costs are for three staff recruited to look at microfiche and handwritten records.

A Member queried why there was no specific provision for affordable housing given that the Council is aware of some at the planning permission stage. The Assistant Chief Executive confirmed that the funds are programmed to be spent in areas where RSL's cannot fully fund affordable housing such as rural exception sites and there are currently no sites in the pipeline. The programme is flexible so when a rural site for a scheme that requires further subsidy is proposed, funds can be allocated. Funds can also be allocated should the Council decide to use its own resources to provide for affordable housing.

Regarding the format of the Draft Corporate Plan and Budget report, a Member suggested that when the papers come to Council, they have a summary sheet related to the Capital Programme to show existing spend against projects as well as those proposed. A Member also suggested that the date of discussion at a Scrutiny Committee be added to each capital bid justification form.

The Chief Executive summarised the discussions, noting the Members had scrutinised in detail and were in agreement with the content. The Chairman took Members to the recommendations which were agreed, with no major changes to be recommended to Cabinet and Council.

#### **RESOLVED**

That the Committee has considered the proposals for 2018/19 set out in the consultation document issued to Members on 15 December 2017 (Draft Corporate Plan and Budget 2018/19) and has agreed any comments or recommendations that it wishes to make to Cabinet on:

- (a) The financial outlook facing the Council;**
- (b) Service changes and challenges in promoting large scale projects;**

- (c) The proposed increase in Council Tax;
- (d) The proposed placements in the Specific Reserves;
- (e) The proposed Capital Programme; and
- (f) The service commentaries and supporting summary budget tables for each business unit.

**7. SCRUTINY COMMITTEE FOR LEADER, RESOURCES AND ECONOMIC GROWTH WORK PROGRAMME 2017/18.**

Tom Clark, Head of Regulatory Services introduced the Report, highlighting that there was a full programme for the next meeting. He also raised the possibility that the meeting date be moved to Wednesday 7 March. It was noted that only one Member would be unable to attend with the change of date.

The Chairman took Members to the recommendation along with the change of date which was agreed unanimously.

**RESOLVED**

That the Committee:

- (i) agreed the Work Programme for 2017/18 as set out in the report.
- (ii) agreed the change of meeting date to Wednesday 7 March 2018.

Chairman.