

Public Document Pack

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A meeting of the **Cabinet** will be held in Committee Room 2 - East Pallant House on **Tuesday 5 November 2019 at 9.30 am**

MEMBERS: Mrs E Lintill (Chairman), Mrs S Taylor (Vice-Chairman), Mr M Bell, Mr R Briscoe, Mrs N Graves, Mrs P Plant and Mr P Wilding

AGENDA

1 **Chairman's Announcements**

The Chairman will make any specific announcements for this meeting and advise of any late items which due to special circumstances will be given urgent consideration under agenda item 13b).

2 **Approval of Minutes** (Pages 1 - 12)

The Cabinet is requested to approve as a correct record the minutes of its meeting on Tuesday 1 October 2019.

3 **Declarations of Interests**

Members are requested to make any declarations of disclosable pecuniary, personal and/or prejudicial interests they might have in respect of matters on the agenda for this meeting.

4 **Public Question Time**

In accordance with Chichester District Council's scheme for public question time as amended by Full Council on 24 September 2019 the Cabinet will receive any questions which have been submitted by members of the public in writing by noon two working days before the meeting. Each questioner will be given up to three minutes to ask their question. The total time allocated for public question time is 15 minutes subject to the Chairman's discretion to extend that period.

RECOMMENDATIONS TO COUNCIL

5 **Determination of Council Tax Reduction Scheme for 2020 - 2021** (Pages 13 - 15)

The Cabinet is requested to consider the agenda report and its appendix and make the following recommendation to Council:

That Cabinet recommends that the proposed Council Tax Reduction Scheme for 2020-2021 be approved by Full Council.

6 Financial Strategy and Plan 2020-21 to 2024-25 (Pages 17 - 22)

The Cabinet is requested to consider the agenda report and its appendices and make the following recommendations to Council as set out below:

1. That the key financial principles and actions of the five year Financial Strategy set out in appendix 1 to the agenda report be approved.
2. That the current five year Financial Model detailed in appendix 2 and the Resources Statement in appendix 3 to the agenda report be noted.
3. That, having considered the recommendations from the Corporate Governance and Audit Committee, the Minimum Level of the General Fund Reserves is set at £6.3m.

KEY DECISIONS

7 Disabled Facilities Grants Policy 2020 - 2024 (Pages 23 - 27)

The Cabinet is requested to consider the agenda report and its appendix and make the following resolutions as set out below:

1. That the proposed West Sussex Disabled Facilities Grant Policy 2020 to 2024 contained in Appendix 1 to this report be approved.
2. That the Cabinet approves delegated powers for the Divisional Manager for Housing Services, following consultation with the Cabinet Member for Housing to make amendments and updates to the Policy.

OTHER DECISIONS

8 Appointment to Panels and Outside Bodies

Following a brief introduction from Mr Bennett, Divisional Manager for Democratic Services the Cabinet is requested to make the following resolutions:

1. That Cllr Peter Wilding replace Cllr Norma Graves as Chairman of the Joint Employee Consultative Panel.
2. That Cllr Martyn Bell replace Cllr Tony Dignum on the Chichester Vision Steering Group.

9 2019-2020 Treasury Management half yearly update (Pages 29 - 41)

The Cabinet is requested to consider the agenda report and its appendices and make the following resolution as set out below:

That Cabinet reviews and notes the summary of treasury management activities and performance for the six months to 30 September 2019.

10 Economic Development Strategy and Inward Investment & Growth Strategy (Pages 43 - 47)

The Cabinet is requested to consider the agenda report and its appendices and make the following resolution as set out below:

That Cabinet agrees to the adoption of the Economic Development Strategy (appendix 1) and Inward Investment & Growth Strategy (appendix 2) in accordance with the proposal set out in paragraph 5 of the report.

11 **Parking Proposals and Off-street Parking Charges (Pages 49 - 53)**

The Cabinet is requested to consider the agenda report and its appendices and make the following resolutions as set out below:

1. That the Cabinet approves the proposal as set out in 6.1 of this report to increase car parking charges, which subject to consultation responses, be implemented from 1 April 2020 for a two year period.
2. That the Director of Growth and Place be authorised to give appropriate notice of any revised charges or changes as set out within this report pursuant to the Off-street Parking Places (Consolidation) Order 2018 and the Road Traffic Act 1984.
3. That the Cabinet approves the consolidation of all Parking Orders since 2012 into one document. This document will further clarify the provision for electronic payments and the exemption from daily charges for Blue Badge holders (with the exception of Pay on Foot parking) which subject to consultation be implemented from 1 April 2020.

12 **Exclusion of the Press and Public**

There are no items which require the exclusion of the press and public.

13 **Late Items**

- a) Items added to the agenda papers and made available for public inspection.
- b) Items which the Chairman has agreed should be taken as matters of urgency by reason of special circumstances to be reported at the meeting.

NOTES

- (1) The press and public may be excluded from the meeting during any item of business wherever it is likely that there would be disclosure of 'exempt information' as defined in section 100A of and Schedule 12A to the Local Government Act 1972.
- (2) The press and public may view the report appendices which are not included with their copy of the agenda on the Council's website at [Chichester District Council - Minutes, agendas and reports](#) unless they contain exempt information.
- (3) Subject to the provisions allowing the exclusion of the press and public, the photographing, filming or recording of this meeting from the public seating area is permitted. To assist with the management of the meeting, anyone wishing to do this is asked to inform the chairman of the meeting of their intentions before the meeting starts. The use of mobile devices for access to social media is permitted, but these should be switched to silent for the duration of the meeting. Those undertaking such activities must do so discreetly and not disrupt the meeting, for example by oral

commentary, excessive noise, distracting movement or flash photography. Filming of children, vulnerable adults or members of the audience who object should be avoided. [Standing Order 11.3 of Chichester District Council's Constitution]

(4) A key decision means an executive decision which is likely to:

- result in Chichester District Council (CDC) incurring expenditure which is, or the making of savings which are, significant having regard to the CDC's budget for the service or function to which the decision relates or
- be significant in terms of its effect on communities living or working in an area comprising one or more wards in the CDC's area or
- incur expenditure, generate income, or produce savings greater than £100,000

NON-CABINET MEMBER COUNCILLORS SPEAKING AT THE CABINET

Standing Order 22.3 of Chichester District Council's Constitution provides that members of the Council may, with the Chairman's consent, speak at a committee meeting of which they are not a member, or temporarily sit and speak at the committee table on a particular item but shall then return to the public seating area.

The Leader of the Council intends to apply this standing order at Cabinet meetings by requesting that members should *normally* seek the Chairman's consent in writing by email in advance of the meeting. They should do this by noon on the Friday before the Cabinet meeting, outlining the substance of the matter that they wish to raise. The word normally is emphasised because there may be unforeseen circumstances where a member can assist the conduct of business by his or her contribution and where the Chairman would therefore retain their discretion to allow the contribution without the aforesaid notice.



Minutes of the meeting of the **Cabinet** held in Committee Room 2 - East Pallant House on Tuesday 1 October 2019 at 9.30 am

Members Present Mrs E Lintill (Chairman), Mrs S Taylor (Vice-Chairman), Mr M Bell, Mr R Briscoe, Mrs N Graves, Mrs P Plant and Mr P Wilding

Members Absent

In attendance by invitation

Officers Present Mr S Ballard (Senior Environmental Protection Officer), Mr L Foord (Divisional Manager for Promotion and Events), Mrs L Grange (Divisional Manager for Housing), Mrs M Grele (Housing Options Manager), Mr P Jobson (Taxation Manager), Miss L Higenbottam (Democratic Services Manager), Mrs L Rudziak (Director of Housing and Communities), Mrs D Shepherd (Chief Executive) and Mr J Ward (Director of Corporate Services)

45 **Chairman's Announcements**

Mrs Lintill greeted members of the public and Chichester District Council (CDC) members and officers and the two press representatives who were present for this meeting.

The emergency evacuation procedure was read out.

There were no apologies for absence.

46 **Approval of Minutes**

The Cabinet received the minutes of the meeting held on 3 September 2019 which has been circulated with the agenda.

There were no proposed changes to the minutes.

RESOLVED

That the minutes of the Cabinet meeting held on 3 September 2019 be approved.

47 **Declarations of Interests**

There were no declarations of interest.

48 **Public Question Time**

Mrs Lintill invited Mr McBride to ask his question:

How can the 500 plus Chichester district residents that responded online to the Chichester Local Plan be confident that their views will be properly taken into account in its final version, given the only people who supported the Plan were site owners and housing developers?

Mrs Taylor provided the following response:

Thank you for your question. In response to the last Local Plan consultation we received over 3200 responses from 729 business, organisations and individuals. It is the case that the majority of responses were either objections or comments. Nonetheless 486 supporting representations were received. Whilst those with a direct interest in development formed the bulk of these, supporting points were also made by other individuals and organisations, including Historic England, Natural England, the sustainable transport charity Sustrans and the Theatres Trust. Full details of all representations are available on the council's website. All of the representations received will be taken into account as the Local Plan progresses. It is the case however that the consideration of consultation responses must be made with reference to the issues raised rather than the number of objections received.

Mrs Lintill invited Mr Maber to ask his question:

Given the recent and unfortunate revocation of our Playing Out Order for South Street, Our Chichester Playing Out / Car Free Day Campaign is delighted to announce that Eco Cinema Chichester are hosting a community, multi-organisation get-together for a short film and discussion evening on Monday 4th November, at 7:00 p.m. At the time of writing, the venue is yet to be confirmed because Eco Cinema's usual home (The Friends Meeting House, Priory Road) is too small for the anticipated number of people. That includes many of the 80+ business owners and managers from the South Street area. Two representatives from WSCC have confirmed they are happy to join us on 4th November towards successful Playing Out / Car Free Events in 2020.

Question: Could CDC confirm that you are able to join us on 4th November, please? Our agenda is building on the lessons now learnt (water under the bridge) and looking forward. We are particularly keen to meet with your Events Dept., please? It would also be really helpful for someone from your Safety Advisory Group to say a few words, please? Furthermore, would CDC please consider allowing us to use the CDC Logo on our promotional material, please? I imagine there are strict guidelines but given that our volunteers are promoting so many outcomes being actively worked upon by CDC, we look to you for endorsement, please?

Mrs Graves provided the following response:

Thank you for your question. Unfortunately, we had to make the difficult decision to revoke the road closure for the Chichester Car Free Day event on South Street but like you the Council wishes to look forward. We understand that the event organisers are very disappointed and we would like to work closely with them on any future events they may wish to plan and I am pleased to confirm that the District Council's Divisional Manager for Communication, Licensing and Events as well as the District Council's Events and Promotion Officer and Cllr Martyn Bell will be attending the November meeting in order to give advice.

The Divisional Manager will be able to speak about the role of the Safety Advisory Group at that meeting but the Council would make the following comments about the role of the Safety Advisory Group (SAG).

The role of SAG is separate from the operational management of an event. It is the event organiser/management team that will ultimately be responsible for the health and safety planning. The SAG is there as an advisory capacity. It provides independent advice to event organisers, who retain the legal responsibility for ensuring a safe event. One of the important roles a SAG can perform is to bring all relevant partners together to assist and support on event planning in order that event organisers fulfil their statutory obligations and stage safe and successful events.

SAGs are delivered consistently with Guidance adopted by Local Authorities across West Sussex and in accordance with the recently revised UK Good Practice Guide published by the Emergency Planning College earlier this year. There are Strategic Objectives of the SAG and defined Terms of Reference however it is acknowledged that each Local Authority will possibly have a different administrative system in place for the notification and licensing of events and as such a single system cannot necessarily cater for every eventuality. However this Local Authority welcomes early notification and engagement with event organisers to ensure wherever possible the most appropriate advice and support is given.

With regard to the District Council's logo, the Council does not normally allow the use of its logo on events arranged by external organisations, following the meeting on the 4th of November and as further details of the event are confirmed, this can be considered further by the District Council.

Mrs Lintill invited Ms Towers to ask her first question:

No one can be in any doubt that there is a housing crisis in this country and Chichester is not immune to this. We have one of the highest ratios of house price to incomes at 14:1, a high percentage of second homes, rising numbers of homeless and an increasingly aging population as young people and families on ordinary incomes cannot afford to stay in the area. One of the respondents to our Local Housing Needs Survey said that his household income of £45k was not enough to purchase a new build with Help to Buy. He would have needed an income of £80k or a very large deposit. Last week there was an opportunity at full Council to put in

place some measures which might have gone some way to alleviate these problems.

Can you explain why you did not choose to commit to raising the minimum percentage of affordable homes from 30% when all the evidence points to that necessity? Or why you have not made a commitment in principle to building Council Houses, subject to the necessary scrutiny. Is this Council putting developer profits before the housing needs of its residents?

