

Public Document Pack

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11 February 2021

Performance and Finance Scrutiny Committee

A virtual meeting of the Committee will be held at **10.30 am** on **Monday, 22 February 2021**.

Note: In accordance with regulations in response to the current public health emergency, this meeting will be held virtually with members in remote attendance. Public access is via webcasting.

The meeting will be available to watch live via the Internet at this address:

<http://www.westsussex.public-i.tv/core/portal/home>

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Agenda

- 10.30 am 1. **Declarations of Interest**
- Members and officers must declare any pecuniary or personal interest in any business on the agenda. They should also make declarations at any stage such an interest becomes apparent during the meeting. Consideration should be given to leaving the meeting if the nature of the interest warrants it. If in doubt please contact Democratic Services before the meeting.
2. **Minutes of the meeting on 3 December 2020** (Pages 5 - 14)
- The Committee is asked to agree the minutes of the meeting held on 3 December 2020 (attached, cream paper).
- 10.35 am 3. **Part I Minutes of the meeting on 20 January 2021** (Pages 15 - 24)
- The Committee is asked to agree the Part I minutes of the last meeting held on 20 January 2021 (attached, cream paper).
4. **Urgent Matters**
- Items not on the agenda which the Chairman of the meeting is of the opinion should be considered as a matter of urgency by reason of special circumstances, including cases where the Committee needs to be informed of budgetary or performance

issues affecting matters within its terms of reference, which have emerged since the publication of the agenda.

5. **Part II matters**

Members are asked to indicate at this stage if they wish the meeting to consider bringing into Part I any items on the Part II agenda.

6. **Response to Recommendations** (Pages 25 - 26)

The Committee is asked to note the response from the Cabinet Member for Finance to recommendations made at the January meeting in relation to the pre-decision scrutiny of Endorsement: Broadbridge Heath Regeneration Scheme.

10.45 am

7. **Requests for Call-in**

There have been no requests for call-in to the Scrutiny Committee within its constitutional remit since the date of the last meeting. The Director of Law and Assurance will report any requests since the publication of the agenda papers.

8. **Possible Items for Future Scrutiny** (Pages 27 - 34)

The Committee is asked to review the extract of the Forward Plan of Key Decisions and mention any items believed to be of relevance to the business of the Scrutiny Committee. An update of any relevant changes to the Plan extract will be tabled ahead of the meeting.

Members to mention any items which they believe to be of relevance to the business of the Scrutiny Committee, and suitable for scrutiny, for example raised with them by constituents or arising from central government initiatives.

If any member puts forward an item the Committee's role at this meeting is to assess, briefly, whether to refer the matter to its Business Planning Group (BPG) to consider in detail.

9. **Date of Next Meeting**

The next meeting of the Committee will be held on 11 March at 10.30 am by virtual meeting. Probable agenda items include:

- Quarter 3 Total Performance Monitor report
- Quarter 3 Capital Programme Performance Monitor report
- Re-procurement of the Support Services Outsourcing Contract – pre-decision scrutiny
- PropCo Joint Venture - pre-decision scrutiny

Any member wishing to place an item on the agenda for the meeting must notify the Director of Law and Assurance by 1 March 2021.

10.55 am 10. **Award of Contract: Horsham Enterprise Park Delivery Partner** (Pages 35 - 36)

A report by the Director of Property and Assets regarding the proposal to appoint the development partner for the Horsham Enterprise Park (HEP) project.

The Committee is asked to review the draft decision report attached as Annex A and make any comments to the Executive Director for Place Services ahead of the decision being taken.

Part II

11. **Exclusion of Press and Public**

The Committee is asked to consider in respect of the following item whether the public, including the press, should be excluded from the meeting on the grounds of exemption under Part I of Schedule 12A of the Local Government Act 1972, as indicated below, 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.

Exempt: paragraph 3, Financial or business affairs of any person (including the authority).

12. **Part II Annex A and Appendices - Award of Contract: Horsham Enterprise Park Delivery Partner** (Pages 37 - 52)

Annex A and appendices 1 to 5 are included for Members of the Committee only (gold paper).

13. **Part II Minutes of the meeting on 20 January 2021** (Pages 53 - 54)

The Committee is asked to agree the Part II minutes of the last meeting held on 20 January 2021 (attached for Members of the Committee only, gold paper).

To all members of the Performance and Finance Scrutiny Committee

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Performance and Finance Scrutiny Committee

3 December 2020 – Held by virtual meeting with restricted public access.

Present:

Cllr J Dennis (Chairman), Cllr Catchpole, Cllr Barrett-Miles, Cllr Boram, Cllr Bradford, Cllr Hillier, Cllr M Jones, Cllr Kitchen, Cllr Lea, Cllr Montyn, Cllr Smytherman, Cllr Sparkes, Cllr Turner, Cllr Waight and Cllr Walsh

Also in attendance: Cllr Hunt, Cllr Lanzer and Cllr Marshall

Part I

88. Declarations of Interest

88.1 Cllr Smytherman declared a personal interest regarding the Total Performance Monitor [Care Commissioning Groups] as a member of Worthing Dementia Action Alliance.

88.2 The following Members declared a personal interest regarding the West Sussex: Reset Plan and Budget Update items:

- Cllr Boram as Cabinet Member for Health and Wellbeing at Adur District Council
- Cllr Hillier as Cabinet Member for Economic Growth at Mid Sussex District Council
- Cllr Lea as a member of Mid Sussex District Council
- Cllr Jones as a member of Crawley Borough Council
- Cllr Lanzer as a member of Crawley Borough Council
- Cllr Smytherman as a member of Worthing Borough Council
- Cllr Waight as a member of Worthing Borough Council
- Cllr Walsh as Leader of Arun District Council

89. Minutes of the last meeting of the Committee

89.1 Cllr Boram noted that the Committee had received a short report on the Children's Services recovery programme and had asked for a programme for the delivery of improvements so it could monitor timeliness and costs, and asked that officers check this is included.

89.2 Cllr Hillier updated the Committee that it had been decided it was not necessary at present to have a task & finish group on home to school transport as the service was aware of the issues and is working to resolve them.

89.3 Resolved – That, subject to clarification at 89.1 above, the Minutes of the meeting held on 10 September 2020 be approved as a correct record and that they be signed by the Chairman.

90. Responses to Recommendations

90.1 The Committee received a response from the Chairman of RAAC regarding the Committee's recommendations concerning audit planning

and internal control testing. The Chairman will request further clarity from the Chairman of RAAC.

90.2 The Committee received a response from the Cabinet Member for Economy and Corporate Resources regarding the recommendations on the IT Outsourcing contract from the Recommissioning of the Contract for Support Services TFG.

90.3 Resolved – That the Committee notes the responses and the Chairman will follow up the Committee's concerns with the Chairman of RAAC.

91. Quarter 2 Total Performance Monitor (TPM)

91.1 The Committee considered the quarter 2 Total Performance Monitor (TPM) report to end of September 2020 from the Director of Finance and Support Services (copy appended to the signed minutes).

91.2 The Cabinet Member for Finance introduced the report and highlighted key information for the Committee. The report addresses concerns around the financial aspects of service delivery and the challenges faced. The projected in-year overspend is considerably less than predicted last quarter, particularly in Children's Services. The overspend is down from £16m to £5.5m and can be covered by use of the contingency budget without the need to use reserves. Covid costs have risen slightly but there has been an increase in the Covid grant to cover this.

