



ADUR & WORTHING
COUNCILS

28 September 2020

Joint Strategic Committee	
Date:	6 October 2020
Time:	6.30 pm
Venue:	Remote Meeting via Zoom

Committee Membership:

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

Worthing Borough Council: Councillors; Daniel Humphreys (Leader), Kevin Jenkins (Deputy Leader), Edward Crouch, Heather Mercer, Elizabeth Sparkes and Val Turner

Agenda

Part A

1. Declarations of Interests

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 8 September 2020, copies of which have been previously circulated.

3. Public Question Time

To receive any questions from members of the public.

Questions should be submitted by **noon on Friday 2 October 2020** 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. Commercial food waste collections (Pages 1 - 12)

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

6. Providing a brighter future - supporting the Kickstart scheme (Pages 13 - 22)

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

7. JOSC review of alternate weekly Refuse & Recycling collection service (Pages 23 - 36)

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

8. Maximising space for homes in Adur (Pages 37 - 50)

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

9. Enabling Communities to Thrive in Their Homes - Draft Leasehold Management Policy (Pages 51 - 58)

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

10. Worthing CIL - revised draft Charging Schedule (Pages 59 - 86)

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

11. Exclusion of the Press and Public

In the opinion of the Proper Officer the press and public should be excluded from the meeting for consideration of item 12. Therefore the meeting is asked to consider passing the following resolution:

'that under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting from the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the paragraph of Part 3 of Schedule 12A to the Act indicated against the item'

Part B - Not for Publication – Exempt Information Reports

12. Maximising space for homes in Adur - Exempt Appendix (Pages 87 - 88)

To consider an exempt appendix relating to item 8.

Recording of this meeting

The Council will be live streaming the meeting, including public question time. A 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).

For Democratic Services enquiries relating to this meeting please contact:	For Legal Services enquiries relating to this meeting please contact:
Neil Terry Democratic Services Lead 01903 221073 neil.terry@adur-worthing.gov.uk	Andrew Mathias Senior Solicitor 01903 221032 andrew.mathias@adur-worthing.gov.uk

Duration of the Meeting: Four hours after the commencement of the meeting the Chairperson will adjourn the meeting to consider if it wishes to continue. A vote will be taken and a simple majority in favour will be necessary for the meeting to continue.

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ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 October 2020
Agenda Item 5

Key Decision [Yes]

Ward(s) Affected: All

Commercial Food Waste Collections

Report by the Head of Environmental Services

Executive Summary

1. Purpose

- To brief members on the proposed, and recommended, product build and launch of a new Commercial Food Waste (CFW) collection service for Adur and Worthing businesses.
- To seek approval to proceed with the above and delegate authority, where appropriate, to the Director for Communities to procure equipment and tender for contracts, where required, to operate the service.

2. Recommendation

2.1. The Joint Strategic Committee is recommended:

- a) To delegate to the Director for Communities authority to procure for, and purchase, a waste food collection vehicle.
- b) To delegate to the Director for Communities authority to procure for a food waste disposal agent, and to enter into a contract with the most economically and operationally advantageous provider.
- c) To approve the introduction of a new commercial food waste collection service for business only.

d) To approve the purchase of the vehicle and associated equipment (£85,000), funded from the Capacity Issues Reserves split as follows:

- 70% to Worthing (£59,500); and
- 30% to Adur (£25,500).

This is based on expected volumes of business for each Council.

e) To note that a progress report will be presented to the Executive Member of the Environment 6 months after the implementation of the scheme.

3. Context

A&W Commercial Waste Services collect general and recycling waste weekly, from businesses within Adur and Worthing. Recycling waste is disposed of via West Sussex County Council's facility. General waste is disposed of via a private waste disposal contractor, to be processed by incineration and converted to electricity (energy from waste). Offering a new Commercial Food Waste collection service would fill a gap in the market in Adur & Worthing Councils' Commercial Waste Services portfolio.

