



Minutes of the meeting of the **Cabinet** held in Committee Room 2 - East Pallant House on Tuesday 6 October 2015 at 9.30 am

Members Present: Mr A Dignum (Chairman), Mrs E Lintill (Vice-Chairman), Mr R Barrow, Mr B Finch, Mrs P Hardwick and Mrs S Taylor

Members not present: Mrs G Keegan

In attendance by invitation:

Officers present all items: Mrs D Shepherd (Chief Executive), Mr P E Over (Executive Director), Mr J Ward (Head of Finance and Governance Services) and Mr P Coleman (Member Services Manager)

58 **Minutes**

RESOLVED

That the minutes of the meeting of the Cabinet held on 8 September 2015 be signed as a correct record.

59 **Urgent Items**

There were no urgent items for consideration at this meeting.

60 **Declarations of Interests**

No interests were declared at this meeting.

61 **Public Question Time**

No public questions had been submitted.

62 **Car Parking Charges and Chichester District Parking Forum**

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes). In the absence of Mrs Keegan, Mrs Murphy (Parking Services Manager) introduced the report.

Mrs Murphy reminded the Cabinet that for some years the parking charges in the Council's car parks had been reviewed annually, in accordance with the objectives of the Parking Strategy. These included that the principle of 'user pays' will prevail. The level of charges should ensure that charges do not adversely impact the local

economy, have undesirable displacement consequences and that they encourage use of off-street spaces rather than on-street provision in order to reduce incidences of congestion and improve road safety. In reviewing charges, the charges levied by competing authorities had been taken into account.

Mrs Murphy described the charges proposed in Appendix 1, which were based on options that had been considered by the Parking Forum. She added that proposals 2 and 4, relating to season tickets, should be amended so that the '12 months for the price of 11' discounts should be available only to customers who purchased their tickets on-line, and that proposal 7 should be amended so that the charges in the other long stay car parks would be £3.40 for up to 4 hours and £4.30 for up to 5 hours. She also reported on the results of consultations with the parish councils where rural car parks were situated, and with users of the free car parks at Petworth and Fernhurst, a CCTV survey of use, and a meeting with Midhurst businesses, carried out since the Parking Forum had reached its conclusions.

Mr Barrow, Mrs Lintill and Mrs Hardwick all commented on the proposals. Mrs Lintill expressed opposition to the introduction of charging at Sylvia Beaufoy car park, Petworth. She pointed out that this car park was used by local residents who had nowhere else to park, and the introduction of charges could result in deflection on to congested narrow streets. The income from the Pound Street car park covered the costs of running both car parks in Petworth.

Mrs Hardwick explained that she had received a lot of representations against the introduction of charging at Fernhurst. The Crossfield development there had depended on the car park and there was no safe on-street alternative. There was no capacity issue at the car park, which was used mainly by visitors to the doctors' surgery, village shops and small businesses and the Fernhurst Centre, all of which could be adversely affected by charges. She believed that the income that charges would produce would not outweigh the disadvantages.

The Chairman explained that he wished to propose some further amendments to the charges set out in proposal 5 in Appendix 1 and to add proposals in relation to the seasonal car parks in coastal towns, in the light of the consultation and survey work and the representations received. He also wished to propose a subsequent two-year freeze on all hourly charges until 31 March 2018.

Mr Barrow reported that he had been asked by local residents for the introduction of an hour free car parking in some of the car parks in coastal towns. Mrs Murphy pointed out that free parking still had to be paid for, and these car parks did not cover their costs. Where there was an hour's free parking, many users failed to realise that they still had to display a ticket for the free hour, and hence received penalty charge notices, which led to customer dissatisfaction and increased pressure on the back office team in dealing with appeals. Furthermore, the keypads on the pay and display machines that were needed where there was provision for free parking needed more maintenance in a coastal climate, thus increasing operational costs. Mr Barrow indicated that he would inform residents that, for the reasons given, he would not support the introduction of a free period. The Chairman suggested that free parking should only be available where there was a case for it on traffic management grounds or in rural shopping areas.

The Chairman put forward his proposals for the retention of free parking at the Fernhurst and Sylvia Beaufoy, Petworth, car parks, the application of the tariff applicable in the charged car parks in Midhurst (except The Grange) and Petworth to East Street car park, Selsey and Northern Crescent car park, East Wittering, and the amendment of charges at the seasonal car parks in Selsey and The Witterings.

Mrs Murphy pointed out that the maximum time limit currently applicable to parking at Northern Crescent, East Wittering had been introduced, following a traffic management study, in order to increase turnover. The Chairman asked that this should be monitored and a maximum period re-introduced if necessary.

With the Chairman's consent, Mr Shaxson commented on the proposals affecting Midhurst. He referred to an article in the Midhurst and Petworth Observer about the delicate state of the local economy, including doubts about Waitrose moving to the town. He also asked about a proposal for two coach parking spaces outside the Methodist Church. He agreed that the Council's car parks should pay their way, but felt that the thriving car parks in the City of Chichester should subsidise those outside the City.

