



ADUR & WORTHING
C O U N C I L S

29 March 2018

Joint Strategic Committee

Date: 10 April 2018

Time: 6:30pm

Venue: QEII Room, Shoreham Centre, Shoreham-by-Sea

Adur Executive: Councillors Neil Parkin (Leader), Angus Dunn (Deputy Leader), Carson Albury, Brian Boggis, Emma Evans and David Simmons

Worthing Executive: Councillors Daniel Humphreys (Leader), Kevin Jenkins (Deputy Leader), Edward Crouch, Diane Guest, Heather Mercer and Val Turner

Agenda

Part A

1. Declarations of Interest

Members and officers must declare any disclosable pecuniary interests in relation to any business on the agenda. Declarations should also be made at any stage such an interest becomes apparent during the meeting.

If in doubt contact the Legal or Democratic Services representative for this meeting.

2. Minutes

To approve the minutes of the Joint Strategic Committee meeting held on 6 March 2018, copies of which have been previously circulated.

3. Public Question Time

To receive any questions from members of the public.

4. Items Raised Under Urgency Provisions

To consider any items the Chairman of the meeting considers to be urgent.

5. Delivering our Housing Strategy - Review of Progress 2017-2018

To consider a report from the Director for Communities, a copy is attached as item 5.

6. Supporting our Communities - Welfare Reform and Financial Inclusion

To consider a report from the Director for Communities, a copy is attached as item 6.

7. 'Start Well, Live Well, Age Well' - Public Health at the local level - A refresh of our strategy to encourage the good health of all our citizens

To consider a report from the Director for Communities, a copy is attached as item 7.

8. Brooklands Park - Update on the actions made to date

To consider a report from the Director for Communities, a copy is attached as item 8.

9. Motion on Notice from Worthing Borough Council - Ethical Landlord Scheme

To consider a report from the Director for Communities, a copy is attached as item 9.

10. Worthing Borough Council's Relationship with Worthing Homes

To consider a report from the Director for Communities, a copy is attached as item 10.

11. Colonnade House Digital Hub

To consider a report from the Director for the Economy, a copy is attached as item 11.

12. Union Place Redevelopment

To consider a report from the Director for the Economy, a copy is attached as item 12.

13. Exclusion of the Press and Public

In the opinion of the Proper Officer the press and public should be excluded from the meeting for consideration of the following item. Therefore the meeting is asked to consider passing the following resolution:

'that under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting from the following items of business on

the grounds that they involve the likely disclosure of exempt information as defined in the paragraph of Part 3 of Schedule 12A to the Act indicated against the item'

Part B - Not for Publication – Exempt Information Reports

14. Union Place Redevelopment - Appendix 1

To consider an exempt appendix to agenda item 12, a report from the Director for the Economy.

Recording of this meeting

The Council will be voice recording the meeting, including public question time. The recording will be available on the Council's website as soon as practicable after the meeting. The Council will not be recording any discussions in Part B of the agenda (where the press and public have been excluded).

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The agenda and reports are available on the Councils website, please visit www.adur-worthing.gov.uk



ADUR & WORTHING
COUNCILS

Key Decision: No

Ward(s) Affected: All

Delivering our Housing Strategy - Review of Progress 2017-2018

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. The Adur and Worthing Councils Housing Strategy 2017-2020 'Housing Matters' outlined a vision for our communities where everyone can have a place they can call home. We recognise that having a secure and safe home, not just a place to sleep, is one of the most important factors in enabling our communities to be ambitious, prosperous and resilient.
- 1.2. Our Strategy outlined a number of key activities we wanted to undertake and invest in, in order to achieve this vision. This Strategy was set against a particular landscape, which has been changing since it was adopted. The biggest change in legislation to impact statutory housing services has now been implemented, the 'Homelessness Reduction Act'. Welfare reform measures have continued to be implemented and changes to funding for local councils to support our communities, has not always kept pace with demand for our housing services. None-the-less, Housing and other teams across Adur and Worthing have worked tirelessly to create the foundations that will allow us to continue to support our citizens by preventing homelessness, providing the critical safety net to those in need, and enabling our communities lead valued, constructive lives in places that they call home.
- 1.3. This report updates members on all of the activities and outcomes that have been achieved to date in delivering this strategy, as well as highlighting challenges and opportunities for the future.

2. Recommendations

- 2.1. Joint Strategic Committee to note the contents of this report.

3.0 Context

3.1 In December 2016 Adur & Worthing Councils adopted 'Platforms for our Places' in which we committed to a number of key actions around housing and supporting our communities. These are also contained in the Adur & Worthing Housing Strategy 2017-2020 'Housing Matters' which was agreed at JSC in March 2017 and adopted by both Councils thereafter.

3.2 The Strategy provides a framework to support a wide range of activities across the Councils that are associated with the needs of our Communities to be housed safely and securely in order for our communities to thrive and prosper. Therefore, whilst there is much in the media at the present time regarding homelessness, this was deliberately not a Homelessness Strategy, (which a separate statutory requirement) but a Housing Strategy that encompasses our wider roles as:

- Provider of statutory housing services to those at risk of homelessness
- The local planning authority
- Network creator and system connector
- Landlord
- Private sector regulator and compliance agency
- Enabler for those with disabilities and specific housing needs
- Developer

3.3 The strategy is arranged with three broad areas of focus, this report will update on each area.

- Preventing Homelessness
- Developing the Supply of New Homes
- Improving Adur Council's role as Landlord (Adur District only)

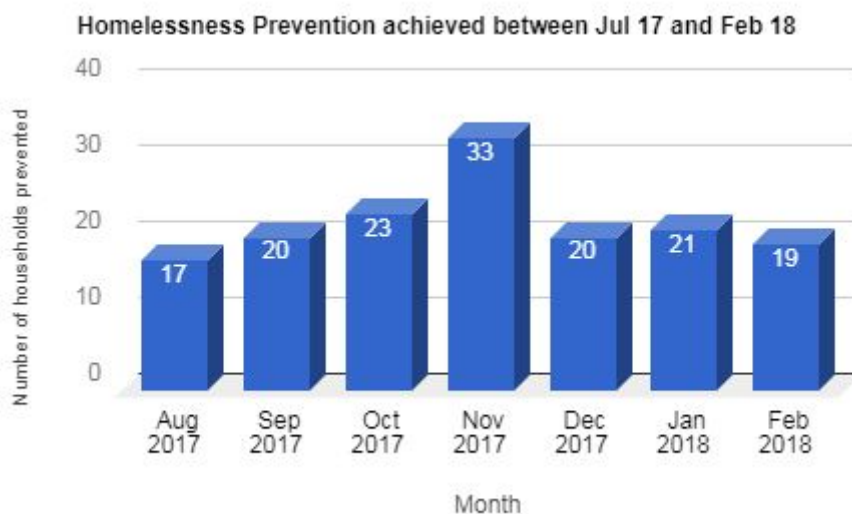
4.0 Preventing Homelessness

4.1 In our strategy we identified a range of opportunities that support our work to prevent homelessness. The activity to support these ambitions over the last year has been wide ranging and has been influenced by a number of external and emerging factors including the roll out of Universal Credit as part of the ongoing welfare reform programme and the implementation of the Homelessness Reduction Act 2017. This received Royal assent just after the strategy was adopted and was enacted in April 2018 (referred to as the Act).

4.2 In order to be able to implement the legislation the team have embarked

on a huge amount of preparatory work, that will continue as we begin to embed the Act into our day to day work for example training sessions for staff and councillors, trialling the new Personal Housing Plan template, collecting data on footfall through the service for last few months and the new Qmatic system gives even better data, and holding awareness sessions for the contact centre team.

- 4.3 As well as implementing the Act our teams have focussed on a variety of projects that support and deliver our ambition to *'Make Homelessness everyone's business'* One of these is a multi-agency Project which started in September 2017 and to date has involved more than 40 people from the Councils, our voluntary and third sector partners such as Worthing Churches Homelessness Project (WCHP) and other statutory partners, such as West Sussex County Council, DWP, the local health system and the Police.
- 4.4 An early outcome of this project has been the sharing of intelligence. In particular our 'Going Local' Community Referrers identified that there is a significant need amongst those attending GP surgeries, for advice and support around housing issues. In response to this evidenced need, from the 1st April 2018 a new £40,000 advice service has been commissioned by the Adur and Worthing Communities Directorate where WCHP and South Sussex CAB will provide housing advice and support to those referred by the Going Local team or the West Sussex Integrated and Earliest Help team. The aim is to support 280 clients per year as part of our work to prevent homelessness and deliver the ambitions of the new legislation.
- 4.5 Other key outcomes from the project are now being taken forward by developing cross sector prevention approaches. For families and children we will build upon the WSCC Integrated Prevention and Earliest Help model, and for single homeless customers, we are working closely with WCHP and the wider partnership of the Homelessness Forum, to develop the new Lyndhurst Road accommodation into a multi-agency co-located hub that provides housing advice and support for our Single Homeless cohort.
- 4.6 In addition to specific projects, the team has continued to develop other approaches, that support the focus on prevention. The Homelessness Forum has developed the Community Homelessness Strategy and several landlord events have been convened. The positive collective outputs of these approaches can be seen in the graph below which shows how we are successfully helping to prevent homelessness and enable individuals to retain tenancies and/or find new ones.



The graph shows that between August 2017 and February 2018, 176 households were prevented from becoming homeless. Most of this was achieved by negotiating with the evicting hosts (usually friends and family) or with private sector landlords to prevent evictions. Where negotiations have failed, we have assisted households source alternative accommodation. As a result of this activity, we are seeing the number of households in emergency accommodation plateau, which is clearly of benefit to all.

4.7 Prevention Case Studies -Four prevention studies are included in Appendix 1 to this report which show the work required and the outcomes involved with preventing homelessness.

4.8 *Enabling our residents to remain and thrive in their own homes:*

Our Private Sector Housing (PSH) team oversees the process to disseminate Disabled Facilities Grants scheme across Adur and Worthing. They accept referrals and enable improvements via our Home Improvement Agency, distributing funds passported to us via WSCC. By March 2017 we aim to have spent upto £1M in this year to support residents.

4.9 We are working closely with all Districts and Boroughs across West Sussex to streamline these processes and improve access to statutory and discretionary funds. In October 2017 a revised policy was adopted at JSC that supports this ambition.

4.10 Hospital discharge grant - Case study

Mr A was referred by a social worker, he could not be discharged from hospital as he had accumulated an excessive amount of clutter and rubbish within the main living areas of his home, this included large amounts of old, out-of-date food in his hallway which created an unsafe environment that he could not return to. Officers met the social worker on-site and immediately agreed works to make the property safe and clean. A contractor was appointed and Mr A was contacted in hospital. The outcome

being that Mr A was able to be discharged from hospital within 2 weeks, this just would not have not been possible without this intervention.

- 4.11 The PSH team also manages and delivers our telecare services to nearly 1100 residents, providing 24/7 support to some of our most vulnerable communities.
- 4.12 *Extending Funding and Services to support our communities* - Adur and Worthing Councils in partnership with local stakeholders have also successfully bid for several pots of funding to support some of our most vulnerable residents, prevent homelessness and reduce the impact of homelessness, including rough sleepers, as follows:
- 4.12.1 *Preventing rough sleeping* - This DCLG fund of £260k was awarded to West Sussex partners over two years. For Adur and Worthing these funds have or will be used to
- Appoint and Advice and Assessment Worker via WCHP
 - Commissioning a Mental Health Support worker
 - Fund upto 4 beds to provide a specific Pathway for homeless clients with mental health needs.
 - Provide 2 'crash pads' to prevent rough sleeping
 - Support Council staffing of the (SWEP) Severe Weather Provision
- 4.12.2 *Complex Needs MEAM (Making Every Adult Matter) project* - DCLG have provided £70k to Adur and Worthing for 12 months. This supports 2 Complex Needs Workers who work with entrenched rough sleepers, and those identified as the 'most complex' using a chaos index'
- 4.12.3 *Women with complex needs* - DCLG fund of £96k to Adur and Worthing over 15 months - This funds a Complex Needs worker to work with women and families to prevent and support those at risk of homelessness due domestic abuse. The service is provided by Safe In Sussex.
- 4.13 *Leadership and Partnership* - Adur and Worthing Councils are cognizant of the fact that Housing and Homelessness is a shared issue, therefore we have invested officer time and energy in developing system wide initiatives, responses and partnerships (such as the multi-agency Rough Sleepers partnership and the Homelessness Forum chaired by the Worthing Executive Member) to support a longer term and systematic approach to preventing homelessness and reducing vulnerability. These also now include:
- 4.13.1 *Systems Leadership* - A&W has sponsored a leadership programme to enable leaders from all parts of the Housing system to work collectively to address the wicked issues surrounding homelessness. Existing groups have focussed on homelessness and mental health. The newest group focuses on 'Discharge to the Street' is led by Miles Ockwell (Sussex Police)

- 4.13.2 *Welfare Reform Partnership* - A&W has led on the formation of a multi-agency partnership to drive forward initiatives to improve financial and budgeting skills, share knowledge and best practice and support our communities. Details of progress are outlined in a separate report to this committee.
- 4.14 *Policy reviews and updates* - We also recognise that preventing homelessness and dealing with those who are affected by homelessness, needs to be supported by revised and transparent policies, updated procedures and easy to use processes. Recent revisions and plans include:
- Temporary Accommodation Procurement and Placement Policy - draft approved JSC Nov 2017
 - Community Homelessness Strategy - Approved Dec 2017
 - Private Sector Housing Revised Enforcement Policy - Approved JSC October 2017
 - Disabled Facilities Grants (Better Care Fund) - JSC Dec 2017 - revisions proposed to speed up and extend the scope of discretionary grants to enable individuals to remain in their home or be discharged from hospital more quickly and efficiently.
 - Review of our Housing Register (ongoing)
- 4.15 *Customer Service* - Improving how we engage with our customers at risk of homelessness is an ongoing journey and is part of our approach to implementing the Homelessness Reduction Act. Our two main approaches are supporting our front line staff to be able to work effectively and with compassion, to do this they need time. One key factor is increasing our digital/self service offer to create this capacity. The two projects underway in Homelessness Prevention are:
- 4.15.1 *Housing Register* - The internally produced Housing register self service module has now gone live. The backlog of applications has now been dealt with and all future applications will be on line, reducing processing time and increasing the amount of time officers can spend on dealing with the applications.
- 4.14.2 *Home Connections* - Sussex Homemove a partnership between a number of Districts and Boroughs, including Adur and Worthing, have procured of a full end to end housing solutions/homelessness Digital Case Management system. A project team is supporting the implementation of this system, which will also support the roll out of the Homelessness Reduction Act.
- 4.16 The amount of work required to support the implementation of this new system and new legislation, cannot be understated and has been undertaken by the team alongside all of the other demands, which will continue and grow throughout the year.

5.0 Developing the Supply of New Homes

- 5.1 Our Housing Strategy included a number of key ambitions to support the supply of new homes across all tenures. The main strands of activity over the last year include the following:
- 5.2 *Working with developers and providers* - Officers from across planning and housing are regularly meeting with developers and registered providers, with the ambition being to enable as many new homes as practicable, and create opportunities for affordable homes across our places. We can utilise Right to Buy receipts and Affordable homes grants to support some of this delivery, where appropriate.
- 5.3 For example recent discussions have seen Housing and Planning colleagues in negotiation with Hyde Housing on the Ropetackle North site, Southern Housing Group on the Free Wharf site, and with Worthing Homes on a number of sites to secure additional rented accommodation, beyond that secured through the planning process. S106 agreements are also currently being negotiated to secure 30% affordable housing on the following major development sites, West Durrington Phase II, Free Wharf (Shoreham Western Harbour Arm) and New Monks Farm. These sites have the potential to deliver 414 new truly affordable homes across Adur and Worthing in the next few years.
- 5.4 *Adur Local Plan and Worthing Local Plan* - The Adur Local Plan was approved at full Council in December 2017. The Worthing Local Plan is under review and it is intended to undertake the second public consultation on the preferred options for accommodating future growth in the autumn. A workshop was held earlier in 2017 to enable developers and RSLs to engage in this process.
- 5.5 *Asset review* - A new Asset Portfolio Manager has been recently appointed and a review of the Council's assets is underway. This will identify land that is surplus to requirements and has the ability to deliver new housing. Two sites at Worthing, the Camping and Caravan Club site and land at Fulbeck Avenue have been identified as potential new housing sites.
- 5.6 *Temporary Accommodation and engagement with Private Sector Landlords*
Both Councils have committed funds to support increasing the number of units of temporary accommodation across our area. Buying properties that provide value for money and are suitable has proved immensely challenging, at least 8 properties have fallen through. However, we have continued to pursue long term lease options and partnerships with key providers such as WCHP, as described below, which have provided quantity at speed.

Table 1 - Procurement of emergency accommodation

Location	Number of units	Tenure	Estimated completion date
Arun	13x self-contained	5yr Lease	April 2018 (although is already being used on a periodic lease basis)
Arun	5x Shared	5yr Lease	April 2018
Arun	16x Self-contained	10 - 15yr Lease	Summer 2018 (awaiting planning consent)
Hove	11x self-contained	5yr Lease	Summer 2018 (awaiting planning consents)
Various	8x self-contained	12 month block-booked	March 2018
Worthing	5x rooms	6 month block booked	March/April 2018
Total	58 units		

Table 2 - Procurement of 'Long term' temporary accommodation

Location	Type of property	Tenure	Estimated completion date
Worthing	3 bed house	5yr Lease	Complete
Adur	2 bed flat	3yr Lease	Complete
Adur	2 bed flat	5yr Lease	Complete
Worthing	3 bed house	5yr lease	Complete
Worthing	4 bed house	5yr Lease	Mar 2018
Worthing	2 bed flat	5yr Lease	Mar 2018
Worthing	2 bed flat	5yr Lease	Apr 2018
Total	7 units		

Table 3 - Other types of accommodation

Location	Type of Property	Tenure	Estimated completion date
Worthing	4x two bed flats	30 year nomination agreement	Dec 2018
Worthing	37 of which 18 are dedicated to the Councils for preventing use of B and B	3 - 5 year nomination agreement	Spring 2018
Arun	4x self-contained	10 - 15 year nomination agreement	Dec 2018
TOTAL	26 units		

5.6 *Working with the Private Sector* - Welfare reform and changes to taxation rules for landlords, combined with a private sector market in which rents continue to rise, means there are challenges for landlords who may want to work directly with us and/or use their assets for those in receipt of benefits. We have however pursued a number of avenues and the Executive Member for Worthing with senior officers, meets with landlord groups regularly. Specific actions include:

- The Councils has a number of properties held via Northwood Lettings Agent utilising a Rent Guarantee Scheme to bring back into use empty properties.
- The Councils have agreed a Landlord Grant Assistance Scheme whereby grant funding of up to £5k can be provided to landlords to improve their properties and/or make significant repairs (subject to meeting criteria). In exchange for the grant, the landlord must agree to sign up to the PSL scheme or provide nomination rights for up to 5 years.
- Discretionary Housing Payments (DHP) and Prevention Funds are being fully utilised to support tenants access private rented properties. Providing as at 1/3/18 help for 117 households in Worthing (50 rent in advance and prevention funds of £73,179 and 67 DHP of £86,217) and 38 in Arun (24 rent in advance and prevention funds of £43,733 and 14 DHP of £16,270)
- Enforcement activity continues against those landlords who may be placing our communities at risk. In the wake of the Grenfell Fire the Private Sector Housing team has worked tirelessly with West Sussex Fire and Rescue to identify and risk assess privately owned and let, high rise properties across A&W
- Reviewing relationships with agents and others to see how we can continue to promote the supply of affordable and high quality properties for rent. Hosting

in conjunction with the National Landlords Association (NLA) twice yearly forums for local landlords.

- 5.7 Adur District Council is also the owner of property and land as part of the Housing Revenue Account (HRA). In early 2017 the Council appointed a development expert to work alongside the housing, major projects and planning teams to assist with the progress of a number of key sites as well as enabling the transfer of skills and learning across the Council as the development of HRA land has not been a feature in recent years.
- 5.8 Two sites will come forward for planning in the first half of 2018. Albion Street which is being developed by a private developer will deliver a total of 53, one, two and three bedroom apartments of which the Council will receive 14 affordable, for rent, apartments. Cecil Norris House will follow Albion Street. The Council will be progressing the redevelopment of the Cecil Norris site and initial assessments indicate that the site could potentially accommodate up to 18 one and two bedroom units - again affordable for rent.
- 5.9 Further Council/HRA owned sites are under investigation in the District with the potential for a further 30 units to go to planning this year. A team with the relevant skills and experience is being formed to give the necessary in-house capacity and capability to deliver these schemes as quickly and efficiently as possible.

6.0 Improving and Enhancing Adur Council's Role as a Landlord

- 6.1 Within the strategy, we recognise that for Adur Council, there is a specific role as Landlord and we identified a number of areas of improvement activity across; housing management and tenancy services, tenant engagement, delivering effective and responsive repairs and maintenance services as well as asset management and capital projects.

Key activities to progress these areas include:

- 6.2 *Building capability and capacity to respond to the needs of our tenants:*
Over the last year we have reviewed and revised the structure and make up of the teams that manage and deliver our maintenance services, our compliance activities (e.g gas, electric, water, asbestos and fire safety) and our management of external contracts and contractors. We have appointed a new team of experienced professionals to oversee these activities, reporting to the Maintenance Manager. Already we are seeing improvements and savings across contract management and procurement e.g a new contract for communal cleaning; compliance regimes and recording and in feedback on repairs and maintenance.
- 6.3 The *Responsive Repairs Digital Project* has included colleagues from across housing, customer services and digital as well as engaging directly with our tenants. It is delivering three key outcomes:

- Revised Service Level Agreements between the Council and residents
- Improved resident engagement
- New digital solutions for reporting, allocating, inspection and managing payment for responsive repairs.

6.4 The project has created a resident focus group, and engaged with Councillors throughout. The new digital tool for reporting and overseeing repairs will be going live in May/June 2018. Changes in processes and personnel prior to this date however, have already lead to real time benefits for tenants, with a 98% satisfaction rate with repairs timeliness and quality being reported.

6.5 A *Star Survey* was issued to all residents with a good level of response (33%). The results were by and large encouraging with improvements in many areas since the last survey in 2015. Officers and residents have been reviewing the outcomes and compiling an action plan accordingly. The Adur Homes Management Board meets quarterly to review a range of issues.. The newly appointed Tenant and Leaseholder Engagement officer, in partnership with the Wellbeing team and all the Housing Managers, will be leading much of this engagement work with tenants and leaseholders to develop a 'you said, we did' monitoring and communications plan.

6.5 *Asset Management and Capital Programme*: Information from the Stock Condition Survey and other safety inspections in the wake of the Grenfell Tower tragedy have informed a three year Capital Programme that was approved at JSC in 2017. A Capital Programme working group is developing the priorities and timeframes for delivery. It is recognised that there are long term issues given the under investment in our stock and that there continue to be significant financial challenges for the HRA with year on year rent reductions and sustained levels of arrears.