Mrs Graves provided the following response:

Thank you for your question

The points you raise are under consideration as part of the local plan review and renewal of the Housing Strategy. A review of the housing target sought on larger sites is underway as part of the emerging new Local Plan. Any requirement for affordable housing has to be justified by reference to evidence of need and consideration of the impact upon development viability and deliverability. It also needs to be balanced against the requirement for CIL. Technical work to investigate the impacts of seeking 40% affordable housing on larger sites has been commissioned and there was a member's workshop on 5th September which included the findings of the Housing & Economic Development Needs Assessment and the Local Plan Viability study. These will be part of the evidence base that informs the emerging Local Plan.

The emerging Local Plan is subject to debate and scrutiny by DPIP and Cabinet before being considered by full Council and therefore it is considered there is already a mechanism in place for this issue to be addressed. Ultimately the affordable housing target sought in the new Local Plan will need to be justified by evidence and considered "sound" by an independent Planning Inspector.

Regarding the building of houses the Council set up a Housing company and transferred its housing stock in 2001 to what is now Hyde Housing Association. We continue, however, to work with registered providers to deliver affordable housing by means of quota on market sites and also using commuted sums as grants to enable additional affordable homes to be delivered over and above that delivered on market sites. Our current Housing Strategy has a target of 140 affordable homes per annum so over the first four years of the strategy to March 2019, our target was to deliver 560 affordable homes. In fact we have exceeded our target and delivered 662 new affordable homes. It is expected that we will again deliver above our target this year. The Council also work proactively with community led housing groups by offering support and funding. The target for affordable homes delivery will be reviewed as part of the new Housing Strategy to be in place from April 2020. In addition the suggestion that the Council should build homes directly has been referred to the Overview and Scrutiny Committee for further consideration.

Mrs Lintill allowed Ms Towers to ask a supplementary question. Ms Towers asked whether the council would consider varying the CIL schedule. Mrs Lintill confirmed that it was already being reviewed.

Mrs Lintill invited Ms Towers to ask her second question:

One in ten Chichester houses are now second homes and the Council confirmed that 1,193 or 2 percent of all homes were left completely empty last year, including those for social rent. It is encouraging that in Agenda Item 7 you propose to tax such homes at the maximum allowed. What other measures will you take to ensure homes are brought back into use and will you be creating an Empty Homes Policy?

Mrs Graves provided the following response:

Thank you for your question.

With regard to your second question the official district statistics are published by Government using the Council Tax Base Return completed by CDC. There are:

- 57,800 properties in the district*
- 3,150 properties are second homes, approximately 5.4% or 1 in 18 homes*
- 675 properties are empty and vacant for less than 2 years*
- 75 properties have been empty for over 2 years of which 34 have been empty for over 5 years.*

Agenda item 7 is recommending that CDC charge the maximum and offer no discounts for second and empty homes and charge the maximum premiums of 100% for properties empty for over 2 years and 200% for properties over 5 years.

The Council also offers Empty Homes Assistance to property owners as an incentive to bring empty properties back into use. The amount available is 100% of the cost of works, up to a maximum of £10,000. Conditions include:

- property must be let through the Council's Homefinder Scheme*
- works cannot be part of an insurance claim*
- the property must be at least 10 years old*
- works must be completed within 12 months of assistance being approved*
- following the works being done, the Council selects the tenants for the next 10 years*

Mrs Lintill allowed a supplementary question. Ms Towers asked if Mrs Grave's response formed part of an Empty Homes Policy. Mrs Rudziak confirmed that although the council has no specific Empty Homes Policy there is an overarching Housing Strategy which is under review and will be brought before the Overview and Scrutiny Committee in the new year.

Mrs Lintill invited Mr Kerry-Bedell to ask his question:

Given the Government's commitment to mitigating the effects of two degrees Celsius global temperature increase and the 5 metre sea level rise due to climate change and, given Chichester Council's May declaration of a Climate Emergency, how many of the 4,000 houses currently allocated in the danger zone on Chichester's coastal plain, East West corridor and Manhood Peninsular will be relocated north, into the safe zone above the East West railway line?

Mrs Taylor provided the following response:

Thank you for your question. It is worth noting that the official UK sea level rise projections are between 0.53m and 1.15m by 2100 in a high carbon emissions scenario and between 0.37m and 0.83m in a medium carbon emission scenario. Nonetheless climate change and flooding are key considerations for the new Local Plan. The Council is still considering the development strategy to be proposed in its emerging Local Plan, with the intention is for a revised draft Plan to be consulted upon in March 2020.

Mrs Lintill allowed a supplementary question. Mr Kerry-Bedell asked about the South Downs National Park unmet housing need. Mrs Lintill confirmed that the council had not yet agreed to take the unmet need.

49 Increasing the provision of the Council's Temporary Accommodation at Freeland Close, Chichester

Mrs Graves introduced the item. She explained that in late 2016 a single storey building at Freeland Close was offered to the council for purchase. The Cabinet approved the purchase in March 2017. The council's temporary accommodation needs have increased over recent years resulting in a full options appraisal of the site. In December 2019 the Cabinet agreed the Project Initiation Document (PID) for redevelopment of the site to expand the accommodation offer. Subsequently it has become necessary to move a gas main through the site in order to complete the works. The decision to place the order would usually be taken by Full Council however Full Council does not sit until 26 November 2019 by which time the project would be substantially delayed. Therefore, the urgency procedure has been applied in order to continue the project without undue delay.

With reference to section 3.1 of the report Mrs Taylor requested information on what happens next to residents placed in bed and breakfast accommodation after the initial six week period. Mrs Grange explained that the council will try to move residents into Westward House or other suitable accommodation wherever possible.

Mr Wilding asked whether the works would cause disruption to the gas supply. Mrs Grange explained that the works would be carried out by the Southern Gas Network who would seek to minimise the disruption caused.

Decision

The Cabinet then voted unanimously to make the resolutions and recommendation below.

RESOLVED

1. That an order is placed with Southern Gas Network (SGN) for the relocation of the gas pipeline, shown in Appendix 1.

2. That Cabinet approves the allocation of up to £120,000 from the Housing Investment Reserve to meet the costs of this work, subject to the urgency procedure (as set out in para 5.2 of the report).
3. That delegated authority is given to the Director of Housing and Communities to make changes to the Project Initiation Document (PID), in consultation with the Cabinet Member for Housing, to accommodate approval of a final design and submission of planning application.
4. That members note the delay in the programme as set out in section 5.4 of the report.

RECOMMENDATION TO THE COUNCIL

That the urgent decision for Cabinet to approve the allocation of up to £120,000 from the Housing Investment Reserve to meet the cost of this work be noted.

50 Review of Street Trading controls in Chichester City Centre

Mrs Graves introduced the item. She explained that the report does not seek to alter the current event controls in Chichester city centre but instead seeks approval to begin a consultation process with key partners such as West Sussex County Council, Chichester BID and Chichester City Council to establish what changes, if any, could be made to the prohibitions in the city centre as these controls were last reviewed in 2016. If consultation were to be approved a final report would be taken to Full Council in January 2020. Mrs Graves then explained that currently, street trading is prohibited in the city centre apart from East Street, North Street, Crane Street and the southern part of St Martins Street. Following the council's event consultation feedback the results indicate that many residents, visitors and businesses would like to see a greater number of events in Chichester. The Chichester Vision and draft Events Strategy also support this approach and the likely subsequent increase in visitors to the city centre. Mrs Graves confirmed that each event requiring a Street Trading Consent would be subject to a consultation process with key partners of the council and if agreed would be subject to appropriate conditions. The process would not apply to general traders markets..

Mr Briscoe fully supported the proposal and linked the work to the wider goals contained in the existing Chichester Vision.

Mr Bell wished to clarify that Canon Lane is a private street and consent would be required of the owners. Mr Foord confirmed that the owners would be included in the consultation process, if the process were to be approved.

With reference to section 3.8 of the report Mrs Plant asked whether the number of events per year would be restricted. Mr Foord confirmed that there are no current plans to place a restriction on the number of events referring to the previous exercise in 2016 when Crane Street and the southern part of St Martins Street were altered although no consented events have taken place in the areas since then .

Mr Bell then clarified that the southern part of St Martins Street refers to the section from Marks and Spencer foodhall to Good News Newsagents.

Decision

The Cabinet then voted unanimously to make the resolution and recommendation below.

RESOLVED

That officers be authorised to undertake the necessary steps (as set out in paragraph 3.7 of the report) to vary the existing designation to further areas within Chichester City Centre pursuant to Paragraph 2 of Schedule 4 of the Local Government (Miscellaneous Provisions) Act 1982 from prohibited streets to consent streets; and

RECOMMENDS TO COUNCIL

That following that process Council approves the redesignation.

51 **Council Tax Review of Locally Defined Discounts and Premia**

Mr Wilding introduced the item. He explained that the Local Government Finance Act requires the council to set a tax base from 1 December 2019 – 31 January 2020. The 2021 tax base report will then be considered by the Cabinet on 3 December 2019. The Local Government Finance Act also requires a decision on the level of council tax discount for particular dwellings (listed by class). The report proposes a 0% discount for all classes listed on page 29 of the agenda pack. The council also has the ability to increase council tax on unoccupied homes known as the empty homes premium. The maximum level of this premium is set by Government and is currently 100% for properties unoccupied between two and five years and 200% for properties unoccupied over five years. The report proposes 2021 levels be set at the maximum 100% for two to five years and 200% for over five years.

Mr Wilding confirmed that there are currently 41 homes in the district that have been vacant for two to five years and 34 homes which have been vacant over five years. Mr Jobson added that the council's inspection team regularly visit properties to establish whether they are empty homes. He explained that the reason a property may be empty can be complex and take time to resolve.

With regards to vacant properties Mrs Taylor requested clarification on the term unfurnished. Mr Jobson confirmed that for a property to be vacant it must be unoccupied and substantially unfurnished. The amount of furniture in a property should be relative to the size of the property. If an owner suggests a property is a second home the council can request proof through evidence of utility bills.

Mrs Graves requested confirmation of the next steps for empty homes. Mr Jobson confirmed that the council tax team continue to apply the relevant premium and inform other teams within the council such as the housing team as appropriate.

Mr Briscoe asked whether any premium is applied to properties vacant for up to two years. Mr Jobson confirmed that the Government has set a two year cap which cannot be varied locally.

Mrs Plant requested clarification of the term premium and whether it means penalty. Mr Jobson confirmed that a premium is essentially a penalty and where 100% council tax is applied to a property the owner must pay 100% council tax and then an additional 100% premium.

Decision

The Cabinet then voted unanimously to make the resolution below.

RESOLVED

That the Council Tax Discounts and Premia proposed in the appendix to the agenda report be applied for the 2020-2021 financial year.

52 Rumbolds Hill, Midhurst Air Quality Management Area Public Consultation

Mrs Plant introduced the item. She explained that district and borough councils have statutory air quality duties known as Air Quality Management. The Government sets a number of air quality objectives and where an authority has evidence that an area is likely to fail any of these objectives it must by order declare an Air Quality Management Area (AQMA) and produce an Air Quality Management Plan (AQMP) to work towards compliance with the objectives. To date the council has declared three AQMA's. Following air quality results recorded in the last four years for Rumbolds Hill, Midhurst the area has failed the annual mean level objective for nitrogen dioxide. The council is therefore obliged by statute to declare an AQMA but must first seek Cabinet approve to go out to consultation.

Mr Wilding requested clarification on what can be done to solve the problems. Mr Ballard confirmed that the statutory obligation is to declare an AQMA. The council would then work with West Sussex County Council (WSCC) to write an AQMP. With reference to section 9.2 of the report Mr Ballard explained that although there is no guarantee of a resolution the council would discuss any possible resolutions with WSCC as the Highways authority.

Mrs Lintill then allowed Mrs Sharp to speak. Mrs Sharp asked the Cabinet to consider section 9.2 of the report and a lack of a guarantee of any significant intervention. She then asked the Cabinet to consider the potential of court action against the council due to the effects on residents of the area. Mr Ballard explained that the council has and continues to be very proactive in tackling air pollution issues. He noted Mrs Sharp's concerns.

Mrs Lintill then allowed Dr O'Kelly to speak. Dr O'Kelly explained that the Midhurst Vision has identified significant issues with the traffic levels and environment impact of Rumbolds Hill, Midhurst. She requested that the council work closely with the Midhurst Vision in solving the problem.

Decision

The Cabinet then voted unanimously to make the resolutions below.

RESOLVED

1. That Cabinet approves in principle the proposed Air Quality Management Area, as illustrated in Appendix 1, in line with the Council's statutory Local Air Quality Management duties.
2. That Cabinet authorises commencement of a public consultation exercise regarding the proposed Air Quality Management Area.

53 Funding Brexit Planning

Mrs Shepherd introduced the item. She explained that the council is required to plan for a no deal Brexit. To date the Government has provided the council with £51,000 in order to make the relevant preparations. At the June 2019 Cabinet it was agreed to release £31,000 to pay for a fuel storage unit, leaving a remaining £20,000 unallocated. Delegation is sought to enable the release of the remaining funding and any additional funding in an efficient and timely manner.