In line with Platforms for our Places, local Adur and Worthing businesses stand to benefit by having cheaper waste disposal bills and by reducing their operational impact on our environment if this new product is introduced.

- 3.1. Fees for the disposal of general waste are charged for 'per tonne' measured by the lorry load, 'at the gate'.
- 3.2. A&W Councils are currently in contract to process commercial general waste.
- 3.3. The commercial customer market for waste disposal is highly competitive and Adur & Worthing Commercial Waste price rises must be carefully considered and planned. Rising general waste disposal costs are reducing surplus made (margins) across the current commercial waste portfolio, relative to the market price for the customer product.
- 3.4. During in-house customer survey work conducted December 2019 to January 2020, a gap-in-the-market for the collection of food waste from businesses such as restaurants and care homes, as a new commercial product, was identified.
- 3.5. Competitor waste providers already offer commercial food waste collection services to business customers within the Adur and Worthing areas and beyond.
- 3.6. Some commercial customer contracts mandate a separate waste stream for food waste (e.g. schools). Without a separate commercial food waste collection product, Adur & Worthing Commercial Waste would be excluded from some future tenders.
- 3.7. Following waste composition analysis we found that, on average, 30% of a general commercial waste bin's contents were in the form of food waste.

Removing this weighty element from the bin, and disposing of it separately, saves the Councils in general waste commercial disposal fees which are more expensive.

- 3.7.1. Example: For food waste producing customers, an 1100 litre general waste bin weighing (a popular product) 90Kg of waste typically holds approximately 25Kg of food waste. Diverting food waste to a cheaper, more sustainable means of disposal saves Adur & Worthing Councils approximately £148 per year, per customer, in general waste disposal fees.
- 3.8. A full-option and cost-analysis approach has been taken. 11 product options have been considered, including 'do nothing'.
 - 3.8.1. Compared with partnering with another Council and a private operator, Option 1c (run and manage service in-house, using own vehicle and staff) was selected as the best option for the Councils to pursue.
 - 3.8.2. £13K is expected in commercial disposal fee savings, at a base size of 65 customers, or more, over a 1 year period.
 - 3.8.3. Combined with expected annual commercial disposal savings of around £13K, the expected net income/ saving is likely to be between £18K and £30K, when inflation and rises in general waste tipping fees are considered, plus product price rises.
- 3.9. For many business customers who currently have multiple collections of general waste per week, customers can expect a reduction in their bills.
 - 3.9.1. Example: A **business customer** who downsizes their general waste regime and takes the new commercial food waste collection product, paying £1,632.80 per year for 4 collections per week (52 weeks per year), can expect to **save** around £400 per year on their annual bill (subject to survey).

4. Issues for consideration

Adur & Worthing Councils Environmental Services and the Adur & Worthing Councils Business Development Manager recommend the creation of a new Commercial Food Waste collection service for business customers within the areas of Adur and Worthing.

- 4.1. Adur & Worthing Commercial Waste products are strategically important for the Councils, financially. Over 2500 customers must be defended. The current commercial waste portfolio operates in a highly-competitive environment. Two local service providers have been identified who offer food waste collections as part of their service.
- 4.2. To remain competitive and support our local customers in-line with Adur & Worthing Councils' Platforms' agenda, commercial food waste collections should be included in the Adur & Worthing Commercial Waste's product mix.
- 4.3. Defra's Waste Strategy Paper for England should conclude by 2023. It is expected that it will become mandatory for local government authorities to provide the collection of food waste as a service to residents in future.
 - 4.3.1. It is therefore strategically important to have this capability ready for 2023. The acquisition of plant and equipment and new skills gained through the commercial product, will facilitate Adur & Worthing Councils' potential future public food waste collection service.
- 4.4. Currently, commercial general waste collected by Adur & Worthing Councils is not sent to landfill, but is treated locally by an 'electric generation, energy from waste' process. Food waste with its generally inherent high water content can hamper this process. At the commercial waste disposal facility, 'wet' waste must be sorted from drier combustible material, a burden which can be reflected in disposal prices per tonne.
 - 4.4.1. Separating out, and therefore removing food waste from this process, could save money in future general waste disposal contracts.
 - 4.4.2. Diverting food waste to a food waste disposal specialist to be converted to a biogas, is recognised as a more sustainable method of electrical energy production.
 - 4.4.3. Electricity generated from biogas as opposed to electricity from general waste is a less carbon intensive process and more efficient.
 - 4.4.4. In the UK, biogas is classified as a renewable energy.

