

Cabinet
Wednesday 2 February 2022

Comments from the Overview and Scrutiny Commission
at its meeting on Monday 31 January 2022
OSC/300

1. Cabinet Agenda Item 7 – 2022/2023 Budget and Council Tax

Comments and Recommendations

The Commission considered report [FIN/549](#) with the Leader of the Council, Head of Corporate Finance and the Chief Accountant. During the discussion, the following points were expressed:

- Due to the variation in the inflation estimate, the accuracy of this within the fees and charges was queried. The Council's financial advisors currently provide advice and model the inflation estimates. It was an assessment to increase fees whilst still providing services, without impacting on service users.
- Clarification as to whether an environmental review would take place on the essential and casual car user allowances, together with the employment benefit analysis. It was acknowledged it would be a substantial change for officers involved and there was a need to make savings at a time when the council was struggling to recruit. Whilst work had taken place there was not a demand to prolong the review.
- Given the current cost to the council for processing cheques it was queried if it was appropriate to charge an administration fee to discourage customers paying by cheque and incentivise other payment options. The pandemic had highlighted that other payment options were available but in other circumstances these had not been used. It was felt assistance should be offered to customers to transfer them to other methods.
- It was queried whether the revenue cost of borrowing as a percentage of revenue spend should be tabled within the report as the cost of borrowing for capital projects had increased. This could be included going forward given the council's current position.
- Confirmation provided regarding the increase capital budget for Tilgate Park lake erosion in that it had previously been agreed with the Park for a certain amount of capital in return for cost-neutrality. This increased fund was required for lake erosion works as a result of environmental improvements required.
- It was noted within the pay policy statement 2022/23 that the pay award had not been agreed within the current financial year. The exact date was currently unknown due to ongoing negotiations.
- Recognition that there were several aspects within the local government finance reforms that could affect the council; business rates, new homes bonus, the Levelling Up paper and any potential restructuring around local government could result in substantial change.
- Confirmation provided that some of the EU exit fund had been spent at Port Health but further funds needed to be allocated.
- Further discussion took place on the supplementary agenda. It was clarified that 121 units referred to households. There was always the need to ease the reliance on bed and breakfast accommodation and increase the provision of temporary accommodation as much as possible. Housing policy was strictly adhered to, and it was also noted that the numbers on the housing register had not reduced over the years.

RESOLVED

That the Commission noted the report, supplementary agenda and requested that the views expressed during the debate, were fed back to the Cabinet through the Commission's Comment sheet.

2. Cabinet Agenda Item 8 – Treasury Management Strategy 2022-2023

Comments and Recommendations

The Commission considered report [FIN/557](#) with the Leader of the Council, Head of Corporate Finance and the Chief Accountant. During the discussion, the following points were expressed:

- Clarity sought and obtained on the likelihood of a negative interest rate and the value of investments as a result of a potential move to a negative rate. It was acknowledged that it was now unlikely to achieve negative interest rates.
- It was commented that commercial investments were shown at the market value from March 2021. It was estimated the investments would stay at the same value. It would be beneficial to have historic cost, valuation and re-valuation. This could be considered as part of the Treasury Outturn report.
- Confirmation that investment net rate of return (net of all costs) included rent *as it was due* for commercial investments: property.

RESOLVED

That the Commission noted the report and requested that the views expressed during the debate, were fed back to the Cabinet through the Commission's Comment sheet.

3. Cabinet Agenda Item 9 – 2021/2022 Budget Monitoring – Quarter 3

Comments and Recommendations

The Commission considered report [FIN/554](#) with the Leader of the Council, Head of Corporate Finance and the Chief Accountant. During the discussion, the following points were expressed:

- Income streams continued to be affected by the pandemic but it was acknowledged that grant funding had been available to assist. It was recognised that this was not a long term sustainable solution.
- Recognition that although the overcharge refunds were going into quarter 3 figures for 2021/22 this was awaiting auditors' agreement.
- It was queried how the pandemic had impacted on contractors' sickness given the high levels of repairs and the costs required.
- Recognition that Three Bridges station was still listed as a capital project and clarification was sought as to the risk if the project did not proceed. It was identified that the funding had been allocated and there was an opportunity to improve the rail and bus infrastructure from the station. It was anticipated a planning application would come forward in March however it would be looking at the same water neutrality implications and the constructions work would have an impact.
- Clarification was sought regarding the memorial gardens play improvements completion. (Note: unfortunately Covid had delayed the installation of a water fountain). Details were also sought as to the major works at Milton Mount flats.
- Confirmation that the 'contingencies' budget included all the major HRA projects.

