



ADUR & WORTHING C O U N C I L S

29 October 2018

Joint Strategic Committee

Date: 6 November 2018

Time: 6:30pm

Venue: QEII, 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, Heather Mercer, Elizabeth Sparkes 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 9 October 2018, copies of which have been previously circulated.

3. Public Question Time

To receive any questions from members of the public.

In order for the Committee to provide the fullest answer, questions from the public should be submitted by **noon on Friday 2 November 2018**.

Where relevant notice of a question has not been given, the person presiding may either choose to give a response at the meeting or respond by undertaking to provide a written response within three working days.

Questions should be submitted to Democratic Services,
democratic.services@adur-worthing.gov.uk

(Note: Public Question Time will operate for a maximum of 30 minutes.)

4. Items Raised Under Urgency Provisions

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

5. 2nd Revenue Budget Monitoring 2018/19 (Q2)

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

6. 2nd Capital Investment Programme and Projects Monitoring 2018/19

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

7. Council Tax Support - the impact of the 2018/19 schemes plus public consultation questions to be used in respect of the 2019/20 schemes

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

8. Stewarding our Environment Framework

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

9. Update on Digital Strategy: Delivering Better Outcomes For Our Communities

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

10. Draft Response - JOSC Review of Consultations

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

11. Environmental Services for the Future

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

12. Adoption of the Brooklands Park Masterplan

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

13. Investing in Worthing Town Centre - Approach to Car Parking Provision

To consider a report from the Director for the Economy, a copy is attached as item 13.

14. Union Place Update

To consider a report from the Director for the Economy, a copy is attached as item 14.

Part B - Not for Publication – Exempt Information Reports

None.

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



2nd REVENUE BUDGET MONITORING 2018/19 (Q2)

REPORT BY THE DIRECTOR FOR DIGITAL AND RESOURCES

EXECUTIVE SUMMARY

1. PURPOSE

- 1.1 This report updates the Joint Strategic Committee with the latest expenditure and income projections for each Council in the current financial year 2018/19, compared to the Revenue Budget approved by both Councils in February. Whilst the 'spend to date' will be the position as at the 30th September 2018, the forecast position will reflect the latest information available to ensure an up-to-date forecast is presented.
- 1.2 The following appendices have been attached to this report:
- (i) **Appendix 1** (a) Adur Summary
(b) Adur Use of Earmarked Reserves
 - (ii) **Appendix 2** (a) Worthing Summary
(b) Worthing Use of Earmarked Reserves
 - (iii) **Appendix 3** HRA Summary
 - (iv) **Appendix 4** (a) Table of Variations over £20,000
(b) Quarterly comparison

2. RECOMMENDATIONS

- 2.1 The Joint Strategic Committee is asked to note the report and projected outturn position for the Joint Strategic Committee, Adur District Council and Worthing Borough Council against the approved revenue budgets and proposed use of reserves (Appendix 1b and 2b).

3. CONTEXT

- 3.1 The Joint Strategic Committee considered the '5-year forecast for 2018/19 to 2022/23 on 5th December 2017.
- 3.2 This report outlined the Financial Context, and update of the outline 5 year forecast, the Key Budget Pressures and the savings proposals for addressing the budget gap for Adur and Worthing Councils. The report built on the strategy first proposed in 2016/17 whose strategic aim was to ensure that the Councils would become community funded by 2020 reliant, by then, only on income from trading and commercial activities, council tax income and business rate income.
- 3.3 The successful delivery of the strategy is fundamentally changing how the Councils are funded. The Councils are moving increasingly away from ever reducing government funding towards funding from the local community via Council Tax and Business Rates, and will become increasingly reliant on income from commercial activities.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

- 4.1 As part of the 2018/19 budget, and to address the reduction in Government support, the Councils committed to savings of £1.365m for Adur District Council and £1.981m for Worthing Borough Council to produce a balanced budget. Services have been required to carry out efficiency, procurement and base budget reviews.
- 4.2 The current year-end forecasts indicate, at this early stage, that Adur will underspend by £184,000 and Worthing will underspend by £745,000. Considering the extensive commitments included in the current years budgets, overall, services are successfully achieving these targets by reviewing their services, thinking more commercially and changing how these are delivered.
- 4.3 In summary the overall revenue outturns reported for Q2 are as follows:-

Summary of 2nd Quarter Budget Monitoring Report			
	Joint	Adur	Worthing
	£000s	£000s	£000s
Current Budget 2018/19	22,331	10,041	16,406
Projected outturn	22,275	9,857	15,661
Projected Forecast over/ (underspend)	(56)	(184)	(745)
Projected over/(underspend) percentage	(0.3%)	(1.8%)	(4.5%)

The Joint underspend is transferred to Adur and Worthing Councils in line with their allocated share. The reported budget variances in Adur and Worthing, in the table above, include the total share transferred from the Joint services.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.3 Comparison to the Q2 forecast outturn:-

	Joint	Adur	Worthing
	£'000	£'000	£'000
Forecast Over / (Under) spend Q2	(56)	(184)	(745)
Forecast Over / (Under) spend Q1	(137)	23	(189)
Change from Q1 to Q2: (Improvement) / Deterioration	81	(207)	(556)

In the table below, projections have been separated between authority and by Income and Expenditure, to indicate the level of under/overspend of costs and the over/under achievement of income targets.

	Expenditure	Income	Net Total
	£'000	£'000	£'000
Joint			
Budget	29,185	(6,854)	22,331
Forecast	29,219	(6,944)	22,275
Projected Forecast (Under)/ Overspend	34	(90)	(56)
Forecast variance percentage	0.12%	1.32%	-0.25%
Adur			
Budget	38,331	(28,284)	10,048
Forecast	38,447	(28,561)	9,887
Authority Projected Forecast (Under)/ Overspend	116	(277)	(161)
Share of Joint (Under) / Overspend	14	(36)	(23)
Authority Projected Forecast (Under) / Overspend	130	(313)	(184)
Forecast variance percentage	0.34%	1.11%	-1.83%
Worthing			
Budget	71,081	(54,675)	16,406
Forecast	70,954	(55,259)	15,695
Authority Projected Forecast (Under)/Overspend	(127)	(584)	(711)
Share of Joint (Under) / Overspend	20	(54)	(34)
Authority Projected Forecast (Under)/ Overspend	(107)	(638)	(745)
Forecast variance percentage	-0.15%	1.17%	-4.54%

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.4 The Joint Strategic Committee (JSC) is asked to consider:-

- the current projections of variations in the two Councils General Fund Revenue Budgets;
- the current projections of variations in the Adur Housing Revenue Account; and
- any amendments and virements to budgets for each Council which may require a recommendation onto Council for approval;

4.5 We adopt a more structured approach to services which have more volatile budgets or hard to predict income streams. For 2018/19, these services are:-

- Crematorium
- Development Control
- Homelessness
- Theatres
- Commercial Waste

4.6 Most of these services are subject to closer monitoring because they meet one or more of the following criteria:-

- Demand led
- Income based
- Specialist
- Significant changes to the service are being made in the near future.

4.7 **Headline budget variations across both the Councils' and the Joint account**

4.7.1 **Car Parks**

In Worthing, Income from parking charges is currently exceeding the budget by £170,000. Of this, £120,000 will be used to fund the financing costs associated with improving the lighting at the car parks. This increased income is due to last year's tariff review, which was implemented in early 2018. This excess income will continue to be used in future years to fund MSCP improvements. The report elsewhere on the agenda regarding the future of car parking provision in the town details how these resources will be used to support improvements to the car parks.

In Adur, the income projection is expected to exceed its budget by £67,000

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.2 Housing Management

The continued increased spend on providing emergency and temporary accommodation reflects rising demand across the South East, including Adur and Worthing and the lack of housing supply for those needing affordable accommodation, whether this is to prevent homelessness or to move people on from emergency accommodation.

Across the South East there is competing demand between local authorities for both emergency and temporary accommodation, the latter often being leased private sector accommodation. Whilst Adur and Worthing have made significant progress in leasing more affordable units of temporary accommodation, competition does mean that prices in some areas (e.g. Worthing) are being pushed beyond the reach of the Councils, and the supply of suitable emergency and temporary accommodation within the Borough is reduced. The Councils are still faced with placing some clients in costly budget accommodation hotel chains when no other suitable options are available.

There is currently a projected overspend of £242,000 in Worthing and £110,000 in Adur. This estimate assumes the current caseload numbers in temporary accommodation remains static with an average room rate of £50 per night. More affordable units are projected to come on stream in the coming months, and the team continues to explore other avenues to prevent homelessness and consequently the need for temporary accommodation, as well as the potential purchase of suitable properties for this purpose.

Housing Management - Full Year forecast						
	2017/18			2018/19 - Full Year Projection		
	Budget for Year	Actual for Year	Variance for Year Over / (Under)	Budget for Year	Forecast for Year	Projected Variance for year Over / (Under)
	£'000	£'000	£'000	£'000	£'000	£'000
ADUR						
ETA Expenditure	318	643	325	635	854	218
ETA rental income	(102)	(261)	(159)	(411)	(312)	98
Grant funding	-	(184)	(184)	-	(206)	(206)
	215	199	(16)	224	335	110
WORTHING						
ETA Expenditure	748	1,402	654	1,405	1,972	567
ETA rental income	(259)	(548)	(289)	(725)	(913)	(188)
Grant funding	-	(120)	(120)	-	(138)	(138)
	489	735	245	679	921	242
	704	933	229	904	1,256	352

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.2 Housing Management

Housing Management - Comparative Financial position at September						
	2017/18 Year to Date			2018/19 Year to Date		
	Budget to P6	Actual to P6	Variance to P6 Over / (Under)	Budget to P6	Actual to P6	Variance to P6 Over / (Under)
	£'000	£'000	£'000	£'000	£'000	£'000
ADUR						
ETA Expenditure	79	109	30	318	342	23
ETA rental income	(25)	(42)	(17)	(206)	(153)	53
Grant Funding	-	(184)	(184)	-	(206)	(206)
	54	(117)	(171)	112	(18)	(130)
WORTHING						
ETA Expenditure	187	302	116	702	750	48
ETA rental income	(65)	(125)	(61)	(362)	(331)	32
Grant Funding	-	(120)	(120)	-	(138)	(138)
	122	57	(65)	340	281	(58)
	176	(59)	(236)	452	263	(188)

For Adur, there is an additional overspend on Private Sector Leasing accommodation, £50,000 where there is an income shortfall over the cost of rent payable, in addition to a number of void properties awaiting repairs to bring them up to a lettable standard.

In Worthing, with effect from 1 October 2018 mandatory licensing of HMOs will be extended so that smaller properties used as HMOs in England which house 5 people or more in 2 or more separate households will in many cases require a licence. This has generated additional income of £80,000 for these 5 year licences.

Also in Worthing, the temporary accommodation overspend is currently partially offset by an underspend in the housing initiatives budget £120,000. It is projected that this budget will be used to support preventing homelessness projects over the course of the year.

4.7.3 Environment

The Restructure of the Environment and Waste teams into a new single service was fully implemented by the end of August. This had been planned from April and therefor has impacted on the ability to achieve the full year saving.

In 2018/19, growth was approved to create two additional waste & recycling rounds to service new properties being constructed. An in-year review has identified that it is not necessary to fully implement this growth immediately, (whilst retaining service delivery), therefore some of this budget is being used to offset the changes to the timeline of the Environment service redesign.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.3 Environment

It is projected that Worthing Commercial Waste disposal costs are expected to be over budget by £145,000. This is a combination of increased disposal costs and under estimation of budget required. Adur is on target to meet its income budget.

Bereavement services – Cemetery income in both authorities are projected to fall short of their budget (£25,000 Adur, £20,000 Worthing). The Crematorium income is slightly below target at present, this will continue to be monitored closely, but is not currently deemed at risk.

Parks & Open Spaces – Worthing has received a one off receipt of £80,000 relating to an inconvenience payment from Rampion for the continued use of Brooklands park during the construction of the Rampion wind farm. This will be used in part to offset a projected shortfall of income of £40,000.

4.7.4 Planning & Development

Building Control

Building Control fees have increased slightly year on year but due to increasing competition from the private sector (Approved Inspectors) it is not predicted to meet its income budget (likely shortfall for Worthing £56,000 and Adur £44,000). This is a continuing trend from previous years following an expected increase in fee income which was not achieved and this will need to be addressed in the next budget setting cycle to set a realistic fee income target for next year.

Development Management

The current position is showing a slight shortfall in income against its budget, however, this is predicted to be on budget by the year end. This projection assumes that Planning fees will be received relating to two large projects: the West Sompting development and Teville Gate.

There are some additional fees for flood assessment, retail and landscape Consultants relating to the New Monks Farm development, however, if West Sompting application is submitted there could be a surplus in fees for Adur.

4.7.5 Farmers Markets

Income from farmers market has already met the budget for the year to date and is expected to exceed by an estimate of £20,000 by the year end.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.6 External Borrowing Costs, Investments and Minimum Revenue Provision

The Minimum Revenue Provision (MRP) is a statutory charge to the revenue budget to provide for the repayment of debt. The calculation is based on the level of historic capital spend that has been financed from borrowing. Consequently, once the accounts have been closed and the calculation has been updated for the capital spend in 2017/18, there is certainty about the charge for the forthcoming year.

Both Councils have an underspend on their MRP budgets due to the reprofiling to 2018/19 of a proportion of the 2017/18 Capital Programmes and the impact of changes to planned financing due to increased levels of capital receipts and capital grants both of which offset the need to borrow.

Adur will underspend by approximately £44,000 and Worthing by approximately £418,000.

4.7.7 Revenues and Benefits

There is forecast to be an underachievement in the recovery of court costs in Worthing of £55,000 as a result of changes in the process, which take a more customer focused approach in:

- Engaging with customers earlier in the recovery process (reducing the number of accounts that require Court action); and
- In some instances negotiating repayment in return for remitting the court cost charge.

Overpayments in Worthing are showing an underachievement of income based on current figures. It is forecast that this will underachieve by £150,000. However, this is attributable to a reduction in the value of overpayments that have been raised which is a reflection that following:

- a) The provision of enhanced data sets from the Department for Work & Pensions (e.g. earnings and private pensions via the HMRC RTI database); and
- b) A number of data matches that were received from the Department for Work & Pensions during the last three years benefit records are more accurate and therefore the potential to identify overpayments has reduced.

4.7.8 Business Rates

Additional net income is anticipated in relation to Business Rates by Adur £247k and Worthing £330k;

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.7 Headline budget variations across both the Councils' and the Joint account

4.7.8 Business Rates

	Worthing		Adur	
	2018/19 Budget	Projected Outturn	2018/19 Budget	Projected Outturn
Income - (Fixed)	12,803	12,803	7,307	7,307
Less Tariff payment (fixed)	- 9,839	- 9,839	- 4,931	- 4,931
	2,964	2,964	2,376	2,376
Section 31 Grants from Govt	910	1,287	616	769
Less Levy payment	- 818	- 865	- 701	- 606
Net Income	3,056	3,386	2,291	2,538
Additional income above budget		330		247

The precept income from the Collection Fund is set before the start of the financial year as part of the budget process and the tariff payment is fixed by Government as part of the local government finance settlement.

Section 31 grants are a reimbursement by Government for the income lost by local authorities for specific types reliefs or support given to local businesses under the business rate retention scheme. This year there has been an increase in the value of reliefs awarded to local businesses leading to additional income from grants.

However these increases were made after the overall income to be taken from the Collection Fund was determined. The result is a timing difference between when the grant is received and accounted for within the General Fund and when the actual loss of business rates to the Collection Fund income will be funded by the General Fund (2019/20).

The Councils have set aside resources into a business rate smoothing reserve to help fund these timing differences

The Worthing share of the projected Collection Fund deficit for 2019/20 is £403,651, and this is as a result of the timing differences between grant receipt and the business rates income.

The Adur Collection fund also has a projected deficit and the district council share is £562,517 but the position is more complex. In Adur there is a substantial in-year deficit which is the result of the adverse impact of the settlement of a significant appeal, revaluations and the impact of some commercial properties being converted to residential use (where in time council tax income will be received instead).

Business rate income is volatile and can be affected by many factors; government decisions, changing use of commercial properties, valuations, appeals. It will therefore be recommended to members that where there is available capacity at outturn, they agree to put any additional business rates income into reserves. The reserves can then be used, when required, to smooth the effect of the business rates volatility in future years.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.8 **Budget variations greater than £20,000**

The Councils individual Summary Projected Outturns are reported in Appendix 1a for Adur District Council and Appendix 2a for Worthing Borough Council.

The variations greater than £20,000, for this report, are detailed in Appendix 4.

There are some expenditure items that are not identified until the year end that will impact on the final outturn. These items can have a positive or negative impact on the final position.

They include:-

- Movement in the estimate for doubtful debts
- A review of any amounts needed to be set aside for liabilities that are likely to occur in the future
- Changes in allocations of staff time to outside the General Fund

4.9 **Future Risks**

4.9.1 Vacancy provision – There is always a risk that the vacancy provision target, set at £758,000 this year, will not be met. It is currently on target to achieve but will continue to be monitored closely each month.

4.9.2 Commercial rent income - Target new commercial rent income of £416,000 for both Councils was set as part of the 2018/19 revenue budget. The Councils are in the process of acquiring property, but achievement of the budget will be dependent on successfully securing sufficient additional property over the coming months.

4.10 **Cross Cutting Budgets**

The following categories of expenditure are analysed across various services. It is anticipated that this will be on target:

- Equipment, furniture and material
- Postage
- Printing stationery and office supplies
- Consultancy costs
- Travel costs

More detailed workings on these areas are in progress and will be reported in future if there are any major variances.

Energy

Due to a review of energy cost recharges to external organisations, it has been identified that these had not been completed for a number of years. It is estimated that costs of £100,000 will be recovered in 2018/19 relating to prior years.

4. ISSUES FOR CONSIDERATION - REVENUE 2018/19 FORECAST

4.10 Cross Cutting Budgets

Telephony

Telephony costs are expected to exceed its budget by £45,000. This includes additional costs associated with change of provider £10,000 which has resulted in improved resilience of the service. The remaining overspend is due to contract savings built into the budget that have not been achieved and the additional costs associated with legacy systems. This is to be addressed in the 2019/20 budget setting process.

4.11 Housing Revenue Account

4.11.1 The Adur Housing Revenue Account is a ring fenced account. The HRA forecast is shown in Appendix 3.

	ORIGINAL ESTIMATE 2018/19	PROJECTED OUTTURN 2018/19	PROJECTED OVER/ (UNDERSPEND) 2018/19
	£	£	£
General Management and Other	4,132,760	4,151,991	19,231
Annual Revenue Maintenance costs	2,823,320	2,852,209	28,889
Capital Financing costs & Depreciation	6,908,980	6,852,978	(56,002)
Provision for Bad Debt	50,000	36,411	(13,589)
Total Expenditure	13,915,060	13,893,589	(21,471)
Less Income	(13,180,490)	(12,992,375)	188,115
Net (Surplus) / Deficit	(13,180,490)	(12,992,375)	188,115
Funded from Reserves	(734,570)	(734,570)	
Overall Position	-	166,643	166,643

4.11.2 The HRA is forecast to remain within budget for 2018/19. The approved budget includes the use of HRA reserves of £734,570 required to meet the cost pressures from rent limitation and maintenance and repair work required to the housing stock resulting from the condition survey. A number of income shortfalls have arisen during quarters 1 and 2 but these can be covered by reductions in expenditure elsewhere in the budget.

5. ENGAGEMENT AND COMMUNICATION

5.1 The Corporate Leadership Team and budget managers have all collaborated in the content of this report providing explanation and narrative on the forecast variances.

6. FINANCIAL IMPLICATIONS

- 6.1 At the end of the 2nd Quarter of the revenue budgetary cycle, it is anticipated that there will be underspends in Adur District Council of £184,000, Worthing Borough Council of £745,000 and the Joint Committee £56,000. As mentioned previously in the report any underspend in major projects budget is committed to be spent on the future capital programme and the overachievement in parking income in Worthing is to be used to fund the capital MSCP improvement works. Additionally it will be recommended to members to consider putting additional business rate income into reserves at year end to mitigate against future volatility.

Finance Officer: Sarah Gobey

Date: 19th October 2018

7. LEGAL IMPLICATIONS

- 7.1 Section 151 of the Local Government Act, 1972 requires the Councils to make arrangements for the proper administration of their financial affairs. Further, Local authorities have a statutory duty under the Local Government Act 2003, to monitor their income and expenditure against their budget, and be ready to take action if overspends or shortfalls in income emerge.

Legal Officer: Susan Sale

Date: 2nd October 2018

Local Government Act 1972

Background Papers

Revenue Budget 2018/19 Joint, Adur and Worthing – 2018/19 Budget Book
<https://www.adur-worthing.gov.uk/media/media,148471,en.pdf>

Joint Overall Budget Estimates 2018/19–
<https://www.adur-worthing.gov.uk/media/media,147643,en.pdf>

Adur District Council Budget Estimates 2018/19 and Setting of the 2018/19 Council Tax –
<https://www.adur-worthing.gov.uk/media/media,147719,en.pdf>

Worthing Overall Budget Estimates 2017/18 and Setting of 2017/18 Council Tax –
<https://www.adur-worthing.gov.uk/media/media,147660,en.pdf>

Financial Performance 2017/18 - Revenue Outturn
<https://www.adur-worthing.gov.uk/media/media,149798,en.pdf>

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SUSTAINABILITY AND RISK ASSESSMENT

1. ECONOMIC

Matter considered and no issues identified

2. SOCIAL

2.1 Social Value

Matter considered and no issues identified

2.2 Equality Issues

Matter considered and no issues identified

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified

2.4 Human Rights Issues

Matter considered and no issues identified

3. ENVIRONMENTAL

Matter considered and no issues identified


4. GOVERNANCE

Matter considered and no issues identified

SUMMARY - 2nd QUARTER PROJECTED OUTTURN 2018/19

APPENDIX 1a


Actual Previous year 2017/18	ADUR CABINET MEMBER PORTFOLIOS	Original Estimate 2018/19	Current Estimate 2018/19	Projected Outturn to 31st March 2019	Forecast Over/(Under)
2,904,564	CM for Environment	2,844,860	2,844,860	2,802,860	(42,000)
1,002,320	CM for Health & Wellbeing	1,103,700	1,144,250	1,144,250	-
1,486,629	CM for Customer Services	1,164,740	1,164,740	1,292,740	128,000
583,779	Leader	598,120	598,120	598,120	-
1,345,284	CM for Regeneration	1,659,300	1,659,300	1,703,300	44,000
2,132,249	CM for Resources	1,963,740	1,993,740	1,723,740	(270,000)
-	Holding Accounts	(7,520)	(7,520)	(7,520)	-
9,454,824	Total Cabinet Member	9,326,940	9,397,490	9,257,490	(140,000)
(1,512,074)	Credit Back Depreciation	(1,821,540)	(1,821,540)	(1,821,540)	-
712,431	Minimum Revenue Provision	1,097,860	1,097,860	1,053,860	(44,000)
33,938	Non ring fenced grants	-	-	-	-
2,270	Financial Instruments Adjustment Account	-	-	-	-
8,691,389		8,603,260	8,673,810	8,489,810	(184,000)
	Transfer to/from reserves				
-	Contribution to/(from reserves)	14,000	14,000	14,000	-
	Budgeted contribution to/(from) Reserves	10,500	10,500	10,500	-
(20,552)	Transfer from reserves to fund specific expenditure (inc carry forwards)	-	(70,550)	(70,550)	-
110,000	General Fund Working balance	-	-	-	-
385,023	Net Underspend/(Overspend) Recommended For Transfer To/(From) Reserves	-	-	184,000	184,000
9,165,860	Total Budget requirement before External Support from Government	8,627,760	8,627,760	8,627,760	-

 ADUR DISTRICT COUNCIL EARMARKED REVENUE RESERVE ACCOUNTS	Opening Balance 2018/19	Estimated Decrease 2018/19	Estimated Increase 2018/19	Projected Closing Balance 2018/19
	£	£	£	£
Capacity Issues Fund including General Fund Carry Forward Reserve Carry forwards approved at JSC 10th July 2018 Redundancy costs approved 16 May 2018 by Executive Members for Resources Budgeted contribution (to)/from revenue Balance	384,093	(88,680) (127,633)	10,500	178,280
Insurance Fund	174,943	(62,870)	30,000	142,073
Investment Property Maintenance Fund	38,387			38,387
Business Rates Smoothing Reserve	74,000			74,000
Grants and Contributions held in Reserves	552,668			552,668
Election Reserve	7,880			7,880
Special and Other Emergency Reserve	81,080			81,080
Projected Underspend/(Overspend) (Reserve to be identified at outturn)			184,000	-
General Fund Reserve	518,171	-	-	518,171
TOTALS	1,831,222	(279,183)	224,500	1,776,539

SUMMARY - 1st QUARTER PROJECTED OUTTURN 2018/19

APPENDIX 2a

Actual Previous year 2017/18	WORTHING CABINET MEMBER PORTFOLIOS	Original Estimate 2018/19	Current Estimate 2018/19	Projected Outturn to 31st March 2019	Forecast Over/(Under)
1,079,949	CM for Environment	2,139,780	2,139,780	2,138,710	(1,070)
3,408,498	CM for Health & Wellbeing	1,702,990	1,722,990	1,722,990	-
1,304,543	CM for Customer Services	4,779,360	4,793,360	4,705,360	(88,000)
5,196,703	Leader	852,870	852,870	852,870	-
2,699,126	CM for Regeneration	3,039,710	3,169,840	2,965,980	(203,860)
1,746,447	CM for Resources	2,389,670	2,434,670	2,400,670	(34,000)
-	Holding Accounts	710,270	710,270	710,270	-
15,435,265	Total Cabinet Member	15,614,650	15,823,780	15,496,850	(326,930)
(3,531,618)	Credit Back Depreciation	(3,633,620)	(3,633,620)	(3,633,620)	-
809,289	Minimum Revenue Provision	1,408,260	1,408,260	990,260	(418,000)
(270,026)	Non ring fenced grants	-	-	-	-
12,442,910		13,389,290	13,598,420	12,853,490	(744,930)
	Transfer to/from reserves				
	Contribution to/(from reserves)	86,250	86,250	86,250	-
	Budgeted contribution to/(from) Reserves	41,050	41,050	41,050	-
212,932	Transfer from reserves to fund specific expenditure (inc carry forwards)	-	(209,130)	(209,130)	-
812,788	Net Underspend/(Overspend) Recommended For Transfer To/(From) Reserves	-		744,930	744,930
13,468,630	Total Budget requirement before External Support from Government	13,516,590	13,516,590	13,516,590	-

 WORTHING BOROUGH COUNCIL EARMARKED REVENUE RESERVE ACCOUNTS	Opening Balance 2018/19	Estimated Decrease 2018/19	Estimated Increase 2018/19	Projected Closing Balance 2018/19
	£	£	£	£
Capacity Issue Reserve	1,439,822			
- Marketing/legal costs re disposal of High St & Civic Centre car park sites (28/02/12 JSC/094/11-12) up to £50k each		(100,000)		
- Funding for Decoy Farm survey (22/7/14 JSC/031/14-15)		(150,000)		
- Preliminary costs of Theatre Trust bid (10 July 2018 JSC/026/18-19)		(100,000)		
Expenditure funded from approved carry forwards from 2017/18				
- Worthing carry forwards agreed Joint Strategic Committee 10th July, 2018		(241,330)		
- Budgeted contribution (to)/from revenue			41,050	
Balance				889,542
Insurance Reserve	296,907	(37,870)	30,700	289,737
Joint Health Promotion Reserve	7,810			7,810
Leisure Lottery & Other Partnerships - 01/02/18 JSC/078/17-18 for Museum Costume Research Centre	77,766	(50,000)		27,766
Museum reserve - 12/09/17 JSC/037/17-18 release of funds to support grant bid	97,702	(60,690)		37,012
Theatres Capital Maintenance Reserve	141,149	(142,000)	70,000	69,149
Special and Other Emergency Reserve	34,292			34,292
Business Rates Smoothing Reserve	425,000			425,000
Grants & Contributions	542,176			542,176
Capital Expenditure Reserve	29,658			29,658
Projected Underspend/ (Overspend) (Reserve to be identified at outturn).			745,000	745,000
General Fund Working Balance	843,625			843,625
TOTAL	3,935,907	(881,890)	886,750	3,940,767

HOUSING REVENUE ACCOUNT QUARTER 2 BUDGET MONITORING
APPENDIX 3

	ORIGINAL ESTIMATE 2018/19	REVISED ESTIMATE 2018/19	PROJECTED OUTTURN 2018/19	PROJECTED OVER/ (UNDERSPEND) 2018/19
	£	£	£	£
EXPENDITURE				
Supervision & Management	3,891,890	3,846,920	3,873,149	26,229
Special Services	214,570	259,540	241,027	(18,513)
Rent, Rates, Taxes & Other Charges	26,300	26,300	37,815	11,515
Repairs & Maintenance	2,823,320	2,823,320	2,852,209	28,889
Depreciation	4,600,000	4,600,000	4,599,958	(42)
Bad/Doubtful Debt	50,000	50,000	36,411	(13,589)
Capital Financing Costs				
Interest charges	2,308,980	2,308,980	2,253,020	(55,960)
Revenue Contributions to Capital	-	-	-	-
TOTAL EXPENDITURE	13,915,060	13,915,060	13,893,589	(21,471)
INCOME				
Dwelling Rents	(11,991,720)	(11,991,720)	(11,988,158)	3,562
Non Dwelling Rents	(566,920)	(566,920)	(550,535)	16,385
Tenants' Service Charges	(374,210)	(374,210)	(326,270)	47,940
Leaseholders' Service Charges	(219,640)	(219,640)	(103,077)	116,563
Commercial Property Service Charges	-	-	-	-
Contributions Towards Expenditure	-	-	3,665	3,665
Reimbursement of Costs	-	-	-	-
Interest Received	(28,000)	(28,000)	(28,000)	-
TOTAL INCOME	(13,180,490)	(13,180,490)	(12,992,375)	188,115
NET (SURPLUS)/DEFICIENCY	734,570	734,570	901,213	166,643