Decision

The Cabinet then voted unanimously to make the resolution below.

RESOLVED

That delegated authority is given to the Chief Executive to use the remaining Government funding of £20,000 and any further funding that may be received, if required, to mitigate against the potential impact of a No Deal Brexit.

54 Provision of additional CCTV cameras at Westward House

Mrs Graves introduced the item. She explained that in 2014 CCTV was installed at Westward House to protect the health and safety of residents and staff, to protect the council's investment and to better manage the accommodation. Following an increase in anti-social incidents a security audit was commissioned. The audit found gaps in CCTV coverage in communal areas. In order to reduce the risk of further incidents it is proposed that an additional eight CCTV cameras should be installed in communal areas. It is also recommended that the footage be retained for 30 days as per industry standard.

Mrs Lintill confirmed that the CCTV would only cover communal areas rather than residents private space.

Decision

The Cabinet then voted unanimously to make the resolutions below.

RESOLVED

1. That Cabinet allocates £17,000 from reserves to install additional CCTV cameras at its temporary accommodation at Westward House.

2. That an additional annual sum of £1,700 is included in the Asset Replacement Programme to cover the future replacement costs and a further sum of £250 is included in the Westward House maintenance budget from the 2020/21 financial year to cover the annual maintenance costs of the CCTV system.

55 **Temporary Accommodation Out of Area Placement Policy**

Mrs Graves introduced the item. She explained that the council has a statutory duty to provide temporary accommodation to residents in certain circumstances whilst their housing need is assessed. There are occasions when temporary accommodation owned by the council is full and it is therefore necessary to house people in bed and breakfast accommodation. In those circumstances officers try to accommodate households as close to their previous home as possible (if that is appropriate to the case) but on occasion it is necessary to house people outside of the district. Following a court case councils are now required to produce a policy for placement of people out of area. Mrs Graves drew attention to the proposed policy which is attached as an appendix to the report.

Mrs Taylor requested figures relating to how often the council has to place households out of the district and which other local authorities are used. Mrs Grele confirmed that there are currently 19 households in temporary bed and breakfast accommodation. Three of those households have been placed within the district and two households have children. Of the remaining households they are either singles or pregnant women. She explained that the council aims to move households in bed and breakfast accommodation to Westward House as soon as units become available. Priority is given to those with children and pregnant women at present. Mrs Grele confirmed that the council uses bed and breakfast providers in Arun, Hampshire, Portsmouth and further afield if it is for reasons of safety.. Where accommodation is out of the area the council will aim to return the household to the area as soon as practically possible.

Mrs Lintill asked how long people stay at Westward House. Mrs Grele confirmed it can be several months and has on occasion been up to two years.

Mrs Graves requested confirmation of what happens to children who need to attend school within the district but have been placed outside of the district. Mrs Grele explained that there is a legal maximum of six weeks that a family or pregnant woman can be placed in bed and breakfast accommodation out of the district.

Mrs Grange added that as well as increasing the temporary accommodation offer the council is reviewing its allocations policy to consider ways to address the turnover rate at Westward House.

Decision

The Cabinet then voted unanimously to make the resolutions below.

RESOLVED

1. That Cabinet approves the 'Temporary Accommodation Out of Area Placement Policy' set out in the Appendix to this report.
2. That Cabinet delegates authority for the Divisional Manager of Housing, following consultation with the Cabinet Member for Housing, to make minor amendments to the policy.

56 **Exclusion of the Press and Public**

There was no requirement to exclude the press or public.

57 **Late Items**

There were no late items.

The meeting ended at 10.39 am

CHAIRMAN

Date:

Chichester District Council

THE CABINET

5 November 2019

Determination of the Council Tax Reduction Scheme for 2020-2021

1. Contacts

Report Author:

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Cabinet Member:

Cllr Peter Wilding, Cabinet Member for Housing & Communities

Tel: 01428 642464 E-mail: pwilding@chichester.gov.uk

2. Recommendation

2.1. That Cabinet recommend the proposed Council Tax Reduction Scheme for 2020 - 2021 be approved by full Council.

3. Background

- 3.1. The Welfare Reform Act and Local Government Finance Acts of 2012 abolished the national council tax benefit (CTB) scheme and put in place from 1 April 2013 a framework for local authorities to create their own local council tax reduction (CTR) schemes.
- 3.2. The Government has laid down the process by which a local council tax reduction scheme should be put in place and renewed each year. In accordance with that process officers have published a draft scheme. This scheme must be approved by the Council before 11th March 2020 or the previous year's scheme will continue to have effect.
- 3.3. The cost of CTR is by way of deduction from the tax base, which has to be set by the December 2019 Cabinet. Although the legislation permits the CTR scheme to be approved by 11th March 2020 it really needs to be considered and agreed before tax base can be set.
- 3.4. The cost of the scheme is shared between all precepting authorities. This Council's share is approximately 9% of the total scheme cost, with the rest being funded by Sussex Police, West Sussex County Council and the Parish Councils.
- 3.5. In 2019 a new class F was introduced to the scheme, this was in response to the roll out of Universal Credit Full Service (UCFS) across the District from July 2018. From this date Universal Credit (UC) replaced all legacy benefits, including Housing Benefit administered by the Council, for all new eligible working age claimants. It was anticipated that this change would increase the cost of administration of the scheme therefore in 2018-19 a new Class F was introduced. Entitlement for this Class is determined in accordance with income bands rather than the means test that applies to other working age classes in the scheme.

- 3.6. Since the introduction of local schemes the Council has aimed to support those that are financially vulnerable in its communities by maintaining levels of support to claimants in comparison with the National means tested Council Tax Benefit scheme that it replaced. Across the country different approaches have been adopted with 90% of LA's making changes to their schemes to balance the level of financial support against funding reductions and savings that have to be made.

4. Outcomes to be achieved

- 4.1. The delivery of a scheme that is cost effective to administer while supporting those in the community that require financial assistance in the form of a reduction in their council tax.
- 4.2. As in previous years the schemes performance will be monitored in year with a view to informing the succeeding year's scheme.

5. Proposal

- 5.1. The proposed CTR scheme for 2020-2021 is unchanged from last year's scheme with the exception of uprating of standard figures as described below and a review of the discretionary elements of the scheme to ensure that they allow for additional support to be awarded flexibly where required.
 - (a) Any changes that have occurred in HB will also be transferred across to the 2020 -2021 scheme, including uprated premiums, living allowances and non-dependant deductions (for non UC claimant's) supplied by the Department for Work and Pensions that will be published later in the financial year.

6. Alternatives Considered

6.1 Officers have considered whether any changes to the scheme are required from an administrative perspective and consulted with the Cabinet Member and Director of Housing and Communities and the Director of Corporate Services to establish whether any changes were required in terms of levels of support. It was decided that the performance of the new banded scheme for UC needed to be further monitored to better inform the basis of any change in scheme design. How UC affects the scheme in terms of expenditure and administration will have a significant influence on future scheme design. However for this year not enough data is available to make an informed decision therefore it was decided that making no changes was the best way to support communities.

7. Resource and legal implications

- 7.1. The predicted spend on CTR when tax base was set in December 2018 for 2019-20 was £7,521,224. The 2019-20 cost based on expenditure to date is estimated to be £7,067,359 (as at the end of August 2019). This compares with £7,004,490 actual CTR expenditure for 2018 -2019, against a tax base estimate of £7,338,771.19.
- 7.2. Future CTR expenditure is difficult to predict, however it has remained constant since the introduction of local schemes. However external factors could

influence expenditure, such as an economic downturn, loss of a local employer and the impact of Brexit or extended welfare reform.

8. Consultation

- 8.1. As no changes to the design of the scheme have been made Officers decided in consultation with Directors of Corporate Services and Housing & Communities that formal consultation was not required. This approach is supported by advice issued by Ministry of Housing Communities and Local Government (MHCLG).

9. Community Impact and Corporate Risks

- 9.1. The corporate risk to the authority is setting a CTR scheme which is unaffordable. This risk is reduced by setting a scheme which is broadly in line with the existing one so expenditure can be predicted. Should there be a downturn in the economy there is a risk that the scheme will cost more than estimated.
- 9.2. The community impact is reduced by keeping the calculation of entitlement as close to the previous CTB scheme as possible.

10. Other Implications

	Yes	No
Crime & Disorder		No
Climate Change and Biodiversity		No
Human Rights and Equality Impact – impacts of the scheme are positive on vulnerable people, however, it should be noted that no changes are proposed from last year’s scheme. The impact assessment will be reviewed and updated.	Yes	
Safeguarding and Early Help		No
General Data Protection Regulations (GDPR)		No

11. Appendices

- 11.1 Draft Council Tax Reduction Scheme 2020 - 2021

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Chichester District Council

THE CABINET

5 November 2019

Financial Strategy and Plan 2020-21 to 2024-25

1. Contacts

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2. Executive Summary

The purpose of this report is to update the Council's Financial Strategy and the 5 year Financial Model, which helps to guide the management of the Council's finances and aids the preparations for its annual budget for 2020-21. The anticipated major changes in future Government funding is now expected from 2021-22, having been delayed by 1 year with the continued expectation of diminishing resources. The financial plan builds upon the work already achieved under the 2016 deficit reduction plan, and sets out the key financial principles and actions to assist in the process of seeking to set a balanced budget each year, which is a legal requirement.

This approach enables the identification of any funding gaps early to ensure that intervention is undertaken in a considered and measured way, thereby adhering to the Council's key financial objectives under its Corporate Plan and protecting services to its community.

The key recommendations from this report will help to formulate the 2020-21 budget, and level of Council Tax which will be considered by Cabinet and Council in February and March 2020 respectively.

3. Recommendation

That the Cabinet considers and recommends to the Council:

- 3.1 That the key financial principles and actions of the five year Financial Strategy set out in appendix 1 to the agenda report be approved.**
- 3.2 That the current five year Financial Model detailed in appendix 2 and the Resources Statement in appendix 3 to the agenda report be noted.**
- 3.3 That, having considered the recommendations from the Corporate Governance and Audit Committee, the Minimum Level of the General Fund Reserves is set at £6.3m.**

4. Background

- 4.1 The Council's Financial Strategy and the 5 year Financial Model is underpinned by the approved key financial principles, which determines the approach by the Council in its aim to achieve a balanced budget over the medium term, without the use of reserves, except where this is necessary in the short term.
- 4.2 The budget setting for the current financial year, 2019-20, is the final year of the four year funding offer accepted from the Government in the 2017-18 budget cycle with an assumed start from 2016-17; this helped to provide some degree of certainty during this period. Associated with that funding arrangement is the approved Deficit Reduction Plan (2016), which sought to achieve savings and additional income of £3.8m. This plan is monitored regularly by the appropriate programme board; either the Commercial Board or the Business Improvement Board, and as part of the Council's quarterly revenue and capital monitoring regime. The Council has achieved £3.5m of the target set so far, with further savings anticipated; reflecting the good track record the Council has in delivering efficiencies or generating additional income.
- 4.3 In 2019-20 the Council participated in the West Sussex Business Rates Retention Scheme (BRRS) with 75% retention (instead of the usual 50% retained) for 1 year only. The Government has not extended the pilot, so the Director of Corporate Services along with other West Sussex Chief Finance Officers had until 25 October 2019 to indicate to the Government whether a new BR pool should be created under the 50% retention regime. Potentially due to some major appeal risks, it is unlikely that the Council would join a BR pool for 2020-21, but would still be able to bid for funding into a pool created by other West Sussex authorities since any pool is jointly controlled by all West Sussex authorities whether in the pool or not.
- 4.4 The biggest challenge in financial planning is future government funding, as there is a lot of uncertainty as the Government now intends to give only a 1 year settlement for the 2020-21 budget cycle. Over the medium term certain assumptions have to be made; such as, changes may occur to the New Homes Bonus scheme following the outcome of the Fair Funding Review where it is expected that this funding will taper off. Also due to the recent release of the Government's technical consultation for the Local Government Finance Settlement for 2020-21 the council tax setting referendum criteria was set at 2% rather than maintained at the 3% allowed for the past 2 years. This lower level has been assumed in the model, as the alternative option for low taxing authorities like the district council, which were previously allowed a council tax rise of £5, is part of the current consultation and not guaranteed. The Government required feedback on this technical consultation by 31 October, but the outcome of the consultation and the impact on the financial settlement will not be known until early December.

5. Outcomes to be Achieved

- 5.1 The purpose of this report is to set out the current position of the Financial Strategy and the 5 year Financial Model, taking into account the corporate priorities, any impact of service changes and budget pressures expected in future financial years for 2020-21 and beyond, plus forecasts of future Government funding, and to consider the actions necessary to maintain a robust and balanced budget.