The Chairman replied that the proposed charges in Midhurst were much less than in the City of Chichester, and should hardly be a deterrent to use. Mr Over added confirmation that there was a proposal for coach parking in Midhurst, details of which had yet to be firmed up.

With the Chairman's consent, Mr Morley welcomed the proposal for coach parking. He felt that the proposal to reduce the free period in the North Street and Post Office car parks in Midhurst from 2 hours to 1 hour was not appropriate. He considered there to have been no full cost analysis and he felt that, if the pricing was right, costs could still be covered retaining the 2 hour free period and also achieve a desirable balance between on-street and off-street parking. He felt that, compared with Petworth, the longer free period in Midhurst reflected the existence of a free car park in Petworth.

Mrs Murphy commented that 78% of users parked for the free period. However, she felt that charging for the second hour would help cover costs and also improve turnover. Mr Over explained that the introductory extended free parking in Midhurst had reflected that Midhurst was about to undergo considerable disruption to its car parking provision during The Grange project. That was now complete, although the future use of the adjoining site had not been resolved. There were sound reasons relating to capacity and turnover of spaces for continuing a two hour free period at The Grange, but it was no longer necessary to do so at the other two car parks.

Mrs Murphy also drew attention to the recommendations relating to the terms of reference of the Parking Forum and to the Westgate Centre customer car park.

The Chairman proposed changes to the Council's membership of the Forum and Mr Barrow asked that a representative of businesses from the Manhood peninsula be added.

RESOLVED

- (1) That the charges set out within Appendix 1 to the report be approved, subject to amendments as listed below, and, subject to consultation responses, be implemented from 1 April 2016 and that the hourly charges then be frozen until 31 March 2018:

Proposal 1: Sunday charges in Chichester city – as proposed in Appendix 1

Proposal 2: Increase the price of an x-roving season ticket – as proposed in Appendix 1, save that the discount where 12 months are given for the price of 11 is applied only to tickets purchased online.

Proposal 3: Demand management of short stay spaces – as proposed in Appendix 1

Proposal 4: Increase the cost of Specific Season Tickets within the city– as proposed in Appendix 1, save that the discount where 12 months are given for the price of 11 is applied only to tickets purchased online.

Proposal 5: Pay and Display charges in Midhurst, Petworth and Fernhurst

(a) – as proposed in Appendix 1

(b) – Charges not to be introduced in Fernhurst car park

(c) – Charges not to be introduced in Sylvia Beaufoy car park, Petworth

(d) –The proposed new tariff to be introduced to North Street and Post Office car parks, Midhurst, Pound Street car park, Petworth, East Street car park, Selsey and Northern Crescent car park, East Wittering only

(e) – as proposed in Appendix 1

Proposal 6: Rural, Coastal and Bosham Season Tickets – as proposed in Appendix 1

Proposal 7: Demand Management in Long Stay car parks – as proposed in Appendix 1, save that the charges for ‘other long stay’ car parks be £3.40 for up to 4 hours and £4.30 for up to 5 hours.

New proposal: Seasonal charges at car parks in the Witterings and Selsey

Selsey East Beach and Marine April to October Monday to Sunday: increase over 1 hour charge from £1.10 to £1.50

Marine Drive, East Wittering and Bracklesham Lane, Bracklesham Bay April to October Monday to Sunday: amend charges to

Up to 2 hours £2

More than 2 hours up to 4 hours £4

More than 4 hours £5

November to March Monday to Sunday: amend charges to

Up to 2 hours 50p

More than 2 hours £1.50

- (2) That the Head of Commercial Services be authorised to give appropriate notice of any revised charges pursuant to the Off-street Parking Places (Consolidation) Order 2015 and the Road Traffic Act 1984.
- (3) That the Terms of Reference for the Chichester District Parking Forum be amended as follows:-

Broad Objective

To advise Chichester District Council and its Cabinet on all matters relating to parking throughout the district, including specifically the parking strategy for Chichester city and other towns and rural areas and the charges to be applied in the Council's off street car parks, and to comment on matters relating to on-street parking provision.

Membership

Cabinet Member whose portfolio includes parking and five other district councillors from Bosham, Chichester, Midhurst, Petworth and Selsey/The Witterings respectively

1 representative from Chichester City Council

1 representative from Chichester Chamber of Commerce

1 representative from Federation of Small Businesses

1 representative from Chichester Access Group

1 representative from Chichester BID

2 representatives from Residents Associations

1 representative from businesses in the north of the district

1 representative from businesses in the Manhood Peninsula

Representative from West Sussex County Council Parking Strategy

- (4) That the customer car park refunds at Westgate Leisure remain in place as indicated in section 7.3 of the report.