Quarter 2 2018/19

The variations greater than £20,000, for this report, are detailed below

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations
NET TRADING				
Parking	-	(67)	(170)	ADUR:Income over-achievement against budget WORTHING:Additional projected car parking income to August. Includes £120k debt charges for capital investment (estimated £200k pa)
Total Net Trading	-	(67)	(170)	
INCOME:				
Economic Development	-	(20)	-	Farmers markets - additional market income anticipated for 2018/19 as budget already achieved in August
Building Control & Land Charges	35	44	56	ADUR:Underachievement of Building Control income due to a continued decline in income through competition from Authorised Inspectors plus WORTHING:Shortfall of Building control Income £56k plus
Environment - Bereavement Services		25	20	ADUR:Shortfall of Cemetery Income projected based on current numbers and prior years profiles WORTHING:Shortfall of Cemetery Income projected based on current numbers and prior years profiles
Environment - Waste Services	(39)	-	145	JOINT: Cessation of Pest Control service delayed net 8k, Fuel and Maintenance savings £-31k Addtl recycling payment relating to 2017/18 less reduction in recycling credit from WSCC £-16k WORTHING Commercial Waste : Increase in tonnages from 17/18 not fully budgeted for
Environment - Parks & Open Spaces	-	-	(40)	Addtl inconvenience payment from Rampion for for the late reinstatement of the par 3 at Brooklands offet in part by shortfall in income of £40000
Environmental Health	-	(32)	(95)	ADUR: HMO income increase expected due to change in regulations which make more properties eligible for licensing. WORTHING HMO income increase expected due to change in regulations which make more properties eligible for licensing, Plus an additional £15,000 income from a HMO legal case in Heene Road.
Revenues & Benefits			215	Under-achievement of Court Cost income plus an Under-achievement of income from Benefit Overpayments debts raised
Finance		(247)	(330)	Business Rates Section 31 Grant
Total Income	(4)	(230)	(29)	

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations
COSTS:				
Business & Technical Services			(70)	Income from Law Court balance sheet code £69860
Major Projects			(170)	Current estimated underspend on major projects. Any underspend at year end will be carry forward.
Environment - Bereavement Services			44	Additional maintenance payments made for cremations undertaken in excess of the contracted figure of 3000 per annum. offset by Underspend on Cemetery services budget
Planning & Development		20		Additional study costs arising from Monks Farm Development deferred decision
Housing	-	-	(20)	Housing Improvement Assistance fee income increase
Homelessness	-	160	122	ADUR:Increased use of temporary accommodation to meet increased demand (34 cases April to Aug) from homeless applicants £110,000 plus an overspend in PSL accomodation £50,000 WORTHING:Increased use of temporary accommodation to meet increased demand from homeless applicants £287,000 less £120,000 Housing initiatives budget currently not used but will reduced futre TA.
Finance	-	(44)	(418)	MRP underspends due to reprofiling of capital programme less write down of Municipal Bond less under achievement of investment interest
Cross Cutting:				
Energy Costs	(98)			Income recharged to law courts for electricity since 2013/14
Telephony	45			Overspend on Telephony costs
Allocation of Joint Variance		(23)	(34)	Share of joint services allocated 40:60 to Councils
Total costs	(53)	113	(546)	
Total Variance	(56)	(184)	(745)	

Quarter 2 2018/19

Movement between quarters greater than £50,000 are detailed below

Service Area	Joint £000s (under)/ over- spend	Adur £000s (under)/ over- spend	Worthing £000s (under)/ over- spend	Significant Variations
NET TRADING				
Parking		(67)	(120)	ADUR: Income is now expected to exceed the projected budget compared to the earlier quarterly projection. WORTHING: Additional income in quarter 1 was shown net of excess income set aside for capital investment, in quarter 2 this is shown gross
INCOME:				
Environment - Waste Services			63	The estimated full year cost of tipping charges is now estimated to exceed it budget by £146,000 this is a deterioration based on quarter one of £17,000. In addition the projected excess income is now expected to meet its budget target £46,000
Environmental Health	-		(60)	The new change in regulation in regard to HMO's has produced an increase in income not predicted in Q1. These regulations now make more properties eligible for licensing, in addition there is additional income from a successful HMO legal case.
Revenues & Benefits			215	Under-achievement of Court Cost income plus an Under-achievement of income from Benefit Overpayments debts raised not projected when Q1 was produced
Finance		(247)	(330)	Business rates - section 31 grants received in excess of amount budgeted. Information on s 31 grant calculations was issued after the budget setting process.
COSTS:				
Business & Technical Services			(70)	During the final accounts closedown, a prior year credit balance on the balance sheet relating to energy recharges was identified and required writing down to Revenue in 18/19. The investigations were in progress during Q1 and therefore not included in this report
Major Projects			(170)	Current projected underspend on Major Projects not anticipated at Q1
Homelessness		56	(32)	There is an Increase in homelessness numbers in Adur, offset to a revised cost per day rate from £50 to £47 per room, which has also reduced Worthing's expected overspend
Finance			(173)	Less borrowing has been required for the Capital programme than expected in the budget.



2nd CAPITAL INVESTMENT PROGRAMME & PROJECTS MONITORING 2018/19

Report by the Director for Digital and Resources

EXECUTIVE SUMMARY

1. PURPOSE

1.1 This report updates the Joint Strategic Committee on the progress made on the 2018/19 Capital Investment Programmes for Adur District Council, Worthing Borough Council. The programmes include schemes which support the delivery of services by the Joint Services Committee.

1.2 The following appendices have been attached to this report:

Appendix 1: Adur District Council Capital Monitoring Summary

Appendix 2: Worthing Borough Council Capital Monitoring Summary

Appendix 3: Adur District Council Reprofiled Budgets

Appendix 4: Worthing Borough Council Reprofiled Budgets

2. RECOMMENDATIONS

2.1 The Joint Strategic Committee is asked:

(a) **With respect to the Capital Investment Programme of Adur District Council.**

i) To note the reprofiling of the Adur District Council capital schemes as advised in paragraphs 8.1.1 and Appendix 3.

ii) To approve the increase of £50,000 in the Adur Homes Budget for Phase 2 of the Housing Repairs System funded from the reallocation of budgets in the overall Adur Homes 2018/19 Capital Investment Programme as advised in paragraph 8.1.2 i).

iii) To approve the virement of £14,680 from the 2018/19 Capital Investment Programme Contingency Budget to the Condition Surveys Budget as advised in paragraph 8.1.2 ii).

(b) With respect to the Capital Investment Programme of Worthing Borough Council.

- i) To note the reprofiling of the Worthing Borough Council capital schemes as advised in paragraphs 8.2.1 and Appendix 4.
- ii) To approve the virement from the budget for the Crematorium resiting of the car park attendant's kiosk to the Crematorium Improvement Scheme Phase 1 as detailed in paragraph 8.2.2 i).

3. CONTEXT

- 3.1 In accordance with the Councils' Capital Strategy, the Capital Working Group oversees the implementation and progress of both Councils' Capital Investment Programmes.
- 3.2 The Capital Working Group meets quarterly and monitors the programmes' progress and finance, seeking to address any problems at an early stage in order for schemes to be completed within budget and timescales. Where problems are highlighted the Group considers possible remedies including virements between schemes, reprofiling of budgets between years and the withdrawal of schemes from the programme when schemes are unable to proceed. This could be due to resourcing problems, time delays or other factors beyond the Councils' control.
- 3.3 Full summaries of the progress of all the schemes in the 2018/19 Capital Investment Programmes are prepared each quarter highlighting:

Schemes with significant challenges or where there are financial issues	Red
Schemes where progress is being closely monitored	Amber
Schemes progressing well	Green
Schemes where progress is beyond officers' control	▣
Schemes with financial issues	£
Schemes where progress has improved	↑
Schemes where progress has deteriorated	↓

- 3.4 The Capital Working Group also ensures that capital schemes are approved within financial regulations; a Summary of Project Initiation Document (P.I.D.) Approvals for 2018/19 schemes and the P.I.D. documents (for schemes costing under £250,000) are available from the Councils' Joint Intranet.

- 3.5 Financial Regulations require officers to report each project on completion detailing the original estimate, tender estimate and the final outturn.
- 3.6 Each year a small number of schemes are selected for a more detailed evaluation on completion and officers are asked to complete a Post Scheme Evaluation Form. These forms are available from the Councils' Joint intranet.

4. SUCCESSES AND CHALLENGES IN THE 2018/19 CAPITAL INVESTMENT PROGRAMMES

4.1 The following schemes are progressing well:

4.1.1 Adur Homes Capital Investment Programme

The Adur Homes Capital Investment Programme for the two years 2017/18 and 2018/19 was approved by the Joint Strategic Committee 12th September 2017.

Major contracts have been the subject of a joint review by Adur Homes and Technical Services, taking into consideration the most recent property condition surveys. This has taken some time to complete.

However, works have now been prioritised, urgent works have been identified and the following schemes are now being progressed:

- i) Bushby Court and Beachcroft Court – Replacement of doors, porches and screens. Phase 1 works at Bushby Court are now on site with completion anticipated October 2018. Phase 2 Planning Application to be submitted following initial consultation with leaseholders. Tender documents being prepared. Works will continue in 2019/20.
- ii) Pashley Court – Repairs to flint wall. Works complete.
- iii) Seaview Court central heating installation. Works anticipated this financial year.
- iv) Essential boiler replacements. In progress.
- v) Fire Safety works flats front entrance doors. Pilot scheme complete. Main scheme in progress.
- vi) Smoke detection installation programme. Contract awarded, works to commence November 2018, with completion anticipated August 2019.

The following schemes are subject to leaseholder consultation so the main works will be undertaken in 2019/20:

- vii) Rocks Close – External works package to include fire safety works, electrical and water compliance works, and floor and stair coverings where required.
- viii) Locks Court – External works package to include fire safety works, electrical and water compliance works, and floor and stair coverings where required.
- ix) Millfield – Replacement balcony railings and walkways.
- x) Warren Court – Soffits and asphalt repairs.
- xi) Window replacement programme.

4.1.2 Adur Homes Development and Acquisition Programme

The Council is currently progressing the following housing development schemes:

- i) Cecil Norris House (15 housing units) – Demolition and rebuild.
- ii) Albion Street (14 housing units) – Demolition and rebuild.
- iii) Hidden Homes Project – A review of garage sites and other HRA land holdings to identify new sites for affordable homes.
- iv) 101 North Road, Lancing (2 housing units) – Conversion of ground floor into residential accommodation. Planning permission has been granted and tenders are now being sought.
- v) Feasibility of other projects also in progress.

4.1.3 Adur Civic Centre – Redevelopment

- i) Demolition of the Civic Centre. The demolition completed 1st June 2017.
- ii) Phase I North New Office Development. The construction is in progress and is due to complete May 2019.
- iii) Phase II South development of the Civic Centre Site. The Joint Strategic Committee March 2018 recommended to the Council a conditional disposal of the site. The site is currently out to tender for a marketing agent.

4.2 The following schemes are presenting the Councils with challenges:

4.2.1 Affordable Housing – Grants to Registered Social Providers

The cut in social housing rents by 1% per annum has had a significant impact on the delivery of affordable housing. This is because the rent reduction has affected the registered providers' business model which was previously based on a rent increase of CPI plus 1%.

Officers are in regular discussions with Registered Social Providers but only one small grant to Worthing Homes is currently in progress.

4.2.2 Financial Management System- Replacement

The project has been paused due to system performance issues and the availability of the required functionality. It is expected that the software release planned for October 2018 will address the majority of concerns.

Negotiations are in progress to restart the FMS project and implement the tendered solution. Initial planning is underway and it is expected that the project will restart by the end of October 2018 and the new system will go-live early in the 2019/20 financial year. The impact on the remaining budget is being assessed.

4.2.3 Removal of asbestos from Town Hall roof space

The Town Hall roof space contains asbestos debris. The roof space contains critical services, much like a domestic house with plumbing/electrical/air handling/ICT cabling etc all routed through the roof space that enables the operation of the building/facilities. Some works have been carried out recently to enable safe working zones in critical areas to ensure we can carry out maintenance to key services. However, the advice is that we should budget for the removal of all asbestos debris from the roof spaces where all cabling and pipework is located. A further risk assessment will be required along with a detailed project plan as some staff may require relocating to other offices whilst removal works are underway.

The current budget for these works is £224,920 and is profiled in 2019/20 to allow time for a risk assessment to be completed. Meetings have been held with consultants regarding the extent of the works and the estimated cost of the project is now £353,400, a shortfall of approx £128,500 on the current budget. It is proposed to fund the shortfall from the 2019/20 Capital Investment Programme Contingency Budget.

The tender documentation is being prepared so that the scheme can be completed in 2019/20. A full report will be submitted to the Joint Strategic Committee detailing costs and the funding.

4.2.4 Lancing Manor LC – Renewal of flat roofs and replacement of glazing units in the entrance hall

The Capital Investment Programme includes a budget of £85,000 to renew the flat roof area over the entrance hall and to replace the glazing units in the entrance hall.

The scheme has been tendered and the Executive Member has previously agreed to a virement of £45,820 from 2017/18 underspends to fund the total costs of the scheme.

However, a recent site visit has identified that the works will need to be re-tendered to include the refurbishment of adjoining flat roofs which now require essential works. Due to the additional works the scheme will need to be deferred to the summer of 2019. In addition, building control has advised that the glazing units in the entrance hall require specialised glass which also needs to be included in the new tender.

The actual costs of the scheme are unknown at this time and will be reported in a future monitoring report.

5. PROGRESS OF THE DIGITAL STRATEGY

The following digital strategy schemes are currently in progress or have completed in 2018/19:

- i) Land Charges / Building Control / Planning System £140,000.
In progress for delivery in 2018/19.
- ii) Waste Management System £19,670.

The scheme has completed with the launch of self serve options for clinical waste collections and missed bins, informed by customer engagement.

- iii) Avaya Telephone System Improvements £40,000. Improvements complete.

The unallocated 2018/19 Digital Strategy Budget is £182,660 and the following schemes have been referred to the ICT Service Redesign Group for viability:

- i) Vehicle Fleet Management System – Replacement or upgrade.
- ii) Cemeteries and Crematorium – Database to provide locations of the deceased.
- iii) Revenues and Benefits – E forms.
- iv) Environmental Health – M3 replacement system.
- v) Health and Safety System.

Following approval of PIDs by the ICT Service Redesign Group, the PIDS will be sent to Executive Members for comment, followed by sign off by the Chief Financial Officer and Head of Service.

6. PROGRESS OF THE ADUR DISTRICT COUNCIL 2018/19 CAPITAL INVESTMENT PROGRAMME – SEPTEMBER 2018

- 6.1 There are 57 schemes in the 2018/19 current capital investment programme which are progressing as follows:

	Number of schemes	Percentage %
Schemes which are progressing satisfactorily or have completed	30	52.6
Schemes where progress is being closely monitored	22	38.6
Schemes with significant challenges or where there are financial issues	5	8.8

- 6.2 A summary of the schemes with significant challenges or where there are financial issues is attached as Appendix 1 to this report. A summary of the progress of all the schemes in the 2018/19 Capital Investment Programme is available from the Councils' Joint Intranet.

- 6.3 The current 2018/19 budget is £46,792,680 which has decreased by £20,622,770 from the original budget, resulting from the net impact of budgets carried forward from the 2017/18 capital investment programme, approved changes to the 2018/19 budget, and budgets reprofiled to and from future years. The main reason for the decrease in the current budget is the reprofiling of the Strategic Property Investments Programme which has now

been capped at £25m per year. A summary of the movements in the budget, together with a funding breakdown, is shown on Appendix 1.

7. PROGRESS OF THE WORTHING BOROUGH COUNCIL 2018/19 CAPITAL INVESTMENT PROGRAMME – SEPTEMBER 2018

7.1 There are 63 schemes in the 2018/19 current capital investment programme which are progressing as follows:

	Number of schemes	Percentage %
Schemes which are progressing satisfactorily or have completed	35	55.6
Schemes where progress is being closely monitored	24	38.1
Schemes with significant challenges or where there are financial issues	4	6.3

7.2 A summary of the schemes with significant challenges or where there are financial issues is attached as Appendix 2 to this report. A summary of the progress of all the schemes in the 2018/19 Capital Investment Programme is available from the Councils' Joint Intranet.

7.3 The current 2018/19 budget is £40,908,450, a decrease of £19,441,730 on the original budget due to the net impact of budgets carried forward from 2017/18, approved changes to the 2018/19 Capital Investment Programme and budgets reprofiled to and from 2019/20 and future years. The main reason for the decrease in the current budget is the reprofiling of the Strategic Property Investments Programme which has now been capped at £25m per year. A summary of the movements in the budget, together with a funding breakdown, is shown on Appendix 2.

8. ISSUES FOR CONSIDERATION

8.1 Adur District Council

8.1.1 Budgets totalling £7,367,380 have been reprofiled to 2019/20 and future years, where the original project plan has changed and the schemes are not expected to complete in 2018/19. A list of schemes reprofiled is attached as Appendix 3 to this report.

8.1.2 The following amendments to the Adur District Council 2018/19 Capital Investment Programme are recommended:

i) **Adur Homes – Housing Repairs Budget**

The Adur Homes Repairs System has been launched to staff and was launched for public use in September. Significant efficiencies are being seen, for example 150 invoices can now be processed in 3 hours, compared to 50 per day previously.

Improvements are constantly being made to the system from feedback by users, and an estimated £50,000 is required to fund technical and project management costs for Phase 2 of the project.

Funding for Phase 2 will be reallocated from within the 2018/19 Adur Homes Capital Investment Programme from:

- a) The Orchard Liberty System Budget of £20,000 which is not now required as the functionality will be provided by Orchard free of charge.
- b) Some of the larger contracts will commence in 2018/19 but will not complete in 2018/19 due to procurement and leaseholder consultation timescales.

ii) **Condition Surveys of Corporate Buildings**

The 2018/19 Capital Investment Programme includes a budget provision of £22,780 to undertake condition surveys of the Council's corporate buildings.

The cost of the surveys is estimated to exceed the current budget. It is important that the Council has up to date condition surveys of all its properties in order to prioritise and plan the funding of future works rather than undertaking reactive repairs which are more expensive

In order not to delay the receipt of condition surveys, it is proposed to vire the remaining Capital Investment Programme General Contingency budget of £14,680 to fund as many condition surveys as possible in 2018/19.

8.2 Worthing Borough Council

8.2.1 Budgets totalling £3,468,970 have been reprofiled to and from 2019/20 and future years where the original project plan has changed and the schemes are unable to complete in 2018/19. A list of schemes reprofiled is attached as Appendix 4 to this report.

8.2.2 The following amendment to the 2018/19 Capital Investment Programme is recommended:

i) **Crematorium Improvement Scheme Phase 1**

The 2018/19 Capital Investment Programme includes a budget provision of £313,920 to undertake Phase 1 of improvement works to the Crematorium.

The main works have completed and general snagging works are currently in progress and are estimated to complete by the end of October 2018.

During the course of the works the need for security door access fobs was identified. This work was included in the Phase 1 contract and installed at the same time as the other improvements.

It is proposed to fund these works from the budget of £19,800 for the replacement and resiting of the Crematorium car park attendant's kiosk. This scheme is not proceeding as the outline design and costs in the final report from the consultants were unviable.

9. ENGAGEMENT AND COMMUNICATION

- 9.1 The purpose of this report is to communicate with stakeholders on the progress of the Adur District Council and Worthing Borough Council 2018/19 Capital Investment Programmes. Officers of the Council have been consulted with on the progress of the schemes which they are responsible for delivering.

10. FINANCIAL IMPLICATIONS

- 10.1 There are no unbudgeted financial implications arising from this report as the Adur District Council and Worthing Borough Council original 2018/19 Capital Investment Programmes were approved by the Councils in December 2017. Subsequent changes have been reported to and approved by the Joint Strategic Committee. The issues considered in this report can be funded from within existing resources.

Finance Officer: Sarah Gobey

Date: 23rd October 2018

11. LEGAL IMPLICATIONS

- 11.1 Section 28 Local Government Act 2003, as amended by the Localism Act 2011, provides that where in relation to a financial year, a Local Authority has made the calculations required by section 43 Local Government Finance Act 1992, it must review them from time to time during the year. If it appears that there has been deterioration in its financial position it must take such action, if any, as it considers is necessary to deal with the situation.
- 11.2 Section 151 of the Local Government Act 1972 requires the Councils to make arrangements for the proper administration of their financial affairs.

Legal Officer: Susan Sale

Date: 19th October 2018

Background Papers

- Capital Investment Programme 2018/19 – 2020/21 Adur District Council, Worthing Borough Council and Joint Committee
- Capital Strategy 2018/21.

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SUSTAINABILITY AND RISK ASSESSMENT

1. ECONOMIC

- The capital programme prioritisation model awards points for capital project proposals that impact positively on the economic development of our places or the economic participation of our communities.

2. SOCIAL

2.1 Social Value

- The capital programme prioritisation model awards points for capital project proposals that impact positively on our communities.

2.2 Equality Issues

- The capital programme prioritisation model awards points for capital project proposals that address DDA requirements and reduce inequalities.

3. ENVIRONMENTAL

- The management, custodianship and protection of our natural resources are considered when capital schemes are assessed for inclusion in the Councils' Capital Investment Programme.

4. GOVERNANCE

- The Councils' priorities, specific action plans, strategies or policies are considered when capital schemes are assessed for inclusion in the Councils' Capital Investment Programmes.
- The Councils' reputation or relationship with our partners or community is taken into account when capital schemes are assessed for inclusion in the Councils' Capital Investment Programmes.
- Resourcing, risk management (including health and safety) and the governance of the either Council are fully considered during the preparation of the Councils' Capital Investment Programmes.

CAPITAL MONITORING SUMMARY 2018/2019								SEPTEMBER 2018	
Executive Portfolios	(1) Total ADC Scheme Budgets £	(2) Previous Years' Spend £	(3) 2018/19 Original Budget £	(4) Net budget b/f from 2017/18 £	(5) Approved Changes to Original Budget £	(6) 2018/19 Budget Reprofiles to and from 2019/20 £	(7) 2018/19 Current Budget £	(8) 2018/19 Spend to Date £	(9) Spend % of Current Budget
Customer Services	14,448,200	-	13,655,810	793,390	(1,000)	(6,386,870)	8,061,330	1,406,251	17.44%
Environment	2,956,420	1,048,820	1,610,490	172,480	121,310	(574,000)	1,330,280	336,946	25.33%
Health and Wellbeing	280,400	7,000	187,900	78,500	7,000	-	273,400	134,224	49.09%
Regeneration	41,705,930	2,221,870	51,379,200	(1,263,110)	(13,370,640)	(154,260)	36,591,190	14,009,657	38.29%
Resources	1,017,300	228,570	582,050	206,680	-	(252,250)	536,480	27,885	5.20%
TOTALS	60,408,250	3,506,260	67,415,450	(12,060)	(13,243,330)	(7,367,380)	46,792,680	15,914,963	34.01%

Financing of 2018/19 Programme:

Adur Homes Capital Programme:	£'000
Capital Receipts:	844
Major Repairs Reserve:	4,301
New Development Reserve:	160
Prudential Borrowing:	-
	<u>5,305</u>

General Fund Capital Programme:	£'000
Prudential Borrowing:	37,182
Capital Receipts:	99
Government Grants:	983
Revenue Reserves and Contributions	116
Other Contributions:	3,108
	<u>41,488</u>

Summary of Progress:

Schemes with significant challenges or where there are financial issues:	5
Schemes where progress is being closely monitored:	22
Schemes progressing well:	17
Schemes completed:	12
Non proceeding schemes:	1
Total Schemes:	<u>57</u>

2018/19 Current Anticipated Council Resources General Fund Underspend: (60)

(1) SCHEME (Responsible Officer)	(2) Total ADC Scheme Budget £	(3) Previous Years' Spend £	(4) 2018/19 Original Budget £	(5) Budget Reprofiles to and from 2018/19 and Future Years £	(6) 2018/19 Current Budget £	(7) 2018/19 Spend to Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D.(P)	(9) 2018/19 Anticipated (Underspend) /Overspend (Council Resources) £	(10) COMMENTS AND PROGRESS <input checked="" type="checkbox"/> Progress Beyond Council's Control £ Schemes with financial issues ^ Scheme Progress Improved v Scheme Progress Deteriorated	(11) Status
Customer Services Affordable Housing 1 Partnership Schemes with Registered Social Landlords (CA)	1,380,600	-	1,380,600	1,380,600	-	-	T.B.A. (C) T.B.A. (D)	-	The cut in social housing rents by 1% has had a significant negative impact on affordable housing. This is because the rent reduction will impact on registered providers' business model which was previously based on a rent increase of CPI plus 1%. Officers are in discussions with Registered Social Providers but no grants for affordable housing have been requested this financial year.	
Environment Lancing Manor Leisure Centre 2 Renewal of flat roof area over the entrance hall and replacement of glazing units in the entrance hall (DM)	90,620	5,620	40,000	80,000	5,000	195.00	Jan 19 (C) 14.3.17 (P)	Anticipated Overspend	The scheme has been tendered and the estimated costs were £45,820 over budget. The Executive Member has agreed a virement of £45,820. A recent site visit has identified that adjoining flat roofs also need to be refurbished. In addition Building Control has advised that the glazing units in the entrance hall require specialised glass which will also have additional costs. The scheme will be retendered and works have been deferred to the Summer 2019.	£

(1) SCHEME (Responsible Officer)	(2) Total ADC Scheme Budget £	(3) Previous Years' Spend £	(4) 2018/19 Original Budget £	(5) Budget Reprofiles to and from 2018/19 and Future Years £	(6) 2018/19 Current Budget £	(7) 2018/19 Spend to Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D.(P)	(9) 2018/19 Anticipated (Underspend) /Overspend (Council Resources) £	(10) COMMENTS AND PROGRESS <ul style="list-style-type: none"> ● Progress Beyond Council's Control £ Schemes with financial issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated 	(11) Status
<p>Parks and Open Spaces</p> <p>3 Buckingham Park - Contribution to replacement pavilion (£150,000 funded from S106 receipts) (AE/DM)</p>	172,000	-	172,000	172,000	-	-	Mar 20 (C) 2.12.14 (D)	-	<p>JSC 2.12.14 agreed in principle £150,000 of S106 funding to be used as match funding to help secure RFU funding towards a replacement of the pavilion at Buckingham Park. Original resurfacing budget of £22,000 has been added to this funding. Planning permission has been approved but there is a funding shortfall of £253k. Shoreham Rugby Club have been liaising with Southwick Cricket Club to determine if by working in partnership they could meet the current funding shortfall. In addition the Rugby Club have recently appointed a professional fund raiser to assist in their efforts to gain external funding for the project.</p>	Scheme on hold

(1) SCHEME (Responsible Officer)	(2) Total ADC Scheme Budget £	(3) Previous Years' Spend £	(4) 2018/19 Original Budget £	(5) Budget Reprofiles to and from 2018/19 and Future Years £	(6) 2018/19 Current Budget £	(7) 2018/19 Spend to Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D.(P)	(9) 2018/19 Anticipated (Underspend) /Overspend (Council Resources) £	(10) COMMENTS AND PROGRESS <ul style="list-style-type: none"> ☐ Progress Beyond Council's Control £ Schemes with financial issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated 	(11) Status
Resources <i>Information and Technology</i>										
4 Financial Management System Replacement (Partnership Scheme with Worthing Borough Council. Total Cost £565,000) (SG)	265,550	216,350	-	-	49,200	-	Aug 19 (C) 1.9.16 (D)	-	The FMS project has been temporarily halted due to system performance issues and required functionality being delivered in later software releases. Negotiations are in progress to restart the FMS project and implement the tendered solution. Initial planning is for the project to restart by the end of Oct 18 and to be live early in the 2019/20 financial year. The impact on the remaining budget is being assessed.	Scheme on Hold
Properties										
5 Condition surveys of corporate buildings (DM)	22,780	-	26,800	-	22,780	3,465.00	Mar 19 (C) 18.5.16 (P) 7.8.18 (P)	14,680	Surveys in progress. Overspend identified. Request for funding from general contingency.	
TOTAL:	1,931,550	221,970	1,619,400	-	76,980	3,660.00		14,680		

RESPONSIBLE OFFICERS:

CA Cally Anthill
DM Derek Magee
SG Sarah Gobey

Head of Housing
Engineering and Surveying Manager
Chief Finance Officer

CAPITAL MONITORING SUMMARY 2018/19								SEPTEMBER 2018	
Executive Portfolios	(1) Total WBC Scheme Budgets	(2) Previous Years' Spend	(3) 2018/19 Original Budget	(4) Net Budget b/f from 2017/18	(5) Approved Changes to Original Budget	(6) 2018/19 Budget Reprofiled to and (from) 2019/20	(7) 2018/19 Current Budget	(8) 2018/19 Spend to Date	(9) Spend % of Current Budget
	£	£	£	£	£	£	£	£	
Customer Services	6,123,810	17,310	5,955,400	75,750	100,350	757,000	5,374,500	468,444	8.72%
Digital and Environment Services	5,039,320	845,570	2,862,050	800,510	545,610	867,750	3,340,420	979,434	29.32%
Health and Wellbeing	431,270	9,080	207,800	215,390	(1,000)	224,920	197,270	47,695	24.18%
Regeneration	8,795,920	804,760	5,729,760	480,020	1,745,980	1,358,620	6,597,140	545,661	8.27%
Resources	25,756,780	22,480	45,595,170	1,019,820	(20,955,190)	260,680	25,399,120	10,114,528	39.82%
TOTALS	46,147,100	1,699,200	60,350,180	2,591,490	(18,564,250)	3,468,970	40,908,450	12,155,762	29.71%

Financing of 2018/19 Programme:

	£'000
Borrowing:	38988
Capital Receipts:	289
Revenue Contributions and Reserves:	452
Government Grants:	767
S106 Receipts	311
Other Contributions:	101
	<u>40,908</u>

Capital Monitoring - Summary of Progress:

Schemes with significant challenges or where there are financial issues:	4
Schemes where progress is being closely monitored:	24
Schemes progressing well:	25
Schemes completed:	7
Schemes not proceeding:	3
Total Schemes:	<u><u>63</u></u>

2018/19 Current Anticipated Council Resources Underspend: (5,678)