5.2 The application of the key financial principles that should be applied over the short to medium term will be used to underpin the annual spending report in February 2020 to set the 2020-21 budget and Council Tax requirement. This will help the Council to deliver its Corporate Plan objectives by having a sound financial position that aims to be balanced over the medium term and enable investment in priority services.

6. Proposal

6.1 The Financial Strategy (Appendix 1) sets out the current financial position, the challenges and uncertainties faced by the Council. The guiding principles to be used to address the issues identified and the actions required, whilst adhering to the key financial principles.

6.2 The 5 year financial model (Appendix 2) has been updated to reflect current assumptions including Government funding, council tax projections, as well as projected costs and planned efficiencies. This includes provision for any new cost pressures as a result of other funding partners withdrawing support, and other costs which are unavoidable in ensuring the smooth running of the council's services. Any new project proposals linked to the Council's corporate plan objectives will be firmed up during the budget process and reported as part of the budget report to Cabinet in February 2020. The model also reflects the outcome of the actuary's triennial review of the pension fund and the contributions required; due to significantly improved investment performance the pension contributions for 2020-21 until 2022-23 are being reduced by 1% per annum. Beyond that no change for the final 2 years of the model is assumed but will be informed via a further triennial review.

6.3 The delay in the Fair Funding Review and the localisation of Business Rates (BR) until late next year now postpones the expected changes in future funding until 2021-22; however, the delay in resetting the Baseline for Business Rates is good news, as the growth achieved so far is retained for an extra year, which has been reflected in the updated model.

6.4 When last reported the Financial Strategy 5 year Model was showing a balanced budget for the medium term; the situation had changed with the potential cost pressures of over a £1m which are mainly due to proposed changes by West Sussex County Council impacting the council which eroded that balanced position. Fortunately the pension contribution reduction and additional efficiencies have helped balance the projections in the 5 year model, with a small surplus by the end of the medium term.

6.5 The expected reduction in future Government funding has been delayed by 1 year which means that there is projected budget surplus estimated for 2020-21, and deficits in 2021-22 and 2022-23 before moving back into a small surplus by year 5. Since there are significant changes to future Government funding officers may need to consider the impact of those changes when the picture becomes clearer as to whether any further invention is required in the short term only to address any funding gap. Both the Strategic Leadership Team (SLT) and Cabinet are considering the way forward on the financial strategy and the corporate plan; this includes an all member workshop which is currently being arranged so officers can consider members' views of the Council's corporate plan objectives, the service standards expected and the impact on the Council's spending plans.

- 6.6 The Corporate Governance and Audit Committee considered and recommends to Cabinet that the Minimum Level of Reserves be maintained as £6.3m, since there remains uncertainty around future Government funding and this gives the flexibility required should this reserve be required to smooth any adverse changes to Council funding in the short term.
- 6.7 Appendix 3 sets out the current level of reserves, the commitments against those reserves, and therefore the potential funds available for the council to invest in new schemes. The forecast includes future capital receipts amounting to £7.836m and only New Homes Bonus expected for the current financial year 2019-20 of £2.178m in line with the key financial principles.

7. Alternatives Considered

- 7.1 The Financial Strategy is a vital tool in its strategic financial planning for ensuring the Council identifies funding gaps early, so intervention can be planned, so the Council can continue with the aim that it can set a balanced budget even with all of the uncertainty and pressure faced by the Council in the current economic climate and the expectation of changes in Government funding in future years.
- 7.2 Various alternatives exist within the strategy and the 5 year plan. The New Homes Bonus (NHB) could for example be used to support revenue budgets, but this would be contrary to the financial principle of not using non-recurring income to fund recurring expenditure.
- 7.3 Although the financial model assumes certain levels of Council Tax increases, it will be for the Council to determine the appropriate level annually. For 2020-21 the Council Tax levels will be recommended by Cabinet at their February 2020 meeting for Council to consider on 3 March 2020. The assumption of only a 2% council tax increase per annum over the medium term, as opposed to the higher option of £5 each year, equates to income foregone of approximately £1.3m by the end of the 5 year period and £418k per year from 2024 onwards.

8. Resource and Legal Implications

- 8.1 The Financial 5 year Model assists with the Council's in its financial planning in order to set a balanced budget each year, which is it legally required to do; this modelling assists with identifying funding gaps early in order to plan ahead to address the issues in a measured way rather than reactive.

9. Consultation

- 9.1 The Strategic Leadership Team will have considered the 5 year Financial Strategy model along with Cabinet members as part of their strategic planning aiding the budget preparation for 2020-21 by officers.
- 9.2 The CG&AC considered the key Financial Principles and the latest position statement against those principles and any further actions required. This information has been incorporated into the Financial Strategy in appendix 1. The Committee also considered the Minimum Level of Reserves to be held as part of the risk mitigation for financial resilience.

9.3 A Budget Task & Finish Group comprising of 3 members from both the Overview and Scrutiny Committee and CG&AC will take place in December to consider the major variances of the proposed budget for 2019-20, which will have been informed from the forecasts from within the 5 year Financial Model, and the Resources Statement.

10. Community Impact and Corporate Risks

10.1 The Financial Strategy and five year Model helps the Council to manage the strategic risk of financial resilience; however, there remains a fair degree of unknowns in terms of local government funding, Brexit, and the state of the economy; so it is not possible to predict with absolute certainty, the Council's budget position over the next 5 years. This is partly due to the outcome of the delayed 2020 Fair Funding Review, the localisation of Business Rates regime which will impact Government funding from 2021-22. Hopefully the outlook will become clearer in the latter part of 2020.

10.2 The Council's own reliance on income generating services can also be adversely affected by the current economic uncertainty including the potential impact of Brexit, continued political uncertainty and the impact on the community that uses discretionary council services. The quarterly revenue monitoring undertaken should identify services which are unable to achieve income targets and where necessary targets can be revised as part of the budget process to ensure that these remain realistic and achievable.

10.3 Whilst the Council has set its minimum level of uncommitted reserves at £6.3m as part of the 2019-20 budget process, the level of total reserves held, as at 31 March 2019, amounted to approximately £44.3m; £29.0m of which are earmarked reserves held for specific services or projects, and a general fund balance of £15.3m, which is adequate to address any shortfall in the short term if necessary.

10.4 There is also a risk in relation to service delivery and support to the community impacting the council due to the budget pressures being experienced by other local authorities and voluntary organisations.

11. Environmental Considerations

11.1 Air Quality, Climate Change and Biodiversity

The Financial Strategy does not have any impact on environmental considerations, however, the service proposals it summarises that may do so will need to be reported as the proposals or service changes are progressed.

12. Other Implications

	Yes	No
Crime and Disorder		✓
Human Rights and Equality Impact		✓
Safeguarding and Early Help		✓
General Data Protection Regulations (GDPR)		✓
Health and Wellbeing		✓

13. Appendices

12.1 Appendix 1 – Financial Strategy and Medium Term Financial Plan for 2020-2021 to 2024-25

12.2 Appendix 2 – Five-Year Financial Model

12.3 Appendix 3 – Statement of Resources

14. Background Papers

14.1 None

Chichester District Council

THE CABINET

5 November 2019

Disabled Facilities Grants Policy 2020 – 2024

1. Contacts

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2. Recommendation

- 2.1 That the Cabinet approves the proposed West Sussex Disabled Facilities Grant Policy 2020 to 2024 contained in Appendix 1 to this report**
- 2.2 That the Cabinet approves delegated powers for the Divisional Manager for Housing Services, following consultation with the Cabinet Member for Housing, to make amendments and updates to the policy**

3. Background

- 3.1 The Disabled Facilities Grant (DFG) is a mandatory grant, provided under the Housing Grants, Construction and Regeneration Act 1996, towards the cost of eligible works necessary to support people of all ages and most tenures to live independently and safely in their own homes. Local Authorities have a statutory duty to provide DFGs to applicants who qualify. (Adaptations to council owned housing are provided via a different route and a separate funding stream).
- 3.2 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO) enables Councils to support the wider prevention agenda of housing, social care and health authorities. The Care Act 2014 provided further direction towards earlier intervention and prevention.
- 3.3 In 2015 Government funding was pooled into a single budget for health and social care services to work more closely together – the Better Care Fund (BCF). The BCF provided an increase in funding for home adaptations and other interventions to improve integration between health, social care and housing services.
- 3.4 The BCF is contributing to the additional allocation for DFGs provided to the Councils in West Sussex under an annual determination from Central Government. The BCF aims to improve health and wellbeing by encouraging more flexible use of DFG monies.

- 3.5 Chichester District Council has been at the forefront in trialling the use of the flexibilities offered to provide an enhanced DFG service to residents. The Council's Chief Executive has been the chair of the county wide DFG Steering Group since its inception and has led the project since the start.
- 3.6 Members have previously considered reports on DFGs at Cabinet on 3 July 2018 and 5 September 2017.

4. Outcomes to be Achieved

- 4.1 The proposed West Sussex DFG policy (Appendix 1) will apply across all the Districts and Boroughs and will provide a fair and consistent approach to disabled residents no matter where they live in the county. A significant outcome will be the partnership working between all the Districts and Boroughs and the County Council to deliver DFG services and cover an entire county area which has rarely been achieved elsewhere in the country.
- 4.2 The guiding principle and outcome of the DFG service for residents across West Sussex is to *'help me live in my own home, easily and with dignity with the right adaptation when I need it.*
- 4.3 The proposed policy is a result of an extensive test and learn project and a trial policy across the county. This period (late 2017 until the present) has provided knowledge and feedback which has informed the detail of the proposed policy. A range of data is now being regularly collected in a way which can be better analysed to support the county wide DFG project for example the flow rate of referrals for DFGs, the measurement of the time taken for the different stages of a DFG and the customer end to end times, the types of adaptations being undertaken across the county and monitoring of the budget commitment and spend for all the districts and boroughs.

5. Proposal

- 5.1 The Districts and Boroughs in West Sussex have come together to agree a single DFG policy which applies across the whole county area with the aim to improve consistency for residents to help them live safely and independently for as long as possible at home.
- 5.2 The Policy will replace those previously in operation across the area and brings together the two main elements of DFG work ie mandatory grants and discretionary grants. Mandatory grants will always take precedence as these are a statutory requirement. Discretionary grants are possible due to the increased level of funding through the BCF but can only be provided whilst there is sufficient funding. Each Council across West Sussex has reserved the right to withdraw discretionary grants if there is insufficient funding.
- 5.3 The detail of the proposal is contained in Appendix 1 however as examples the policy includes features which speed up the process for residents, help people to leave hospital more quickly and safely, provides help in cases of hardship, help for residents to move home to better meet their needs and enables help to be given to make homes safer, warmer and more suitable. It also reflects the needs of people with dementia and those who are at the end of life.

- 5.4 The Councils across West Sussex are all in the process of seeking approval from members for the new policy. It is proposed to implement the new policy with effect from January 2020. In the event that other Councils are unable to obtain approval, Chichester District Council will still go ahead with the implementation of the new policy.
- 5.5 The multi-agency DFG Project Steering Group, chaired by Chichester District Council's Chief Executive, will continue to lead and steer the project and will monitor the impact of the policy.

6. Alternatives Considered

- 6.1 The Council could decide to adopt its own independent DFG policy and not be part of the countywide project and the single policy. However officers at all levels of the council believe in the principle of a single countywide policy and the consistency and fairness this brings to residents wherever they live. The county wide project also brings with it shared learning and development, the shared role of the County Adaptations Manager and offers opportunities for further sharing and economies of scale in the future.
- 6.2 As the proposed policy incorporates the discretionary elements which are fully supported by the Council's officers it would be counter-intuitive to decide to do something different.

7. Resource and Legal Implications

- 7.1 The Council's DFG allocation is provided via the BCF on the basis of a determination (formula) set by central Government. The County Council, who receive the BCF funding, pass the DFG element to all the Districts and Boroughs. It is received in the form of a capital grant and historically any underspends have been permitted to be carried forward to the following year by each individual authority.
- 7.2 The Government had planned to review the BCF during 2019 in order to make decisions about future funding from 2020 onwards. However it is officers' understanding that this has been delayed and funding for next year is anticipated at the broadly the same level as this financial year.
- 7.3 The policy includes provision for any grant or part grant funding repaid by residents (for example through any breach in grant conditions) to be repaid as income into the DFG budget in order that it can be reused to meet further DFG requests.
- 7.4 The policy contains provision for the Divisional Manager for Housing Services to make minor amendments to the policy following consultation with the Cabinet member.
- 7.5 The policy contains the provision for annual reviews or a review if funding significantly changes up or down.
- 7.6 The main pieces of legislation which relate to this policy are
- Housing Grants, Construction and Regeneration Act 1996
 - Regulatory Reform Order 2002 (Housing Assistance) (England and Wales)
 - Care Act 2014

- Chronically Sick and Disabled Persons Act 1970
- Equality Act 2010

8. Consultation

- 8.1 The DFG project is multi-agency and the proposed policy has been drafted after extensive discussion and consultation with district and borough teams, several county council services, health colleagues and organisations in the voluntary sector.
- 8.2 The West Sussex Chief Executives have been fully consulted with and involved since the start of the project providing decisions as required for the project. Internally staff have been advised and consulted via the Chief executives staff bulletin. Members have similarly been advised and consulted via the monthly members' bulletin.
- 8.3 The customer feedback form includes an option for residents to participate in further feedback and consultation on the DFG services provided by the Council. The County Adaptations Manager has approached some of these respondents about their experiences and to explain some of the policy elements being taken forward.