91.3 The Director of Finance and Support Services introduced the finance aspect of the report and highlighted key information. The Covid-19 grant received up to October is outlined in an appendix, however as the pandemic continues demand on the council services will continue to change. The impact of the pandemic on children's services was reviewed as the impact of Covid-19 on placement activity and costs became clearer. An underspend in the Children's Services Improvement Programme and additional grants received have helped offset the increased costs. There has been a significant change in the numbers of older people's residential (reduced) and non-residential services (increased) and future budget setting will kept under review.

91.4 The scrutiny committee chairmen were asked to outline any financial risk or performance issues highlighted by the scrutiny committees, as follows:

- The Children and Young People's Services Scrutiny Committee (CYPSSC) will consider proposals for Early Help at their January meeting, and will look at current and future service demand expectations for intentionally homeless persons and the effect of Covid.
- The Health and Adult Social Care Scrutiny Committee (HASC) highlighted the effect of Covid on social care provision, residential care beds required, and future care place planning. The Shaw contract is being monitored, in addition to some quality of care issues. The committee is also monitoring Government proposals to abolish Clinical Commissioning Groups.

- The Environment and Communities Scrutiny Committee (ECSC) noted in the budget the funds to tackle the necessary Ash Dieback works in 2021/22.
- The Fire & Rescue Service Scrutiny Committee (F&RSSC) noted the service response to the Covid pandemic.

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

- Welcomed the work by council services to identify savings.
- Expressed concern that plans for Children Looked After (CLA) to exit care have been delayed due to Covid, highlighted the importance that children exit care at the appropriate time, and asks CYPSSC to look into this matter.
- Noted the delay in children's cases going to Court due to Covid and the extra financial burden this causes, this is outside the council's control, and queried whether any children's services tribunal costs have been funded by the Government. *The Director of Finance and Support Services will clarify the tribunal cost details for the Committee.*
- Highlighted that increasing demand for Education and Health Care Plans (EHCP) for children in the county results in a deficit of £9m in the Dedicated Schools Grant (DSG), and agreed this should be highlighted to the Department for Education. The Chairman will seek information from the Cabinet Member for Education and Skills. *The Director for Finance and Support Services confirmed funding is slightly higher this year than last, however it is not sufficient for the current levels of demand so the DSG overspend will continue.*
- Expressed concerns regarding the significant rise to the number of young people not in education, employment or training (NEETs). Requested a breakdown from the Cabinet Member for Education and Skills of the trend and numbers of NEETS. *The Director of Finance and Support Services explained the measure has changed to include those of 'unknown' status, therefore is perceived as an increase.*
- Queried when Admiral dementia nurses would be available in the south of West Sussex. The Chairman of HASC will take this point forward as services differ across the county.
- Echoed the concerns of the HASC Chairman that care homes are underperforming and queried if the Council has any influence on this. The Chairman will ask the Cabinet Member for Adults and Health for reassurance. The HASC Chairman confirmed the Shaw contract is on that committee's work programme for 2021/22.
- Questioned the escalation of adult social care costs over the previous six months, including over the maximum rates, and queried the expected total overspend at the end of 2020/21. *The Director of Finance and Support Services confirmed costs have risen over the period and will provide the figures.*
- Expressed concern that the backlog in financial assessments prior to in-sourcing the service could impact on the ability of families to pay.
- Asked whether the projected National Concessionary Fares underspend used for Ash Dieback felling works could have been carried over to 2021/22 to save cutting concessionary services in the budget, and requested a response on this from the Cabinet Member for Highways and Infrastructure. *The Director of Finance*

and Support Services highlighted that the council's priority is to balance the budget for this year.

- Highlighted that some identified savings are judged to be 'red', not achievable, and requested all scrutiny committees consider the savings relevant to their remit to understand why some are not being made or mitigated.
- Commented that ensuring value for money across council services is essential and that this could be included in the TPM report. *The Director of Finance and Support Services confirmed value for money is really important and benchmarking to statistical neighbours is undertaken regularly to monitor this as well as being regularly reviewed by senior officers.*
- Queried whether there is an understanding of the effects of Brexit on the council in terms of residential and business finances. *The Director of Finance and Support Services explained the effect is hard to estimate but the main concern is a general increase in prices.*
- Expressed regret that a number of the committee's questions were not able to be answered as not all of Cabinet were in attendance.

91.6 The Chairman introduced the performance section of the TPM report, commenting that the Committee hope to see the measures which are suspended to the end of 2020/21 soon.

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

- Expressed concern regarding performance measure 39 (Effective CLA Permanency Planning) and requested that CYPSSC consider it.
- Questioning regarding indicator 29 [economically active 16-64 year olds in employment] whether aiming for 80% is acceptable. Queried whether the council is working with business and employers to aid recovery. *The Cabinet Member for Economy and Corporate Resources clarified the council's role, supported by the Economic Reset Plan, is to influence and encourage initiatives including diversification and re-skilling employees. The Council are regularly lobbying Government on the economy.*

91.8 The Committee considered the risk aspects of the report and made comments including those that follow. It:

- Expressed great concern that corporate risk 61 (death/serious injury of a child (Council failing in their duty)) and corporate risk 69 (Children's services fail to deliver an acceptable provision to the community) remain high risk. Given the work on the Improvement Plan some improvement in these measures should be seen.
- In relation to corporate risk 68 (Covid and the risk to delivery of the Council's services), suggested the recent report from the HASC Covid-19 TFG be shared with internal audit to assist their review.
- Queried how many care homes in West Sussex are struggling to maintain an economically viable number of residents due to the effects of Covid. *The Director of Finance and Support Services will confirm the current figure.*
- Expressed concern that corporate risk 39a (Cyber security) remains a high risk. *The Cabinet Member for Economy and Corporate Resources stated cyber security is taken seriously by the council, all staff take mandatory online training and all Members are*

encouraged to. Additional Government funding for cyber security has been announced and the detail is awaited.

91.9 The Director of Human Resources and Organisational Development introduced the Workforce section of the TPM and highlighted key information for members. The requirement for staff to remain working from home where possible continues to show a decrease in sickness rates, however it is notable that the main reasons for sickness are now muscular-skeletal (MSk) issues. Staff are being encouraged to assess their workstations, take breaks, and avoid the temptation to be “always on”. *The Cabinet Member for Economy and Corporate Resources reiterated the advice is relevant to elected Members as well as staff.*

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

- Welcomed the continued fall in levels of sickness.
- Expressed concerns regarding the effects of MSk issues on staff, especially if there is a move post-Covid to encourage more regular home working. *The Director of Human Resources and Organisational Development explained the New Ways of Working group aims to encourage staff to take responsibility for their health when working from home and look after themselves; additional help will be provided where needed.*
- Commented that if the future expectation is staff remain working from home then this should be resourced to the same standard as working from the office. *The Director of Human Resources and Organisational Development is aware of the issues and the need for a balanced approach. The Cabinet Member for Economy and Corporate Resources recognised that home circumstances differ for all staff and home working results in higher costs for heating and home energy.*
- Queried if officers are looking at the long-term impacts of Covid in relation to the need for office space. *The Director of Human Resources and Organisational Development confirmed the intention is to build back better, with flexible and agile buildings and spaces.*
- Highlighted the notable decrease in induction completion rates and management training completed in Children’s Services. *The Director of Human Resources and Organisational Development confirmed this is being investigated. The Chairman requested an update be provided on this in due course.*
- Commented that the increase in council headcount and agency staff usage is concerning whilst the council are under pressure to deliver more for less cost.
- Queried why the levels of stress have fallen during home working and whether investigations will be undertaken to determine why. *The Director of Human Resources and Organisational Development would take this work forward.*

91.11 The Committee noted its thanks to officers for a good, informative TPM report which has improved in format over previous years.

