

West Sussex County Council – Ordinary Meeting

16 February 2018

At an Ordinary Meeting of the County Council held at 10.30 a.m. on Friday, 16 February 2018, at County Hall, Chichester, the members present being:

Mr L H Barnard (Chairman)

Mrs P A C Arculus	Mr R A Lanzer
Mr A N Baldwin	Ms K Lord
Mr D H Barling	Mr P A Marshall
Mr A J Barrett-Miles	Mr S A McDonald
Lt Col G R Barton, TD	Mrs M E Millson
Mrs E A Bennett	Mr C R Mitchell
Mr K Boram	Mr J A P Montyn
Mr P J J Bradbury	Mrs S R Mullins
Mrs A Bridges	Mr R J Oakley
Mr I R J Buckland	Dr K F B O'Kelly
Mr R D Burrett	Mr F R J Oppler
Mr P C Catchpole	Mr C G Oxlade
Mr D Crow	Mr V K Parikh
Mrs J A Dennis	Mr A Patel
Dr N P S Dennis	Mrs J A Pendleton
Mr D Edwards	Mr C J Petts
Mr R C Elkins	Mr D M Purchase
Mr J D Fitzjohn	Mrs L C Purnell
Ms H A Flynn	Mr B J Quinn
Ms M L Goldsmith	Mrs J E Russell
Mrs A D Hall	Mr D J Simmons
Mr P D High	Mrs B A Smith
Mr S R Hillier	Mr R J Smytherman
Mr J C Hunt	Mrs C E Sparkes
Mrs A F Jones, MBE	Mr B W Turner
Mr M G Jones	Mrs D L Urquhart
Mrs A J Jupp	Mr S G Waight
Mr N P S Jupp	Dr J M M Walsh, KStJ, RD
Ms D M K Kennard	Mr D R Whittington
Mrs L Kitchen	

Death of Mrs Amanda Clare

118 The Chairman reported the death of a former member of the Council – Mrs Amanda Clare, who had represented the Broadwater division from 1979 to 2001. Mrs Clare was the first female Leader of the Council during the Liberal Democrat administration from 1993 to 1997.

119 The Council stood for a minute's silence in memory of Mrs Clare.

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100th Anniversary of Women's Suffrage

- 120 The Chairman reminded members that February marked the 100th Anniversary of women's suffrage in the UK and invited group leaders to speak briefly about the important event and what it meant.

Executive Director Children, Adults, Families, Health and Education and Executive Director Communities and Public Protection

- 121 The Chairman welcomed Executive Directors Kim Curry and Nicola Bulbeck to their first meeting.

Apologies and attendance

- 122 Apologies were received from Mr Acraman, Lt Cdr Atkins, Mr Bradford, Mrs Brunsdon, Mr Cloake, Mrs Duncton, Mr Lea, Mr Markwell and Mr Wickremaratchi. Mr S J Oakley was absent. Mrs Jones gave apologies for the morning session and arrived at 11.59 a.m. Mrs Bennett and Mrs Purnell gave their apologies for the afternoon session.

Interests

- 123 Members declared interests as set out at Appendix 1.

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- 124 It was agreed that the minutes of the Ordinary Meeting of the County Council held on 15 December 2017 (pages 301 to 329) be approved as a correct record.

Committee Appointments

- 125 The Council approved appointments as set out below.

Committee	Change
Children and Young People's Services Select Committee	Mr Baldwin to fill vacancy
Pensions Panel	Mr Elkins to fill vacancy

Medium Term Financial Strategy 2018/19 to 2021/22 and Revenue Budget 2018/19

- 126 The Cabinet Member for Finance and Resources moved the report on the savings Medium Term Financial Strategy 2018/19 to 2021/22 and Revenue Budget 2018/19 (budget booklet enclosed with the agenda). Members also had before them a statement from the Cabinet Member for Finance and Resources on a number of changes to the revenue budget which had arisen due to a number of late notifications together with corresponding revisions to the recommendation in the budget booklet and to Appendix 1

of Annex 2 which had been circulated.

127 An amendment was moved by Dr Walsh and seconded by Mrs Millson.

2018/19	£m
Additional Spending Proposed for Adults Social Care	4.101
Reverse budget reduction re: Extra cost of Apprenticeship Levy for 2018/19 on Schools	0.750
Provide additional resource to benefit high needs pupils including special schools	1.500
Total Additional Proposed Spending	6.351
Funded by:	
(a) An increase in council tax in 2018/19, comprising: <ul style="list-style-type: none"> • 3.00% for Adults' Social Care, plus • 2.95% to support other General Fund services, • Making a total increase of 5.95%¹ 	-4.101
(b) Reduced spending on Infrastructure Feasibility in the package of measures within the £2.5m funded by the extra 1% on council tax (as set out at paragraph 4.10 of the report)	-0.800
(c) Reduced growth in Finance and Resources re: increased support for procurement (£0.250m), One Public Estate revenue costs (£0.250m), Capital Programme Office (£0.150m).	-0.650
(d) Reduced growth in Leader (including economy) re: new growth team positions.	-0.175
(e) Reduced spending re: the Policy and Communications Team (total budget current £1.538m, new budget proposed for £0.913m).	-0.625
Total Additional Funding	-6.351
Net Change	0

¹ The 1% increase in Adult Social Care precept would result in a sum of £1,330.29 to the nearest penny for Band D council tax

2018/19 Budget

This budget amendment would generate an additional £4.1m in council tax specifically for adult social care services which would be utilised to

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increase the number of beds for those with complex needs; enhance the County Council's directly provided care services, enhance the support available to carers, increase the funding available through the Local Assistance Network, and support other areas of high need currently under financial pressure.