9. Community Impact and Corporate Risks

- 9.1 The proposed DFG policy will have a significant and positive impact on a large number of disabled residents (including children) and their carers helping them to stay safe and independent in their own homes and communities.
- 9.2 The main risk to the Council in its delivery of the proposed policy is that the current funding level is not sustained by central government. This risk is mitigated by the inclusion of a clause in the policy which allows for the discretionary elements of cease if for some reason the funding was to dramatically reduce.

10. Other Implications

	Yes	No
Crime and Disorder		X
Climate Change and Biodiversity		X
Human Rights and Equality Impact The policy has been subject to an Equalities Impact Assessment and has a positive impact on at least two protected groups ie older and disabled people.	X	
Safeguarding and Early Help		X
General Data Protection Regulations (GDPR)		X
Health and Wellbeing This policy and the delivery of both mandatory and discretionary DFGs has a significant positive impact on the health and well-being of disabled and vulnerable residents, including children and young people, in the Chichester District council area. It will also have a significant positive impact on carers looking after disabled and vulnerable residents. The policy applies across all wards.	X	
Other (please specify)		

11. Appendices

11.1 Appendix 1 Disabled Facilities Grants Policy 2020 - 2024

12. Background Papers

12.1 Previous reports to Cabinet on 3 July 2018 and 5 September 2017

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Chichester District Council

THE CABINET

5 November 2019

2019-2020 Treasury Management half yearly update

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2. Recommendation

The Cabinet is requested to review and note this summary of treasury management activities and performance for the six months to 30 September 2019.

3. Background and Outcomes

- 3.1. This report provides the Cabinet with a summary of Treasury Management activity undertaken for the year to date. The objective is to provide Members with assurance over the effectiveness of Treasury activities undertaken during the reporting period.
- 3.2. This report was considered by the Council's Corporate Governance and Audit Committee on 24 October 2019

4. Treasury management activity

- 4.1. On 31 March 2019, the Council had investments of £64.3m with no external borrowing (table 1, below). Since that date the Council's investments have risen to in excess of £80m, reflecting the normal cyclical pattern of increasing until the new calendar year and falling back in February and March due to lower Council Tax receipts.
- 4.2. To help the Council manage risk, benchmarks and red/ amber/ green risk ratings continue to be used across a series of indicators focussed on measuring security, liquidity and return. These are shown at appendix B with a short commentary against each.
- 4.3. During 2019-20 the Council continued to balance short-term investments between high credit quality banks, local authorities and money market pooled funds. Alongside this, work has progressed to make further investments in external pooled funds in line with the Council's 2019-20 Treasury strategy.

Table 1: Treasury Management Summary

Investments £000	Balance 01/04/2019	Movement	Balance 30/09/19
Short term Investments	39,000	6,000	45,000
Money Market Funds	4,350	11,850	16,200
Total liquid investments	43,350	17,850	64,200
Long term Investments	3,000	-	3,000
Pooled Funds – External	7,950	-	7,950
Pooled funds – Local Authority	10,000	-	10,000
Property fund			
Total investments	64,300	17,850	82,150

Note: the figures in the table above exclude any movements in Fair value.

- 4.4. The overall performance and return of our external pooled investments is shown in table 2. The Council is considering increasing its investments in external pooled funds to a total of £35m in the third quarter of 2019-20 and further details of this is provided in paragraph 7.2.

Table 2: Gains and losses from external pooled funds (£000) – September 2019

Fund	Type of fund	Invested £000	Capital gain/ (loss)	Latest Market Value	Income received to date £k	Annual Return (Income %)
Local Authority Property Fund	Property	10,000	(224)	9,776	1,315	4.1
Investec Diversified Income Fund	Multi Asset	3,650	(141)	3,509	357	4.3
Columbia Threadneedle Strategic Bond Fund	Bonds	2,650	(13)	2,637	187	2.4
M&G Optimal Income Fund	Bonds	1,650	1	1,651	100	3.2
Totals		17,950	(377)	17,573	1,959	

- 4.5. Outside of the Local Authority property fund, the main driver for the movements in overall value is the Investec multi-asset fund. This fund's value fell both due to its strategy for limiting volatility performing poorly in early 2018 and because the fund manager takes its fees from capital whereas our other fund managers take theirs from income.
- 4.6. From a wider perspective, prices continue to be affected by the expectation of monetary stimulus from central banks and interest rate forecasts highlighting that weaker economic growth remains a global risk
- 4.7. Despite the wider economic uncertainty, all three funds showing a capital loss have distributed income in excess of the loss, so that the total return has been positive. Further information on the individual movements in these funds can be

found in appendix A.

5. Other Non-Treasury Holdings and Activity

- 5.1. Although not classed as treasury management activity, the 2017 CIPFA Code now requires the Authority to report on investments for policy reasons outside of normal treasury management.
- 5.2. The Authority continues to hold approximately £15m of investments in directly owned property. Investment properties are valued annually, with the next valuation date scheduled as 31st March 2020; to date there have not been any indicators to suggest income levels or capital values for those properties have changed significantly.
- 5.3. Further information on the performance of the Council's non-treasury investments is contained in appendix D.

6. Compliance Report

- 6.1. How Treasury activities complied with the Council's main 2019-20 Treasury limits is disclosed at Appendix C. There are no exceptions for the reporting period.

7. Other Developments during 2019-2020

- 7.1. This section updates the Cabinet on relevant developments since the last report in earlier this year.

Review of external pooled fund investments

- 7.2. During August and September the Council, supported by Arlingclose Ltd, completed a review of its present external fund investments. The key conclusions were:
 - The investments have earned £1.9m income at an average rate of 3.85%. This return has been very stable through-out.
 - The investments were valued at 1.68% below cost at the end of July (£300,000), in part due to the ongoing unwinding of the bid-offer spread on CCLA property fund purchases in 2016.
 - Compared to other Local Authorities, only 7% of the Council's investments were held in equities across the pooled funds, compared to an Arlingclose average of 19%.
- 7.3. Following careful consideration of cashflow projections, the Council is considering increasing its total investments in external pooled funds during the final quarter of 2019 as permitted by the approved Treasury Management Policy.

8. Proportionality of Commercial Income

- 8.1. One follow-up item that has been deferred until next year is the request made by the Corporate Governance and Audit Committee that officers investigate whether to set an indicator to measure the proportionality of commercial income generated by Chichester District Council. Work on this issue has commenced but awaits the final guidance from the Chartered Institute of Public Finance & Accountancy (CIPFA) on prudential property investment. The Society of District Council Treasurers responded to a draft of this guidance in July and the Council now awaits the final document.

Readiness for Brexit

- 8.2. The Authority has arrangements in place to hold sufficient liquidity over any BREXIT period with UK domiciled banks and Money Market Funds and that its account with the Debt Management Account Deposit Facility (DMADF) remains available for use in an emergency.

9. Outlook for remainder of 2019-20

- 9.1. The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased dramatically.
- 9.2. At the date this report was drafted, our treasury advisor, Arlingclose, expects Bank Rate to remain at 0.75% for the foreseeable future but there remain substantial risks to this forecast, dependant on Brexit outcomes and the evolution of the global economy. Arlingclose also expects gilt yields to remain at low levels for the foreseeable future and judge the risks to be weighted to the downside and that volatility will continue to offer longer-term borrowing opportunities

	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Cas	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

10. Consultation

- 10.1. Not relevant.

11. Community impact and corporate risks

- 11.1. The Council is required by the Accounts and Audit Regulations to comply with CIPFA's Code of Practice for Treasury Management and the Prudential Code for Capital Finance.

12. Other Implications

	Yes	No
Crime and Disorder		X
Climate Change and Biodiversity		X
Human Rights and Equality Impact		X
Safeguarding and Early Help		X
General Data Protection Regulations (GDPR)		X
Health and Wellbeing		X
Other		X

13. Appendices

- 13.1. A - Movements in Fund fair values and income – Pooled Funds
- 13.2. B - Benchmarking indicators
- 13.3. C - Compliance report
- 13.4. D - Non Treasury investments

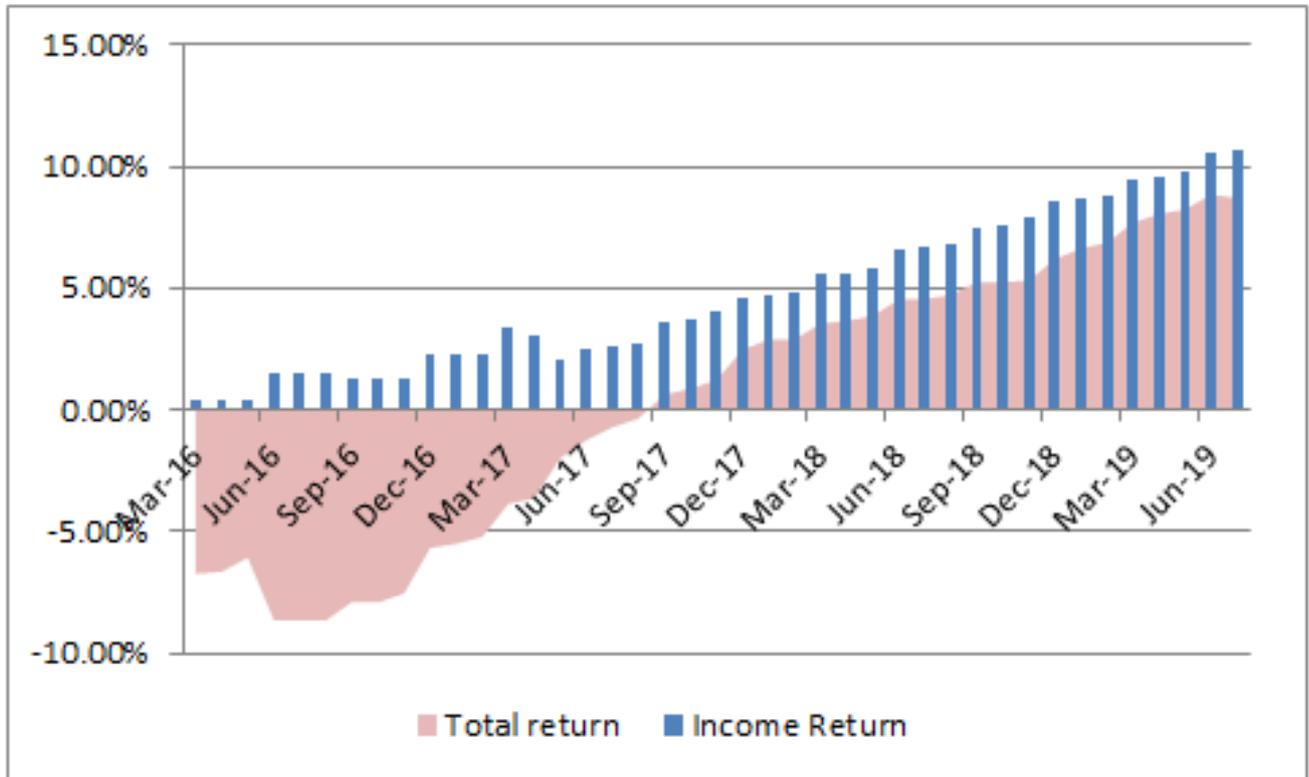
14. Background Papers

- 14.1. None.