6.6 *Financial Sustainability* - The annual HRA revenue account budget in 2018/19 will be more than £13.9 million, funded by housing rents and service charges. Capital expenditure on major repairs in 2018/19 is expected to be nearly £5 million rising to £6.5 million by 2021/22.

However, the financial landscape for the HRA is challenging with continued year on year rent reductions and buildings that require extensive investment to bring them up to a quality standard.

For the second year in a row, the HRA has set a deficit budget (£735k in 2018/19) and will continue to set a deficit budget whilst it grapples with falling rental income. In 2020/21, the Council will be allowed to increase rents for the first time in five years. However, the rent setting formula for the next five years will be prescribed by central Government and limited at CPI plus 1%. Nevertheless, the HRA will gradually become more financially sustainable as rent levels increase.

Clearly this is unsustainable in the longer term, however in the short term we are continuing to focus on rent collection, current and historic; understanding all of our

costs in order to be able to make the right strategic decisions going forward as well as seeking external funding where possible. (e.g a recent application to the Warm Homes fund - outcome awaited)

6.7 *Tenant Engagement* - there has been good engagement with the repairs project and a new cross team Tenant and Leaseholder Engagement Officer has recently been appointed. He will work across Housing and Wellbeing acknowledging the clear link required between these teams in enabling some of our most vulnerable communities to access resources and build resilience. The Big Lottery Funded Growing Communities project in partnership with The Conservation Volunteers, is focussed in part in Eastbrook and Adur housing staff are involved in discussions aimed at providing our tenants with opportunities to utilise green spaces better in that area.

7.0 Challenges and Opportunities - Looking forward

7.1 For the immediate future the implementation of new legislation, understanding the impact and demand of the Act are virtually all consuming, yet at the same time they cannot be. The teams are also implementing and bedding in a new case management system (Home Connections), developing new ways of working across partners and agencies and developing relationships with landlords, developers and Registered Providers (RPs). An new RP liaison group has been established and will meet for the first time in April 2018.

7.2 Clearly challenges may emerge is the issues of rising demand and a lack of affordable rented accommodation persist, and we await the impact of full service Universal Credit in Worthing this year. There are opportunities however to exploit, by fully utilising, multi-agency and cross council working, recognising that the people in our places are interacting with multiple systems and we have a duty to make this as straightforward and effective for our communities as possible. Housing is both a safeguarding and a public health issue, as such it is not just the concern of the District councils, but should be on the agenda for all statutory agencies wanting to enable, health, wellbeing and prosperity in our communities.

8.0 Engagement and Communication

8.1 Housing is an area of the Councils work that is high profile and we engage widely with different groups and stakeholders both formally and informally. As mentioned throughout this document there are a variety of forums in which we engage and seek feedback with:

- The voluntary and community sectors
- The statutory sectors
- The Homelessness Forum
- Private Landlords
- Developers
- RSLs
- Tenants

- Customers
- Banks, our local Credit Union and other service providers
- Customers of our service including those who are, or have been, homeless and rough sleeping

8.2 In terms of Governance the Executive Member for Customer Services for Worthing Chairs the Adur & Worthing Homelessness Forum and both Executive Members for Customer Services and the Executive Members for Wellbeing, oversee the delivery of the Strategy and hold the teams to account.

9.0 Financial Implications

9.1 The cost of delivering the housing strategy is built into the Councils' revenue and capital budgets.

10.0 Legal Implications

10.1 The Local Government Act 2003 previously provided for a local housing authority to have a strategy in respect of such matters relating to housing. Section 29 of the Deregulation Act 2015 removed this formal requirement, but does not remove the ability of Local Authorities to produce a strategy if they see fit to do so, and indeed it is best practice to do so.

10.2 Section 8 Housing Act 1985 continues to place a duty on every local Housing Authority to consider housing conditions in their District/Borough and the needs of the District/Borough with respect to the provision of further housing accommodation. Further, part 7 Housing Act 1996 (as amended) places an obligation on Local Authorities to promote the prevention of homelessness.

10.3 The Adur and Worthing Housing Strategy enables the Councils to discharge its obligations under s8 Housing Act 1985, and work towards the promotion of the prevention of homelessness. The changing landscape in relation to housing regulation and homelessness prevention, including the Homelessness Reduction Act 2017, places an ongoing legal burden on Local Authorities to consider carefully their housing strategies, which will should link with both tenancy strategies (as required under the Localism Act 2011) and homelessness strategies.

Background Papers

- See paragraph 4.17 for a list of recent Housing related papers and policies brought to JSC
- 'Housing Matters' Adur and Worthing Housing Strategy (insert link)
- Platforms for our Places (Insert link)

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Sustainability & Risk Assessment

1. Economic

- Housing of all types and tenure, supports the economy of our places, enabling inward investment as well as providing safe and secure places for our communities to live and work from.

2. Social

2.1 Social Value

- There is a growing understanding of the health and social impacts of poor housing and at its extreme, the impacts of homelessness can be significant for individuals and families. Adur and Worthing Councils seeks to minimise these impacts through our work to identify and support individuals and communities at risk of homelessness and prevent this where ever possible.
- Providing suitable accommodation for our communities, enabling our disabled and older residents to remain safely in their homes for longer has significant and far reaching economic and social benefits for the Councils and our places.

2.2 Equality Issues

- As with Social Value, equality of opportunity and indeed of access to services may be impacted by an individual's or groups access to suitable housing. The Councils seek to provide a service to all residents to enable them to access advice and support in preventing the issues that may lead to homelessness from escalating.

2.3 Community Safety Issues (Section 17)

- As a landlord in Adur, we work closely with our partners to monitor and address Anti-social behaviour issues amongst our tenants and across Adur and Worthing as a key statutory members of the community safety partnership work with all housing provider to address and reduce the likelihood of crime and victimisation.

2.4 Human Rights Issues

- Considered, no issues to address

3. Environmental

- Ongoing development and environmental issues are assessed as part of each planning application.

4. Governance

- Considered, no issues to report

Appendix 1

Homelessness Prevention Case Studies (Initials have been changed)

Case study 1 - AC

AC is a single parent with two young children renting an affordable private sector two bed property. The landlord appeared determined to sell the property and had been awarded a court order to evict AC.. Prior to the landlord applying for a County Court Bailiff to carry out the eviction, the Housing Solutions Team made one last appeal to the landlord to allow AC to remain in the property for another six months whilst we helped AC to find another in the local area. The landlord agreed and issued a new tenancy for a minimum period of six months, on the basis that the rent was raised. AC was helped to identify where they could reduce their outgoings, in order to afford the higher rent under the new tenancy agreement. Today the AC remains in their home and we continue to work with them to find alternative accommodation.

Case study 2 - TC

TC has a privately rented, three bed house, but following a stroke is unable to work and can not afford the property. The landlord therefore issued a S21 notice to evict. The Housing Solutions caseworker negotiated directly with the agency to let TC remain. Housing benefit is going direct to the landlord with a discretionary housing payment being used to cover the shortfall in the interim. TC has been assessed as into Band B and the team are actively bidding on behalf of TC to provide more suitable, affordable accommodation as quickly as possible.

Case Study 3 - VA

VA was served notice to leave a privately rental flat as the landlord wanted to sell the property. VA is single parent with an infant child and is pregnant, she also has mental health problems, and is supported by mental health teams and social services. Emergency accommodation would have been unsuitable in particular as it would be too far from her extensive support network. Therefore, she stayed with her mother. Whilst this enabled VA to remain in the area, this was not ideal because of overcrowding and associated problems. With much guidance and support from Housing Solutions, VA was able to identify a suitable private rental property in Worthing. We also established that she was not in receipt of all of her eligible benefits which would make it difficult for her to afford to pay the top up between her Housing Benefit and her rent. VA was assisted with chasing up her claims for child benefit and tax credits, although these took some time to be processed. Working in partnership with social services we reached an agreement to help VA with the rent in advance and a deposit to secure the property and social services agreed to help with top-up funds for between 2-3 months. She has now successfully moved into her new accommodation and is very happy and feeling much more settled.

Case study 4 - MB

MB, is a single parent with a dependent child. MB works and occupies a housing association property. They had £3,500 rent arrears after difficulty in claiming housing benefit, and unfortunately adopted a 'burying head in sand' approach. MB approached the team when a claim for Possession was issued. The team contacted the landlord to establish current arrears and liaised with Housing Benefits to ensure HB was in payment and possible backdating. Intensive work with MB established that it was feasible to pay the rent and a reasonable sum off the arrears ready for court hearing. We asked the landlord to call off the hearing, this was refused. Devised repayment plan ready for court. The Possession Order was Suspended although the landlord requested outright Possession. Homelessness was therefore prevented.



ADUR & WORTHING COUNCILS

Joint Strategic Committee
10 April 2018
Agenda Item 6

Key Decision: No

Ward(s) Affected: All

Supporting our Communities - Welfare Reform and Financial Inclusion

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1 Within Platforms for our Places, the three year Strategy adopted by the Councils in 2016, we commit to targeting our services appropriately, supporting the most vulnerable in our places and enabling resilience within our communities. Our ambitions are to create the opportunities, 'Platforms', for individual and families to thrive.
- 1.2 This report outlines how the Councils are responding to and preparing our people and our communities for, continuing Welfare Reform, in order to best support and enable resilient communities. As part of our approach we see the Councils' role as both provider of services but also creator of opportunities for our communities to improve their skills across a range of areas such as; financial management, digital inclusion and skills whilst also supporting those in need to access affordable credit.
- 1.3 Ultimately it is our goal to improve the long term outcomes for the many, whilst ensuring a safety net is in place for the most vulnerable.

2. Recommendations

- 2.1 Recommendation One - to note the contents of the report
- 2.2 Recommendation Two - Approves the investment of an additional £25k via the purchase of deferred shares by Worthing Borough Council in Boom Credit Union which is to be added to the capital programme and funded by a

revenue contribution as outlined in paragraph 7.3.

- 2.3 Recommendation three - Recommend to Worthing Borough Council to approve the amendment of the Annual Investment Policy and Strategy document to allow the investment in the Credit Union to be increased to £50,000

3. Context

- 3.1 In January 2017, the Joint Strategic Committee received a report outlining the position and potential impacts of welfare reform at that time. The key focus for the immediate future, was the roll out of full service Universal Credit (UC) across Adur and Worthing and members wish to understand the potential impact for our communities given reports regarding: access to funds at the start of a claim; rent payments and potential arrears; landlord perceptions and potential evictions; as well as wider issues of financial and digital inclusion for some parts of our communities.
- 3.2 The 2017 Autumn Budget announced some significant changes to how the benefit would be administered that address many of the issues and concerns that had been raised in relation to full service UC, these changes included :
- From February 2018, UC will be payable to new applicants from day 1- previously claimants were only eligible from day 8.
 - From April 2018, applicants will be entitled to Housing Benefit for a transitional 2 weeks at the start of their claim.
 - From January 2018, an advance of up to 100% of expected benefit will be payable and stretching of the repayment over 12 months will be possible.
 - From the spring 2018 (date tbc) it should become possible to apply for grants online.
 - From April 2018, claimants in temporary accommodation will continue to be on Housing Benefit.
 - Managed payments to private landlords can now apply from day 1
 - The full roll-out of UC has been adjusted and some dates have been put back. This applied to Worthing which will now roll onto full service UC in July 2018.
- 3.2 Adur and Worthing Councils have continued to provide leadership in our local systems, working with partners from across the voluntary, business and statutory sectors to support our most vulnerable communities. This report outlines more information about that work, and requests that the Committee

agree to further investment in our local Credit Union to support ongoing financial inclusion measures.

4. Issues for consideration

- 4.1 The Councils have taken a lead locally and established a 'Welfare Reform Partnership' that meets quarterly. The membership of this partnership is wide ranging and includes amongst others:
- The Department for Work and Pensions (DWP)
 - Citizen's Advice
 - Registered Housing providers including, Worthing Homes, Southdowns, Clarion, Hyde and YMCA
 - Supported accommodation providers inc Worthing Churches Homelessness Project
 - West Sussex County Council
 - Adur and Worthing representatives from Housing, Wellbeing, Revenues and Benefits and Customer services teams.
- 4.2 The benefits of this multi agency working are significant. In particular the ability to share information, updates and data around the changing landscape of welfare reform and deliver a range of activities as outlined below.
- 4.3 *Providing our Communities with clear information* - Adur and Worthing Councils have led the initiative to deliver targeted, easy to understand information about these changes. We have developed a new UC page on our website; delivered a social media campaign most recently we have produced this animated video to help customers access information and help where needed. Please share widely. https://youtu.be/OErl_WazYC8



- 4.4 *Digital Inclusion & Early identification of support needs - enabling our communities to make a claim* - We know that digital skills prepare people for work-readiness, improve their employment prospects and encourage unemployed people to look for work. Yet nearly 30% of unemployed people

are currently lacking digital skills, meaning that those who stand to benefit the most are still missing out. Working with the DWP we have set up a IT Junction (part of our digital Inclusion programme) located at the Job Centre in Worthing and we are in the process of providing DWP assisted Digital Support Benefit (ASD). This provides support for new Universal Credit claimants to manage their claim online

4.5 *Maximising Income and Budgeting support* 16.2m people in the UK are described as having low financial capability, of which 3.1m also have low digital capability. We are addressing this through our digital Inclusion programme as described above and the Councils are also innovating across our Housing, Wellbeing and Revenues and Benefits services, to support our vulnerable residents to get the help they need.

4.6 Across these three areas we are providing a range of services through a variety of channels:

- Our Wellbeing teams have accessed funding to train some of our Digital Champions to be Money Mentors. The Mentors offer a weekly 1 hour appointment for 6 weeks with some great results:
- The Revenues & Benefits Service is continuing to work in partnership with Citizens Advice and our Money Mentors services to also support to residents in respect of enabling support when they are in Council Tax arrears or are a resident making a new claim for UC.
- Two dedicated workers will provide support to maximise Benefit income for residents within our Housing and Revenues and Benefits teams and also offer support and advice in respect of the recovery of Council Tax arrears and Housing Benefit overpayments.

4.7 Specific support is offered through financial surgeries and one to one sessions

that; assess income and expenditure and the individual or family's ability to afford different rents. We can assist with UC applications and support customers to review their eligibility for benefits and other payments such as Discretionary Housing Payments. Our staff and volunteers will liaise with other partners and support our communities to learn new skills to provide them with the capability going forward to self manage and maintain long term resilience.

4.8 Case Study

Mr C is in his forties. He was very depressed and anxious as he was at risk of homelessness as his existing benefits did not cover all of his bills. He was also finding it hard to attend his keep his appointments with People Plus (his

allocated work programme provider) due to his many health conditions.

The Money Mentor service helped Mr C to check his benefit entitlement given his health needs and he was advised to apply for additional benefits such as Personal Independent Payment for those with ongoing health issues, which he is now in receipt of. The Money Mentor also supported Mr C to prioritise his bills e.g his rent and council tax. By the end of his 6 sessions he was able to manage his income effectively and his anxiety around becoming homeless was dramatically reduced to the extent that he was able to book onto courses with the Sussex Recovery project to help with his Mental Health Condition.

4.9 The Councils wish to ensure maximum use of discretionary awards in relation to Discretionary Housing Payments (DHPs) across Adur and Worthing and Discretionary Council Tax Support (DCTS) in Worthing only. At the time of writing the outturn for 2017/18 is anticipated to be almost fully spent in all Categories across both Councils.

4.10 *Financial Inclusion - accessing banking and affordable credit* - As part of the Councils ongoing work with some of our most vulnerable communities, including our street community, our outreach and housing officers have been working closely with banks and our local Credit Union (BOOM) to ensure that individuals have an account and can claim UC. This has included working with Boom to reduce the amount required to open an account from £5 to £2.50, and in exceptional circumstances Boom will waive this requirement.

The relationship with Boom has also assisted clients to open accounts who are not able to provide the standard forms of identification. This includes accepting supporting letters from professionals and non traditional forms of identification, eg prescriptions or a letter from another recognised agency.

4.11 With the changes announced in the autumn budget, it is hoped that the likelihood of 5-6 week period where some UC claimants would be without funds, has been significantly reduced as new claimants can now receive an advance for an amount totalling their full claim, immediately. Feedback from the DWP on the roll out in Hove job centre, which covers some of Adur, demonstrates that by asking all applicants how they will manage until their first payment and offering an advance to all, the take up has been nearly 100%.

4.12 Whilst this is welcome news, we know that having access to affordable credit

is essential for many resident. Payday and other high interest lenders tend to be more prevalent in poorer communities and can leave individuals and families in very challenging financial situations. Over the last year, our local Credit Union, BOOM, a merger between the former Surrey and West Sussex Credit Unions, has seen an exponential rise in loans to communities across Adur and Worthing. The total amount loaned to residents in our communities is nearing £1million pounds and represents nearly 50% of all loans they have agreed in recent months. A significant amount of loan value (about 35%) are to enable individuals and families to consolidate expensive debt and repay at a rate that is affordable, whilst saving for the future. All customers with a loan through BOOM are also required to save an amount equivalent to 20% of the loan value, which they will receive at the end of the term.

4.13 In addition to providing a means of consolidating expensive loans, the Credit Union has seen rises in requests for loans to cover rent arrears and deposits on new tenancies. Clearly the Union is providing a valuable service to our communities. In 2014 both Councils invested £25,000 each in our Credit Union and in light of the current increase in demand, the Union has asked the Councils to consider further investment to enable them to increase their capital base to be able to meet regulatory standards and continue to support our communities. A recommendation of this report is that Worthing Borough Council invest an additional £25,000 in deferred shares given the size of the loan base to Worthing residents.

4.14 Much of the work to implement the Homelessness Reduction Act new approaches to preventing homelessness is also relevant here. This work is fully updated in the report '*Delivering our Housing Strategy - Review 2017-18*' also on this Committee agenda.

4.15 Finally, whilst we have clearly focussed on the need to support and enable our

residents to navigate these changes, we have also built in time and energy to enable our staff and key stakeholders to be able to support our communities. Staff from across the partnership have attended DWP training in respect of Universal Credit so they are able to understand and support new claimants.

4.16. *Driving Knowledge and use of the 'Find it' Application* - Adur and Worthing is

leading the way in enabling cross sector working. Adur and Worthing Councils have used our experience and knowledge to develop the 'Find it' application, a professional directory created to support frontline staff to have swift access to information and service offers that are current and local. This project

continues to go from strength to strength, with currently 228 frontline staff with over 700 offers registered on the application.



5. Impact and Risks

5.1 The roll out in Adur of full service UC has not had any discernible immediate

effect, however it is still early days and impact is more likely to be felt over the longer term as existing claimants of benefits are moved across to UC. The delay to the full roll out in Worthing is clearly helpful.

5.2 The continued freeze on Local Housing Allowance rates for those claiming benefits and renting, and the lack of affordability in the rental market, continues to drive demand for housing advice and support, and we wait to see what the impact of the Homelessness Reduction Act will have on our services and our ability to respond. Both Councils have committed additional funds for this work, however in 2018/19 the amount allocated from Central Government for Discretionary Housing Payments has been reduced and the amount of grant provided to support those in temporary accommodation in Worthing, is far less than is required. These shortfalls will continue to impact negatively on our resources and those that we can distribute to those most in need.

5.3 Rental arrears amongst Adur Homes tenants continues to be above industry standards and with continuing pressures on budgets created by the 1% year on year rent reduction, any further impact on revenues will require the Council to make some hard choices about how we spend limited funds.

6. Engagement, Communication and next steps

6.1 The report outlines the wide ranging engagement and communications with our communities, partners and key stakeholders. This will continue.

6.2 In relation to the recommendation for further investment into the Surrey and West Sussex Credit Union, leaders and the executive of both Councils have been consulted

6.3 The Councils will continue to develop its support networks to enable our communities to build skills and resilience and to extend the scope of the work of the partnership as required in the coming months.

7. Financial Implications

- 7.1 Both Councils currently have an investment of £25,000 in the Credit Union which was approved in 2014.
- 7.2 Boom Credit Union is licensed by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority under the 1979 Credit Union Act. The Prudential Regulation Authority requires credit union to maintain a 'Capital to Assets Ratio (CaR)' of 5%. The practical implication of this is that the PRA requires the Credit Union to have reserves, deferred shares or subordinated loans to a value which is equivalent to at least 5% of the value of loans given.
- 7.3 The growth in the loan book of Boom, has meant that it has struggled to meet the 5% requirement in recent months. The value of loans given out locally is approximately:

	Approximate size of loan book	Capital cover required at 5%	Current investment (Deferred shares)
Adur	£180,000	£9,000	£25,000
Worthing	£800,000	£40,000	£25,000

The current investment by Worthing Borough Council is not sufficient to give the level of capital cover required by the PRA. Consequently it is recommended within the report that the level of investment be increased to £50,000 to provide cover for the existing loan book and with some allowance for further growth in the level of loans made to Worthing residents. The cost of the proposed additional shares of £25,000 will be funded from within the existing treasury management budgets.

- 7.3 Under the 'The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003', the purchase of shares in any corporate body is classed as capital expenditure. Consequently, this the Committee are asked to amend the capital programme.
- 7.4 Worthing Borough Council Annual Investment Policy and Strategy currently limits investment in Boom (formerly the West Sussex Credit Union) to £25,000. This policy will need to be amended to allow for an increase in the level of investment.

7.5 Members should be aware that under IFRS9 - Financial Instruments, the Councils will need to do an annual assessment of the value of our investment in the Credit Union and adjust the value of the investment to reflect any assessed changes in value.

8.0 Legal Implications

8.1 The Welfare Reform and Work Act 2016 came into force on 16th March 2016. The Act attempts to increase employment, curb the welfare budget and support working households. Section 8 of the Act amends the Welfare Reform Act 2012 by amending financial limits for receipt of some benefits; Section 11 freezes a number of Social Security benefits for 4 years and section 23 requires social housing providers to reduce rent levels by 1% each year for 4 years beginning from 2016/17.

8.2 The Councils have the power to do that which is proposed in this report under section 111 Local Government Act 1972 which provides that the Council shall have the power to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions.

Background Papers

- Welfare Reform: Background, Impact and Response in Adur and Worthing Councils - JSC January 2017
- Platforms for Our Places
- Report to the Joint Strategic Committee - Proposal for Adur and Worthing Councils to become Corporate Members of West Sussex Credit Union dated 4th November 2014.
- Report to the Joint Strategic Committee - Joint Treasury Management Strategy Statement and Annual Investment Strategy 2018/19 to 2020/21, Adur District Council and Worthing Borough Council dated 2nd February 2018

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Sustainability & Risk Assessment

1. Economic

Changes to welfare reform and issues of financial inclusion impact on the ability of some part so of our communities to participate economically in our places and increase demand in some part of the system. Whilst the measures outlined in this report seek to support our communities to build resilience and skills, it is acknowledged that there is a wider need to improve the skills levels of some parts of our communities.

2. Social

2.1 Social Value

The social impacts of a lack of financial inclusion are clear, and in particular the impacts bad debt can have on individuals and families can be significant and far reaching. The work the councils are doing in partnership with many stakeholders attempts to create options and avenues that provide ways forward for our communities - adding real long term individual and social value.