(1) SCHEME (Responsible Officer)	(2) Total WBC Scheme Budget £	(3) Previous Years' Spend £	(4) 2018/19 Original Budget £	(5) Budget Reprofiled to and (from) 2019/20 and future years £	(6) 2018/19 Current Budget £	(7) 2018/19 Spend to Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D (P)	(11) 2018/19 Anticipated (Underspend) /Overspend (Capital Resources) £	(12) COMMENTS AND PROGRESS ● Progress Beyond Council's Control £ Schemes With Financial Issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(13) Status
Customer Services Affordable Housing 1 Partnership Schemes with Registered Social Landlords (CA)	831,900	-	991,900	732,000	99,900	-	T.B.A. (C) T.B.A. (D)	-	The cut in social housing rents by 1% has had a significant negative impact on affordable housing. This is because the rent reduction will impact on registered providers' business model which was previously based on a rent increase of CPI plus 1%. £167,000 has been vired for the development of the Fulbeck Avenue site to provide housing. One grant is in progress for approx £75,000 to Worthing Homes towards the purchase of a street property.	●
Digital and Environmental Services Crematorium Improvements i) Redevelopment of the main office ii) DDA access improvements to the exterior toilets iii) New showroom for memorialisation iv) DDA access improvements to the children's garden (AE/DM)	337,500	23,580	187,180	-	313,920	292,755.83	Oct 18 (C) 6.3.18 (D)	19,800	The scheme was initially delayed due to the scope of the preferred works exceeding the budget available. A report was submitted and approved by the JSC Mar 18 to allocate additional funding of £126,740. Main works complete, general snagging works in progress. Request to vire budget from the crematorium kiosk replacement to fund urgent security door access fobs.	£

(1) SCHEME (Responsible Officer)	(2) Total WBC Scheme Budget £	(3) Previous Years' Spend £	(4) 2018/19 Original Budget £	(5) Budget Reprofiled to and (from) 2019/20 and future years £	(6) 2018/19 Current Budget £	(7) 2018/19 Spend to Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D (P)	(11) 2018/19 Anticipated (Underspend) /Overspend (Capital Resources) £	(12) COMMENTS AND PROGRESS <input checked="" type="checkbox"/> Progress Beyond Council's Control £ Schemes With Financial Issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated	(13) Status
<p>Information and Technology</p> <p>3 Financial Management System Replacement (Partnership Scheme with Adur District Council. Total cost £565,000) (SG)</p>	299,450	243,970	-	-	55,480	-	Aug 19 (C) 1.9.16 (D)	-	<p>The FMS project has been temporarily halted due to system performance issues and required functionality being delivered in later software releases.</p> <p>Negotiations are in progress to restart the FMS project and implement the tendered solution. Initial planning is for the project to restart by the end of Oct 18 and to be live early in the 2019/20 financial year. The impact on the remaining budget is being assessed.</p>	Scheme on Hold

(1) SCHEME (Responsible Officer)	(2) Total WBC Scheme Budget £	(3) Previous Years' Spend £	(4) 2018/19 Original Budget £	(5) Budget Reprofiled to and (from) 2019/20 and future years £	(6) 2018/19 Current Budget £	(7) 2018/19 Spend to Date £	(8) Anticipated Completion Date (C) / Approval Report(D)/ P.I.D (P)	(11) 2018/19 Anticipated (Underspend) /Overspend (Capital Resources) £	(12) COMMENTS AND PROGRESS <ul style="list-style-type: none"> ☉ Progress Beyond Council's Control £ Schemes With Financial Issues ▲ Scheme Progress Improved ▼ Scheme Progress Deteriorated 	(13) Status £
4 Health and Wellbeing Asbestos Removal Removal of asbestos from Town Hall roof space (DM)	234,000	9,080	130,000	224,920	-	-	T.B.A. (D) Mar 20 (C)	-	An estimated overspend of £100k has previously been reported and funding has been allocated from underspends in the overall 2017/18 Capital Investment Programme. Meetings have been held with consultants regarding the extent of the works and the estimated cost of the scheme is now £353,400, a shortfall of £128,500 on the current budget. It is proposed to fund the shortfall from the Contingency Budget in 2019/20. Work to commence on tender documentation for the works to be undertaken in 2019/20.	£
TOTAL:	1,702,850	276,630	1,309,080	956,920	469,300	292,756	-	19,800		

RESPONSIBLE OFFICERS:

CA Cally Anthill
DM Derek Magee
SG Sarah Gobey

Head of Housing
Engineering and Surveying Manager
Chief Finance Officer



ADUR DISTRICT COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS

Scheme	Reprofiled Budgets	Reason
Adur Homes Capital Investment Programme	<p>2,895,200</p> <p>235,200</p> <p>1,120,000</p> <p>151,800</p>	<p>External Works Programme: Major works contracts identified but due to timescales for leaseholder consultation and planning permissions the majority of the works will be undertaken in 2019/20.</p> <p>Communal Area Works: Internal works to blocks of flats, flooring and walls are still being considered relative to stock condition survey data and maintenance team advice.</p> <p>Fire Safety Works : Some works in progress but programme will continue in 2019/20.:</p> <p>Sheltered Accommodation - Community Alarm Systems Tender documentation being prepared for tenders to go out October / November 2018. The installation is anticipated to commence January / February 2019 with 25% of the 13 replacements being installed in 2018/19 and the remainder in 2019/20.</p>
Adur Homes - Development and Acquisition Programme	604,070	<p>Budget profiled for the following developments to continue in 2019/20:</p> <p>i) Cecil Norris House. The new building is estimated to commence March 2019 and complete in April 2020.</p> <p>ii) Albion Street. The construction is dependent on tendering timescales but the new build is estimated to start on site March 2019 and complete May 2020.</p> <p>iii) Hidden homes project. A report is to be submitted to the October Joint Strategic Committee on the next phase of the project. Works anticipated in future years.</p> <p>iv) 101 North Road Lancing. Conversion into residential accommodation of 2 flats. Estimated to complete in 2019.</p>



ADUR DISTRICT COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS

Scheme	Reprofiled Budgets	Reason
Affordable Housing Programme 2018/2019 - Unallocated budget	1,380,600	The cut in social housing rents by 1% per annum has had a significant negative impact on affordable housing. This is because the rent reduction will impact on the registered providers' business model which was previously based on a rent increase of CPI plus 1%. Officers are in discussions with Registered Social Providers regarding possible contributions to housing developments. Budget reprofiled to 2019/20 due to the likely lead in time for grant payments for housing developments.
Buckingham Park - Contribution to a replacement pavilion	172,000	The Joint Strategic Committee has agreed in principle £150,000 S106 receipts and £22,000 capital resources to be used as match funding to help secure funding towards replacement of the pavilion at Buckingham Park. Planning permission has been approved for the new pavilion which will enable the scheme to progress. However, the Shoreham Rugby Club has advised there is a funding shortfall of £253,000. The Club have been liaising Southwick Cricket Club to determine if by working in partnership they could meet the current funding shortfall. In addition the Rugby Club have recently appointed a professional fund raiser to assist in gaining external funding for the project.
Adur Town Centre Public Space Improvements	94,260	The 2018/19 budget has been profiled over 3 years: 2018/19: 49170 2019/20: 47130 2020/21: 47130 Works programmes for 2019/20 and 2020/21 under consideration.
Lancing Manor - Renewal of flat roof area over the entrance hall and replacement of glazing units in the entrance hall.	80,000	A recent site visit has identified that additional works will be required to the adjoining flat roofs. The scheme will need to be retendered for works in the summer of 2019.
Payroll System - Replacement (Partnership scheme with Worthing Borough Council. Total cost £175,000.	82,250	The replacement has been deferred to 2019/20.

ADUR DISTRICT
COUNCIL**ADUR DISTRICT COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS**

Scheme	Reprofiled Budgets	Reason
Shoreham Harbour Projects (Externally funded by the Central Government Growth Point Programme)	60,000	A contribution of £75,000 has been agreed to an A259 green corridor. However the Council is awaiting the completion of a study into an A259 cycle route which may require land take from the green corridor. The study is currently in progress. The Council's contribution is likely to be to several smaller discrete projects 2019/20.
Southwick Leisure Centre - Replacement of the eastern set of three tennis courts with an outdoor all weather pitch for football / tennis / netball.	322,000	The original budget was to replace the outdoor courts with an all weather pitch for football / tennis / netball. Discussions have been held with the Lawn Tennis Association regarding an upgrade of the tennis courts instead of the provision of an all weather pitch and the possibility of an external funding bid. The bid was not successful and it is now planned to revert to the original plan to replace some of the outdoor courts with an outdoor all weather pitch.
Rolling programme of installation of solar panels and other energy efficiency measures	170,000	Schemes still under consideration.
Total Reprofiled Budgets:	7,367,380	



WORTHING BOROUGH
COUNCIL

WORTHING BOROUGH COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS

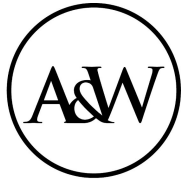
Scheme	Reprofiled Budgets	Reason
Affordable Housing (Partnership Schemes with Registered Social Landlords) Unallocated Budget	732,000	Officers are in discussion with various Housing Associations regarding possible contributions to housing developments. Budget reprofiled to 2019/20 due to the likely lead in time for grant payments for housing developments.
Asbestos removal from Town Hall roof space	224,920	Meetings have been held with consultants regarding the extent of the works and the estimated cost of the scheme is now £353,400, a shortfall of £128,500 on the current budget. It is proposed to fund the shortfall from the 2019/20 Contingency Budget. Works are to commence on the tender documentation for the works to be undertaken in 2019/20.
Boundary Signs - Replacement of existing boundary signs on main entry routes into Worthing and additional signs on the A27	40,000	The scheme was initially delayed by decisions regarding corporate branding, and has been further delayed by the departure of the officer over-seeing the project. Unfortunately the current prototype and designs were not acceptable to members and the future direction is now being considered. The timescales for this project are uncertain.
Brooklands Park - Replacement of Par 3 Club House	225,000	The Club House is currently closed until reinstatement works following the EON cabling works, which have overrun, have been completed. The future of the club house is being discussed as part of the future vision and Master Plan for Brooklands Park. This budget will be used to part fund any works required.
Durrington Cemetery - Additional burial spaces	500,000	Works delayed by the need to obtain ecological surveys and the installation of an off site monitoring ground water well, which have now been completed. Consultants are now preparing the full design and tendering documentation. Some of the works need to be completed by December 2018 as the Council's existing burial spaces are anticipated to be fully used by then, but works will be ongoing in 2019/20.
Foreshore - Purchase and installation of beach huts between Esplanade Court and Clarence Court	34,220	An invest to save report has been submitted to the October 2018 Joint Strategic Committee for the installation of 32 new Council owned beach huts between Esplanade Court and Clarence Court. As this project will require planning approval the budget has been profiled in 2019/20.



WORTHING BOROUGH
COUNCIL

WORTHING BOROUGH COUNCIL - CAPITAL BUDGETS REPROFILED TO FUTURE YEARS

Scheme	Reprofiled Budgets	Reason
Foreshore - Fire Prevention Works to Pier, Southern Pavilion and Seafront Amusements	284,400	The 2018/19 and 2019/20 budgets will be used to fund emergency works to the dry riser and for the replacement of the sewage pipe. Works are anticipated to complete May 2019.
Museum - Costume Display House refurbishment	25,000	The project is due to commence on site January 2019 with completion estimated June 2019.
Payroll System - Replacement (Partnership scheme with Adur District Council. Total cost £175,000.	92,750	The replacement has been deferred to 2019/20.
Play Area Improvements - Pennycross and Northbrook Recreation Ground	50,000	The 2018/19 play area improvements were originally due to be undertaken at Palatine Park. However, this scheme has been delayed by Southern Water and Worthing Town Centre planning application and the project was changed to Pennycross and Northbrook Recreation Ground. The delayed start is likely to result in a 2019/20 completion.
Solar Renewable Energy Projects and other Environmental Improvements	260,680	The June 2015 Joint strategic Committee recommended committing all council properties to a solar deployment programme. Following the demise of Carillion who were the appointed contractor of the WSCC YES (Your Energy Sussex) Partnership, officers have been liaising with Portsmouth City Council regarding works on Council properties.
Teville Gate MSCP - Creation of a surface car park	1,000,000	Demolition of MSCP has been completed. Procurement strategy for surface car park awaiting JSC approval. Works likely to be undertaken in 2019/20.
Total Reprofiled Budgets:	3,468,970	



Council Tax Support - the impact of the 2018/19 schemes plus public consultation questions to be used in respect of the 2019/20 schemes

Report by the Director for Digital & Resources

Executive Summary

1. Purpose

This report contains an analysis of the cost of the 2018/19 Council Tax Support schemes and provides details about the proposed questions to be included in the public consultation in respect of the 2019/20 schemes, specifically whether

- a) Adur should introduce and Worthing should retain the £5.00 weekly restriction
- b) Both Councils should continue to align the rules for Council Tax Support with the rules for Housing Benefit

2. Recommendations

The Joint Strategic Committee is asked to:

- (i) Note the content of this report
- (ii) Consider whether the proposed questions shown in appendices one and two should form the basis of the public consultation to be conducted in respect of the schemes for 2019/20 for
 - a) Adur District Council
 - b) Worthing Borough Council
- (iii) Delegate authority to the Head of Revenues & Benefits in consultation with the respective Executive Members for Customer Service if it is considered that the consultation questions require refinement

3. Context

- 3.1 Since April 2013 Members have had the freedom to set a local Council Tax Support Scheme in respect of “working age” customers. Both Councils opted to retain the national scheme for 2013/14 and 2014/15 and whilst Adur District Council has also continued to retain the national scheme (up to, and including 2018/19), Worthing

Borough Council introduced a £5.00 per week restriction from 1 April 2015 for all “working age” customers together with a discretionary budget to allow additional assistance to be provided where appropriate.

- 3.2 There are statutory protections for all pensioners and refugees, so local schemes only apply to “working age” customers.
- 3.3 At the meeting of Adur Full Council held on 14 December 2017 it was resolved that
- There should be no restrictions introduced in respect of the 2018/19 scheme; and
 - No other changes should be made beyond necessary technical amendments required to keep the scheme consistent with the national rules in respect of Housing Benefit; and
 - A further public consultation should be conducted during 2018 to inform the decision in respect of the 2019/20 scheme
- 3.4 At the meeting of Worthing Full Council held on 19 December 2017 it was resolved that
- The 2018/19 scheme should be based on the 2017/18 scheme; and
 - The £5.00 weekly restriction should be retained; and
 - The discretionary budget to support those in severe financial difficulties should be retained; and
 - No other changes should be made beyond necessary technical amendments required to keep the scheme consistent with the national rules in respect of Housing Benefit; and
 - A further public consultation should be conducted during 2018 to inform the decision in respect of the 2019/20 scheme

4. Issues for consideration

- 4.1 The introduction of local schemes was accompanied by a reduction of around 10% in the amount of subsidy paid to local authorities. However, the cost of benefits fell during 2013/14 and the final net cost of introducing the scheme in 2013/14 was substantially lower than expected:

	2013/14 estimated cost of CTS	Council share of overall cost	Grant received	Net cost	Percentage shortfall in funding
	£'000	£'000	£'000	£'000	%
Adur	4,975	856.7	-850	6.7	0.78%
Worthing	7,049	1,004	-947	5.7	5.68%

- 4.2 Whilst Adur District Council also retained the national scheme for 2015/16 and subsequent year, Worthing Borough Council
- Introduced a £5.00 per week restriction for all “working age” customers; and
 - Created a discretionary budget to allow additional assistance to be provided where appropriate; and
 - Provided 1 x FTE additional member of staff to the Revenues & Recovery Team in anticipation of the additional recovery work that would arise

4.3 Over the past few years the cost of Council Tax Support has fallen as local employment has improved and as the result of the introduction of the £5.00 weekly restriction in Worthing from 1 April 2015 the overall cost has been:

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adur	5,195	4,975	4,633	4,414	4,313	4,314	4,608
Worthing	7,287	7,049	6,754	5,201	5,167	5,100	5,231
	12,482	12,024	11,387	9,615	9,480	9,414	9,839
Annual decrease (-) / increase		-3.7%	-5.3%	-15.6%	-1.4%	-0.7%	-4.3%

4.4 However, the grant towards the cost of Council Tax Support Schemes has been consolidated into the Revenue Support Grant which has fallen each year and has ceased from 2018/19. This means that the Councils face an ever-increasing cost associated with the scheme. By 2017/18, the level of subsidy is expected to be:

	2018/19 cost of CTS	Council share of overall cost	Grant received	Net cost	Percentage shortfall in funding
	£'000	£'000	£'000	£'000	%
Adur	4,608	796.6	-374.0	422.6	53.1
Worthing	5,231	705.5	-417.9	287.6	40.8

4.5 The amount of subsidy that the Councils are required to contribute towards the cost of the schemes will continue to increase as Revenues Support Grant is reduced. Based on a 2% increase in both the basic Council Tax and the Social Care levy from West Sussex County Council in 2019/20, the level of subsidy will increase as follows:

Net Cost of Council Tax Support	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 estimate	2019/20 Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adur	6.7	46.3	101.8	243.6	334.7	422.6	441.6
Worthing	57.0	125.9	16.5	133.5	224.0	287.6	304.1

4.6 The restriction implemented in Worthing in respect of 2015/16 resulted in all working age” customers being asked to pay at least £261.43, subject to being able to apply for additional financial support by way of a discretionary award.

4.7 For those customers who were previously in receipt of maximum Council Tax Support (and therefore had £nil to pay) this represented a significant change and considerable work was undertaken to engage with these customers to discuss a realistic payment arrangement and ensure that financial inclusion was maximised.

4.8 Additionally, the issue of a summons and the Magistrates’ Court granting a Liability Order results in costs of £110.00 being added to the account. If an account is

subsequently referred to an Enforcement Agent additional statutory fees of either £75.00 or £310.00 will also become due (the level of the fees depends on the stage at which the customer engages with the Enforcement Agent).

- 4.9 Since the introduction of the restriction in Worthing, in conjunction with the Customer Service Team, an empathetic approach has been taken when considering payment arrangements and where appropriate customers have been provided with assistance to complete an application form for a discretionary award and/or signposted to debt advice agencies.

5. Engagement and Communication

- 5.1 The proposed questions to be included in the public consultations are detailed in appendices one and two.
- 5.2 The consultation will be made available online and in paper format, and will be publicised widely.
- 5.3 The results from the consultation will be reported back to the Joint Strategic Committee in order that formal recommendations can be made to the respective Full Councils to determine the Council Tax Support schemes in respect of 2019/20.

6. Financial Implications

- 6.1 When the £5.00 restriction was introduced by Worthing Borough Council in 2015/16, the Council saw an immediate increase in Council Tax income, however to achieve this level of income the Council needed to invest in additional staff, a new hardship fund, and allow for an increased level of write off. The eventual financial benefit was:

	Overall gain in 2015/16	Worthing Borough Council share
	£'000	£'000
Estimated impact of reduced Council Tax	1,098.7	153.5
Support cost on Council Tax income		
Less: Additional staffing required	-20.0	-20.0
Less: Hardship Fund	-80.0	-20.0
Less: Allowance for increased write offs @ 5%	-54.9	-7.7
	943.8	105.8

- 6.2 If Adur members choose to implement a £5.00 per week restriction accompanied by a discretionary Council Tax Support Hardship Fund, the financial gain in respect of 2019/20 is estimated to be:

	Overall	Adur District Council share
	£'000	£'000
Impact of reduced Council Tax Support cost on Council Tax income	582.7	99.1
Less: Additional collection costs	-15.0	-15.0
Less: Hardship Fund	-60.0	-15.0
Less: Allowance for increased write offs @ 5%	-29.4	-5.0
	483.3	64.1

7. Legal Implications

- 7.1 In respect of 2013/14 and 2014/15 both Councils adopted an amended “default” Council Tax Reduction Scheme. Adur also adopted the “default” Council Tax Reduction Scheme in respect of 2015/16 onwards. In all instances this was in accordance with The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, Statutory Instrument 2012 No. 2886 and The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, Statutory Instrument 2012 No. 2885.
- 7.2 Any Council Tax Reduction Scheme must comply with the relevant sections of the Local Government Finance Act 2012 and with the delegated legislation under that Act as contained within The Council Tax Reduction Scheme (Default Scheme) Regulations 2012 and the Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012, as amended.
- 7.3 Further, under Schedules 4 paragraph 3 of the Local Government Finance Act 2012 the Councils are required before making the Schemes (and to do so in the following order) to consult with the major precepting authorities, publish a draft scheme in such manner as it thinks fits and consult with such other person as it considers are likely to have an interest in the operation of the Scheme. Note that any revision of a Scheme must follow the same process as the making a Scheme. In the case of *R (Moseley) v London Borough of Haringey [2014] UKSC 56* the Supreme Court held that the statutory duty of consultation required the consultees to be provided with information about the draft scheme but also with an outline of the realistic alternatives and an indication of the authority’s main reasons for adopting the draft scheme.
- 7.4 There is therefore a requirement to consult annually with residents.

Background Papers

Localising Support for Council Tax in England report to the Joint Strategic Committee held on 22nd July 2014

Welfare Reform Act 2012

Local Government Finance Bill 2012

Minutes of the meetings of the Joint Strategic Committee of Adur District and Worthing Borough Councils held on 26 July 2012, 28 November 2012, 3 December 2013, 2 December 2014, 2 February 2016, 10 January 2017 and 5 December 2017

Minutes of the Adur Full Council meeting held 14 December 2017

Minutes of the Worthing Full Council meeting held on 19 December 2017

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Sustainability & Risk Assessment

1. Economic

Whilst Council Tax represents an important source of income to the Councils, financial support must be provided to residents on a low income via appropriate Council Tax Support schemes.

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. Environmental

Matter considered and no issues identified.

4. Governance

Matter considered and no issues identified.

**Adur District Council
Council Tax Support Scheme 2019/20
Consultation Questionnaire**

What is Council Tax Support?

Council Tax Support (previously known as Council Tax Benefit) is awarded to people on a low income who pay Council Tax. We look at how much money comes into the household and then reduce the amount of Council Tax to be paid.

What is this consultation about?

The rules for working age customers are decided by the Council each year. For the current financial year (2018/19) the Council decided that any changes to the rule for Council Tax Support would be based on the rules for Housing Benefit and Universal Credit made by the Government.

Pensioners have their entitlement to help worked out using rules set by the Government and they may have no Council Tax to pay. So this consultation is not about the Council Tax Support Scheme for pensioners.

To make sure that the scheme for Council Tax Support remains affordable for everyone we have considered a number of options for the 2019/20 financial year, including

- That the rules for Council Tax Support will continue to be based on the rules for Housing Benefit and Universal Credit set by the Government
- Introducing, from 1st April 2019, a £5.00 per week restriction to the amount of Council Tax Support that is awarded to working age customers
- Increasing Council Tax; or
- Reducing the services that the Council provides

Without introducing the restriction it is possible that the Council may need to consider increasing Council Tax or reducing the services that it provides and it believes that the introduction of a £5.00 per week restriction to the amount of Council Tax Support that's awarded to working age customers will ensure that it continues to be able to provide the best financial support for as many residents as possible.

We would like to know whether you think there should be any changes to the Council Tax Support scheme from 1 April 2019.

You can return this questionnaire to:

The Shoreham Centre
Pond Road
Shoreham-by-Sea
West Sussex
BN43 5WU

Portland House
44 Richmond Road
Worthing
West Sussex
BN11 1HS

Worthing Town Hall
Chapel Road
Worthing
West Sussex
BN11 1HA

We will listen carefully to what residents tell us and take the responses to this questionnaire into account when we make a final decision about next year's scheme.

Your answers are important to us so please let us know what you think.

The consultation closes on **dd/mmm/yyyy**.

About You

Q1. Do you (please tick all that apply)

- | | | | |
|--|--------------------------|--------------------------|----------------------------|
| <input type="checkbox"/> | Live in Adur | <input type="checkbox"/> | Live in Worthing |
| <input type="checkbox"/> | Work in Adur | <input type="checkbox"/> | Work in Worthing |
| <input type="checkbox"/> | Run a businesses in Adur | <input type="checkbox"/> | Run a business in Worthing |
| <input type="checkbox"/> None of the above | | | |

Q2. How old are you?

- | | | | |
|--------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| <input type="checkbox"/> 19 or under | <input type="checkbox"/> 20 to 29 | <input type="checkbox"/> 30 to 39 | <input type="checkbox"/> 40 to 49 |
| <input type="checkbox"/> 50 to 59 | <input type="checkbox"/> 60 to 69 | <input type="checkbox"/> 70 or over | |

Q3. What's your annual household income?

- | | |
|---|---|
| <input type="checkbox"/> £9,999 or under | <input type="checkbox"/> £10,000 to £14,999 |
| <input type="checkbox"/> £15,000 to £19,999 | <input type="checkbox"/> £20,000 to 29,999 |
| <input type="checkbox"/> £30,000 to £39,999 | <input type="checkbox"/> £40,000 or over |

Q4. What's your postcode?

Q5. Do you currently get Council Tax Support?

Yes No Don't know/Not sure

Q6. Are you disabled?

Yes No Don't know/Not sure Prefer not to say

Next year's scheme

Q6. If we introduce a restriction of £5.00 per week this would mean that all working age customers who get Council Tax Support would be asked to pay Council Tax of at least £26.00 per month. Should we introduce a £5.00 per week restriction with extra help made available for those who would find paying £5.00 difficult?

Yes No Don't know

Q7. Should the rules for Council Tax Support be the same as the rules for Housing Benefit and Universal Credit (for example, the rules about the way we work out how much income is coming into the household) so that people understand how the scheme works?

No Yes Don't know

Q8. Are there any other changes that you would like to see from 1 April 2019?

Thank you for taking the time to complete this questionnaire

Worthing Borough Council Council Tax Support Scheme 2019/20 Consultation Questionnaire

What is Council Tax Support?

Council Tax Support (previously known as Council Tax Benefit) is awarded to people on a low income who pay Council Tax. We look at how much money comes into the household and then reduce the amount of Council Tax to be paid.

What is this consultation about?

The rules for working age customers are decided by the Council each year. For the current financial year (2018/19) the Council decided that

- All awards should be reduced by £5.00 per week. This means that all customers are asked to pay at least £260.71 for the whole year but extra help may be offered to those in need
- Any changes to the rules for Council Tax Support are based on the rules for Housing Benefit and Universal Credit made by the Government

Pensioners have their entitlement to help worked out using rules set by the Government and they may have no Council Tax to pay. So this consultation is not about the the Council Tax Support Scheme for pensioners.

To make sure that the scheme for Council Tax Support remains affordable for everyone we have considered a number of options for the 2019/20 financial year, including

- That the rules for Council Tax Support will continue to be based on the rules for Housing Benefit and Universal Credit set by the Government
- Retaining the £5.00 per week restriction to the amount of Council Tax Support that is awarded to working age customers
- Increasing Council Tax; or
- Reducing services that are provided

Without continuing with the £5.00 per week restriction it is possible that the Council will need to consider increasing Council Tax or reducing the services that it provides. It is therefore considered that continuing the restriction will ensure that the Council continues to be able to provide the best financial support for as many residents as possible.

We would like to know whether you think there should be any changes to the Council Tax Support scheme from 1 April 2019.

You can return this questionnaire to:

Worthing Town Hall
Chapel Road
Worthing
West Sussex
BN11 1HA

Portland House
44 Richmond Road
Worthing
West Sussex
BN11 1HS

The Shoreham Centre
Pond Road
Shoreham-by-Sea
West Sussex
BN43 5WU

Your answers are important to us so please let us know what you think.

The consultation closes on **dd/mmm/yyyy**.

About You

Q1. Do you (please tick all that apply)

Live in Worthing

Live in Adur

Work in Worthing

Work in Adur

Run a business in Worthing

Run a business in Adur

None of the above

Q2. How old are you?

Q3. What's your postcode?

Q4. Do you currently get Council Tax Support?

Yes

No

Don't know/Not sure

Q5. Are you disabled?

Yes

No

Don't know/Not sure

Prefer not to say

Next year's scheme

Q6. Should we keep the current £5.00 per week restriction with extra help for those who would find paying £5.00 difficult?

Yes

No

Don't know/Not sure

Q7. Should the rules for Council Tax Support be the same as the rules for Housing Benefit and Universal Credit (for example, the rules about the way that we work out how much income is coming into the household) so that people understand how the scheme works?

Yes

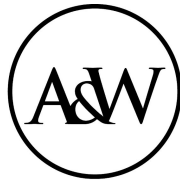
No

Don't know/Not sure

Q8. Are there any other changes that you would like to see from 1 April 2019?

Please use the space below to make any additional comments

Thank you for taking the time to complete this questionnaire



ADUR & WORTHING
COUNCILS

Key Decision: No

Ward(s) Affected: All

Stewarding our Environment Framework

Report by the Director for Digital & Resources

Executive Summary

1. Purpose

- 1.1. To seek approval to adopt a new environmental framework representing the extensive activity being delivered by the councils. Much of the activity is delivered through *Platforms for our Places*, under *Platform 3: Stewarding our Natural Resources*.
- 1.2. The framework sets out the substantial and ambitious sustainability work being delivered by the councils in collaboration with partners.
- 1.3. The framework is intended to demonstrate how the councils are putting their house in order, providing leadership, promote and increase the visibility of the work, and provide a promotional tool for attracting further collaboration and funding.

2. Recommendations

That the Joint Strategic Committee:-

- 2.1. Approve the adoption of the new Environmental Framework for Adur & Worthing Councils; and
- 2.2. Approve commitment to the three pledges referred to in the new framework:
 - 1) the government's '2020 Emissions Reduction Pledge';
 - 2) the '100% Clean Energy by 2050' Pledge (UK100 Cities); and

3. Context

- 3.1 There is a substantial and ambitious range of environmental work being undertaken by the councils through Platforms for our Places, particularly in Platform 3 Stewarding our Natural Resources. This work responds to the pressing and complex environmental challenges that we face locally and globally.
- 3.2 This work is gathering momentum. New projects that will launch imminently have emerged since the refresh of Platforms for our Places (July 2018). The councils capacity on these projects has been greatly enhanced through collaboration with local partners from the business public and community sectors. This brings in additional resource to deliver environmental improvements across Adur & Worthing.
- 3.3 A new framework has been developed, bringing the work together as a cohesive sustainability programme and demonstrating leadership across Adur & Worthing. The framework sets out key strands of sustainability activity; energy; waste; water; carbon reduction and biodiversity.
- 3.4 A document, identity and branding will be developed to provide:
- a recognisable name, logo and a document summarising council commitments;
 - a promotional tool, including an illustrated, easy to read short document;
 - clear branding for the councils' environmental work and ambition; and
 - a framework that is easy to report on and update.
- 3.5 The framework is intended to facilitate greater visibility; maintain forward momentum; highlight the councils' commitment and ambition; attract finance and partners; and broadcast that the council is 'open for business' on sustainability. The draft framework is attached at Appendix 1 (Summary table and detailed table explaining finance mechanisms).
- 3.6 Some of the strands of work that have emerged in recent months include:
- A three year energy efficiency campaign 'LEAP' targeted to benefit 540 residents on low incomes with measures worth a total of £108,000 saving up to £400,000 on their energy bills. Launched 5 November

2018 in partnership with West Sussex Affordable Warmth Partnership and Agility Eco.

