

**Minutes of a Meeting of the
Joint Overview & Scrutiny Committee of
Adur District and Worthing Borough Councils**

Gordon Room, Stoke Abbott Road, Worthing Town Hall

25 January 2018

Roy Barraclough (Chairman)
Keith Bickers (Vice Chairman)

Adur District Council:

Carol Albury
Les Alden
*George Barton
Kevin Boram
Ann Bridges
Stephen Chipp
Joss Loader
Robin Monk

Worthing Borough Council:

Sean McDonald
Nigel Morgan
Louise Murphy
Luke Proudfoot
Bob Smytherman
Steve Waight

*Absent

JOSC/17-18/40 Declarations of Interest/Substitutions

Councillor Coomber declared his substitution for Councillor Barton

Councillor Louise Murphy declared an interest as a Director of Worthing Homes.

JOSC/17-18/41 Minutes

It was proposed and agreed that the minutes of the meeting from the 30 November 2017 be amended regarding JOSC/17-18/38 Outline 5 year forecast and savings proposals, to include *'when the Executive Member was asked about the sensitivity analysis for the increased car parking charges, she said it was based on data from the increased car parking charges in Adur. When asked by the Member if he could be supplied with a copy of that data, she replied that he could.'*

Resolved that the Minutes of the Committee held on 30 November 2017 as amended be approved as the correct record and signed by the Chairman

JOSC/17-18/42 Public Question Time

There were no questions from members of the public

JOSC/17-18/43 Items Raised Under Urgency Provisions

There were no urgent items.

JOSC/17-18/44 Consideration of any matter referred to the Committee in relation to a call-in of a decision

There were no items.

JOSC/17-18/45 Responses of the Executive to reports of the Joint Overview and Scrutiny Committee

Before the Committee was a minute extract of the meeting of the Joint Strategic Committee that took place on the 23 January 2018, a copy of which is attached to the signed copy of these minutes as item 7. The minute extract detailed the Executive's response to the Committee's review of Youth Engagement.

Recommendation: that the response of the Executive be noted

JOSC/17-18/46 Select Committee Report on the Effectiveness of Overview and Scrutiny

Before the Committee was a report by the Director for Digital and Resources, a copy of which had been circulated to all members, a copy of which is attached to a signed copy of these minutes as item 8. The report before members provided an analysis of the findings and recommendations from the report of the House of Commons Communities and Local Government Select Committee on the effectiveness of overview and scrutiny committees of local authorities. The Joint Overview and Scrutiny Committee was asked to consider the report and make any comments on budget proposals to the Joint Strategic Committee.

The Policy Officer (Scrutiny) introduced the report to the committee and set out the main points listed therein.

The committee discussed the report of the select committee and welcomed its content. In particular members mentioned areas within the report such as senior officer support for the executive and the need for greater independence. There was also discussion about the requirement to pre-submit questions. The committee felt that there was need to further investigate the reports of the select committee and agreed to set up a working group including members of the Joint Governance Committee in order to do so.

A member expressed concern that the review of the Adur Budget was not on the committee's work programme. It was stated that although there was an opportunity to discuss the budget in at Full Council it was a political arena and that the scrutiny committee was the appropriate place for scrutiny of the budget to happen.

Resolved:

- i) that a working group be formed which includes members of the Joint Governance Committee in order to scrutinise the House of Commons Communities and Local Government Select Committee on the effectiveness of overview and scrutiny committees of local authorities;
- ii) that the committee add the Adur Budget to the committee's work programme.

JOSC/17-18/47 Worthing Borough Council Budget Estimates 2018/19 and Setting of 2018/19 Council Tax

Before the committee was a report by the Director for Digital and Resources, a copy of which had been circulated to all members, a copy of which is attached to a signed copy of these minutes as item 9. The report before members was the final budget report of the year and asked the Committee to consider the final revenue estimates, an updated five year forecast and the provisional level of council tax for 2018/19. The report was introduced by the Chief Financial Officer.

The Executive Member for Digital and Resources stated to members that the budget was optimistic and ambitious, continuing investment was being made into teams that supported major projects such as Teville Gate and Union Place as well as investment into the digital change agenda. Bins were kept empty, streets were cleaned and the council moved forward with efficiency measures whilst maintaining excellent customer services. Vulnerable residents were cared for and value for money was ensured for the taxpayer. There were financial challenges in the future including the removal of the central government precept, lower grant funding and market forces. The budget provided for a degree of uncertainty and mitigation.

