

## Performance and Finance Select Committee

21 March 2018 – At a meeting of the Select Committee held at 10.30am at County Hall, Chichester.

Present: Mr Montyn (Chairman)

Mr Boram	Mr Elkins	Mr Turner
Mr Bradbury**	Mrs Kitchen	Mr Waight
Mr Cloake	Mr Lea	Dr Walsh**
Mr Crow*	Mr Smytherman	

In attendance by invitation: Ms Goldsmith (Leader), Mr Hunt (Cabinet Member for Finance and Resources) and Mr Lanzer (Cabinet Member for Highways and Infrastructure).

Apologies for absence were received from Mr Barrett-Miles, Mrs Dennis and Mrs Mullins.

- \* Mr Crow arrived at 10.54am
- \*\* Mr Bradbury and Dr Walsh left at 1.18pm

### Declarations of Interest

138. Mr Waight declared a personal interest in relation to Call-ins as a member of Worthing Borough Council.

139. Mr Turner declared a personal interest in relation to Call-ins as a member of Worthing Borough Council.

140. Mr Smytherman declared personal interests in relation to Call-ins as a member of Worthing Borough Council, in relation to West Sussex Plan (children's residential homes) as a Regulation 44 inspector of private children's homes, in relation to TPM and Call-in (Beechfield Secure Unit) as a LA Governor of the Alternative Provision College for West Sussex, and in relation to Call-in (street clutter) as President of Sight Support Worthing.

141. Mr Elkins declared a personal interest in relation to Call-ins as a member of Arun District Council.

142. Mr Lea declared a personal interest in relation to Call-ins as a member of Mid Sussex District Council.

143. Mr Crow declared a personal interest in relation to Call-ins as a member of Crawley Borough Council.

144. Mr Cloake declared a personal interest in relation to TPM (workforce data) as his wife is employed as a Social Worker for the Council.

145. Mr Bradbury declared a personal interest in relation to West Sussex Plan (comments regarding STEM subjects) as a Trustee of Sussex Learning Trust.

146. Mr Michael Jones declared a personal interest in relation to Call-ins as a member of Crawley Borough Council.

147. Mr Lanzer declared a personal interest in relation to Call-ins (CPZs) as a member of Crawley Borough Council.

### **Minutes of the Previous Meeting**

148. Resolved – That the minutes of the Performance and Finance Select Committee held on 18 January 2018 be approved as a correct record and that they be signed by the Chairman.

### **Capita Partnership Performance Report**

149. The Committee considered a report by the Director of Finance, Performance and Procurement, (copy appended to the signed minutes). The Chairman welcomed Mr Dale Wood, Capita Partnership Director, who attended for the item.

150. The Cabinet Member for Finance and Resources introduced the report, and recognised member concern raised by the press reports on the financial health of Capita. The Cabinet Member had received reassurances from Capita in respect to their profit warning and their plans to address this position, and was satisfied that plans were in place around service provision to the Council. The Cabinet Member highlighted that exit strategies were built into the contract and that the Council would be able to continue providing services should these be enacted. The Cabinet Member stated that Capita have on the whole delivered the contract expectations, saving £5.8m yearly since 2012 (totalling £35m) and will continue to deliver benefits.

151. The Director of Finance, Performance and Procurement introduced the report and summarised the key points. A complete contract review took place in 2015, half way through the contract. The Partnership Board had not met since late 2016 and the future of this will be considered within this committee's Contracts Management Task and Finish Group (TFG). The report appendix summarises KPI performance by exception, and highlighted that two service improvement plans were in place. A Partnership Action Plan (PAP) began in 2017 to look for opportunities to continuously improve services and deliver outcomes. IT Services are creating a joint business case regarding the future operation of the service, e.g. moving to the cloud, which is expected to be completed in May 2018.

152. The Chairman welcomed Mr Michael Jones, Member for Southgate and Gossops Green, who attended the meeting to speak on this item. Mr Jones spoke in relation to the following points:

- A UNISON survey of staff TUPE'd to Capita reported poor staff satisfaction and issues with recruitment and retention of staff.
- Raised concern that the Council is not achieving the predicted savings over the term of the contract as expected.
- Raised concerns that the contract doesn't support the flexibility required to deal with austerity, and the collapse of Carillion highlights the need to be certain of the Council's requirements.
- Asked that the contingency arrangements were brought before this Committee to assess their adequacy but this hasn't happened sufficiently.