Furthermore it would ensure that a further burden in the form of the apprenticeship levy, would not be passed onto schools in 2018/19 in view of the immense pressure they are currently operating under.

There is a projected increase of £6m expenditure in the area of High Needs in 2018/19 and an estimated high needs pressure of £4.92m in 2019/20. The proposed allocation of £1.5m will ease the pressure on special schools, some of whom have had to send pupils home due to safety concerns.

The proposals for the apprentice levy and for high needs would be for 2018/19 only.

2019/20 Budget

We propose no reduction in bus subsidies in 2019/20 to provide additional time for alternative options to be given full consideration. This would cost £0.500m (shown in Appendix 3, page 46). No balanced budget is being presented for 2019/20, but the budget gap shown in Table 4(a) (page 14 of Annexe 1) would increase from £8.4m to £8.9m.'

128 The amendment was put to a recorded vote under Standing Order 36(1).

(a) For the amendment – 9

Mr Buckland, Dr Dennis, Ms Lord, Mrs Millson, Dr O'Kelly, Mr Oppler, Mr Purchase, Mr Smytherman and Dr Walsh.

(b) Against the amendment - 44

Mrs Arculus, Mr Baldwin, Mr Barling, Mr Barnard, Mr Barrett-Miles, Lt Col Barton, Mr Boram, Mr Bradbury, Mrs Bridges, Mr Burrett, Mr Catchpole, Mr Crow, Mrs Dennis, Mr Edwards, Mr Elkins, Mr Fitzjohn, Mrs Flynn, Ms Goldsmith, Mrs Hall, Mr High, Mr Hillier, Mr Hunt, Mrs Jones, Mrs Jupp, Mr Jupp, Ms Kennard, Mrs Kitchen Mr Lanzer, Mr Marshall, Mr McDonald, Mr Mitchell, Mr Montyn, Mr R J Oakley, Mr Parikh, Mr Patel, Mrs Pendleton, Mr Petts, Mrs Russell, Mr Simmons, Mrs Sparkes, Mr Turner, Mrs Urquhart, Mr Waight, and Mr Whittington.

(c) Abstentions – 5

Mr Jones, Mrs Mullins, Mr Oxlade, Mr Quinn and Mrs Smith.

Note: Mr Acraman, Lt Cdr Atkins, Mrs Bennett Mr Bradford, Mrs Brunson, Mr Cloake, Mrs Dunton, Mr Lea, Mr Markwell Mrs Purnell and

Mr Wickremaratchi gave apologies for the meeting. Mr S J Oakley was absent.

129 The amendment was lost.

130 An amendment was moved by Mrs Mullins and seconded by Mr Oxlade.

	£m
Reverse budget reduction re: Cost of Apprenticeship Levy for 2018/19 on Schools.	+0.850
This sum would begin to address the social mobility issues recently recognised in Crawley and Coastal West Sussex through an initiative in 2018/19 to tackle inequalities in Key Stage 2 mathematics/English. (The proposed figure is equal to that submitted in a recent bid to the national school improvement fund which was recently turned down ¹).	+0.430
Refresh the school counselling fund made available in 2017/18 ² to provide a new fund for 2018/19.	+0.220
Sub Total: Proposed Additional Spending	+1.500
Funded by: the extra sum available as a result of the additional 1% increase in council tax by reversing or reducing the following new, one-off investments totalling £1.5m (as set out in paragraph 4.10 in the revenue budget booklet):	
The Solar energy and Tariff programme	-0.200
Proposals for a project in response to the recent report on social mobility (in favour of the alternative measures outlined above which would have a direct impact on social mobility)	-0.200
Infrastructure feasibility	-0.800
Engaging volunteers	-0.100
And by reducing the allocation for white lines and signage programme of works by £200k leaving a fund of £300k	-0.200
Sub Total: Proposed Reduced Spending	-1.500
Net Change	0

¹ In the event that the appeal to overturn the bid for funding for national school improvement is successful, the funding allocation should instead be utilised to expand existing provision to support more families and children who have been exposed to domestic abuse.

² It is noted there is a remaining sum of £0.383m unspent which is part of the total set aside for school counselling services in 2017/18. If this remains unspent at the year-end we would propose this be rolled over and added to the £0.220m to ensure a new fund

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for counselling services is made available to schools in 2018/19.

This proposed amendment would ensure that schools which are already under immense financial pressure are spared the additional cost of the apprenticeship levy in 2018/19 being passed onto them.