2.2 Equality Issues

The work being undertaken by the councils is available to all, however targets those in financial need.

2.3 Community Safety Issues (Section 17)

Considered - no specific issues to report

2.4 Human Rights Issues

Considered - no specific issues to report

3. Environmental

Considered - no specific issues to report

4. Governance

The investment in the Credit Union will be monitored via the treasury management reports.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 April 2018
Agenda Item 7

Key Decision [No]

Ward(s) Affected: All

‘Start Well, Live Well, Age Well’ - Public Health at the local level - A refresh of our strategy to encourage the good health of all our citizens

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. This report supports the presentation of the Councils' refreshed and re-aligned Public Health Strategy 2018-2021.
- 1.2. The refreshed strategy will support the work of the Councils across a number of areas to improve the health and wellbeing of our communities, whilst highlighting the Councils' leadership role in our places in the sphere of public health and makes explicit links to wider health and wellbeing agendas.

2. Recommendations

2.1. Recommendation One

That the Joint Strategic Committee recommends to Adur and Worthing Full Councils that they adopt the refreshed Public Health Strategy 2018-2021, as outlined in 3.5 - 3.13. and Appendix I.

2.2. Recommendation Two

That the Joint Strategic Committee delegates final approval of the Delivery Plan (to be developed) to the Director for Communities in consultation with the Executive Members for Wellbeing.

2.3. Recommendation Three

That the Delivery Plan on Public Health, reports to the Public Health Strategy Delivery group, chaired by the Director for Communities and that this is reported to each Council on an annual basis.

3. Summary

- 3.1. Adur and Worthing Councils recognise that they have a key leadership role to play in terms of supporting our communities and our partners to enable better health outcomes for our communities, at all stages of their lives. We want to see our residents 'Start Well, Live Well and Age Well' and to reduce some of the health inequalities that have been identified.
- 3.2. Enabling our communities to live healthy lives and prosper is embedded in much of what the Councils do. Examples of this include: the secondment of the Chief Executive and the Head of Wellbeing to our local Clinical Commissioning Group, active involvement with the wider West Sussex Health and Wellbeing agenda and governance structures and the dedicated delivery of public health initiatives across our places.
- 3.3. This report outlines the Councils' refreshed and re-aligned Public Health Strategy 2018-2021 that will support this ambition. The refreshed strategy has been developed following consultation with key stakeholders and with consideration of the context of emerging UK priorities that may impact on public health. A new delivery plan, to implement the strategy, will be developed by cross-disciplinary working groups within the Councils.
- 3.4. The Councils' first [Public Health Plan 2014-17](#), approved by the Councils in September 2014 ([Adur & Worthing Councils' Action on Public Health 2014](#)), was developed in response to Public Health coming back under Local Authority responsibility from the NHS on 1 April 2013.

- 3.5. The Public Health Plan is now just over three years old; an audit of the Plan carried out in 2016 recommended a review and refresh.

4. Context

- 4.1. Adur and Worthing Councils were one of the very first councils at District and Borough level to develop a three year Public Health Plan. This was put in place to help officers and Members to better understand the key public health role District and Borough Councils play, and to join up our internal business and workforce to bring about a more coherent approach.
- 4.2. The Councils' first Public Health Plan helped to set out the rationale and context of the Councils 'new' Public Health role and has enabled us to achieve amongst other things:
- Increased knowledge and skills with regard to public health being embedded across the organisation, including Managers, Staff and Members;
 - Increased awareness by Staff and Members of our role in the health and wellbeing of our communities;
 - Both Councils signing up to the national Mental Health Challenge programme leading to workforce development around mental health awareness and tackling stigma;
 - Both Executive Members for Health and Wellbeing appointed as Mental Health Champions to advocate for mental health issues in Council meetings and policy development;
 - The Councils taking a leadership role and actively promoting good health and wellbeing in the community through the delivery of services, such as the Wellbeing Hubs, influencing partners through our leadership of local partnerships and working to encourage positive mental health in our schools colleges and workplaces
- 4.3. A new cross departmental Public Health Delivery Group, led by the Director for Communities, was established which identified opportunities for additional benefit, by joining up services within the Councils which may not usually have worked closely, around each of the priorities. For example the development of the Councils' approach towards worklessness included the coordination of work experience placements for long term unemployed across the organisation and with external organisations and businesses and a work experience and skills pathway.

- 4.4. In the last year of the 2014-17 plan, delivery was focussed on five distinct projects, identified through consultation with staff, these included:
- 'Eat Well', to make information on healthier food choices more accessible for businesses, residents and visitors;
 - 'Well at Work', to support the health and wellbeing of the Councils' staff;
 - 'Green Spaces and Positive Public Health', a report to provide a body of evidence to support the preservation of green space for the Worthing Local Plan and which could go on to influence other decisions relating to green spaces;
 - 'Journey to Work', to create a coordinated offer to support people getting back to work, and
 - 'Peaceful Places' to improve the information available to ensure reports of Antisocial Behaviour (ASB) and nuisance are dealt with in a timely manner.
- 4.5. This refreshed strategy aims to build on our previous Public Health Plan and our continued commitment to improving the health and wellbeing of our communities by focussing on key areas of concern, identified by stakeholders and underpinned by evidence, where we can make a positive difference to the health and wellbeing of our communities.
- 4.6. It does not cover everything the Councils are doing that contributes to the health of our communities, but aims to focus on five key areas of concern regarding health and builds upon the assets that people and communities already have in order to develop the resilience needed to enable people to navigate life in a way that brings greatest health benefits.
- 4.7. This strategy is focussed on prevention as we know that investing time, energy and resources in preventing ill health is infinitely wiser than investment in dealing with the economically and socially damaging impacts of ill health and poor social connectivity.
- 4.8. The refreshed strategy will link to wider West Sussex health and wellbeing agendas, locally with the newly formed Local Community Networks and Adur & Worthing Councils' corporate vision, Platform for our Places.

- 4.9. Whilst this strategy provides a framework for officers to develop and deliver plans, it essentially supports and sets out a vision and focus for our public health role. Fundamentally, it sets out the Councils' priorities and some principles for how we will tackle these in partnership with local communities and others over the next three years.
- 4.10. The following priority areas have been identified on the basis of local health data and stakeholder consultation findings:
1. We all have the opportunity to enjoy good mental wellbeing and emotional resilience (at all life stages);
 2. We contribute to improved environmental sustainability;
 3. We can all access and make positive use of our open spaces;
 4. We all have the opportunity to enjoy a healthy lifestyle throughout the stages of our lives (diet, weight, smoking, physical activity, alcohol, drugs and sexual health);
 5. We can all enjoy good social connections via purposeful activity at all stages of our life.
- 4.11. A three year Delivery Plan will be developed by staff from across the Councils which will put this strategy into action around the five broad priority areas identified in this strategy. Projects and services will be encouraged and actively supported to embed a strength based, person centred approach to working in partnership to improve the personal wellbeing of our residents.
- 4.12. Activities to support the refreshed strategy will develop within key frameworks such as '[Five Ways to Wellbeing](#)' and '[Making Every Contact Count](#)'.
- 4.13. The delivery plan, detailing SMART objectives against each of the five priorities, will be reported to the Public Health Strategy Delivery Group led by the Director for Communities, and refreshed on an annual basis.

5. Issues for consideration

- 5.1. An audit of the Councils' Public Health Plan in August 2016 found there to be a sound system of internal control. However there were areas for improvement, including: a review and refreshment of the plan, development of the Delivery Plan in line with SMART objectives and clear progress reporting.

6. Engagement and Communication

- 6.1. Consultation with key stakeholders took place over the summer and autumn of 2017. This included: our partners Public Health West Sussex; Coastal Care, the Executive Members for Health and Wellbeing the Executive Member for the Environment and key staff in the Councils.
- 6.2. The consultation provided an additional lens to local health data; which revealed the positive impact of creating social connections and the importance of accessible green spaces - both of which are demonstrably linked to mental and physical wellbeing.
- 6.3. In February 2018, the Local Government Association delivered a Prevention Matters, Public Health training session for members which was well received and highlighted these key issues across our places.

7. Financial Implications

- 7.1. There are no direct financial considerations beyond Officer and Member time, the Strategy will be implemented within existing resources

8. Legal Implications

- 8.1. This report sets out the refresh of Councils' Public Health Strategy 2018-2021. There are no immediate legal implications arising from the recommendations that are set out in this report.

Background Papers

- [Public Health Plan JSC Report 02 September 2014](#)
- [Platforms for our Places 2017-2020](#)
- [Health in All Policies \(HiAP\)](#)
- West Sussex Wellbeing and Resilience Strategy '*Thriving People Flourishing Places*' (Draft copy not yet available).
- [Public Health Outcomes Framework](#)
- **Appendix I** [DRAFT Public Health Strategy 2018-2021](#)

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1. Economic

- Improving the physical and mental health of our communities will have a positive impact on the local economy

2. Social

2.1 Social Value

- This strategy will continue to promote the good physical and mental health of our communities and use our natural environment to promote good health and wellbeing in our places.

2.2 Equality Issues

- This strategy will address inequalities issues and therefore have a positive impact

2.3 Community Safety Issues (Section 17)

- This programme will cut across community safety issues thereby having a positive effect in the reduction of crime and anti-social behaviour.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- Yes, positively. Two of the priorities focus on the environment:
 - There is improved environmental sustainability;
 - That we can all access and make positive use of our open spaces;

4. Governance

- This strategy supports the priorities in the Councils Platform for our Places: 2.5.1; 2.5.2; 2.5.3; 3.4.1 and 3.4.2 and links to wider strategies including the developing Wellbeing and Resilience Strategy
- This strategy will report to the Public Health Strategy Delivery Group led by the Director for Communities
- Reputation - Yes positively. Not delivering this strategy would result in Adur and Worthing not having a coherent joined up Public Health offer
- The strategy will be delivered within existing resources

DRAFT

**Adur & Worthing Councils
Public Health Strategy
2018 - 2021**

‘Start Well, Live Well, Age Well’

**Promoting positive physical and mental health
for our communities.**

**Using our natural environment to promote good health and
wellbeing in our places**

Author

Janice Hoiles Families and Wellbeing Lead

Acknowledgements

Thank you to Kathryn Adderson, Public Health and Regulation Manager and the Members, staff and our partners for support in developing this strategy.

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Mary D'Arcy	Director for Communities, Adur & Worthing Councils
Tina Favier	Head of Wellbeing/ Local Community Networks, Coastal Care, Adur & Worthing Councils
Cllr Diane Guest	Worthing Borough Council Executive Member for Environment
Alan Higgins	Chief Executive's Policy Officer, Adur & Worthing Councils
Graeme Potter	Public Health Lead - Start of Life, West Sussex County Council
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Angela Tanner	Interim Head of Wellbeing, Adur & Worthing Councils
Cllr Val Turner	Worthing Borough Council Executive Member for Health and Wellbeing

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Foreword

Having a good start in life, living healthy fulfilled lives as we work and raise families, and ageing well are all ambitions that we share. In our Public Health Strategy 2018 - 2021, Adur and Worthing Councils have set out priorities for enabling the better health and wellbeing of all our communities. This refreshed strategy supports the Councils' vision outlined in 'Platforms for our Places' and relies on a strength and asset based approach to supporting wellbeing and building resilience, our ambition being to focus on people and their strengths, using community centred ways of working.

Whilst this is largely an internal strategy for Adur & Worthing Councils, it also sets out our vision to create the best Platforms for our communities to thrive, using our public health role. Fundamentally, it sets out our priorities and some principles for how we will tackle these, in partnership with local communities and others over the next three years.

There is much to celebrate in Adur and Worthing, however we also know that both areas have significant health challenges: higher than average levels of obesity and alcohol misuse; low rates of physical activity; isolated older people and loneliness of all ages; early deaths from cancers; high incidence of mental health issues amongst our young people and low educational attainment to list just a few.

We also know that not all of our communities experience health in the same way. Between and within some of our wards there are significant health inequalities, resulting in life expectancy differences of between seven and nine years, depending on where people live. Of even greater concern are the differences between the poorest and most affluent areas in terms of disability free life expectancy, which shows that many in our poorest areas are expected to be ill and out of work long before the projected state retirement age, with a resulting impact on health and social care services.

Public Health and focussing on prevention is fundamental to the work of the local authorities; this strategy is designed to help us not only identify these issues, but with our partners and our communities create the conditions to use our combined resources to tackle them.

Cllr. David Simmons, Adur District Council, Executive Member for Health and Wellbeing

Cllr. Valerie Turner, Worthing Borough Council, Executive Member for Health and Wellbeing

Executive Summary

Introduction

This refreshed strategy builds on our previous Public Health Plan. It is focussed on key areas of concern identified by stakeholders and underpinned by evidence, where we believe we can make a positive difference to the health and wellbeing of our communities. It does not attempt to cover everything the Councils are doing that contributes to the health of our communities. The ambition in this strategy is to work in ways to build on the assets that our people and our communities already have so as to enable people to navigate life in ways that bring the greatest health benefits.

Our Vision

We want all of our residents to reach their full potential, to start well, live well and age well and to be able to contribute positively to the creation of enterprising and thriving local communities.

What We Know About the Health of our Communities

Looking at the health data for Adur and Worthing, it is apparent that although our District and Borough experience the average life expectancy for the UK, there are significant disparities within our communities at ward level, which are largely income based. Drilling down into the data shows that there are different issues in Adur and Worthing. However, there are many themes in common, including mental and physical wellbeing, high levels of obesity in children, high numbers of hip fractures, and alcohol and self-harming related hospital stays.

Consultation with our Stakeholders has provided an additional lens to our local health data. In particular this has highlighted the positive impact of creating social connections and the importance of accessible green spaces - both of which are demonstrably linked to mental and physical wellbeing.

We know that for some in our community, times are uncertain. It is our role to support and build upon the strengths that we know are already there, which will help people to have a good start in life, live well and age well - leading fulfilled and positive lives.

Priority areas for action

We want to focus our activities on these three life stages, starting well, living well and ageing well and to do this we have identified the following priority areas using local health data and stakeholder consultation findings:

1. We all have the opportunity to enjoy good mental wellbeing and emotional resilience (at all life stages);
2. We contribute to improved environmental sustainability that supports our health and wellbeing;
3. We can all access and make positive use of our open spaces;
4. We all have the opportunity to enjoy a healthy lifestyle throughout these stages (diet, weight, smoking, physical activity, alcohol, drugs and sexual health);
5. We can all enjoy good social connections via purposeful activity at all stages of our life.

Delivery

A three year Delivery Plan will be developed by staff from across the Councils which will put this strategy into action around the five broad priority areas. Projects and services will be encouraged and actively supported to embed a person centred, strength based approach to the delivery of these plans that aim to improve the wellbeing and resilience of our communities.

The delivery plan will be reported to the Public Health Strategy Delivery Group led by the Director for Communities, and refreshed on an annual basis.

Introduction

Adur and Worthing Councils, in 2014, were among the very first councils at district and borough level to put in place a three year Public Health Plan to help Officers and Members better understand the key public health role District and Borough Councils play and to join up our internal business and workforce so as to bring about a more coherent approach.

Improving the Nation's health has been at the core of local government business for years and has led to many of the early innovations in Public Health, including: clean water, sanitation and the control of infectious diseases. Creating healthy communities and building wellbeing is not just the job of the NHS (which has tended to focus historically on illness rather than health) but of local government at all tiers, a number of our public and community sector partners as well as our communities themselves.

The core functions of local authorities are some of the key structural features which contribute to public health such as housing, leisure and environmental health management. Through these core services, Adur & Worthing Councils are enabling the improvement of the health and wellbeing of the local population. For example, our Housing Strategy (*Housing Matters 2017-2020*) recognises that somewhere safe and secure to call home is critical, not only to the development of thriving communities and individual / community wellbeing, but is something that also affects our economy. Our Safer Communities Partnership recognises that feeling safe in the places we inhabit is essential to supporting our ability to engage in our communities and create wellbeing. The Councils are committed to helping to support the delivery of some of these wider determinants of health, such as preventing homelessness and working in partnership to address safety and wellbeing issues, in addition to those areas outlined to in this strategy.

Good health and wellbeing determine how long people live, and how well they feel, the levels at which they can engage in and support their local neighbourhoods and their ability to work and volunteer. A healthy population is a key factor for those investing in Adur and Worthing and for those who choose to live here and contribute, both socially and economically. The changes to retirement age mean it is more important than ever for people to be well enough to work into their later years.

This strategy outlines those key areas of focus where we think Adur & Worthing Councils have the ability to deliver, or the ability to influence, so as to make a positive difference to the health and wellbeing of our communities. The priorities have been identified through consultation with stakeholders and analysis of local data and intelligence.

Prevention is a golden thread throughout this strategy as we know that investing time, energy and resources in preventing ill health is infinitely wiser than investment in dealing with the economically and socially damaging impacts of ill health and poor social connectivity. Our activities will develop within key frameworks such as the '[Five Ways to Wellbeing](#)' and '[Making Every Contact Count](#)' and link to wider West Sussex health and wellbeing agendas, locally with the newly formed Local Community Networks and Adur & Worthing Councils corporate vision, Platform for our Places.

The emphasis going forward is very much about how we can enable people and communities to build on strengths and develop the resilience to navigate life in a way that brings greatest health benefits. Through this work we aim to develop the foundations that enhance the quality of life for all our communities. We have set out a vision and focus for our public health role, the way we work as Councils and our role with partners, pulling together and integrating our services and activities and ensuring that our staff and Members are supported in delivering public health as core business.

It is crucial for us to continue to play a key lead role and to challenge ourselves and others to do better and seek out new opportunities. As Councils we have become more adaptive and innovative and feel more ready to meet the challenges ahead. We are working well with and alongside communities, as part of a wider system to co-design ideas, projects and solutions.

The Role of Members

Members play an essential role in ensuring that prevention of ill health is embedded in all Council functions, and in promoting collaboration with partners such as: the NHS, the wider public sector, the voluntary community and social enterprise sector and the business community. Given reducing resources and growing need, approaches to prevention should, as far as possible, be ambitious; embracing change rather than sticking with ‘business as usual’. We will support our Members to implement a *Health in All Policies Approach* through training and information; to embed prevention at the heart of their decision making in order that through the the Councils’ multiple functions, programmes and service areas, together with our partners, we can improve health.

Policy Context

National Context

[The Health and Social Care Act \(2012\)](#) brought back the Public Health role to local Councils. At its heart is the recognition of the unique place of local government to effectively tackle the wider social issues that affect the health of our populations including: education, occupation, income, home and community in addition to lifestyle.

[Marmot Review 2010 - Fair Society Healthy Lives](#) demonstrated that the “conditions in which people grow, live, work and age” have a powerful influence on our health, our life expectancy and how long we live with life-limiting illness. These same conditions not only make us ill, but determine our access to health services and influence our lifestyle choices.

Marmot made a strong economic argument for a programme of action by the Government and local services to tackle health through “proportionate universalism” – providing action and services to all, but targeted most at those in need. The Dahlgren-Whitehead model (Figure 1. below) shows the layers of the social determinants of health.

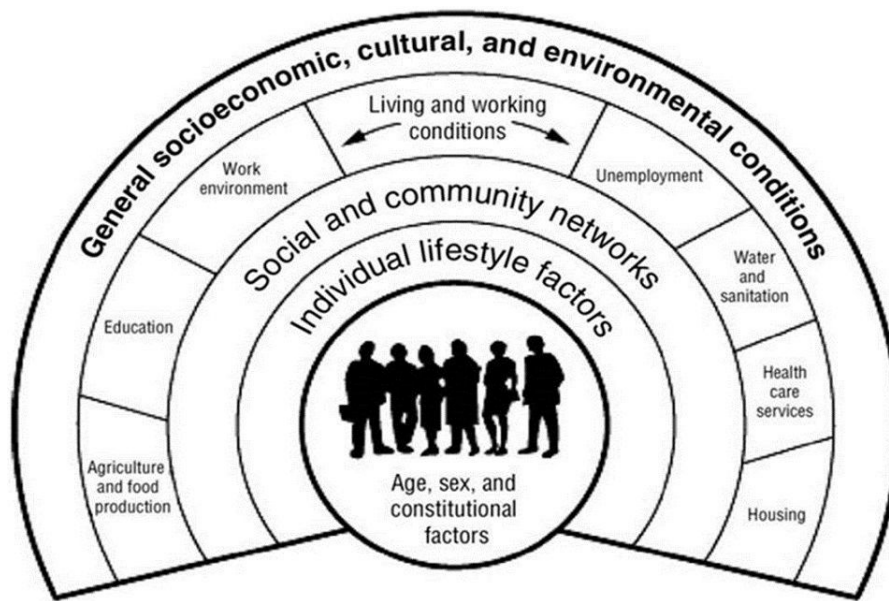


Figure 1. The broad determinants of health, Dahlgren and Whitehead (1991)

The Public Health Outcomes Framework *Healthy lives, healthy people: Improving outcomes and supporting transparency*, sets out a vision to achieve positive health outcomes and reducing inequalities in health.

Health in All Policies (HiAP)

Led by Public Health England, this is a collaborative approach, to improving people's health through incorporating health considerations into decision making across sectors, policy and service areas and addressing the wider determinants of health.

Five Ways to Wellbeing

Developed by New Economics Foundation (NEF), this is an evidenced based set of actions to improve personal wellbeing:

1. Connect - with the people around you; develop relationships
2. Be active - find an activity you enjoy and make it part of your life
3. Keep learning - new skills can give you a sense of achievement and confidence
4. Give to others - a smile, a thank you, volunteering
5. Be mindful - be more aware of the present moment, your thoughts, feelings, the world around you

Making Every Contact Count (MECC)

MECC is a national initiative to support behaviour change by helping to increase an individual's capability to make positive lifestyle behaviour changes. MECC training can equip workforces with the knowledge and skills to build 'healthy conversations' around wellbeing into their day to day interactions with people.

Local Context

[Platforms for our Places 2017-2020](#) . Adur & Worthing Councils vision to unlock the power of people, communities and local geographies.

[Local Community Networks](#). A new place based approach to health care delivery which is being developed, driven by an alliance of partners called Coastal Care. Each Local Community Network (LCN) aims to develop one team, one plan, one budget and one set of shared priorities. There are three LCNs in Adur and Worthing: North and South Cissbury in Worthing and one in Adur.

West Sussex Wellbeing and Resilience Strategy ‘Thriving People Flourishing Places’. This is an important strategy being developed by the West Sussex Health and Wellbeing Board to guide the system in understanding and strengthening the things that make people’s lives go well by strengthening the wellbeing and resilience of West Sussex residents of all ages.

Coastal Care Prevention Programme

The Coastal Care Prevention Programme aims to support our population to ‘*Start Well, Live Well and Age Well*’ by: preventing ill health, intervening early and supporting people to better manage their care. We have adopted the same narrative and approach in this strategy.