Appendix A: Movements in Fund fair values and income – Pooled Funds

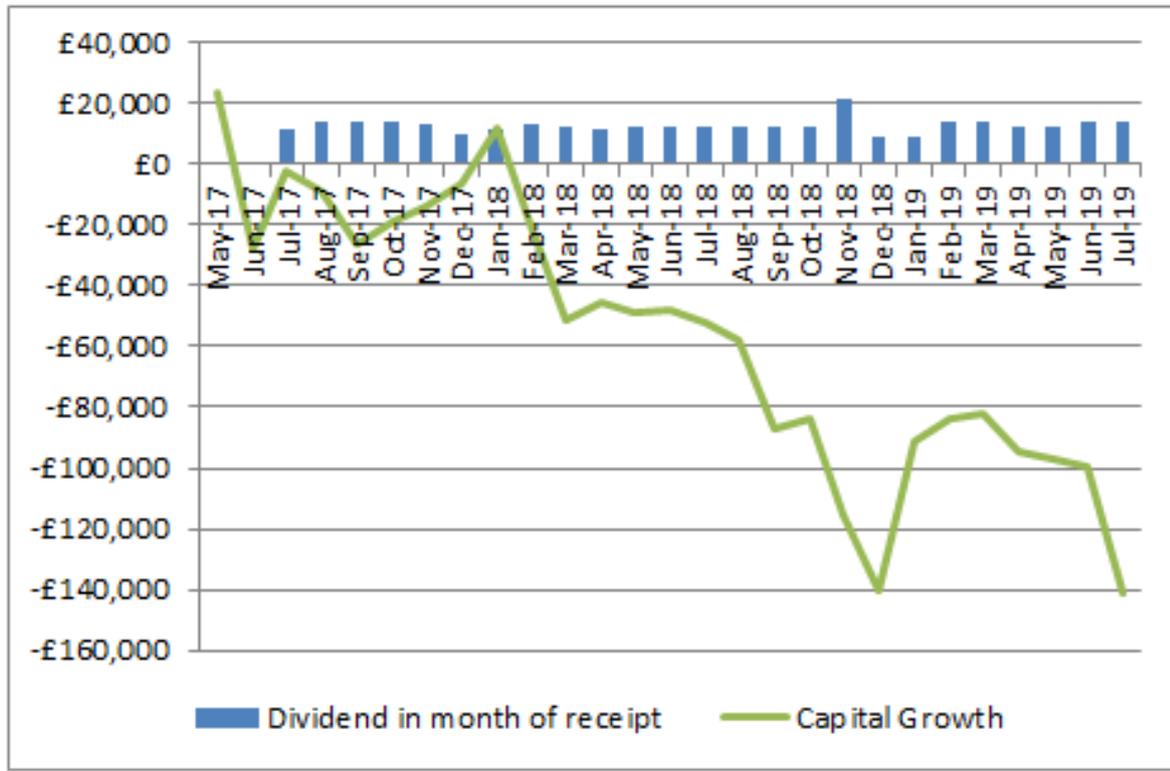
Combined position (all funds)

Cumulative returns – total and income only.