91.12 Resolved – That the Committee:

- 1) Recommend value for money and benchmarking information be included in future TPM reports;
- 2) Request that scrutiny committee chairman review the savings at risk within their portfolio areas;
- 3) Recommend CYPS review the arrangements around Children Looked After and Children Exiting Care particularly around the effects of Covid and how quickly children can exit care. The review should include benchmarking with other Councils;
- 4) Reiterate the need for information on the progress of achieving the targets and outcomes in the Children's Improvement Plan; and
- 5) Welcome the reported fall in sickness due to stress, but request consideration be given as to why.

92. Quarter 2 Capital Programme Performance Monitor Report

92.1 The Committee considered a report by the Executive Director of Place Services (copy appended to the signed minutes).

92.2 The Capital Programme Manager introduced the report and summarised key aspects of the report including the pipeline. The number of pipeline projects rated amber is currently high due to delayed school and a children's residential projects, all expected to be approved in December. It was suggested that the second national Covid lockdown had not disrupted project delivery to the same extent as the first.

92.3 The Committee made comments in relation to the Capital Programme performance report including those that follow. It:

- Noted the benefit for the electric vehicle chargers project was not achieved and queried the calculation on which the benefit was based. *The Capital Programme Manager will check and provide this information to the Committee.*
- Queried whether the council will need to repay the funding for the six tranche 1 emergency active travel fund (EATF) schemes, and whether the fund is capital or revenue funding. *The Capital Programme Manager will request this information for the Committee.*
- Commented that the tranche 2 funding should not prevent future capital programme schemes coming forward from the council. *The Cabinet Member for Finance commented that the council's projects have to be fitted around the tranche 2 funding as it is ring-fenced for such improvements.*
- Queried the nature of the compliance issues highlighted for the White House Farm project and whether this will increase costs to the council. *The Capital Programme Manager confirmed it is a developer-led project and there is a discrepancy between the council's expectation and what has been provided by the developer, and that the issues are being addressed.*
- Thanked officers for a good, informative report and their ongoing work.

92.4 Resolved - That the Committee notes the Quarter 2 Capital Programme Performance Monitor report.

93. West Sussex: Reset Plan

93.1 The Committee considered the West Sussex Reset plan report from the Chief Executive (copy appended to the signed minutes).

93.2 The Leader introduced the report and highlighted that the challenges presented by Covid will continue to be seen in the coming year. It is appropriate to reset the council's priorities post-Covid and include stakeholders in developing this. Appropriate indicators will be developed to measure the council's performance against the priorities and the Committee's feedback is welcome.

93.3 The Chief Executive confirmed that engagement is underway and the next phase is delivery planning. The Committee's advice on the priorities is welcome and the Committee's feedback on the draft key performance indicators (KPIs) will be sought at a future meeting.

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

- Highlighted the disconnect between the Reset Plan and the council's budget proposals for 2021/22, and achieving the council's climate change aims. *The Chief Executive commented that the Reset Plan enables Members to make choices in the budget process.*
- Commented that it is a good high-level document. More substance is needed in order to consider how to monitor performance.
- Commented that visual representations of trends would be helpful.
- Commented that the KPIs should be SMART [specific, measurable, achievable, realistic and timely] as well as measuring performance in a holistic way. Operational KPIs are needed as well as those to ensure adherence to council policies and should also be related to financial management.
- Suggested that the KPIs should be flexible to the council's need and that some measures could benefit from a formula approach, i.e. by a percentage.
- Suggested that individual scrutiny committees should consider the more detailed plans and this Committee look at the high-level overview.
- Commented that the principles of the Fire & Rescue Service Performance and Assurance Framework be considered to ensure effective progress on the Reset Plan.
- Queried how resilient the Reset Plan is to future events.
- Highlighted that the timeliness, accuracy and reliability of performance data are key to the Plan's success.
- Requested that the proposed KPIs be shared with the committees at the earliest opportunity.
- Agreed that an informal meeting of scrutiny chairmen and minority leaders be arranged to ensure the measures are appropriate for each committee, are SMART, holistic and integrated, and are consistent across the committees.

93.5 Resolved – That the Committee:

- 1) Recommends the key performance indicators (KPIs) be considered by the appropriate scrutiny committee for them to identify and take ownership of their priorities for scrutiny;
- 2) Recommend the KPIs should be SMART, include value for money, link with financial management, and also provide benchmarking information;
- 3) Recommend that a co-ordinated approach to performance management is needed to link together both our corporate plan and financial management;
- 4) Recognise that there is a need to understand the Council practice and performance measures and whether target outcomes are being met;
- 5) Recognise it is important to ensure the right things are measured and that information on progress is being shared with scrutiny members in a timely manner; and that
- 6) Following consideration of the proposed KPIs at individual scrutiny committee meetings in January, an informal meeting of scrutiny committee chairmen and minority leaders be arranged.

94. Budget Update

94.1 The Committee considered the budget update report by the Director of Finance and Support Services (copy appended to the signed minutes).

94.2 The Cabinet Member for Finance introduced the report, and highlighted for Members that the council's comprehensive spending review was published recently which provided more detail and confirmed the Local Government finance settlement awarded to the council. The spending gap for 2019/20 was over £40m; £20m in potential savings have been identified but this leaves a funding deficit of £23m. Concerns expressed about the savings identified do not take into account the £600m invested in supporting the council's aims, and focus should instead be on what the council can do with its budget.

94.3 The Director of Finance and Support Services introduced the report, highlighting the aim to create a sustainable budget over the next four years. Achieving value for money remains important. The Comprehensive Spending Review, fair funding review and Business Rates Review which is expected next year will provide some certainty for future years, however it is likely not be favourable to the council due to our council tax raising powers. There is great uncertainty on whether costs will decrease or remain high post-Covid. Initial information on the council's Local Government finance settlement is expected mid-December with final confirmation in January.

94.4 The Committee made comments in relation to the budget update report including those that follow. It:

- Queried whether initiatives whose Government funding had ceased will be maintained by the council funding them or if they will be

closed. *The Cabinet Member for Finance explained that once central government funding for grants and initiatives is removed that funding cannot be sustained as this widens the budget gap.*

- Queried whether the Cabinet and officers are confident the Government will meet the council's Covid-related costs. *The Leader confirmed the council is lobbying the Government directly as well as via the County Council Network (CCN) and MPs network. £1.5bn has been set aside by the Government so this council will continue to monitor and report its costs to central Government.*
- Reiterated the links between the aims in the Reset Plan and the savings in the budget update, and how the budget will meet the Plan's priorities. *The Cabinet Member for Finance welcomed any suggestions from Members during the budget process or directly. The Leader highlighted that of the £600m revenue collected from council tax, the council spends £200m to support adult social care and £100m to support children's social care, so it is important to deliver effective services.*
- Expressed concern regarding the proposed removal of the Community Infrastructure Fund (CIF).
- Discussed the opportunities offered from increased home working to review county building assets, balanced with the need for services to retain a team dynamic. *The Cabinet Member for Finance confirmed that all county sites will be reviewed.*
- Commented on the possible consequences for staff welfare of closing the Martlets canteen at County Hall.
- Suggested that it would be helpful for the business as usual savings [page 161] to be detailed by portfolio area, and encouraged the scrutiny committees to consider how the savings trends have impacted the performance of services over recent years.
- Queried what happens if further service savings cannot be made and the council is unable to balance its budget. *The Director of Finance explained the legal requirement to deliver a balanced budget and the process if this is not possible. The Cabinet Member for Finance clarified this council is some way from being unable to balance the budget, but the process does illustrate the importance of replenishing council reserves to plan ahead for times of need.*
- Recognised that the setting of the council's budget is an incredibly difficult task and expressed thanks to the Cabinet Member for Finance and Director of Finance and Support Services for their work.