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- Asked for an indemnity clause for public reassurance and stated that costs to the contract of failures and flexibility were not given so there may be hidden costs of service failure.

153. Mr Dale Wood responded to Mr Jones to reassure members of the financial viability of Capita and that Capita are fully committed to providing services to the Council through the contract. Mr Wood provided absolute assurance that Capita will deliver the stated requirements, or exceed the requirements if possible. Mr Wood further updated members that actions had been taken by Capita to strengthen the company's balance sheet.

154. The Committee made comments including those that follow. It:

- Commented that members are aware of ongoing problems within Pensions Administration resulting in long term failures and delays in staff responding to member queries, and the Council is now looking at alternative ways of providing the service. Adequate notice of legislative changes and increased auto-enrolment were given so should have been taken into account when resource planning by Capita. *Mr Wood stated that Pensions Administration hasn't performed well due to specific circumstances as detailed in the report, resulting from increased legislative and allied changes that have led to increased complexity surrounding Pensions, causing delays within the service. This has been addressed in 2017 by the application of additional resource and the backlog was removed by December 2017. Horizon scanning is now in place to plan resources, and this is also picked up in operational meetings with the Council and the annual service plans.*
- Sought clarity on whether Capita or the Council bore the cost of the additional resource required to clear the backlog. *Mr Wood explained that Capita bore the cost; however the Director of Finance, Performance and Procurement stated officers reassessed the requirement of the resource and provided some additional funding in line with the volume metrics.*
- Commented in relation to 5.6 of the report concerning a possible Cabinet Member decision for any changes to the service, that if the Pensions Admin service is now performing well and meeting KPIs then no further changes should be made.
- Expressed concern regarding the contract KPI failures reported by month, as in 2016/17 the trend is not improving. Members were concerned that KPI failures may reflect considerable individual inconvenience and distress, with many concerns being addressed to members particularly in relation to Pensions Administration. *Mr Wood confirmed that KPIs should challenge Capita's performance and that further improvements are expected in all services, with Council officers and Capita jointly tracking the progress. The contract also includes financial penalties for KPI failures.*
- Commented that members supported outsourcing when it was introduced and that it has been the right decision for the Council, however disappointed that the contract has not grown as it was initially envisaged. Members challenged the assumption that performance would have been better if run in-house.
- Expressed concern that the Partnership Board hasn't sat since 2016 so there is no member oversight on the performance of the contract, and encouraged reinstating the Board so that members can seek assurance that the contract is working well for the Council. *The Leader confirmed the Partnership Board was her suggestion in order to engage members and identify any issues of concern, however the Board became overly focused*

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*on KPIs and not the wider strategic role originally envisaged. The TFG will consider the future role of member involvement in the governance of key strategic contracts including the Partnership Board and make its recommendation.*

- Sought clarity on how the savings gained by outsourcing were calculated; in comparison to costs from operating in-house, were the Council paying over value, and is it a genuine saving. *The Director of Finance, Performance and Procurement confirmed the annual saving of £5.8m compares to what it would have cost the Council to run the service at the time the contract was let. When the contract was reviewed in 2015 this was compared again, so it is a true saving. The Leader reinforced this and also expressed disappointment that other public sector organisations didn't engage to join the contract.*
- Commented that there is little comparison between Carillion and Capita, however assurances were given regarding Carillion until the day before it collapsed. Assurances are provided by Capita but should the Committee seek an independent review by a third party, and would indemnity be helpful. *The Leader noted that the Council deal regularly with commercial organisations and highlighted Balfour Beatty, who went through financial difficulty in recent years but dialogue was maintained, reassurances were given, and resilience planning was put in place that was not needed. Reassurance was given that the County Council's Chief Executive is monitoring the current situation with Capita closely. Indemnity is not practical but good due diligence and resilience planning are necessary.*
- Commented that members have been reassured by the report and discussion that the contract is working for the Council.

155. Resolved:

- (1) That the progress of the Action Plan and individual Business Cases across specific areas of the contract be noted;
- (2) That the Committee notes the performance, with particular emphasis upon KPI failures, Pensions Administration performance, and foreseeing and reacting to issues early, and would welcome an annual contract report as proposed; and
- (3) That the Committee supports the Contracts Management TFG and recommends it looks at processes, including a review of the role of the Partnership Board and how members can be included in future, and shall report its findings to this Committee.

### West Sussex Plan Indicators

156. The Committee considered a report by the Director of Finance, Performance and Procurement, (copy appended to the signed minutes).