Health and Wellbeing Partnership

Adur and Worthing already have a thriving Health and Wellbeing Partnership that brings a wide ranging groups of partners together to provide networking and solution based approaches to improving the wellbeing of our communities. Over the time of this strategy we hope to see this develop further across the health, local authority and voluntary sector landscape to better use scarce resources and focus on key projects.

What We Know About the Health of our Communities in Adur & Worthing

Adur and Worthing have significant strengths and perform better than the national average for many indicators (see [West Sussex JSNA](#)); however, some real health challenges are experienced by our communities and these are highlighted in the [Health Profiles for Adur and Worthing \(2017\)](#):

Adur

- ❖ Significant inequality: life expectancy in Adur is similar to the England average. However, we know that in the most deprived areas of Adur, it is 7.3 years lower for men and 8.6 years lower for women than in the least deprived areas
- ❖ About 16% (1,800) children live in low income families
- ❖ 19.6% (106) children in Year 6 are classified as obese
- ❖ The rate of self harm hospital stays for adults is worse than the England average

Worthing

- ❖ Significant inequality: life expectancy in Worthing is similar to the England average. However, we know that in the most deprived areas of Worthing it is 9.4 years lower for men and 7.3 years lower for women than in the least deprived areas
- ❖ About 15% (2,700) children live in low income families
- ❖ The rate of alcohol-specific hospital stays for both adults and those under 18 are worse than the England average
- ❖ Rates of hip fractures and sexually transmitted infections are worse than the England average

The indicators in the latest Area Health Profiles show us what the health issues are in our areas; with significant reductions in funding for local government set to continue, we need to consider how we can start to develop a more asset based approach that acknowledges and builds on the strengths of our communities and the people that live and work in them, whilst addressing the issues we know are there.

Priorities for Action in Adur & Worthing 2018–2021

The priorities for this strategy have been identified through consultation with stakeholders including: staff, Members and partners and on the basis of local health data.

The priorities contribute to the ambitions shared by the West Sussex Health and Wellbeing Board and the emerging Wellbeing and Resilience Strategy. These priorities are informed by local evidence and national research and where data suggests we could and should focus to have a profound impact. By focussing on the five priorities in this strategy, the councils are likely to make a significant impact creating the conditions to change lives of individuals and communities.

Priorities

- 1. We all have the opportunity to enjoy good mental wellbeing and emotional resilience (at all life stages)**
- 2. We contribute to improved environmental sustainability**
- 3. We can all access and make positive use of our open spaces**
- 4. We all have the opportunity to enjoy a healthy lifestyle (diet, weight, smoking, physical activity, alcohol, drugs and sexual health)**
- 5. We can all enjoy good social connections via purposeful activity at all stages of our life.**

The following section considers why these priorities are important, the local picture and the role of the councils.

Priority 1.

We all have the opportunity to enjoy good mental wellbeing and emotional resilience (at all life stages)

What do we mean by ‘mental wellbeing and emotional resilience’?

The concept of wellbeing comprises two main elements: feeling good and functioning well. Feelings of happiness, contentment, enjoyment, curiosity and engagement are characteristic of someone who has a positive experience of their life. Equally important for wellbeing is our functioning in the world. Experiencing positive relationships, having some control over one’s life and having a sense of purpose are all important attributes of wellbeing.

Individual mental wellbeing is personal and therefore unique. It cannot be given – it needs to be developed by each individual for themselves. Mental wellbeing includes the capacity to:

- realise our abilities, live a life with purpose and meaning, and make a positive contribution to our communities
- form positive relationships with others, and feel connected and supported
- experience peace of mind, contentment, happiness and joy
- cope with life’s ups and downs and be confident and resilient
- take responsibility for oneself and for others as appropriate.

It is:

- more than the absence of mental illness / disorder; it represents the positive side of mental health and can be achieved by people with a diagnosis of mental disorder
- inextricably linked with an individual’s physical wellbeing
- inextricably linked, as both cause and effect, with social wellbeing

By ‘emotional resilience’ we mean ‘being able to cope with the normal stress of life’. This is not a rare ability, it is something that can be learned and developed and is an important part of most definitions of mental wellbeing, with great relevance for the prevention of mental illness.

Why it’s important - Health and Wellbeing benefits

Good mental health and wellbeing are fundamental to our physical health, our relationships, our education, our training, our work and to achieving our potential. The benefits of positive mental health and well-being are wide ranging and significant both for individuals and for society as a whole. Positive mental health is associated with an increase in life expectancy, improved quality of life, improved physical outcomes, improved education attainment, increased economic participation, and positive social relationships.

The local picture and the role of the Councils

By 2019 it is predicted that across Adur & Worthing, there will be 17,460 people aged between 18–64 years old, who will have a mental health problem. This equates to approximately 1 in 10 people in our communities. [[West Sussex Life](#)]. The rate of emergency hospital admissions caused by intentional self-harm in 2014–15 was recorded as 321.8 per 100,000 in Adur and 306.1 per 100,000 in Worthing.

Local authorities are in a unique position to impact on resilience, by delivering activities and services which promote wellbeing, build social capital and develop psychological coping strategies. The Councils can contribute to the good mental health of our communities in a number of ways by tackling the wider determinants of health through programmes such as: Going Local; Wellbeing Hubs; Growing Communities and Good Gym, by embedding opportunities to increase positive social connections (especially for residents who are isolated) and by continuing to develop our role as Mental Health Champions through the [Mental Health Challenge](#), promoting, leading and working with partners to promote good mental health, wellbeing and resilience.

Mental Health Challenge

Both Adur and Worthing Councils are signed up to the national Mental Health Challenge programme which has been developed by a number of mental health organisations, including MIND, the Mental Health Foundation and several others. The aim of signing up to the Mental Health Challenge is to show how Adur and Worthing are actively promoting mental wellbeing in the community and helping to improve the lives of people with mental health conditions. This cuts across a number of key council departments through the delivery of services, the influencing of other partners, signposting of people to help, and the development of new work through external funding. The Mental Health Challenge includes the commitment by the Councils work towards the '[Time to Change employers pledge](#)'.

Priority 2.

We contribute to improved environmental sustainability

What do we mean by improved environmental sustainability?

As Councils we recognise the importance of the local environment to our communities; our coastal, downland, riverbank and urban park environments are major reasons people choose to live here. We want to enable the many individuals and community groups who want to do something to conserve or steward our natural resources and environments at a community level.

Why it's important - Health and Wellbeing benefits

Modern urban life style can be associated with chronic stress, insufficient physical activity and exposure to man-made environmental hazards. Urban green spaces, such as parks, playgrounds, and residential greenery, can promote mental and physical health, and reduce morbidity and mortality in urban residents by providing psychological relaxation and stress alleviation, stimulating social cohesion, supporting physical activity, and reducing exposure to air pollutants, noise and excessive heat. The [2016 WHO Urban Green Spaces & Health Report](#) summarises the available evidence of beneficial effects of urban green spaces on:

- Improved mental health & cognitive function
- Reduced cardiovascular morbidity and mortality
- Reduced obesity and risk of type 2 diabetes

The local picture and the role of the Councils

The Councils have a key role in improving environmental resilience in Adur and Worthing through developing sustainable transport opportunities, creating the opportunities and networks for communities to walk and cycle safely, managing local air quality, using innovation, planning and design and supporting the network of environmental community groups in our areas.

Priority 3.

We can all access and make positive use of our open spaces

What do we mean by 'open space'?

The scope of the open space definition for the purpose of this report is to be found in the [A&W Council's Open Space Study Assessment Report of March 2014](#) (aligned to Planning Policy Guidance note 17) and underpinned by the [Urban Green Space report 2017](#) and comprises:-

1. Parks & Gardens
2. Natural and semi-natural greenspaces
3. Amenity green spaces
4. Allotments
5. Green corridors
6. Cemeteries, disused churchyards, burial grounds.

Consideration should also be given to the allocation of good quality areas of green space within new developments.

Why it's important - Health and Wellbeing benefits

There is an overwhelming body of evidence that there are beneficial outcomes for both mental and physical wellbeing from the presence and use of open spaces in our communities: enhancing the physical and social environment is a key pathway that urban planning can utilise to improve health equity. Research increases the credibility of reviewing a green space not just from an ecology, biology and biodiversity perspective with a view to the preservation and protection of non-humans, but also for its critical benefits for the quality of life of human beings.

The Local picture and the role of the Councils

The Councils play a key role in ensuring environmental resilience and sustainability is considered as part of the planning process to develop innovative approaches to delivering more sustainable development while balancing the imperative to build. Our areas benefit from over 663 hectares of open space; including the beach and seafront as well as great parks and civic spaces. Good quality open spaces play a significant role in creating opportunities for social interaction and physical activities and contribute to a healthy weight environment. The Councils' 2014 assessment of the provision of open spaces ([Adur and Worthing Open Space Study and Assessment Report March 2014](#)) is due to be refreshed this year.

Priority 4.

We all have the opportunity to enjoy a healthy lifestyle

What do we mean by 'healthy lifestyles'?

A healthy lifestyle is one which helps to keep and improve a person's health and wellbeing. A healthy lifestyle is associated with: maintaining a healthy weight, physical activity, absence of addiction to harmful substances such as alcohol and tobacco.

Why it's important - Health and Wellbeing benefits

A healthy lifestyle has both short and long term health benefits. Long term, eating a balanced diet, taking regular exercise and maintaining a healthy weight can increase life expectancy and prevent ill health through reducing the risk factors of certain diseases including cancer, diabetes, cardiovascular disease, osteoporosis and obesity. In the short term, a healthy lifestyle can give people more energy, maintain a healthy weight and feel better.

The local picture and the role of the Councils

The health of people in Adur and Worthing is varied, compared with the England average. Whilst many of our residents enjoy good health, not all of our communities experience health in the same way. We know there are significant challenges to get people more active; Adur is the lowest areas for sports participation in West Sussex ([Active People Survey 10](#)) and levels of healthy eating are below the national and county wide averages ([Adur and Worthing Health Profile s 2017](#)). Levels of obesity amongst adults are higher than the national average, there are increasing concerns for the number of young people classified as obese and we know that there are predictions of increases in the levels of type 2 diabetes in those aged 65+. There are high levels of binge drinking in Worthing relative to the rest of the County. Both Adur and Worthing have significant numbers of older people, more than a quarter of whom say they are moderately or severely lonely.

Evidence shows that these health inequalities are largely determined by living conditions and wider social, economic, environmental, cultural and political factors (i.e. the 'wider determinants of health') which are controlled by influences and actions outside the health sector. Reshaping people's economic, physical, social and service environments can support wellbeing, healthy behaviours and boost local growth. [Health in All Policies](#) (HiAP) is a collaborative approach to improving the health of all people by incorporating health considerations into decision making across sectors, policy and service areas, and addressing the wider determinants of health. HiAP simultaneously and positively impacts on other important priorities, such as: promoting the creation of good-quality jobs, local economic stability and educational attainment.

The Councils can support people through the provision of information and signposting to services, and through its Wellbeing Hubs programme, which provides services such as Wellbeing Advisors, weight management courses and physical activity sessions. Through planning and licensing decisions, Councils can make it easier for residents to make healthy lifestyle choices - and for these to become accepted as the norm."

Priority 5

We can all enjoy good social connections via purposeful activity at all stages of our life

What do we mean by 'social connections'?

Social connections are the relationships we have with the people around us. Loneliness happens when we have a mismatch between the quantity and quality of social connections that we have, and those that we want ([Social Connectedness Predicts Lower Loneliness and Depressive Symptoms over Time in Adolescents](#); Perlman and Peplau, 1981).

There are different types of loneliness:

- Emotional loneliness is felt when we miss the companionship of one particular person; often a spouse, sibling or best friend.
- Social loneliness is experienced when we lack a wider social network or group of friends.

Loneliness can be a transient feeling that comes and goes, or loneliness can be chronic; this means someone feels lonely all or most of the time. Loneliness is linked to social isolation but it is not the same thing. Isolation is an objective state whereby the number of contacts a person has can be counted. One way of describing this distinction is that you can be lonely in a crowded room, but you will not be socially isolated.

Why are social connections important?

While interrelated, social isolation and loneliness are different concepts. Social isolation objectively describes the absence of social contact, i.e. contact with family, friends or community involvement. Loneliness is the difference between desired and achieved levels in the quality and quantity of social contact. Loneliness is about how individuals feel and, while both concepts are important to understand, the focus of this priority is on tackling loneliness, which is a bigger problem than simply an emotional experience. Research shows that loneliness and social isolation are harmful to our health. The Mental Health Foundation Survey (2010) found that loneliness and social isolation are not just issues that affect older people; loneliness is especially a problem for younger generations, and changes in the way we live and work that affect our relationships, are having more of an impact on younger ages. Loneliness has been shown to increase the likelihood of poor physical and mental health, the risk of becoming involved in criminal activity and reduction in future employment opportunities. Chronic loneliness however is still most prevalent amongst the older adult age group and increases with age.

The local picture and the role of the Councils

We know from evidence that levels of loneliness are likely to be highest amongst older people aged 65+ and that Adur and Worthing have high levels of older people. There are also vulnerable high risk groups locally who will be experiencing loneliness, including: young adults, care leavers, carers, and people with mental health and chronic physical health. Introducing protective factors through raising awareness and providing knowledge and information at the earliest stage, will make a difference to people experiencing feelings of loneliness.

Local authorities play a key role in raising awareness of the issue. They can also work across the system to encourage opportunities for social interaction within new and existing activities where practical and appropriate, and support development of social networks.

What we achieved in the Public Health Plan 2014-2017

The Councils' first Public Health Plan really helped to set out the rationale and context of our 'new' Public Health role and has helped to achieve:

- ❖ Increased knowledge and skills with regard to public health being embedded across the organisation, including managers, staff and Members;
- ❖ Increased awareness by staff and Members of our role in the health and wellbeing of our communities;
- ❖ Both Councils signing up to the national Mental Health Challenge programme leading to workforce development around mental health awareness and tackling stigma;
- ❖ Both Executive Members for Health and Wellbeing appointed as Mental Health Champions to advocate for mental health issues in council meetings and policy development;
- ❖ The Councils actively promoting good health and wellbeing in the community through the delivery of services, such as the Wellbeing Hubs, influencing partners through our leadership of local partnerships and working to encourage positive mental health in our schools colleges and workplaces

The Public Health Plan acted as a framework that helped to bring together staff from across and within different departments to work in a more integrated way. In the first two years the plan focussed around four broad priorities:

1. Create fair employment, skills and good work for all
2. Create and develop healthy and sustainable places and communities
3. Strengthen the role and impact of ill health prevention
4. Enable all children, young people and adults to maximise their capabilities and take control of their own lives.

A new cross departmental Public Health Delivery Group, led by the Director for Communities, was established which identified opportunities for additional benefit, by joining up areas of the Councils which may not usually have worked closely, around each of the priorities. For example, the development of the Councils' approach towards worklessness included the coordination of work experience placements for long term unemployed across the organisation and with external organisations and businesses, and a work experience and skills pathway.

In the last year of the 2014-17 plan, delivery was focussed on five distinct projects, identified through consultation with staff. These included:

1. 'Eat Well', to make information on healthier food choices from Council platforms more accessible for businesses, residents and visitors;
2. 'Well at Work', to support the health and wellbeing of the Councils' staff;
3. 'Green Spaces and Positive Public Health' a report to provide a body of evidence to support the preservation of green space for the Worthing Local Plan and which could go on to influence other decisions relating to green spaces;
4. 'Journey to Work', to create a coordinated offer to support people getting back to work;
5. 'Peaceful Places' to improve the information available to ensure reports of Antisocial Behaviour (ASB) and nuisance are dealt with in a timely manner.

Underlying principles of this strategy

1. Strength based - the key to developing resilience in our communities is to build on strengths and embed a promotion of social connections across what we do
2. Cross-cutting action and influence - the focus will be on those areas of cross-cutting action on health and wellbeing, which can be developed across a number of services and / or partners.
3. Challenging ourselves and others – it is essential that our focus is always on striving for the best and challenging ourselves and others to achieve this, making use of the wide ranging tools we have, e.g. regulatory powers.
4. Co-design principles – the most effective way of bringing about improvements and outcomes is through working with communities, neighbourhoods, families and individuals, to co-design and co-develop solutions.
5. Enabling communities and individuals to set the agenda – we need to work with them to help define local problems and search out local solutions.
6. Targeting inequalities – this cuts across the core of this plan and will require a targeted focus on those in greatest need, not necessarily those who shout the loudest, to reduce inequalities and use valuable resources well.
7. Not telling people how to behave – this does not work and we need to embed the learning from behavioural insights and social marketing approaches to ensure that we are able to influence behaviour positively and effectively.
8. Mixed economy of commissioning and delivery – considering how we can commission others and what we need to retain ourselves is essential to building a partnership approach that takes strengths from others and creates more resilience.
9. A system-wide approach – each of the five priorities is focused on tackling the individual and contextual determinants of health outcomes and health inequalities along with the development of a wider understanding of public health in terms of place poverty and neighbourhood effects.
10. Evidence and efficacy – activity and programmes to be evidence-based in a way that enables them to be local, innovative and tailored to specific audiences.

How this strategy will be delivered

This strategy identifies the broad priority areas for work over the next three years, based on feedback from stakeholders and how this relates to the wider evidence base. A more detailed delivery plan will be developed to identify new and existing projects and services to contribute to the priorities.

The Delivery Plan will seek to embed a strength based approach to improve the personal health and wellbeing of our residents, based around the 'Five ways to Wellbeing'. The Five ways to Wellbeing were identified in a [review by the New Economics Foundation \(2008\)](#) and are summarised as a set of public health messages (See Box 1 below).

Box 1: Five Ways to Wellbeing

Connect... With the people around you. With family, friends, colleagues and neighbours. At home, work, school or in your local community. Think of these as the cornerstones of your life and invest time in developing them. Building these connections will support and enrich you every day.

Be active... Go for a walk or run. Step outside. Cycle. Play a game. Garden. Dance. Exercising makes you feel good. Most importantly, discover a physical activity you enjoy and that suits your level of mobility and fitness.

Take notice... Be curious. Catch sight of the beautiful. Remark on the unusual. Notice the changing seasons. Savour the moment, whether you are walking to work, eating lunch or talking to friends. Be aware of the world around you and what you are feeling. Reflecting on your experiences will help you appreciate what matters to you.

Keep learning... Try something new. Rediscover an old interest. Sign up for that course. Take on a different responsibility at work. Fix a bike. Learn to play an instrument or how to cook your favourite food. Set a challenge you will enjoy achieving. Learning new things will make you more confident as well as being fun.

Give... Do something nice for a friend, or a stranger. Thank someone. Smile. Volunteer your time. Join a community group. Look out, as well as in. Seeing yourself, and your happiness, linked to the wider community can be incredibly rewarding and creates connections with the people around you.

Conclusion

The shift towards a more strength based approach in this strategy reflects the move by the West Sussex Health and Wellbeing Board toward developing the wellbeing and resilience of our communities; we want to enable people and communities to use their personal strengths, to frame things in a positive way and to view issues as opportunities where possible. The actions that help people to do this are the Five Ways to Wellbeing.

Following adoption of this strategy, the next steps will be to engage a wider group of staff to define the Delivery Plan. Staff from different departments and services will be invited to come together to consider the priority areas and identify key areas of business to develop over the next year. The annual delivery plan will be reported to the Public Health Strategy Delivery Group led by the Director for Communities, and will be refreshed on an annual basis.

Information sources

- I. Measurement Really Works, Discussion Paper 2; F. Huppert Sept. 2017. What Works Centre; www.whatworkswellbeing.org
- II. Towards a smoke-free generation: tobacco control plan for England; July 2017. Dept. of Health and Social Care. www.gov.uk
- III. West Sussex Joint Strategic Needs Assessment (JSNA); jsna.westsussex.gov.uk
- IV. Adur District and Worthing Borough Health Profiles 2017; Public Health England <http://fingertips.phe.org.uk>
- V. Healthy High Streets, good place making in an urban setting; January 2018. Public Health England www.gov.uk
- VI. Community Evidence & Intelligence Framework 2016/17; Adur & Worthing Councils (internal report)
- VII. [Life Expectancy Report; Office for National Statistics](#)
- VIII. Adur & Worthing Councils Housing Strategy ([Housing Matters 2017 - 2020](#))
- IX. Green Spaces and Positive Public Health - November 2017, Adur & Worthing Councils (Internal report)
- X. Urban Green Spaces & Health Report; WHO 2017. www.euro.who.int
- XI. Annual Report of the Chief Medical Officer for England March 2018; [Health Impacts of Air Pollution, What do we know?](#)



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 April 2018
Agenda Item 8

Key Decision [~~Yes~~/No]

Ward(s) Affected:Selden

Brooklands Park - Update on the actions made to date

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. The purpose of the report is to update the Joint Strategic Committee on the progress made on the project to dredge Brooklands Lake and also the associated environmental enhancements of the islands, margins and Valley Gardens section of the Teville Stream.
- 1.2. The report also provides information on the successful formation of a Friends of Brooklands Park and also the creation of a Master Plan, following a public consultation exercise to set out the Council's future aims and objectives for the park.

2. Recommendations

- 2.1 Recommendation One - The Committee to note the progress made on:
 - A. The dredging of the lake and associated environmental enhancements of the islands, margins and Valley Gardens section of the Teville Stream.
 - B. The revised date for for the completion of the above project.
 - C. The successful formation of a Friends of Brooklands Park.

D. The creation of a Master Plan, following a public consultation exercise to set out the Council's future aims and objectives for the park.

3.0 Context

Brooklands Lake

- 3.1 Within Platforms for Our Places, the Councils have committed to supporting the stewardship of our natural resources. Brooklands Lake is a well loved local amenity, and the Committee is well aware of the wealth of public support for its work to improve the lake and its surrounds. This report follows previous reports presented to JSC on 6 December 2016 and 6 June 2017 about the work at Brooklands Lake.
- 3.2 In December 2016, the report to JSC outlined the functions and history of the lake, as well as presenting 4 options for the environmental improvements and future management of the lake. All of the 4 options included the dredging of the lake with different options for the disposal, removal or retention of the silt deposited in the lake.
- 3.3 The committee approved that officers pursue option 4 : the removal of wet sludge and use in margin and island creation , enhancement of valley gardens to reduce the impact of the pollution load from the Teville Stream. The construction of the reed beds and sludge barrier at the northern end of the lake.
- 3.4 The 6 June 2017 JSC report outlined the progress made by officers in terms of:
- The tendering and evaluation process undertaken for the above works.
 - Due diligence carried out.
 - Consultation with other Local Authorities and Agencies.
- 3.5 The recommendations approved delegated authority to the Director for Communities, in consultation with the Executive Member for the Environment, to approve the final procurement and award the contract up to the value of £850,00 as allocated within the 2017/18 Capital programme. This was subject to satisfactory due diligence checks and agreement of designs with the Environment Agency.