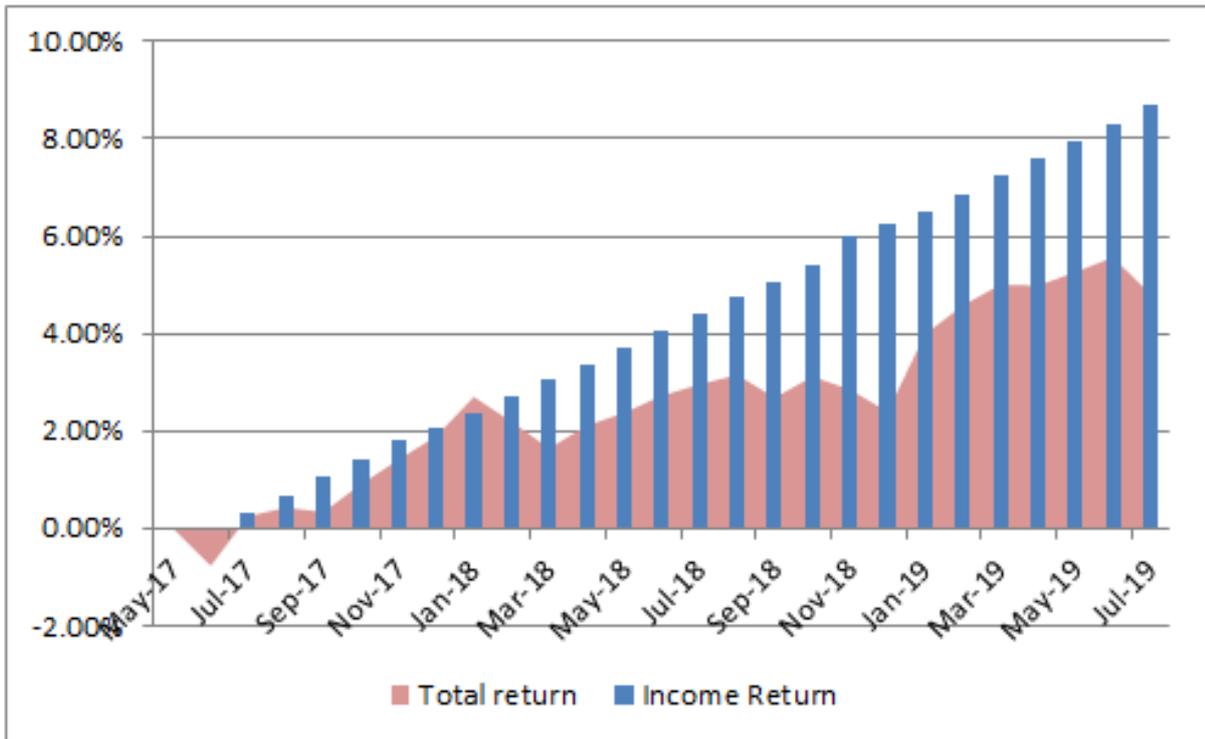


Investec: Total Investment £3,650,000

Month by Month

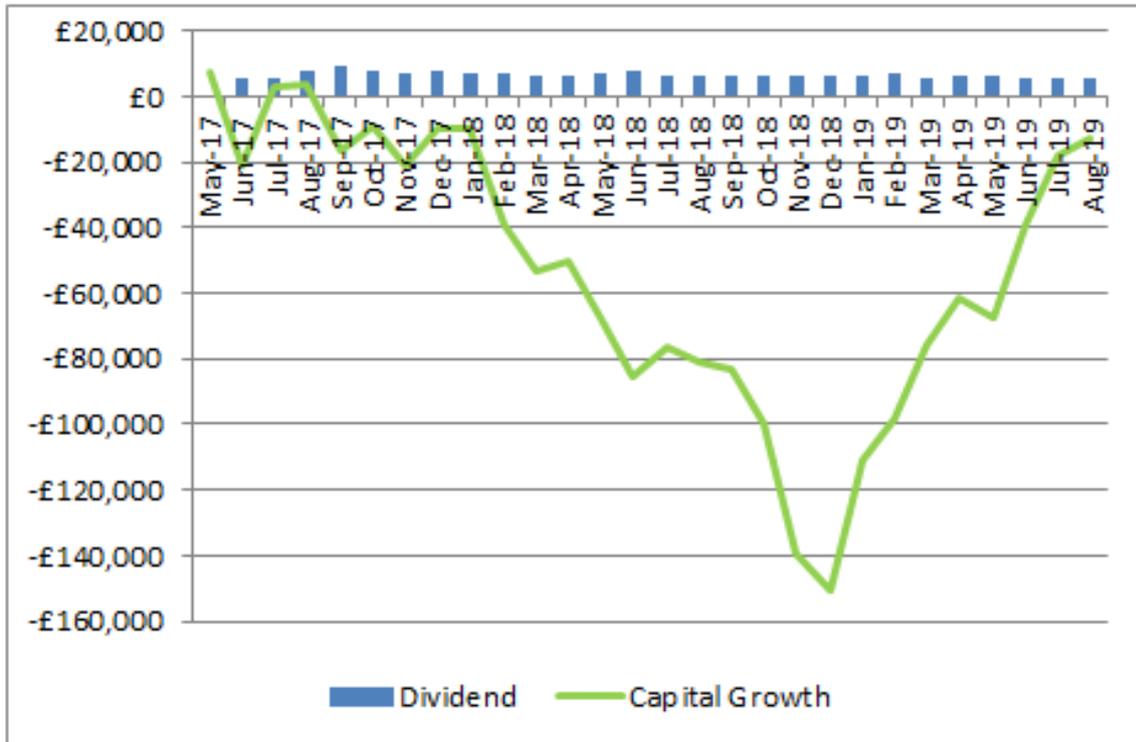


Cumulative



Columbia Threadneedle: Total Investment £2,650,000

Month by Month

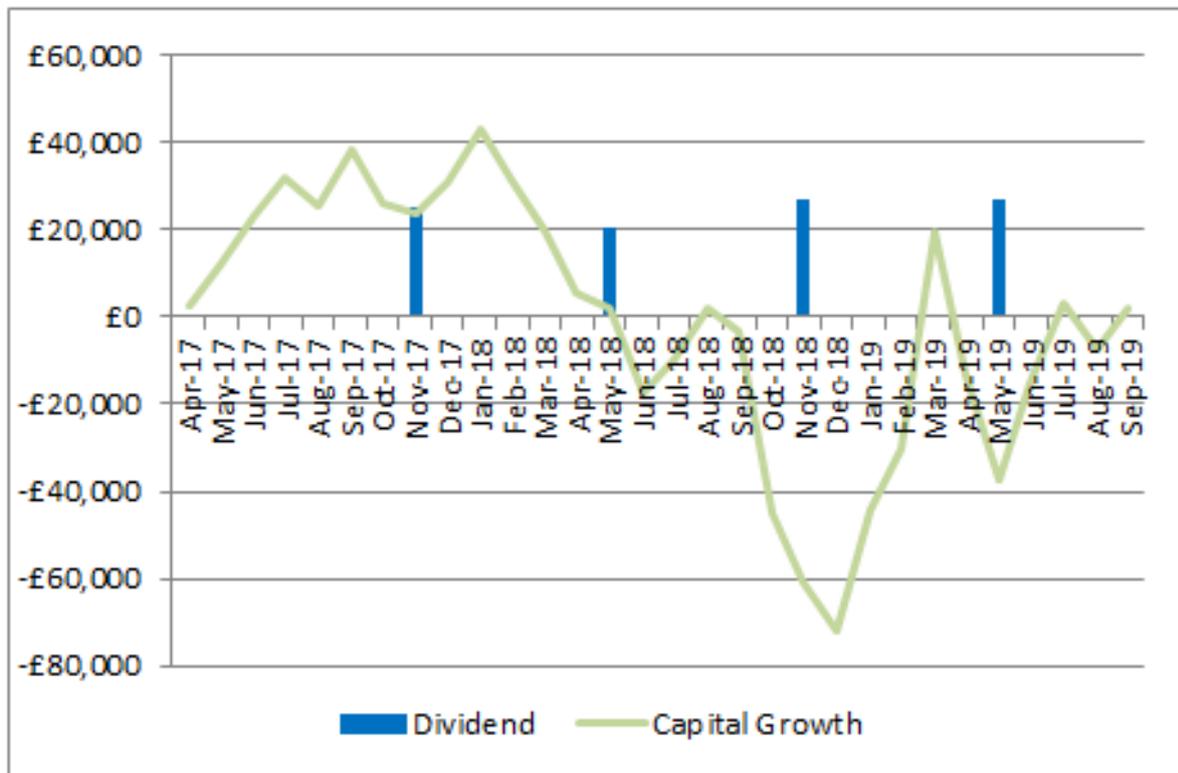


Cumulative

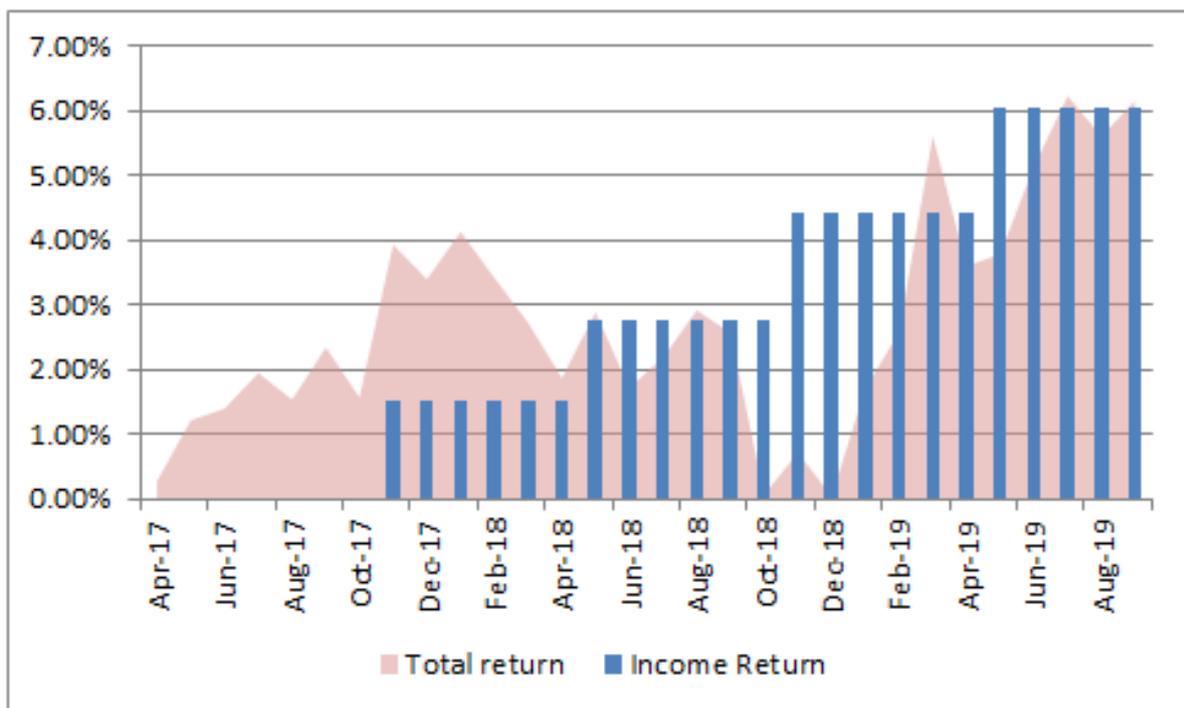


M&G: Total Investment £1,650,000

Month By Month

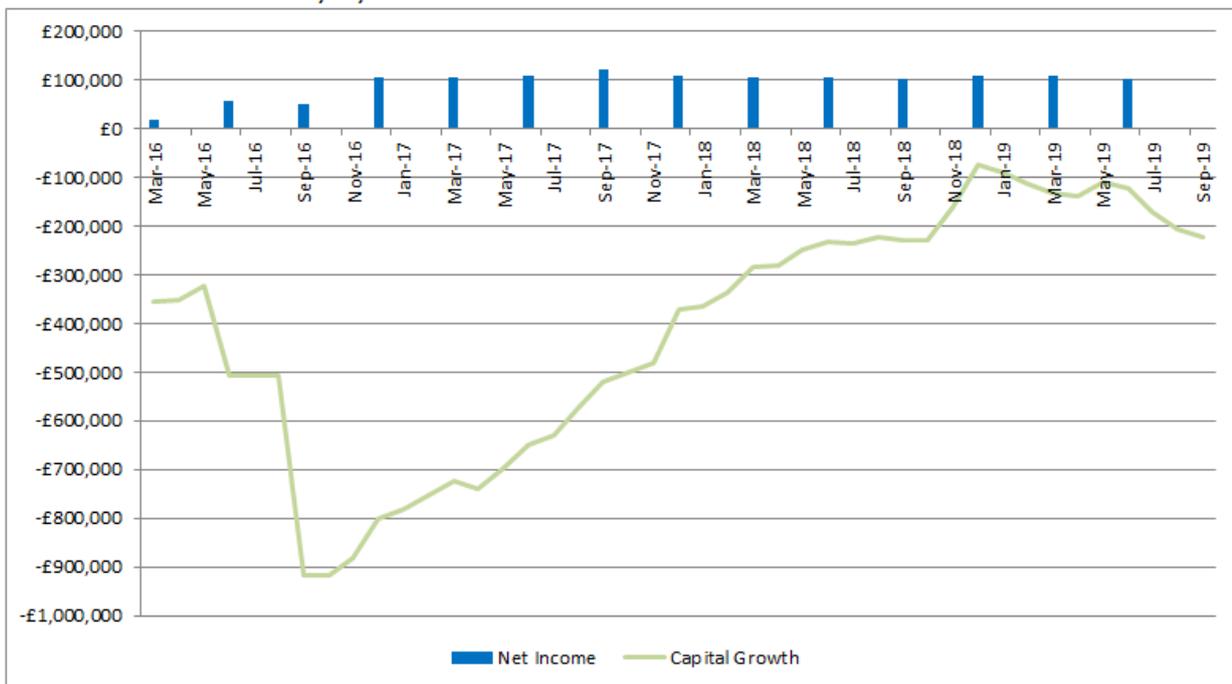


Cumulative

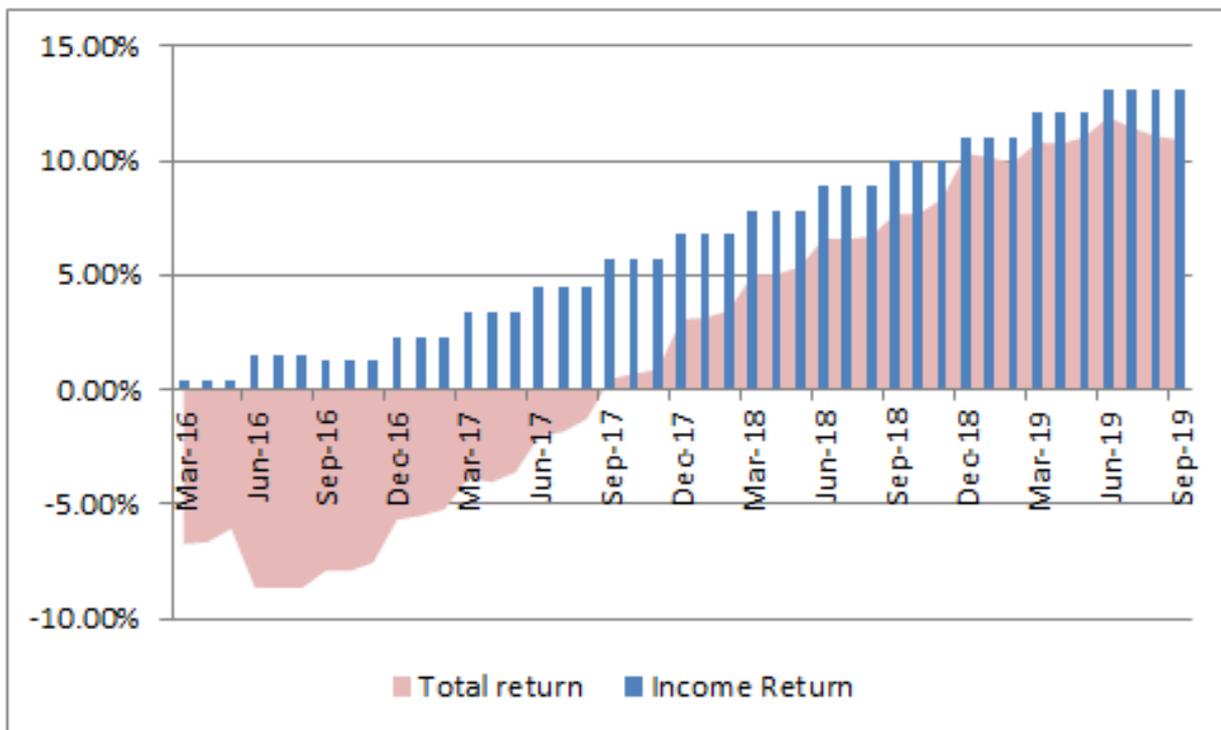


Local Authority Property Fund: Total Investment £10,000,000

Month by Month



Cumulative



Appendix B: Treasury Management – Benchmarking indicators

Return – to 30 September 2019

Measure	Qtr. 3 18-19	Qtr4 18-19	Qtr 1 19-20	Qtr. 2 19-20	Non-met districts Q2 average	Rating
Internal investment return %	0.88	0.99	0.95	0.89	0.86	GREEN
External funds – income return %	3.97	4.07	4.08	3.86	3.71	TBC – note 1
External funds – capital gains/losses %	(0.53)	0.30	0.83	0.33	(0.55)	GREEN
Total treasury Investments – income return %	1.67	1.83	1.70	1.52	1.68	TBC - note 1

1. The overall portfolio return is subject to further investigation and a verbal update will be provided to the Cabinet.

Security

	Average Credit Score (higher = better)	Average Credit Rating	Bail-in exposure (lower = better)	
31 March 2019	4.16	AA-	31%	
30 Sept 2019	4.19	AA-	44%	GREEN
Similar Local Authorities	4.26	AA-	61%	

The Council continues to be less exposed to bail-in than the benchmark however the use of bank deposits has risen due to a lack of investment opportunities with other Local Authorities.

Liquidity

	7 day liquidity	100 day liquidity	Average maturity	
31 March 2019	15%	51%	101 days	
30 Sept 2019	28%	64%	67 days	GREEN
Similar Local Authorities	33%	55%	80 days	

The increase in relative liquidity reflects preparations for possible long term external investments in strategic pooled funds.

Appendix C – Compliance report

Compliance with investment limits

	2019/20 Limit	Complied/ Exception Ref
Banks unsecured, total	£30m	Complied
Corporates, total	£10m	Complied
Local Authority property fund, total	£10m	Complied
Other pooled investment funds, total	£25m	Complied
Council's own bank, total max 7 days	£2.5m	Complied
Money market Funds, total	£24m	Complied
Counterparty ratings	various	Complied

Interest rate exposure

This indicator is set to control the Authority's exposure to interest rate risk.

To measure this, the Council calculates the effect of a 1% change in interest rates and has set a reportable exception level where the impact of this exceeds 50% of the Council's individual counterparty limit (£3m).

	30.9.19 Actual	2019/20 Limit	
Upper limit on one-year revenue impact of a 1% change in interest rates	0.22m	£3m	Complied

The figure above excludes any effect on returns from the external pooled fund which are subject to a large diverse asset base of differing securities and investments.

Principal Sums Invested for Periods Longer than 364 days

The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The long-term principal sums invested to final maturities beyond the period end were:

	2019/20	2020/21	2021/22
Actual principal invested beyond year end	£20.95m	£17.95m	£17.95m
Limit on principal invested beyond year end	£50m	£50m	£50m
	Complied	Complied	Complied

The limits above allow for the further planned investments in external pooled funds during 2019.

Appendix D: Non-Treasury investment indicators

The Council has set the following indicators to measure its exposure to risk associated with non-treasury investments.

Measure	Description	30 September 2019
Commercial income to net service expenditure	This indicator measures the Council's dependence on income from its commercial investments to deliver core services	Work is ongoing to define a suitable indicator as set out above in paragraph 7.5.
Net operating surplus	This indicator measures the contribution received from the investment portfolio at a net level (income less costs) over time.	This information is not available until the end of the financial year.
Vacancy levels and tenant exposure	Monitoring vacancy levels to ensure the property portfolio is being managed productively.	Void level for the investment properties is currently at 9.8%. This is monitored and managed by the Council's Property and Growth team.
Exposure to credit default events for loans made	This will measure the Council's exposure to loss through default for non-treasury loans made to third parties	<p>There have been 4 credit default events for car purchase loans made to employees totalling £13.5k.</p> <p>Debtor levels for investment properties remain materially unchanged; monthly monitoring of debtors is undertaken, designed to provide an early flag of any potential debt issues.</p> <p>The Council has also incurred a small loss on an assisted house purchase loan made under the Council's recruitment and retention policy.</p>
Market value of commercial properties	This indicator will track the Council's ability to recover its investment in any commercial investment should the need arise.	The latest market valuation for the Council's investment properties was undertaken as at 31 March 2019 and the next updated will be 31 March 2020.

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Chichester District Council

THE CABINET

5 November 2019

Economic Development and Inward Investment & Growth Strategies

1. Contacts

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2. Recommendation

- 2.1 That Cabinet approves the adoption of the Economic Development Strategy (appendix 1) and Inward Investment & Growth Strategy (appendix 2) in accordance with the proposal set out in section 5 of this report.**

3.0 Background

- 3.1 The Council's Corporate Plan aims to "Improve and support the local economy to enable appropriate growth". The Council's existing Economic Development Strategy up to 2019 aims to 'Create a Prosperous and Sustainable Economy' for Chichester. It aims to address the demographic imbalance by creating the right environment to attract and retain more working age households; retaining and growing its existing growth orientated businesses; and by creating an environment and communications infrastructure that will encourage new entrepreneurs to contribute to the District's future economic success.
- 3.2 The Economic Development Strategy (appendix 1) is an update, intended to follow on from the current strategy. It retains aspects of the current strategy which continue to be relevant; it also has some additional aims and indicates where the strategy links with the Coast to Capital Local Enterprise Partnership's Strategic Economic Plan and WSCC's Growth Plan.
- 3.3 The Economic Development Strategy has been reviewed and updated by the Economic Development Service. A key pillar of the Economic Development Strategy is to develop an Inward Investment & Growth Strategy as described in paragraph 3.9
- 3.4 The strategy aims to reflect the changed economic and organisational conditions that now exist and is intended to be flexible enough to allow response to further changes in the economy, including those associated with the as yet uncertain impact of Brexit.

3.5 At the time of developing the last strategy, no-one was predicting the seismic change which has impacted the Retail Industry and which will lead to an evolution of town centre usage. Equally, the pace of change within the digital economy has accelerated and the way businesses operate has evolved. Take up of commercial space is still heavily influenced by accessibility but occupiers are now considering how premises and locations can be more appealing to employees. The development of co-working and flexible office space is a crucial part of the offer.

3.7 A district-wide business needs survey was conducted between July and August 2018 to inform the Economic development Strategy work. This was conducted and analysed by the Council's Consultation team.