4.5. COVID-19

All market assessment, consultations and engagements took place prior to the COVID-19 UK lockdown in March 2020. Market conditions have of course changed since then and work continues to assess the likely impact to revenue from existing Adur & Worthing Commercial Waste collections. However, as the UK emerges from lockdown and the economy begins to show signs of recovery, it is expected that there will still be demand from those customers still operating, who wish to save money on their bills and help reduce their environmental impact in the long-term. There is also an opportunity to win new customers should we be able to offer a transferable or comparable service.

5. Engagement and Communication

- 5.1. An in-house market research survey, gauging local appetite for commercial food waste collections, was conducted during December 2019 and was concluded in January 2020. The Business Development Team also attended a WRAP food waste conference (July 2019) and the 'Turning Trash into Treasure - rethinking food waste seminar', held at the Brighthelm Centre, July 2019.
 - 5.1.1. Twenty existing food waste producing customers were asked about their food disposal habits, the type of customer they served and their kitchen type. Surveyed (December 2019) on current waste disposal methods and their views on operation and prices.
 - 5.1.2. WRAP conference attended (Summer 2019). This conference specifically covered approaches to food waste management by other local authorities in the UK.
- 5.2. Dialogue and early commercial discussions on a potential food waste collection partnership commenced with Brighton Paper Round during September 2019, concluded January 2020. Although discussions were positive, the financials have been assessed as not representing best value for Adur & Worthing Councils at this time. The relationship with Brighton Paper Round, a competitor commercial waste operator within Adur and Worthing, remains positive and a future working relationship has not been ruled out.
- 5.3. No commercial contract for the disposal of commercial food waste has been quoted for at this time. Two food waste disposal agents within 1 hours' drive have been identified as potential suppliers to the Council, although a strict tender process must be followed if, and when, the go-ahead for commercial food waste is granted.

- 5.4. Basic 'quick quotes' have been obtained from providers for a specific food waste collection vehicle at around £65K. Using existing waste collection vehicle stock has been discounted due to its unsuitability for the purpose. Some Councils have used traditional waste collection vehicles for the purposes of food waste collections, but those vehicles then went on to suffer higher than would be expected faults and corrosion, in-life.
- 5.5. No formal arrangements with any potential supplier have been made.
- 5.6. Quotes gained through direct means or via other local authorities, are for illustrative purposes only. It should be noted that Chichester District Council launched a commercial food waste collection product in January 2020 using a specific food waste collection vehicle and local food waste disposal agent in Ford, West Sussex. Through shared Council learning, Adur & Worthing Commercial Waste would likely wish to follow a similar approach to an equivalent product build and route to market.
- 5.7. If approved, commercial food waste 'the product' will be offered alongside Adur & Worthing Council's mature commercial waste services and be part of the Cheaper Greener Trusted campaign (ongoing, launched June 2020).
- 5.8. 65 customers will be selected proactively to form part of the first cohort, based on collection frequency, likely saving, and appetite for change. However, there would be no restriction on any business customer within Adur & Worthing who wished to join the new service.
- 5.9. If approved, Adur & Worthing Councils Commercial Waste team would seek to roll-out the service to both Adur and Worthing within the first year. However, the most efficient round would always be sought as an operational priority to keep on-costs to a minimum.
- 5.10. A separate accompanying 'food waste' bolt-on element to the Cheaper Greener Trusted campaign would be required. Should the new product be approved, a 'window sticker' for businesses would be developed to show the public how that customer (business) now 'recycles more' and 'disposes of their food waste responsibly'. It is hoped that this advertising strategy would drive consumer demand, for the new commercial food waste product, for local businesses.
- 5.11. In line with current commercial waste activities, regular service updates on the commercial food waste collections' performance will be made available to the relevant executive Council member (e.g. Environment and Digital).