A member asked the following question of the Leader: *Does the Leader feel that at the time of significant increases proposed for Council Tax and cuts to frontline services in the Environment Portfolio such as pest control, dog warden service and our parks, that providing additional spending of £43,230 for the Communications team offers value to our residents?* The Leader told members over the last years Council tax in worthing had gone up far lower than the rate of inflation and that front line services had not been cut. Regarding the role of communications, it was crucial that the councils had a department that was appropriately resourced. The council had made a commitment in Platforms for our Places and resources needed to be put in place to support that commitment. The communications team had been performing well and putting out good messages. The team was still significantly smaller in size when compared to the average of other local authorities.

A member asked the following question of the Leader *According to the Service Portfolio budget on page 67 can the Executive Member for the Environment tell me the likely impact our residents will notice due to reductions in the abandoned vehicle, pest control and Parks budgets as well as Community Centres and Public Health budgets?* The Leader stated that some of the budgets had been transferred

between departments and they had not been cut. There had been an overspend on pest control the previous year that would need to be dealt with.

A member asked the following question: *Has the Executive Member given consideration to using the public conveniences budget to operate a Community Toilet Scheme similar to other councils such as London Borough of Richmond where resources are given to community and retail outlets to make their facilities open to public and widely communicated by the Council and allow us to close our filthy, run down facilities to free up the space and resources to enable this to happen?* The view of the Leader was that the service to clean the public conveniences was being brought back in house with the aim of upping the quality of service being provided. There were also significant funds put aside in the budget for renovation of some of the public conveniences

A member asked the following question: *Given the reduction to the cemeteries budget is the Executive Member confident our crematorium will be able to cope with the likely increased demand for our services and be able to compete with services offered by the private sector?* The Leader told members that the service had competitive pricing and would be able to cope. There had been no reduction in the operational budget for the bereavement services.

A member asked the following question: *Can the Executive Member tell me the likely impact on removing Grants from the budget on page 71 and what consultation has been held with groups likely to be impacted by this decision?* The committee was told that the question referred to the group 'community chest' that administered that money. The councils were looking at the way certain things were resourced including the promotion of textiles bins which had proved to be successful and community chest had benefited £15k to provide as grants.

A member asked the following question of the Executive Member for Digital Resources: *While I welcome the reduction in the Theatres budget on page 73 proposed for 2018/19 does the Executive Member still feel that a subsidy of £1.5m from all our Council Tax payers offer value for money and can the Executive Member confirm the likely impact on this budget if the Assembly Hall is sold during the financial year?* The Executive Member expressed that the use of the word subsidy was 'loaded' and that the theatres delivered great value for the town, for every pound spent in the theatre a further seven pounds was spent around the town (following a supplementary question it was agreed that the study that presented that evidence would be circulated to Councillors). Before any decision was made regarding the Assembly Hall there would need to be a full options appraisal put before the Joint Strategic Committee. The Head of Cultural Services was investigating the possible impact on the budget and how to mitigate that.

A member asked the following question: *Residents are often concerned with dog fouling, dogs off leads or dangerous dogs. With the amount spent on the dog warden service significantly reduced from £72,290 to £2,120, can she explain how the service will be effectively carried out?* The Leader explained that the amount spent on a Dog Warden was not reduced, but moved to another place in the budget.

The Chief Financial Officer stated that future budget papers would have clearer commentary regarding the issue.

A member asked the following question: *The income from trade refuse is set to increase from £401,430 to £467,150. How will the cost of refuse collection for traders in the town change?* The Leader told Members that the Councils were confident that the quality of the service provided would lead to an increased customer base there were inflationary matters to bear in mind but the Councils sought to remain competitive with other providers.

A member asked the following question: *With the Waste and Cleansing budget cut by £372,420, is the Executive Member confident that these services will be able to meet the needs of residents?* The Leader told the committee that there was a merging of two large departments under one Head of Department and would work more closely and cost effectively.

A member asked the following question: *I am pleased to see the theatres budget reduced from £1,613,360 to £1,504,790. How will this reduction be achieved?* The Executive Member for Customer Services told the committee that it would be achieved because the rate of inflation was less than the income being generated. There was a fundamental review of services and therefore some of the allocations and support functions were reflected in the figures before members. When asked if this was a trend where the budget was continually reduced the executive member told the committee that the officers had been working very hard and there had been a positive trend from when the theatres had shown a large deficit.

A member asked the following question: *The housing budget is set to increase from £1,637,940 to £1,981,060, is the Executive Member confident that this increase will be enough to cover the expected rise in need for the Council's housing services over the next year?* The Executive Member stated that currently, yes, having looked at trends with officers. However there were a lot of variables that were difficult to predict. Including the number of homeless and the effect of the homelessness reduction act.