The recently published fifth annual 'State of the nation' report from the Social Mobility Commission identified Crawley as the 7th worst performing local authority area. It also cited disadvantaged children in the coastal area of Arun doing more than three times worse at primary school than those in Kensington and Chelsea. This allocation would see action to tackle underperformance within Crawley and Coastal West Sussex in 2018/19 through initiatives supporting school leaders of English and maths. It should be noted that the sum identified is equivalent to that in a bid submitted to the national school improvement fund which was turned down. In the event that the appeal to Government to overturn this is successful, the £430k funding would instead be directed to the Integrated Prevention and Early Help team to support many more families and children who have been exposed to domestic abuse by expanding the number of skilled staff by 10, supporting circa 350 families during 2018/19.

Furthermore, it would ensure the school counselling fund made available to schools in 2017/18 would continue to be available in 2018/19.

The amendment means that the proposed additional funding for tackling homelessness and the hardship fund remains as proposed, but there would be a reduction in the white lines and signage programme of works (from £0.500m to £0.300m).

The initiatives proposed are time limited and would be available during 2018/19 only.'

131 The amendment was put to a recorded vote under Standing Order 36(1).

(a) For the amendment – 5

Mr Jones, Mrs Mullins, Mr Oxlade, Mr Quinn and Mrs Smith.

(b) Against the amendment - 44

Mrs Arculus, Mr Baldwin, Mr Barling, Mr Barnard, Mr Barrett-Miles, Lt Col Barton, Mr Boram, Mr Bradbury, Mrs Bridges, Mr Burrett, Mr Catchpole, Mr Crow, Mrs Dennis, Mr Edwards, Mr Elkins, Mr Fitzjohn, Mrs Flynn, Ms Goldsmith, Mrs Hall, Mr High, Mr Hillier, Mr Hunt, Mrs Jones, Mrs Jupp, Mr Jupp, Ms Kennard, Mrs Kitchen Mr Lanzer, Mr Marshall, Mr McDonald, Mr Mitchell, Mr Montyn, Mr R J Oakley, Mr Parikh, Mr Patel, Mrs Pendleton, Mr Petts, Mrs Russell, Mr Simmons, Mrs Sparkes, Mr Turner, Mrs Urquhart, Mr Waight, and Mr Whittington.

(c) Abstentions – 9

Mr Buckland, Dr Dennis, , Ms Lord, Mrs Millson, Dr O’Kelly, Mr Oppler, Mr Purchase, Mr Smytherman and Dr Walsh.

Note: Mr Acraman, Lt Cdr Atkins, Mrs Bennett Mr Bradford, Mrs Brunson, Mr Cloake, Mrs Duncton, Mr Lea, Mr Markwell Mrs Purnell and Mr Wickremaratchi. Mr S J Oakley was absent.

132 The amendment was lost.

133 The recommendation was put to a recorded vote under Standing Order 36(1).

(a) For the recommendation - 41

Mrs Arculus, Mr Baldwin, Mr Barling, Mr Barnard, Mr Barrett-Miles, Lt Col Barton, Mr Boram, Mrs Bridges, Mr Burrett, Mr Catchpole, Mr Crow, Mrs Dennis, Mr Edwards, Mr Elkins, Mrs Flynn, Ms Goldsmith, Mrs Hall, Mr High, Mr Hillier, Mr Hunt, Mrs Jones, Mrs Jupp, Mr Jupp, Ms Kennard, Mrs Kitchen, Mr Lanzer, Mr Marshall, Mr McDonald, Mr Mitchell, Mr Montyn, Mr R J Oakley, Mr Parikh, Mr Patel, Mrs Pendleton, Mr Petts, Mrs Russell, Mr Simmons, Mrs Sparkes, Mr Turner, Mrs Urquhart and Mr Whittington.

(b) Against the recommendation – 9

Mr Buckland, Dr Dennis, Ms Lord, Mrs Millson, Dr O’Kelly, Mr Oppler, Mr Purchase, Mr Smytherman and Dr Walsh.

(c) Abstentions – 8

Mr Bradbury, Mr Fitzjohn, Mr Jones, Mrs Mullins, Mr Oxlade, Mr Quinn, Mrs Smith and Mr Waight.

Note: Mr Acraman, Lt Cdr Atkins, Mrs Bennett Mr Bradford, Mr Cloake, Mrs Brunson, Mrs Duncton, Mr Lea, Mr Markwell Mrs Purnell and Mr Wickremaratchi gave apologies for the meeting. Mr S J Oakley was absent.