157. The Director of Finance, Performance and Procurement introduced the report. The West Sussex Plan was previously considered by this Committee and agreed at the County Council in October 2017. This subsequent report asks the committee to consider the indicators and targets used to measure and monitor that the Plan's priorities are being met. Progress against the targets will be reported in the Total Performance Monitor (TPM) report on a monthly basis. The Leader welcomed the Committee's comments on the measures and targets.

158. The Committee made comments including those that follow. It:

- Noted that there are three types of targets for the measures; relative, absolute and percentage change. Members felt this can make comparison difficult, especially when success is compared to other authorities' performance, and absolute measures would be preferable. Members further noted that some targets are only partially within the Council's control, which doesn't measure the Council's success in effecting change. *The Head of Intelligence and Performance thanked members for this feedback and wishes to work with the Executive TFG, which is due to be established to review the TPM, to improve how performance is reported. Officers will look at how the performance is packaged up together with detail behind the data to tell the full story of performance; this will be developed during the progression of the Plan.*
- Suggested that the schools KS1 and 2 targets for 2020 (measures 14 and 15) were not ambitious enough and could be increased to aim for the top quartile in order to represent a real stretch target. The Children and Young People's Services Select Committee (CYPSSC) may wish to consider this. *The Chairman of CYPSSC confirmed that the Committee has looked at these measures and would support such a top quartile stretch measure in the future, however the current measure to achieve above the national average by 2022 is felt to be a stretch measure.*
- Commented that whilst measure 24 provides a school places target, the County can deliver the places required but has no influence over where schools are built.
- Commented that a priority under Best Start in Life is all children and young people are ready for school and ready for work, however there is no measure to reflect this and the Council should encourage the building of skills to help young people be economically active.
- Expressed concern regarding the lack of engineering skills, noted the changes that have been made to boost participation in STEM subjects and queried if this could be reflected as a measure. *The Leader recognised the valued contribution of members in STEM initiatives and encouraging young people to engage in STEM participation across the county. This is beginning to work and so emphasis must remain on the key issue of going to school ready for learning.*
- Commented that measure 13 on West Sussex children placed in residential homes rated good or outstanding, and measure 55 on social isolation, are not ambitious enough. *The Head of Intelligence and Performance suggested the relevant Select Committees may like to pick up these suggestions to look at in more detail. Measure 55 on social isolation is a big stretch measure currently.*
- Commented that measure 26 on road condition is not a stretch target, and that a pothole measure that residents readily understand is required. Members commented that the Annual Road Maintenance Survey could be used as a measure of progress. *The Cabinet Member for Highways and Infrastructure explained this may not be explicit in this measure however it is explicit in the new Highways Term Maintenance Contract which is being finalised.*

159. Recommendations:

- (1) That the Committee recognises education targets are key, and recommends CYPSSC monitor the targets in relation to KS1 and 2 to ensure they continue to be stretch targets;

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- (2) That Health and Adult Social Care Select Committee (HASC) look at the target for social isolation to ensure that an appropriate target has been set;
- (3) That Environment, Communities and Fire Select Committee (ECF) look at the road condition target to ensure it is an appropriate assessment of the highway network and reflects member/public experience; and
- (4) That officers look at the targets so that where possible absolute targets are set, those relative to other authorities are simpler to compare, and that targets the County has little control over can be shown to reflect what the Council's contribution has been.

### Total Performance Monitor

160. The Committee considered the Total Performance Monitor (TPM) report by the Director of Finance, Performance and Procurement, which reflects the position as at the end of December 2017, (copy appended to the signed minutes).

161. The Cabinet Member for Finance and Resources introduced the report and highlighted key points. The Cabinet Member noted that the revenue summary outlook contains challenges but officers are working on mitigation actions. Ongoing challenges remain in Adult Social Care, however good results have come from the Children's Social Care Quality and Development Board and it is hoped that the Adults Social Care Improvement Board will lead to similar good results. The workforce data shows steady numbers, and the next report to this Committee will be more extensive - it is proposed to bring two more detailed reports per year with smaller updates between, and the Cabinet Member would appreciate the Committee's feedback on this approach in due course. The financial performance data in the report demonstrated the Council's good operational and financial management.

162. The Cabinet Member for Finance and Resources notes the TPM is due to be refreshed and that in due course an Executive TFG will be set up to review the format of the report. The TFG will involve officers in the Finance Team who need to produce the Council's accounts by the end of May and have them audited by end of July, so the start of the TFG will be delayed until after this is complete.