A member asked the following question: *Given the emphasis that the council places on major projects across the town, why is the major projects budget set to decrease from £155,060 to £71,750?, additionally The new Head of Major Projects seems to be paid £68,750 and will presumably be working across both Councils. Why is the funding for the post so unevenly distributed between Adur and Worthing, with Worthing contributing £65,310 to Adur's £3,440?* The Executive Member for Regeneration related that the council was moving forward with Teville Gate and Union Place and work with WSCC on the seafront and public realm works: Major projects were very important for the town. The budget had not been cut but had been re-allocated as part of the rationalisation of the budget codes. In relation to the Head of Major Projects the council had made commitments in relation to major projects in the town and the Council needed to deliver. The post holder would be focusing their work on Worthing.

A member asked the following question: *The Economic Development (including Tourism) budget is to increase from £522,750 to £578,660. How much of this will be spent on tourism?* About a third of the budget was spent on tourism which included the place and investment team. Members were told of the investments being planned for the upcoming year.

A member asked the following question: *The amount to be spent on Corporate Management and Treasury Management look set to increase by £306,420 and £465,120 respectively. Could the Executive Member explain this?* Members were told that this was a presentational issue in relation to the way that the budget portrayed vacancy savings, furthermore the annual contribution to the pension fund to address the underfunding has reduced substantially principally due to the last valuation of the pension fund.

A member asked the following question: *Income from estates is set to increase from £424,130 to £1,323,400, which is excellent news. The Government has recently carried out a consultation on proposed changes to the prudential framework of capital finance, which has alarmed some including the Local Government Association. If Worthing Borough Council were effectively barred from borrowing money to fund property investments, how would this change the Council's plans, if at all?* Members were told that the proposed 'ban' did not prohibit the the council from borrowing funds, but it did prohibit speculative purchases. Investments were made in commercial property to help support the council's funding, this was done in a prudent and responsible way.

A Member asked the following question: *In relation to the theatres budgets Can you explain why the Direct Recharges have fallen from £151,390 in 2017/18 to £80,440 for 2018/19.* The Executive Member for Digital and Resources explained that there had been erroneous charges of surveyors costs which had been adjusted and that this accounted for the difference between the two figures in its entirety. The Executive Member was asked further *Can you explain why the Support charges have fallen from £404,050 in 2017/18 to £368,810 for 2018/19?* The Executive Member told the committee that the allocations process had been fundamentally changed and reviewed to ensure that the charges were reasonable and still valid in the way that they were being allocated. Costs had fallen through efficiencies and the digital transformation programme as well as additional work to support the theatres. *A Member stated that falling costs were not reflected in the report which had stated that it was important to note that the reallocation of costs did not change the overall cost of services to the Council.* The Chief Financial officer told members that the overall total had reduced and significant savings were identified by the work of the Digital Team such as bringing the CenSus part back in house, rationalising the budget and the move to the cloud which had saved about £103K. There were a number of other savings identified within the report that had impacted the support services so in fact the overall total had reduced. The allocations had not changed the bottom line for the Council but the bottom line of individual services. *The questioning Member stated that the budget reduction in recharges and support services accounted for the reduction in the theatres budget and*

therefore there had been no overall saving. Had the changes to support services not taken place then the budget would not have changed.

A member asked the following question of the Executive Member for Digital and Resources *Can you explain why the Direct Recharges have fallen from £38,130 in 2017/18 to £25,770 for 2018/19?* The Executive Member told the Committee that the answer was the same as for the theatres. The Chief Financial Officer agreed to circulate more detailed breakdown of recharges.

A member asked the following question of the Executive Member for Digital and Resources: *In light of the factual position outlined in para 5.10.5 on page 24, are there any circumstances in which you would support a Council Tax increase in excess of 2.5% for 2018/19?* The Executive Member told the committee that the council needed to be careful in the management of its resources and use caution around risk, provide value for money and be prudent and sensible and there were some circumstances in which he would recommend a 2.5% raise in Council Tax. *The questioning member asked the Executive Member what evidence he had seen of the ability of residents to pay an increase?* The Executive Member stated that the issue of Council Tax setting would be discussed further at the Worthing Executive meeting.

A member asked the following question: *It appears that the Customer & Commercial Board has been set up to lead on the delivery of income growth from commercial services and seeks to improve customer experience - since the departure of the Head of Customer Service - how is this being led and delivered? Also, how is success in this area being measured?* The executive Member for Digital and Resources told the committee that the board was now chaired by the Director for Digital and Resources, there was a £600k target that had been exceeded three years in a row. Income lines were closely monitored. *The questioning member asked if the targets were constantly being exceeded should the councils consider increasing those targets.* The Executive Member stated that the council could push ourselves higher to achieve more in the future.