6. Financial Implications:

6.1. The new food collection service will require a new vehicle, associated weighing equipment, and new bins.

Capital investment required:	£
Collection vehicle	65,000
Digital weighing equipment	17,000
Food waste bins	3,000
Total budget required	<u>85,000</u>

Overall a capital investment of £85,000 is needed to launch the service which is not currently contained within the budgets of the Council.

6.2. From initial research, around 65 of our current trade waste service customers would be suitable to transition across to the new service, and it is estimated that by year three, we may be able to extend the service to 90 existing customers. The new service would offer the customers the ability to secure a saving in existing disposal costs.

6.3. However, this will come at a cost to the current trade waste service which will lose some income and any associated tipping charges. Overall the cost of the project over the next 3 years as the service expands to existing customers is estimated to be:

	2021/22	2022/23	2023/24
	£	£	£
Income per year	12,090	24,660	37,740
Less : Costs			
Staffing	-3,080	-6,280	-9,610
Tipping charges	-1,540	-3,210	-5,010
Vehicle running costs	-2,180	-2,710	-3,260
Net income from food waste	<u>5,290</u>	<u>12,460</u>	<u>19,860</u>
Impact on trade waste service:			
Income lost	-18,090	-36,660	-55,740
Less: Tipping charges	10,270	21,360	33,330
Net lost income	<u>-7,820</u>	<u>-15,300</u>	<u>-22,410</u>
Net overall loss	<u>-2,530</u>	<u>-2,840</u>	<u>-2,550</u>

This assumes that all administration costs will be absorbed within existing resources.

- 6.4. Whilst the service itself is profitable, the potential loss of net income associated with trade waste means that overall the Council will make a small net loss associated with the introduction of food waste to existing customers. This will be absorbed by the expected growth in the commercial waste service in 2021/22 as we will offer a more appealing suite of services and enable us to retain existing customers where there is now a requirement for separate food waste collections.
- 6.5. If the service is able to win new customers from competitors, as expected, then there would be a favourable impact on the current net income to the existing commercial service. Each new bin collected from a new customer will generate a surplus and so the losses associated with the conversion of the existing customers would be eliminated with the sale of an additional 10 - 12 bins per year to new customers. There is an opportunity to bid for several new, large-scale food collection contracts in the New Year which would rapidly improve the position.
- 6.6. By investing in this service, the Council will protect the current waste collection service:
- It will provide the opportunity to bid for trade waste contracts where the customer requires food waste collections as part of the overall package of services;
 - It will build capacity within the trade waste service to take on additional new customers without having to invest in a new round;
 - Deliver on promises in Platforms for our Places regarding climate resilience, food waste, and waste minimisation/recycling.
 - Provide an attractive offer to new customers who have not previously used the Council's trade waste services.
- 6.7. Given that the margins in the initial year are likely to be very small, it is recommended that the investment needed to set up the service (£85k) is funded from the Councils' reserves split on the basis of expected use (Adur 30% / Worthing 70%).

7. Legal Implications

- 7.1. Section 111 of the Local Government Act 1972 provides that the Council shall have the power to do anything that is calculated to facilitate, or which is conducive or incidental to the discharge of any of its functions.
- 7.2. 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.
- 7.3. 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 for the purposes of, or in connection with, the discharge of the function by the Local Authority.
- 7.4. The procurement of the services referred to in this report must comply with the procedures set out in the Councils' Contract Standing Orders.

Background Papers

None.

Officer Contact Details:-

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Sustainability & Risk Assessment

Although an in-depth sustainability impact assessment has not been made, diverting food waste to a recognised and understood sustainable means of disposal and energy conversion, will likely have a positive impact on the reduction of carbon emissions, a known climate change agent.