134 The recommendation was carried.

135 Resolved –

That, taking account of the priorities contained in the approved West Sussex Plan, Medium Term Financial Strategy, the Local Government Finance Settlement and the results of internal and external consultation, the following items be approved:

(1) An increase in council tax in 2018/19 comprising:

- **2.00%** for **Adults’ Social Care**, plus
- **2.95%** to support **other General Fund services**,
- making a total increase of **4.95%**

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- (2) Net revenue expenditure in 2018/19 of **£533.943m** (as set out in paragraph 5.1 and Appendix 1 of the report in the budget booklet)
- (3) Service commitments and net additional funding of **£10.490m** (as set out in columns 3 and 7 of Appendix 2 of the report in the budget booklet)
- (4) To agree savings of **£0.971m** (as set out in paragraph 4.34 and Appendix 3 of the report in the budget booklet)
- (5) The Director of Finance, Performance and Procurement's assessment of the robustness of estimates and adequacy of reserves (paragraph 6.1 of the report in the budget booklet)
- (6) The following amounts be approved for the financial year 2018/19 in accordance with Section 42A of the Local Government Finance Act 1992:
- (a) That the budget requirement to meet net expenditure of the County Council for the financial year 2018/19 is **£533.943m**, and the council tax requirement for 2018/19 is **£431.981m**.
- (b) That the following sums be payable for the year into the County Council's revenue fund:
- | | |
|--|----------|
| Settlement Funding Assessment | £88.361m |
| Business Rates Local Growth | £2.115m |
| Business Rate Cap Grant | £3.791m |
| New Homes Bonus | £4.102m |
| Net surplus from District and Borough Collection Funds | £3.593m |
- (c) The council tax base for the year 2018/19 is the aggregate amount calculated by the billing authorities to which the County Council issues precepts totalling 327,809.60 Band D equivalents.
- (d) The amount of council tax being the budget requirement at 6(a) above, less the amounts receivable in 6(b) above, all divided by the council tax base at 6(c) above, shall be **£1,317.78** to the nearest penny for Band D.
- (e) The amount of council tax payable for dwellings listed in a particular valuation band, calculated in accordance with the proportion set out in Section 5(1) of the Act, shall be as follows:

Valuation Band	Amount	Valuation Band	Amount
A	£878.52	E	£1,610.62
B	£1,024.94	F	£1,903.46
C	£1,171.36	G	£2,196.30
D	£1,317.78	H	£2,635.56

- (f) That the district councils be requested to make payments totalling £431.981m to West Sussex County Council of sums due under precepts calculated in proportion to their council tax Band D equivalents as follows:

Adur District Council	£27,572,174.50
Arun District Council	£79,596,547.56
Chichester District Council	£69,584,450.45
Crawley Borough Council	£45,442,852.63
Horsham District Council	£80,182,300.77
Mid Sussex District Council	£79,044,793.07
Worthing Borough Council	£50,557,815.70

- (g) That the district councils be required to make payments of precept by equal instalments of the above sums due on or before:

12 April 2018	17 May 2018	21 June 2018
26 July 2018	30 August 2018	4 October 2018
8 November 2018	6 December 2018	10 January 2019
14 February 2019		

- (h) Additionally, it is noted that payments be made by the district and borough councils (or to them) in respect of the estimated surplus/(deficit) on their collection funds on 31 March 2018:

	Council Tax	Business Rates*
Adur District Council	£18,646.87	£11,383.10
Arun District Council	£404,000.00	-£7,232.60
Chichester District Council	£189,387.00	-£226,441.70
Crawley Borough Council	£441,647.02	£41,537.10
Horsham District Council	£1,370,494.00	-£32,309.20
Mid Sussex District Council	£831,620.00	£173,709.50
Worthing Borough Council	£300,912.05	£75,813.70

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* To avoid late changes to the budget, the above changes of funding will be applied to the Budget Management Reserve.

Notice of Motion by Ms Lord

136 The following motion was moved by Ms Lord and seconded by Dr O'Kelly.

'On 6 February 1918, the Representation of the People Act which extended the franchise to women for the first time, received its Royal Assent. One hundred years on, we have a woman Prime Minister, a woman First Minister of Scotland and a woman Leader of West Sussex County Council with a Cabinet containing three women colleagues.

Yet still women's representation in local and central government lags behind that of men. Nationally, just one in three local councillors is a woman and, with the slow pace of change, 50:50 representation is not expected until 2065. Only 23 of West Sussex's 70 councillors are women, and we are one of the 96% of councils that do not have a maternity leave, parental leave or carers' policy for councillors.

This Council has an opportunity over the next three years to work to increase the number of women who stand for election as county councillor and to become a leading Council nationally on this issue.

In this anniversary year, this Council agrees to undertake a project to explore the barriers that exist for women wanting to become councillors in West Sussex and make recommendations on how to increase the number of women who stand in the 2021 elections, and to implement its recommendations.'

137 The motion was referred to the Governance Committee via the Member Development Group for consideration.

Governance Committee: Pay Policy Statement 2018/19

138 The Council considered the Pay Policy Statement 2018/19 in the light of a report from the Governance Committee (pages 330 to 344).

139 Resolved –

That the proposed revisions to the Pay Policy Statement, as set out in Appendix 1 to the report, be approved.

Governance Committee: Aldermen and membership of the Pension Advisory Board

140 The Council noted a report proposing a scheme for the appointment of Aldermen and a change to the membership of the Pension Advisory Board in the light of a report from the Governance Committee (pages 345 to 348).

141 Resolved –

- (1) That the proposal for an Honorary Alderman scheme be withdrawn for further consideration; and
- (2) That the changes to the terms of reference of the Pension Advisory Board in relation to membership, as set out at Appendix 2 to the report, be approved.