163. The Director of Finance, Performance and Procurement highlighted the stable position of finance and performance and noted that this requires lots of managing and mitigation.

164. The Committee made comments in relation to the TPM including those that follow. It:

- Queried whether the Beechfield Secure Unit is closer to being ready to accept children. *The Leader explained that the date for opening is controlled by Ofsted, but reassured members that officers are raising this and chasing progress regularly.*
- Commented in relation to the overspend in Learning Disabilities, that previous instances were found to be due to the care package chosen and purchased by the social worker, which was often made irrespective of cost, and queried whether this should be looked at again by HASC. *The Chairman of HASC explained the team are seeing growing numbers of*

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*referrals and more complex cases. The committee have asked for the trend to be forecast and will consider looking at this issue again.*

- Queried in relation to the Lost Time Rate information, whether there was an effective strategy to prevent staff illness. There seems to be a shortage of social workers and would a HR strategy of engagement with Universities be worthwhile. Members sought to understand what could be done to extend the average six year working life of social workers. *The Leader explained the new Director of Human Resources has met with her in relation to productivity and sickness. Social Worker recruitment is an issue and is being addressed through the Academy programme which has been established and shown to be working. Another option being looked at is bringing back the bank worker system to give extra resource. In addition, the UK solution is reactive rather than proactive which is very costly, therefore the Council has focused upon trying early intervention initiatives to change generational patterns. The Chairman of CYPSSC confirmed that the Committee has looked at this issue and it is a national as well as a local problem. The Academy has produced good results but requires time to effect change so this remains a challenging area.*
- Commented that there was little member discussion on the TPM as the report is from end of December 2017 and therefore not timely. *The Director of Finance, Performance and Procurement explained that the timing of bringing TPM reports to Committee is difficult as it goes to the Executive Leadership Team meeting and then through Cabinet Board before coming to this committee. The position at the end of January 2018 is quite similar and no major change is expected. The Cabinet Member for Finance and Resources accepted the feedback and will see if future TPM reports could be brought to committee sooner. This could also be considered as part of the proposed TPM Executive TFG.*

165. Resolved:

- (1) That the December 2017 TPM be noted;
- (2) That HASC consider looking at selection of learning disability care packages at an appropriate time; and
- (3) That the timeliness of TPM reports coming to Committee be considered as part of the TPM Executive TFG in due course.

### Capital Programme Quarter 3 Performance Report

166. The Committee considered the report by the Executive Director of Economy, Infrastructure and Environment which outlined the status position on the Capital Programme as at 31 December 2017, (copy appended to the signed minutes).

167. The Cabinet Member for Finance and Resources introduced the report and noted that in the December TPM there was a Capital underspend of £8m, whereas in the January TPM this has increased to £16m. A finance update has been included for members to explain the further underspend and the revised outturn forecast (p.76). The Head of Strategic Finance introduced the financial aspect of the report and explained that two thirds of the £16m underspend were due to factors outside the Council's control, and that following a large refresh of

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the Capital Programme work will be undertaken with the project teams to better forecast and plan for the coming year.

168. The Capital Programme Manager introduced the report, highlighted key points and outlined changes to the way the Pipeline is presented in the report.

169. The Committee made comments including those that follow. It:

- Commented that following the doubled underspend, the outturn position will be awaited in order to conduct proper scrutiny.
- Concern was expressed by a member as Chairman of the Highways Working Group in Eastern Arun that there are concerns regarding the delay to the Lyminster Bypass scheme from Highways England, and that the lateness may now be affected by weather conditions. The weather delay concern is similar in regards to the Felpham-Littlehampton cycle route, and the A259 dualling from Goring-Littlehampton where signage states works were expected in October but haven't yet started. *The Cabinet Member for Highways and Infrastructure commented that the cycle network was delayed due to ground conditions and is now being expedited.*
- Commented that the Burrscofte property in Shoreham is a key project in the One Public Estate (OPE) project, but progress is not reflected in this Monitor and queried if it should be included in the report. *The Director of Economy, Planning and Place explained that OPE projects are reflected in Section 1 of the report, dealing with the Pipeline, as they currently remain subject to Business Case approval in accordance with capital governance rules. The Chairman noted that a report on the progress and ongoing work of OPE is due to come before the committee in July.*
- Commented that it is unfortunate the Gypsy, Roma and Traveller site improvements have been delayed, and queried whether the search for a second Transit Site has progressed. *The Leader confirmed officers are looking for a suitable site but there is reluctance from District and Borough Councils, so this issue will be taken back for discussion at the next Leaders Board.*
- Commented that the Better Connected Broadband scheme hasn't progressed for rural households and businesses. *The Cabinet Member for Highways and Infrastructure explained the delay to this project is manageable and progress will soon be back on track.*