- 3.6 In July 2017, Five Rivers Environmental Contracting, a Salisbury based company were appointed to carry out the environmental improvement works following the completion of the tendering exercise.
- 3.7 Work started on site in November 2017 following the agreement of the designs and obtaining the required permits from the Environment Agency. Initially works were scheduled to be completed by the end of February 2018.
- 3.8 Once completed the construction phase will have removed 15,500 cubic metres of silt from the lake which is being creatively used in the restoration of the lake's margins and islands, as well as the creation of a further island in the centre of the lake which will provide significant additional habitat opportunities for wildlife. Five Rivers have been busy staking chestnut poles into the ground and using geotextiles (permeable fabrics with 100-year lifespan) to extend the banks around the lake. Amphibious diggers have then being busy scooping silt into position.
- 3.9 Since starting on site, Five Rivers have had had to contend with prolonged and higher levels than estimated periods of rain which has led to the project taking longer than anticipated. This is primarily because the silt material being removed has been more difficult to collect and transport around the lake due to the adverse weather conditions.
- 3.10 The dredging of the lake is now programmed to be completed by the end of March 2018, with a revised date having been agreed of the end of April 2018, for the completion of all the works contained within the original contract.
- 3.11 By this time the margins of the lake will have been replanted with native reed beds to act as a natural silt traps and marginal vegetation will be planted on the islands and the Valley Gardens section of the Teville stream to increase the biodiversity of the park. A general clean up of the construction site will be completed in the latter stages of the contract period.
- 3.12 It is anticipated that the temporary heras security fencing around the lake will need to stay in place for 2-3 months after the contract ends, whilst the newly created margins and islands consolidate and become firm enough to allow the general public to once again walk lakeside. A walkway will also be constructed on the south west of the lake to enhance the visitor's experience of the lake during the additional time the heras fencing will stay in place.
- 3.13 A lake management plan is in the process of being drafted to meet the lake's on-going future maintenance needs.

4.0 Friends of Brooklands Park

- 4.1 A series of five public meetings led by the Executive Member for the Environment, and supported by officers from Environmental Services and Five Rivers, have been held regarding Brooklands lake and the wider park since the project started. These meetings were initially set up to inform the local community and interested stakeholders of the progress being made and to engage widely with our communities around this project. The public meetings have taken place approximately every two months and have been extremely well attended with between 50 - 70 people present at each meeting.
- 4.2 The local community have shown real interest, and their passion and love for the park has been clearly demonstrated at these meetings. This has led to a Friends of Brooklands Park Group being formed, which held its inaugural meeting in October 2017.
- 4.3 The Friends of Group have now adopted a constitution and created a shadow board chaired by Councillor Callum Buxton, the local Ward Councillor from the Selden ward. All of the required Officer posts have now been filled, until the 1st Annual General Meeting which will be held in October 2018 where the board will be duly formally elected.
- 4.4 A first Friends Of event was held in February 2018, where the Friends of Group held a litter pick event in the Park. Despite the weather being un-seasonally wintery over 30 people attended, contributing over 80 hours volunteer time and collected 36 bags of litter, which equated to 120kg of rubbish.
- 4.5 The Friends of Group are key to ensure they are communicating widely and engaging with their communities and local residents. They have produced their own logo, taken possession of a new noticeboard provided by the Council to display the group's information, as well as setting up social media channels including facebook, twitter, instagram and an email account.
- 4.6 The Friends of Group are planning further events this summer possibilities include; litter picking, wildflower sowing, picnics and other get together events.

5.0 Brooklands Park Masterplan

- 5.1 In January 2018, following a procurement exercise, the Council appointed Chris Blandford Associates (CBA), a nationally renowned landscape design

and environmental planning consultancy to prepare a masterplan and vision report for the refurbishment and reinvigoration of Brooklands Park.

- 5.2 One of their early actions, in conjunction with the Council's Communications team was to launch a online consultation exercise to give the local community and interested stakeholders the opportunity to have their say and help to shape the future of the park.
- 5.3 The response from the local community was amazing, with over 800 responses received online. The collated feedback is being used by the consultants to develop concept options for the future of the park. Included in the brief given to CBA was to provide options to turn the park into a major asset for the community.
- 5.4 An ecological study of the park is being undertaken, so that the consultants were aware of the park's current wildlife habitats and species present. This study and findings will be fed into any future designs for the park.
- 5.5 The brief also includes an assessment of the long term, practicality and financial sustainability of the all potential options, hence all potential options for the final master plan, will be tested against some commercial viability parameters. Clearly it is the wish of the Council that whatever route is taken, this is a for the long term benefit of our communities, and that benefit is sustainable.
- 5.6 The next step is to present potential options for further public consultation later this year, before selecting a preferred option, which will then be developed into the final spatial masterplan, in collaboration with Council Officers and the Executive Member for Environment.

6. Engagement & Communication

- 6.1 A full online consultation exercise has been undertaken which resulted in over 800 responses being received, which have been passed to the consultants to help shape the concept options being provided.
- 6.2 The online consultation exercise was advertised on the Council's website and also via the Council's social media channels - facebook, twitter and linkedin. The Worthing Herald, the Argus and local radio stations Juice and More all also highlighted the consultation to their audiences.
- 6.3 The consultation was also promoted at the Brooklands Park public meeting on

16th January 2018.

- 6.4 The Executive Member for the Environment has been kept apprised of progress throughout and been actively involved in support the formation of the Friends Of Group and chairing public meetings. Overall the level of engagement and consultation around all aspects of this project have been extremely high.

7. Financial Implications

- 7.1 The Capital Programme approved on the 20th December 2016 by Worthing Borough Council included a budget of £850,000 for Environmental Improvements to Brooklands Lake.
- 7.2 The report to the Joint Strategic Committee dated the 6th June 2017 sought approval, following a procurement exercise, for the awarding of a contract up to the value of £850,000 and the formal release of the budget.
- 7.3 At this stage of the project, it is expected that the project will be delivered within the budget released.

8. Legal Implications

- 8.1 Section 1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 8.2 Section 1 Local Government (Contracts) Act 1997 allows the Council to enter into a contract in relation to any of its functions. In addition, the Council must comply with its Contract Standing Orders and the Public Contract Regulations 2015.
- 8.3 Section 111 Local Government Act 1972 provides that a Local Authority shall have the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

Background Papers

- Joint Strategic Committee Report - 6 December 2016 - Environmental improvement and future management options - Brooklands Lake.
- Joint Strategic Committee - 6 June 2017 - The environmental management of Brooklands Lake.

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Sustainability & Risk Assessment

1. Economic

- Transforming the facilities on offer at this community asset will help to positively contribute to the economic development of our places.

2. Social

- The creation of a Friends of Group and improved facilities on offer at this community asset will also help to positively contribute to the social development of our places.

2.1 Social Value

- All of the developments outlined in the above report will have a positive impact on our local communities.

2.2 Equality Issues

- Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

- The increased local community engagement with the park can only contribute positively to the Council's aim of reducing crime and disorder in the vicinity of the park.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- All of the developments outlined in the above report will have a significant positive impact on our management, custodianship and protection of this much valued natural resource.

4. Governance

- The developments outlined within this report are aligned to the Council's priorities contained within the Stewarding our Natural Resources platform



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 April 2018
Agenda Item 9

Key Decision: No

Ward(s) Affected: All

Motion on Notice from Worthing Borough Council - Ethical Landlord Scheme

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. To consider the details of a Motion on Notice submitted by Councillor Thorpe referred from the December 2017 Worthing Borough Council meeting. The Motion has been proposed and seconded and is attached as Annex A.
- 1.2. It is for the Joint Strategic Committee to consider and determine whether to accept the Motion as submitted, the background paper provided by Councillor Thorpe is included in this report as Annex B.
- 1.3. If the Joint Strategic Committee accept the Motion then Officers would be tasked with producing an outline proposal for a future meeting of the Joint Strategic Committee.
- 1.4. If the Joint Strategic Committee does not accept the Motion then no action is taken.
- 1.5. The report addresses the issues outlined in the Motion and provides options for the Joint Strategic Committee to consider. As this is a Motion referred from Worthing Borough Council, and therefore any decision by the Committee is in relation to Worthing only.

2. Recommendations

- 2.1. The Joint Strategic Committee is recommended to consider the Notice of Motion as attached to this report at Annex A.
- 2.2. The Joint Strategic Committee follow *Option 1: Continue with current activities to strengthen relationships between the private rented sector and the Councils* in response to the Notice of Motion, taking into account the information provided to the Committee in this report.

3. Context

- 3.1. The Director for Communities, as Proper Officer, accepted the Notice of Motion and under Council Procedure Rule 14.5, Worthing Borough Council accepted her determination that the matter should be considered by the Joint Strategic Committee. Therefore the Notice has been proposed and seconded, and automatically referred for consideration and determination by the Joint Strategic Committee.
- 3.2. The Motion has led to a referral to the Joint Strategic Committee from Worthing Borough Council and whilst this report covers activity that affects both Adur and Worthing, the Committee is being asked to determine matters in respect of Worthing only.
- 3.3. Council Procedure Rule 14.6 allows the mover of the Motion, Councillor Thorpe, to attend the Committee and explain the Motion.
- 3.4. Under Rule 14.6.2 the Member (Councillor Thorpe) may, prior to any debate on the matter, answer questions from the Committee for the purposes of clarification, and may sit with the Committee for the item in Question.
- 3.5. Under Rule 14.6.3 the Member (Councillor Thorpe) may not partake in the debate nor vote upon the item.

4. Issues for consideration

- 4.1. Whether the Joint Strategic Committee wishes to commission the Director for Communities to undertake or commission, a feasibility study on the Council becoming its own landlord and/or creating an 'Ethical Landlords Scheme'.
- 4.2. The attached paper makes several assumptions and comparisons which require further exploration:

- That the provision of privately rented accommodation in Worthing is of a poor quality
 - That relationships between private sector landlords and the Council are poor.
 - That the Council is not exercising its duties to hold landlords to account where this is required.
 - That Universal Credit will exacerbate the number of residents requiring housing assistance
 - That the system being used in Brighton & Hove for the licensing of landlords is transferable to Worthing
 - That there is a surfeit of properties in the Registered Social Landlord system
 - That the Wellbeing Team has developed a pilot scheme to utilise spare rooms
 - That teams within the Councils are not building positive relationships between partners, whether they be statutory, voluntary or business, to promote increases in the availability of affordable accommodation.
- 4.3. As part of delivering the Councils Housing Strategy 'Housing Matters' the Private Sector Housing (PSH) and Housing Solutions teams are already in regular contact with local landlords, whether they be agents or individuals, in order to support them to provide high quality, cost effective accommodation. The Housing Solutions team has an officer dedicated to these relationships, although in reality many officers are in daily contact with landlords.
- 4.4. Partnership meetings are regularly held with letting agents and landlords; the two most recent being in March and November 2017. The next meeting is to be held in May 2018. These are well attended and are a good opportunity for different officers and members from the Councils to meet with landlords and agents.
- 4.5. Between August and December 2017, more than 650 households were given advice by our Housing Solutions Teams. Out of these, 23% (150) families were threatened with homelessness on the day they presented. 115 households were prevented from becoming homeless, many due to direct action and liaison with current landlords and often utilising the financial support that is available to assist with rent in advance, deposits and rent guarantees.
- 4.6. In the main, private sector accommodation across Adur & Worthing is of a reasonable standard and the PSH team, actively takes enforcement action where this is needed. In 2017, 98 enforcement notices were issued. One of the key issues for our area is the lack of available, affordable rental accommodation particularly where a tenant

may need to claim benefits, not necessarily the standard of the accommodation on offer.

- 4.7. In November 2017 the manager of the PSH team and the Director for Communities, met with the Managing Director of 'The Letting Partnership' to scope whether there would be any appetite locally for developing a 'Rated Agency Assessment' quality mark for Letting agents. Together we will be scoping this work in coming months.
- 4.8. Welfare reform has clearly impacted on certain parts of our communities and it is well documented that changing from weekly to monthly payments, which have to be wholly managed by the recipient of the benefit, does have an impact on how housing costs are managed. A number of changes however, may make this and the delay at the start of a new claim, less impactful when Worthing goes on to full service Universal Credit (UC) later this year. A separate detailed report containing updates on the recent changes to how UC will be rolled out and the Councils' response to supporting our communities, is also on the agenda for this Committee meeting. A summary is listed here
- Individual claimants can now immediately receive up to 100% of their claim immediately as an advance payment to be repaid over a 12 month period. Job Centre Plus (JCP) colleagues are trialling offering this to **ALL** new claimants at the Hove Job Centre and more than 95% of claimants have accepted
 - The process for landlords to set up direct payment has been simplified
 - JCP are also engaged with local banks and credit unions to ensure that all claimants are 'banked'
 - A&W Councils are training volunteers to work at our job centres to support access to the IT Junctions and provide immediate advice and triage on housing issues
 - A&W Councils are actively working with WSCC and others to create early identification routes for families at risk of homelessness where budgeting and other supports are key to retaining their homes
- 4.9. The Government's selective licensing schemes are specifically designed to deal with pockets or specific areas with problems which can be clearly demonstrated and evidenced. Applications are made to the Secretary of State (SoS) and an underlying principle of the scheme is that it cannot be used for blanket area licensing. With this in mind, the system in place across Brighton and Hove, of mass licensing of properties, is only possible and has been approved by the SoS as the Council is able to
- a) demonstrate very high levels of ASB and
 - b) in many parts of the Council are at 'saturation' with regards Houses of Multiple Occupation (HMOs).

These criteria do not feature in Worthing and therefore such actions are not permitted.

- 4.10. Please note that there is no spare room scheme/pilot as described in the attached document. Wellbeing officers have at different points in time met with charities wishing to explore this, however none have taken it further than these exploratory discussions at this time.
- 4.11. Directors and Heads of Service across the Communities and Economy directorates recognise the need to build valuable and valued relationships across sectors if we are to influence the number of homes coming on stream in our Borough. A number of key initiatives and relationships serve to demonstrate how these are beginning to develop:
- Joint work between WBC, Worthing Churches Homelessness project and Roffey Homes to bring a successful planning application for a 37 bed supported accommodation project in Lyndhurst Road
 - £10 million loan facility to Worthing Homes
 - Agreement to progress a WBC site at Fulbeck Avenue to planning with a view to further development thereafter
 - Continued liaison with Registered Providers and other developers to ensure affordability and tenure mix are all part of pre planning and planning application discussions
 - Continuing discussions with large specialist landlords and developers of emergency, short term and longer term homes to discuss opportunities within both Councils to meet our needs

5. Current Activity and Projects within Housing

- 5.1. At this present time, the Housing teams are concentrating on a number of major projects which are also outlined in detail in the separate report on this agenda to update on the delivery of our Housing Strategy. In summary these include;
- 5.1.1. The implementation of a new Housing ICT solution to support homelessness applications, housing register applications and allow the Councils to be compliant with the onerous new Homelessness Reduction Act requirements when they come into force in April 2018.
- 5.1.2. Reviewing and refining our approach to implementing the new Homelessness Reduction Act, including revision of processes and procedures, as well as reviewing our service delivery models internally and externally with partners.

- 5.1.3. Reviewing the Housing Registers to ensure all data is current up to date and gives a clear picture of housing need in both council Areas.
- 5.1.4. Supporting increasing numbers of households presenting as at risk of homelessness. Please see above for details of Household seen in the last 5 months of 2017.
- 5.1.5. Streamlining and improving our work to process, approve and implement increased numbers of disabled facilities grants, to enable residents to be discharged from hospital sooner and remain in their homes longer. We are also already able to provide Landlord Repair Grants as long as landlords grant nomination rights or enter a private sector lease scheme with the Council for their property - again this is not dependent upon the Council being its own letting agent.
- 5.1.6. Identifying, inspecting and licensing any dwelling with 5 or more persons forming more than one household as part of the extended mandatory HMO licensing scheme under the Housing Act 2004.
- 5.1.7. Working with landlords, partners and developers to bring forward increased units of accommodation for use as Temporary Accommodation and more longer term affordable accommodation. E.g the joint work with Worthing Churches Homelessness Project and Roffey Homes to bring forward a project for 37 units of short stay accommodation for single people and some couples who are homeless.

6. Options

- 6.1. *Option 1: Continue with current activities to strengthen relationships between the private rented sector and the Councils*

A number of the commitments highlighted in the attached Motion are already in place as part of the Councils Housing Strategy and associated activity. Where there are gaps, actions are underway to strengthen relationships between sectors.

- 6.2. *Option 2: Commission a feasibility study into the establishment of an ethical landlord scheme in Worthing.*

The attached paper does not contain substantial evidence to support the argument that becoming a letting agent - without owning and managing residential property - will in fact increase the supply of long term affordable rented accommodation.

- 6.3. The Council is committed to working positively with existing landlords and agents, engages with landlord forums and has committed to acquiring accommodation to be used under licence, as temporary and emergency accommodation. The Council does not currently have an ambition to resume activities as a Registered Provider.
- 6.4. The Council does not at this time have the internal capacity to undertake a feasibility study of the kind mooted in this Motion. Therefore any such study would need to be commissioned externally, at an estimated cost of £10,000 to £15,000. This budget and work would only cover the exploration of feasibility, for the borough of Worthing, and would not cover and future costs and associated resources of set up and implementation, which would require further consideration at a future date.
- 6.5. The attached paper does not contain substantial evidence to support the argument that becoming a letting agent - without owning and managing residential property - will in fact increase the supply of long term affordable rented accommodation. The Council is committed to working positively with existing landlords and agents, engages with landlord forums and has committed to acquiring accommodation to be used under licence, as temporary and emergency accommodation. The Council does not currently have an ambition to resume activities as a Registered Provider.
- 6.6. Given all of the above, and taking into account factors such as the capacity of the Housing Teams to cover such additional work at this time and crucially and the assessment that this is unlikely to provide substantial further benefit to the councils over and above the actions already in train and described in this report, the recommendation is for the Committee to adopt Option 1; *Continue with current activities to strengthen relationships between the private rented sector and the Councils.*

7. Engagement and Communication

- 7.1. To date the only engagement around this work has been the receipt of the motion under discussion and internal input as described above.

8. Financial Implications

- 8.1. It would be difficult to accommodate the feasibility work in-house at this time due to the number of other major initiatives being undertaken and a decision required as to what work would need to be deferred. Consequently, if this work is to be pursued it will require separate funding of around £10,000 - £15,000.

- 8.2. There is no budget within Worthing Borough Council for this initiative. However, if members are minded to support the initiative then officers will aim to identify any underspend within the current 2017/18 budget which could be used for this purpose.

9. Legal Implications

- 9.1. Council Procedure Rule 14 forms part of Worthing Borough Council's constitution and provides the governance framework for dealing with Motions on Notice. As the substantive subject matter of the Motion falls within the Executive functions, once proposed and seconded, the Motion has been automatically referred to Worthing Borough Council's Executive. In accordance with the Joint Committee Agreement, as it relates to a joint service of Housing, the Executive shall consider the matter when sitting with Adur District Council Executive as the Joint Strategic Committee. In accordance with paragraph 7 of the Joint Committee Agreement although the decision is only relevant to Worthing Borough Council, all Members of the Committee present may participate in the debate and vote, and the decision shall be made by a majority vote provided that the majority of the Worthing Borough Council representatives are part of the overall majority.
- 9.2. Worthing Borough Council does not currently own or manage residential property having transferred its housing stock to a Private Registered Provider of Social Housing, Worthing Homes Ltd. Despite this, should the Committee decide to pursue the option of becoming a letting agent or of resuming activities as a Registered Social landlord it would have the legal power to do so under the Housing and Regeneration Act 2008 and using the general power of competence provided for in section 1 of the Localism Act 2011.

Background Papers

- Notice of Motion to Council December 2017
- Email from Councillor Thorpe with background document 1.11.2018
- Emails from Director for Communities and Councillor Thorpe 27.11.2018

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Sustainability & Risk Assessment

1. Economic

Matter considered, no specific issues identified.

2. Social

2.1 Social Value

This would be addressed in any report from officers on an Ethical Landlord Scheme

2.2 Equality Issues

Matter considered, no specific issues identified from information available.

2.3 Community Safety Issues (Section 17)

Matter considered, no specific issues identified

2.4 Human Rights Issues

Matter considered, no specific issues identified.

3. Environmental

Matter considered, no specific issues identified.

4. Governance

The Councils Housing Strategy and Strategic Plan 'Platforms for Our Places' contain a range of actions to address the many strands of need across the housing sphere. It does not specifically include the creation of an Ethical Landlords scheme as outlined in this Motion.

To explore this proposal will require significant officer time to research and scope whether this is viable or approved budget to commission this externally.

It is also noted that this has been sent from Worthing Council only.

Decent Private Sector Homes - New Ethical Landlord Scheme - Reducing Homelessness in Worthing and Adur District.

The Motion.

"Council to request the Director for Communities to place on the Joint Strategic Committee agenda a feasibility report on a Ethical Landlord Scheme "

Proposed by Councillor Hazel Thorpe

Seconded by Councillor James Doyle

The Council acknowledges that;

Due to factors beyond its control, the issue of homelessness, lack of affordable housing in general and consequently the increased need for temporary accommodation exists.

- The purpose of this motion is to enhance and extend the provision already in place in Worthing and Adur for the benefit of the public through using the good practice and ideas around the country highlighted in the *background paper.
- It is well documented that homelessness and eviction has an associated stigma with possible criminalisation of tenants, a drop in educational standards and mental health implications. Therefore minimising this problem can only benefit members of the public and also the Councils in terms of reputation and financial sustainability.
- The introduction of Universal Credit is highly likely to exacerbate the amount of residents requiring housing assistance - so, as a Council, we need to find ways of minimising the impact and symptoms of the issues as well as financing a temporary cure.

Briefly the main thrust of the paper is for the Council to become its own Letting agency, to reward and work positively private landlords for being Ethical Private Landlords. *Background paper attached.

Decent Private Sector Homes - Ethical Landlord Scheme - Reducing Homelessness in Worthing and Adur District.

Introduction

The purpose of this paper is to enhance and extend the provision already in place in Worthing and Adur for the benefit of the public. Prevention of homelessness, eviction and its associated stigma, criminalisation of tenants, drop in educational standards and mental health implications can benefit members of the public and also the Councils in terms of reputation and financial sustainability. The introduction of Universal Credit is highly likely to exacerbate the amount of residents requiring housing assistance - so we need to find ways of minimising the impact and symptoms of the issues as well as financing the temporary cure.

The project promotes ten commitments covering different ways to encourage private landlords to provide decent, sustainable housing for local residents at a reasonable cost to Landlords, the Council and resident, preventing unnecessary hardship in the long term.

Without prejudice, it is a fact that Worthing will never achieve its housing targets mainly due to factors beyond its control, limitation of size and lack of brown field sites. We need therefore to look more creatively at what we have in situ and enable the public to rent privately at a sensible or living rent - one that enables them to minimise their debts and pay their dues. Recently the "Living Rent Campaign" in partnership with Brighton and Hove City Council agreed to work together to scrutinise build costs and tie rents to market costs not market value, thus aligning the living wage to rents. (*Ref. livingrent.org.uk*)

The Ten Commitments in brief.

Commitment 1 Council to assign or provide an designated person to work specially with landlords to create the condition for positive change and value for money.