Question Time

142 Members asked questions of members of the Cabinet on matters relevant to their portfolios, questioned the Leader on matters currently relevant to the County Council and asked questions of chairmen, as set out at Appendix 3. This included questions on those matters contained within the Cabinet report (pages 349 to 360) and a supplementary report (page 360A) and written questions and answers pursuant to Standing Order 15(2) (set out at Appendix 2).

Chairman

The Council rose at 4.20 p.m.

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Agenda Item No. 1 – Interests

Members declared interests as set out below. All the interests listed below were personal but not pecuniary or prejudicial unless indicated.

Item	Member	Nature of Interest
Item 5 – Medium Term Financial Strategy 2018/19 to 2021/22 and Revenue Budget 2018/19	Mr Hunt	Member of Chichester Harbour Conservancy, which precepts on the County Council
	Mr Oppler	Member of Arun District Council and foster carer
	Mr Smytherman	Member of Worthing Borough Council Trustee of Coastal West Sussex MIND Chairman – Local Governing Committee St Mary’s Catholic Primary School Worthing (part of the Bosco Catholic Education Trust)
	Mrs Sparkes	Member of Worthing Borough Council
Item 8 – Governance Committee: Membership of Pension Advisory Board	Mr Burrett	Deferred member of the Local Government Pension Scheme
	Mr Lanzer	Deferred member of the Local Government Pension Scheme
Item 9 – QT paragraph 8 (Housing Infrastructure Fund)	Mr Barrett-Miles	Member of Mid Sussex District Council and Burgess Hill Town Council
	Dr Walsh	Member of Arun District Council
Item 9 – QT school places provision	Mr Bradbury	Trustee of Sussex Learning Trust
Item 9 – QT Gatwick Free School	Mr Burrett	Member of Crawley Borough Council

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Item	Member	Nature of Interest
Item 9 – QT Gatwick Free School (cont)	Mr Crow	Member of Crawley Borough Council
Item 9 – QT unspecified	Mr Oppler	Member of Arun District Council and foster carer
	Mr Smytherman	Member of Worthing Borough Council Trustee of Coastal West Sussex MIND Chairman – Local Governing Committee St Mary’s Catholic Primary School Worthing (part of the Bosco Catholic Education Trust)
	Mrs Sparkes	Member of Worthing Borough Council

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- 1.** Written question from **Mr Quinn** for reply by the **Cabinet Member for Environment**

Question

At the December County Council meeting (see line 17 of the [planned savings](#) on page 2 of Appendix 2 to item 6), members were asked to agree a programme of planned budget savings for 2018/19. One of the proposed savings relates to working with district and borough councils with a view to ultimately moving to weekly collections of food and absorbent hygiene products coupled with a less frequent collection of other waste.

I would be grateful if the Cabinet Member would:

- (a) Confirm which three district and borough councils have expressed an interest in trialling this proposal;
- (b) Confirm when the modelling work will be complete, when she anticipates the trial starting and when she anticipates making an Executive Decision regarding future waste collection arrangements;
- (c) Provide a breakdown of the figures to show how the proposed savings of £295,000 in 2018/19, £952,000 in 2019/20 and £1.2m in 2020/21 will be achieved (to include details of the off-setting of any additional expenses that might be incurred such as vehicle adaptations, provision of new bins etc); and
- (d) Confirm if the proposed saving in 2020/21 assumes all district and borough councils will be involved in the new waste collection regime.

Answer

- (a) All the district and borough councils are engaged in the food waste/ absorbent hygiene products modelling evaluation work and three district and borough councils have indeed expressed provisional interest in trials. However, as we have not reached the formal decision stage, it would not be appropriate to name them at this point.
- (b) High level modelling is being overseen by an officer group with representatives from all the West Sussex Waste Partnership local authorities. It is hoped to complete evaluation by the end of March. Trials would very much depend on the ability of willing district and borough councils to mobilise, which would ideally take place in the summer/autumn 2018. The County Council can propose – and try to facilitate - new ways of working but waste collection policy is the responsibility of the district and borough councils and so the Cabinet Member cannot take such a decision.
- (c) The 2018/19 saving of £295,000 is the predicted net saving in disposal and recycling costs from Horsham District Council moving to alternate weekly collections (AWC) from this month (February 2018). There is no County

Council investment required as they are committed to this in order to improve performance and make savings of their own.

The further County Council savings target in 2019/20 is ambitious and is benchmarked on a similar calculation of net avoided costs should the other district and borough councils move to AWC.

While there can be no presumption that the other districts will move to AWC, the County Council is keen to encourage district and borough councils to work with us to improve performance and reduce the total system cost for residents.

- (d) The figure of £1.2m is a summary of the two previous years not a target for 2020/21.