63 Hyde Review Task & Finish Group: Recommendations from the Overview & Scrutiny Committee

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Taylor made an introductory statement to correct an alleged statement regarding Hyde, which had recently made by a councillor and reported in the local newspaper. Within the report, it had been stated that the Council could soon be looking for a new housing association. This was incorrect.

Hyde were the legal owners of their housing stock in the Chichester District following a housing stock transfer from Council ownership in 2001 and the Council was not empowered to force any change in ownership.

The Council was committed to working in partnership with Hyde to achieve the best possible outcomes for its residents. However, the Council would always investigate any concerns, particularly where the Hyde complaints process had been exhausted. This was evident within the recent investigation into service charges.

Since the Overview and Scrutiny hearing, the Head of Housing & Environment Services had been in communication with the Head of Housing at Hyde, who had started work on reviewing the service charges in the particular locations where problems had been identified. Mrs Taylor added that she had received a letter dated 1 October 2015 from Carol Carter, the Hyde Group Director of Housing, making several commitments to assist in moving this issue forward including meeting

residents at the schemes identified. Mrs Taylor expressed the hope that, with these commitments in place, the Council could continue to work with Hyde to provide high quality housing within the Chichester district.

Mrs Apel then introduced the recommendations of the Overview and Scrutiny Committee, explaining that, in March 2015, she had been contacted by tenants of Hyde properties in her ward, whose service charges had increased by 500-1000%. She had discovered from other members that similar increases affected tenants throughout the district and so she had arranged for a scrutiny investigation after the May election.

Mr Shaxson introduced the report of the Hyde Review Task and Finish Group (TFG). He said that the scrutiny affected 3,500 households in the district. Two meetings of the TFG had been held, and at the second meeting tenants and representatives of the Hyde Group had been interviewed.

He explained that, since the TFG had reported, the Hyde Group appeared to have taken note and were taking action. However, he felt that the Council should continue to pay close attention and seek timely action, given that the Group might be distracted by their many properties elsewhere. He referred to a more recent letter dated 1 October 2015 from Ms Carter, which stated: "The estimates of the charges for the financial year ahead are sent out in February and are calculated based on prior costs and any foreseen changes. In the period September to December we send a statement of actual costs for the preceding complete financial year." This meant that the service charges to tenants were not based on costs that were known for certain, and the actual costs of services for the 2015/16 financial year would not be known until September 2016.

Ms Carter's letter also listed action the group would be taking in response to the issues raised, including meetings with residents at schemes identified in the report, and he felt that it was important to agree timescales for these meetings and the other actions.

Mr Shaxson added that he had heard from a member of a Hyde Tenants Association elsewhere, which showed that Chichester tenants were not alone in experiencing problems.

Mrs Apel pointed out that, although Ms Carter's letter gave details of ways in which Hyde tenants could contact the Group, tenants had stated to the TFG that they had turned to councillors because they had not obtained a satisfactory response from Hyde.

Mrs Taylor stated that she supported the Committee's recommendations (1) and (2). She was pleased that the Hyde Group was taking action and she felt that it was important for the Council and Hyde to continue to work together. She suggested that recommendation (3) should not be approved, as it was beyond the Council's jurisdiction and outside the scope of the original investigation of service charges.

Mr Finch welcomed the joint commitment of the Council and Hyde to work together. He commented that Ms Carter's comparison (in her letter of 11 September at

Appendix 2) of the lack of obligation to consult on setting of service charges with the setting of council tax and utility charges was misleading, because council tax was democratically and publicly debated and utility charges were heavily regulated.

Mrs Lintill supported the recommendations and commented that Hyde should not focus exclusively on the schemes identified in the report, as tenants in other schemes had been similarly affected.

Mr Barrow drew attention to the increase in the management charge referred to in paragraph 6.7 of the TFG report. The Chief Executive pointed out that research had shown that this was comparable with industry standards and not unfair.

Mr Shaxson added that one of the main concerns had been that service charges had been levied for services that were not provided at the properties in question.

Mrs Taylor emphasised that she wanted the Council and Hyde to work together positively in future and the Chief Executive added that the Hyde group was a major partner of the Council. She would be meeting Ms Carter in November, and the Head of Housing and Environment Services would maintain regular dialogue with her counterparts at Hyde.

The Chairman suggested that recommendation (3) be withdrawn and replaced with a positive statement of intent.

RESOLVED

That the Head of Housing and Environment Services write a letter to the Hyde Group Chichester setting out the Council's concerns and recommending the following:

- (1) A full and urgent review is carried out of blocks/estates where tenants have complained that incorrect service charges have been applied, in particular those considered as part of this review namely Pilgrim Court (Chichester), Butts Meadow (Wisborough Green), Bishop Luffa Close (Chichester), Warrenside (South Harting) and Townfield (Kirdford). However these properties are illustrations of something that the group has reason to believe is widespread and we would wish all serviced properties in the Chichester district to be re-examined by January 2016.
- (2) A full report is made to the January 2016 meeting of the Overview and Scrutiny Committee covering:
 - (a) the methods used to calculate the service charge increases in these properties and the justification for the changes that have been implemented
 - (b) the progress made in resolving complaints and improving communication
 - (c) current performance against the organisation's key performance indicators
- (3) Regular communications be maintained between Hyde and Chichester District Council and that members of the Council be asked to keep in close

touch with tenants in their wards and communicate any issues to the Head of Housing and Environment Services.