The business needs survey raised these key issues:-

- Availability of good quality space
- Increasing costs in relation to premises
- Brexit elicited a mixed response mainly on financial uncertainty but mixed views on whether they would be affected or not

The most commonly cited threats to their businesses were:-

- Increasing costs including rent and rates
- Poor infrastructure (including digital connectivity)
- Finding staff with the right skills
- Planning restrictions and lack of investment
- Brexit
- Changes in shopping trends

3.8 The Councils Corporate Plan specifically aims to “Promote inward investment and support the economic use and development of existing and newly designated employment land, Horticultural Development Areas and other commercial land. In the area covered by the Chichester Local Plan (not including the South Downs National Park), this will create an additional land/office space of 16,000 sq.m of industrial/warehousing and 2,500 sq.m of office space by 2021”

3.9 In September 2015 Cabinet agreed to release funding for an Inward Investment project to enable the project to progress as soon as the site allocations had been confirmed by Planning Policy. Following the Planning Inspector's Report to Chichester District Council (CDC) on the 26 October 2018, the Council adopted the Site Allocation Development Plan Document 2014-2029 on 22 January 2019.

3.10 In January 2019, Marshall Regen with Nairne Ltd, were appointed to conduct research on behalf of the Council to inform the Inward Investment and Growth strategy. Work commenced on the research in January including discussion with key businesses and workshops with CDC officers. The research work helped to inform the Inward Investment and Growth strategy (Appendix 2), with background information on the current state of the District, objectives and actions.

4. Outcomes to be Achieved

- 4.1 The Economic Development Strategy will seek to allow for flexibility to react to the needs of our local economy. It recommends a targeted approach to supporting indigenous businesses alongside the development of an Inward Investment & Growth Strategy to promote the district as open for business. It sets out that the High Street needs to be a key area of focus and that we need to make better economic use of the District's considerable natural and cultural assets.
- 4.3 The Economic Development Strategy builds on what has been achieved over the last few years by continuing with the approaches which have been working, updating those to reflect the Chichester Vision and emphasising key areas of focus.
- 4.4 The development of the Inward Investment & Growth Strategy will outline key areas over the next two years for the council's focus. Three headline objectives have been identified out of the work thus far:
- Branding and Marketing
 - Relationship development with land owners, developers, agents, existing businesses and other councils.
 - Developing a whole council approach to supporting business growth and inward investment.
- 4.5 Once the Economic Development Strategy and the Inward Investment & Growth Strategy have been adopted specific actions will be detailed in the Economic Development annual Service Plan.

5. Proposal

- 5.1 That the Economic Development Strategy is approved and adopted for the period 2020-2025
- 5.2 That the Inward Investment & Growth Strategy is approved and adopted from January 2020 with a review planned after 2 years.
- 5.3 Action plans for both strategies will be reviewed on an annual basis in line with the council's service action plans.

6. Alternatives Considered

- 6.1 Not to have an Economic Development Strategy. This route was not chosen as without an updated Economic Development Strategy we run the risk of untargeted and ultimately ineffective support to business and we would therefore struggle to deliver the Corporate Plan priority "Improve and support the local economy to enable appropriate local growth."
- 6.2 Not to have an inward investment & growth strategy. This was not the chosen route as without a coordinated and structured approach to Inward Investment and Growth within the District there is a risk that the employment land coming forward will not be promoted or filled. The Corporate Plan specifically aims to "Promote inward investment and support the economic use and development of existing and newly designated employment land, Horticultural Development Areas and other commercial land."

7. Resource and Legal Implications

- 7.1 For the Inward Investment & Growth Strategy, a budget of £40,000 was approved in September 2015, to fund the cost of research, development of the strategy and marketing/branding of the District as a place to do business. As of August 2019, £14,500 has been spent on the research and development of the strategy. The remaining budget will be spent on developing the marketing/ branding for promotion of the district with associated support materials particularly digital information.

8. Consultation

- 8.1 Consultation for the Inward Investment Strategy was carried out via planned research that included discussion with key businesses and business organisations as well as workshops with CDC officers.
- 8.2 For both strategies, consultation on business needs was conducted last year. This was an online consultation promoted via business organisations in the district, the Economic Development Service's E-Biz newsletter, and the District Council's social media. The consultation was also promoted on Facebook and Twitter and on our website through the campaign banner on the home page and web advertisement banner at the top of the site. Paper copies of the survey were made available and officers visited businesses to conduct face to face interviews. 'Let's Talk Business' promotional postcards were printed and distributed by staff members who regularly visit business premises as part of their work.
- 8.3 Consultation with members has taken place through the OSC process, with the committee having considered a report on the draft strategies at its September meeting.

9. Community Impact and Corporate Risks

- 9.1 Without a coordinated and structured approach to Inward Investment and Growth within the District there is a risk that the employment land coming forward will not be promoted or filled. Having a strategy and subsequent action plans will help reduce this risk. A loss of employment land, with fewer businesses and employment opportunities will mean the District is less viable and attractive as a place to live.
- 9.3 Without an updated Economic Development Strategy we run the risk of untargeted and ultimately ineffective support to business. We need to attract inward investment into the district coupled with promoting that the district is a good place to do business for all. The emerging Inward Investment & Growth strategy needs to work within the Economic Development Strategy to promote growth for the whole district.

10. Other Implications

	Yes	No
Crime and Disorder		x
Climate Change and Biodiversity		x
Human Rights and Equality Impact		x
Safeguarding and Early Help		x
General Data Protection Regulations (GDPR)		x

Health and Wellbeing		x
Other (please specify)		

11. Appendices

- 11.1 Appendix 1 Draft Economic Development Strategy
- 11.2 Appendix 2 Draft Inward Investment & Growth Strategy

12. Background Papers

- 12.1 Economic Development Services consultation report

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Chichester District Council

THE CABINET

5 November 2019

Parking Proposals and Off-street Parking Charges

1. Contacts

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Cabinet Member:

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2. Recommendations

- 2.1. Cabinet approves the proposal as set out in 6.1 of this report to increase car parking charges, which subject to consultation responses, be implemented from 1 April 2020 for a two year period.**
- 2.2. That the Director of Growth and Place be authorised to give appropriate notice of any revised charges or changes as set out within this report pursuant to the Off-street Parking Places (Consolidation) Order 2018 and the Road Traffic Act 1984.**
- 2.3. Cabinet approves the consolidation of all Parking Orders since 2012 into one document. This document will further clarify the provision for electronic payments and the exemption from daily charges for Blue Badge holders (with the exception of Pay on Foot parking) which subject to consultation be implemented from 1 April 2020.**

3. Background

- 3.1. Off-Street Parking Charges - In accordance with the Review of Fees and Charges Policy, Cabinet will recall that a number of increases in charges were approved and came into effect on 1 April 2018. These covered both rural and Chichester city car parks. A decision was made to have a two-year freeze on pay and display charges at this time.
- 3.2. Car park users expect charges to be reasonable and proportionate. The Council generates income from car parking to cover its costs and to allow for future investment. Car parks occupy valuable sites and charges need to reflect this. If they are not serving their purpose effectively, or their usage could be consolidated, there may be another economically beneficial use to which a site could be put.
- 3.3. Chichester District Car Park Strategy 2010-20 reflects the need to maximise the capacity of the existing stock. One method of doing so is to ensure that charges are set at a level which encourages turnover of use in

higher demand areas. West Sussex County Council set the charges for on-street parking. Any amendments to off-street charges would be closely monitored for deflection onto the highway.

3.4 There are a number of points to be borne in mind when considering parking charges:

- The charges proposed would be in place for two years from 1st April 2020. Parking charges provides essential income to support other key services.
- The policy should be that the user pays – i.e. each car park should be able to cover its own costs. There are a number of car parks at present which are not covering their own costs and therefore are being subsidised by income from other car parks in the district.
- Parking charges assist with reducing congestion and on-street parking, encouraging alternative forms of travel and to enable adequate turnover of spaces. The Council's policy is to increase fees and charges in line with inflation, or to reflect local circumstances where appropriate.
- National evidence suggests it is an area's broader retail, commercial, leisure and / or tourism offer that is the primary factor affecting its vibrancy, rather than solely parking charges.
- The Blue Badge scheme's expansion during 2019 to include 'hidden' disabilities such as dementia, anxiety and autism is anticipated to increase the number of Blue Badges which are in use. Blue Badge holders are able to currently park within CDC car parks free of charge.
- Spaces are not turning over adequately in the currently free of charge car parks and there is evidence of long-term parking with action being taken against owners of abandoned vehicles where possible.
- Anecdotal evidence suggests that a 'free of charge' period of parking can encourage customers to rush back to their vehicle before the end of the free period of parking has finished rather than encouraging visitors to stay for longer.

3.5 CDC Off-Street Parking Orders are the legal basis for Off-Street parking provision, spaces, charges, enforcement etc. Whilst there has been an agreed Parking Order in place for some time, it is important that it is reviewed to ensure that it is consistent with the proposed use of the car parks and reflects all specific requirements relating to the car parks. The Parking Order is referred to when Penalty Charge Notices (PCN's) are issued and is considered as part of the review of any appeals of PCN's by the independent Traffic Penalty Tribunal. There have been a number of variations since 2012 to the Parking Order. It is proposed that all variations are consolidated into a final Order to come into effect from April 2020, which will include further clarification relating to electronic payments and the exemption from the daily charges for Blue Badge holders, with the exception of Pay on Foot parking. (See background paper).

4. Outcomes to be Achieved

- 4.1. To ensure Chichester District parking charges remain competitive with neighbouring centres leaving our business centres in a strong position and do not cause unacceptable parking deflection into residential areas.
- 4.2. The proposed charges assist with delivering the objectives of both assisting with capacity issues in the higher demand car parks and helping to cover administration and maintenance costs of each car park.
- 4.3. An updated Parking Order will continue to ensure that the legal basis for issuing Penalty Charge Notices is correct.

5. Proposal

- 5.1. It is proposed that all parking charges in car parks are increased by Council's proposed budgeted rate of inflation – i.e. 3% pa. In addition to this there would be a further small increase in Little London and Baffins Lane car parks to assist with turnover and reducing the congestion caused in this area. Season tickets in the city car parks will remain as currently priced, although there will be an increase in the price of rural car park season tickets from £17.50 and £15.00 per month (Bosham and rural car parks respectively) to £20.00 and £17.50 per month. The charges proposed would be in place for two years from 1st April 2020.
- 5.2. The charges proposed are considered modest and competitive when compared with other neighbouring authorities. Details of charges in other nearby competing centres are included in Appendix 2 and 3.
- 5.3. The authority is undertaking a number of initiatives across the district to support businesses. This includes a campaign leading up to Christmas to encourage use of the high streets; grants provided to businesses and heavily discounted car park season tickets for commuters. In addition to this the Council is also providing a free park and ride this Christmas in the City.
- 5.4. The proposed changes to the Parking Order include the introduction of a definition of Electronic payment, along with clarification within the Order relating to the application of electronic payment for parking and evidencing payment. In addition, the paragraph relating to Exemption from daily charge provides further detail concerning Blue Badge holders.

6. Alternatives Considered

- 6.1. A series of options were considered by the Chichester District Parking Forum and these are fully detailed in Appendix 1. These include third party and officer recommendations which are based on parking policy and monitoring the use of the car parks.
- 6.2. Do nothing –this would not assist with covering the costs of the provision of the car parks service, or assist with car park usage or turnover.

7. Resource and Legal Implications

- 7.1. To implement changes to charges and car parks there will be minor costs associated with the provision of new signs and necessary adjustments to the machine tariffs as well as changes to back office software; these costs are contained within the service's revenue budget.
- 7.2. The five year financial strategy assumes that all income from fees and charges are increased in line with inflation. Failure to achieve that overall anticipated increase would have an impact on the financial strategy.
- 7.3. The Parking Order will require amendment once the charges and amendments are agreed and will be advertised for consultation.
- 7.4. The estimated income levels anticipated through the proposed increases is shown in Appendix 1.

8. Consultation

- 8.1. The proposed changes to parking charges were discussed by the Parking Forum meeting of 9 September 2019 and their feedback is included in Appendix 1. The forums have assisted with the formulation of the final proposals in this report.
- 8.2. Amendment to the Parking Order will include a further period of public consultation.

9. Community Impact and Corporate Risks

- 9.1. Any increase in charges could cause people to park within neighbouring residential areas and reduce the economic effectiveness of the localities they serve. The modest nature of the increases and other mitigation proposed is designed to minimise this risk.

10. Other Implications

	Yes	No
Crime and Disorder		X
Climate Change and Biodiversity Congestion due to drivers queuing to locate a parking space can have an impact on air quality. When parking charges are set at the correct level this can assist with encouraging alternative forms of transport or parking is less congested areas.	X	
Human Rights and Equality Impact		X
Safeguarding and Early Help		X
General Data Protection Regulations (GDPR)		X

Health and Wellbeing		X
Other		

11. Appendices

11.1 Proposed Chichester District Parking Charges 2020-2022

11.2 Chichester District Council current parking charges

11.3 Horsham District parking charges

11.4 Winchester parking charges

12. Background Papers

Chichester District Council Off-Street Parking Places Order 2012 (available in full on CDC's website)

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