94.5 Resolved:

- 1) That the Committee notes the ongoing uncertainty around the detail to bridge the gaps to deliver this balanced budget due to the lack of clarity and detail as yet in the funding reports from central Government;
- 2) That the Committee notes the budget details to treat the priorities are difficult and acknowledges the need for flexible options at present;
- 3) That the Committee notes the savings currently being worked up and requests further detail on these in due course;

- 4) That the Committee supports the continued lobbying of government on funding;
- 5) That the Committee recognises the need for the budget to meet the priorities in the Reset Plan and welcomes the detail of this at the appropriate time; and
- 6) That the Committee suggests it would be helpful for the business as usual savings to be detailed by portfolio area, and encourages the scrutiny committees to consider how savings trends have impacted the performance of services over recent years.

95. Requests for Call-in

95.1 Resolved – That the Committee note the report from the Director of Law and Assurance in relation to the rejected call in of Award of contract: Enabling works contract, Horsham Enterprise Park OKD39 (20/21).

96. Work Programme Planning and Possible Items for Future Scrutiny

96.1 The Committee made comments regarding the work programme planning including those that follow. It:

- Agreed to scrutinise the Broadbridge Heath Retail Scheme decision due to be taken in January 2021.
- Agreed to schedule an additional formal meeting on 22 February 2021 for scrutiny of the Horsham Enterprise Park development.
- Commented that the information on the People Framework received so far has been very high level, that the Committee would like more information on how its aims will be achieved, and agreed that the People Framework be scheduled for further scrutiny at the March 2021 meeting. The Chairman noted the previous suggestion to have a liaison member of this committee work closely with the Director of HR and Organisational Development on the Framework and report back to the committee, and asked that this request be chased up. *The Cabinet Member for Economy and Corporate Resources confirmed officers are working on performance indicators specific to the People Framework and these are due to be presented to public Cabinet on 27 January 2021.*
- Agreed to scrutinise the Review of Fees and Charges decision (January 2021) at the January committee meeting as part of the Budget item. The report should cover exception reporting only (changes above inflation). *The Director of Finance and Support Services will clarify if the report will be sufficiently progressed for the January meeting.*

96.2 Resolved – That amendments to the Committee's work programme be made as agreed above.

97. Date of Next Meeting

97.1 The Committee notes its next meeting will take place on 20 January 2021, commencing at 10.30am by virtual meeting.

Performance and Finance Scrutiny Committee

20 January 2021 – At a meeting of the Performance and Finance Scrutiny Committee held at 10.30 am by virtual meeting with restricted public access.

Present: Cllr J Dennis (Chairman)

Cllr Montyn	Cllr M Jones	Cllr Waight
Cllr Barrett-Miles	Cllr Lea	Cllr Walsh
Cllr Boram	Cllr Smytherman	Cllr Patel
Cllr Catchpole	Cllr Sparkes	
Cllr Hillier	Cllr Turner	

Apologies were received from Cllr Bradford and Cllr Kitchen

Also in attendance: Cllr Hunt, Cllr Lanzer, Cllr Marshall, Cllr Crow, Cllr Elkins, Cllr A Jupp, Cllr N Jupp, Cllr Russell and Cllr Urquhart

Part I

98. Declarations of Interest

98.1 Personal interests were declared in relation to the Revenue Budget item as follows:

- Cllr Smytherman as Chair of the Worthing Dementia Action Alliance,
- Cllr Lea as a Member of Mid Sussex District Council,
- Cllr Walsh as Leader and Member of Arun District Council.

98.2 Cllr Lea declared a personal interest in the Reset Plan item due to a professional interest in artificial intelligence and data analytics.

99. Business Planning Group (BPG) Membership

99.1 The Chairman thanked Cllr Peter Catchpole for his service as Vice Chairman of the Committee.

99.2 The Committee noted the appointment of Vice Chairman Cllr Pieter Montyn to the BPG.

100. Responses to Recommendations

100.1 The Chairman confirmed a response has been received from the Chairman of the Regulation, Audit and Accounts Committee regarding audit planning and internal control testing, and informed the committee the points were satisfactorily addressed at the recent RAAC meeting.

100.2 The committee noted the response from the Chairman of the Children and Young People's Services Scrutiny Committee to the recommendations made regarding the current situation around Children Looked After.

100.3 Resolved – That the Committee notes the responses.

101. Revenue Budget 2021/22, Capital Strategy 2021/22 to 2025/26, and Treasury Management Strategy Statement 2021/22

101.1 The Committee considered the Revenue Budget 2021/22, Capital Strategy 2021/22 to 2025/26, and Treasury Management Strategy Statement 2021/22 report by the Director of Finance and Support Services (copy appended to the signed minutes).

101.2 The Leader introduced the report and highlighted the challenge in budget setting for all local authorities with the backdrop of the Covid pandemic. The Budget is presented in the context of the Reset Plan and aims to deliver its priorities.

101.3 The Cabinet Member for Finance introduced the report and highlighted the work that has gone into balancing the budget and supporting residents in unprecedented times. Thanks was offered to the Finance team for their hard work in a challenging timeline, and Members for their understanding of the financial limitations faced by the council. The predicted budget shortfall in November has been mitigated by savings identified by the services, and now the provisional Government settlement has been received some of the proposed savings measures can be removed. The revenue spend has been increased year on year by 5.2% which supports key services for residents. Spending has been re-profiled to allocate extra funding to two priority areas, highway maintenance and supporting the council's aim to be carbon neutral by 2030. The funding challenge is expected to continue in 2022/23.

101.4 The Director of Finance and Support Services outlined key information to note in the budget. Key concerns in setting the budget include the uncertainty of Government funding streams, uncertainty in long term funding of adult social care, and the ongoing effects of responding to the Covid pandemic, however the budget for 2021/22 is balanced without relying on reserves which gives strength to the council's financial position.

101.5 The chairmen of the service scrutiny committees were asked to update the committee with any recommendations or comments from their scrutiny discussions on the budget proposals, as follows:

- Children and Young People's Services Scrutiny Committee (CYPSSC) chairman welcomes increased financial support for the service. Proposals for reductions in the Early Help service are out for consultation and will be further scrutinised at the appropriate time.
- Health and Adult Social Care Scrutiny Committee (HASC) chairman noted a Task and Finish Group will be established to look at the savings in adult social care. The committee noted concern regarding reductions to respite services and the resulting effect on families.
- Environment and Communities Scrutiny Committee (ECSC) chairman welcomed the removal of four key savings proposals and the committee supported the business as usual savings.
- Fire & Rescue Service Scrutiny Committee (FRSSC) chairman noted the Fire & Rescue Service were allowed to offset their savings

against the deferment of investment required to facilitate crewing arrangements. *The Cabinet Member for Fire & Rescue and Communities confirmed that this was due to significant savings having been made over the last decade and acknowledged the service requires investment to facilitate improvement.*