64 **West Sussex Local Flood Risk Management workplan**

The Cabinet considered the report circulated with the agenda and a revised Appendix 1 circulated at the meeting (copy attached to the official minutes).

Mr Barrow introduced the report, explaining that it referred, in part, to the work plan generated by West Sussex County Council (WSSCC), which was the Lead Local Flood Authority in partnership with other risk management authorities.

Appendix 1 listed only those projects relevant to Chichester District. The document was constantly under review, and the revised version circulated at the meeting had been received only two working days previously.

The purpose of the work plan was to give an up-to-the-minute picture of the work being carried out by all the authorities in trying to reduce the risk of flooding to residents. It was not intended to be a detailed breakdown of each scheme because that level of information would only become available as individual schemes were progressed and as the required resources for each stage could be identified and committed.

One of the issues that constantly arose was that the responsibility for surface water management rested firmly with landowners or with operating authorities such as the highways, sewerage or main river managers. A great deal of work had been done by officers with each landowner where a problem had been identified and operating authorities were generally improving their response.

While there was always more to be done if funds were available, WSSCC had provided considerable sums of money in order to achieve some improvements.

Schemes involving Southern Water were absent from the report. However, the Water Company had recently become much more involved and had attended a senior level meeting. Mr Barrow said that, following that meeting, he would be chairing a new senior level group to monitor progress and agreed actions, particularly on the Manhood Peninsula. He expected a report of Southern Water's plans before the end of the year.

Council officers and those of other authorities had also attended meetings concerning the Lavant Valley.

The Council would continue to engage with Southern Water and others to achieve reductions in flood damage. The most notable successes of the Strategy had been achieved by constant negotiation, discussion and engagement with local communities either by parish councils or local Flood Action Groups who had been able to identify issues and seek sensible solutions with the authorities. This was especially true in Birdham, Bosham, Earnley, Fishbourne, Singleton and Westbourne.

The Manhood Peninsula Surface Water Management Plan in Appendix 2, had been commissioned by WSCC and originated from within the work plan. The report had been recently received and a non-technical summary was included with the report. The main document and its appendices was a large detailed document, which could be accessed via the website.

Works identified in the report were included in the strategy work plan where they would go through the process of prioritisation and be brought to the attention of those best placed to effect improvements.

While the Council had only limited responsibilities, he felt strongly that residents deserved to be protected from drainage and flooding issues. He wanted to take a lead in driving for further improvements, and was working with officers to identify some modest 'quick wins' that the Council might be able to fund to demonstrate its determination to seek improvements.

In answer to a question, Mr Lowsley (Senior Engineer) explained that the Council had no powers to prosecute riparian owners for failing to manage watercourses. Those powers rested with WSCC. However, WSCC trusted the Council's local knowledge and expertise to carry out research and negotiation. This was usually sufficient, and it had not yet been necessary to refer cases to WSCC for enforcement.

Mr Lowsley went on to answer members' questions about specific schemes. Mr Barrow agreed that the Loxwood Flood Risk Management scheme and the Emsworth Slipper Mill and Lumley Road Flood Risk Management scheme should be investigated further.

The Chairman suggested that Mr Barrow should work with Mrs Hardwick and the Head of Finance and Governance Services to consider inclusion of appropriate schemes in the Council's capital programme for 2016/17 onwards.

RESOLVED

- (1) That Cabinet supports the amended version of the prioritised West Sussex Local Flood Risk Management workplan, as circulated at the meeting.
- (2) That Cabinet supports the Surface Water Management Plan for the Manhood Peninsula.

65 Rural Designations

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Taylor introduced the report. She explained that Rural Designations were a means of mitigating adverse effects of national legislation, such as the Right to Buy, on rural areas. The Housing Act 1985, section 157(1), allowed restrictive covenants to be put in place so that a property sold under the Right to Buy could only be sold on to someone who had been living or working in the parish for 3 years.

Alternatively, the landlord might require the tenant purchasing the property to offer the home back to them if they sold within 10 years of purchase.

Currently all rural parishes (under 3,000 population) in the district were designated as rural for the purpose of the Right to Acquire (Housing Act 1996) and under the Leasehold Reform Act 1967, for the purpose of shared ownership restrictions, but they were not designated as rural for the purpose of the Right to Buy.