- A water efficiency campaign to benefit 200 residents with water saving measures worth £20,000 total, helping them reduce their water consumption and water bills. To be launched January 2019 in partnership with Southern Water and Aqualogic.
- A new travel discount scheme called easit Adur & Worthing offering discounts on local rail, bus, coach fares and other forms of sustainable travel for local employees of the council and local businesses. To launch March 2019 with EASIT, local transport providers and businesses.
- Adopting the 50% recycling target by 2020. This item is referred to in a separate report to JSC 6 Nov 2018 'Environmental Services for the Future'.
- Making three new pledges to: the government's 2020 Emissions Reduction Pledge; the UK100 Cities '100% clean energy by 2050' pledge; and the 'plastic free council' pledge. See paragraph 4, below.

3.7 Some key milestones related to actions in the draft Framework 2019-20:

Launch LEAP energy campaign for residents with Agility Eco	Nov 2018
Launch water campaign for residents with Southern Water	Jan 2019
Make Clean Energy Pledge, UK100 Cities Consortium Leeds	Jan 2019
Launch 'easit' discount travel scheme to businesses and staff	March 2019
Adopt Council Travel Action Plan	April 2019
Install solar photovoltaic panels on Shoreham Centre	May 2019
Install first electric vehicle rapid chargepoint Lancing	May 2019
Finalise Local Cycling & Walking Infrastructure Plan	Autumn 2019
Develop a Council Carbon Reduction Plan	December 2019
Achieve a further 2 Green Flags for council parks	December 2019
Achieve 'excellent' bathing water quality, Worthing	December 2019

4. Issues for consideration

- 4.1. It is recommended that the councils adopt the environmental framework to highlight the councils' extensive activity on the sustainability agenda. Whilst the council could continue business as

usual without adopting the framework, this risks the value and extent of its current activity and commitments remaining unrecognised.

- 4.2. The Framework includes three pledges. It is recommended that the councils make a commitment to all three pledges. This will demonstrate the councils' leadership and intention to put their own house in order, and align with commitments already made in *Platforms for our Places*. Details of all the pledges are provided in Appendix 2. The three pledges are:

The 2020 Emissions Reduction Pledge, Government Department of Business, Energy & Industrial Strategy (BEIS)

- 4.3. In *Platform 3: Stewarding our Natural Resources*, the councils commit to produce a carbon plan to review council energy use and make reductions in carbon emissions, reducing spend on energy and transport. The BEIS Pledge complements this commitment. The BEIS Pledge is voluntary and targets are not binding. On making the pledge the councils' will receive the Emissions Reduction Pledge 2020 badge to use for publicity.
- 4.4. In the Clean Growth Strategy 2017 the government introduced a voluntary target for the public sectors in England. This target aims to reduce greenhouse gas emissions in these sectors by 30% by 2020/21. It invites voluntary reporting on carbon emissions resulting from use of transport fuel and energy (gas, electricity, oil).
- 4.5. Adur & Worthing Councils have not previously monitored and reported on carbon emissions. Undertaking this work offers a way for the councils to understand their emissions and target measures to reduce energy bills. The councils' energy use and carbon emissions have been falling since 2015-16.
- 4.6. West Sussex County Council have signed up to the pledge. Member authorities of the Greater Brighton Economic Board (GBEB) Energy Plan Working Group have been encouraged to commit to the Pledge.

Pledge to shift to 100% clean energy by 2050, UK100 Cities

- 4.7. UK100 Cities is a consortium of cities, towns, and rural districts who have pledged to shift to 100% clean energy by 2050 in line with UK Government's commitment to the 2015 Paris Agreement. Government

refers to UK100 Cities network as the local authority vanguard on clean energy (in the Clean Growth Strategy).

- 4.8. This Pledge complements the BEIS 2020 Emissions Reduction Pledge and the existing commitment in Platforms to produce a carbon plan and reduce emissions. The UK 100 Cities Pledge involves devising plans to achieve 100% clean energy with local partners. No reporting is required but members are encouraged to share their successes and learning across the UK100 Cities peer to peer network.
- 4.9. Signing the UK100 Pledge will bring Adur & Worthing councils into the UK100 network which provides access to:
- support for decision-makers to transition to 100% clean energy by 2050;
 - a peer to peer network of 85 other local leaders shifting to clean energy;
 - share best practice, collaborate and learn from other local areas; and
 - a raised profile in the vanguard of active local authorities.
- 4.10. There are currently 90 local authorities signed up to the UK100 Cities network and Pledge. The network aims to recruit 100 authorities. Crawley Borough Council are the only other West Sussex council to have signed the Pledge to date. Combining with Crawley and other members of UK100 will allow for innovative collaborations with vanguard authorities, and raise the sustainability reputation of Adur & Worthing Councils.

Plastic Free Council Pledge

- 4.11. Plastic Free status and accreditation have been devised by Surfers Against Sewage (SAS), the marine conservation charity working to protect oceans, beaches and marine life. Having made national progress to address marine pollution from sewage, SAS now see plastic pollution as their priority and 'the new sewage'. A commitment to reduce use of single use plastics is already held in *Platforms* therefore commitments in this Pledge are already planned.
- 4.12. Following the lead taken by Worthing Climate Action Network (CAN) to launch the Refill Worthing Campaign, Transition Town Worthing are now taking the local plastics campaign one step further by seeking Plastic Free Worthing Community Status. An Adur Refill scheme is

being explored by a local organisation (schemes must be community led). A petition and a motion on Plastic Free Community and Council respectively were taken to Worthing Borough Council 30 October 2018.

- 4.13. Signing up the the Plastic Free Council Pledge will help equalise the work and profile across both councils. It will help put the councils' own house in order and demonstrate local leadership, enhancing the work being delivered.

5. Engagement and Communication

- 5.1. Engagement has been undertaken with the Heads of Service and relevant officers, especially the Head of Environmental Services. Detailed input on framework workstreams and finance has been provided.
- 5.2. The Communications team have been engaged closely on the development of the framework and will play an important role finalising the identity, logo and look of the document. They will lead on the promotion and use of the new framework and identity.
- 5.3. Following adoption, the environment identity will be used in all relevant communications activity with local, regional and national partners, stakeholders, organisations, and the wider public to promote a strong message of the councils' environmental leadership and ambition.
- 5.4. The Communications team will work with the Sustainability Manager to develop consistent narratives around the increasing body of work with which Councils' are engaged concerning protection of the environment. A campaign of consistent story-telling will enforce Councils' commitment to environmental issues and aim to engage residents in the issues covered by the Framework.

6. Financial Implications

- 6.1. The financing of the proposed environmental framework is itemised in appendix 1. The majority of the actions within the draft framework are planned to be met from existing budgets, section 106 monies or external funding, however funding is still to be identified to support the development of a *Carbon Reduction Plan*.

- 6.2. The internal funding for *improving council commuting and business travel* refers to potentially utilising year end underspends for any additional finance, this is not guaranteed and will depend on the outturn position and member priorities for the use thereof.
- 6.3. A number of the external funding streams have been secured but there are a some actions where funding is still to be confirmed or sought; such as:
- *Improving Worthing public spaces for sustainable transport; and Improve cycling, walking infrastructure* (post infrastructure planning phase)
 - *Support electric vehicle uptake to improve air quality*
 - *Protect and enhance biodiversity at Highdown Gardens* (Stage 2 Heritage Lottery funding bid not confirmed)

7. Legal Implications

- 7.1. Section 1 of the Localism Act 2001 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 7.2. Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.
- 7.3. Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.4. Section 111 of the Local Government Act 1972 provides that the Council has the power to do anything to facilitate or which is conducive or incidental to the discharge of any of their functions.
- 7.5. Section 1 of the Local Government (Contracts) Act 1997 provides that every statutory provision conferring or imposing a function on a local authority confers the powers on the local authority to enter into a contract with another person for the provision or making available of assets or services, or both (whether or not together with goods) for the purposes of, or in connection with, the discharge of the function by the local authority.

- 7.6. Under the Public Contract Regulations 2015 where a Public Authority is to enter into a contract for the supply of goods & services, and the value of those goods and services exceeds a financial limit of £181,302 (or for works contracts £4,551,413 any procurement exercise to contract for those goods and services must be conducted in accordance with the Regulations and a failure to do so may be declared upon receipt of a procurement challenge, anti-competitive and in breach of the Regulations.

Background Papers

[Mid Term Review and Refresh of Platforms for our Places Commitments. JSC 10 July 2019](#) Agenda item 5

[Emissions reduction Pledge 2020: emissions reporting in public and higher education sectors](#), Department of Business, energy and Industrial Strategy

[UK 100 Cities Pledge for clean energy by 2050](#), UK 100 Cities network

[Plastic Free Council Pledge](#), Surfers Against Sewage

Officer Contact Details:-

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Sustainability & Risk Assessment

The Environment Framework addresses sustainability directly seeking to minimise environmental impacts and deliver environmental benefits across Adur & Worthing.

1. Economic

Creating a more sustainable place to live and work contributes to creating a more prosperous place, attracting business and investment. The Framework involves collaboration with partners across all sectors.

2. Social

Social Value

The collaborative approach benefits local community organisations and businesses. Action under the energy, transport and water strands will benefit local residents and those on low incomes providing cost savings from energy, water and transport.

Equality Issues

Residents on low incomes will be able to directly benefit from energy and water bill savings.

Community Safety Issues (Section 17)

Community Safety will be improved through the 'Transport' strand, with planned changes to the public realm, and improvements to cycling and walking infrastructure; and in the Biodiversity strand, planned parks projects.

Human Rights Issues

Matter considered and no issues identified.

3. Environmental

The framework is focused on environmental protection and enhancement.

4. Governance

The Environment Framework aligns with Platforms for our Places, focusing in and expanding on actions in Platform 3, Stewarding our Natural Resources.

APPENDIX 1

Draft Adur & Worthing Environment Framework 2019-20: Summary

TITLE & AMBITION	ACTION
TRANSPORT Supporting sustainable travel: cycling, walking, and public transport use	improve council commuting and business travel
	improve Worthing public spaces for sustainable transport
	Improve cycling and walking infrastructure
	offer sustainable travel discounts for employees
	support electric vehicle uptake to improve air quality
ENERGY Making energy clean, smart, secure and affordable	help residents stay well and warm with lower energy bills
	increase council solar energy
	investigate a smartgrid for Worthing Civic Site
WASTE Minimising waste, increasing recycling and reuse	increase recycling rate to 50% by 2020
	Wastebuster recycling and minimisation program for schools
	Pledge to become Plastic Free Council
WATER Improving water quality and reducing water use	improve Worthing's Bathing Water Quality to 'excellent' by 2020
	make savings on water bills, reduce water use
CARBON REDUCTION Reducing carbon emissions	Pledge 100% Clean Energy by 2050 with UK 100 Cities
	Produce a carbon reduction plan
	Pledge 2020 Emissions Reduction with Government
BIODIVERSITY Protecting and enhancing our natural environment	protect and enhance biodiversity at Highdown Gardens
	improve biodiversity at Brooklands Park
	improve biodiversity in all our parks, 2 Green Flags a year

Draft Environment Framework: Detail on actions, partners and finance

ACTION	DETAIL	PARTNERS	FINANCE
TRANSPORT: Supporting sustainable travel: cycling, walking, and public transport use			
improve council commuting and business travel	Adopt and implement a Travel Action Plan and measures to help staff to choose cycling, walking, car sharing and public transport.	Sustrans, Council staff	Revenue funding from existing budgets may be allocated to implement improvements in Travel Action Plan (e.g. more lockers and bike storage). Depending on requirements, additional finance may be needed and may come from year end underspends.
improve Worthing public spaces for sustainable transport	Improve and upgrade spaces and places for sustainable transport in Worthing Town Centre from Worthing train station through the town centre to the seafront.	WSCC, key stakeholders (e.g. TCI) and local businesses	WSCC allocated £5m Growth Deal funding to begin improvements. Portland Road & South Street are in Phase 1. Further phases will be CIL, S106 contributions funded. External investment will be sought e.g. Coast2Capital.
Improve cycling and walking infrastructure	Develop and adopt a Cycling & Walking Infrastructure Plan to improve safe routes for walking and cycling, and seek funding to implement these.	West Sussex Cycling and Walking Infrastructure Partnership, Dept of Transport, A&W Cycling and Walking Action group.	Dept of Transport (DoT) finance secured for the Infrastructure Plan. Further funding expected to be made available & will be sought from DoT for the improvements identified in the plan.
offer sustainable travel discounts for employees	Launch 'easit Adur & Worthing' offering travel discounts to council and local business staff.	easit, local businesses, travel providers	Funding to establish easit scheme will come from sustainable transport developer contributions.
support electric vehicle uptake to improve air quality	Deliver further public electric vehicle charge points and seek funding for further expansion, explore electric vehicles for council use.	West Sussex EV Partnership, Highways England.	Highways England funding obtained to install A&W's first public rapid chargepoint. Funding for further points to be sought from the Office of Low Emissions Vehicles and other funding streams. Viability for EV for fleet will be explored. Costs will be assessed for EV charge points with Buckingham and High St car parks upgrades.

ENERGY: Making energy clean, smart, secure and affordable			
help residents stay well and warm with lower energy bills	Deliver a 'Local Energy Advice Partnership' over 3 years offering home visits, energy advice, installation of energy saving measures, and further services to households on low incomes.	West Sussex Affordable Warmth Partnership, Agility Eco.	Fully funded by energy suppliers under Warm Homes Discount Industry Initiatives. No financial cost to the council.
increase council solar energy	Install further solar photovoltaic panels to supply clean, free electricity to council buildings.	Installers, West Sussex County Council	Finance allocated for energy saving and renewable energy as spend to save 2019-20.
investigate a smartgrid for Worthing Civic Site	Explore feasibility for a smart grid connecting Worthing Civic Site buildings. Delivering energy and cost reductions through increased efficiency, renewable energy, efficient controls, smart metering, smart transport solutions and battery storage.	West Sussex County Council	Finance for a feasibility study to be provided and commissioned by West Sussex County Council.
WASTE: Minimising waste, increasing recycling and reuse			
increase recycling rate to 50% by 2020	A range of actions to improve the recycling rate. Changing collection methods, delivering an awareness and behaviour change campaign to increase recycling rates and reduce waste produced. Increasing recycling of non residential waste streams	West Sussex County Council and West Sussex Authorities	Financed through recycling credits earned through WSCC and income from commercial waste activities and green waste collection.
Wastebuster recycling and minimisation program for schools	Provision of an educational tool for pupils to encourage waste reduction recycling and reuse.	West Sussex County Council and West Sussex Authorities.	Financed through recycling credits earned through WSCC.
Pledge to become Plastic Free Council	Become a 'Plastic Free' Council identifying and reducing single use plastics and supporting community action with the Refill and Plastic Free campaigns.	Worthing Climate Action Network, Transition Town Worthing, Surfers Against Sewage	Delivered with existing capacity. Costs for changes in plastic use to be assessed case by case.
WATER: Improving water quality and reducing water use			
improve Worthing's Bathing Water Quality to	Worthing Bathing Water Enhancement Project works with local residents to raise bathing water quality to an 'excellent' standard by 2020 by reducing pollution from	Southern Water, WSCC, Environment Agency	£2.7 mill investment in improvements by Southern Water

'excellent' by 2020	missed connections, animal faeces on beaches, and providing extra sewer maintenance and cleansing.		
make savings on water bills, reduce water use	Launch a campaign with Southern Water providing home visits offering water saving gadgets and advice on how to save money on water bills by reducing home and garden water use.	Southern Water, Aqualogic	Fully financed by Southern Water
CARBON REDUCTION: Reducing carbon emissions			
Pledge 100% Clean Energy by 2050 with UK 100 Cities	Pledge to 100% clean energy by 2050, endeavouring to ensure our communities have warm homes; secure, affordable energy; breathe clean air; drink clean water; and live in a town of which they can be proud. Join UK100, the national network of local authorities committed to shifting to clean energy in their areas.	UK100 Cities Network	No cost to join UK100 Cities network.
Produce a carbon reduction plan	Develop a plan to reduce carbon emissions locally to meet the 2050 net zero carbon target.		Carbon Reduction Plan could be produced with current resource but would be improved with commissioned technical expertise.
Pledge 2020 Emissions Reduction with Government	Sign up to the government's voluntary Emissions Reduction Pledge 2020, to report on annual energy use and emissions 2018-19 and 2019-20.	Team Energy, BEIS	No direct costs associated with reporting.
BIODIVERSITY: Protecting and enhancing our natural environment			
protect and enhance biodiversity at Highdown Gardens	Protect the unique National Chalk Plant Collection at Highdown Gardens and improve accessibility and visitor experience	Heritage Lottery Fund, South Downs National Park, Plant Heritage, Millennium seed bank (Wakehurst College) Plumpton College & Worthing Museum	Heritage Lottery Fund provided 90% finance to produce a Stage 2 bid. Match funding from WBC and SDNP. (Full value £1m)
improve biodiversity at Brooklands Park	Adopt and implement Brooklands Park masterplan, completing transformation into a science adventure destination park. Improving and significantly enhancing biodiversity, accessibility for all and visitor experience.	Friends of Brooklands Park & others to be determined	WBC Capital Investment, Private Business Investment, Corporate Sponsorship, external grant funding.

<p>improve biodiversity in all our parks, 2 Green Flags a year</p>	<p>Improve the biodiversity, and the community and environmental value of parks by achieving Green Flag status for a further 2 parks every year.</p>	<p>Friends of Groups, appropriate stakeholder groups</p>	<p>Delivered through existing revenue resources</p>
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APPENDIX 2

PLEDGES

It is recommended Adur & Worthing Councils' sign up to the following three pledges under the draft Adur & Worthing Environment Framework:

1) Department of Business & Industrial Strategy (BEIS) Emissions Reduction Pledge 2020

In the Clean Growth Strategy the government introduced a voluntary target for the wider public and higher education sectors in England. This target would aim to reduce greenhouse gas emissions across these sectors by 30% by 2020/21, compared to a 2009/10 baseline.

The UK is committed to at least a 57% reduction in emissions by 2032 and a reduction of at least 80% reduction by 2050. The Government wants the public and higher education sectors to lead by example through reducing bills and driving decarbonisation across the UK economy.

BEIS have published a Guidance note for public and higher education emissions reporting 2018-20: [Emissions reduction pledge 2020: emissions reporting in public and higher education sectors](#)

On confirming AWC's commitment to the pledge, the councils' will receive the *Emissions Reduction Pledge 2020 badge* to use for publicity.

BEIS emissions reduction target and reporting principles

The introduction of the voluntary target and reporting framework is intended to standardise public and higher education sectors reporting, engage sector leaders and encourage future action on decarbonisation. It is also intended to support the wider public and higher education sectors in providing accurate and consistent emissions data by assisting any organisations not currently reporting emissions to do so.

The approach requires organisations to sign up to a common set of principles, under the Emissions Reduction Pledge 2020 banner. Every organisation that wishes to become involved will therefore be required to:

- develop and implement the business case for measuring and reducing energy use, costs and carbon emissions in their organisation
- implement the Emissions Reduction Pledge 2020, using regular measurement to inform management action
- report its annual energy use to BEIS through existing reporting mechanisms where possible (as outlined later in this document)
- share best practice in their local area and within the sectors. BEIS will support the wider public and higher education sectors by:
- convening organisations across the sectors to generate evidence and new insights on best practice
- drawing on existing reporting where possible and not creating new burdens
- collating and analysing the data provided to ensure it is consistent and comparable
- compiling overall sector and sub-sector data on progress in 2018/19 and 2019/20
- sharing information across the sectors
- supporting the development of a network of Emissions Reduction Pledge 2020 champions who highlight and share innovation, good practice and experience.

Gathering and reporting emissions data

This will generally be related to electricity, gas and different types of transport use, but may also include emissions arising from landfilling of its own waste and water consumption. Where emissions relate to buildings BEIS suggest that only non-domestic buildings are included in the reporting.

2) The UK100 Cities 100% Clean Energy by 2050 Pledge

THE UK100 PLEDGE

As leaders across Britain we see the challenges our communities face and acknowledge our responsibility to secure the future for them and for people around the world when faced with the challenge of a changing climate.

The people who live in the towns and cities we serve deserve warm homes, secure and affordable energy, to breathe clean air, drink clean water and live in a town or city of which they can proud. This will help us ensure we keep the lights on, generate our own power for our nation, protect consumers from high and unstable energy prices and end our dependence on imported fuel from states we would rather not rely on.

The future we face requires ambition and imagination so that our children can have a safe and secure future, so we will take action that tackles climate change but also builds cities which are the best places for our children to grow up.

We have a crisis: we have a responsibility to deal with it.

We are uniquely placed to contribute to the solutions we need, because of our industrial past and we have demonstrated throughout our history that we are able and willing to lead on finding solutions to the new challenges the world faces.

We have the ambition of making all our towns and cities across the UK 100% clean before 2050, in line with the commitments made nationally and internationally at the Paris Summit.

We hope other towns and cities across the globe will join us to demonstrate that this transition will happen through acts of leadership, and that a transition to a clean energy future is both viable and already beginning to happen in many towns and cities today. Our UK towns and cities are committed to making a better future for all.

In order to make the pledge a reality, the network members will:

- Devise plans to achieve 100% clean energy at city/local level by 2050 that are ambitious, cost effective and take the public and business with them.
- Work with business allies, bringing private and public sector together
- Collaborate across the peer-to-peer UK100 Cities network, learning from each other
- Deliver climate action by promoting co-benefits of economic growth, and health and well-being
- Work together to influence national policy
- Make material contribution to emissions reductions

There will be a UK100 Cities Consortium event in Leeds in Spring 2019 at which Leaders of Adur & Worthing Councils can attend to sign the Pledge.

3) Plastic Free Council Pledge

'Plastic Free' Status was established by Surfers Against Sewage (SAS). SAS have published [recommended actions](#) for councils who wish to achieve 'Plastic Free Council' status:

- Support plastic free initiatives and the community groups working on them in your area.
- Work with Plastic Free Community leaders on the motion or resolution supporting Plastic Free Communities.
- Liaise with your community leaders to facilitate and promote the campaign locally.
- Encourage schools, businesses, community groups and individuals to get involved.
- Demonstrate leadership and set up a working group to examine the options available to become a Plastic Free Council.
- Perform a complete audit of avoidable, single-use plastic items used across council owned buildings and facilities.
- Develop a plastics strategy with specific objectives for eliminating avoidable single-use plastics. Link this to environmental policy, waste strategy and sustainable procurement policies where appropriate.
- Ensure appropriate recycling routes are available to capture plastic.
- Enable reuse and refill schemes to replace single-use plastic consumption.
- Encourage all staff to make sustainable food and beverage packaging and tableware choices and ensure use of the workplace recycling systems.
- Table a motion to propose the town, city or County council becomes a Plastic Free Council.
- Pass a resolution by majority vote supporting Plastic Free Communities in the area.



ADUR & WORTHING
COUNCILS

Key Decision [~~Yes~~/No]

Ward(s) Affected: All

Update on Digital Strategy: Delivering Better Outcomes For Our Communities

Report by the Director for Digital & Resources

Executive Summary

1. Purpose

1.1 This report provides the Committee with an update on the implementation of the Council's Digital Strategy. It summarises the outcomes that are being delivered, and sets out the priorities for the next two years.

2. Recommendations

2.1 The Committee is asked to note the contents of the report

3. Context, Strategy & Principles

- 3.1 In late 2014, Adur & Worthing Councils took a bold and strategic step to invest in new digital technologies that set the councils on a different path. The investment, now repaid through reported annual revenue savings, has established Adur & Worthing as national leaders in local government digital, with significant benefits being delivered using innovative and award-winning technology platforms. The programme has already saved over £1m in revenue costs through reduced software expenditure and cashable service efficiencies, and is expected to continue to deliver savings year on year.
- 3.2 The digital strategy successfully stabilised basic IT provision within a few months of inception, bringing an end to the chronic outages that had been affecting day to day operations for some time. The implementation of Google for Work in April 2015, delivered

reliable and highly accessible email, calendar and document services.

- 3.3 The most ground-breaking element of the strategy - our low code platform - has provided a reliable digital service for waste management since 2015 with numerous applications built by our in-house team since then, including housing register, housing repairs, complaints, FOI, HR, asset management, emergency SMS, business continuity and more. With a fixed and low cost enterprise licence fee, the more applications built on the platform the greater the value for money is being delivered.
- 3.4 The low code platform, brought into the local government sector by our councils from the financial services industry, allows our in-house team to design and build fully featured (end-to-end) applications at significantly reduced costs compared to off the shelf alternatives, something very few councils are able to do and none, we believe, at such low cost. The team works with services to undertake research with customers and designs and build what's needed, step by step. In recent months, the digital team have launched a new "look and feel" for customer facing apps, following Government Digital Service guidelines.



Report a problem at a street, park or beach

If you find a problem in a public space, such as graffiti, fly tipping or a dirty street, you can report it to us. If a problem has already been reported on the map below please do not report it again.

[Contact West Sussex County Council to report a problem with a road or pavement, such as potholes.](#)



- 3.5 Key to our approach is making sure that digital services are designed for the customer. Councils have historically been poor at focusing on customer needs and delivering digital services that help them get things done simply and efficiently. Our approach seeks to:

- Ensure it is easy for people to get what they need from us first time with a minimum amount of effort
- Use our new technologies to design services around the needs of individuals and communities rather than around organisational silos
- Build understanding and experience in our service managers to reshape their services using digital operating models, driving efficiency and customer satisfaction.

3.6 This document sets out the progress that has been made in these areas, providing case studies and outlining our strategy and plans for the next two years.

Customer & Digital

3.7 At the end of 2017 the Customer Service and Digital Teams were brought together within the Digital and Resources Directorate. The restructure has enabled us to focus on delivering customer commitments using our digital platform as the key enabler. Bringing the services together has further supported a change in culture from delivering 'digital' change projects to customer centred whole-service redesign.

Technology Strategy

3.8 Our Technology Strategy is based on some simple principles. We recognise that for our organisation to adapt and thrive into the future, we need to make the best tools available to our staff and redesign and digitise our service operations using the latest flexible and reliable cloud-based technologies.

3.9 Because technology innovation is moving at such a fast pace, it is important that the tools we adopt can be easily integrated and data shared between them. Our low code development approach helps us address the problem of council services being 'stuck' using relatively old, inflexible technologies provided by third parties. These legacy systems are hard and costly to integrate, but even more importantly prevent services changing the way they operate or experimenting with more digitally enabled operating models.

Human Centred Service Design

3.10 In parallel to developing our technology strategy we have honed our Same Room service design approach. Same Room service design brings people together around a shared challenge to create, test and grow solutions that work for our customers and communities. It uses [human centred](#) collaborative approaches, engaging with people who live in Adur and Worthing, staff, members, our partners and peers.

3.11 Human-centred design is increasingly used in the public sector to understand and solve complex challenges. We connect with the experiences of people who live and work here then generate, test and develop solutions that meet their needs and make the most of their strengths. See the [Design Council's Double Diamond](#) for more on this approach.

4.0 The Digital Service

4.1 Digital and ICT services are now fully integrated following the dissolution of the Census partnership. The Digital Team is highly skilled and well organised, working across the Councils to:

- Provide operational support to services by proactively managing the Council's ICT infrastructure including hardware, applications, security, connectivity and telephony. The skills in the team are being developed to support the migration to cloud hosted solutions as part of the Infrastructure as a Service (IaaS) project as the Data Centre in Worthing Town Hall is significantly reduced in scale to remove operational reliance.
- Develop innovative digital solutions on our digital platforms through customer centred service redesign techniques. Our developers have rapidly built their skills and knowledge to deliver complex applications on the MATS platform that deliver excellent customer outcomes.
- Work collaboratively to develop the council's approach to project management and customer centred service redesign. Effective governance is in place to support the development of strong business plans through to the delivery of successful outcomes.

5.0 Key Technologies

Google for Teams

5.1 In order to start providing modern, flexible technologies to the benefit of all staff, a foundation of the strategy in 2015 was to implement a new productivity suite (email, calendar, documents), Google for Work. This was achieved in April 2015 for all staff after a successful six week implementation.

5.2 We intend to remove Microsoft Office for the majority of users in spring 2019, providing further training to staff on the Google suite during 2018/19. This will result in further savings in Microsoft licensing costs and avoid significant data storage costs as well as improving efficiency and reducing risks associated with data protection. The project will engage users to give them the knowledge and skills to use Google effectively and confidently.

Devices and access

5.3 Our staff expect and deserve good equipment and easy access to their applications. Telephony has been a weakness for Adur and Worthing, however, major improvements have been delivered including a new mobile solution which was rolled out across the councils in May 2018 resulting in high levels of satisfaction from users. The resilience of the existing enterprise telephony system has greatly improved with the appointment of a new managed service provider resulting in a major improvement in the overall stability of the system since July 2018, and an annual cost reduction of £19,000.

5.4 The business plan for future telephony and alternative contact channels is being developed for roll out in 2019/20.

- 5.5 Much of the council's hardware (laptops and desktops) is in need of replacement with a renewal programme being rolled out in 2018/19 and 2019/20. This will include the introduction of more cost-effective Chromebooks for users who mainly use cloud based applications.

MATS Platform

- 5.6 The MATS Platform is now well embedded within the Digital Development Team. The team are usually involved in projects from the early discovery phases to identify the challenge that services are seeking to address and the customer needs that need to be met. They have become skilled at working in an agile way to develop scalable applications within short time-frames on the platform. As the team gain more experience and the portfolio of applications grows; the speed of delivery increases. This is due to economies of scale being realised through shared data sources and the avoided need for replication.