170. Resolved:

- (1) That the Capital Programme Quarter 3 Performance Report be noted;
- (2) That concerns were expressed in regards to delays in projects and that lessons be learned for future projects; and
- (3) That a report on One Public Estate be requested for submission to the Committee for scrutiny.

### Orbis Public Law Update

171. The Committee considered the report by the Director of Law and Assurance which provided an update on the implementation of plans for the formal joining together of the County Council's legal services with those of Surrey and East Sussex County Council and of Brighton and Hove City Council, (copy appended to the signed minutes).

172. The Director of Law and Assurance introduced the report and outlined the progress. There remain some challenges around budgetary arrangements, but progress has been made with working arrangements. The project is overseen by the Orbis Public Law Joint Committee and slides from the recent meeting had been provided for members, (Appendix A).

173. The Committee made comments including those that follow. It:

- Supported the integration as a good savings initiative and welcomed the update.
- Queried whether any areas of poor practice will be eliminated ahead of combining the departments. *The Director of Law and Assurance confirmed the parties will aim to achieve optimum quality by pitching the optimum service, and increasing knowledge and skill. It is a challenge to align the expectations of client service levels, and a work sharing arrangement tests this as it is ideal to do this prior to integration. It is expected there will be a unified 2019 budget by early autumn in preparation for service integration.*
- Queried whether there is a risk to capacity issues within the working agreement, and whether there will be an impact on what resource we can utilise. *The expectation is that savings can be made across the board. If a large issue arose requiring significant extra resource that would trigger the demand for extra resource to be bought in, and whilst there is the possibility of some additional spend this would be less within the arrangement than without.*
- Queried the table at 5.1 which appears to show this Council is paying the most in and expecting the least saving. *The Director of Law and Assurance clarified that this is an indicator of the different set ups within the four councils. This Council includes Debt Recovery and Personal Injury under the legal services team however the other councils do this within their different service areas, which leads to our larger budget figure. In respect of savings, those may not arise solely within legal services as, for example, budgets for external legal costs: in this Council the Director of Law and Assurance holds the budget for procuring external lawyers as required. Brighton and Hove City Council and East Sussex County Council both pay for this within their client service department areas and have no budget for this within legal services. These differences in how spend and savings are achieved and accounted for will be resolved as integration progresses.*
- Sought clarification of whether the 10% operation cost is a collective cost. *The Director of Law and Assurance explained that this is an estimated cost that has been rounded up collectively, and is a reasonable projection. Child protection proceedings are key for all parties but the volume is frequently hard to predict, so this is based upon experience.*
- Commented that members have heard rumours of a challenging financial situation in other councils, and sought to understand if this could affect this Council via the Orbis agreement. *The Director of Law and Assurance confirmed that it is a shared service operated by the Joint Committee, and the arrangement will remain four separate employers/authorities but integrated in the way they work. This protects each authority's interests, allowing each authority to benefit from it without exposure to risk.*
- Queried how the General Data Protection Rules (GDPR) coming into force this May apply to the sensitive data used by legal services, and whether there is a 'firewall' type arrangement to prevent sharing data where

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necessary. *The Director of Law and Assurance explained there is an inter-authority agreement in respect of data sharing. All authorities will continue to abide by conflict of interests guidelines and this is addressed in the agreement.*

- Queried how the service will be scrutinised. *The Director of Law and Assurance confirmed member oversight has been carried out over the last year by the Joint Committee of the four executive members, in addition to each authority conducting its own in-house scrutiny. It is important for each authority to challenge their own outcomes and if members have any concerns the Director is happy to provide any information or reports to this committee as required.*
- Queried whether the progress to deliver the business case is on track. *The Director of Law and Assurance confirmed the original business plan was delivered. The plan approved by the Joint Committee on 25 January 2018, including the integration of full budgets, is key and the timeline is challenging but currently on track.*

174. Resolved:

- (1) That the work to implement the plans for Orbis Public Law be supported; and
- (2) That the Business Planning Group be asked to consider whether joint scrutiny alongside the other authorities is required.