101.6 The Committee made comments in relation to the Revenue Budget 2021/22 proposals including those that follow. It:

- Expressed concerns regarding the significant external risks to the council's budget, particularly the Comprehensive Spending Review, and the long term impact on the economy as a consequence of Covid and Brexit.
- Recognised the exceptional difficulty of setting a balanced business as usual budget given the ongoing financial uncertainty around the Government's Fair Funding Review and levelling up agenda.
- Expressed disappointment at the ongoing lack of clarity from the Government on future funding of adult social care and the funding freeze of the Public Health Grant. Highlighted the need to continue investment in prevention and encouraging residents to live healthy lives given the effects of Covid.
- Urged continued lobbying of Government and West Sussex MPs for improved certainty and additional funding. *The Cabinet Member for Finance confirmed the council continues to lobby the Government, MPs and via the County Council Network.*
- Commented that the Reset Plan prioritises and focuses resource towards vulnerable residents but other residents may receive reduced services. *The Cabinet Member for Finance stated vulnerable residents and statutory services must be protected, and reiterated that assistance is available via District and Borough councils for residents experiencing general hardship during the pandemic.*
- Raised concerns on the impact to families from the proposed redesign of Early Help and the preventative services provided. *The Cabinet Member for Children and Young People confirmed the proposal will be considered following the public consultation taking place this summer.*
- Queried the deferred investments in the Fire & Rescue Service budget and the resulting impact.
- Welcomed the additional investment in highway maintenance.
- Supported the inclusion of the Fees and Charges decision within the Budget report.
- Asked about the measures being taken to improve economic restoration and mitigate against employment risks. *The Cabinet Member for Economy and Corporate Resources confirmed the Economic Reset Plan has been improved and work is being undertaken to manage the economic situation. Government help for particular economic sectors has been requested i.e. aviation and tourism.*
- The attendance of Cabinet Members at the meeting was welcomed as this resulted in questions being largely answered during the meeting.

101.7 The Executive Director of Place Services introduced the Capital Strategy 2021/22 to 2025/26 report which outlines the principles,

priorities, delivery and governance of the programme. A thorough review of the Capital Strategy has been undertaken and highlighted the extra investment in highway improvements and allocation of funds to climate change initiatives to support the council's priorities.

101.8 The Committee made comments in relation to the capital strategy, including those that follow. It:

- Expressed concern that little progress has been made with managing the council's surplus assets and that the council's property portfolio could be better utilised. Commented that PropCo projects should make progress with more pace and encouraged extra resource be provided to the property team. *The Cabinet Member for Finance confirmed PropCo projects are moving forward to maximise returns and best value for money at the right time. A number of assets are due to complete shortly, and some have been used to support housing and intentionally homeless initiatives. Suitable assets have been identified to go into the proposed Joint Venture (JV) in due course, and the JV will come to this committee for pre-decision scrutiny at its March meeting.*
- Queried if the council will be able to bid for funds from the National Infrastructure Strategy in order to reduce the use of Capital Programme funding. *The Executive Director for Place Services confirmed an update will be provided on the Fund once the Government decision on the allocation of funds is known.*
- Queried in relation to the flexible use of Capital Receipts Strategy whether this is the capitalisation of salaries for the Transformation projects. *The Director of Finance and Support Services explained that an element is capitalisation of salaries but it includes a number of other projects as outlined in Appendix E.*
- Queried the £1m included for climate change and what this will be used for. *The Executive Director of Place Services confirmed the money would be used to implement measures included within the Carbon Management Plan and also to enhance buildings to be more environmentally friendly.*

101.9 The Financial Reporting Manager introduced the Treasury Management Strategy Statement 2021/22 report and outlined key information on debt, investments, external and internal borrowing, and use of short-term money market funds.

101.10 The Committee made comments in relation to the Treasury Management Strategy Statement, including those that follow. It:

- Queried the counterparty risk associated with borrowing in relation to money laundering mentioned at 6.5 in the report. *The Financial Reporting manager confirmed this is generic wording and there is no risk to the council as risky lenders are avoided.*
- Thanked Treasury officers for a comprehensive and high quality report, and for their hard work during the year.

101.11 Resolved – That the Committee:

- 1) Note the significant external risks to the budget, particularly the Comprehensive Spending Review and the impact on the economy as a consequence of Covid;

- 2) Recognise the exceptional circumstances and challenges in setting this budget and support the continued lobbying and challenge of central government to secure additional funding, particularly for adult social care funding and the Public Health grant;
- 3) Raise a number of concerns about the proposed provision of services, including particular concerns on the Early Help redesign; and
- 4) In relation to the Capital Strategy, highlight the need to appropriately manage the surplus county assets in the property portfolio.

102. West Sussex Reset Plan and Key Performance Indicators

102.1 The Committee considered the West Sussex Reset Plan report by the Chief Executive (copy appended to the signed minutes).

102.2 The Leader introduced the Plan which outlines what the council aims to achieve for its residents in the period 2021/22 to 2025. The Plan reflects the priorities of residents and has been developed collaboratively with staff, Members, council partners and stakeholders. Its focus is post-Covid and it has been developed alongside the 2021/22 Budget presented to the Committee. The Plan will report on a quarterly basis and be updated annually.

102.3 The Chief Executive introduced the report and noted the committee's feedback on the Plan's key performance indicators (KPIs) at its previous meeting has been listened to. The Plan is a live document, ambitious but realistic, and it will be flexible to change as needed.

102.4 The chairmen of the service scrutiny committees were asked to summarise the discussion and outcome of the debate at their January meetings to review the Reset Plan and key performance indicators (KPIs) relevant to them, as follows:

- Children and Young People's Services Scrutiny Committee (CYPSSC) chairman confirmed the committee agreed the KPIs are appropriate and challenging but base data was needed to provide a context in relation to the targets included. It was suggested that adding a measure on the Early Help work be considered.
- Health and Adult Social Care Scrutiny Committee (HASC) chairman confirmed the committee had requested more challenging KPI targets to ensure good monitoring of the services. It was suggested KPIs for healthy weight at mid-life, healthy life expectancy of BAME residents and a KPI in relation to Mental Health should be added.
- Environment and Communities Scrutiny Committee (ECSC) chairman confirmed most of that committee's suggestions had been included within the Plan and the KPIs provide a good framework.
- Fire & Rescue Service Scrutiny Committee (F&RSSC) chairman confirmed committee were satisfied with the KPIs and they are consistent with the Service Improvement Plan.

102.5 The Committee made comments in relation to the Reset Plan, including those that follow. It:

- Welcomed the Reset Plan and KPIs and supported the continued development and review of the Plan and indicators over time.
- Commented that the Committee would have liked more involvement on the development of the Reset Plan and performance indicators, and that a full and detailed review has not been possible due to the limited time frame. Similarly the Committee has not been involved in the development of the Quarterly Performance Monitor. It was recognised that the documents will continue to develop over time, and it was requested that scrutiny members are involved in any further review of performance monitoring or reporting to help ensure effective scrutiny.
- Looks forward to reviewing the Reboot Plan at the appropriate time with details of how the performance aims will be achieved.