In November 2014 the Government had introduced a national threshold of 11 units under which affordable housing contributions on market sites could not be sought. Local planning authorities could choose to apply a lower threshold to rural areas described under the Housing Act 1985, which included National Parks, AONBs and designated rural areas. Following a High Court challenge, the Government policy on thresholds had now been withdrawn, but the Chichester Local Plan had been amended at examination stage to reflect the new Government policy and this had been subsequently adopted. Now planning applications had to be determined in accordance with adopted Policy 34.

Currently the lower threshold could be applied to the AONB but not to other rural parishes. By applying for Rural Designation of all rural parishes in the district with populations under 3,000 under the Housing Act 1985 the lower threshold could be applied to all rural areas. Rural Designation of all rural parishes might also help reduce the consequences of the Government's proposal to extend the Right to Buy to housing association tenants and help to retain rural affordable housing for local people.

Mrs Grange (Housing Enabling Manager) acknowledged that this was a complicated area of law. However, the main benefit of Rural Designation was to maximise affordable housing contributions from market housing development outside the AONB and National Park. It would be of particular benefit in the north east of the District where most housing development would be on small sites. She answered members' questions.

RESOLVED

That the Head of Housing and Environment Services submits an application on behalf of the Council to the Department of Communities and Local Government (DCLG) for all rural parishes in Chichester district with populations of under 3,000 to be designated as rural under section 157(1) of the Housing Act 1985.

66 South Downs National Park Preferred Options Local Plan consultation

The Cabinet considered the report circulated with the agenda and an update sheet (copy attached to the official minutes).

Mrs Taylor introduced the report. She reminded the Cabinet that the South Downs National Park covered parts of 12 districts, including 69% of Chichester district, which had the largest area within the National Park. The South Downs National Park Authority (SDNPA) had just published its Preferred Options Local Plan for a consultation period between 2 September and 28 October.

Although the SDNPA was the planning authority for its area, the Council was still the service provider for services such as housing, economic development and environment. The policies in the SDNP Local Plan could therefore affect Council service delivery, and have an effect on areas outside the National Park.

Unlike the Chichester Local Plan which was largely housing led, the SDNP Preferred Options Local Plan was landscape led. Therefore, the philosophical approach and ethos was different from that of the Council's Local Plan.

The Plan aimed to deliver, approximately 4,596 net additional homes across the whole Park area over the Plan period 2014 – 2032. This was around 255 homes a year. It was estimated that the number of homes provided for in the Chichester district area of the National Park would be around 75 – 80 dwellings a year, which was broadly in line with the figure of 70 homes per year that had been assumed in the Chichester Local Plan.

Officers had identified a number of concerns and have set out their comments in the attached Appendix. These were intended to represent the Council's response to the draft Plan. These had been discussed at the Development Plan and Infrastructure Panel (DPIP) meeting on 17 September, during which a number of questions and issues had been raised, the responses to which were set out in the attached report update sheet. In addition, the update sheet contained additional comments made by officers.

Following consultation the SDNPA proposed to undertake formal pre-submission consultation in the Summer of 2016 with a view to submitting the Plan for examination in Autumn 2016. It was anticipated that final adoption of the Plan will be in June 2017.

Mr Davidson (Principal Planning Officers) drew attention to some of the issues set out in the update sheet and answered members' questions.

Mrs Hardwick suggested that, in passing on comments to the SDNPA, an introductory statement should give an overview of the Council's response and highlight particular issues.

RESOLVED

That the comments set out in the appendix and update sheet to this report, with an introduction based on section 5 of the report and agreed with the Cabinet Member for Housing and Planning, be approved for submission as the Council's response to the South Downs National Park Preferred Options Local Plan.

67 Replacement Telephone System

Further to minute 701 of 6 January 2015, the Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mr Finch introduced the report. He explained that the Council's existing telephone system would not have guaranteed support beyond 2017, and its replacement was essential. The report proposed testing joint procurement and delivery of a telephone system with Arun District Council. Such a shared service solution would be an important direction of travel for the Council.

The Project Initiation Document appended to the report explored five options. Option 2 was the preferred option and could be achieved either with separate modules for Arun and Chichester or with a fully integrated solution and including or excluding a supplier call centre solution. The Cabinet was being asked to authorise market testing on this basis, with the details of costs and technical implementation being considered at a later meeting.

Mrs Lintill commented that the implications for business continuity would be a key consideration.

RESOLVED

- (1) That the preferred Option 2 detailed within the Project Initiation Document (Appendix to the report) be approved for the replacement of the Council's telephone system.
- (2) That officers be authorised to invite tenders on the basis of option 2 set out in the Project Initiation Document.
- (3) That the proposal to tender in partnership with Arun District Council be approved.
- (4) That a report be provided for a future meeting of Cabinet to consider tender evaluations and the option of a joint solution with Arun District Council.

68 Recording and broadcasting of Committee Meetings

Further to minute 53 of the last meeting, the Cabinet noted that at its meeting on 22 September, the Council had voted 23 in favour of publication of audio-recordings of meetings and 14 in favour of web-casting.