Commitment 2 Accreditation of private landlords to value their input into the housing market and provision – enhancing the provision and value for money, introducing an Ethical, Good Landlord scheme.

Commitment 3 Social Landlords are registered so why not Registered Private Landlords? This would provide security and knowledge of tenants in the event of a future accident. It could also enhance the partnership between council and the private sector.

Commitment 4 *Licensing Landlords to put the public – private partnership on a more formal level leading to better living conditions for residents, recognition for good landlords and encouragement to improve for rogue landlords.*

Commitment 5 *Councils via their Registered Social Landlords could be offered first refusal on properties, including sitting tenants, in excess to requirements by Preferred Landlords on their register. The Right to Buy Back could also be investigated under this scheme.*

Commitment 6 *Temporary Leasing of private homes to the Council including those where an elderly resident needs health care or sheltered housing –whereby the family keep the capital and the individual gets their rent to lay towards their own care/ housing. The home is not under-occupied.*

Commitment 7 *Expand the Lodger scheme with registered families – spare room for rent*

Commitment 8 *Introduce the Council acting as its own Letting Agent and interest free loans for renting paid back via an insurance.*

Commitment 9 *Council team including councillors to 1) work specifically with landlords, 2) provide a support network for those needing to move in or out of the area – signposting sources of support, local charities, schools, public services etc.*

Commitment 10 *Designated officer for Landlords and tenants to work with planning teams so that planning applications favour private and social renting to a minimum of 40% whilst being aware of viability and sustainability.*

Commitment 1 *Worthing Borough has many good housing strategies in place but it appears that whilst the Council has a Director and Cabinet Member heading up the team responsible of Housing - no overall person is dedicated or designated to work discreetly face to face with Private Landlords. Hence it would be an advantage to have one person overall to provide consistency of criteria and approach to new ideas and strategies. This would not require more financing but more focused use of expertise and officers' time. The cost of emergency accommodation and temporary housing both inside and outside the Borough is spiralling towards a crisis.*

Commitment 2 *An accreditation of Landlords scheme could be set up by the Council to interact with landlords to provide consistent provision across the Towns to form an Ethical Good Landlord* scheme. Their provision could be star rated as on Trip Advisor so that excellent Landlords would be rewarded with prestige and local esteem. Lesser landlords could also be spurred on to provide adequate accommodation to provide value for the public purse. This would give the Council more control of how accommodation is regulated, set the standards and support tenants when for example a block of flats or house is condemned due to poor, outdated accommodation and no longer fit for purpose under planning or building regulations guidance. (Ref* Cllr David Gibbons- Good Landlord scheme Brighton and Hove City Council. July 2017)*

Commitment 3 *Social Landlords are registered as our preferred providers. They are accountable and governed by their constitution and charitable - non -*

profit making status. Why not have Registered Private Landlords? Worthing Borough Council back in the 1980s kept a register of all their landlords and their properties mortgaged to individuals under the Estates team. Landlords in Wales already have a legal obligation to register their properties and apply for a licence. (*Ref. part 1 Housing (Wales) Act 2014*). The advantages - both moral and economic monitoring residents and landlords, knowing who and where residents are, seem to outweigh the disadvantages. It would be accepted that checks and balances are in place and that Data Protection guidance would be followed. In the light of the Grenfell disaster all Councils are expected to review their strategies and this process could enhance the partnership between the Council and the private sector in terms of transparency. *Ref. (Grenfell Disaster model / Sir Robin Wales Joseph Rowntree Foundation) #UK housing* youtu.be/RUqnN7zyV08via@YouTube

Commitment 4 Licensing Landlords to put the public - private partnership on a more formal level leading to better living conditions for residents, recognition for good landlords and encouragement to improve for rogue landlords. Brighton and Hove City Council have a consultation in place to initiate bespoke licensing schemes for the city. Worthing has a relatively high level of HMOs and concerns have been raised about the impact upon the public. A recent report has indicated that these concerns are not in line with current evidence. HMO Landlords appear to be providing good accommodation agreed via the planning team, but the Council can always improve conditions for the public - especially in smaller units.

Brighton and Hove council is currently consulting on two proposed licensing schemes for private rented housing in the city. Reviewing the Brighton approach would be one way of addressing this issue and we could learn useful tools for Worthing.

- [*a city-wide Additional Licensing Scheme for smaller Houses in Multiple Occupation \(HMOs\) not covered by mandatory licensing*](#)
- [*a Selective Licensing Scheme for other private rented homes in 12 wards in the city*](#)

The aim is to improve consistency of management and maintenance standards in the city's private rented housing. The council is required to consult interested parties about the schemes and consider representations before reaching a final decision. Ref. (Brighton and Hove City Council 2017)

Commitment 5 Councils, via their Registered Social Landlords, could be offered first refusal on properties private landlords need to offload because of their own financial needs. Councils are being encouraged by the government to invest in housing. A "Good Landlord" scheme in partnership with a Council controlled Letting agency could be a source of increasing the Councils' portfolio. It could minimise costs, (*by approx 11%*), both emotional and financial incurred by the Council providing their duty of care to a tenant

on becoming homeless. Costs to the Council tax payers are rising significantly when the tenant, who has a duty of care by the Council, is placed in emergency accommodation and beyond. If Commitments 1-4 were to be in place, the Council would be in a good position to negotiate an economically sound, incentivising deal for the Council, the sitting tenant and the Private or Social Landlord. Sir Robin Wales of Newham Council is already mopping up properties where landlords are bailing out and taking them into Local Authority ownership. He is prepared to borrow whatever it needs. Worthing Borough has lent £10 million to a preferred RSL, it has access to CIF and S106 monies - so why not combine the two strategies. *Ref.(Keynote address Sir Robin Wales, Directly elected Mayor / Newham Council London) See also #Uk housing Commitment 3)*

Commitment 6 Temporary Leasing of private homes to the Council including those where an elderly resident needs health care or sheltered housing -whereby the family keep the capital and the individual gets their rent to pay towards their own care/ housing. The home is not under-occupied. *(Bognor)*

Commitment 7 The Council's Well- being team have for some time been piloting a scheme where a spare room is put to good advantage. It would be useful if the results of this pilot is shared with Councillors and eventually the public, and expanded if at all possible with registered families who would host individuals checking shelter and roof over their head. Checks and balances and data protections are a given, but the impact on mental health, a symptom of homelessness is too crucial to ignore. *(Worthing Council Well-being Team)*

Commitment 8 Introduce the Council acting as its own Letting Agent and interest free loans for renting paid back via an insurance. The Council as a Letting agent whilst creating competition for existing businesses could add a useful and independent tool to the Council's portfolio. Credit ratings charges and excessive fees are stifling the ability of our residents to afford a decent home. In Weston, for example a letting agent / landlord had insisted upon six months rent up front plus a deposit - approx. cost £1,500, and the same tenant was facing the same demand again one year later, - to extend the tenancy for another year.

Interest fee loans, guaranteed via insurance could be part of the arsenal used in this process. Whilst this approach is not without risk other Councils have forged forward in this field - "Often when Housing Officers know of pending evictions offers a loan (payable to the landlord) and repaid to the Council at affordable monthly rates". *(Horsham District Council)*. Deposits could also be made transferable.

(Keynote address Sir Robin Wales, Directly elected Mayor / Newham Council London) See also #Uk housing Commitment 3)

Commitment 9 Councillors and MPs already work on behalf of residents - this could be extended to a working group, collegiately working with officers and

landlords to ascertain what can be achieved in the above commitments in a given time scale. Currently tenants moving into or out of the area because of the need for a roof over their head are apparently not given a signposting package to help them and their children settle in the new area. Positive contacts with Charities, Churches and/or independent organisations could make the vital difference between a working family settling in to their new life and minimising the stressful effect on mental health, education and self esteem or falling into poverty. *(Karen Croucher Research Fellow Centre for Housing Policy University of York)*

Commitment 10 Commitment 1 suggests the strategy of a Designated officer for working directly with Landlords, - Commitment 10 could include the Council designated officer working; with social landlords and tenants to avoid the "done to" syndrome, to work with the Planning teams so that planning applications favour private and social renting over investment only properties. The planning team have started the process of informing councillors on viability of applications from the Developer's point of view. It is now crucial that the Council listen to the public's view on viability and sustainability of our housing options by at least stating the need for a minimum of 30% affordable housing for local people as in our Local Plan. . Ref *(Brighton City Council stated level 35 / 40%)* Furthermore the Vacant Building Credit which has minimised our flexibility due to loss of at least£2million in local fees to provide homes people want, must be challenged at top level.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 April 2018
Agenda Item 10

Key Decision: No

Ward(s) Affected: All

Worthing Borough Council's Relationship with Worthing Homes

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. The report advises Joint Strategic Committee of the statutory changes affecting the relationship between Worthing Borough Council and Worthing Homes Limited.
- 1.2. The Joint Strategic Committee is asked to note the impact of the statutory changes on Board Membership and voting rights.
- 1.3. The Joint Strategic Committee is asked to authorise and instruct the Director for Communities to renegotiate the contractual agreement between Worthing Borough Council (WBC) and Worthing Homes (WHL) in light of the changes, ensuring continued engagement and the promotion of a positive relationship between WBC and WHL.

2. Recommendations

It is recommended that the Joint Strategic Committee:

- 2.1. Notes the statutory changes impacting on Worthing Borough Council's relationship with Worthing Homes Ltd as a result of the new Regulations effective from 16 May 2018.

- 2.2. Delegates to the Director for Communities, in consultation with the Leader, to negotiate with Worthing Homes Ltd and enter into contractual arrangements relating to the number of Worthing Borough Council Elected Members on the Board, the position of the Council in relation to attendance/feedback from shareholder meetings, and any other matters that are pertinent to the future of this relationship.
- 2.3. Notes the change to be made to the Scheme of Officer delegations by the Monitoring Officer under her delegated powers removing the Head of Housings' authority to cast the Council's vote at meetings of WHL with effect from 16th May 2018, and delegates authority to the Monitoring Officer to make other consequential amendments to the constitution.

3. Background

- 3.1. The Office for National Statistics (ONS) has, in 2015, classified Private Registered Providers (PRP's) of Housing as public bodies, due to controls over their business being exerted by central government through the Homes and Communities Agency (HCA) and local authorities. As a result, the debt arising from commercial borrowing of all 1,600 PRP's in England, appears on the Government's balance sheet.
- 3.2. The Government, whilst having a general drive towards deregulation, has a specific objective of removing PRP borrowing from its balance sheet. The ONS aims to reconsider the classification of PRP's from public bodies to private sector bodies and consequently Parliament has introduced a package of deregulatory measures aimed at reducing public sector control over PRP's.
- 3.3. The Housing and Planning Act 2016 introduced some changes to the existing legal regime and in particular section 93 conferred on the Secretary of State a power to make regulations that limit or remove the ability of local authorities to exert influence over PRP's of social housing.
- 3.4. In exercise of those powers the Regulation of Social Housing (Influence of Local Authorities) (England) Regulations 2017 were implemented and came into force on 15th November 2017. The

purpose of the instrument was to retain a role for local authorities whilst reducing their influence and control over PRS's.

3.5. In summary the key points of the legislation are as follows:

- It restricts the percentage level of Officers a Local Authority may nominate as Board Members of a PRS;
- It removes any requirement that a Local Authority board member be present at a meeting of the Board for that meeting to be quorate;
- It removes a Local Authority's ability to hold voting rights as a shareholder of a PRP;
- It provides that from an appointed day (16th May 2018) PRP's no longer have to seek the permission of a Local Authority to amend their constitutions; and
- It provides that where the regulations conflict with any contractual requirements, the regulations will prevail.

4. Worthing Homes

4.1. In 1999 Worthing Borough Council entered into a stock transfer agreement with Worthing Homes Ltd. (WHL). As part of this agreement Worthing Borough Council has the ability to appoint local authority representatives to WHL Board. In agreeing a stock transfer, the Council and WHL entered into a contractual agreement which covered all aspects of the transfer including the sale of the housing and the future relationship between the Council and WHL.

4.2. WHL is currently a company limited by shares, registered at Companies House; is a registered charity regulated by the Charity Commission; and is registered with the HCA as a not-for-profit registered provider of social housing (PRP). It is governed by its Articles of Association and Memorandum, its Constitution, and the stock transfer agreement with the Council. Given the passage of time, a number of changes to the agreement have been made utilising WBC and WHL governance processes.

5. Proposals

5.1. Board Membership

- 5.1.1. Section 3(1) of the Regulations provides that, as of 16th May 2018, the number of Local Authority Board Members of the PRP cannot exceed 24% of the total Membership of the Board.
- 5.1.2. The Board of a PRP of social housing is responsible for managing and leading the strategic direction of the PRP. The Regulations reduce public sector control by local Authorities over PRP's by limiting the ability of local authorities through the nomination of board members. This will still allow a Local Authority to be represented on the Board and to participate in any voted business, whilst preventing it from blocking any voted decisions.
- 5.1.3. WHL's constitution does not currently provide a right for WBC to appoint Board Members, as they are elected by the shareholders. However they do have a Board Membership Policy, which provides that the Board shall consist of between 9 and 11 Board Members, 2 of whom shall be Council nominees and that collectively Council nominees and residents shall not exceed two thirds of the Board membership.
- 5.1.4. The current arrangement between WBC and WHL provides that WBC may nominate two Elected Members; these nominations are proposed by the Leader of WBC as this matter falls within the remit of the Leader's portfolio being an Executive function. The nominated individuals are recommended to shareholders by WHL Chief Executive, and then elected by shareholders and appointed to the WHL Board. There are currently 10 Board Members of WHL, two of whom are Elected Members of WBC, currently giving WBC 20% of the Board membership.
- 5.1.5. Consequently there is nothing in the current arrangements that is contrary to the new Regulations or would need amending. However, whilst the statutory provision refers to the maximum number of Local Authority Members on the Board of a PRS, it does not provide for any minimum and there is no longer any

requirement for the Local Authority to be represented on the Board at all.

- 5.1.6. WHL have indicated that at the current time they have no plans to change the composition of the Board, which they intend to remain at 9-11 Members with two being Elected Members of WBC. However they may wish to amend the way in which these appointments are made in the future, to ensure a wide and relevant mix of knowledge and skills needed amongst their Board members.
- 5.1.7. It is suggested that the issue of how future appointments are made, forms part of a revised contractual agreement between WHL and WBC and that the Director of Communities be responsible for negotiating such terms and entering into a revised future agreement.

5.2. Quorum

- 5.2.1. Section 1(4) of the Regulations provide that any provision in the constitution of a PRP requiring one or more Local Authority Board Member to be present for the meeting to be quorate shall have no effect as of 16th May 2018.
- 5.2.2. Article 15.3 of WHL's Articles of Association relate to quorum of meetings and there is no provision currently for a Local Authority Member to be present to be quorate. So current arrangements comply with the new Regulations and no changes are required in this regard.

5.3. Voting rights of a Local Authority

- 5.3.1. Section 5(1) of the Regulations provide that from 16th May 2018 a Local Authority may not hold or exercise any local authority voting rights, as a Shareholder, in relation to a PRP. Such existing voting rights must be re-assigned amongst the remaining voting membership.
- 5.3.2. Currently, in accordance with WHL's constitution and the contractual relationship between the parties WBC, as a Local Authority body, is a shareholder of WHL and has a right to vote at a general meeting. Further, WBC has been allocated an

additional vote, sometimes referred to as a “golden share”, which affords the Council the opportunity to block the constitutional changes. These rights were given to WBC as a direct result of their stock transfer to WHL. They are exercisable by the Head of Housing, through the Officer Scheme of Delegations, who may attend shareholder meetings of WHL and cast the Council’s vote.

- 5.3.3. The current arrangements will be unlawful from 16th May 2018. The Council cannot exercise voting rights and WHL will need to take steps to amend their constitution, and WBC will need to divest themselves of their voting rights.
- 5.3.4. Whilst the regulations render it unlawful for the Council as a body to have a voting right, they do not prevent the Council from being a Member of WHL and a shareholder albeit without voting rights. WHL currently only have one class of shareholder, those with voting rights. It is difficult to see the value in the Council having a share but no voting rights, other than it retaining the ability to be aware of and attend shareholders meetings, but this could be dealt with contractually.
- 5.3.5. It is therefore intended that the Director for Communities be delegated to negotiate this point with WHL agreement to enable the Head of Housing, or his/her delegate, on behalf of the Council, to attend shareholder meetings or agree an alternative way of being updated on the outcome of those meetings.
- 5.3.6. It is also noted that the regulations do not prevent the Elected Members appointed to WHL Board from having a shareholding, and corresponding voting rights, as individuals.

5.4. Amendments to WHL Constitution

- 5.4.1. Section 6(3) of the Regulations provides that from 16th May 2018, where the constitution of a PRP makes provision for the consent of a Local Authority to enable a change to the constitution to be effective, such provision shall have no effect. Consequently from 16th May 2018 WHL will no longer require the consent of WBC to amend their constitution, regardless of any contractual or constitutional provisions.

- 5.4.2. This is particularly relevant as WHL are actively considering converting their status to that of a Community Benefit Society (CBS) with Charitable Objectives.
- 5.4.3. A CBS is not a company despite sharing many characteristics with a company. It is a body corporate and its assets are vested in the organisation itself with the shareholders having limited liability. CBS's are almost always formed for not-for-profit purposes. They are governed by the Co-operative and Community Benefit Societies Act 2014. A charitable CBS must have entirely charitable objects.
- 5.4.4. The benefits to WHL of converted to a CBS would include the fact that they could, as a CBS, enjoy the existing tax arrangements benefitting organisations of charitable status, without being registered with and regulated by the Charity Commission and that they would be free of Charities Act constraints relating to disposals. The disbenefit is the potential impact on charitable donations arising from the fact that WHL would no longer be a registered charity.
- 5.4.5. In order to convert WHL would need to call and hold a general meeting of its shareholders and would need a majority vote of 75% to convert from a company to a charitable CBS.

6. Conclusion

- 6.1. The regulations do have a profound impact on WBC as a stock transfer Association.
- 6.2. WHL will need to amend their constitution and governance documents to reflect the fact that WBC Elected Members may only constitute a maximum of 24% of the membership of their Board, and that WBC will no longer have voting rights as a shareholder.
- 6.3. It will be for WBC and WHL to negotiate whether it remains mandatory to have 2 WBC Elected Members on WHL Board, and how their nomination / selection and then appointment will come about. It will further be for the parties to agree whether WBC will remain a non-voting shareholder of WHL or simply have a contractual right to attend shareholder meetings, in addition to any other relevant matters that may arise during these discussions.

- 6.4. WBC will have to consider the method by which it nominates Elected Members for potential selection by WHL as Board Members and this will depend on the outcome of negotiations between the parties.
- 6.5. WBC will need to divest itself of its voting rights at shareholder meetings by 16th May 2018 and WHL will need to re-allocate these voting rights. WBC will also need to remove the delegation to the Head of Housing to cast the Council's vote, from 18th May 2018 and the Monitoring Officer will implement this under her delegated powers to make minor and consequential amendments to the Council's constitution. It should be noted that controls within the contractual agreement between WBC and WHL, which do not relate to the Council's membership as a shareholder or nomination of Elected Members to the Board, should remain intact. For example there is no reason why provisions relating to the Council's consent being required for the sale of a property should continue to be required.

7. Engagement

- 7.1. Despite the fact that conversion to a CBS will not have any impact on any rights that tenants and residents may have, WHL are considering undertaking formal consultation on the proposal to convert with their tenants.

8. Financial Implications

- 8.1. There are no direct financial implications arising from the change of the governance arrangements.
- 8.2. Under the terms of the loan made to WHL any change to the status of organisation will require the consent of the Council. This is expressly set out in the legal agreement with WHL as follows:

'Except with the prior consent of the Lender (which consent shall not be unreasonably withheld), the Borrower shall not:

enter into any demerger, merger or consolidation or convert from a company to a registered society pursuant to section 115(1) of the Co-operative and Community Benefit Societies Act 2014.'

9. Legal Implications

- 9.1. The deregulation has been brought about by the introduction on 15th November 2017 of the Regulation of Social Housing (Influence of Local Authorities) (England) Regulations 2017.
- 9.2. Local Authorities (Functions and Responsibilities) (England) Regulations 2000 allows certain functions and responsibilities to be determined locally as 'local choice functions'.
- 9.3. Worthing Borough Council has determined in the Constitution (Part 3 Section 3) that the 'appointments to outside bodies in connection with the functions which are the responsibility of the Executive' is an Executive function with the decision maker being the Leader.

Background Papers

Housing and Planning Act 2016

Regulation of Social Housing (Influence of Local Authorities) (England) Regulations 2017

Worthing Borough Council Constitution

Worthing Homes Ltd Constitution

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Sustainability & Risk Assessment

1. Economic

Considered, no issues arising

2. Social

2.1 Social Value

WHL continue to provide significant social value in our communities, regardless of these changes in governance required in law.

2.2 Equality Issues

Considered no issues arising

2.3 Community Safety Issues (Section 17)

Considered, no issues arising

2.4 Human Rights Issues

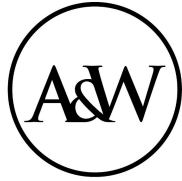
Considered no issues arising

3. Environmental

Considered no issues arising

4. Governance

This paper outlines the Statutory requirement for WBC to relinquish voting rights. The requirements continue to allow for WBC councillors to be board members of WHL and recommends that the Director for Communities, in consultation with the Leader, negotiate future arrangements between the parties as outlined in the body of the report.



ADUR & WORTHING
COUNCILS

Key Decision: No

Ward(s) Affected: Central

Colonnade House Digital Hub

Report by the Director for the Economy

Executive Summary

1. Purpose

- 1.1 This report sets out the preferred approach to the development of a Digital Hub at properties No 5 and 7 High Street, Worthing, which will be operated alongside Colonnade House to create a combined Creative Digital Hub providing additional flexible workspace for small and start-up digital/tech companies.
- 1.2 The report outlines that a key aspect of the scheme would be to complete the site assembly by purchasing the freehold of No 5 High Street, Worthing from West Sussex County Council.

2. Recommendations

- 2.1 The Joint Strategic Committee is recommended to:
 - i) Agree the preferred approach of the creation of a Digital Hub for Worthing.
 - ii) Approve a budget envelope of up to £140,000 to purchase the freehold of No. 5 High Street, Worthing (and associated costs) to complete the site assembly for the project.
 - iii) Agree to amend the Worthing Borough Council capital programme to include the new scheme

- iv) To note the development of a funding bid to the European Regional Development Fund.
- v) Delegate the decision to purchase No. 5 High Street to the Director of Economy in consultation with the Leader of Worthing Borough Council.
- vi) Note that a further report will be submitted to the Committee following the outcome of the funding bid setting out the details of the redevelopment of the site.