A member asked the following question: *Throughout the report, there are several references to the fact that the need and cost for emergency and temporary housing is only increasing. With reserves as they are, what is the Council's strategy should demand exceed the allocated budget given that we have a statutory duty in this regard?* The Executive Member for Customer Services explained that current trends indicated that the budget was correct. Homelessness was a variable issue and the Homelessness reduction act brought with it many challenges. To mitigate innovate ideas were being developed including the purchase of temporary accommodation to provide quality and to avoid paying huge sums (one room could be as much as £1250 pcm). The council was working with Worthing Homes to create four self contained flats in a former family centre for affordable rents. The councils were working with private landlords to provide guarantees.

A member asked the following question: *Why does the estimated income from Business rates increase to 2018/19 and then fall to a low in 2020/21 before*

plateauing? Also, it looks like the assumption is made that income from "commercial activity" will steadily increase until 2022/23 - are you able to provide clarity / define what commercial activity will drive this growth? The Executive Member for Digital and Resources stated that the Council collected £33M in business rates but retained around 10% of that figure. The total amount collected would rise to £35.8M, however the amount retained was set to drop to £3.1M due to the operation of tariffs and the fairer funding review. Commercial activity was important to the way funds were generated to deliver services. These included trade and green waste, car parking crematoria etc. This activity would be increased by increasing custom, driving through efficiencies and reviewing charges.

A member asked the following question: *Have I understood the table correctly in that there is a cumulative ~£10M budget shortfall over the period 2019 - 2023?* The executive member stated that because the figures were cumulative the figure was £3.4M.

A member from the gallery asked the following question: *Given the £2 million savings that have been made and a further 7% cut forecast for district authorities in the future, will scrutiny ask the Executive if they think the Council's work can be carried out satisfactorily (for the people of Worthing) with these present and future cuts? Do they see any vulnerable/difficult areas or will everything be fine in the future?* The Chairman told the member that they would receive a response in writing.

A member asked about the restrictive covenant on the Assembly Hall and whether this would have a bearing on future decisions. The Executive Member told Members that the restrictions of use concerning the building were made clear at the beginning of the sale process.

The committee discussed the recommendations that it would like to make concerning the setting of the Council Tax, however it was agreed that no recommendation be made given that there was no indication from the Executive as to the setting of Council Tax that would be recommended to Full Council.

Resolved:

- i) where budgets move from one area to another then clearer commentary be made in the report;
- ii) that further information be circulated in relation to the more detailed breakdown of the changes to recharges and reallocations within the budget.

JOSC/17-18/48 Joint Overview and Scrutiny Committee Work Programme Update 2017/18

Before the committee was a report by the Director for Digital and Resources, a copy of which had been circulated to all Members, a copy of which is attached to a signed copy of these minutes as item 10. The report before members updated the Committee on progress with the work contained in the 2017/18 Work Programme.

The Policy Officer introduced the report to the committee and updated members on the progress of the work programme. In particular, members were informed of the apologies given by the Police and Crime Commissioner who was due to be interviewed at the next meeting of the committee.

The committee discussed the request to review issues around housing provision. The committee were supportive of the request but were minded of emerging issues such as the developing Local Plan in Worthing and the Homelessness Reduction Act. The committee therefore resolved to receive a report to its meeting in January 2019.

The committee discussed the request to review the way the the councils carried out consultations. The committee agreed the review and appointed Councillors Joss Loader, Stephen Chipp, Robert Smytherman and Roy Barraclough to the working group.

The Committee turned down the West Park Play area request, the committee was satisfied that there were sound operational reasons for the current situation and that the matter was progressing.

The committee agreed to set up a working group to look into the select committee report on the effectiveness of overview and scrutiny and appointed Councillors Kevin Boram, Steve Waight, Robert Smytherman and Joss Loader. In addition the Working Group would work in partnership with Members of the Joint Governance Committee.

The committee discussed the issue of Adur's budget being added to the work programme and agreed to have it added for the 2018/19 programme which was due to be discussed at the next meeting.

The committee expressed disappointment that the Police and Crime Commissioner had given apologies for the meeting and asked that the Chief Executive or someone from the PCC's office be invited to attend along with the district commissioner. The committee asked that the Police and Crime Commissioner be written to expressing their disappointment.

Resolved:that the work programme be amended as agreed

The meeting was declared closed by the Chairman at 8.32pm it having commenced at 6.30pm.

Chairman