The Cabinet agreed that it should honour the Council's view. They noted that an audio-recording solution had been tested at the meeting and members felt this had been generally satisfactory, although it was important that users should be able to identify speakers and to quickly find the item or speaker they wished to listen to. The revenue cost of this solution was £3,900 pa.

RESOLVED

- (1) That a one year trial be undertaken of publication of audio recordings of proceedings at Council, Cabinet, Planning, Overview and Scrutiny and Corporate Governance and Audit committee meetings.
- (2) That the Head of Business Improvement Services be authorised to procure a service to do this and to award a contract with a supplier in accordance with contract standing orders.

69 **New Homes Bonus (Parish Allocations) Scheme - Awards**

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes) together with a confidential appendix summarising the application by the Chidham and Hambrook Parish Council for a grant towards the provision of disabled access to the first floor of the Chidham and Hambrook Village Hall.

Mrs Lintill reminded the Cabinet that the approved Scheme had up to £400,000 available each year from 2014 to 2017 for eligible parish councils. By the deadline of 31 July 2015, the Council had received 47 applications for grant totalling approximately £310,000. At its meeting on 24 September the Grants and Concessions Panel had considered these applications and awarded or recommended grants totalling £271,755. The Panel had supported the application by the Chidham and Hambrook Parish Council, but the recommended grant was beyond the delegated powers of the Cabinet Member.

RESOLVED

That the recommendation of the Grants and Concessions Panel in relation to the one application received under the New Homes Bonus (Parish Allocations) Scheme that exceeds the Cabinet Member for Community Services' £25,000 delegation limit, that is to award £42,430 to Chidham and Hambrook Parish Council in order to provide disabled access to the first floor of the Chidham and Hambrook Village Hall, be approved.

70 **Council Tax review of locally defined discounts and premia**

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Hardwick introduced the report. She drew attention to the table of locally defined discounts and premia in the Appendix, which showed the current regime approved by the Cabinet in previous years. The nil discount for second homes reflected the Council's view that there was no reason to treat these more favourably than first homes; the nil discount for prescribed class C and 50% empty homes premium encouraged owners to bring homes back into use; and the discount for prescribed class D encouraged owners to improve their properties.

The discounts and premia affected the revenues of the Council, the County Council, parish councils and the Sussex Police and Crime Commissioner. The implications for the principal councils were set out in the tables in section 7 of the report. Mrs Hardwick corrected the table in paragraph 7.2, where the West Sussex County Council's share should read 191.5K.

In answer to a question, Mrs Christie (Revenues and Performance Manager) explained that "major repair" for prescribed class D properties was not defined by legislation but was regarded by the Valuation Tribunal as referring to structural work to foundations and roofs, and not to such matters as re-plastering, re-wiring, and installation of kitchens and bathrooms.

The Chairman reminded the Cabinet that the financial implications of the current regime of discounts and premia had enabled the Council to continue to protect working age recipients of council tax benefit. However, the discounts and premia should be reviewed in the light of substantial changes to welfare benefits that were expected next year.

RESOLVED

- (1) That the council tax discounts and premia proposed in appendix 1 be applied for the 2016/17 financial year.
- (2) That a thorough review all of the locally defined discounts, in particular prescribed class D, be undertaken in preparation for the 2017/18 taxbase setting.

71 Annual Treasury Management Report

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Hardwick introduced the report. She reminded the Cabinet that the Council's treasury management strategy emphasised prudence as the primary criterion, in order to ensure that the Council's investments were protected. As a result the return on investment (shown in the table at paragraph 8.1) was below average when compared to other authorities. However, the authorities were not necessarily similar to Chichester, and might have a different investment profile and attitude to risk. The Council had slightly relaxed its guidelines on selection of counterparties.

Mrs Hardwick also drew attention to the capital spending reported in paragraphs 6.3 and 6.4, and to the use of a credit agreement for the acquisition of multi-function devices reported at paragraph 6.5.

Mr Jackson (Acting Group Accountant) explained that the Council's advisers, Arlingclose, had recently advised a reduction in investment duration limits, reported in paragraph 10.4. This especially affected investments in the 91-364 day periods, which was where the Council's performance was significantly below average compared with other authorities.

Mrs Hardwick referred to the fact that the Council had achieved good returns on investments in property, and suggested the establishment of a task and finish group to define the principles and policies for alternative investments.

RESOLVED

- (1) That the treasury management outturn performance and the Prudential Indicators achieved for 2014-15 as set out in this report and Appendices 1 and 2 be noted.
- (2) That the 1st Quarter Monitoring position statement for 2015-16 contained in Appendix 3 be noted.

- (3) That a task and finish group, chaired by the Cabinet Member for Finance and Governance, be established to define principles and policies for alternative investments of the Council's free reserves.