102.6 The Committee made comments in relation to the proposed KPIs, including those that follow:

- Regarding KPI no. 18 (A and B road maintenance) that the target percentage should be reviewed as it is not stringent enough to encourage a real improvement across the counties roads.
- Regarding no. 24 (growth deals in place) that as growth deals are already in place the indicator is not useful. *The Cabinet Member for Economy and Corporate Resources noted it demonstrated a level of commitment to the economy in difficult times but will consider this feedback.*
- Regarding no. 41 (killed and seriously injured casualties) that the measure should not be removed and improvement is needed.
- Regarding no. 45 (Member induction) that the KPI should be about on-going Member training, not just induction.
- Regarding no. 46 (Governance) that consideration is needed on how to measure the qualitative aim of understanding. *The Cabinet Member for Economy and Corporate Resources confirmed there will be a change to nos. 45 and 46 to ensure they are influenced by the cross-party Member Development Group.*
- Regarding no. 49 (productivity of assets) that it carries the risk of compacted usage reducing productivity.
- Regarding no. 50 (Value for money) that this is a core issue for the council, that little information is provided on this in the quarterly Total Performance Monitor (TPM) report, and encouraged including a value for money KPI for all key council services. *The Director of Finance and Support Services explained that obtaining proper comparisons for a value for money indicator is extremely difficult, however officers are working on what composite data sources could be used.*
- Reiterated the feedback at the December meeting that value for money indicators which link to financial management should be included in the Reset Plan, and encouraged that this be in relation to individual service areas rather than overall.
- Commented that the Fire & Rescue Service already has regular performance measures in a balanced scorecard approach and encouraged that this be considered for other council services.
- Queried if the council's Public Satisfaction Survey had been run recently, and if so supported inclusion of an overall 'customer

satisfaction' type indicator based on consultation feedback from residents. This is an important measure to gauge how well services provided by the Council are received. *The Chief Executive confirmed surveying of residents occurs regularly and it will be added in future if needed. It is important to be mindful that 80% of the council's income is spent on 20% of residents which can affect perception.*

102.7 Resolved – That the Committee:

- 1) Recognise the Plan and KPIs have been developed at pace and there has not been time to enable a full and detailed review of the KPIs, nor has the Committee been as involved in the performance monitoring reporting and the development of the Quarterly Performance Monitor report as would have been preferred;
- 2) Recognise that work will continue to develop the performance indicators, and welcome the improvement on the existing performance measures and agree these are moving in the right direction;
- 3) Reiterate the principles agreed at the December meeting of the Committee on including value for money indicators which should link to financial management, and welcome more information included on this area; and
- 4) Recommend that developing the different style of KPIs afforded to the Fire & Rescue Service be considered for other council services to produce a balanced scorecard approach.

103. Endorsement: Broadbridge Heath Retail Scheme

103.1 The Committee considered the draft Endorsement: Broadbridge Heath Retail Scheme decision report by the Director of Property and Assets (copy appended to the signed minutes).

103.2 The Cabinet Member for Finance introduced the report and highlighted that the Highways Depot site has been redundant since being declared surplus in 2018. The development design holds good potential for generating income and aligns with the commercial and retail use as designated in Horsham District Council's Local Plan. The proposed tenants are secure blue-chip retail companies and a pre-let agreement will be signed before development begins.

103.3 The Director of Property and Assets introduced the report. It was highlighted that the council regenerating the site ensures autonomy over its design, will increase employment in the local area, and provides the council with a revenue return.

103.4 The Committee made comments in relation to the draft Broadbridge Heath Retail Scheme decision report, including those that follow. It:

- Reflected on the effect of out of town retail developments on the economic decline of High Streets. *The Cabinet Member for Finance*

reiterated the area is designated for retail in the Local Plan and that the potential tenants would not consider High Street units.

- Supported increasing revenue income to the council for future budget setting, and welcomed the predicted 6.91% yield on the development.
- Raised positive and negative views about the effect of the pandemic and related national lockdowns on the retail industry in the changing economic environment.
- Noted the viability study for the development was undertaken in 2019, suggested this be reviewed to ensure it is still viable before taking the scheme forward, and recommended that a sensitivity analysis be undertaken to ensure the scheme remains financially viable when different variables and risks are taken into account. *The Director of Property and Assets confirmed officers are confident in the predicted development costs and hold planned contingency funds which should not be required, and that the investment return will be constantly monitored.*
- Encouraged that tenants be locked in before development begins. *The Director of Property and Assets confirmed tenants will be locked in via an Agreement to Lease*
- A Member suggested amendments be made to strengthen the recommendations in the draft decision report. There was agreement that recommendations 1 and 3 be amended and that a further recommendation 6 be added that both recommendations 3 and 4 be contingent and provisional on the other [as detailed in the recommendations below].
- Highlighted the use of private vehicles by shoppers to access out of town retail units and raised concerns on whether the proposed development supports the council's commitment to tackling climate change. Suggested mitigation measures be considered to relieve the carbon footprint and increase the site's green credentials, which could include electric vehicle (EV) charging points and solar panels. Including a significant number of EV points was particularly highlighted in relation to the Government's focus on ending manufacture of petrol and diesel vehicles. *The Director of Property and Assets confirmed that as many measures as practical will be included to relieve the carbon footprint of the development which may include solar panels on the roof if appropriate.*
- Noted concern about a potential increase to litter and encouraged measures be put in place to prevent or penalise litter on the highway.

In order to consider the Restricted Appendices A and B, the public and press were excluded from the meeting under Part I of Schedule 12A of the Local Government Act 1972, paragraph 3 Financial or business affairs, and the Committee entered private Part II discussion. The public meeting was paused at 3.58pm and resumed at 4.59pm. The Part I public summary of the Part II restricted discussion is as follows. It:

- Discussed the viability of the retail development in the current and future economic climate.
- Discussed options for developing the land and commented on balancing risk against revenue income.
- Sought reassurance the property team had the capacity to progress the project.

- Highlighted issues regarding impact on the highway.
- Made suggestions about the format of future property decision reports.

103.7 Consensus was reached by the Committee to support the retail scheme development and make recommendations to the Cabinet Member for Finance. Cllr M Jones and Cllr Lea wished it recorded that they do not support progressing the scheme.

103.8 Resolved – That the Committee:

- 1) Recommend the Council’s climate change policy should be taken into account when developing the site and measures taken to reduce the carbon footprint, with particular reference to the provision of electric vehicle charging points and solar panels;
- 2) Recommend amendment to the draft decision report recommendations, to be included as follows;

That the Cabinet Member:

- i. Subject to revalidating viability, approves the regeneration of an under-utilised asset to deliver a Retail Park at Broadbridge Heath, Horsham with the allocation of £15.47m from the capital programme to fund the completion of the project to construct a development on this site consisting of up to four units;
- ii. Authorises entering into pre-let arrangements by way of conditional Agreements to Lease with the four preferred retailers; the Agreements will commit the County Council to the construction of this scheme, to the retailers’ specifications, conditional upon satisfactory planning permission and completing the works. The terms of the agreements remain commercially confidential;
- iii. Delegates authority to the Director of Property and Assets with the Director of Law and Assurance to finalise the terms of the agreements to lease which have sufficient terms to guarantee cost recovery;
- iv. Authorises the commencement of procurement for the construction contract;
- v. Subject to receipt of satisfactory planning permission delegates authority to the Director of Property and Assets to award the construction contract; and
- vi. That both recommendations 3 and 4 be contingent and provisional on the other.

- 3) Recommend that future property decision reports include a sensitivity analysis and use risk adjusted rates to calculate the gross/net development value (GDV/NDV).

104. Possible Items for Future Scrutiny

104.1 No additional items or decisions were identified for addition to the committee’s work programme.

Agenda Item 3

104.2 The Chairman informed the committee that it has been agreed with members of the Recommissioning of Support Services Task and Finish Group (TFG) that the TFG be disbanded as scrutiny of the next stages of the decision will be brought before the full scrutiny committee at its 11 March meeting.