2. Written question from Mr Jones for reply by the Cabinet Member for Finance and Resources

Question

The Cabinet Member recently made an Executive Decision to bring a number of HR and administrative services originally out-sourced to Capita back in house. I have a number of concerns about the Capita contract, particularly in the light of the situation with Carillion, to which I would appreciate a response:

- (a) I understand that when the County Council originally entered into the partnership with Capita a key part of that agreement was the intention to grow the services delivered by them over 10 years to a total value of £750m. What will the value of the Capita contract be once the MASH service and the HR and administrative services service areas covered in the recent decision have been brought back in house?
- (b) What other aspects of the Capita contract have been identified as being more efficient if brought back in house?
- (c) In the light of the recent announcement about Capita PLC's profit warning and plans to raise £700m by measures including selling off some of its divisions, can the Cabinet Member outline for me what arrangements exist to monitor the on-going financial health of companies to whom we have outsourced services or are in partnership with?
- (d) Can the Cabinet Member advise whether, prior to 30 January 2018, the West Sussex Local Government Pension Fund held any investments in Capita PLC and whether the extent of any such holding has increased or decreased subsequently?
- (e) When this contract arrangement was set up it was agreed there would be cross-party member oversight through a Partnership Board which was subsequently 'paused'. There is currently no cross-party oversight of the Capita contract and its governance arrangements, which given the current climate seems to be needed now more than ever before. Can the Cabinet

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Member confirm what member involvement currently exists in terms of governance of this important area and why cross-party members are currently excluded from this?

- (f) Can the Cabinet Member confirm what contingency plans the County Council has in place if Capita were to suffer a similar fate to Carillion, or has to scale down its operations? Furthermore, will he agree to these being put before the Performance and Finance Select Committee?

Answer

- (a) The total contract value is currently £247m. The opportunities envisaged at the commencement of the contract have not arisen.
- (b) Transferring responsibility for service delivery will be considered where it makes sense to do so. The focus is on working together with Capita to ensure that services continue to be best shaped to support the County Council in delivering best value for residents.
- (c) The County Council already has procedures in place to assess the financial health of its suppliers; including a health-check (using an industry standard tool) when the supplier is first adopted. Following the insolvency of Carillion, the County Council has undertaken a rapid review of the financial health of its top 20 (by spend) commercial suppliers which has shown no adverse issues. The County Council is now undertaking further reviews of its procedures to ensure these are as comprehensive as practical.
- (d) The pension fund invests via Investment Fund Managers, not directly, and these managers are given discretion over which investments they wish to hold, within boundaries set by the Pension Panel. At 30 January 2018 one Investment Manager held 34,464 Capita shares which were sold on 2 February.
- (e) Cross-party oversight and scrutiny has continued to be available to elected members through the County Council's Select Committee governance. At its January meeting the Performance and Finance Select committee scrutinised the Cabinet Member's decision to in-source three service areas. Members of the Performance and Finance Select Committee have requested a report on performance of the Capita contract at its March meeting. There are plans for a Task and Finish Group to look at how members have oversight of our major contracts, including Capita. We wait to see the outcome of this report.
- (f) There are clear provisions in the contracts setting out the arrangements for invoking formal contingency planning if events, such as 'financial distress' impact on contract performance. There are also operational exit plans in place which set out the approach and process for both organisations to manage in the event of any such situation. The contingency plans can be included in the March report to the Performance and Finance Select Committee.

3. Written question from **Mrs Mullins** for reply by the **Cabinet Member for Finance and Resources**

Question

I understand that Capita provide the Pension Administration Service for the West Sussex Local Government Pension Fund and there have been issues with key performance indicators not having been met for some considerable time. Unsurprisingly, customer satisfaction amongst members of the pension scheme (which, of course, includes County Council staff) is way below what it should be, with 40.8% of respondents less than satisfied with the knowledge when responding to queries, and 63.0% of respondents who were less than satisfied with the time it took to respond to queries.

Can the Cabinet Member please confirm:

- (a) Whether the backlog of queries were cleared at the end of December 2017;
- (b) Whether the KPI targets in respect of benefit payments, retirement estimates and deferred benefits were met for December 2017 and January 2018;
- (c) In light of the levels of dissatisfaction with the service currently offered to members of the scheme, what assurances he wishes to offer with regard to the service levels in the future; and
- (d) Whether there are plans to amend the Capita contract arrangements in respect of this area of work and/or to bring this work back in house.

Answer

- (a) As at 5 February 2018, all 3,504 backlog cases requiring processing had been cleared apart from 151 cases on hold. The reason these cases remain on hold was primarily related to a need for information from other parties e.g. members or employers in the Fund. Once received, these cases should also be processed.
- (b) The table below compares the Key Performance Indicators to the targets for December and January:

KPI	Target	Performance Dec 17	Performance Jan 18*
Benefits Payments	97.0%	87.7%	100.0%
Benefits Estimates	97.5%	74.4%	98.6%
Deferred benefits	97.5%	90.8%	100.0%

- * The reporting cycle for the Contract requires Capita to provide performance data by the 10th working day of the month, so the results for January 2018 are provisional at the time of writing.

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As can be seen, the performance targets were not met for December, but were met for January.

- (c) We continue to work with Capita to secure service improvements. The service has been impacted by changes to regulations and an increase in service volumes (both number of employers and number of members). Officers are working with Capita to ensure the service is adequately resourced and equipped to deal with volumes and complexities of the pensions administration function.
- (d) We look at all services provided in the context of value for money, performance and quality of service offered to our customers. We regularly review this performance to ensure it continues to meet our needs.