72 Exclusion of the Press and Public

RESOLVED

That the public, including the press, be excluded from the meeting for the following items on the grounds that it is likely that there would be a disclosure to the public of 'exempt information' of the description specified in Paragraphs 1 (information relating to an individual) or 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A to the Local Government Act 1972 and because, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information.

73 Authorised Testing Facility (ATF) at Westhampnett Depot for Heavy Goods Vehicle and Public Service Vehicle MOT tests

Further to minute 572 of 1 April 2014, the Cabinet considered the report circulated with the agenda, which sought approval of a Project Initiation Document (PID) for the provision of an authorised testing facility (ATF) at Westhampnett Depot and Council approval for additional funding from reserves to cover the additional costs of the re-designed scheme.

The report explained that the approved project for an ATF with two test lanes had been postponed whilst the gypsy and travellers transit site and other works at the depot had been carried out. The project had then been re-appraised. It had been concluded that CCS service delivery could be compromised by the approved two lane layout, and the scheme had been re-designed with a reduced footprint by extending the existing 20 metre building by 10 metres rather than creating a parallel two lane facility as originally envisaged. Should a vehicle become stalled in the single lane, a truck would be brought in to tow it out of the way.

Mr Barrow introduced the report, explaining that the introduction of an ATF would create long term income opportunities to the Council and provide an important service to local haulage companies and bus/coach operators.

A total investment of £515,000 would generate a new income stream producing an excellent return on investment and a short payback period, based on filling 12 slots daily operating a 37-hour week Monday - Friday.

It was anticipated that there would be considerable demand for this service, as the nearest centre for testing of HGVs and buses was in Lancing, which was expected to close. A local site serving local businesses would also make a contribution to reducing carbon emissions from commercial vehicles. By taking advantage of the facility, operators would have lower operating costs through reduced mileage to the test station and also reduce vehicle downtime.

The proposal involved extending the building from 20 to 30 metres to achieve simultaneous testing of two vehicles. This achieved the same vehicle throughput as a two test lane facility with the added benefit of a reduced footprint. The adjacent existing Class 4, 5 and 7 MOT test lane would remain.

The capital cost of the project, including construction, vehicle pit, and test equipment, was estimated to be £515,000, representing an increase of £155,000 above the £360,000 already approved by Council in April 2014. These additional costs related to the requirement to extend the building by 10 metres, ensure a clearance height of at least 5.5 metres and the construction of an extended pit from the standard 13 metres to 15 metres.

Mr Darton (Head of Contract Services) added that the Driving Standards Agency (DSA) was keen for the project to progress, as this would enable them to close their Lancing facility and also, in due course, the ATF at Guildford. He was confident that there would be sufficient volume of business to achieve the predicted return on investment even if operations were confined to the present Monday-Friday operating hours. However, he wished to seek planning permission for an extension of operating hours to 7am to 10 pm Monday-Friday and standard 8-hour shifts on Saturdays and Sundays to improve profitability and meet expected demand.

With the Chairman's consent, Mr Shaxson and Mr Macey enquired whether all costs, including wages, insurance, lighting and cleaning, had been taken into account. Mr Darton explained that wage costs were met by the testers' fees, which were paid to the DSA. The other costs had been taken into account.

Mrs Lintill and Mrs Hardwick enquired whether the Depot could take this intensification of use and whether another site in the Council's ownership might be available. Mr Darton explained that another site had been considered but it had proved unsuitable. He was satisfied that the operation could be accommodated at the Depot. Mrs Lintill and Mrs Hardwick expressed concern about the impact on the local community of the proposed extended hours of operation, given that the Depot was in an area close to where further residential development was expected. Mr Darton said that there was already a large number of commercial vehicle movements in the area, and Mr Barrow suggested that it would be a matter for the Planning Committee to determine what hours were acceptable. Mrs Hardwick suggested that application should be made for a more limited extension of operating hours. Once the ATF was in operation, the volume of demand could be assessed and an application could then be made to vary the planning condition if appropriate. After debate, the Cabinet took note that testing sessions could be in blocks of 3.5 and 4.5 hours, and agreed that a more limited extension of operating hours should be applied for.

RESOLVED

- (1) That the Project Initiation Document (PID), and Option 3 therein, set out in Appendix 1 to this report be approved.

- (2) That the Council is requested to release a further £155,000 (paragraph 7.1) from reserves to construct an Authorised Testing Facility (ATF) at Westhampnett Depot.
- (3) That the Head of Contract Services is authorised to award the contract following consultation with the Cabinet Member for Environment.
- (4) That the planning application referred to in paragraph 5.5 of the report should seek extended hours of operation covering 7.00 am to 6.30 pm Monday to Friday and 8.00 am to 3.00 pm on Saturdays only.

74 Chichester Contract Services - Recruitment and Retention of Staff

The Cabinet considered the report circulated with the agenda. The report proposed increases to the pay of refuse collection and road sweeper HGV drivers employed by Chichester Contract Services (CCS) in order to address difficulties in recruitment and retention.