105. Date of Next Meeting

105.1 The Committee notes its next meeting will take place on 22 February 2021, commencing at 10.30am.

The meeting ended at 5.04 pm

Chairman

10 February 2021

Joy Dennis
Chairman
Performance and Finance Scrutiny Committee

Dear Joy

Ref. Recommendations from the Performance and Finance Scrutiny Committee (PFSC) concerning proposed endorsement of the Broadbridge Heath Regeneration Scheme

Thank you for your letter of 21 January 2021 containing the recommendations of PFSC following scrutiny of the Broadbridge Heath Regeneration Scheme at its meeting on 20 January 2021. I have considered the recommendations and have addressed them as follows:

The Committee raised concerns over the viability of the scheme in the changing economic environment and suggested that further evidence be considered to assess viability including expectations for cost recovery before taking the scheme forwards. I have agreed to ensure that such additional evidential assurance is available to reinforce the proposal; this will include:

- a. Reviewing cost estimates for the capital works to ensure that they are robust and that sufficient 'contingency' is built into the cost estimates to cover eventualities coming forward
- b. Ensuring that the rental levels are agreed and fixed prior to entering into the 'agreement to lease'
- c. That a 'viability check' is undertaken prior to entering into any binding agreement.

The Committee asked that sensitivity analysis be undertaken to ensure the scheme remains financially viable when different variables and risks are taken into account. I have looked at the overall scheme and ensured there is sufficient robustness in the proposals to mitigate WSCC against any significant variations. In particular rental levels will be fixed as part of the agreement to lease and construction costs will be rigorously managed during the development of the scheme.

The Committee enquired whether there were mechanisms available to reset the timelines for the process so that the planned contract award could be linked to the outcome of the planning application. However, the relationship between the appointment and the planning process has already been addressed and it is not proposed that any further change in the proposal be made.

Agenda Item 6

The Committee also asked that the Council's climate change strategy be taken into account when developing the site. Due to the development being an out-of-town site it was considered important to explore options that would enable the development of the site to contribute to the Council's realisation of its carbon reduction ambitions. This will continue to be addressed through the plans for the development in so far as such aims can be realised.

I thank the committee for its attention to this regeneration scheme and look forward to future conversations as progress on the project is monitored.

Yours sincerely,

Jeremy Hunt
Cabinet Member for Finance

Extract of the Forward Plan of Key Decisions – published 10 February

Decision Maker	Subject Matter	Date
Executive Director Place Services	Award of Contract: Crawley Growth Programme Eastern Gateway Scheme	February 2021
Executive Director Place Services	Award of Contract: Crawley Growth Programme Manor Royal Scheme	February 2021
Executive Director Place Services	Award of Contract: Horsham Enterprise Park Delivery Partner	February 2021
Executive Director Place Services	Award of Contract: Joint Venture Partnership for County Council Property Development	March 2021
Cabinet Member for Finance, Leader	Performance Monitor (Rolling Entry)	Between April 2020 and March 2021
Cabinet Member for Finance	Property Review (Rolling Entry)	Between April 2020 and March 2021
Cabinet	Emergency Central Government Funding (Rolling Entry)	Between February 2021 and February 2022
Cabinet Member for Economy and Corporate Resources	Procurement: Construction Framework Arrangement	February 2021

Members please note: on 10 February the Horsham Enterprise Park Delivery Partner decision was moved forward from March to February to 'facilitate commencement of the project'.

Executive Director Place Services**Award of Contract: Crawley Growth Programme Eastern Gateway Scheme**

In August 2017 the Leader approved the Crawley Growth Programme [LDR04 17.18](#) and following approval of the business case by the Coast to Capital Local Enterprise Partnership, delegated authority to the (then entitled) Executive Director Economy, Infrastructure and Environment to progress the projects.

The £8.35m Eastern Gateway scheme is a key project within the growth programme and seeks to improve connectivity between the town and key development sites in the vicinity of the proposals including the Town Hall, County Buildings, Crawley College and Telford Place. In February 2019, the Executive Director approved the commencement of the tender process to secure a design and build Contractor through the WSCC Highways Design and Build framework. The design contract (stage 1) was awarded to Volker Fitzpatrick.

The Executive Director Place Services will now be asked to award the construction phase of the contract and endorse the final budget allocation not exceeding £8.35m. The budget is from within the Crawley Growth Programme total allocations.

Decision by	Lee Harris - Executive Director Place Services
West Sussex Plan priority	Prosperous Place
Date added	23 April 2020
Month	February 2021
Consultation/ Representations	Community engagement and online feedback opportunities were undertaken May to July 2018. The Crawley Growth Board will be consulted on final designs. Representation can be made via the officer contact prior to the month in which the decision is to be taken.
Background Documents (via website)	None
Author	Marie Ovenden Tel: 033 022 23854
Contact	Suzannah Hill Tel: 033 022 22551

Executive Director Place Services**Award of Contract: Crawley Growth Programme Manor Royal Scheme**

In August 2017 the Leader approved the Crawley Growth Programme [LDR04 17.18](#) and following approval of the business case by the Coast to Capital Local Enterprise Partnership, delegated authority to the (then entitled) Executive Director Economy, Infrastructure and Environment to progress the projects. The Manor Royal Highways improvement scheme is comprised of two parts: Part 1- Manor Royal County Oak one-way scheme and London road junction improvements; Part 2 – provision of a Bus lane in the Manor Royal road.

<p>The Executive Director Place Services will be asked to award the construction phase of the contract and endorse the final/total budget allocation to the highways improvement scheme. The total budget will not exceed £3.308m (bus lane, highways and bus lane extension). The budget is from within the Crawley Growth Programme total allocations.</p>	
Decision by	Lee Harris - Executive Director Place Services
West Sussex Plan priority	Prosperous Place
Date added	23 April 2020
Month	February 2021
Consultation/ Representations	<p>A public engagement exercise ran for four weeks from 5 February 2019 to 5 March 2019. The Crawley Growth Board will be consulted on final designs.</p> <p>Representation can be made via the officer contact prior to the month in which the decision is to be taken.</p>
Background Documents (via website)	None
Author	Marie Ovenden Tel: 033 022 23854
Contact	Suzannah Hill Tel: 033 022 22551

Executive Director Place Services

Award of Contract: Horsham Enterprise Park Delivery Partner	
<p>A public procurement process to secure a single delivery partner to develop out the Horsham Enterprise Park scheme was authorised by the County Council Cabinet (Key Decision report CAB13 19/20). The procurement procedure was conducted under the UK Concessions Contracts Regulations 2016 and commenced 03 July 2020 (OJEU Contract Notice 2020/S 129-317995). The Executive Director Place Services will be asked to endorse the award of the contract to the successful tenderer.</p>	
Decision by	- Executive Director Place Services
West Sussex Plan priority	A Prosperous Place
Date added	1 December 2020
Month	February 2021
Consultation/ Representations	<p>Performance and Finance Scrutiny Committee.</p> <p>Representation can be made via the officer contact in the month prior to that in which the decision is to be taken.</p>
Background Documents (via website)	None