4. Written question from **Mrs Mullins** for reply by the **Cabinet Member for Finance and Resources**

Question

At the last County Council meeting members were provided with new lanyards depicting the organisation's values. I notice that there are also a considerable number of banners in the foyer of County Hall.

I would be grateful if the Cabinet Member could please confirm for me:

- (a) How many lanyards have been purchased and what has it cost to date to purchase them and whether it is intended to provide them to the whole workforce in the Council;
- (b) The estimated total cost for the provision of new lanyards, banners and other publicity material associated with promoting the values within the organisation to date and how much has been committed for more of such material for this year;
- (c) Which/whose budget has been used to pay for this; and
- (d) The benefits that were outlined in the business case for this spend.

Answer

- (a) 5,700 lanyards have been purchased at a total cost of £3,288 for design and print (58p per lanyard). They will be distributed to the whole workforce before the end of March 2018.
- (b) The total cost so far for the new lanyards, banners and other publicity material to promote the Values within the organisation is £4,288. No further budget has been committed.
- (c) The cost for the above has been charged from the central budget and has not come out of a specific service area's cost centre.

- (d) The benefits relate to the visual reinforcement of those values as a single organisation and a constant reminder of how we expect our employees and members to behave towards one another, our partners and our customers. In wearing a lanyard stating those values, we are making a statement that the values and associated behaviours sit at the core of our day to day work and that we are happy to receive feedback or be challenged by colleagues, partners or customers if we are not behaving in line with these values.

5. Written question from Mr S J Oakley for reply by the Cabinet Member for Finance and Resources

Question

WSCC Employer's Contributions towards its employees' Pension Funds

- (a) What are the current financial year's employers' contribution rates?
- (b) What changes in these rates have there been over the last five years?
- (c) What future changes in these rates are currently planned? What have and will be the revenue cash sums involved in these changes?
- (d) How do the above employer contribution rates compare with private sector pension schemes?

Answer

- (a) The employer contribution for 2017/18 and 2018/19 for the County Council is 24.7%. The County Council is just one employer in the Fund, there being 186 other employers. If data is also wanted on all their contribution rates this can be provided in due course.
- (b) The table below shows the rates of the last five years for the County Council.

Financial Year	Employer Contribution Equivalent
2017/18	24.7%
2016/17	19.4% plus £11.2m
2015/16	18.4% plus £11.2m
2014/15	17.4% plus £11.2m
2013/14	16.3% plus £11.2m

A cash lump sum was set originally to redeem the Fund deficit. This was converted by the Actuary in to an equivalent percentage of the payroll for 2017/18, thereby increasing the percentage payable but with no further lump sum. The Actuary has indicated at the time that the lump sum should represent approximately 6.2% of gross pay. Hence the rate applied this year (24.7%) is around 0.9% less than would have applied the year before (25.6%, being 19.4% plus 6.2% as the equivalent of £11.2m).

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- (c) Rates have been set for three years from 1 April 2017. The next review of the rates will start in April 2019 and the new rate will be payable for the three years from 1 April 2020. The cash impact of the changes will depend on pensionable payroll and the new rate.
- (d) The majority of private sector final salary schemes are closed to new entrants or accrual and are, therefore, targeting an extremely low risk investment strategy. As a result, on average, private sector schemes tend to pay a higher percentage of pay than open public sector pension schemes. This, according to the Actuary, typically means 35% to 40% of payroll for a large private employer plus whatever is required to recover any fund deficit. However, as the funding objectives across typical private sector schemes are different to those of the Local Government Pension Scheme it makes any direct comparison difficult.

6. Written question from Mrs Millson for reply by the Cabinet Member for Highways and Infrastructure

Question

The Cabinet Member will be aware of recent successful trials by Cumbria County Council of a new material for road surfacing. The new product replaces some of the bitumen with recycled waste plastic, as part of the asphalt mix for resurfacing schemes. Early trials of the material suggest that it is cheaper, stronger, more flexible and longer lasting than conventional bitumen.

Cumbria was the first highways authority in England to carry out trials with the ground-breaking plastic-based bitumen replacement material and, on the back of that success, is now using the product in some of the larger resurfacing projects in Cumbria.

One of the biggest schemes to date was a £200,000 resurfacing scheme on the A7 Kingstown Road/Scotland Road, one of the main arterial routes into Carlisle, which was completed last year. For the A7 works, using the recycled plastic material involved the equivalent of offsetting 500,000 plastic bottles and over 800,000 one-use plastic carrier bags.

Further trials are now being undertaken in Fife and Cambridgeshire.

Can the Cabinet Member please assure the Council that:

- (a) He and the team involved in the pre-contract process for the new Highways Maintenance contract are fully briefed on the possibilities of the new material?
- (b) That the contract will be flexible enough to allow for the introduction of the new product into the contract as desired?
- (c) That he will be working closely with the Cabinet Member for Environment to explore the marketing possibilities of this product for our plastic waste?

Answer

- (a) May I assure the Council that I have utmost confidence in the qualifications and years of experience our officers driving this procurement have within the highways industry, and their cognisance of the rapidly evolving nature of new technologies within this arena. In collaboration with our contract delivery partner our officers will be proactive in assessing innovations in industry for potential application on our network.