3. Context

- 3.1 In 2015 Colonnade House received capital and revenue funding from the Coastal Communities Fund (CCF) for the development of low cost affordable creative art studio workspaces and gallery. This was to address a lack of affordable creative business start-up floorspace within the Borough. The proposal also made use of a vacant building (previously used by the CVS).
- 3.2 The Colonnade House Creative Hub opened to paying tenants in October 2016 and has been hugely successful with good levels of occupancy and hosting a range of bespoke projects and events. Rent levels though low are deliberately kept affordable, in accordance with the criteria of the original funding bid.
- 3.4 Despite the success of the Creative Hub, additional income streams will be needed to sustain Colonnade House into the future (beyond March 2020). The project currently benefits from residual CCF funding, a rent free period and 100% relief on business rates.
- 3.5 The development of a Digital Hub in Worthing town centre is an important part of increasing the economic and business performance of the town through improved infrastructure and connectivity. It is intended that the new Creative and Digital Hub will benefit from connection to gigabit-speed fibre infrastructure, as part of the Gigabit project. This ultrafast broadband would attract new and expanding companies from the digital and creative sectors.
- 3.6 The development of a Digital Hub accords with the recently published Adur & Worthing Economic Strategy 2018 - 2023. Digital connectivity, infrastructure and development plays a fundamental role in driving future economic

performance. The Digital Hub forms part of the 'Superconnected Worthing' transformational solution within the Economic Strategy.

- 3.7 Blending digital and creative spaces in a single project offers the potential to make a positive intervention that will support these growing sectors. Additional benefits will include the physical upgrade of some important buildings of historic and architectural interest.

4. Development Proposals

- 4.1 In order to support the Colonnade House Creative Hub into the future, Officers have been developing a bid for funding from the European Regional Development Fund (ERDF) for the creation of a Digital Hub as an extension of the Colonnade House Creative Hub.
- 4.2 This bid is part of a consortium, the West Sussex EU Funding group, who have appointed an organisation called YKTO to coordinate the bid and manage the funding for the duration of the three year programme, if the bid is successful. To create the Colonnade House Creative and Digital Hub Worthing Borough Council (WBC) are seeking £800,000 which would support the refurbishment of 2 additional properties No.'s 5 and 7 High Street, Worthing, to create additional flexible employment floorspace. No 7 High Street is owned by WBC and No 5 High Street is owned by West Sussex County Council (WSCC).
- 4.3 Alongside the bid development, Officers have been negotiating the purchase of No. 5 High Street from WSCC who have the freehold on the property. Officers are currently carrying out due diligence on the property in order to progress the purchase from the County Council.

5. Indicative timescales

- 5.1 The initial outline proposals will be considered and the Council, as part of the consortium, should receive an early indication of the likelihood of the bid to receive funding in late Spring 2018. Following the submission of detailed bids a funding decision is likely in Autumn 2018. If the bid is successful, ERDF funding programme would start from early 2019 (subject to ERDF funding contractual arrangements).
- 5.2 The purchase of No 5 High Street, subject to satisfactory outcomes of all required searches and enquiries will need to be completed within the

timeframe of the funding programme to ensure alignment with the ERDF funding parameters.

6. Engagement and Communication

- 6.1 The proposed Digital Hub at Colonnade House emerged from discussion with stakeholders around the priorities for Adur & Worthing Economic Strategy 2018-2023.
- 6.2 Members have been kept informed of ongoing discussions with WSCC regarding the purchase of No. 5 High Street by WBC.

7. Financial Implications

- 7.1 The purchase of No 5 High Street is being negotiated between the two parties. An overall budget envelope for the purchase of the building of £140,000 is requested which includes any associated fees.
- 7.2 Worthing Borough Council set up a budget of £247,000 for the delivery of major projects as part of the 2018/19 budget process. It is proposed that this budget is used to fund the acquisition of the property. The purchase of the building does not currently feature in the Capital Programme so this will need to be amended accordingly.
- 7.2 The ERDF bid requires 50% match funding which officers have calculated on the basis of staff time (including the on site management of the new Creative and Digital Hub), rental income and the cost of purchase of No. 5 High Street.
- 7.3 Once site assembly is complete, the properties No.'s 5 and 7 High Street will require considerable refurbishment. Initial estimates have been used to support the funding bid. Similar to the financial models of other funding streams, the Council would be eligible to claim funding quarterly in arrears. The Council would therefore be required to forward fund the costs associated with the refurbishment of the two properties.

8. Legal Implications

- 8.1 S1 Localism Act 2011 provides the general power of competence and empowers local authorities to do anything which individuals can do apart from that which is specifically prohibited by pre-existing legislation.

- 8.2 S120 Local Government Act 1972, provides that principal Councils may acquire by agreement any land for the purpose of their functions or the improvement of their areas for money or money's worth as a purchaser or lessee. In considering what is money or monies worth any arrangements relating to Overage Provisions on purchase should be assessed and taken into account.
- 8.3 Any subsequent disposal of land purchased by the Council is to be for best consideration subject to s123 of the Local Government Act 1972.
- 8.4 S1 Local Government (Contracts) Act 1997 allows the Council to enter into a contract in relation to any of its functions, where purchasing works or services, the Council must comply with its Contract Standing Orders and Public Contract Regulations 2015.

Background Papers

- Adur & Worthing Economic Strategy 2018 to 2023
- Coastal Communities Fund – Bids for Colonnade House, JSC 1st April 2014

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Sustainability & Risk Assessment

1. Economic

- 1.1 The development of additional employment floorspace with connection to ultrafast broadband is a critical element of delivering the Adur & Worthing Economic Strategy.

2. Social

2.1 Social Value

The creation of the Digital Hub will support and sustain the existing Colonnade House, enabling it to continue to provide low cost, affordable work and gallery space.

2.2 Equality Issues

Matters considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matters considered and no issues identified.

2.4 Human Rights Issues

Matters considered and no issues identified.

3. Environmental

The development would make more efficient use of a brownfield site, providing employment floorspace in a town centre location close to existing amenities and well connected to the public transport system.

4. Governance

- 4.1 A dedicated project board will oversee the governance of the project ensuring:

- 1) Due diligence
- 2) Alignment with Council priorities and policies
- 3) Legal issues and compliance with legislation
- 4) Risk management including health and safety
- 5) Statutory approvals
- 6) Stakeholder Management
- 7) Change control

- 4.2 This framework will work in collaboration with the existing governance structures at Colonnade House.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 April 2018
Agenda Item 12

Key Decision : Yes

Ward(s) Affected: All

Union Place Redevelopment

Report by the Director for the Economy

Executive Summary

1) Purpose

- 1.1 The purpose of this report is to consider a proposal to work in partnership on an innovative approach to delivering redevelopment of the Union Place site. Attached later on in the agenda is a confidential appendix to this report which contains the Heads of Terms of the proposed agreement, together with associated financial, procurement and legal advice. This information is deemed exempt under the Local Authorities (Executive Arrangements)(Meetings and Access to Information) (England) Regulations 2012 as it relates to the financial and business affairs of an individual or body and/or is legally professionally privileged.

2) Recommendations

- 2.1 To delegate to the Director for the Economy in consultation with the Leader of Worthing Borough Council and Executive Member for Regeneration, the authority to enter into a Land Pooling Agreement, in accordance with the Heads of Terms set out in the Exempt Appendix I for the purpose of securing the development or sale of the combined Union Place Site.
- 2.2 To delegate to the Director for the Economy, in consultation with the Director for Digital and Resources, the authority to continue to negotiate terms of the draft Heads of Terms set out at the Exempt Appendix I and to make minor amendments.

- 2.3 To delegate to the Director for the Economy in consultation with the Leader of Worthing Borough Council and Executive Member for Regeneration the authority to dispose of land known as High Street Car Park to London and Continental Railways Ltd at a value to be agreed, subject to an independent valuation and in accordance with the Council's statutory best value obligations.
- 2.4 To appoint the Chief Executive and the Director for the Economy to sit on a jointly established Strategic Board with Senior Officers of LCR and to act as the Council's representatives, and to have the authority to exercise all Executive functions, (subject to paragraph 2.5 below) relevant to the development of the Site, on behalf of Worthing Borough Council, subject to them acting within approved budgetary limits and legal, constitutional and governance arrangements.
- 2.5 To receive a report back in October 2018 to be updated as to progress and developments, to consider an options appraisal for the Site and to consider and approve a Development Strategy for the Site.
- 2.6 To receive a report back in due course with any proposals in respect of other Sites being incorporated into a Wider Land-pooling Agreement.

3) Context

3.1 Union Place

- 3.1.1 Union Place is the site of the former Police Station and has lain vacant too long. The Worthing Town Centre Investment Strategy 2016 identifies Union Place as a site of strategic importance to the future of Worthing.

'Located in a prime position within the town centre, this site lies adjacent to the High Street, opposite Waitrose and next to the Connaught Theatre. The site offers potential to reinvigorate this part of the town centre, building on the successful evening economy offer of nearby Warwick Street.

Prominent street frontages on two sides provide the opportunity for prime new retail and leisure accommodation, with adjoining residential. A larger phased development could be facilitated through the inclusion of adjoining land'.

- 3.1.2 At their July 2016 meeting, members of the Joint Strategic Committee received a report which proposed that Worthing Borough Council entered into a development agreement with the Union Place site freeholder whereby WBC would invest a maximum of £3m funded through prudential borrowing and would agree to include the High Street surface car park as part of a new development combining both sites.
- 3.1.3 In the event, a development proposal was not forthcoming and in the meantime, WBC bid for and secured a successful award from the Coast to Capital Local Enterprise Partnership of up to £5.6m Local Growth Fund (LGF) monies toward the redevelopment of Worthing Town Centre. The subsequent LGF funded acquisition of the Union Place site was completed in January 2018.
- 3.1.4 Whilst the indications are that the site is still likely to represent a significant challenge in terms of securing financial viability, it is of strategic importance and its acquisition was an opportunity to ‘break the inertia’ with the potential to deliver significant benefits to the Worthing economy including an estimated Gross Value-Added benefit of £2.5m per annum by 2021.

3.2 *The wider context for a partnership approach to place making*

- 3.2.1 There are numerous examples of Local Authorities using land acquisition powers to bring forward regeneration schemes for the wider benefit of the community and with the launch of programmes such as One Public Estate, we have seen a culture change in the approach to public sector asset management, looking at property not only as a necessary cost, but something that can unlock wider benefits for local communities.
- 3.2.2 The Council’s acquisition of the Union Place site has been funded using the Local Growth Fund which is in itself, a clear expression of the Government’s objective of bringing housing, infrastructure and development funding together in a single investment pot for investment by local Councils and their partners.
- 3.2.3 Over recent years, the inflexibility of some of our traditional tools and the constraints imposed when markets have been uncertain, have highlighted the importance of a partnership based approach to placemaking and development.
- 3.2.4 ‘Unlocking Growth Through Partnership’ (*a joint report from the British Property Federation and the Local Government Association – January 2017*) highlights the benefits of strong partnerships pairing up resources to promote mutual benefits. Such partnerships should have:

- ❖ a clear vision for a shared end goal, with economic growth and a thriving community at its heart.
- ❖ clarity and strength of leadership that will help drive the vision and bring in other partners.
- ❖ shared purpose: an approach which embeds mutual benefits – including for the wider community.
- ❖ sharing risk: a pragmatic and balanced share of risk and reward, so gains and losses are shared and the partnership is equal and mutually supportive.
- ❖ trust: building and maintaining trust – consistency and transparency are essential components of positive shared ventures.

3.2.5 The report indicates that joining forces means that each partner can contribute according to where their strengths lie; producing an effort that has more impact than each partner operating in isolation. By combining these strengths, some of the most significant barriers to development can be overcome. From this, a range of benefits flow to partners, central government, communities and the wider economy.

3.2.6 The report is clear on a key point; effective partnerships need to share risk and reward:

‘Key to partnership is a careful balance of risk and reward, which can then lead to the realisation of mutual benefits rather than the adversarial zero-sum dynamic which has sometimes undermined partnerships in the past’

3.2.7 The principle of pooling resources has been established for many years in models such as local asset backed vehicles (LABV) whereby a local authority typically transfers ownership of key assets into the vehicle, and the private sector then leverages these assets to raise funding to undertake a programme of work with agreed joint priorities.

3.2.8 Advantages of an approach which follows these principles include:

- ❖ Sharing of risk
- ❖ Greater focus on commerciality
- ❖ Ability to capture the uplift in asset values as a result of infrastructure improvements

- ❖ The ability to leverage greater investment
- ❖ Integrated approaches to regeneration and economic development

3.3 *The Platform approach and the town centre investment prospectus*

3.3.1 The Council's Platforms for Our Places commitments are founded on a desire to maximise our chances of success by establishing a reputation as a trustworthy and reliable partner. At times, when the market is not able to deliver alone, we have committed to taking a stake for the wider benefit of our communities.

3.3.2 This proactive approach can involve making measured interventions including the use of land; borrowing to fund innovative solutions; or joint venturing to create wealth generating propositions for the long-term benefits of our places. It is consistent with our intention to become civic social entrepreneurs; using our resources creatively providing platforms for practical long terms solutions.

3.3.3 The Council's ambition is set out clearly in the Town Centre Investment Prospectus (2016):

“Worthing will be recognised as a highly desirable place to live, work and visit, continuing to attract high calibre businesses and significant inward investment that will help the town’s economy to grow and improve its regional competitiveness. It will be a vibrant place where people can enjoy a high-quality environment that combines the best of coast and countryside, a diverse cultural and leisure offer, modern infrastructure and economic opportunities.”

4. Issues for Consideration

4.1 *A model for delivery*

4.1.1 A number of models for securing the development of Union Place are available and a table which summarises their relative merits is set out in exempt Appendix 2. A fuller assessment of risks and rewards is set out in exempt Appendix 3; together with a list of ‘pros’ and ‘cons’ in exempt Appendix 4.

4.1.2 The Council could simply sell the land on and permit another developer to bring forward a viable scheme, exercising our statutory duties of control via the planning

system. However, the Council would lose control over the pace of development and any longer-term revenue. In short, we could be back to 'square one'.

- 4.1.3 At the other end of the scale, the Council could take on full responsibility for development of the site as owner/developer and all potential rewards, but in this instance the Council would take on all of the development risk and would rely on external consultant support to supply the necessary expertise. Such expertise is likely to be costly and does not deliver a longer term commitment from the other parties involved. The Council has only limited in-house capacity to take the site forward. In addition, the Council would be exposed to 100% of the market risk should development viability remain problematic. The Council would also be faced with funding a significant development prior to either the sale or any associated rental streams arising from the development. In the current financial environment faced by the Council, the scale of such development costs would be difficult to finance.
- 4.1.4 Beyond a straightforward sale of the land or direct development by the Council, there are a wide range of different partnership arrangements that are available that warrant consideration.
- 4.1.5 A formal joint venture with a private sector partner offers the potential benefits associated with access to private sector investment, skills and experience; but would also involve a lengthy procurement exercise with no guarantee that a site of this nature would attract the type of partner sought. A complex procurement would extend the timescale for delivery and place our Local Growth Fund programme agreed with Coast to Capital at risk.
- 4.1.6 The Council could establish its own development vehicle by setting up a separate development company with the advantages that it would retain any profits and control over timing and potential for cross subsidy of different tenures. However, this would require significant input of expertise and the Council would have to accept the full development risk. A site specific vehicle may mitigate these risks to an extent, but may still involve additional start-up costs and offer limited flexibility should market conditions change.
- 4.1.7 The alternative option of a Land Pooling Agreement (LPA) is informed by the need for pace (the site has lain vacant for too long) and in enhanced prospects for success that result from two parties bound by a shared interest in land, working to a common objective.
- 4.1.8 The land-pooling element reinforces the cooperative aspect of the relationship and supports the argument that the main purpose of the arrangement is not the award of a services contract but rather the development of a jointly-owned site. The

additional pace comes from the ability to work with another organisation in public ownership; thereby negating the need for a lengthy procurement, as it is considered low risk that the Public Contracts Regulations 2015 would apply to the proposed arrangement (see Paragraph 7 below).

- 4.1.9 As with the other options, there are risks; agreeing what amounts to a contract may be time consuming; it may be that the parties cannot agree as priorities change; and there may be insufficient value to be generated from the site's development. As with any partnership arrangement, the 'exit strategy' will need to be clearly defined and the Council's land holding interests protected.

4.2 *The proposed land pooling agreement*

- 4.2.1 The proposed Land Pooling Agreement is outlined in the Heads of Terms included as exempt Appendix I.

- 4.2.2 In essence, the proposed LPA is a mechanism that allows the Council and another party to take a stake in securing the delivery of a mixed-use development scheme that supports the regeneration of the site to the benefit of the town centre economy.

- 4.2.3 The strength of any land pooling arrangement will depend on the potential partners. The Council is building a strong reputation as outward looking and innovative in its approach to development. The prospective partner is London and Continental Railways (LCR); a 100% government owned company with a mandate from Government to deliver homes and jobs through the development of publicly-owned land. LCR has been in discussion with a number of local authorities ("LAs") regarding cooperation aimed at unlocking sites which have proved difficult to regenerate.

- 4.2.4 The key to the LPA is for LCR to secure a minority land-holding interest in the wider Union Place site, by purchasing the High Street Car Park, known as Site C, from Worthing Borough Council. This unlocks the potential for LCR to offer their services in terms of expertise and experience which the Council would otherwise need to procure. In turn, it also allows for the basis of an agreement whereby both the Council and LCR are incentivised to work collaboratively on a Strategy for development of the site – each 'side' securing an equity return which reflects their input in terms of time and costs. In the event that an agreed way forward cannot be found, WBC shall purchase the LCR land holding and LCR's costs together with interest are reimbursed.

- 4.2.5 Under the terms of the LPA, the Council and LCR will commit to working up a Strategy which will include an initial development and massing study; consideration of viability and the implications of any cinema proposal. A report shall be brought back

to Members of the Joint Strategic Committee in due course dealing with an options appraisal and the Development Strategy.

- 4.2.6 The LPA will include checks and balances to ensure that progress is maintained; that the development objectives are agreed; and that any disputes can be resolved in a clear and equitable manner. The LPA proposes a suitably ambitious two-year window for sale or development of the site once the LPA is exchanged which accords with the timescales set out in the Local Growth Fund Round 3 Funding Agreement with Coast to Capital. If the Council is not able to develop out in a timely manner, there is a risk that Local Growth Fund monies might ultimately be returned to Coast to Capital.
- 4.2.7 The LPA is in effect a bespoke solution for the Council: it provides LCR with the security of land pooling and ownership which allows it bring forward expertise and cashflow. The Council will benefit from and pay a market rate for any services it receives from LCR; but both parties will be incentivised to minimise costs and work at pace to deliver a development led solution from which each will benefit from an equity stake resultant from enhanced land value as a result of development.
- 4.2.8 As with any agreement there will be risks: our ability to deliver a viable scheme with an appropriate mix of uses is uncertain until we test it further. The LPA offers an innovative approach to realising our ambitions which has the additional benefit of pace and the potential to deliver economies of scale that could benefit other sites in Worthing.

4.3 *Why London and Continental Railways?*

- 4.3.1 LCR was responsible for the delivery of the High Speed 1 railway, including St Pancras International Station. LCR was established in 1994: its original specialism was in the management, development and disposal of property assets in a railway context. In 2007, it came under public ownership of the Department for Transport and took with it the skills and experience acquired in delivering a major infrastructure project in HSI and complex flagship regeneration schemes at King's Cross, Stratford, East London (Olympic Park), and Manchester Piccadilly.
- 4.3.2 LCR now operates on the cusp of the public-private sector, with the ability to work collaboratively with private sector and public bodies to maximise the value of public assets, through the management or development of property to support the Government's drive for homes, jobs and economic growth.
- 4.3.3 LCR has a track record of working effectively with both private sector developers and public bodies to deliver best value for the taxpayer. LCR employs 40 staff and its

involvement here will enable the Council to harness specialist skills and resources, not readily available in the open market, as well as high quality advice from specialists to be appointed in accordance with the terms of the LPA and in compliance with procurement requirements.

- 4.3.4 In common with the Council's Platforms for our Places commitments, LCR's development philosophy is centred on place-making. Together with the Council, it will seek to maximise value by pursuing the medium to long-term development projects within the Council's portfolio, taking them through each stage of the planning process from strategy to implementation.
- 4.3.5 Working together with LCR, the prospects for delivering the projects improves and there is considerable opportunity for gaining/ sharing skills between the two organisations. LCR have useful links with Central Government, are experts at complex development, are well resourced and are committed to deliver successful projects in Worthing.

5) Engagement and Communication

- 5.1 The Council has been working in partnership with LCR under the terms of a broad based Collaboration Agreement since early 2017. The LPA envisages establishing a Board to ensure that engagement and communication remains effective as the relationship is formalised.

6) Financial Implications

- 6.1 The Council recently acquired the land at Union Place (previous Police Station site) at a final negotiated price of £3.5m. The overall cost to the Council of this scheme including Stamp Duty Land Tax and associated professional fees is £3.676m. The cost of the purchase is largely funded through the Local Growth Fund which awarded £3.6m towards the cost of purchase with a small contribution by the Council of £76,000.
- 6.2 This is less than originally forecast in the report to the JSC dated 12th September 2017, which indicated a purchase price of £3.6m and an overall budget of £3.8m funded by £2.1m from the Local Growth Fund, between £1m - £1.5m from a capital receipt, and up to £0.7m funding by prudential borrowing by the Council.
- 6.3 Earlier in the year, the WBC also acquired the freehold of the car park in Union Place at a cost of £6m which was funded through the Strategic Property Investment

Fund. As a result of these acquisitions, the Council now owns most of the land on the south side of Union Place.

6.4 *Options appraisal*

6.4.1 The report proposes a series of options for taking the development of the land forward, each of which potentially has a different financial implication for the Council. The final cost of each option will depend on the development potential of the site and the final mix of property delivered and the nature of tenure. For the purposes of comparison, it is assumed that there will be a mixed development comprising of leisure (including a cinema), retail and residential properties. Each option will deliver identical business rates and council tax income growth. The impact on the car park will be the same in each of the options.

In summary the indicative financial implications of each option are:

i) Asset Disposal

Depending on the final development brief for the scheme, a capital receipt of around £2m may be generated by the sale.

To achieve best value for the site, the Council would need to do some preliminary work on the development brief, the design of any potential building (to RIBA stage 1/2) and undertake any related feasibility studies. This would also enable the Council to shape the future use of the land. The site would then be marketed by a national agent who typically charge around 2% fee on the disposal price of the land. Consequently the costs of disposal are likely to be:

	£
Initial studies	500,000
Marketing costs	40,000
Total one-off costs	540,000

Any capital receipt could then be invested in property to generate an annual return of between 4 - 6% generating annual income of at least £80,000 per year.

ii) Planning JV / Development agreement / Land Pooling Agreement

Under the proposed Land Pooling Agreement, the Council would receive an up-front capital receipt for the part of the land purchased by our partner. This will need to be finalised as part of any agreement and will be dependent on the valuation of the land to be sold.

The value from the future sale of the combined site, once the initial design and feasibility work has been completed, will be shared by the partners in accordance with the agreements made. Under the proposed arrangement, the Council would only need to fund part of the initial costs associated with developing the scheme, but would then benefit from a potentially lower capital receipt as the sale proceeds would be split across the parties. This is discussed in greater detail at exempt paragraph 6.6.