RESOLVED

That the Commission noted the report and requested that the views expressed during the debate, were fed back to the Cabinet through the Commission's Comment sheet.

4. Cabinet Agenda Item 10 – Extension to Public Space Protection Order (PSPO) – Car Cruising

Comments and Recommendations

The Commission considered report [CH/195](#). During the discussion with the Cabinet Member for Public Protection and Community Engagement, Deputy Chief Executive, Head of Crawley Homes and Tenancy Services Manager, Councillors made the following comments:

- Acknowledgement that additional measures were being investigated to prevent car cruise activity including enforcement, the issuing of warning letters and fixed penalty notices (FPN).
- It was paramount to liaise with local businesses and this had resulted in some successes in key locations associated with car cruises (for example Sainsbury West Green) where additional measures had been installed such as traffic calming and mobile CCTV units.
- Joint working and consultation with the police, WSCC, Manor Royal Business District and Gatwick Diamond Business Watch had proven positive.
- Recognition that whilst liaison had taken place between the police and the car cruise organisers it was not the council's position to propose alternative locations, merely to send a clear message through joint

working and the extension of the PSPO that certain behaviours would not be tolerated and help reassure residents and businesses that unreasonable conduct relating to car cruise activity was being addressed.

- Acknowledgement that the FPN was currently set at a £100 which applied to all individuals taking part in car cruise activity. Following this, on non-payment of the FPN reminder letters can follow and subsequent court action if the fine remained unpaid. Warning letters had been a deterrent for the activity to cease in the past. The amount of fines collected currently resided within the NASB budget.
- Recognition that whilst during March 2019-October 2021 there were 146 incidents reported to the police and 131 incidents reported to the council during the same period, some of these could have been duplicated.
- Confirmation provided that since the PSPO was made, the council had issued 83 breach of PSPO letters. 4 of these related to repeat offenders. Until recently, no fixed penalty notices were issued, 32 have now been issued.
- Acknowledgement that the car cruise gatherings posed both a nuisance and danger to the wider public road users and it was felt the seriousness had not altered, however the frequency of the larger events had increased.
- Recognition that the current car cruise activity was a health and safety concern in addition to an anti-social behaviour issue and the Commission offered its general support for the extension to the Public Space Protection Order – Car Cruising to continue to enhance public safety through a targeted approach.

RESOLVED

That the Commission noted the report and requested that the views expressed during the debate, were fed back to the Cabinet through the Commission's Comment sheet.

5. Cabinet Agenda Item 14 – Crawley Innovation Centre – Draft Towns Fund Business Case

(Exempt Paragraph 3)

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Comments and Recommendations

The Commission considered report PES/395 of the Head of Economy and Planning.

The report requested Cabinet approval for the Towns Fund Business Case which sought a financial contribution from the Crawley Towns Fund for the delivery of the Crawley Innovation Centre project. The Commission was advised of 3 amendments to the recommendations set out in section 2.2 of the report:

The Cabinet is recommended to

- 1) amend the following wording of recommendation 2.2 and in recommendation 2.2(d) as follows:

Amend '£8.6 million' to read '£8.4 million'

- 2) add the following recommendation to Crawley Innovation Centre – Draft Towns Fund Business Case FIN/395 before consideration of the report:

2.2(g) *“Authorise the Council's S151 Officer to request the Local Enterprise Partnership's powers of flexibility in order to ensure the Getting Building Fund (GBF) monies are defrayed in 2021-22 in accordance with the LEP's requirements by spending any residual GBF monies on the new Town Hall capital scheme and then rolling forward the equivalent sum from the Town Hall scheme into 2022-23 to ensure delivery of Crawley Innovation Centre project”.*

The Reason for Recommendation was further amended and a [supplementary agenda](#) would be published to document the changes.

During the discussion with the Head of Economy and Planning, the following comments were made:

- Recognition that the option proposed enabled the Council to acquire a suitable property should one become available to enable delivery of the Crawley Innovation Centre project.
- Acknowledgement that the option proposed enabled the Council to deliver on opportunities, whilst protecting, consolidating and enhancing economic diversity.
- There was overall support for the proposal which was poised to play a key and interesting role in delivering on aspirations, investment and future needs within the town.

RESOLVED

That the Commission noted the report, amendments, additional recommendation and requested that the views expressed during the debate, were fed back to the Cabinet through the Commission's Comment sheet.

Councillor T Belben
Chair, Overview and Scrutiny Commission
31 January 2022