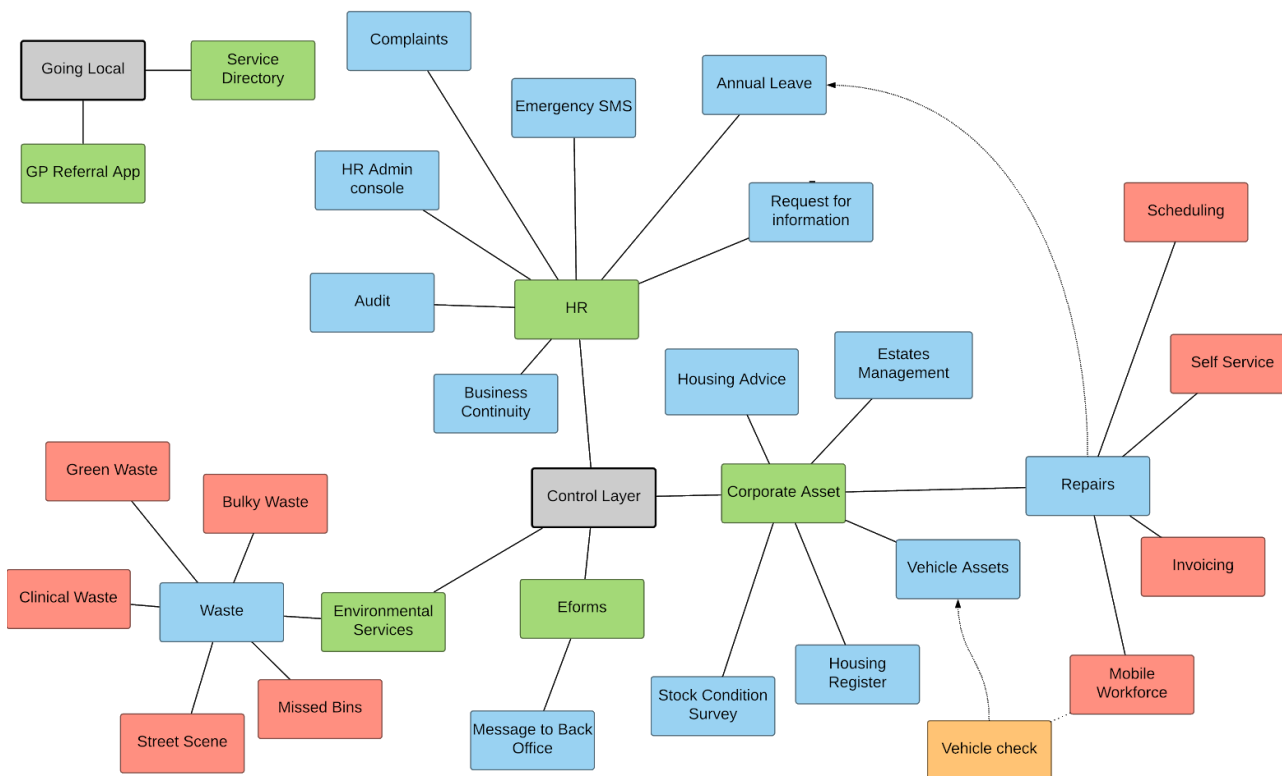
Infrastructure as a Service

- 5.7 The Councils are delivering the strategy to move the remaining application (software) estate to the cloud as part of the Infrastructure as a Service (IaaS) project. This will enable us to achieve an excellent level of system availability and resilience in the event of a disaster and improve security. It will give us a flexible data centre, where our capability can be 'dialled up' to increase performance when demand is high, and 'scaled down' to save money when systems aren't in such great demand. The data centre in Worthing Town Hall will be decommissioned reducing risks associated with on premise solutions (such as fire and flooding). The project is in the delivery phase with completion expected in 2019/20.

6.0 Progress to date

- 6.1 With the technology building blocks in place, progress has been made in delivering outcomes through our strategy. A diverse range of applications has been built from simple solutions that enable us to send SMS messages to all staff mobile phones to an end-to-end redesign of the Adur Housing Repairs Service. The SMS system took a day to build and saves £600 in annual licence costs while the Adur Repairs Service redesign was a two-year project that avoided £132,000 of capital expenditure and £56,000 annual licence fees. Figure 1 shows the applications that have been built by the team to date.
- 6.2 The work has realised cashable savings and avoided procurement and licensing costs from external suppliers. Designing services around the customer is now the norm rather than the exception, resulting in improving levels of customer satisfaction. Self-service options are starting to have an impact on reducing the volume of customer contact increasing the availability of officers to support customers who are not able to access services online or who have more complex needs.

Figure 1 Summary of MATS Applications



6.3 The remainder of this report summarises the progress that has been made to date in terms of service design and improvement, the challenges that need to be addressed and the plans to drive the strategy forward over the coming two years.

Improved customer outcomes

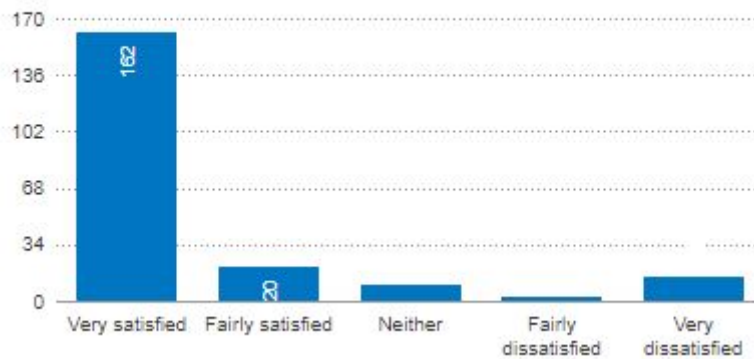
6.4 The integration of digital as an enabler in the design process has resulted in a significant shift towards designing services around customer needs. The development of all the apps is preceded by a discovery phase mapping out customer needs. User Experience (UX) is embedded in relevant processes to create products that provide meaningful and relevant experiences to users.

6.5 Through the new Adur Repairs system customers are asked for feedback on the quality of the service. The feedback since the launch of the system has been very positive. Overall 85% of customers were satisfied or very satisfied with the repairs service, up from 67% at the start of the project.

Improved process efficiency

6.6 Our approach is releasing significant process efficiencies across services reducing the administrative burden and enabling officers to focus on tasks where they add value and supporting service redesigns which have been implemented to meet the ongoing budget pressures.

Overall repairs service



6.7 The Adur Homes Repairs app has enabled a redesign of the end-to-end repairs process from the customer reporting the repair to it being signed off by them on completion and the request for customer feedback. The project aims to improve operational efficiency and reduce the cost of repairs as a result of recording what repair (and trade) is needed more accurately, getting it right first time avoiding the need to send out multiple operatives and having improved management information to drive efficiency. It also seeks to reduce avoidable telephone contact by 20% through customers using self service and as a result of customers being kept up to date with progress being made. The service was launched to the public at the end of September and these indicators are being monitored and will be reviewed as the system beds in.

6.8 The new Adur Homes Repairs system has significantly reduced reliance on paper. Prior to go live each job required approximately 6 sheets of paper amounting to more than 53,000 sheets per year for just under 9,000 jobs.

'It used to take me a whole day to process 100 invoices, now I process 150 in three hours'
Adrian Wilgoss, Building Service Manager, Adur Homes

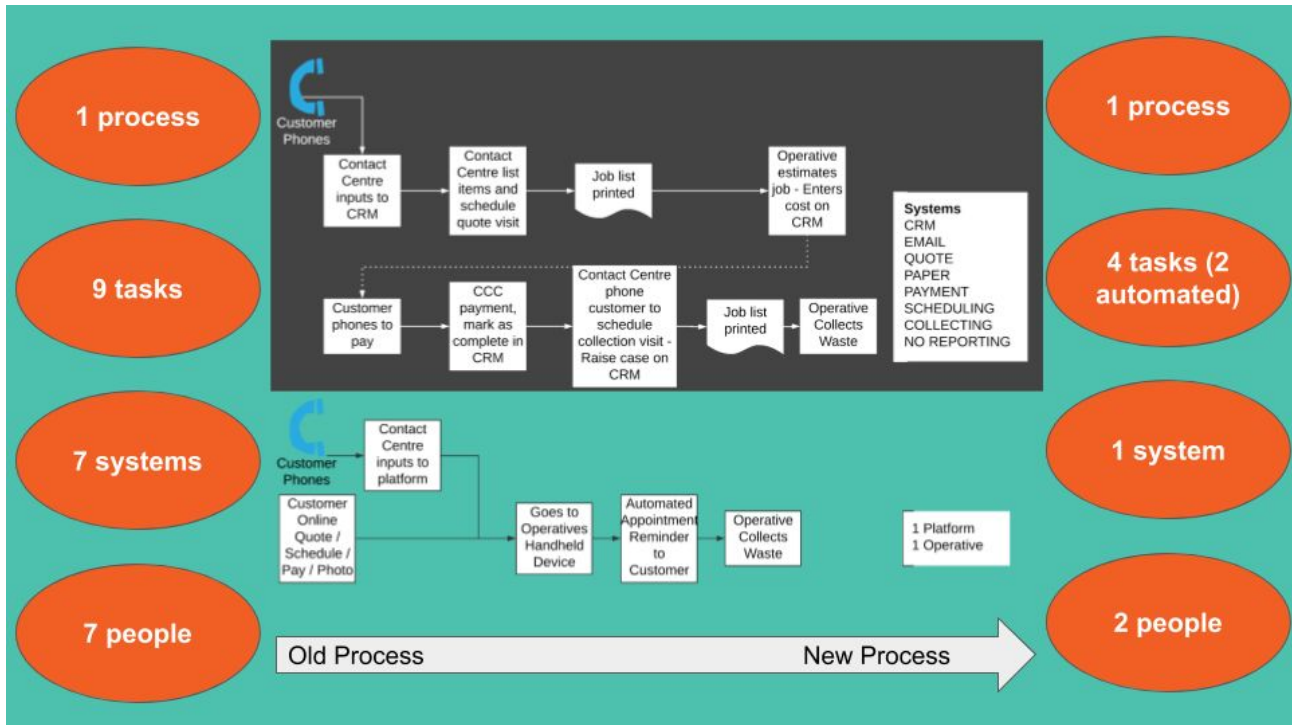
6.9 The AWES project has resulted in the development of self service options for customers wishing to report a missed bin, request a bulky waste collection or request a clinical waste collection. The contact centre receives between 600 and 700 calls a week for the AWES service the majority of which are transactional. Since going live approximately 40% of service requests for clinical waste and missed bins have been made on line. This equated to 95 transactions which would have taken 8 hours of call handler time if made by phone. These figures are expected to increase significantly as missed bins and bulky waste have only been launched very recently. Email contact to the service has also declined significantly since the launch of self service.

6.10 The old and revised process for bulky waste is summarised in the figure below. Prior to the redesign a bulky waste request involved nine tasks, seven systems and seven officers. The new process only involves four tasks (two of which are automated) and two officers.

6.11 Similar efficiencies have been realised through the missed bin and clinical waste processes. The work has been key to support the restructure in AWES that was agreed

for and implemented in 2018/19. As part of the next phase of the AWES work the green waste service will be addressed which while significantly automated at the back end in a previous phase, still results in high call volumes as a result of people wishing to sign up for the service or make payments.

Bulky waste Before // After



6.12 Self service applications are driving down avoidable contact particularly in the contact centre and face-to-face teams. Customers no longer need to contact us for simple transactions. Improved communication and monitoring of services ensures customers are informed of the progress of their case (eg repairs customers are notified by text or email of their appointment and when an operative is on their way, similar to Amazon’s delivery tracking system). The challenge is to drive more customers to use the self-service channels which is being done through proactive communication. The AWES work is reducing email volume and is starting to have an impact on contact centre demand which will support the delivery of savings.

Data rationalisation

6.13 The platform approach facilitates the breakdown of organisational data silos. A good example is the work being done around the Council’s built infrastructure: council offices, council owned social housing, and commercial properties leased or rented out by the estates team. These buildings are managed by different services: Estates manage commercial properties including leases and rent reviews, Technical Services carry out compliance inspections and commission repairs and maintenance work while Adur Homes work with Technical Services on the management and maintenance of the council-owned housing stock. Without an integrated approach built around a ‘single version of the truth’ services duplicate data and sharing of information becomes inefficient and increases risk of issues falling between services.



6.14 The approach of developing asset management applications around a single shared source of data has the following benefits:

- Monitoring of compliance is more robust, reports can be drawn down for individual properties or a specific type of compliance inspection (eg fire safety) avoiding the need to trawl through multiple spreadsheets and/or filing systems
- A risk-based approach can be adopted to managing built assets
- Maintenance and capital expenditure can be prioritised based on the most up-to-date condition surveys
- Duplicate systems can be decommissioned
- Resilience is improved through reducing reliance on spreadsheets and paper based systems
- Administration is reduced and staff resource can be used more proactively.

Same Room & Systemic Design Projects

6.15 Our Same Room design approach provides a framework to work with partners to deliver community outcomes, whether digitally enabled or not. Our approach is being applied to tackle some of the biggest challenges in our communities around homelessness and loneliness with a focus on prevention. We are delighted to confirm that Adur & Worthing Councils have been selected to received support from the Design Council for a multi-agency project on Work & Skills which will be a joint project between the Well-being and Economy teams, involving DWP and GB Met Further Education College among

others.

In the digital sphere we have delivered the award-winning [Going Local app](#) which provides a directory of community services helping refer patients to services more effectively. Building on this work we have been successful in getting through the first stage of an application to the MHCLG Local Digital Fund to work with other authorities to develop a national open standard for local service directories in partnership with the Open Data Institute, who have agreed to fund their own involvement. The final application will be submitted on 15 November 2018.

Delivery of savings

- 6.16 The implementation of the strategy is delivering significant savings. A target of £200k revenue savings per year was set. The programme has saved over £1 million years from reduced software expenditure and cashable service efficiencies as summarised in the table below.

	Annual savings		Cumulative saving
	Target saving	Actual	
	£	£	
2016/17	200,000	197,840	197,840
2017/18	200,000	180,740	378,580
2018/19 to date (month 6)	200,000	126,100	504,680
Total saved 2016/17 to date			1,081,100

- 6.17 In the coming financial year savings attributable to the digital strategy include:
- £30,000 in Microsoft license fees and data migration cost as a result of delivery of Phase 2 of the Google work (Google for Teams)
 - £26,000 in 2019/20 and £52,000 in 2020/21 in customer service as a result of reduced call volume in the contact centre and improved process efficiency in business support.
 - £25,000 in 2019/20 and £50,000 in 2020/21 as a result of process improvements in Revenues and Benefits.

Avoided costs

- 6.18 As well as delivering direct savings to the revenue budget the digital strategy is resulting in avoided costs. The Adur Repairs Service was market tested before the decision was made to build in-house. An externally procured system would have cost £132,000 in capital investment and £56,000 per year in licence fees. The estimated in-house build cost was £113,500 based on development and project management costs, and the annual licence fee is incorporated into the overall cost of the MATS platform which is £60,000 per

year (covering all MATS applications). The estates, compliance and stock condition survey systems were not market tested but the in-house build cost of £20,000 for each is significantly lower than any externally sourced system of similar scale and complexity.

- 6.19 As the team gains experience and templates are in place, the rate of development of apps is increasing, and the cost of development reducing further.
- 6.20 The team of developers carry out a range of tasks, from contributing to the initiation of ideas and concepts as part of discovery work through to the building and testing of new applications, and then managing them as part of business as usual. They work closely with the Digital Operations Team on issues around security, audit and support a number of legacy systems including the Academy system for Revenues and Benefits.

7.0 Next Steps

- 7.1 For the three-year service planning period, the council's focus on designing services around the customer, will continue. The pipeline of digitally enabled projects is managed through internal governance processes from business case development to post project evaluation. The key projects for the remainder of 2018/19 and 2019/20 are summarised below.

Infrastructure as a Service

- 7.2 As detailed in section 5 the IaaS project is a core element of improving resilience and flexibility of our services by moving services out of the Town Hall to cloud hosted solutions. The first servers have been migrated and the project is working to a completion date of December 2019. On completion only five servers will remain in the Town Hall for services that relate directly to the building or low-risk functions e.g. printing & authentication.

Google for Teams

- 7.3 The next phase of the Google project will be rolled out over the next 12 months. The work will deliver improved file management through the adoption of Google Team Drive and the rollout of new Google products to enhance collaboration and efficiency.
- 7.4 Success of the project depends on having excellent support for staff using Google products; from their induction through to day-to-day support and advice. The work will result in a reduction in the number of staff who need Microsoft products resulting in a net saving in licence fees of £30,000. The switch to Google Team Drive will improve GDPR compliance and avoid the £20,000 cost of migrating and hosting Microsoft shared drives in the cloud.

MATS Strategy

- 7.5 Adur and Worthing have been early adopters of the MATS Platform and we have now built a range of applications which can be adapted by other councils moving to the platform. We are keen to develop a community of practice on the platform with MATS to realise

benefits for the public sector avoiding unnecessary duplication of effort. The approach to sharing apps is also a commercial benefit to MATS and officers are in dialogue how this can reduce Adur & Worthing's licence costs and raise revenue.

Revenues and Benefits Service Redesign

- 7.6 The Revenues service is a universal service affecting every household and business in the area with responsibility for the collection of £104,000 million in council tax and £51.5 million in business rates per annum whilst the Benefits service supports some of our most vulnerable customers. It is the highest contact volume service in the Councils. In 2017/18 the customer service team received 24,000 benefit calls and 54,000 revenue calls with approximately 20,000 visitors to Portland House and the Shoreham Centre for these services.
- 7.7 A redesign of the service, led by frontline staff started in May 2018. The discovery has been completed and various projects are underway. These include improving communication with customers e.g. by ensuring letters are written in plain english and empowering staff to resolve queries at first contact. The digital project strands include the launch of self-service in Adur, bringing it in line with Worthing (this has now gone live) and the launch of e-billing for council tax for the 2019/20 financial year. Work is also underway to launch integrated e-forms to reduce email correspondence, which will accelerate processing times.
- 7.8 The work is expected to enhance the experience for customers; enabling those who want to self-serve to do so without needing to phone or visit our offices. The structuring of e-forms will mean all the required information is included in first contact, enabling us to process customer queries without having to go back to them for clarification or additional information (eg account numbers, dates of birth etc). It will in-turn reduce customer contact volumes, processing efficiencies and savings in areas like postage.
- 7.9 Currently the Revenues and Benefits system is located on the Town Hall Data Centre in Worthing and as part of the IaaS project the business case for a cloud based solution is being developed.

Asset Management

- 7.10 As mentioned in section 5, management of council owned built infrastructure has touch points within different service areas. Significant progress has been made in delivering an integrated Asset Management system and the first phase of this work will be concluded in the coming months.

Customer Contact

- 7.11 With a stable telephony solution and the rolling out of online self-service across high contact services such as Revenues and Benefits, AWES and Parking, customer contact channels will be reviewed to identify how existing channels can be optimised and what further opportunities exist to improve customer access, for example, using social media and web chat. The discovery for this work will review our current systems and draw on

best practice from other industries. The focus will remain on 'Digital First' ensuring telephony and face-to-face teams are available to provide assistance with more complex case work. The work will include a review of systems in use to identify future needs and opportunities to rationalise these.

Parking Services

- 7.12 Customers using our multi storey car parks will soon be able to set up online accounts for auto billing enabling them to park without having to go to a payment machine. Their accounts will be debited for their parking charges on a regular basis. Customers who have signed up for the Town Centre Workers Deal will also be able to apply for the scheme and pay for parking online. This service will improve convenience for customers, reduce cash collection, and reduce queues at payment machines during peak times.

Planning, Building Control & Land Charges

- 7.13 The development of a new Planning, Building Control and Land Charges system has been commissioned from an external supplier to be compatible with our platform. The project has suffered delays and the focus is in the first instance on delivering a Land Charges system. The delivery of Planning and Building Control will be reviewed following further demonstrations of the system from the supplier.

Financial Management System

- 7.14 A replacement for the existing financial management system has been procured. The new system will support the delivery of the digital strategy. However, the implementation has been delayed due to issues with the functionality of the new system. The version of the system which was released in October 2018 contains the majority of the features committed to within the contract and the implementation is due to restart in November. Go-live is expected early in the 2019/20 financial year.

8.0 Conclusions & Recommendations

- 8.1 Adur and Worthing Councils have embarked on an ambitious digital strategy to modernise how we deliver services. This now delivering improved outcomes for our communities:
- Our human-centred service design approach (SameRoom) is ensuring we build services around the needs of customers bringing together all relevant services and partners in the process
 - Improved efficiencies are being realised through internal processes and customer effort is being reduced.
 - Services are becoming more resilient, for example through the cloud migration work reducing risks to business continuity
 - More flexible services - we are working in an agile way making it easier to adapt to the changing needs of our customers.
- 8.2 Our strategy is delivering significant savings and supporting the release of resources for frontline services. Our approach is gaining interest at a national level, with numerous

councils wanting to learn how we are delivering our strategy. As more councils follow our approach we aim to support the creation of a network where councils can collaborate on the development of apps and share them based on open data principles.

9.0 Financial Implications

- 9.1 The costs associated with the digital programme are built into the revenue and capital budgets of the Councils. There are no additional financial implications arising from this report.

10.0 Legal Implications

- 10.1 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.
- 10.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness.
- 10.3 s1 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.

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Sustainability & Risk Assessment

1. Economic

- Our digital strategy is delivering significant savings. A target of £200k revenue savings per year was set. The programme is on course to save over £1m by the end of this financial year.

2. Social

2.1 Social Value

- The adoption of human centred design is ensuring services are designed around customer needs through improved internal collaboration and collaboration with partner organisations.

2.2 Equality Issues

- The adoption of a digital first strategy enables digitally connected customers to access services 24/7, not being restricted to phone and face to face contact available only during office hours. The design of digital solutions is based on the GOV.UK principles which have been thoroughly tested with customers and help provide a consistent recognisable approach.
- The development of self service options, and improvements in processes mean that the contact centre and face to face teams will be more accessible to customers who have more complex needs or who are not digitally enabled..

2.3 Community Safety Issues (Section 17)

- The AWES Street scene app makes it easier to report issues like graffiti and fly tipping helping improve the environment, but also providing valuable information on problem hotspots which can in turn be used to prioritise resources for prevention.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- The digital strategy is supporting the Council's environmental agenda in different ways. Examples include the Adur Repairs apps maximises travel efficiency of operatives by scheduling job locations and driving routes, it has also reduced paper consumption by 53,000 sheets per year. The AWES Apps enable fly tipping and littering to be addressed more quickly with reported information being available to operatives immediately.

4. Governance

- The digital strategy is reducing risks to business continuity by migrating servers to cloud hosted solutions. The Google for Teams strategy will also enhance GDPR compliance.



ADUR & WORTHING COUNCILS

Joint Strategic Committee
6 November 2018
Agenda Item 10

Key Decision [Yes/No]

Ward(s) Affected: All

Draft Response - JOSC Review of Consultations

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1 This report provides a draft responses to the Joint Overview and Scrutiny Committee (JOSC) report on consultations. Alongside this, the report provides an update on the Councils progress to develop new principles to guide engagement with our partners and our communities.
- 1.2 Overall it is recommended that the work of JOSC should be welcomed by the Joint Strategic Committee and recognise that it will feed into the ongoing work to develop a set of engagement principles as committed to in *Platforms for our Places*.
- 1.3 JOSC made a total of five recommendations. This paper proposes to agree to one of these recommendations, agree-in-principle to two recommendations and disagree with two recommendations.

2. Recommendations

- 2.1 Agree to the proposed responses to the Joint Overview and Scrutiny Committees recommendations on consultation outlines in Attachment A.
- 2.2 Note that the Joint Overview and Scrutiny Committee report will feed into developing the engagement principles committed to under *Platforms for our Places*.

3. Context

- 3.1 As a result of the Joint Strategic Committee's concerns about the level of responses to the 2018 Council Tax Support Scheme, it asked the Joint Overview and Scrutiny Committee (JOSC) to review how the Councils undertake consultations with the Community.
- 3.2 On accepting the Committee's request JOSC established a working group to investigate this matter in more detail. The working group's report was considered and agreed by JOSC in July 2018. The Committee received this report at its meeting in August, requesting that officers prepare a draft response for its consideration.
- 3.3 *Platforms for our Places* makes a commitment to agree core principles of engagement and community involvement in design and delivery of the Councils work (Platform 2 - 2.4.1).

4. Issues for consideration

- 4.1 The overall finding of the JOSC report on consultation, is that Councils consultations are well run. Their recommendations therefore focus on enhancing good practice and achieving a more consistent approach.
- 4.2 Attachment A outlines a detailed response to the JOSC's recommendations. Overall it is recommended that JOSC is thanked for its report, as it will feed into work been undertaken to develop the engagement principles identified in *Platforms for our Places*.
- 4.3 JOSC made a total 5 recommendations. It is recommended that the Committee:
- Agree to recommendation five
 - Agree-in-principle to recommendations one and three
 - Disagree to recommendations two and four.
- 4.4 JOSC found [paragraph 3.7] that in relation to the Council Tax Support Scheme consultation, which prompted the Committee to refer the matter to JOSC, that Worthing had the highest level of responses (91) compared to other West Sussex districts and boroughs who undertook Council Tax Support Scheme consultations. Adur (17) had the lowest. Advice from Revenue and Benefits indicates that the low level of response in Adur was likely to be due to a technical reasons, which is expected to be addressed during the 2019/20 consultation. However, in the context of the levels of response elsewhere in the County, this issue may not attract the same level of interest compared to other issues.
- 4.5 Officers are currently working on developing a set of engagement principles to guide and assist services in their engagement with our partners and

communities. It is expected that these draft principles will be presented to the Committee in the first quarter of 2019. This is later than outlined in *Platforms for our Places* (December 2018), due to need to address connected priorities (for example refreshing our approach to local partnership) and in order to incorporate JOSC's considerations.

- 4.6 Officers are seeking to create a set of principles that will :
- 4.6.1 build the capacity and understanding of the Councils and our communities so they feel confident to undertake meaningful engagement activities;
 - 4.6.2 reflect the Councils ambitions set out in *Platforms for our Places*, and reflect the character of our communities; and
 - 4.6.3 aid Officers in practical terms to undertake a range of engagement activities undertaken by the Councils; drawing on best practice, and case studies from across the Councils.

5. Engagement and Communication

- 5.1 All services were consulted in developing this response.

6. Financial Implications

- 6.1 There are no direct financial implications relating to this report. The implementation of the recommended response will have to be achieved within existing resources. This will require services to consider how identified actions are implemented in the context of other priorities.

7. Legal Implications

- 7.1 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.
- 7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.3 s1 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
- 7.4 At page 4-47 of the Constitution, the Joint Overview and Scrutiny Procedures Rules paragraph 11.1 confirm that the Joint Overview and Scrutiny Committee or any sub-committee may make proposals to the Council, its Committees or

the Executive for policy development, in so far as they relate to matter within that body's terms of reference.

Background Papers

- [Scrutiny review of consultations \[JOSC Report - 26 July 2018\]](#)
- [Mid Term Review and Refresh of Platforms for our Places Commitments \[JSC Report - 10 July 2018\]](#)
- [Minutes of a Meeting of the Joint Strategic Committee of Adur District and Worthing Borough Councils \[JSC - 5 December 2017\]](#)

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Sustainability & Risk Assessment

1. Economic

1.1 No direct implications identified.

2. Social

2.1 Social Value

2.1.1 Implementation of the proposed recommendations will seek to improve the Councils engagement with our communities.

2.2 Equality Issues

2.2.2 Implementation of the proposed recommendation will seek to improve the Councils' engagement with our communities. Consideration of accessing specific groups will be considered as part of future work.

2.3 Community Safety Issues (Section 17)

2.3.1 No direct implications identified.

2.4 Human Rights Issues

2.4.1 Addressing the proposed recommendation and seeking to improve the Councils' engagement method will seek to enhance our Communities our ability to participate and influence outcomes where appropriate.

3. Environmental

3.1 No direct implications identified.

4. Governance

4.1 This report will assist in the Councils' commitment to improve their engagement principles as set out in *Platforms for our Places*.

4.2 Improving how the Councils engage with our partners and communities should serve to improve trust and deliver stronger outcomes and more informed decision making.

Attachment A

Proposed response to the Joint Overview and Scrutiny Committee Report: Scrutiny review of Consultation (July 2018)

1. Introduction

1.1 In December 2017 the Joint Strategic Committee (JSC) referred the matter of consultations to the Joint Overview Scrutiny Committee (JOSC) following concerns raised about the level of response arising from the 2018/19 Council Tax Support Scheme consultations.

1.2 JOSC established a Working Group to:

- Speak with Council Officers on the current approach to undertaking consultations;
- Consult with local residents and community groups to find out their views on the current approach via a survey; and
- Engage with a consultation professional on how consultation and other forms of engagement should be undertaken and the legal principles which should underpin all consultations. Research has also been undertaken to review Consultation practice elsewhere in West Sussex.

1.3 Overall the JOSC agreed with the Working Group's conclusion that it was:

generally pleased with the way that the Councils undertake consultations and that some Service areas use innovative techniques and provide above average levels of consultation which in turn generate good response rates. However, the Working Group believes that improvements should be made to the Councils' consultation processes to ensure a consistent approach across all Service areas to consultation delivery.

[Para 1.4]

And made a total of five recommendation to improve consultations across the Councils.

1.4 Overall the Committee's report is welcomed. Developing our relationship with our partners and our communities is an essential role for a modern Council, and in particular in meeting Adur District and Worthing Borough Councils' ambitions set out in *Platforms for our Places*. In particular this report will feed into the development of engagement principles - an action identified in *Platforms for our Places* (2.4.1).

1.5 In regards to the specific recommendations made by JOSC, it is recommended that JSC:

- Agree to recommendation five,
- Agree-in-principle to recommendations one and three; and
- Disagree to recommendations two and four.

1.6 It should be noted that JOSC's considerations will feed into developing the engagement principles committed to under *Platforms for our Places*.

2. Response to the Recommendations of the Joint Overview and Scrutiny Committee

2.1 That the Joint Strategic Committee agrees to support the creation of a dedicated Consultation Strategy/toolkit which sets out the overarching approach which should be applied by Officers to Consultations undertaken by the Councils. This Strategy should include the following issues, the rationale for which is explained earlier as part of this report and the new Strategy should be made available to the local communities and Officers:-

- An updated Consultation Policy Statement to be provided for the website
- Improved techniques for publicising consultations and updated consultation pages to be included on the website.
- An updated contact list of local residents' associations and community groups to be created and used as a list of consultees for relevant consultations. This list should also include contact details of individual local residents who want to engage and be consulted regularly on consultations (subject to appropriate compliance with the GDPR).
- Advice on all methods of consultation techniques that can be used.
- Advice on the 'Gunning Principles' and the law relating to consultation practice.
- Advice on designing consultations in accordance with the Government Consultation principles

Response

AGREE-IN-PRINCIPLE - A shared approach to engagement and consultation is an overarching conclusion of JOSC. As JOSC notes (Para 3.5), officers are currently working to develop a set of engagement principles to develop a consistent approach across the Councils. There are a number of considerations going into the development of these principles, including operational and resourcing issues. Therefore, officers are asked to consider JOSC's recommendations and wider considerations when this matter returns to the Committee in 2019, subject to the matters outlined below.