The Council would need to fund the legal work in setting up the Land Pooling Agreement and potentially some of the costs associated with bringing the site to market.

One-off costs:	£
Legal fees to set up the proposed agreement	50,000
Contribution to costs of developing scheme	100,000
Total one-off costs	150,000

The resultant capital receipt could be invested to generate an annual return of between 4 - 6% generating annual income of at least £72,800 per year.

iii) Direct Development

Under this option, the Council would fund the development itself. The construction costs would be funded from borrowing and at the end of the development the Council would either sell or rent the property.

Based on the LGF submission, construction costs are likely to be in the region of £25.7m. The Council would be faced with funding interest payments during the period of construction prior to being able to either sell or rent the asset constructed. Based on a 2% interest rate and a three year construction timeline, these would be equivalent to £792,000.

Once the construction is completed, the Council would be faced with annual debt charges of £816,000 until the property is either sold or rented out. For the purposes of this comparison, it is assumed that the property will be disposed of within a year.

Once the property is either rented or sold, the Council should get a least a 4% return on the value of the investments.

The challenge with progressing with this option will be funding the interest costs and the development risk whilst the site is developed and the assets then disposed of or rented out.

iv) Direct Development by a Council owned vehicle such as a Company

The advantages to setting up a company is that there may be greater freedom in delivering the strategic outcomes of the Council. For example, many property companies have been set up by Councils to deliver housing growth, these companies have the ability to offer a wider range of tenures for housing without having to meet the rigorous requirements of a Housing Revenue Account or be subject to the Right to Buy regime.

However, in financial terms, the company would be owned by the Council and so would be consolidated into the Council's statement of accounts. Consequently, the financial implications are similar to that of direct development by the Council, however there would be administration costs to be funded and any profits would be subject to taxation. So the returns by the Council would be less than that associated with the direct development option.

If this option was pursued, then the Council would need to seek expert legal and financial advice in addition to funding the cost of the development via the company.

	£
Company set up costs	150,000
Interest costs during construction	792,000
Minimum one-off costs	942,000
Additional debt charges if properties remain unlet for a year	816,000
Maximum one-off costs	1,758,000

v) Setting up a joint venture

The Council could seek a developer partner to bring the site forward. The council's contribution would be the land and the developer partner would bring expertise and funding for the constructions costs.

However inevitably this would require expert legal and financial advice to take forward at say £150,000. Setting up such a vehicle is time consuming and could take up to a year.

The benefit of this approach is that the Council would not only receive a capital receipt for the value of the land but potentially a share, albeit a small share, of any development profit. This nature of the benefit would depend on the details in the legal agreement.

6.4.2 Summarised below are the potential costs and benefits of each of the options. These will be dependent on the final use of the site:

Indicative costs	Capital investment required £	Potential capital receipts £	One-off costs £	Annual revenue cost / income (-) £
Disposal of asset	-	2,000,000	540,000	-80,000
Planning JV (Land Pooling Agreement)	-	1,780,000	150,000	-72,000
Direct Development	25,650,000	Up to 30,415,000	£792,000 to £1,608,000	-190,000 to -400,000
Direct Development via a Council owned company	25,650,000 (paid by the Company)	Up to 28,500,000 (generated by the Company and subject to tax)	£942,000 to £1,758,000	-90,000 to -300,000 (generated by the Company and subject to tax)
Joint venture	-	2,200,000	150,000	-88,000

Depending on the option chosen, further work will be required to establish the full cost of the proposal.

6.4.3 The Council does have budget provision for the delivery of Major Projects (£317,000) and so can afford some set-up costs.

- 6.5 *Sale of land - exempt paragraph*
- 6.6 *Financial impact of the Land Pooling agreement - exempt paragraph*
- 6.7 *Risk contained within the agreement - exempt paragraph*
- 6.8 *Implications of LEP funding agreement*

The funding agreement with the LEP contains conditions for the delivery of both outputs and timescales. If the Council fails to deliver the project in a timely manner or to deliver the outputs required, there is a risk that the Council will have to repay the grant funding back to the LEP.

7. Procurement

Exempt section

8. Legal Implications

8.1 Section 1 Localism Act 2011 provides the Council with a general power of competence to do anything that an individual may do. Section 1 Contracts Act 1977 gives the Council the power to enter into binding contracts with others, subject to compliance with procurement legislation and Contract Standing Orders. Worthing Borough Council has the legal power to enter into a Land Pooling Agreement with London & Continental Railways Ltd.

8.2 Exempt paragraph

The Council has the power to dispose of land held by them under section 123 Local Government Act 1972, and in accordance with section 123 (2) shall not do so “for less than the best that can reasonably be obtained”. However, an Authority may be satisfied that selling land at an undervalue is warranted, where the disposal will secure the promotion or improvement of the economic, social or environmental well-being of its area. This is lawful as long as the undervalue is less than £2 million.

8.3 Exempt paragraph

8.4 Exempt paragraph

8.5 Exempt paragraph

8.6 Members should note the confidentiality provisions of clause 11 of the Heads of Terms attached as Appendix I, the Exempt nature of the appendices in this report in accordance with the Access to Information Regulations 2012, and the Returning Officer's Guidance on Publicity in the Pre-Election Period which commenced on 27th March 2018.

Background Papers

- 'Unlocking Growth Through Partnership, British Property Federation and the Local Government Association - 2017)
- Worthing Town Centre Investment Prospectus, Worthing Borough Council (2016)
- Platforms for our Places, Adur & Worthing Council (2016)
- Union Place Redevelopment Report, Joint Strategic Committee 2016

Appendices

Appendix I - Financial, Procurement & Legal Advice and draft Heads of Terms - Exempt

Appendix Two - Options for Securing Development

Appendix Three - Assessment of Risks and Rewards

Appendix Four - Pro's & Con's

Appendix Five - Union Place Site

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Sustainability & Risk Assessment

1. Economic

- How does this proposal/issue impact on the economic development of our places or the economic participation of our communities?
 - Bringing forward the Union Place site in partnership, has the potential to deliver a significant economic benefit to the Town Centre, through the creation of jobs and delivery of new homes.

2. Social

2.1 Social Value

- What impact does the proposal/issues raised have on our communities or specific groups within our communities?
 - The redevelopment of Union Place offers the potential to deliver homes and jobs and to support our regeneration of the Town Centre

2.2 Equality Issues

- Details of any equality issues, any equality impact assessment undertaken, or how the proposal impacts on access or participation.
 - Matter considered and no issues identified

2.3 Community Safety Issues (Section 17)

- Details of how the proposal helps to reduce crime and disorder and meet the Council's duties regarding crime and disorder reduction targets.
 - The design of any new scheme will need to address safety considerations for residents and visitors alike

2.4 Human Rights Issues

- Does the proposal impinge on anyone's human rights and if so how is it justified under the Human Rights Act? Human rights include:
Right to a fair trial, respect for family life, private life, home and correspondence, freedom of thought, expression, assembly and association and protection and quiet enjoyment of property and possessions. Also ask, is the action proportionate to the anticipated response or outcome?
 - Matter considered and no issues identified

3. Environmental

- Are there any implications for the management, custodianship and protection of our natural resources?
 - The redevelopment provides an opportunity to integrate environmental enhancements as part of the proposals

4. **Governance**

- Are there any implications for or alignment with the Councils' priorities, specific action plans, strategies or policies?
- Are there any implications to the Councils' reputation or relationship with our partners or community?
- Any implications for resourcing, risk management (including health and safety), the governance of the either Council?
 - The redevelopment of Union Place offers an opportunity to implement a key element of the Town Centre Investment Prospectus. The project offers the potential to enhance the Council's reputation for working in partnership to deliver successful outcomes for the benefit of our communities.
 - As with any major development, Health and Safety considerations will need to be carefully managed.

Options for Securing Development

	Quality of Developer	Time/Cost to Establish	Control of Development	Max Financial Returns	Level of Risk
Asset Disposal		Straightforward and standard. Non OJEU	Control via planning process	Council does not share in all future development profits	Developer retains risk
Land Pooling Agreement (a Planning “joint venture”)		Straightforward and standard. Non OJEU	Control via contractual approvals	Council does not share in all future development profits	Developer retains risk
Direct Development		Straightforward and standard but significant upfront costs	Council in control and can focus on priorities	Council retains development profits but not private sector expertise	Council takes full development and market risk
Direct development through Council owned vehicle	N/A	Becoming increasingly common but complexity to establish	Council in control and can focus on priorities	Council retains development profits but not private sector expertise	Council takes full development and market risk
Joint Venture (single site)	Site may not be of sufficient scale for complexity of process	Complex and site specific	Council can influence quality and timescales	Access development profits but share with partner	Share development risk
Joint Venture (multiple site)	Attraction of pipeline of sites provides potential to attract a more experienced development	Complex but economics in having a consistent approach across sites	Council can influence quality and timescales	Access development profits but share with partner	Share development risk but can manage across sites. ‘All eggs’ with single developer

Risk and Reward comparison of the development vehicles

Vehicle	Contractual Arrangements	Parties / Description	Commercial issues and commitment	Activity and reward
Planning JV	<ul style="list-style-type: none"> ▪ Development agreement (Contractual) ▪ Profit share to be negotiated 	<ul style="list-style-type: none"> ▪ Landowner and Planning Partner (Housebuilder / PropCo. / DevCo.) ▪ Simplest form of vehicle ▪ Landowner works with the partner to secure a planning allocation or permission which uplifts the land value ▪ The partner has the ability to then purchase the site or the site is sold on the open market and the uplift is shared between the parties 	<ul style="list-style-type: none"> ▪ Land receipt dependent upon planning ▪ Defining a satisfactory planning permission ▪ Onerous use of consultants to secure a planning permission ▪ Limited commitment 	<ul style="list-style-type: none"> ▪ Retention of land ownership (SDLT savings) ▪ Access to private sector planning expertise ▪ Anticipated higher land receipt through an improved planning permission ▪ Reduction in landowner capex as the partner bears the upfront cost ▪ Overage arrangement to capture additional future value
Land Pooling JV	<ul style="list-style-type: none"> ▪ Development agreement (Contractual) ▪ Profit sharing in accordance with land holdings 	<ul style="list-style-type: none"> ▪ Landowner and Landowner ▪ Landowners work together to secure an improved planning consent / allocation than if they had worked independently 	<ul style="list-style-type: none"> ▪ Landowners don't share the same objectives and methods of working ▪ Post contract disagreement leads to additional cost and time delays ▪ Commitment period is limited but contractually bound with the other Landowner 	<ul style="list-style-type: none"> ▪ Retention of land ownership (SDLT savings) ▪ Improved Planning consent / allocation ▪ Sharing of Planning costs ▪ Improved level of commercial returns ▪ Improved cash flow ▪ Overage arrangement to capture additional future value

Vehicle	Contractual Arrangements	Parties / Description	Commercial issues and commitment	Activity and reward
Serviced Land JV	<ul style="list-style-type: none"> ▪ Development agreement (Contractual) ▪ Building Licence ▪ Lease 	<ul style="list-style-type: none"> ▪ Landowner and Infrastructure provider (DevCo.) ▪ Investment in infrastructure unlocks individual serviced plots for sale ▪ The arrangement may initially require the securing of a planning consent and thereafter the partner will finance and deliver the infrastructure ▪ Suitable for large, infrastructure heavy schemes (highways/community infrastructure/SUDS/remediation etc.) 	<ul style="list-style-type: none"> ▪ Land receipt dependent upon planning ▪ Defining a satisfactory planning permission ▪ Onerous use of consultants to secure a planning permission ▪ Covenant of partner ▪ Commitment period is required up to the point of development of accommodation 	<ul style="list-style-type: none"> ▪ Retention of land ownership (SDLT savings) ▪ Access to private sector planning expertise ▪ Anticipated higher land receipt through an improved planning permission ▪ Reduction in landowner capex as the partner bears the upfront cost ▪ Overage arrangement to capture additional future value
Deferred Land JV	<ul style="list-style-type: none"> ▪ Development agreement (Contractual) ▪ Building Licence ▪ Lease 	<ul style="list-style-type: none"> ▪ Landowner and Developer (DevCo.) ▪ Development is carried out before the land is sold ▪ Licence granted to allow access to develop site ▪ Lease maybe necessary if the funder requires a charge on the land 	<ul style="list-style-type: none"> ▪ Landowner returns are deferred and dependent upon the success of the completed scheme ▪ Pre-let requirements may slow development activity ▪ Covenant of partner ▪ Development risk exposure in the event of developer default ▪ Commitment period extends to the completion of accommodation 	<ul style="list-style-type: none"> ▪ Land sold upon completion of the works gives security that development will be completed (reputational risk mitigation) ▪ The landowner shares in the uplift in value created by the 'development' of the scheme and an investment value (e.g. through the letting of the commercial accommodation) ▪ The apportionment of value to be agreed ▪ Lower development costs as the land cost is paid at the end and therefore no financing costs to carry.

Vehicle	Contractual Arrangements	Parties / Description	Commercial issues and commitment	Activity and reward
Joint Venture	<ul style="list-style-type: none"> ▪ JV vehicle (SPV) ▪ LLP ▪ LP ▪ Ltd.Co 	<ul style="list-style-type: none"> ▪ Landowner and Developer (PropCo./DevCo.) ▪ Other parties can be introduced with specialist skills such as funding or development expertise ▪ Joint ownership ▪ Vehicle type will be commercially driven (e.g. tax) ▪ Equity contributions determine profit apportionment ▪ Landowners contribution is land and the Developers is capital and expertise ▪ JV can create serviced plots or more likely develop out the site 	<ul style="list-style-type: none"> ▪ Landowner returns are deferred and dependent upon the success of the scheme ▪ Pre-let requirements may slow development activity ▪ Covenant of partner ▪ Development risk exposure in the event of partner default ▪ Funder requires landowner guarantee ▪ SPV set up and management cost ▪ Full commitment over development process but shared risk 	<ul style="list-style-type: none"> ▪ Shared development risk ▪ Higher receipts/profitability as greater development risk is taken through the servicing of land/completing development ▪ Access to private sector capital and funding ▪ Access to private sector expertise ▪ The real estate market is agreeable to this type of arrangement as it mitigates the payment of upfront land costs
Direct Development	<ul style="list-style-type: none"> ▪ Land maybe transferred into a trading / development arm for tax purposes 	<ul style="list-style-type: none"> ▪ Landowner acts as the developer ▪ They procure a professional team to secure a planning consent ▪ They may Project and Development management themselves or make a consultant appointment ▪ Contractor appointments to complete infrastructure and development works ▪ Landowners using own capital reserves of raises finance 	<ul style="list-style-type: none"> ▪ Lack of in house skills and expertise to manage the project plan leads to reduced profitability and delays ▪ The landowner is taking all planning and development and funding risk ▪ Funder requires a charge on the land ▪ Cash flow requirement (Working capital) ▪ Deferred returns ▪ Market risk ▪ Full commitment 	<ul style="list-style-type: none"> ▪ Greatest level of development profit achievable as the landowner is taking all the risks throughout the development process

Asset Disposal

<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none"> ● Receive capital receipts ● Transfer the majority of development risk and costs to development partners ● Can react to market forces and sell as and when appropriate ● Non OJEU route can be followed if land transaction only 	<ul style="list-style-type: none"> ● Limited participation in future receipts. Overage and clawback provisions can be difficult to manage and are often not transparent ● Limited market appetite for developers prepared to take on costs and risks where funding gaps ● Limited opportunity for bringing in private sector knowledge and skills ● Single dimensional approach and may require Council to commit to single developer per site ● Lose control of what, when and how sites are taken forward ● Control through conditions of sale can impact on sale receipts ● Limited control over quality of development other than through planning ● Sites can be 'land-banked' until more favourable market conditions arise and risk are reduced, limited opportunity to accelerate development delivery ● Potential limited pool of developer interest

Council Owned Vehicle

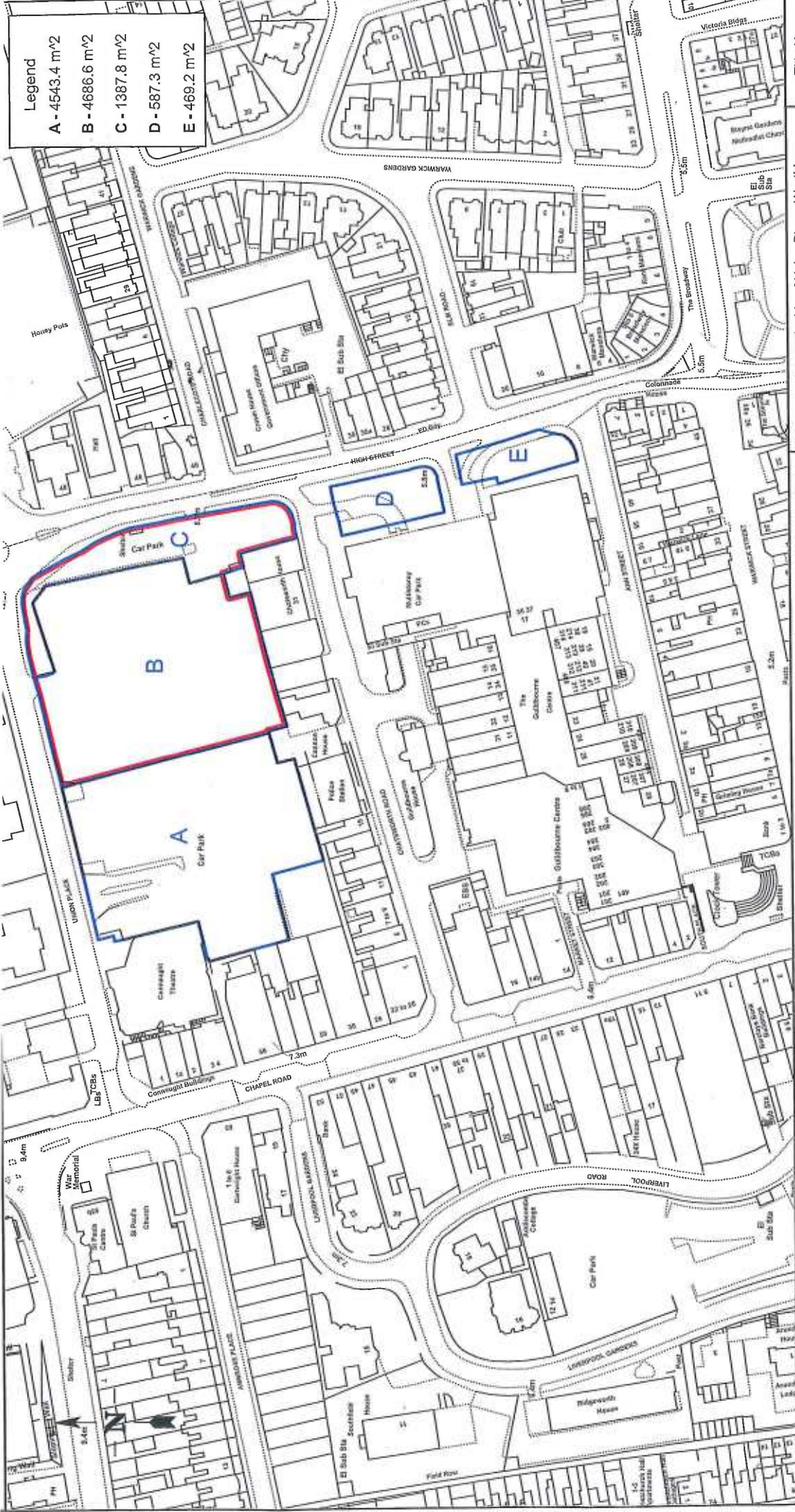
<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none"> ● A separate Council owned company has greater flexibility on tenure mix ● Cross subsidy between tenures or uses possible ● Council retains total control over the physical development of sites ● Opportunities to develop sites in ring-fenced vehicles and bring in a variety of specialist developers and funding partners ● The Council retains the profits generated by the vehicle ● The Council can dictate the timescale at which sites are brought forward ● No complex overage provisions ● Potential to specialise in PRS which could provide a revenue stream for Council ● Tax efficiency 	<ul style="list-style-type: none"> ● The Council has limited capacity and expertise to take the sites forward themselves ● The Council (via the vehicle) is exposed to 100% of property market risk and tenant ● The vehicle would sit on the Council's balance sheet and the Council take substantial financial risk ● Council takes delivery risk of project and will need to manage contracts, resource the development/PM ● Limited external investment to support development - requirement for additional Council borrowing ● Complex to establish and initially expensive to operate ● Subject to OJEU for procurement

Site Specific Vehicle

<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none"> ● Council retains control over the assets and the development as a partner in the vehicle ● Participates in profits from the vehicle ● Ability to lever in private sector investment, skills and knowledge ● Ability to protect value in current market/economic climate depending when value of asset crystalised e.g. on establishment or drawdown ● No complex overage provisions ● Focused organisation 	<ul style="list-style-type: none"> ● No large capital upfront receipts until values crystalised ● Increased establishment costs (time and resource) to set up each vehicle ● Procurement process required for each vehicle (with cost, delay and market appetite implications) ● Provides a single means by which the sites can be delivered ● More difficult to cross-subsidies less viable schemes ● Limited flexibility to include other stakeholders ● Potential conflict of interest between competition sites (and vehicles) ● Vehicle exposed to development risk as well as rewards ● Length procurement process

“Joint Venture” (Including Land Pooling option)

<u>Pros</u>	<u>Cons</u>
<ul style="list-style-type: none"> ● Council retains control over the assets as a partner in the vehicle ● The Council participate in profits and can create new income streams ● Flexibility to cross fund projects ● Reduced establishment and procurement costs/time compared to site specific approach ● Including a range of sites creates a more diverse portfolio, therefore allowing for the spread of risk which will be more attractive to private partner ● Can adopt long-term investment approach including short term wins ● Ability to lever in private sector investment, skills and knowledge ● Ability to ‘hit the ground running’ ensuring quick wins, acceleration of development ● Ability to add further sites ● Flexibility to take forward individual sites with appropriate delivery mechanisms 	<ul style="list-style-type: none"> ● The Council has limited capacity and expertise to take the sites forward themselves ● The Council (via the vehicle) is exposed to 100% of property market risk and tenant ● The vehicle would sit on the Council’s balance sheet and the Council takes substantial financial risk ● Council takes delivery risk of project and will need to manage contracts, resource the development/PM ● Limited external investment to support development - requirement for additional Council borrowing ● Complex to establish and initially expensive to operate although less than single vehicle ● Subject to OJEU for procurement ● Tied into single development partner



Legend

A	- 4543.4 m ²
B	- 4686.6 m ²
C	- 1387.8 m ²
D	- 587.3 m ²
E	- 469.2 m ²

Title No:
 Union Place
 Site Worthing
 Areas

Land on the south side of Union Place, Worthing,
 BN11 1LG.

OS Grid Ref: TQ 14984 02749
 Plan No: Union Place Site_Worthing_Areas
 Scale: 1:1250 [A3]
 Date: 11-September-2017