### Urgent Action Procedure

175. The Director of Law and Assurance attended to provide a verbal briefing to the Committee explaining the operation of the procedure for urgent action and answer member questions.

176. The Director of Law and Assurance briefly outlined that there are two forms of urgent action as outlined in Standing Orders. Firstly, where there is a business need to take action or spend money urgently which therefore falls outside the usual process. In this instance the Chief Executive or the Director of Law and Assurance can authorise an urgent decision in consultation with the relevant Cabinet Member, Select Committee Chairman, or the non-Executive Chairman if required. Secondly, a decision may be taken when it is a Key Decision that would ordinarily go into the Forward Plan, but it is not viable within the nature of the matter to publish and deal with the matter using the usual Forward Plan notice period. When the first type of urgent action is taken the decision is not subject to call-in, and so it is a balance of the necessary urgency against the absence of scrutiny. The second type limits the transparency of decisions. Each decision when a key decision was not included in the Forward Plan is reported to the County Council, and, if members felt it necessary an urgent action decision can always be subsequently scrutinised by the relevant Committee. Urgent action is a process used rarely within this Council and the Director of Law and Assurance has a target to minimise occurrences.

177. The Committee made comments including those that follow. It:

- Commented that members are satisfied with the urgent action procedure.
- Queried whether consulting the relevant Select Committee Chairman puts the member under pressure to agree, giving the impression some scrutiny has occurred when this isn't the case and asked whether it would be preferable to not involve the Select Committee Chairman. *The Director of Law and Assurance clarified that the Committee Chairman does not*

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*approve the substance of the decision but instead the use of the urgent action procedure. The alternative would be to "inform" all Committee members but not involve them, however Standing Orders aims to engage with members on such sensitive officer decisions.*

- Queried whether "in consultation with" was the most appropriate language, and whether "notification" would be preferable. *The Director of Law and Assurance explained that the Cabinet Member could advise the Director not to proceed with the urgent action in which case it would not go ahead. Dialogue and consultation regarding the decision is important as the Director requests their endorsement for the use of urgent action. The Leader reinforced this view and explained that for a recent urgent action decision there was a lot of dialogue over a 72hour period regarding the decision.*
- Queried what the process is if the necessary Cabinet Member or Committee Chairman is indisposed. *The Director of Law and Assurance confirmed the Leader would be consulted instead, and if the Leader was also indisposed it would be the Deputy Leader.*

178. Resolved – That no clarification or review of the urgent action procedure is required.

### Call-ins

179. An amended decision report by the Director of Finance, Performance and Procurement was tabled by the Cabinet Member for Finance and Resources, (copy appended to signed minutes as Supplementary Paper).

180. Mr Jones introduced the request to call-in the decision by the Cabinet Member for Finance and Resources concerning the Review of Fees and Charges for 2018/19 (FR18 17/18), (call-in request appended to the signed minutes as Appendix B). Mr Jones highlighted the following points:

- The Labour group called in the decision in regards to the levels of increase to fees and charges and the proposal to allow officers to deviate from the proposed charges in-year. To them the stated increases seem at odds with the increase in Council Tax this year and are unfair on hard-hit residents. Key fees were highlighted as follows;
- Controlled Parking Zone (CPZ) parking permits in Chichester have been raised four times that of other areas across the county which is unfair on Chichester residents. On-street parking charge increases would impact upon residents' need to use specific places within towns and on tourism in larger towns. Mr Jones highlighted that the proposed increases to both CPZ and on-street parking was double that of last year and asked that this be increased gradually instead.
- The removal of hard copy newspapers from libraries removes residents' choice of newspaper. Raising charges for meeting rooms in libraries could greatly impact upon community groups and there is concern if junior staff in libraries were able to offer discounts that audit and authorisation trails may not be properly kept.
- The increase in charges for the Martlets catering service will directly impact upon Democratic Services' budget in respect of catering for member meetings, and making a profit from these is just a transfer on the balance sheet and of no benefit to the Council.

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181. The Cabinet Member for Finance and Resources addressed the Committee, highlighting the following points:

- The Cabinet Member's response to the call-in (10c) addresses each point raised by the Labour group. Fees and charges are reviewed yearly and the increases are necessary. Most have been increased by the September RPI of 3.9%, though some are slightly higher to cover costs or maintain income. Any profit made goes back into services.
- The ability to amend a small number of charges in-year is to formalise the process of commercial flexibility, and the amended Supplementary paper reflects this.
- The Martlets catering has not met the revenue target for 2-3 years so price rises are necessary.