Officers are seeking to create a set of principles that will :

- build the capacity and understanding of the Councils and our communities so they feel confident to undertake meaningful engagement activities;
- reflect the Councils ambitions set out in *Platforms for our Places*, and reflect the character of our communities; and
- aid Officers in practical terms to undertake a range of engagement activities undertaken by the Councils; drawing on best practice, and case studies from across the Councils.

As such Officers will look at revising or replacing the Councils' current Consultation Policy Statement, how engagement activities are publicised, and drawing on best practice and existing guidance.

It is important that service areas are aware of, and maintain ongoing relationships with their key stakeholders; and ensure that relevant sections within our community are engaged with appropriately. However, whilst it is recommended to agree in principle to most elements of the recommendation at 2.1, the formation and management of a centralised list of resident groups and consultees, is not supported. The formation of such a list presents a number of risks to delivering meaningful engagement, including:

- that segments of our communities which are most affected by a specific engagement activity are not heard during the engagement process because they are overlooked or their views are lost among the views of others who are not directly impacted.
- That any list will be out of date as soon as it is published and that the upkeep and maintenance of the list will require additional, unavailable resources, that would have limited added value to the engagement processes of the Councils.

2.2 That a designated named Service area (to be provided at no extra cost to the Councils and within existing resources), be allocated to provide advice to Services and the communities on the Consultation and Engagement Strategy and to provide some light touch overall guidance on consultations.

Response

DISAGREE - Developing our relationship with our partners and our communities is an essential role for a modern Council, and in particular in meeting Adur District and Worthing Borough Councils' ambitions set out in *Platforms for our Places*. It is therefore the responsibilities of all officers to familiarise themselves with the process and practices of engagement and consultation. In developing the engagement principles a community of interest group has been established so officers can engage best practice and their experience of engagement.

2.3 That mandatory Corporate consultation training be provided to all Officers who undertake consultations, to help provide them with the necessary knowledge and skills required to deliver effective consultations.

Response

AGREE-IN-PRINCIPLE - Ensuring that our officers have the skills to effectively undertake engagement and consultation activities is important to maintain the Councils' trust and reputation with our partners and communities, deliver positive outcomes and add in effective decision making. Different levels of training should be offered to staff so they can effectively carry out their duties, however the ability to deliver this training will be dependent on available resources and other corporate training priorities.

2.4 That the Councils consider reconstituting the Member/Officer Community Engagement Task Force to help monitor consultation and engagement activity.

Response

DISAGREE - Consultation and engagement activities should be communicated effectively across the Councils, to elected members, partners and Communities. Officers are required to inform decision makers about proposed consultations and their outcomes, and there are several oversight mechanisms for consultations including senior officers, Executive Members, the Councils and their Committees. In light of JOSC's overall conclusions and other recommendations, the value gained from the investment of resources, and existing mechanisms the case for reconstituting the taskforce is not made.

2.5 That the Councils ensure that all local Councillors, as both representatives of local residents and the Councils, be made aware of all consultations and the consultation responses which affect their wards and the areas as a whole at an early stage to ensure that they are informed and to enable them to be able to alert and communicate effectively with local residents to encourage them to respond to consultations.

Response

AGREE - Officers will be asked to identify the best means to inform Councillors when consultation are been undertaken so they too can communicate it to local residents.



ADUR & WORTHING COUNCILS

Joint Strategic Committee
6 November 2018
Agenda Item 11

Key Decision: [Yes/~~No~~]

Ward(s) Affected: All

Environmental Services for the Future

Report by the Director for Communities

Executive Summary

1. Purpose

- This report details the proposal for both Councils to introduce an alternate weekly collection service of our residents refuse and recycling bins, commencing in September 2019 across the District and Borough.
- The case for this proposal is made by outlining a number of issues, and factors that both Councils will need to take into account including:
 - The legislative requirement for both Councils to improve their recycling rates from the present % rate, to achieve the European Waste Framework Directive target to recycle 50% by 2020.
 - The positive impact that alternate weekly collections has delivered for other Local Authorities who operate this collection system. Such change has supported significant change in the way that households manage their waste and all areas reports a reduction in the amount of residual waste per household, as well as an increase in the proportion of waste that is recycled.
 - The surge in community interest and involvement in environmental issues, that support the Councils ambitions to drive a sustainability agenda and be effective stewards of our natural resources.
- The report also provides information on how this proposal helps contribute to delivering objectives under each area as laid out in the Councils' strategic plan 'Platforms for our Places'

2.0 Recommendations

It is recommended that Joint Strategic Committee approves:

- 2.1 The introduction of an alternate weekly collection service of household refuse and recycling, commencing in September 2019. This will involve an operational redesign of services to be led by the Head of Environmental Services, supported by other departments as required.
- 2.2 Delivery of an extensive communication campaign in the lead up to and during implementation.
- 2.4 Delegated authority be given to the Director for Communities to procure additional bins needed during the delivery phase of the project.
- 2.5 That Officers report back to this Committee with a review of the delivery of the alternate weekly collection service, 6 months after implementation.

3.0 Context

- 3.1 The Councils have published an extensive set of ambitions in 'Platforms for Our Places' which was refreshed earlier this year. As leaders within our local systems we continue to review and evolve our service offer in line with a whole host of considerations, including statutory requirements, delivering best value and supporting wider environmental objectives, and it is within this context that we have decided to review our approach to the collection of waste and recycling. In recent months, we have seen a public ground swell in support for programmes which promote the best outcomes for our natural resources - 'the blue planet' effect. This is evidenced by the positive support for 'Refill' campaign in Worthing and the significant increase in beach clearance groups in 2018 against the the same period in 2017.
- 3.2 Both Councils presently provide a weekly waste collection of household refuse bins. Recycling bins are emptied fortnightly and there is also a chargeable weekly green waste collection service available to all residents.
- 3.3 This collection service model has remained unchanged for many years, and residents in Adur and Worthing have grown used to having their refuse bin emptied weekly. The time however is opportune to review how both Council's carry out their waste and recycling collections, as awareness and public desire to get involved in making a positive impact to their environment, whether locally or in a wider context has never been higher.
- 3.4 This proposal is one of a range of initiatives that the Councils has already or is considering implementing as part of its commitment to conserving, protecting and improving our shared environment.
- 3.5 Both Councils are keen to see how they can dovetail this growing community commitment to the environment into helping to reduce the amount of waste we

produce and improve recycling rates in order to support the County to achieve the European Waste Framework Directive target to recycle 50% (of all waste) by 2020.

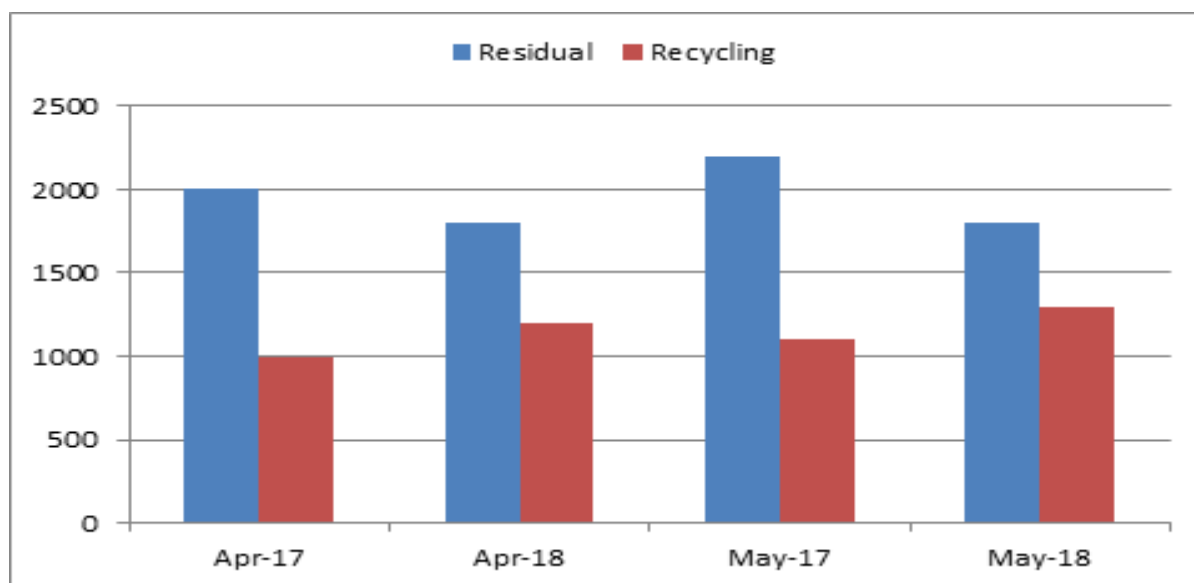
3.6 Both Council’s recycling rates are currently below this target:

- Adur 35%
- Worthing 37%
- Joint Average 36%

3.7 Despite both Council’s commitment to improve recycling, the proportion of waste that is recycled has plateaued. The proposed switch to alternate weekly collections has already been adopted by 76% of UK Local Authorities, who have seen overall a reduction in the amount of residual waste and an increase of between 5-7% in the proportion of waste that is recycled, following implementation.

3.8 Table 1 (below) shows the change in residual and recycled waste for Horsham District Council who moved to alternate weekly collections in February 2018. Of note is not only the increase in amount of recycled materials, but critically, a significant and greater reduction in residual waste levels. This means overall the recycling rate is increased by more than the additional waste recycled.

Table 1



3.9 The evidence therefore supports the assertion that changing the way in which waste is collected has demonstrable impact on the amount of waste discarded and recycled. This will be aided by the proposal to continue (in most cases) with the provision of 140 litre capacity bins, as this is proven to encourage people to reduce the amount of waste discarded and proportion of waste recycled.

3.10 This proposal will also provide an opportunity to review all of our current working practices, educational and communication approaches, with the view to providing our

residents with clear information on what they can recycle, and how they can reduce the amount they are putting into the waste stream.

- 3.11 There are no proposed changes to the current collection frequencies for recycling and green waste collection services.
- 3.12 The proposed implementation date of September 2019, has been selected as it provides a reasonable timeframe, post implementation, to embed the changes before a Bank Holiday leads to a change in collection day.
- 3.13 An internal service redesign of the waste collection service will be required to support this change, with all affected staff and trade unions being involved throughout. It is expected that the proposed change will reduce the present reliance on agency staff and improve flexibility and realise financial savings for the service. We will actively search for redeployment opportunities for any impacted staff, however it is anticipated that there will be no requirement for any compulsory redundancies as a result of this proposal.
- 3.14 The proposal also addresses the current need to introduce two new collection rounds to service the needs of new properties across Adur & Worthing. If approved, this change will mean that this is no longer required, leading to a further saving in the region of £250k per annum (across both Councils.)
- 3.15 It must also be noted that in the financial analysis undertaken, the proposal of West Sussex County Council to introduce a new "Waste Diversion Deal" from April 2019, which will be a change to the current payment mechanism and will result in joint income reductions of approximately £277,000 per annum has also been taken into account.

4.0 Issues for consideration

- 4.1 Table 2 shows the two key options that have been considered in this process. Other matters have been considered as part of an extension of Option 2. These include:
 - Fortnightly green waste collection - this has been discounted as this is a paid for service
 - Three weekly collections - discounted as this is too far removed from the current provision
- 4.2 The Committee will note that evidence suggests that whilst Option 2 will increase the proportion of waste recycled (as well as reducing overall waste levels) it does not achieve the European directives, signed up to by Government, of 50% of waste recycled by 2020. It will however support this being achieved by the County. The Committee may also be aware that some areas collect food waste and absorbent hygiene products (AHPs) which also count towards recycling targets. This is not being proposed at this time, and it is not currently operational in West Sussex.

However, the proposals contained in this report do not preclude the Councils from reviewing this in the future.

Table 2 - Options appraisal

Option	1 - no change	2 - Alternate Weekly Residual and Recycling Collection (Green waste collected weekly)
Financial Impact	Increase in revenue costs for A&W combined of over +£500,000 per annum This is made up of <ul style="list-style-type: none"> ● Minimum reduction in recycling credits from WSCC of £277,000 pa (could be higher) ● Cost of 2 additional rounds at £250, 000 pa 	Saving in revenue costs for A&W combined of -£594,000 per annum This is made up of: <ul style="list-style-type: none"> ● Fuel savings. ● Reduction in operational costs including agency staff costs. ● Lower % decrease in the recycling payments received from WSCC, due to an expected increase in the amount of recycled materials.
Recycling Impact	No change <ul style="list-style-type: none"> ● 36% 	Increase of 5-7% <ul style="list-style-type: none"> ● Up to 43%

4.3 The recommendation of this report is that the Committee adopt **Option 2** and agree to move to an alternate weekly collection system, whereby customers will have their residual waste collected one week, and their recycled waste the next. Green waste (which counts towards our recycling targets) will continue to be collected weekly.

4.4 Within the proposal, flexibility has been factored in to allow both Councils to still provide a weekly refuse collection service for houses of multiple occupancy (flats) and town centre properties where with limited space available for storage, it is not practical to introduce an alternate weekly collection service. However we will aim to work closely with these residents to encourage greater recycling and reduction of residual waste.

4.5 It is also proposed that for the households listed below, on application we will provide a larger 240 litre capacity bin :

- Households with five or more permanent residents
- Households with medical needs

4.6 Approximately 10% of our residential households have met this criteria previously and have larger refuse 240 litre bins presently.

- 4.7 For the provision of a new 240 litre residual waste bin if the household meets the above criteria, it is proposed to introduce a charge of £20 per delivered bin to cover the actual cost of purchasing the bin.
- 4.8 It is proposed to make no changes to both Councils' assisted bin collection policy.
- 4.9 It is recognised that both Councils have recently in 2017 invested over £4 million pounds in a new refuse and recycling fleet. The procurement exercise was designed to ensure that the vehicles purchased would be adaptable to meet any potential future changes in collection methods. The result is that the proposed new alternate weekly collection service will not require any changes to the current fleet.
- 4.10 The alternative option is to continue with the current weekly refuse collection. However, the retention of the existing model would not result in the projected increase in the recycling, assumptions of which are based on the evidence of other authorities moving to this model, and would cost an additional circa £1 million per annum when compared to the revenue savings that can be achieved through a change to the current model of collection. .

5.0 Communication and Consultation

5.1 One of the key drivers for this change is to promote and prompt behaviours across our places that lead to significant reductions in the amount of waste generated overall, whilst increasing the proportion that is recycled. The key to delivering these objectives will be an effective information and communication programme that reaches all of our communities. Our aim will be to not only ensure that residents are clear on how the proposed changes will affect their waste collections, but crucially, how they can make changes - before the implementation date of September 2019, that support these ambitions. Hence an extensive communication plan will be formulated, led by the Council's Communications team and supported by Environmental Services Officers. The delivery of this plan will run throughout the planning and implementation stages and will be designed to:

- Raise public awareness of recycling options and increase recycling rates
- Promote the reduction of residual waste
- Support the Council's wider strategic sustainability objectives
- Inform all households of the changes to service delivery and how it will affect them
- Reduce the risk of contamination levels (i.e residual waste in the recycling stream) increasing during the change to a new timetable.

5.2 A frequently asked questions document will be produced and regularly updated and published on the Council's website to provide a range of relevant information regarding the proposed change.

5.3 In order to fully support our residents during this implementation phase, we have also identified the need to be able to respond swiftly to any issues that arise, receive

feedback and make changes if required. In order to do this we will, in the short term, employ additional temporary staff in the Council's Contact Centre to ensure we meet the needs of any additional customer queries and listen to their feedback.

- 5.4 As these changes may require some internal operational/structural changes, all relevant staff and recognised unions will be fully consulted. As indicated above at 3.13 the work undertaken to date indicates that no compulsory redundancies will be required, and all changes will be undertaken in line with the Councils Managing People Change Policy.

6.0 Financial Implications

- 6.1 As indicated in Table 2, the cost of continuing to deliver the current services would mean the Councils' cost of waste and recycling collection would increase by over £500,000. This figure is made up of the additional revenue funding of £255,000 (which was built into the 2018/19 base budget) that would be required to create two additional rounds to service the increasing number of households from local developments and the impact of the introduction by West Sussex County Council of a new "Waste Diversion Deal" from April 2019. This is likely to cost the Council £277,000 in lost income as WSCC move to a statutory model of payment for recycled materials.

- 6.2. Option 2, the proposal to move to a model of alternate weekly collections for residual and recycled waste, would save the Councils £594,000 per annum. This reduction in costs would be achieved by;
- a reduction in both operational and fuel costs
 - the saving accrued by not having to fund additional rounds
 - additional revenue from increased recycling.

- 6.3 It should be noted that if the recommendations in this report are approved, the full per annum saving will not be realised until 2020/21 as the following would have an impact in 2019/20:
- Implementation costs of approximately £120,000 associated with communication and promotion of these changes, the appointment of a project manager and additional contact centre staff. No redundancy costs are included as none are expected per section 3.13.
 - A proportionate reduction in savings achievable in 2019/20 due to the implementation date being part way through the year.

7.0 Legal Implications

- 7.1 The Councils' waste collection duties are set out in Sections 45 to 48 of the Environmental Protection Act 1990.
- 7.2 The Councils' obligations in respect of the intermingling of recyclates are incorporated by the amendments made to the Waste Amendment Regulations 2012.

- 7.3 The Council will need to comply with its Contract Standing Orders in respect of any procurement for the provision of additional bin capacity.
- 7.4 Section 1 Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available of assets or services for the purposes of, or in connection with, the discharge of the function of the local authority.

Background Papers

None

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Sustainability & Risk Assessment

1. Economic

- The savings identified within the report will help to contribute to both Council's producing a balanced budget for 2019/20 onwards.

2. Social

2.1 Social Value

- The proposal has taken into account any potential impact that the change in collection frequency may result in, and has mitigated these risks through continuing with its Assisted Bin Collection policy and careful route planning.

2.2 Equality Issues

- Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

- Matter considered and no issues identified.

2.4 Human Rights Issues

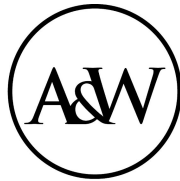
- Matter considered and no issues identified.

3. Environmental

- This proposal will have a positive impact on both Council's recycling rates and will contribute effectively to how we manage and protect our natural resources.

4. Governance

- This proposal helps to contribute to all of both Council's Platforms for our Places objectives of:
 - Our Financial Economies
 - Our Social Economies
 - Stewarding our Natural Resources
 - Services & Solutions
 - Leadership of our Places
- During the writing of this report, any implication to the Council's reputation and relationships with partners and community have been carefully considered and mitigated throughout the proposed changes to its waste collection services.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 November 2018
Agenda Item 12

Key Decision [~~Yes~~/No]

Ward(s) Affected: Selden

Adoption of the Brooklands Park Masterplan

Report by the Director for Communities

Executive Summary

1. Purpose

- The purpose of the report is to request that the Joint Strategic Committee approves the adoption of the concept masterplan produced for Brooklands Park.
- The report also provides information on the public engagement to be carried out following the launch of the masterplan in October 2018.
- It also outlines the proposed next steps for the redevelopment of Brooklands Park into a destination park, that will be also be a valued community asset for local residents.
- It also provides an update on the capital funded scheme to dredge Brooklands Lake and also the associated environmental enhancements of the islands, margins and Valley Gardens section of the Teville Stream which was undertaken over the past year.

2. Recommendations

2.1 It is recommended that Joint Strategic Committee approves:

- To adopt the concept masterplan produced for Brooklands Park.
- To recommend to Worthing Borough Council to approve the use of the budget for the replacement Par 3 club house of £225,000 for the initial works associated with the Master Plan.

- To note that the closure of the Par 3 golf course will result in a loss of budgeted income to the Council of £90,000 in 2019/20.
- To delegate authority to the Director for Communities, in consultation with the Executive Member for Environment for a detailed brief and specification to now be drawn up to enable the project to be tendered in a phased approach, having regard to the legal matters contained within the report.
- To actively pursue a reduction in the Council's costs through seeking external financial contributions towards the total cost of the scheme.
- To continue with the planned public engagement exercise to ensure that the local community are kept fully engaged and involved in the project.
- To request a further update report on progress made be brought to a future Joint Strategic Committee meeting when appropriate.

3. Context

3.1 The Councils' strategic plan 'Platforms for our Places' highlights the stewardship of our natural resources as one of our key priorities, the ongoing investment into Brooklands Park is an exciting and current example of how the Council is delivering on these ambitions, working closely with Members, the public, key partners and departments across the Councils.

3.2 Three previous reports have been received by this Committee since December 2016, when options to dredge Brooklands Lake were proposed and an option agreed to dredge the lake and undertake associated environmental enhancements of the islands, margins and Valley Gardens section of the Teville Stream.

3.3 The dredging of the lake and the majority of the environmental enhancement works were successfully completed in Spring 2018, with the contractors due to return this November to complete the outstanding works needed to complete the scheme:

- Planting of the islands
- Replacement planting
- Installation of an oxygenating fountain
- First year maintenance programme.

- 3.4 During this year, the Council also appointed (following a procurement exercise) Chris Blandford Associates (CBA), a nationally renowned landscape design and environmental planning consultancy, to produce a 'concept masterplan' for the development of Brooklands Park. Included in the brief was an aim to provide a master plan that supported the development of the park into a major asset for the community.
- 3.5 The process of developing this Masterplan has been fully supported by departments within the Councils including the Communications team who supported the launch of an online consultation exercise to ensure that the local community and interested parties, had every opportunity to give the Councils their views and help to shape the future of the park.
- 3.6 The feedback from the local community was fantastic, with over 800 responses received online and other feedback generated at engagement events. The collated results have been used by CBA to develop the concept masterplan.
- 3.7 Other key activities that have been required to support the development of the Masterplan have included:
- The completion of an ecological study to ensure that the park's current wildlife habitats and species were taken into account when drawing up the master plan.
 - A commercial feasibility study to assess the long term practicality and financial sustainability of the proposed concept master plan, when tested against standard commercial viability parameters. This was considered essential to help to contribute to the park's future sustainability.
 - Provision of all available service plans and known ground condition surveys to enable to ensure that any known restrictions were taken into account and which could impact on the development of the park when designing the master plan.
- 3.8 A draft masterplan and associated commercial feasibility study was produced by CBA in Summer 2019, and relevant Officers from Planning, Environmental Health, Technical Services & Environmental Services have since carried out a range of internal checks to ensure that the proposals contained in the plan could feasibly be delivered, subject to finance being available and any necessary planning consent granted.

3.9 The Officer's comments were fed back to CBA who revised and produced the final proposed master plan attached to this report for consideration.

3.10 The key features and benefits contained in the proposed master plan include:

- To develop the park into a new science adventure park, building upon ecological and environmental themes. These were key to the decisions regarding the dredging of the lake, and continue to be of significance to our communities.
- Provision of multiple indoor and outdoor leisure activities
- New cafe and lakeside picnic area
- Improved accessibility around the whole of the park
- Introduction of fitness trails and science related play activities
- Outdoor events and community activity areas
- Outdoor education area
- Community gardens
- New adventure play area which will continue to provide a number of specialised play equipment for children living with disabilities that the park already caters for
- Iconic vertical public art feature
- Improved access and connection to the seafront and cycling routes
- Increase in car parking spaces provided
- Refurbished public conveniences
- Further environmental improvements to complement the enhancements already completed in and around the lake

3.11 To enable the new features and benefits to be fitted into the park:

- The existing cafe and Par 3 pavilion buildings will be demolished
- The go kart circuit's concession lease will not be renewed when it expires in September 2019
- Par 3 course, putting green and pitch and putt course will not reopen
- The existing pleasure park buildings will be removed off site when the concession lease ends in October 2018

3.12 The Council has committed to help support the go kart concessionaire in potentially relocating the business in the local area.

4. Proposed Next Steps

- 4.1 Subject to approval being granted, it is next proposed for a detailed brief and specification to now be drawn up based on the concept master plan to enable the project to be tendered in a phased approach, having regard to the legal matters contained within this report.
- 4.2 A phased approach is proposed for a variety of reasons, firstly to ensure that as much of the park remains open whilst these works are ongoing, and secondly to support the Council to secure estimated funding of £2 million pounds required to deliver all of the features included in the concept master plan.
- 4.3 The Council has already allocated in the region of £225,000 through the existing capital programme towards delivering the project. In addition, the Programme contains rolling programmes for the delivery of both new playgrounds and public toilets which could be used to fund these elements of the project. This will enable the Council to start the detailed design work needed to take the scheme to the tendering stage, and also to start delivering the first phase(s) of the redevelopment of the park.
- 4.4 Officers will also actively seek external funding via sponsorship opportunities, external grant funding and private investment sources to reduce wherever possible the Council's financial commitments to the scheme.
- 4.5 It is proposed that a Project Board consisting of Elected Members (Executive Member for Environment and Ward Councillors) and Officers is set up to provide guidance and oversee the project. Progress reports will be brought back to this Committee at key stages of the project.

5. Engagement and Communication

- 5.1 Public consultation was carried out in Spring 2018, with over 800 responses received which were used by the consultants CBA to help shape the master plan.
- 5.2 The Friends of Brooklands Park have been actively involved in all matters related to the park since their formation and will continue to be instrumental in the proposed development and future management and maintenance of the park.

5.3 Public engagement around the concept master plan was launched in October 2018. Over 125 people attended the two public meetings held on 11 October 2018 organised to showcase the masterplan.

5.3 In the first week of the master plan being made available to view on the Council’s social media channels:

- Total FaceBook reach for Brooklands Masterplan story: 28k
- Twitter: 5.7k impressions
- LinkedIn: 347 impressions
- Website interactive map accessed: 2.4k times
- Website story accessed: 1.1k

5.4 The master plan launch has also been covered in the Worthing Herald, Worthing Argus and Worthing Journal and a radio interview on More Radio.

5.5 Public engagement will continue throughout the process and feedback received will be used to help shape the future development of the park.

6. Financial Implications

6.1 Overall the scheme is estimated to cost £2m. This can be broken down as follows:

Invest to Save Initiatives	£
Infrastructure for a new leisure facility	518,200
New car park	250,000
New cafe	400,000
Total invest to save initiatives	1,168,200
New facilities (funded by future capital programme):	
Playground	250,000
Toilets	100,000
Total cost of new facilities	350,000

Parks Infrastructure works (largely funded from the existing budget provision of £225,000) :	
Site clearance	69,820
New Roads and pathways	85,520
Improvements to entrance	26,200
New street furniture and hard-landscaping	70,000
Improvements to existing parking	10,000
Other improvement works	41,000
Total cost of infrastructure works	302,540
Enhancements (potentially funded from external contributions):	
	£
Sensory garden	30,000
Adventure play installations	22,000
Lakeside Picnic area	15,000
Community Orchard	10,000
Pondlife exploration area and associated planing	10,000
Public art	24,500
Shelter	8,000
Cycle stands	16,000
Total enhancements	135,500
Overall scheme cost	1,956,240

- 6.2 External funding will be actively sought towards the cost of the project. It should be possible to raise at least £140k towards the project. In addition to the items detailed above, funding will also be sought for the adapted play equipment which will be contained within the new playground and an application will be made to the Community Infrastructure Levy to support the project.
- 6.3 The proposed redevelopment contains three invest to save initiatives. Whilst modelling for the car park indicates that the income stream from the car

parking charges will generate sufficient income to recoup the cost of the improvements, the position with respect to both the cafe and new leisure facility are less certain as the rental income will depend on market conditions.

	Income	Debt charges	Costs	Net annual income
	£	£	£	£
Car Park	86,840	-6,250	-28,780	51,810
Cafe - Annual rental	22,000	-10,000	0	12,000
Leisure Facility - Ground rent	25,000	-12,960	0	12,040
Overall	133,840	-29,210	-28,780	75,850

To help mitigate this risk, it is proposed to undertake some soft market testing to establish market interest prior to committing the Council to spend of £1.2m on these initiatives.

- 6.4 The current capital programme contains a budget of £225,000 for the replacement of the Par 3 Club House. It is recommended within the report that this is used to fund the initial infrastructure works associated with the master plan. This will require Council approval as it exceeds the virement limits of the Joint Strategic Committee.
- 6.5 The capital programme contains rolling provisions for the cost of items such as Public Toilets and Playgrounds. It is recommended that when the 2019/20 - 2020/21 programme is considered in December that these budgets are earmarked towards the cost of replacing the facilities at Brooklands.
- 6.6 The recommendation within the master plan to remove the golf course from the park will mean a loss of net income in the interim. The golf course used to generate net income to the Council of £90,000 per year and this is contained within the existing revenue budget. Consequently, growth of £90,000 will need to be allowed for within the 2019/20 budget. In the longer term, income from the activity within the park is expected to grow particularly from car parking and rental income.

7. Legal Implications

- 7.1 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.
- 7.2 Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 allows a local authority to provide either indoor or outdoor recreational facilities as it thinks fit and that includes the power to provide buildings, facilities, equipment, supplies and assistance of any kind, either without charge or on such payment as the authority thinks fit.
- 7.3 Section 1 of the Local Government (Contracts) Act 1997 provides that every statutory provision conferring or imposing a function on a local authority confers the powers on the local authority to enter into a contract with another person for the provision or making available of assets or services, or both (whether or not together with goods) for the purposes of, or in connection with, the discharge of the function by the local authority.
- 7.4 Section 111 of the Local Government Act 1972 provides that the Council has the power to do anything to facilitate or which is conducive or incidental to the discharge of any of their functions.
- 7.5 The Council will need to comply with its Contract Standing Orders in respect of any procurement for the provision of additional services as set out in this report.