Author	Gary Cox Tel: 07540 319069
Contact	Suzannah Hill Tel. 033022 22551

Executive Director Place Services

Award of Contract: Joint Venture Partnership for County Council Property Development	
<p>The Executive Director Officer for Place Services will be recommended to confirm that the County Council enters into a Joint Venture Partnership Agreement with the successful bidder in the procurement process undertaken following decision FR05 19-20 28/06/2019 (effective from 10/07/2019) Procurement - Property Development Enterprise to work in partnership with the County Council.</p> <p>The successful bidder is to provide property development resources and services in order to bring forward for development the identified areas of land in which the Council has an interest, subject to assessment of commercial viability and value in accordance with the Partnership Agreement. The contract term and start date will be confirmed in the report as will the approach to and mechanisms for decisions of the partnership and joint venture arrangements which were part of the procurement process.</p>	
Decision by	Lee Harris - Executive Director Place Services
West Sussex Plan priority	A Prosperous Place
Date added	14 January 2021
Month	March 2021
Consultation/ Representations	Performance and Finance Scrutiny Committee 11 March 2021 Representation can be made via the officer contact in the month prior to that in which the decision is to be taken.
Background Documents (via website)	None
Author	Malcolm Mayo Tel: 033022 23031
Contact	Suzannah Hill Tel: 033022 22551

Cabinet Member for Finance, Leader

Performance Monitor (Rolling Entry)	
<p>The Monitor details the Council's performance in relation to revenue and capital spending, savings, workforce projections, performance and risk by portfolio against the Cabinet's key priorities. The Leader and Cabinet Member for Finance will be recommended to approve the Performance Monitor and any items of financial and performance management within the Monitor.</p>	
Decision by	Cllr Marshall - Leader Cllr Hunt - Cabinet Member for Finance

West Sussex Plan priority	A Council that Works for the Community
Date added	1 April 2020
Month	Between April 2020 and March 2021
Consultation/ Representations	Representation can be made via the officer contact.
Background Documents (via website)	None
Author	Fiona Morris Tel: 033 022 23811
Contact	Suzannah Hill Tel: 033 022 22551

Cabinet Member for Finance

Property Review (Rolling Entry)	
<p>The County Council's Future West Sussex Plan set out its ambition to minimise the burden of local taxation, delivering the best outcomes for residents with the money it spends, whilst living within its means. In 2018 the County Council agreed to adopt an Asset Management Policy and Strategy. An objective of the strategy is to acquire, manage, maintain and dispose of property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities.</p>	
Decision by	Cllr Hunt - Cabinet Member for Finance
West Sussex Plan priority	A Council that Works for the Community
Date added	1 April 2020
Month	Between April 2020 and March 2021
Consultation/ Representations	Representation can made via the officer contact.
Background Documents (via website)	None
Author	Elaine Sanders Tel: 033 022 25605
Contact	Suzannah Hill Tel. 033 022 22551

Cabinet

Emergency Central Government Funding (Rolling Entry)
<p>Due to the ongoing public health emergency the County Council has received a number of support packages from Central Government. As funds are received the Council needs to determine arrangements to distribute, allocate or make other preparations for the appropriate use of funds received.</p>

Agenda Item 8

The relevant decision maker will be determined by the intended use of the allocated funds. The Council may be required to comply with a number of conditions set out in the terms of the grant which may mean decisions need to be taken quickly due to the need to provide timely financial support related to the Covid-19 pandemic. Members will be consulted or advised of planned decisions with as much notice as can be provided.

Decision by	CAB - Cabinet
West Sussex Plan priority	A Council that Works for the Community
Date added	28 January 2021
Month	Between February 2021 and February 2022
Consultation/ Representations	Representation can made via the officer contact.
Background Documents (via website)	None
Author	Tony Kershaw Tel: 033 022 22662
Contact	Erica Keegan Tel: 033 022 26050

Cabinet Member for Economy and Corporate Resources

Procurement: Construction Framework Arrangement	
<p>The County Council carries out repair, maintenance and refurbishment work throughout the corporate estate, a construction framework arrangement is required to deliver work around and within the County Council buildings. This will include repairs and refurbishment as well as new build requirements where needed. It will enable the County Council to place works orders with a variety of qualified contractors to deliver works that fall outside of the current maintenance contract.</p> <p>The anticipated spend through the new Framework is approximately £48m over a maximum term of 4 years. The value of the Framework is greater than £4,733,252 ex VAT so, in order to comply with the requirements of EU/UK law (the Public Contract Regulations 2015) and the County Council's Standing Orders on Procurement and Contracts, an OJEU procurement must be run to establish a new Framework Agreement.</p> <p>The Cabinet Member will be asked to agree to the commencement of a procurement process to begin in September 2020, contract to be awarded in January 2021 and commence on 1 February 2021 and to delegate to the Director of Property and Assets, the authority to award contract/contracts. Further forward plan entries and decision reports will be published as appropriate.</p>	
Decision by	Cllr Lanzer - Cabinet Member for Economy and Corporate Resources
West Sussex Plan priority	A Council that works for the Community
Date added	24 January 2020

Month	February 2021
Consultation/ Representations	Internal and external stakeholders, the incumbent supplier and market suppliers. Representation concerning this proposed decision can be made via the officer contact prior to the month in which the decision is due to be taken.
Background Documents (via website)	None
Author	Stephen Allan Tel: 033 022 25192
Contact	Suzannah Hill Tel: 033 022 22551

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Performance and Finance Scrutiny Committee

22 February 2021

Award of Contract: Horsham Enterprise Park Delivery Partner

Report by Director of Law and Assurance

Summary

A public procurement process to secure a delivery partner to develop the Horsham Enterprise Park scheme was authorised by Cabinet Decision (CAB13 19/20). The procurement process is now complete and the Executive Director Place Services will be asked to confirm the award of the contract to the successful bidder to give effect to the member decision previously subject to scrutiny.

The attached report sets out again the aims and objectives of the scheme as approved by members for the delivery of the Horsham Enterprise Park scheme on land acquired by the County Council with particular aims linked to the local economy. The steps to deliver the scheme include entering into a development agreement with a development partner, who would carry out commercial and residential development in accordance with the approved outline planning permission for the site.

The main features of the scheme are to develop a mixed-use development of employment space and up to 300 new homes, including provision of 35 per cent affordable housing.

£4.157m is to be drawn from the Horsham Enterprise Park capital programme allocation to progress the development.

Focus for scrutiny

The Committee is asked to note the background and progress of the scheme which has led to the proposed award of contract for the Delivery Partner (as set out in the report attached). Key areas for scrutiny include:

- 1) That the Committee is satisfied the scheme will continue to deliver the aims and objectives of the original proposal for the site;
- 2) That the development proposals will still meet the Council's objectives given the changing economic position;
- 3) That the procurement process and outcome have not altered the expected achievement of the scheme's aims;
- 4) That risks of the development have been identified and are being actively managed; and

- 5) That the Committee recognises the purpose and value of the use of £4.157m from the Horsham Enterprise Park capital programme allocation.

The Chairman will summarise the output of the debate for consideration by the Committee.

Details

Development of the Horsham Enterprise Park has been brought to the committee a number of times through its development journey. The first formal scrutiny took place in November 2015 at a joint meeting with the Environment and Communities scrutiny committee where the final business case was reviewed and purchase of the site supported. This committee last scrutinised the development in January 2020 when the Development Agreement was supported as the way forward.

Further background and context to this item for scrutiny are set out in the attached reports listed below.

Tony Kershaw

Director of Law and Assurance

Contact Officer

Susanne Sanger, Senior Advisor, Democratic Services, 033 022 22550

Appendices

Annex A – Part II (*available for Members only*) Draft Decision Report – contract award

Appendices 1 to 5 – Part II (*available for members only*) Procurement process information

Background papers

None

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