182. The Cabinet Member for Highways and Infrastructure addressed the Committee regarding parking charges, highlighting the following points:

- It is proposed that new on-street parking machines be procured for the different parking methods, giving choice to users and potential for modal shift. A future possibility may be parking machines that also measure air quality.
- Not all roads have CPZs and whilst homeowners don't own the highway outside their property a permit guarantees a space in the road, therefore it is acceptable to raise the price by the RPI. Funds can then be reinvested in the roads and community. The strategy aims to increase off-street parking to prevent vehicles circling looking for spaces and increase health by walking further.
- Parking rates have been brought in line with nearby rates. Equity and corporate priority is satisfied and charges haven't previously been raised since 2013.

183. The Committee made comments including those that follow. It:

- Queried whether therapeutic services at Beechfield are available to non-residential users or other local authorities as a potential source of income generation.
- Encouraged flexibility on charges for advertising in Connections and Taste magazines in order to make Council rates more competitive. Encouraged commercial flexibility on roundabout sponsorship too.
- Commented that residents have queried whether charges for road opening could be increased. *The Cabinet Member for Highways and Infrastructure clarified that fees for statutory undertakings such as road opening are set nationally and there is no leeway to alter the proposed charge.*
- Congratulated the Cabinet Member for reducing street clutter in Worthing and queried whether management of this could be devolved to the District or Borough council in other areas of the county.
- Challenged the 42% increase to Worthing All Day Zone parking rate. The revised Supplementary paper states the charge was £1.20 per hour and is proposed as £1.70. Off-street is £1 per hour and proposed as £1.20 per hour. The proposed increases are not in line with the criteria of being 10p more expensive than the off-street alternative or rising by inflation. Members reported that the car park used for comparison purposes is a private car park and rarely used as it is too expensive. Worthing is subject to a much larger percentage rise and is now the most expensive place to park; this affects users' choice and may discourage shoppers from coming to the town, which has been shown to be the main reason for visiting the town.

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- Agreed that the Committee cannot support the proposed changes to fees and charges for parking in Worthing and urged the Cabinet Member for Highways and Infrastructure to look again at the proposals to ensure they are raised by the guideline, however were keen that the remainder of the decision be implemented and not held up. *The Leader confirmed the Worthing parking charges will be looked at again. The Director of Finance, Performance and Procurement confirmed the remainder of the decision could be taken with the parking element removed pending re-evaluation.*

184. The Cabinet Member for Finance and Resources summed up by commenting that the points raised by the Committee will be taken on-board, particularly in relation to advertising and parking charges in Worthing.

185. Mr Jones summed up by commenting that:

- He is delighted that Worthing parking charges will be reviewed but is concerned other towns are not being looked at again.
- That comments regarding not dissuading shoppers from town centres are important.
- He remains concerned on the level of the raise to fees and charges due to the increase in Council Tax this year.
- That he is grateful to the Committee for the chance to raise these concerns.

186. Resolved:

- (1) That the amended Fees and Charges decision be supported, with the exception of the proposed amendment to parking charges in Worthing; and
- (2) That parking charges in the Borough of Worthing be reviewed before any change is made to ensure that a raise is proportionate and appropriate.

### **Business Planning Group Report**

187. The Committee considered the report by the Chairman of the Business Planning Group (BPG) outlining the issues discussed at the meeting on 7 February 2018, (copy appended to the signed minutes).

188. The Senior Advisor introduced the report and outlined the key issues discussed. BPG members were able to influence the issues covered in the General Data Protection Regulations member training. The Group received an update on the DCLG consultation – proposed changes to the prudential framework of capital finance – and agreed that a summary report be brought to the next BPG meeting to brief members on the outcomes and implications of the guidance. The Committee's Contracts Management TFG is due to begin in April, and its Terms of Reference can be amended if necessary to reflect the comments by the Committee. The work programme and TFG summary were agreed.

189. Resolved:

- (1) That the updated work programme as recommended by the BPG be supported; and
- (2) That the TFG Rolling Programme be noted.

**Date of Next Meeting**

190. The Committee noted its next scheduled meeting will take place on Friday 18 May 2018, commencing at 10.30am.

The meeting closed at 2.45pm.

Chairman.