Background Papers

- Joint Strategic Committee Report - 6 December 2016 - Environmental improvement and future management options - Brooklands Lake.
- Joint Strategic Committee Report - 6 June 2017 - The environmental management of Brooklands Lake.
- Joint Strategic Committee Report - 10 April 2018 - Brooklands Park - Update on the actions made to date
- Brooklands Park Webpage:
<https://www.adur-worthing.gov.uk/parks/find/worthing/brooklands-park/>
- Brooklands Park Masterplan:
<https://www.adur-worthing.gov.uk/brooklands-park-masterplan/>

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Sustainability & Risk Assessment

1. Economic

- The proposal will have a positive impact on the economic development of our places. The redevelopment of the park into a destination park will help to attract additional visitors into the area, and the commercial feasibility study carried out will help ensure that the park's future financial sustainability.

2. Social

2.1 Social Value

- The proposed redevelopment of Brooklands will provide meaningful opportunities for community involvement in the future management and maintenance of the park, either as a individual or through the Friends of group that are already in place.

2.2 Equality Issues

- Included in the concept master plan design is the planned accessibility improvements around all of the park, as well as the commitment to retain specialist play equipment for children living with disabilities in the play area.

2.3 Community Safety Issues (Section 17)

- Through providing a vibrant park that will be used regularly and valued by the local community will help to reduce anti social behaviour activities taking place in the park.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- The protection and enhancement of the park's bio diversity was a key factor in determining the final design of the concept master plan building on the environmental enhancements already taken to the lake and its surroundings.

4. Governance

- The proposed ongoing investment into Brooklands Park is an exciting and current example of how the Council is delivering on the ambitions contained in Platform for our Places, in particular in its commitment to responsibly steward our natural resources.



ADUR & WORTHING
COUNCILS

Key Decision [Yes/No]

Ward(s) Affected: Central

Investing in Worthing Town Centre - Approach to Car Parking Provision

Report by the Director for the Economy and the Director for Digital & Resources

Executive Summary

1. Purpose

This report proposes a programme of car park redevelopment and refurbishment projects across Worthing Town Centre to ensure the continued strength of the town centre as a retail, leisure, and business location and to support the delivery of the adopted Worthing Investment Prospectus and the Adur & Worthing Growth Deal.

2. Recommendations

1. Agree the strategy for parking reprovision in Worthing town centre
2. To recommend to Worthing Borough Council to amend the 2019/20 capital programme to include the cost of refurbishment of Buckingham Road Multi-Storey Car Park at £1,533,000 funded by borrowing, the revenue consequences of which are to be paid for by car parking income.
3. Note the cost of the refurbishment of High Street Multi-Storey Car Park will be included in the 2020/21 Capital Investment Programme report to this Committee in December 2018 and

that the associated debt charges will be added to the Medium Term Financial Plan and will be funded as part of the 2020/21 budget round.

4. Note the detailed business case for Lyndhurst Road car park and the Town Hall car park will be reported to this Committee, subject to agreement of the proposed parking strategy.

3. Context

- 3.1 Worthing Borough Council (the Council) are investing in the town to support the economy, recognising the challenges faced by the high street and retailers across the country. The Seafront Investment Plan focuses growth to support the growing visitor economy and the Public Realm Improvement Programme is investing in creating high quality public spaces which support the diverse, independent businesses, markets, cafes and restaurants that are choosing to locate in Worthing town centre. This investment will improve the offer to residents and visitors alike. The regeneration programme, focussed on major redevelopment sites within the town will provide new homes and business/retail opportunities increasing the number and mix of people who come to live and work here.
- 3.2 The Council has committed to delivering new homes, jobs, retail opportunities and high quality and connected public spaces through re-development on several key sites in the town. These sites are: Teville Gate, Union Place, the Town Hall car park, and Grafton multi-storey car park (MSCP). These sites are dominated by public car parking (over 1300 spaces), often not in good condition, or the right location and where there is surface car parking, not making the best use of land given the limited supply of development land available. In order to ensure these schemes are able to progress and deliver the economic benefits the town needs as well as much needed housing, a strategy of dealing with the loss of parking that these sites currently provide is needed.
- 3.2 There is currently £2.7m planned expenditure within the capital programme which will address urgent repairs. In addition, Worthing Borough Council annually spends £101,240 on regular maintenance and repairs of the multi-storey car parks. These urgent works and repairs, whilst ensuring the car parks remain operational in the short to medium term, will not have a significant impact on the quality of

the offer to members of the public; will not increase the parking capacity; nor will it dramatically increase the overall lifespan of the car parks.

- 3.3 Levels of satisfaction with car parks are 55% for Grafton, 65% for High Street and 71% for Buckingham based on a survey completed over the summer. The customer experience is significantly influenced by the condition of the car parks, which can appear unwelcoming and dilapidated despite the best effort of the service to keep them clean and functional. The reliability of the lifts is also frequently cited as an issue by customers. The lifts in Buckingham Road car park were recently replaced which contributed to an increase in satisfaction from 61% in 2017 to 71% in 2018.
- 3.4 The car park in the poorest condition is Grafton MSCP. The extent of remedial works that would be required to significantly extend the operational life of the car park, based on the 2016 Condition Survey (Keegans, March 2016) would cost an estimated £10.2m. It would not increase the capacity or improve the retail and leisure offer within the town, not contributing to the Council's regeneration aims as set out in the Worthing Core Strategy; Worthing Investment Prospectus and Platforms for our Places.
- 3.4 The closure and demolition of Grafton MSCP will facilitate the redevelopment of the site to achieve the Council's regeneration aims. This includes supporting the retail core of the town by providing modern retail floorspace, increasing the leisure and food & beverage offer with the aim of increasing the towns evening economy offer as well as providing high quality residential units in a highly sustainable location close to myriad services and employment opportunities.

4. Issues for consideration

- 4.1 The Grafton Multi-Storey Car Park is nearing the end of its useful life. The current repairs will ensure that the car park can remain operational for a further 5 - 10 years. Whilst the car park does currently generate significant income (£0.7m pa), the age of the car park structure (constructed c.1968); degradation due to the exposed location and history of poor repairs and maintenance mean that to extend the operational life of the building would require significant building works (estimated £10.2m). This creates an economic burden and ongoing liability for the Council.

4.2 At the JSC meeting in April 2017, a capital works programme was agreed which would address immediate repair needs to ensure that the car parks remained safe and open for the next 5 - 7 years. A further report on the redevelopment of the Grafton Site in November 2017 detailed the long term future of the overall area in line with the Council's stated aims "for delivery of modern retail and leisure space, with associated residential development in a highly central location" (Worthing Investment Prospectus, 2016). In order to achieve this the existing Grafton car park would need be demolished to release the site for redevelopment. The extent of any new car parking provision within the development is uncertain at this time and will depend on the commercial viability assessment of the site which will be undertaken by a future developer. Removing the requirement to keep the existing car parking capacity within any potential development will enable the Council to more readily pursue the redevelopment of the Grafton site, as set out in Platforms for Our Places as a corporate priority.

4.3 The Council owned car parks currently provide c.1800 public parking spaces, with the majority (c.1,300) across the three town centre Multi Storey Car Parks (MSCPs), including Grafton. Figure 1 below shows the current levels of use of the Councils town centre car parks.

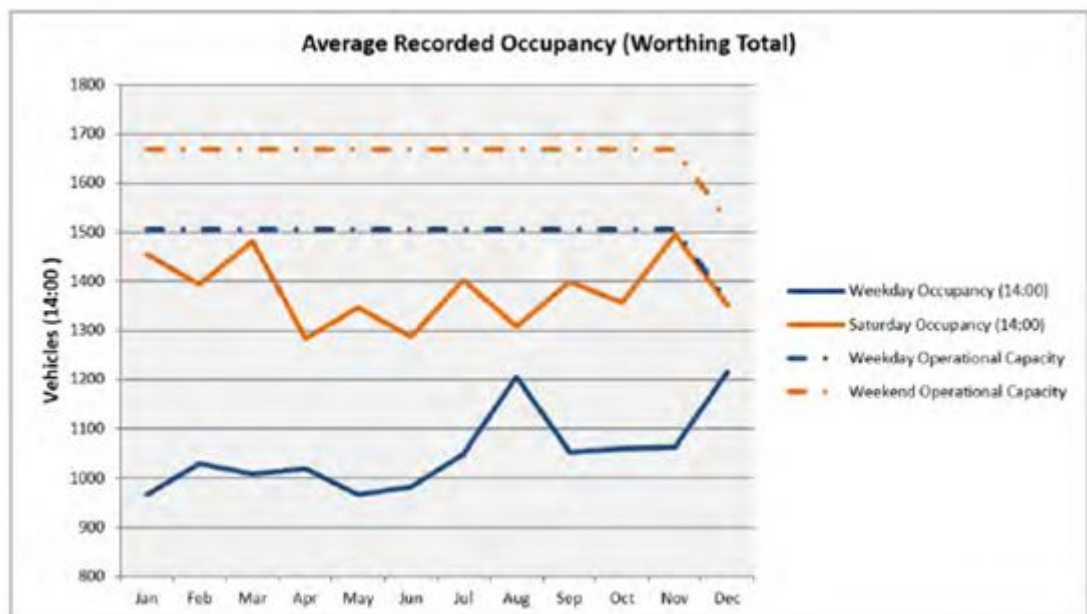


Figure 1: Average Occupancy Levels by Month (Worthing Total), Worthing Town Centre Parking Study, Project Centre, April 2018
(Note: Operational capacity is 85% of maximum capacity)

Figure 1 shows that there are significant peaks throughout the year, particularly during the summer and in the month leading up to Christmas, however there is still capacity within the town. The closure of Teville Gate MSCP (shown above as reduction in Weekend and Weekday Operational Capacity from November) has significantly reduced the overall number of spaces such that the seasonal peaks do reach weekend operational capacity.

- 4.4 The forecast closure of Grafton multi storey car park has therefore required careful consideration of the level of parking across the town centre and assess the suitability of the locations, number of spaces available and the quality of the parking provision going forward.

Proposed Parking Strategy

- 4.5 Opportunities have been identified to improve the quality and provision of off-street public car parking within the town centre (see Appendix 1 for car park locations). The fundamental premise of the proposal before the Committee is to greatly improve the quality of the off-street parking provision for residents and businesses alike whilst releasing the land on the major sites, enabling the regeneration projects needed to support the town, to proceed.
- 4.6 The proposed strategy for Worthing town centre off-street car parking provision is as follows:
- High quality refurbishment of Buckingham Road Multi-Storey Car Park
 - High quality refurbishment of High Street Multi-Storey Car Park
 - Short-term urgent works (which are currently underway) to allow Grafton to remain operational whilst other car parking solutions/works are carried out. In the medium term to close and demolish the car park, releasing the site for redevelopment
 - To increase spaces at the Town Hall car park by developing a public decked car park as part of the Health Hub redevelopment
 - To increase spaces at Lyndhurst Road car park by developing a public decked car park.
 - To increase levels of walking and cycling as an alternative means of accessing the town centre
- 4.7 This proposed strategy will maintain a good level of parking across the town, by re-providing a similar number of spaces to those that will be lost at Grafton (approximately 430 lost at Grafton and 300 new

parking spaces across the Town Hall and Lyndhurst Road sites). The careful phasing of the refurbishment works at both Buckingham Road and High Street MSCPs and construction of new parking facilities at the Town Hall and Lyndhurst Road, will minimise the disruption and limit the loss of parking capacity during the refurbishment and construction period. It will remove the requirement for public car parking re-provision from the major development sites (see paragraph 3.2) particularly Grafton. This will facilitate the redevelopment of the site for other uses which will support both the retail offer on the high street, the visitor/leisure offer on the seafront and increase the supply of sustainably located housing within the town.

- 4.8 The operation of the car parks and the way they function as either long stay or short stay car parks could be changed to make better use of the existing capacity. For example Lyndhurst Road Car Park could be made available for longer stay parking, freeing up the more central car parks for shoppers and short stay trips, helping to increase the viability of the town centre. The provision of safe cycle storage facilities at these convenient locations and electric vehicle charging points could be included to encourage use of alternative and more sustainable modes of transport. Sustainability will play an increasing role in the viability and operation of the town centre. The Council is already engaged in many initiatives to support modal shift which will reduce the demand for parking and in turn help to meet health and air quality goals; making Worthing a more attractive town centre. The implementation of the proposed parking strategy will be carefully integrated with other ongoing work to encourage modal shift away from single occupancy car journeys and towards more diverse and sustainable modes of transport bringing people into the town centre.

Alternative Options Considered

Do Nothing/Minimal

- 4.9 As with all functioning public buildings, regular maintenance is required. Whilst under previous management the MSCPs were not adequately maintained and this has resulted in a costly maintenance backlog. Therefore minimal intervention is not an option as greater investment is required to keep the MSCPs safe and operational. In the case of Grafton, if no remedial works were to be carried out the car park would need to be closed. The structure is reaching the end

of its operational life and suffers significant problems in particular the condition of the concrete, its exposed location and resultant degradation to the steel reinforcements. The immediate closure of Grafton MSCP would result in the loss of the existing capacity before any additional public parking capacity had been identified/created. It would also result in a significant loss of income from the MSCP and various properties connected to the car park (c. £750k/p.a.). The site would then remain dormant until such time as the Council were in a financial position to progress the redevelopment of the site.

- 4.10 The proposed Integrated Health Hub will occupy part of the existing Town Hall car park resulting in the loss of approximately 80-100 parking spaces. Without intervention, the parking capacity would be reduced whilst the likely demand increases with the introduction of 2 GP surgeries and other clinical services on the site. At Lyndhurst Road the temporary use of the redundant tennis courts for public car parking is due to expire in 2020 which would result in the loss of 69 spaces. Reducing the capacity of these car parks would also reduce the income the Council generates from these car parks.

Other Options to Increase Capacity

- 4.11 The temporary car park at Lyndhurst Road is located on a redundant tennis court south of the existing surface car park. There is a bowling green which is out of use and surplus to requirements as a bowling green. Subject to further investigation this could be used to provide additional surface car parking.
- 4.12 Additional capacity could be created at High Street MSCP by extending the car park east onto the large undeveloped grass verges. An estimated 275 spaces could be provided by developing this area. This would provide additional capacity at a well used and well located car park close to the retail and business core of the town. This would include refurbishment of the existing structure to raise the quality of the existing MSCP and extend its life c.10-15 years. However the 619 space multi storey car park would need to be closed during construction, a period of approximately 65 weeks. The estimated cost of the works is £20m. This would provide a useful medium term solution (life expectancy of the whole car park dependent on existing MSCP structure), however the closure of the Council's largest car park in the town would require the provision of temporary parking within the town centre, which would be in addition

to the cost of the works to High Street MSCP.

- 4.13 Another option would be the demolition of High Street MSCP and a new, larger MSCP being constructed on the larger site (incorporating the grass verge). This would allow for a fully integrated MSCP to be designed which made the best use of the land available, maximising the internal circulation and therefore the number of spaces that could be created. An estimated 1060 space MSCP could be constructed with a build cost of c.£25m. This would require the closure of the car park and loss of 619 spaces and associated income for the Council for approximately 2-3 years.
- 4.14 The option to do nothing is not feasible given the condition of the MSCPs and our duty of care. It would also result in a significant loss of parking provision c.600 spaces (Grafton MSCP, Town Hall and temporary spaces at Lyndhurst Road). The greatest increase in capacity is through the increase in size of High Street MSCP. This comes at a very high cost and leaves the town centre with a significant parking deficit of 619 spaces during construction. It also results in the loss of income to the Council whilst the car park is closed. It is considered that alternative temporary parking provision would be needed to compensate for the loss of spaces and income. Given the severe shortage of available sites, the temporary provision would likely be on the same sites identified in the preferred strategy and require further expenditure on design, planning, site investigations, etc., and be of a similar cost to the permanent proposals of the preferred strategy.

5. Engagement and Communication

- 5.1 The Parking strategy has taken over 12 months to prepare. Given the scale of the project, looking across the town centre, and the significant likely expenditure, regular Member engagement and briefing has been vital. This has included officer team briefings with the Executive Member for Regeneration whose portfolio includes car parking, and updates to the Major Projects Board as well as to the respective ward members.
- 5.2 The development of the parking strategy has relied on integrated, cross directorate cooperation, in particular between Parking Services, Major Projects, Technical Services and Finance teams. Officers from across the organisation have worked together to

develop a proposal which meets the requirements of on-going parking services/operations; the Council's commitments to regenerate the major town centre sites; the long-term financial ambitions of the Council and; reduces the maintenance burden in the long term. Officers from WSCC have been consulted and this report will form part of the background information for the Worthing Road Space Audit, being carried out by WSCC.

- 5.3 The strategy proposed in this report will have impacts on different projects and services across the town and therefore engagement with officers throughout the organisation has been important. This has included regular cross-departmental team meetings and 2 officer workshops looking strategically across the town and the connectivity of individual projects and wider strategies (e.g. the Public Realm Improvements Programme and the Seafront Investment Plan). As well as with representatives from the Town Centre Initiative, Worthing Chamber of Commerce and Worthing Hospitality Federation who were consulted on the proposed strategy.
- 5.4 The communication of the Councils investment in the town centre is vital. Ensuring we provide the public with clear information about what each of the individual projects are; when each project will start and what each project is going to provide/achieve is key. Therefore a communications strategy will be developed to support the proposed programme of refurbishment and construction works.

6. Financial Implications

- 6.1 The car parks provide the council with a valuable source of income to support services each year. The current budget shows that the overall net income raised by parking activity within the town is £1.12m which can be broken down as follows:

Car Park budget 2018/19

	General costs	High Street	Bucking ham	Grafton	Other car parks	Total
	£	£	£	£	£	£
Direct expenditure	93,830	282,680	86,380	231,290	155,860	850,040
Income		-963,950	-303,330	-699,730	-766,780	-2,733,790
Net direct cost / income (-)	93,830	-681,270	-216,950	-468,440	-610,920	-1,883,750
Support services						

- Parking Team	389,820					389,820
- Other support costs	275,340					275,340
Depreciation	98,940					98,940
Net annual income	<u>857,930</u>	<u>-681,270</u>	<u>-216,950</u>	<u>-468,440</u>	<u>-610,920</u>	<u>-1,119,650</u>

Current budget monitoring shows that income from car parking activity is approximately £170,000 above budget.

6.2 The current capital programme includes a budget of £2.7m which is being used for essential maintenance works at the car parks to ensure they remain safe for the next 5 - 7 years pending the outcome of the car parking strategy.

6.3 In preparation for the strategy, the Council increased car parking fees last year to fund both the essential maintenance works and any agreed improvement works. Of the additional income raised per year, there is £170,000 per year available to fund the revenue consequences of any proposed new refurbishment work.

6.4 **Options appraisal:**

6.4.1 **Option 1 : Status Quo**

The Council has the option to retain all of the existing car parks, ensuring that sufficient refurbishment works are undertaken to bring the car parks up to modern standards and to extend the life of these important assets.

A previous condition survey highlighted that the Grafton car park will require significant capital expenditure. The condition of the concrete is particularly problematic as it is deteriorating. Consequently, the Council is faced with significant capital costs over the next 5 years, although a full structural report regarding the condition of the Grafton car park will be needed to fully establish the cost of the proposed repairs. The proposed investment required to keep the car parks open in the long term and maintained to a good standard for the users of the service would cost the following amounts:

Option 1: Capital investment requirements	Year of improvement works		
	2019/20	2020/21	2023/24
	Buckingham	High Street	Grafton
Essential works:	£	£	£
Install new edge protection and barrier	284,280	546,860	473,070
Renewal of exterior and interior coatings	180,760	0	846,130
Refurbishment of stairwells and lobbies	104,880	0	174,520
Concrete repairs	67,750	135,500	2,571,320
Asphalt coatings to upper decks	0	0	1,039,000
Refurbished toilet	0	103,660	0
Replacement lifts	0	345,530	0
Other refurbishment costs	184,690	196,260	209,700
Total essential works	822,360	1,327,810	5,313,740
	Buckingham	High Street	Grafton
Recommended additional works:	£	£	£
Deck Coating	696,880	1,309,390	1,159,660
Cladding	0	836,710	0
EV charging points	13,690	33,360	22,780
Total recommended additional works	710,570	2,179,460	1,182,440
Total programme	1,532,930	3,507,270	6,496,180

The revenue consequences of this level of investment are significant and would inevitably reduce the net return to the Council from the car parking operations:

Annual running costs based on 2018/19 budget

	General costs	High Street	Buckingham Road	Grafton	Town Hall and Lyndhurst Road	Total
	£	£	£	£	£	£
Direct expenditure	93,830	282,680	86,380	231,290	52,380	746,560
Income		-963,950	-303,330	-699,730	-231,810	-2,198,820
Net annual income	93,830	-681,270	-216,950	-468,440	-179,430	-1,452,260
Support services						
- Parking Team	389,820					389,820
- Other support costs	275,340					275,340
Net annual income	758,990	-681,270	-216,950	-468,440	-179,430	-787,100
Revenue impact of capital investment required		291,440	160,060	514,190		965,690
Net annual cost / income (-) after investment made	758,990	-389,830	-56,890	45,750	-179,430	178,590

Under this option, the redevelopment of the Grafton site would likely be frustrated due to the constraints of developing the site around the existing car park.

6.4.2 **Option 2:** Demolish Grafton Car Park and refurbish the remaining two car parks.

Under this option, it is proposed to demolish Grafton car park and refurbish both Buckingham Road and High street car parks using the programmes detailed above. It is estimated that the cost of demolishing the car park will be between £1.1m and £1.4m, however this will remove the need to invest significant sums into the Grafton car park and potentially facilitate the redevelopment of the site by removing the obligation to develop around the existing car park.

However, this will result in a net loss of 431 spaces and the council will lose the opportunity to grow commercial income from this source in the future.

Overall, the net running costs associated with this option would be:

Annual running costs - based on the 2018/19 budget	General costs	High Street	Buckingham Road	Town Hall and Lyndhurst Road	Total
	£	£	£	£	£
Direct expenditure	93,830	282,680	86,380	52,380	515,270
Income		-963,950	-403,330	-231,810	-1,599,090
Net annual income	93,830	-681,270	-316,950	-179,430	-1,083,820
Support services					
- Parking Team	363,820				363,820
- Other support costs	275,340				275,340
Net annual income	732,990	-681,270	-316,950	-179,430	-444,660
Revenue impact of capital investment required	48,580	291,440	160,060		500,080
Net annual income after investment made	781,570	-389,830	-156,890	-179,430	55,420

6.4.3 **Option 3:** Demolish Grafton Car Park, rebuild High Street car park, and refurbish Buckingham Car Park

Under this option, the High Street car park would be redeveloped to produce more spaces (1,060). However, this would involve closing the car park for an extended period of at least two years. The cost of construction is likely to be in the region of £25m. The cost appraisal does not allow for the provision of any temporary car parking facilities which would add further to the cost. Overall the net cost associated with this option is:

Annual running costs - based on the 2018/19 budget	General costs	High Street	Buckingham Road	Town Hall and Lyndhurst Road	Total
Direct expenditure	93,830	484,070	86,380	52,380	716,660
Income		-1,592,840	-389,190	-231,810	-2,213,840
Net direct cost	93,830	-1,108,770	-302,810	-179,430	-1,497,180
Support services					
- Parking Team	363,820				363,820
- Other support costs	275,340				275,340
Net annual income	732,990	-1,108,770	-302,810	-179,430	-858,020
Revenue impact of capital investment required	48,580	971,640	160,060		1,180,280
Net annual income after investment made	781,570	-137,130	-142,750	-179,430	322,260

This is the most expensive option both in the short and long term.

6.4.4 **Option 4:** Demolish Grafton Car Park, build two new MSCPs on the Town Hall site and Lyndhurst Road and refurbish the remaining two car parks.

This option would involve building two smaller car parks which are estimated to cost the following amounts although these costs will need to be confirmed via detailed feasibility work:

- Town Hall £6.3m with a capacity of 280 spaces
- Lyndhurst Road £7.9m with a capacity of 350 spaces

Both sites would serve not only the town centre but local medical facilities (the new wellbeing and medical centre at the Town Hall site and the hospital) which will help secure future income streams during the week.

At present only limited charges are made at the Town Hall site which gives the Council a significant opportunity to generate additional income to pay for the investment required. Overall the net cost associated with this option is:

Annual running costs	General costs	High Street	Buckingham Road	Town Hall	Lyndhurst Road	Total
	£	£	£	£	£	£
Direct expenditure	93,830	282,680	86,380	127,870	159,840	750,600
Income		-963,950	-403,330	-436,040	-545,040	-2,348,360
Net annual income	93,830	-681,270	-316,950	-308,170	-385,200	-1,597,760
Support services						
- Parking Team	389,820					389,820
- Other support costs	275,340					275,340
Net annual income	758,990	-681,270	-316,950	-308,170	-385,200	-932,600
Impact of capital investment required in next 5 years	48,580	291,440	160,060	246,410	308,010	1,045,500
Net annual cost / income (-) after investment made	807,570	-389,830	-156,890	-61,760	-77,191	121,900

6.4.5 **Financial summary of options:**

Summary of Options:	Number of spaces	Net Direct income	Impact of debt charges	Net initial cost	Capital investment requirements over next 5 - 10 years	NPV (net income (-) / Net cost)
		£'000	£'000	£'000	£'000	£'000
Option 1: Status Quo	1,666	-787	966	179	11,536	1,872
Option 2: Demolish Grafton	1,235	-445	500	45	6,290	133
Option 3: Demolish Grafton and rebuild High Street	1,676	-858	1,180	322	27,783	6,489
Option 4: Demolish Grafton and build new car parks on the town hall site and Lyndhurst Road	1,508	-933	1,055	122	20,555	662

In the short term, the most financially viable option would be to demolish the Grafton Car Park and refurbish the remaining car parks (Option 2), this option would result in a loss of 431 spaces which support the Town centre economy.

If the Council wishes to facilitate the redevelopment of the Grafton site and replace a significant amount of the lost capacity of the Grafton car park with alternative car parking provision, then the most cost effective option will be to develop additional capacity at the Town Hall and Lyndhurst Road although further feasibility work is needed to confirm the construction costs. The expected growth in income over the next 50 years will make this the most financially viable option for the future whilst minimising the loss of car parking spaces.

6.5 Refurbishment of the existing car parks:

6.5.1 In the options outlined above, Buckingham Road car park will continue in its current configuration. The refurbishment costs of £1,532,930 proposed in paragraph 6.4.1 will cost the Council £160,060 in annual debt charges. It is proposed to use the surplus car parking income currently being generated from the new charges to fund this cost. Members are asked to recommend to Council to include the refurbishment of the car park in the 2019/20 capital programme.

6.5.2 If members opt to pursue Option 4, then the refurbishment of High Street car park (£3.5m) will also require funding. It is proposed to add this to the 2020/21 capital programme and to allow for the additional revenue costs (£291,000) within the Medium Term Financial Plan if approved.

7. Legal Implications

7.1 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.

7.2 Section 1 of the Local Government (Contracts) Act 1997 provides that every statutory provision conferring or imposing a function on a local authority confers the powers on the local authority to enter into a contract with another person for the provision or making available

of assets or services, or both (whether or not together with goods) for the purposes of, or in connection with, the discharge of the function by the local authority.

- 7.3 Section 111 of the Local Government Act 1972 provides that the Council has the power to do anything to facilitate or which is conducive or incidental to the discharge of any of their functions.
- 7.4 The Council needs to comply with its Contract Standing Orders in respect of any procurement for the provision of additional services in this report.

Background Papers

- Worthing Core Strategy, Worthing Borough Council, March 2011
- Worthing Investment Prospectus, Worthing Borough Council, 2016
- Condition Survey & Life Cycle Costs Report, Multi Storey Car Park, Grafton, Keegans, March 2016
- Platforms for our Places, Adur & Worthing Councils, December 2016
- Worthing multi-storey car park improvement programme: approval to commence capital works - Report to the Joint Strategic Committee dated 4th April 2017
- Health Related Development at Worthing Town Hall Car Park, Joint Strategic Committee, October 2017
- Grafton Multi-storey Car Park Redevelopment - Report to the Joint Strategic Committee dated 7th November 2017
- High Street & Buckingham Road Multi Storey Car Parks, Stage 2 Report, Stripe Consulting, March 2018
- Worthing Town Centre Parking Study: Assessment of capacity and future demand to the year 2033, Project Centre, April 2018
- Feasibility Report, Worthing High Street MSCP, Balfour Beatty, July 2018
- Initial Budget Estimate for Buckingham Road MSCP - FT Allen, August 2018
- Cost Planning, Cost Estimate Nr 1, High Street, Chatsworth Rd, Worthing, Potter Raper, September 2018
- Worthing Town Centre Car Parking Strategy, Project Centre, September 2018

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Sustainability & Risk Assessment

1. Economic

The investment by the Council is aimed at supporting the commercial centre of the town by providing high quality and convenient parking provision. It will replace poor quality parking provision, releasing this area for redevelopment. The redevelopment of Grafton is identified as a key transformational change for Worthing Town Centre. It is highlighted as a key area for change in the Worthing Core Strategy (2011), Worthing Investment Prospectus (2016) and Platforms for Our Places (2017). It will deliver modern retail floorspace and create a new retail circuit by reconnecting the High Street and the Sea front as well as new town centre residential units. This would bring new retailers to the town as well as supporting existing retailers by strengthening the high street retail offer.

2. Social

2.1 Social Value

The works proposed will provide safer and more accessible car parking facilities. It will enable development sites to come forward which will include new residential units which will provide a mix of new housing, including family size units. This will assist in addressing the significant shortfall of housing within the Borough.

2.2 Equality Issues

Matters considered and no issues identified

2.3 Community Safety Issues (Section 17)

The proposed improvements to both Buckingham and High Street MSCPs include improvements to the edge protection/barriers on all floors of the car parks. This will reduce the risk of accidents.