Mr Barrow introduced the report, describing the problem in the recruitment and retention of suitably qualified and good calibre HGV drivers in the waste collection service. This arose because HGV drivers' salaries had fallen well behind local market rates, as shown in the benchmarking information contained in the report.

He explained that driving a Waste Collection vehicle was a skilled job, and nothing like that of a long distance lorry driver, requiring safely stopping and starting in narrow streets, and reversing into difficult places. In addition, the HGV drivers were responsible for the management of their crew and working with in-cab information and communication technology. Waste collection is one of the four most dangerous occupations in the UK.

Nine drivers had left in 2014/5, stating pay as the main reason for leaving, and while some have been recruited many had only stayed a short while. Agency drivers to cover unplanned shortfalls cost considerably more, and were not always available.

The recommendation was to increase drivers pay with an additional market supplement, amounting to an increase of 18.9%. At the same time, drivers of road sweep vehicles, which did not require the same level of skill, would be increased by a lesser amount. These increases would be paid as a 'market supplement' and not an increase in basic wage.

The recommendations would add £128,286 to the annual pay budget. Current year budget projections indicate that the overall cost can be met by departmental savings, with the Council's 5 year financial projections indicating that the cost can be accommodated without significant risk to the Council's overall position.

RECOMMENDED TO COUNCIL

That, in order to address HGV driver recruitment and retention difficulties, the CCS employee budget be increased as set out in paragraphs 5.1 and 7.1, with effect from

1 January 2016, to be funded from virement in 2015/16, and from base budget thereafter.

75 **Planning Services - Recruitment and Retention of Staff**

The Cabinet considered the report circulated with the agenda. The report proposed market supplements to the pay of professional planning staff to address difficulties in recruitment and retention.

Mrs Taylor introduced the report, explaining that the planning service was one of the Council's most visible services, not only in the processing of planning applications but in the implementation and enforcement of planning regulations to ensure that Chichester District continued to be an attractive and pleasant place to live.

With the end of the recession the work load of this service had increased substantially and over the last eighteen months it had been very difficult to recruit and retain planning officers. In the Development Management team alone there had been a turnover of staff of 60%. Recently the service had experienced a number of staff resignations, thus increasing the work load on already overstretched planning teams. This was now being reflected in the performance of the Planning service which hitherto had met all three performance targets. Some residents were expressing dissatisfaction at the length of time that some applications or enforcement matters were taking. The predominant reason for the resignations and difficulty in recruitment was pay.

The recruitment problems were also being experienced by the Council's SDNP team, resulting in lower performance. The contract with the SDNPA, which provided considerable income for the Council, was due to be renewed in 2017, and it was essential to show that a high quality service could be delivered.

Two benchmark studies had been carried out to compare the Council's remuneration rates for professional planning staff with those of other authorities. One was a comparison with the remuneration rates of 14 adjacent or near adjacent authorities and the second was carried out by South East Employers (SEE) which covered all authorities in the South East including London. Compared to both, Chichester was found to be uncompetitive. It was important that remuneration in Chichester should be more than the average for the region in order to attract experienced and high quality staff. Therefore, it was proposed that supplements should be paid to the grades as set out in the Cabinet Report, as amended by a revised table circulated at the meeting.

The total cost of implementing the proposed revised pay levels, including on costs, would be £165,540 per annum.

Mr Frost (Head of Planning Services) gave further information about levels of staff turnover and its consequences in reduced performance.

With the Chairman's consent, Mr Shaxson stated that he believed the problems had been manifest for a lot longer than 18 months. He felt that it was an issue of supply and demand for professional planning staff, and that the Council should be

emphasising training. Pay was not the only cause, but job satisfaction and the high cost of housing could be contributory factors. An increase in pay would be effective only as long as other authorities and private sector employers did not follow suit. He suggested that a members' task and finish group be established to investigate the problem and propose solutions. Mrs Hardwick made similar comments.

The Chief Executive and Mr Frost both explained that the problems had developed very quickly over the last year as the region and the building industry emerged from the recession, and it was clear that pay levels were the principal cause of the increased turnover. The Chief Executive advised that a task and finish group should not be set up. The increase in pay had to be affordable, and the impact on other professional staff had to be taken into account, A review of the Council's pay structure was about to be undertaken.

Mr Radcliffe added that the Council did help to develop its own professional staff by supporting them to obtain professional qualifications in Planning. The Council was also working with Chichester College, which was establishing a town planning apprenticeship scheme. The Council also offered an assisted house purchase scheme to aid recruitment and retention, although this was expensive.

RECOMMENDED TO COUNCIL

That the revised pay levels set out in the table in paragraph 5.2 of the report as revised and circulated at the meeting take effect from 1 January 2016 based on market supplements for professional planning staff to be funded by virement in 2015/16 and from base budget in future years.

The meeting ended at 2.15 pm

CHAIRMAN

Date: