

**Minutes of the meeting of the Scrutiny Committee for Leader,
Resources and Economic Growth on 7 March 2018
from 7:00 p.m. to 9.34 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
Rex Whittaker

* Absent

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

Also present: Cllr Jonathan Ash-Edwards, Cllr Garry Wall, Cllr Thomas-Atkin and Cllr Webster.

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

Councillor Peter Wyan substituted for Councillor Richard Cherry. Councillor John Wilkinson substituted for Councillor Llewellyn-Burke.

2. APOLOGIES

Apologies were received from Councillor Richard Cherry and Councillor Llewellyn-Burke and Cllr Andrew Lea.

3. DECLARATIONS OF INTEREST

Councillor De Mierre declared a personal interest in item 8 given a company of which she is a director has a contract for marketing work at the centre.

4. MINUTES

The minutes of the meeting held on 30 January 2018 were agreed as a correct record and signed by the Chairman.

5. URGENT BUSINESS

None.

6. ECONOMIC DEVELOPMENT STRATEGY

Sally Bloomfield, Divisional Leader - Planning and Economy introduced the Strategy which supports one of the Council's key corporate goals to secure economic growth in the District. The Action Plan for the next five years has been compiled with involvement from key stakeholders, businesses and partners and ties in with the District Plan timelines, with annual monitoring of all actions. At the request of the Chairman, the Deputy Leader and Cabinet Member for Resources and Economic Growth noted that the Strategy reflects the ambitions of the Council with the four key

themes of places, premises, people and promotion. He acknowledged that the Council can influence and shape the business environment with the work we do with our partners and he thanked the working group and officer team for their work in developing the Strategy.

A number of Members echoed their thanks, commending the work on producing a Strategy that the Council can be proud of which provides a strong vision for local residents.

A Member commented on the length of the documentation and the time available to scrutinise in detail. He sought reassurance that the actions listed on p130-131 would address the lack of available industrial and commercial space which often causes businesses to relocate outside the District. He also sought assurance that the new Economic Development team have the specialist skills to take the actions forward, noting that economic development needs to be considered in close partnership with planning.

The Assistant Chief Executive confirmed that the Strategy aligns with the District Plan as well as other key strategic documents and although lengthy, it was designed to be easy to access. It will be presented to Council and Members can call for any specific areas of concern to be looked at in future scrutiny committees. The job specifications for the new team have been compiled with expert advice and there is full confidence that the team once appointed will have the qualifications, experience and expertise required.

The District Plan indicates commercial and industrial space is an ongoing need and the site allocation working group has called for employment sites as well as residential to be brought forward. However, this remains in the hands of the developers. The Divisional Leader for Planning and Economy noted a number of spaces allocated within the District Plan such as 50 hectares at the site along the A2300 and 10 hectares as part of the Northern Arc Development, and reassured Members that work would also be carried out to improve existing industrial estates. Regarding the mix of tenure available, she noted that businesses do prefer freehold, and some developers have been approached to release some of their properties to accommodate this, but unfortunately it is not within the Council's remit to make this happen. As a lot of the actions in the Action Plan relate to the planning function and a number of teams will be involved in delivering the priorities and vision. There is confidence that the actions are the right ones for the next five years.

The Leader expressed confidence in the way this strategy has been developed.

A Member commented on three areas of concern, the reducing trend of GVA, issues with roads in the area and a need to attract better tutors to increase the District's educational attainment. He asked what the Council's aspirations are regarding the Local Domestic Product by the end of the project. The Assistant Chief Executive confirmed that the Science and Technology Park in Burgess Hill will help improve the GVA and that the Mid Sussex MP, Sir Nicholas Soames, is keen on improving further education within the District. The ambition is to improve the Local Domestic Product and improve GVA at the end of the first five years and the Council will be in a position to monitor and evidence this. The Leader noted that the District has a diverse economy not reliant on one specific area and that whilst GVA and GDP are not easy to measure, the strategy can only assist in improving them both.

A Member noted that a number of spelling mistakes must be resolved before the documented is presented to the wider public. He also raised concern that the section

on Hassocks does not represent the full extent of issues with vacant shops, and as a separate issue he queried the lack of reference to retail parks within the District.

The Assistant Chief Executive confirmed that the document would be closely proof read before further publication and regarding the vacancy rates in Hassocks, she acknowledged that comparatively this area was good, but for local residents it may not feel that way. In terms of a lack of retail parks, this was noted by BNP Paribas but retailers and planners currently favour the move back into towns, where the consumer experience is a mixture of shopping and recreation. The Council is looking at where residents currently go out of the District to spend, and is working on ways to draw them back, by making the towns more attractive. This includes looking at the floor space provided for retailers to encourage a mix of small, large and independent retailers.

The Regeneration & Economy Programme Manager confirmed that the new strategy will have a major launch in order to connect with the right audience of local, regional, national and international businesses. The Strategy will be available in numerous formats and the launch will include high profile speakers followed by engagement activities.

The Committee discussed the division of resources going forward as all three towns have similar numbers of residents but more development is planned for Burgess Hill. A Member noted that an early presentation of the Plan for the Strategy was well received by East Grinstead Business Association and hoped that in terms of town centre regeneration East Grinstead would not miss out. The Assistant Chief Executive confirmed that the Economic Development Team will work across the District and will be directed where there are priorities. If in the future, more resources are required, this will be considered in consultation with Members.

A Member noted that whilst it is good to improve education, focus is also required on affordable housing to ensure that the District can support the workforce. The Assistant Chief Executive noted that the draft District Plan provides for 30% affordable housing and the Council is currently looking into other ways to support delivery of affordable housing by using its own land.

The Leader concluded that Mid Sussex is not confined by its boundaries and the Strategy reflects this. Other parts of the District will not be neglected but priorities will be focused on where we have made a commitment to invest. He noted that homes, skills and transport were three areas that need to link up and whilst this cannot be solved by one Strategy, the Council strongly represents this in wider forums with key strategic partnerships.

The Chairman took Members to recommendations which were agreed unanimously.

RESOLVED

That the Scrutiny Committee recommends to Council to:

- (i) agree the Economic Profile set out in Appendix 1 which supports the Economic Development Strategy and Action Plan;
- (ii) approve the Economic Development Strategy and Action Plan set out in Appendix 2 for implementation; and
- (iii) note the proposals for the launch and delivery of the Economic Development Strategy.

7. SUSTAINABILITY STRATEGY 2018-23

Matthew Bird, Sustainability Officer introduced the report noting that it builds on an existing environment policy with a pragmatic approach to place resource efficiency at the heart of strategy.

A Member commented that there was no reference to the Council's carbon footprint. He also felt that some of the phrasing on p.150 and 152 needed tightening before the document was presented to Council. This also applied to p.157 where he felt the statement relating to the District Plan and Air Quality needed to be carefully worded.

The Sustainability Officer confirmed that the national target for CO₂ emissions have ceased and in the absence of this the Council is looking to monitor our annual emissions and come up with a realistic target independently. He also confirmed that he was in contact with the SUDS group in Hassocks, a group recommended by a Member in relation to drainage issues. Regarding concern with the air quality statement, the Assistant Chief Executive confirmed that the District Plan actions are based on the emerging District Plan and if adopted these actions would dovetail to match the plan.

Relating to the cost of care, a Member requested that when looking at social housing, there should be a focus on increasing the number of 5 bedroom houses so older people could live with children. The Assistant Chief Executive confirmed that the Council sought to influence the size and mix of properties through the District Plan policy however the Inspector did not agree so the Council's degree of influence is limited.

Chairman took Members to the recommendations which were agreed unanimously.

RESOLVED

The Committee:

- (i) considered the proposed Sustainability Strategy 2018-2023 and recommends its approval by full Council at the meeting on 28 March 2018.

8. ORCHARDS SHOPPING CENTRE – FIRST YEAR REVIEW

Peter Stuart, Head of Corporate Resources introduced the report noting that some of the contracts that came over with the business have been incorporated in-house so the Council can make economies of scale. Footfall at the centre has dropped slightly but is stable. In general he confirmed that it remains a good investment but that there cannot be complacency, as more things can be done to provide a more experiential offer in the area.

A Member was happy with the reassurance that the Council plans to adapt the centre as retail experiences change over time.

In response to a query relating to the valuation of the estate, the Head of Corporate Resources confirmed this was resolved at the Audit Committee.

The Committee asked for clarification on a number of figures, particularly the current interest compared to the yield when bought, how the investment appraisal at the time of purchase matches now, and the investments that we are seeking to invest in and why. He also queried what is being done to fill the two empty units, the trend on footfall and why the rental income is down in 2018/19 compared to 2017/18. It was also asked if the borrowing is fixed term or reducing, and whether there will be a need for increase capital expenditure for repairs, which may adversely affect the figures presented.

The Head of Corporate Resources agreed to provide a written response outside of the meeting to the queries on specific figures such as the yield. He also noted with apologies that the 2017/18 budget figures missed out the head rent hence the discrepancy in numbers. In terms of the investment appraisal, it was constructed with loans on a repayment i.e. capital plus interest basis. However the Council financed this on a short term basis and pay £154,000 interest per year so in reality the appraisal had been bettered. He acknowledged that the two empty units were hard to let due to the location and size and the Council is looking into ways to address that corner of the centre. He agreed that a strategy for managing the site should be developed in due course with a 20 year plan for transformation but the current focus is addressing the flat roof and staircases. There will be some capital expenditure but it can be partly recharged to the tenants and does not pose a significant financial concern. Although the footfall went down slightly, it is not a downward trend and can be linked to issues relating to particular stores, which are now improving. Following the receipt of a monthly report from the centre manager, the Council offers support and advice on how to increase footfall which is assisting in increasing the trend.