2.4 Human Rights Issues

Matters considered and no issues identified

3. Environmental

Matters considered and no issues identified

4. Governance

The proposed parking strategy aligns with the regeneration aims set out in Platforms for Places, the Worthing Core Strategy (and draft Worthing Local Plan) and Worthing Investment Prospectus. It aligns with the

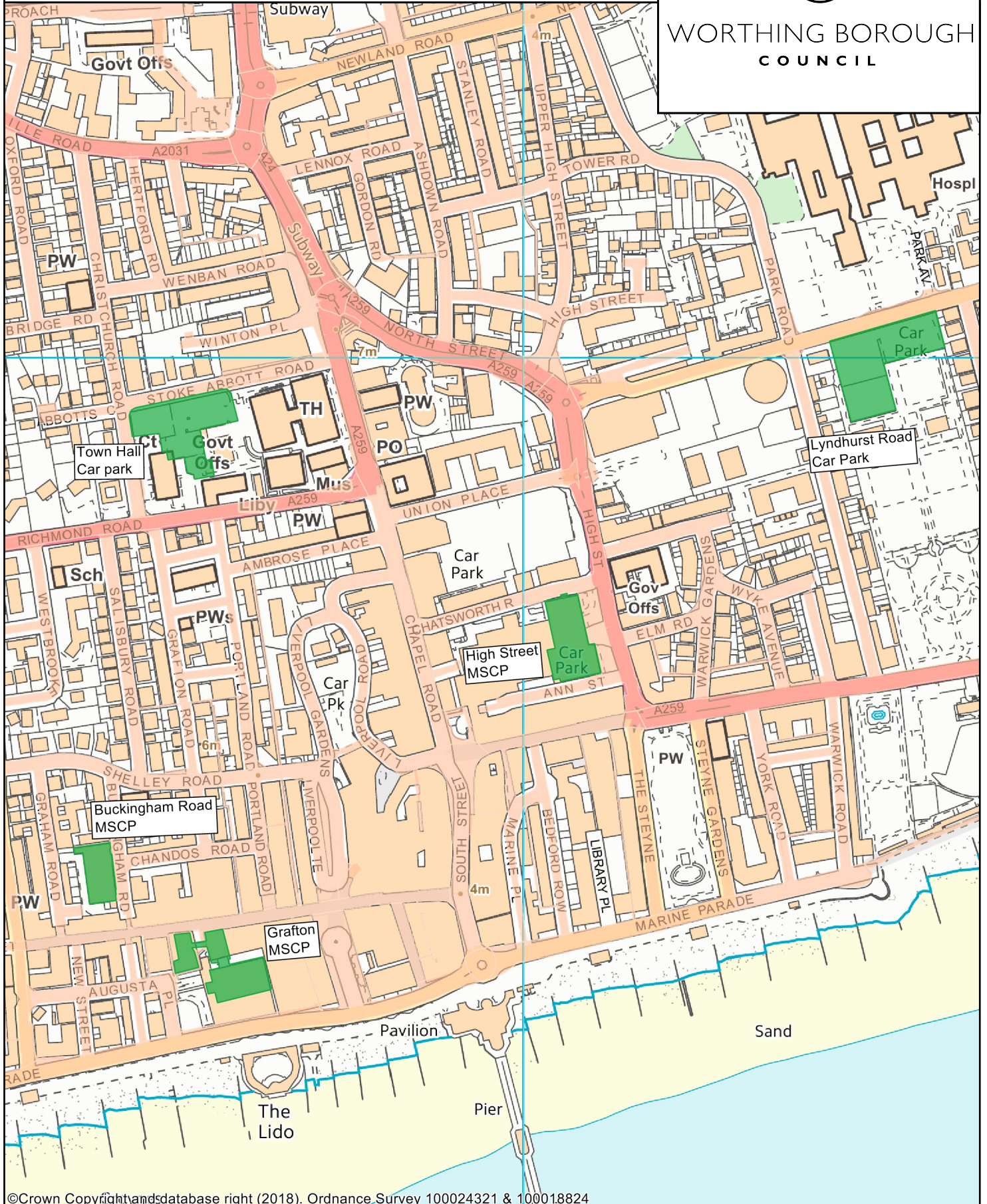
aims of the Seafront Investment Plan through the redevelopment of the Grafton site.

The Council is responsible for the health and safety of all users of its car parks. Improving the condition of the car parks would result in a greatly improved service offer to residents, businesses and visitors.

Appendix 1: Investing in Worthing Town Centre - Approach to Car Parking Provision



WORTHING BOROUGH
COUNCIL



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ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 November 2018
Agenda Item 14

Key Decision [~~Yes~~/No]

Ward(s) Affected:

Union Place Update

Report by the Director for the Economy

Executive Summary

1. Purpose

- To update the Committee on progress on the Land Pool and Promotion Agreement which Worthing Borough Council has entered into with London & Continental Railways Ltd
- To update the Committee on the masterplan options for the site which have been prepared and to agree the preferred option to take forward.
- To outline and agree with members the next steps in the project to ensure the development of the Union Place site.

2. Recommendations

- 2.1 To note progress made by the Council with London & Continental Railways on the development of the site and the completion of the Landpool and Promotion Agreement between the parties;
- 2.2 To note and agree the “Design Conclusions” of the study as set out in paragraphs 9.1 to 9.10 of this report as the preferred design approach for the scheme.
- 2.3 To note and agree the “Delivery Conclusions” of the study as set out in paragraph 9.11 to 9.15 of this report as the preferred approach for the delivery of the scheme.
- 2.4 Delegated authority is given to the Head of Major Projects & Investment in consultation with and Executive Member for Resources and Executive Member for Regeneration to market the development of the Union Place site, and negotiate, agree and enter into Agreement for Leases and Leases with commercial, public or other organisations for the delivery of the development on the site;
- 2.5 Delegated authority is given to the Head of Major Projects & Investment in consultation with the Executive Member for Resources and the Executive Member for Regeneration to make arrangements to terminate existing leases within the existing Union Place site, under existing Landlord and Tenant Law to facilitate the redevelopment of this site;
- 2.6 Delegated authority is given to the Head of Major Projects & Investment in consultation with the Executive Member for Resources; and Executive Member for Regeneration to make the necessary consultancy and contractor appointments to progress and submit an outline Planning Application for the development of Union Place, Worthing.

3. Purpose

- 3.1. The purpose of the report is to present members of the Committee with a recommended option for the development of the Union Place site (former Worthing Police Station site).
- 3.2. Following agreement at Joint Strategic Committee in April 2018 Worthing Borough Council (WBC) and London and Continental Railways Ltd (LCR) have been working together to understand the site constraints and to work up, and test, a range of development options for the Union Place site. The Landpool Agreement requires the parties to prepare a Study to determine the preferred option and delivery route. Following completion of the Study, the parties will work up and agree the Strategy setting out the route to take forward development of the site, the estimated costs and programme.
- 3.3. This report sets out the initial conclusions from this Study exercise, identifies issues for further consideration and sets out strategic options for how the development of the site could be progressed.

4. Context

- 4.1. Union Place is a site of strategic importance to the future of Worthing as highlighted within the Worthing Town Centre Investment Prospectus. The prospectus identified that the whole site has potential to deliver up to 200 new homes with further potential to accommodate a range of other town centre uses. The site currently comprises two operational car parks and the vacant site of the former Police Station.
- 4.2. At a freehold level the whole 2.6-acre site identified in the Investment Prospectus is now controlled by the Council. The Council purchased the former Police Station site (supported by an award from the Coast to Capital Local Enterprise Partnership) in January 2018. The Council had previously purchased, on an investment basis, the freehold of part of the site which is currently leased to a national parking operator in 2016. The Council intervened to purchase both of these land parcels to provide more control over of the development of a strategic site that has been underdeveloped for several years. The Council's moves to secure the control of all of these sites enables a comprehensive redevelopment of the sites and

enables us to look more constructively at delivering an investment that will support Worthing town centre for the long term.

- 4.3. Since late 2016, the Council has been working as part of a broad-based collaboration arrangement with LCR to bring a fresh approach to unlocking strategically important sites which have remained undeveloped.
- 4.4. On October 17th, LCR and the Council concluded a formal Landpool Agreement (as approved by the WBC Joint Strategic Committee on 10 April 2018) with LCR, a government owned company with a mandate to deliver homes and jobs through development. As part of the terms of the Landpool Agreement LCR acquired the freehold interest of the High Street surface car park from WBC and now has a minority interest in the Union Place site. The High Street surface car park which has been leased back to the Council.
- 4.5. LCR and WBC have been working collaboratively on this Study to understand site constraints and opportunities to deliver viable, regenerative development and to work up and to test a range of development options.

5. The Study Process

- 5.1. Following a competitive selection process, LCR and WBC appointed Hawkins Brown architects in July 2018 to undertake the development options study and develop indicative masterplan approaches. To support the study, Cushman & Wakefield provided an overview of the residential market in Worthing and WBC contracted with Gleeds to provide strategic cost advice.
- 5.2. The objectives for the development study follow those set out in the Landpool Agreement:
 - to deliver a well-designed sustainable mixed-use scheme which complements and enhances the town centre;
 - to provide activation which supports the economy of the town centre;
 - to secure the optimum value reasonably obtainable in the open market for the site; and
 - to provide high quality public realm and new north-south routes through the site.

5.3. The study boundary comprises the former Police Station site and the High Street surface car park and the car park site adjacent to the Connaught Cinema. The study also examined the potential benefits of the inclusion of other potentially important parcels of land or access points that might improve the sites interaction with the town centre and surrounding roads should the Council or a development partner be able to purchase them.



Figure 1: Site Study Area

5.4. Whilst previous studies had identified a range of uses on the site, a key part of the study was to holistically review and assess the optimal range of uses in response to emerging commercial, cultural and political opportunities. In order to achieve these objectives, the study follows a clear three step process:

5.4.1. Step 1 – Site appraisal

The architects were briefed and visited the site and were provided with a range of background and contextual information. Constraints and opportunities were identified.

5.4.2. Step 2 – Option analysis

Following the site appraisal phase, LCR and WBC agreed six options to be developed to explore a range of potential uses on the

site. Each option was developed to the same high level of detail to enable even comparison of their respective merits.

Uses that were explored as part of the option testing were;

- Residential
- Commercial
- Hotel
- Retail and 'Maker' Spaces
- Cinema and Leisure

5.4.3. Step 3 – Option refinement and testing

The third step in the process was the refinement of the preliminary high-level testing undertaken in Step 2 to gain a fuller and more robust understanding of their respective development potential. Three of these options and some variants were developed in more detail and subjected to high level financial appraisals.

- 5.5. From the outset of the study it became clear that it is important that the site should serve to fulfil a wider regeneration within the town, to encourage more people to choose to live and visit Worthing and to provide something new in the town and to enhance the local townscape.
- 5.6. It is important to note that the study to date only covers RIBA Stage 0/1 Strategic Definition/ Preparation and Brief. As such the schemes are high level capacity and masterplan studies only and are not design or architectural solutions.

6. Option Analysis

- 6.1. At Step 2 of the Study process, six development options were drawn up and assessed:
- 6.2. The long listed options tested were:
- Option 1 Base Case – a residential only scheme to test the capacity of the site)
 - Option 2 Residential and an office development of circa 70,000 sqft.
 - Option 3 Residential and extension to Connaught Theatre

- Option 4 Residential, multiplex cinema and associated car parking
- Option 5 Residential and hotel development
- Option 6 Mixed residential and commercial development.

6.3. All the scheme options were designed to enable delivery in at least two distinct phases – the development of the eastern part of the site (Areas B and C on Figure 1) which are immediately available and the eastern part of the site (Area A) which is currently operated as a surface car park by an operator who benefits from a long lease of the site from WBC.

6.4. The study at this stage also identified parking provision as a key design consideration. Commercial advice indicated that 1-1 parking ratio is beneficial to underpin the value and saleability of homes in Worthing. Given the site parameters, the options for parking are to provide it either at grade or within a basement. At grade, parking would need to be housed in a podium block to provide sufficient outdoor amenity for residents, however this would be unlikely to achieve the required 1-1 parking ratios and will have implications for residential unit quantity and quality at the lower levels.

6.5. The alternative approach is to construction a basement across all or part of the site to house the required parking levels. Whilst this option is more costly but would improve ground floor activation, increase unit numbers and provides an opportunity to re-provide the existing 227 car parking spaces on the site and retain the income this generates. This options also potentially allows for the development to be delivered in a more sequenced way allowing the placemaking components of a scheme to be established earlier which will in turn support the residential values we are assuming. Consequently, the refined options have been developed with both a basement and podium parking solution.

6.6. The options listed at 6.2 were assessed and refined into three core options with variants for more detailed assessment:

Option 1	Residential and commercial space at ground	This provides a 'base' option and should provide the most commercial scheme.
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Option 2	Residential and office/hotel development	Organisation of the site into four quadrants with office, hotel or residential interchangeable on the south east quarter.
Option 3	Residential and office/hotel development with 1-2 screen extension to the Connaught Theatre.	Organisation of the site into four quadrants with office, hotel or residential interchangeable on the south east quarter.

- 6.7. All the options are capable of being implemented in sensible phases and blocks. It was assumed that development would start on the vacant eastern site and a second phase on the western side would follow as and when the site became available. A basement solution would be most cost effectively delivered as a single operation across both sites. Both of options 2 and 3 offer flexibility in their use with the south east quarter able to accommodate standalone commercial office block or as a mix of hotel and additional residential. Development of a flexible masterplan may provide a solution any non-residential scheme is likely to be either very market dependent or responsive to any intervention the Council may seek to make to encourage uses.
- 6.8. The potential to create improved connections from the site to the west into Chapel Street and to the south into Chatsworth Road have been identified as being beneficial in creating a permeable scheme which better integrates into the town. Securing property interest or rights (or working with other landowners) to achieve this are considered worthy of further investigation.

7. Commercial Assessment

- 7.1. The commercial advice received suggested achieving viable ground floor uses would be challenging as it would be difficult to 'stretch' the existing town centre up to Union Place. The development of the site itself will generate demand for some local strategically placed retail

units to complement the other uses on the site. The study also identified the potential to explore a different form of ground floor commercial space – creative and maker space to provide activation and building upon the existing independent retailers and artists in Worthing. This would work particularly well as a creative quarter associated with a refurbished and extended Connaught Theatre.

- 7.2. A high-level cost plan has been developed for each of the options and London & Continental Railways have prepared several indicative development appraisals for the refined options listed at 4.6 to try to further understand the commercial dynamics of the development. Delivery of car parking within a full basement and podium structures has been tested.
- 7.3. There remain a considerable number of scheme variables and unknowns which make any form of development appraisal an iterative process at this stage of the process and so should be considered as a guide to be used for comparative purposes only.
- 7.4. The schemes were assessed on a residual land value basis considering an industry standard developer profit on cost which is likely to be sought by a third-party developer. The appraisals do not take account of the existing site value, so the residual value generated would need to be assessed against the existing asset value of the site and in the case of the NCP site – the cost of securing vacant possession of this lease.
- 7.5. It should also be noted that the appraisals currently exclude any affordable housing provision or other S106 provisions and this and any other policy priorities this would need to be funded from the residual value generated.
- 7.6. The commercial figures for the schemes are presented for the whole site, however, needs also be examined on a phase by phase basis as some phases, particularly those which are residential led perform better in terms of residual land value.
- 7.7. A summary of the results is set out below.

Option 1: Commercial at ground with residential above		Podium	Basement
	Description:	223 homes 14.8k commercial 120 parking spaces	231 homes 14.8k commercial 420 parking spaces
	Phases:	2	2
	Cost:	£78.9m	£82.5m
	Value:	£94.8m	£100.7m
	Residual Value:	£10.3m	£3.3m
	Comment:	<ul style="list-style-type: none"> · No affordable housing · No VP costs included. 	

Option 2: Separate uses by block: residential, workspace and hotel		Podium	Basement
	Description:	199 homes 21k commercial 66 bed hotel 113 parking spaces	207 homes 21k commercial 66 bed hotel 420 parking spaces
	Phases:	2	2
	Cost:	£70.03m	£74.9m
Value:	£84.9m	£92m	

	Residual Value:	£10.5m	£1.5m
	Comment:	<ul style="list-style-type: none"> · No affordable housing · Plot sale for hotel · Excludes VP costs 	

Option 3: Connaught extension with separate hotel and residential blocks.		Podium	Basement
	Description:	172 homes 13k commercial 66 bed hotel 2 screen cinema extension 113 parking spaces	179 homes 16k commercial 66 bed hotel 2 screen cinema extension 420 parking spaces
	Phases:	2	2
	Cost:	£63.6m	£68.3m
	Value:	£76.9m	£83.3m
	Residual Value:	£7.08m	-£2.67m
	Comment:	<ul style="list-style-type: none"> · No affordable housing · Excludes cinema subsidy · Excludes VP costs 	

7.8. The analysis undertaken has indicated that achieving a viable scheme may be challenging. Unsurprisingly, the wholly residential schemes performed the best although planning policy requirements including in respect of affordable housing have not yet been

incorporated but will be incorporated as we further refine the preferred option through the design and planning process. We have not at this stage considered different methods of delivering residential accommodation such as private rented sector or centre senior living targeted housing although the masterplan layouts will support the future inclusion of a variety of accommodation types.

- 7.9. Delivering a good overall design, a distinct product offer, high quality public realm and a good quality residential specification and finish will be key to achieving anticipated prices and sale rates.
- 7.10. The introduction of a wider mix of uses, reducing the quantum of residential accommodation does impact scheme viability as uses such as cinema, hotel and commercial are more uncertain from a demand and viability perspective. However, a mix of uses would provide wider economic benefits to the town centre and wider region and may enable the Council to pursue a wider regeneration led policy agenda. There is therefore a clear consideration to be made in the range and mix of uses and the aspiration of the Council and LCR to balance accommodating these uses against projected land receipt and scheme profitability.
- 7.11. There may be scope for the Council to consider 'packaging' local office occupiers interest or approaching Government agencies to provide sufficient quantum to pre-let an office element on the site. A good quality new workspace could be incorporated but whether this could be delivered at rental levels which are competitive to the local market stock would depend very much on the nature of the occupants and the funding arrangements (or yield) which could be secured. The sale of a site for a hotel development by a specialist operator has also been included.
- 7.12. The introduction of a cinema extension to the scheme is likely to require some form of operator subsidy based on soft market testing and has implications for the scheme in terms of viability when compared to other shortlisted options. The inclusion of a cinema extension provides an opportunity to reinforce and build on the

existing setting of the Connaught Theatre and may provide a catalyst for wider regeneration based around a new leisure and creative sector focussed destination for the town.

7.13. It should be noted that the appraisals do not include any costs for works to the Connaught Theatre itself and this would need to be the subject of a separate study should the Council wish to pursue this opportunity. Inclusion of a more modest modern cinema option mitigates the level of operator subsidy, the physical implications associated with a leisure 'box', and the necessary parking requirements associated with large multiplex which were considered and thought to compromise the overall quality of the scheme too significantly.

7.14. As stated at 7.3 the development appraisals are an iterative process and further refinement work is required to interrogate, and market test the appraisals to optimise the schemes and to improve their viability to deliver a policy compliant scheme.

7.15. Issues for Consideration

7.16 There are four specific considerations for the Council which have material implications on the financial performance and the nature and potential impact of the development scheme. A key task for the next stage of the scheme will be to resolve these issues in the best manner to ensure a viable scheme

Consideration 1: Parking

7.17 Provision of 1-1 parking ratios is likely to be required to support the value and saleability of the residential units. The current commercial advice is that given Worthing's location and transport links, it is likely anyone purchasing a unit in a new development, regardless of location within the town, would expect at least one allocated car parking space, with potentially two for larger units.

7.18 A full parking provision can only be sensibly achieved across the site with a basement parking solution. The provision of a full basement would enable a better overall design solution to be achieved whilst also providing 1:1 parking. However, while it would

carry a significant expense, it also provides an opportunity to retain the existing site car parking income through relocation of the existing car park lease or a replacement directly operated by the Council. These can be considered as part of an overall financial appraisal for the scheme.

Consideration 2: Site Value & Income Streams

- 7.19 The Council has invested to purchase the former Police Station site and purchased the freehold of the NCP site on an investment basis using LEP funding and Public Works Loan Board funding respectively. It may be challenging to recover all investment in short-term from the development of the site but the delivery of a new ambitious regenerative scheme for the site may enable wider benefits for the town that the Council may wish to capture. Investment in both sites was in part justified by taking back control, to break the inertia, and to deliver a comprehensive regeneration scheme.

Consideration 3: Ground Floor Uses and Activation

- 7.20 The delivery of sustainable ground floor commercial uses is likely to be challenging. It is unlikely to be possible or acceptable to attempt expand existing retail core. Some local demand may be enough to support commercial/ retail in strategic locations on the site to activate the public realm.
- 7.21 Careful design to include front doors at ground levels such as through duplex maisonettes may also be a route to provide an attractive street frontage. There may also be scope for the Council to facilitate small scale commercial office uses at ground and first floor.
- 7.22 It is considered that it would be positive to explore options for the development of a creative or maker yard space within the development to provide a distinct new destination and retail which does not compete with traditional town centres. Uses might include a microbrewery or artist studios and could build on towns existing independent retail sector and creative/ artistic resources. This has been done successfully elsewhere but would require careful curation and a flexible commercial approach.

Consideration 4: Affordable Housing Provision

- 7.23 Further refinement of the preferred option to enable the delivery of a policy compliant affordable housing offer on the site will be a priority for the scheme.

8. Delivery Options

- 8.1. The WBC Joint Strategic Committee report dated WBC Joint Steering Committee on 10 April 2018 considered in detail a range of different delivery options and approved the establishment of a landpool arrangement with LCR as the first step to develop the site. The landpool agreement sets out a process by which a Study is undertaken to assess a range of development options, the results of which are set out in this report. Following completion of the Study, WBC and LCR are to agree a development strategy for the site and the costs to achieve this which would primarily be funded by LCR through the landpool mechanism.
- 8.2. Both organisation's key objectives in terms of a delivery route are understood to be:
- To bring the site forward for development with pace - as soon as possible and maintaining visible progress throughout;
 - To ensure the mix and quality of development achieves a beneficial regenerative impact on the wider town centre;
 - To retain control; and
 - To optimise financial returns.
- 8.3. The previous Joint Strategic Committee report in April 2018 considered the range of different development options and at a higher level the advantages, disadvantages, costs and programme implications of each for comparison. The Council could simply sell the land on to a developer to bring forward a viable scheme, with control exercise via statutory planning functions. However, the Council would lose control and any longer-term revenue. At the other end of the spectrum, the Council could take on full responsibility for the development of the site as owner/developer but would take on full development risk, would need to finance a scheme and may not have the necessary expertise in-house.

- 8.4. Beyond a straightforward sale of the land or direct development, there are a range of different partnership arrangements that warrant consideration. A formal joint venture with a private sector partner offers 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.
- 8.5. In this instance, given there are likely to be ongoing scheme viability challenges which require further scrutiny, work is required in terms of securing vacant possession and there remain opportunities to optimise the mix of uses, it is considered that WBC and LCR should promote a flexible planning application for the site. The form of the planning application would need to be worked through with WBC planning officers but should provide at least an outline for the whole site including the leased out car park potentially alongside a detailed first phase of development activity. The planning process provides time for a further investigation of the market for appropriate uses and confronting some of the more challenging financial issues associated with the site as well as the investigation in acquiring further land interests and rights.
- 8.6. Should planning consent be secured, the full scope of scheme delivery options remains open to the Council from sale to direct development and in addition there would be scope to implement a variety of routes e.g. plot sale for hotel development or direct development of affordable residential, whilst retaining control of the overall development delivery and design approach.

Planning Strategy

- 8.7. The planning strategy will require further development at the next stage. Initial thoughts, based on the study, are that as all the options analysed that look to deliver comprehensive redevelopment of the whole site, that an outline and reserved matters planning consent is an appropriate route to enshrine the masterplan layout through a planning application. This will give confidence to the market of the capacity of the site but still allows enough scope for a developer to use their commercial acumen to optimise the detailed design.

Exploratory discussions are proposed with local housing developers and registered providers to assess whether there is any scope to bring such expertise within the design process.

- 8.8. It is currently estimated that a planning application could take up to 12 months for a consent to be achieved, and could cost £400-£600,000 depending on the type of application progressed. Should this option be accepted a more detailed budget and programme would be prepared and funding could be provided by LCR under the landpool mechanism.

9. Study Conclusions and Recommended Next Steps

Design Approach Conclusions

- 9.1 Given the strategic location of the site, there is an opportunity to deliver a wider regenerative impact through driving a mix of uses on the site, ground floor activation and a leisure offer. However, there is a need to balance the benefits of a potentially less valuable scheme and lost income, against wider regeneration benefits for Worthing town centre.
- 9.2 It is considered that the flexibility and range of uses in option 3b presents (residential, cinema, hotel/office, maker space / creative area) represents the most impactful and ambitious scheme from a regeneration point of view. There are a number of considerations / unknowns that will need testing at the next stage of activity to understand scheme viability and this applies to both the basement and podium options. Considerations such as funding, parking, phasing need to be worked through at the next stage and so the preferred approach for this stage to conclude the Study would be to recommend schemes 3b with podium and 3b with basement are taken forward for further investigation.
- 9.3 The Council and LCR should develop a flexible masterplan imbedding good quality public realm and new public connections which could respond and support the inclusion of different uses alongside a residential scheme to guide the future development of the site. This would allow the incorporation of different uses or a reversion to a

residential-led scheme depending on the market and availability of funding.

- 9.4 As a priority, a first phase of residential on the north east corner of the site which is common under all options examined should be advanced. This is likely to be a viable aspect and will enable an early start on site and visible statement of progress and allow time for the market demand for alternative uses to be investigated and the inclusion of the NCP site tested.
- 9.5 The project team should work to review the appetite and feasibility a refurbishment of Connaught Theatre with a modern extension to the cinema, further test the market for operator interest, and work to further understand how any operator subsidy could be afforded in the context of the wider redevelopment.
- 9.6 As part of the design process, the project team should undertake further analysis to optimise the financial performance of a base scheme for the site including an enhanced delivery of affordable housing including examining plot or block sales for affordable housing to provide the basis for any planning application.
- 9.7 The project team should Investigate feasibility/ market interest for a hotel or for collating pre-lets interest for an office or workplace component.
- 9.8 The project team should investigate further the appetite and financial capability to trade both site value/loss of income and a less viable scheme (via basement parking) to achieve a more impactful regenerative scheme. The necessity of high levels of parking provision and the impact on sales values/marketability needs further assessment as do potential residential tenures which have a reduced parking requirement.
- 9.9 Test the desirability and feasibility of including maker/creative space as part of any scheme through an analysis of similar schemes.
- 9.10 Review opportunities for financial support from other sources including Homes England and the Coast to Capital LEP.

Delivery Approach Conclusion

- 9.11 To progress the preferred option of an achieving an outline planning permission that delivers flexibility in the uses that can be achieved and develop a further detailed planning strategy.
- 9.12 To procure a design and planning team and develop a more detailed budget for submission of a planning application which would be funded by LCR though the land pool arrangements. The options for delivery post planning remain open from direct development to sale of the site.
- 9.13 To continue to work to ascertain the feasibility of the purchase of any necessary freehold or leasehold interests required to deliver the preferred option, and to consider options to mitigate or maintain the Council investment income from the site.
- 9.14 To continue to ascertain the feasibility of options (and viability) for purchase of adjacent sites or to acquire pedestrian rights over any suitable access that would improve the site's relationship with Chapel Road and the surrounding areas.
- 9.15 To continue to work to address any legal constraints that exist on the site which will complicate development or sale of the site or add cost/risk. The aim should be to de-risk development of the site as far as possible by resolving any complications or putting options/arrangements in place that a developer can implement.
- 9.16 To note that the outputs of the study and resulting preferred scheme (in terms of jobs created and homes delivered) differ from the scheme which was submitted to the Coast to Capital LEP to justify their funding of purchase of Site B. As such continued engagement with Coast to Capital is required to ensure their ongoing support.

10. Financial Implications

- 10.1 The two car parks generate income streams to support the Council's activities.
- 10.2 **Site A: Privately operated car park**

- 10.2.1 Site A was purchased using the Strategic Property Investment Fund for £6m which was financed from borrowing. The Council currently benefits from an annual rental payment of £306,340 and pays debt charges of £216,610. Overall the site generates net income per year of £89,730.
- 10.2.2 The initial lease was for 25 years and allows for an annual RPI uplift in the rental payment. The lease also has a clause which allows for a 25 year extension when the current lease comes to an end on 28th May 2037. Consequently a substantial lease premium funded by any developer would have to be paid to end the current lease and use the site for another purpose.
- 10.2.3 It is expected that if the site is sold for redevelopment then the Council would obtain at least £6m and would be in a position to repay any associated debt, however the Council may lose some or all of the benefit of the net income from the site depending on the eventual disposal price.

10.3 **Site C: Public car park**

- 10.3.1 Site C, High Street surface car park has recently been disposed of to LCR under the land pooling agreement for £455,600. Under the terms of the agreement, the car park has been leased back to the Council for a rental payment that is equivalent to 50% of the net income. The car park is estimated to generate the following income for the council in 2018/19:

2018/19 budget:	£
Rates	9,580
Maintenance	6,310
Services	4,610
Total costs:	20,500
Income	
Car Park Fees	-64,400
Rental income	-2,500
Share of Ringo income	-5,250
Net income	-51,650

Net rent payable	25,830
Net income from the car park	-25,820

- 10.3.2 The receipt from the sale of the land will be used to fund the capital programme, thereby reducing down the financing costs of the Council by £50,000 per year for the next 15 years.

11. Legal Implications

- 11.1 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.
- 11.2 Section 1 of the Local Government (Contracts) Act 1997 provides that every statutory provision conferring or imposing a function on a local authority confers the power on the local authority to enter into a contract with another person for the provision or making available of assets or services, or both (whether or not together with goods) for the purposes of, or in connection with, the discharge of the function by the local authority.
- 11.3 Section 111 of the Local Government Act 1972 provides that the Council has the power to do anything to facilitate or which is conducive or incidental to the discharge of any of their functions.
- 11.4 The Council needs to comply with its Contract Standing Orders in respect of any procurement for the additional services set out in this report.
- 11.5 Under the Public Contract Regulations 2015 where a public authority is to enter into a contract for the supply of goods and services and the value of those goods and services exceeds a financial limit of £181,302, (or for works contracts £4,551,413), any procurement exercise to contract for those goods and services must be conducted in accordance with the regulations and a failure to do so may be declared upon receipt of a procurement challenge anti-competitive and in breach of the regulations.
- 11.6 Section 123 of the Local Government Act 1972 places an obligation on local authorities to dispose of land for best consideration, which is not

limited to the monetary purchase price but may include other elements in the transaction provided those have a quantifiable commercial or monetary value.

- 11.7 The Council must ensure that it does not offend the rules against State Aid which prohibit public bodies from favouring certain undertakings and distorting competition in any future proposals for the development of Union Place.

Background Papers

- Worthing Core Strategy, Worthing Borough Council, March 2011
- Worthing Investment Prospectus, Worthing Borough Council, 2016
- Union Place Redevelopment – Report to Joint Strategic Committee on 10th April 2018

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