These are exciting times for the development and application of innovations and we must continue to be diligent in selecting proven solutions and materials to meet each specific application.

Once trial products, such as the member refers to, have met the rigorous standards to meet the demands of use on our network they will always be considered.

- (b) By design, the contract West Sussex will enter into assures the flexibility to review and approve, or prescribe the introduction of newly emerging products deemed to offer the service enhanced outcomes for our road network users, residents and the wider Authority.
- (c) While the Authority is not in a position to aid the marketing of products or intellectual property, officers will monitor and evaluate innovative products, as mentioned in the previous paragraphs, to make best advantage of any evolving technologies.

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Agenda Item No. 9 - Question Time

Members asked questions of members the Cabinet and chairmen as set out below. In instances where a Cabinet Member, the Leader or a chairman undertook to take follow-up action, this is also noted below.

Best Start in Life

Paragraph 1, Change4Life 2018 Nutrition Campaign (Cabinet Member for Adults and Health), from Mr Buckland, Mrs Jones, Mrs Millson and Mrs Mullins.

In response to a request from Mrs Mullins that the campaign to reduce children's sugar intake was extended to nursery schools too, the Cabinet Member agreed to look into this.

Paragraph 2, Update on delivery of the Free School Programme in West Sussex (Cabinet Member for Education and Skills), from Mr Crow, Mrs Mullins, Dr O'Kelly and Mr Oxlade.

In response to a question from Mrs Mullins about a possible alternative location for the Gatwick Free School, the Cabinet Member said he would ask officers to provide Mrs Mullins with more information and look into the issues in more detail.

Paragraph 5, Young Carers Learning Resource Pack (Cabinet Member for Children and Young People), from Mrs Arculus and Mrs Jones.

In response to a request from Mrs Arculus to the incorporate the Young Carers Learning Resource Pack into the school governor training programme, the Cabinet Member agreed to look into this.

In response to a request from Mrs Jones to ensure that there was a whole-system approach to raising awareness about young carers, the Cabinet Member agreed to take the matter to the Health and Wellbeing Board or to raise it with the Clinical Commissioning Groups.

A Prosperous Place

Paragraph 8, Housing Infrastructure Fund (Leader), from Mr Barrett-Miles and Dr Walsh.

Paragraph 10, Department for Transport consultation on the Major Road Network (Cabinet Member for Highways and Infrastructure), from Mr Barling, Mr Marshall and Mrs Millson.

Mr Marshall asked for assurance that all members would be involved in the preparation of the consultation response. The Cabinet Member confirmed that he would be writing to members inviting their comments and that the consultation would be discussed at a meeting of the Environment, Communities and Fire Select Committee prior to submission of the response.

Paragraph 11, Bus Impact Analysis (Cabinet Member for Highways and Infrastructure), from Mr Edwards and Dr O'Kelly.

Dr O'Kelly asked about possibility of introducing community transport services, the

Cabinet Member agreed to look at the suggested proposals to preserve services and with regard to the current consultations on buses, he undertook to make them as accessible as possible.

Paragraph 12, Visitor Economy (Leader), from Dr Dennis and Mr Jones.

A Strong, Safe and Sustainable Place

Paragraph 13, Supporting the County Council's Response and Recovery Plan (Cabinet Member for Safer, Stronger Communities), from Mr Edwards.

Paragraph 16, Affordable Warmth Scheme (Cabinet Member for Environment), from Mrs Mullins.

In response to questions from Mrs Mullins on the local criteria for the Affordable Warmth Scheme, the level of funding available, whether there was a maximum level of contribution and the difference between this scheme and the previous scheme, the Cabinet Member said she would find out and respond to her.

Paragraph 26, Your Energy Sussex Tariffs (Cabinet Member for Environment), from Mr Parikh.

Independence in Later Life

Paragraph 17, NHS 'Let's Get You Home' (Cabinet Member for Adults and Health), from Ms Flynn.

Paragraph 18, Virtual Reality work to support dementia (Cabinet Member for Adults and Health), from Mr Quinn, Mrs Smith and Dr Walsh.

In response to a question from Mr Quinn about the impact the work with new technologies is having on people who suffer from dementia, the Cabinet Member agreed to send him details of the programme of dementia friendly activities that are taking place.

In response to a question from Mrs Smith about the difference in the diagnosis rates for dementia between the Horsham and Crawley Clinical Commissioning Groups and what was making the difference in each area, the Cabinet Member agreed to find out and respond to her.

A Council that works for the Community

Written Question 2, Capita Contract (Cabinet Member for Finance and Resources), from Mr Jones.

In response to a question from Mr Jones about the cost in penalties or otherwise of exiting the Capita Contract at this time, the Cabinet Member agreed to find out about the financial implications and respond to him.

Paragraph 25, Fairtrade (Cabinet Member for Finance and Resources), from Mrs Millson.

Mrs Millson asked if there were plans to improve the County Council's Fairtrade website page, the Cabinet Member said he would find out and respond to her.