A Member asked whether the pop up stalls at Christmas were seen as a reason for the decline in footfall. It was confirmed that these was part of the attraction to keep the centre fresh and interesting, and work was undertaken to encourage stalls into the fixed units.

The Deputy Leader noted that on a strategic level, the purchase of the Orchards has generated significant income to support the budget and financial position of the Council. With the freehold and leasehold now brought together it provides the Council with options to look at how the centre can develop in the future. As a new and different investment it is important to move forward carefully, ensuring the basics are right before developing a strategy and any future options will be considered with outside advice, consultation with Members and proper businesses cases.

The Chairman took Members to the recommendation which was approved unanimously.

RESOLVED

The Committee noted the report.

9. PERFORMANCE MONITORING FOR THE THIRD QUARTER OF 2017/18

Neal Barton, Policy & Performance Manager introduced the report, drawing Members attention to the 76% of indicators at green and the update on flagship activities. He also noted two new items: the proposed changes to indicators and the new flagship activities proposed for 2018/19.

The Committee discussed progress in meeting the recycling, reuse and composting target of 50% by 2020, given the current level of performance. The Assistant Chief Executive mentioned the Waste Management and Recycling Contract Review report going to the Scrutiny Committee for Customer Services and Service Delivery on 13 March. This includes consideration of measures to meet the target, such as improving recycling quality.

The performance of the Benefits service was discussed and the proposals to introduce additional indicators to measure the accuracy of processing of applications as well as the speed. The Deputy Leader and Cabinet Member for Resources and Economic Growth stated that these were “two sides of the same coin” of customer service for benefit claimants in ensuring that claims are assessed accurately first time and payments made speedily. He highlighted that improved accuracy of assessment had meant that the Council did not lose any Housing Benefit Subsidy in 2016/17. The Head of Corporate Resources reported on good working relations with the local Job Centre Plus in preparing for Universal Credit.

The Assistant Chief Executive updated the Committee on progress with improving the delivery of affordable housing in the District. There are a large number of affordable housing units with planning permission that are not being built. The Council is working with Registered Providers and Homes England to improve the delivery of affordable housing, including exploring use of the Council’s own land.

The relationship between the number of households accepted as homeless and numbers in temporary accommodation was discussed, given that there had been no acceptances in December. The Assistant Chief Executive explained that the Council has to assess whether to accept a duty to a household under the Housing Act. Although there were no acceptances in December, the Housing Needs Team were still providing households with housing advice, carrying out enquiries and where appropriate placing households into temporary accommodation pending further enquiries.

Progress with the flagship activity of providing economic development grants was discussed, specifically the Independent Retailers’ Fund and grants available for shop front enhancements and the limited funding available of £21,000. The Deputy Leader and Cabinet Member for Resources and Economic Growth explained that the funding for the scheme came from the County Council. He mentioned the success of the Microbusiness Grants Scheme and that the allocation of further funding for shop front enhancements could be considered depending upon the number of applications. Methods for promoting the take up of the schemes across the District were discussed.

The Committee commented on the improvements to the Leisure Centres and consequent increase in attendances. Car parking pressures at the Kings Centre in East Grinstead were discussed, partly caused by the car park’s use by non- leisure customers. The Assistant Chief Executive stated that the parking ICT system currently being implemented may be able to assist in enforcement of car parking in the leisure centre and this was being considered.

In answer to a query regarding the performance indicator relating to the number of legal cases open, the Solicitor confirmed that the majority are S106 agreements, nomination agreements for affordable housing and documentation for property transactions.

The Committee agreed the proposed changes to the bundle of indicators to be monitored in 2018/19. There was a discussion about the range of indicators to be

monitored by Members through the Committee (including the request from the Chairman to monitor the employment of those with an armed forces connection) and those indicators that might be regarded as more operational management information.

The Leader and Deputy Leader both commended the Committee's high level of scrutiny on all areas of the business. The Deputy Leader noted that whilst it is important to focus attention on indicators for frontline services and where targets are not being met, it is also useful to know what areas are performing well and for this to continue to be monitored. It was noted that overall the performance of the Council remains high.

The Chairman took Members to the recommendations which were approved unanimously.

RESOLVED

The Committee:

(i) Noted the Council's performance and progress with flagship activities in the third quarter of the year and identified any areas where further reporting or information is required;

(ii) Will advise the Cabinet of any issues that the Committee considers should be given particular consideration at the Cabinet meeting on 19 March; and

(iii) Agreed the changes to the bundle of performance indicators to be monitored by the Committee in 2018/19.

Chairman.