No additional risks to public safety or Adur & Worthing Councils' staff have been raised so far during research for the viability of commercial waste. If approval is granted, a full risk assessment will be made for all operational activities surrounding the product. It is expected that the product will reflect the same level of risk as that of general and recycling waste collections in the area.

- I. Commercial food waste collections will require an additional vehicle to collect the waste. All vehicle rounds' routing will be optimised to reduce and or control the overall impact of carbon emissions, in-line with Adur & Worthing Councils' fleet management systems. It is expected that the overall amount of vehicles on the road at any given time will be the same as present, once the collection rounds are established.
- II. All manual handling assessments will be carried out as per Adur & Worthing Councils' Health and Safety Team's requirements.
- III. Education and training will be provided to both customers and staff to ensure that only food waste is disposed of in the food waste collection bins using existing staff.

1. Economic

As a Platforms for Our Places local business enabler, the introduction of commercial food waste collections will reduce some customer bills for waste, enabling them to free up cash.

2. Social

If approved, commercial food waste collection will require coordinated Adur & Worthing Councils' Commercial Waste team-led education for restaurants and alike.

It is expected that a wider public and business educational and promotional campaign would be launched focusing on food waste disposal and food waste reduction best practices. This education will also form part of a 'recycling' update as part of the 'Cheaper Greener Trusted Campaign'.

- 2.1 Social Value: The new product raises the matter of food waste segregation (and reduction) with the wider business community at large. Segregation of a third waste stream will require customer buy-in to see the wider gain to the environment and their operation.

- 2.2 Equality Issues: 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

If approved, management of the waste collection fleet will be managed in a way so that the overall amount of vehicles on the road at once does not increase above the current level. Shifting food waste away from traditional disposal methods also likely reduces the waste's carbon footprint.

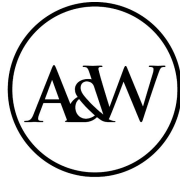
- 3.1. Where possible, fleet optimisation will be achieved by coordinating the round collections so that vehicles collecting waste streams are set for different days. For example, food waste won't be collected alongside vehicles already collecting general and recycling waste from the same customer on the same day. Using a recently rolled-out improved commercial waste administration platform (Adur & Worthing Digital Team Product) detailed digital collection round mapping is now available to sequence refuse collections in the most efficient manner.
- 3.2. Ultra-low emission technology and electric vehicles are now mainstream, but have yet to be industrialised for trucks. However, as with cars and bikes, it is expected that this technology will soon be found in commercial vehicles at scale. When the technology is available, is proven and affordable, Adur & Worthing Councils will seek to use vehicles using newer more environmentally balanced vehicles as part of its fleet, reducing its environmental impact.
- 3.3. Due to the specialised nature of food waste collection (waste viscosity), a 'twin-pack' general and food waste vehicle isn't practical due to weight distribution and likely road safety issues.
- 3.4. The back-haul of waste for processing should be managed in such a way to reduce the need for travel, where possible, thus saving on empty miles. Waste will be transferred to the disposal agent, once the vehicle or bulk container is full.
- 3.5. Producing electricity via anaerobic digestion is recognised as a sustainable form of energy.

4. Governance

Commercial food waste collection is fully in-line with the Council's commercial ambitions and is supported by the Strategic Finance Board.

No implications to the Councils' reputation or relationship with our partners or community have been identified. No additional implications for resourcing, risk management (including health and safety), or the governance of either Council has been identified.

If approved, regular service updates on the product's performance will be made available to the relevant executive Council member (e.g. Environment and Digital).



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 October 2020
Agenda Item 6

Key Decision: No

Ward(s) Affected: All

Providing a brighter future - supporting the Kickstart scheme

Report by the Director for the Economy

Executive Summary

1. Purpose

- 1.1. To inform elected members on the government's Kickstart Scheme, including the intended outcomes and the mechanisms of delivery.
- 1.2. To set out Adur & Worthing Councils' strong commitment to supporting young people through Kickstart, and highlight options for involvement.
- 1.3. To seek support for the proposed approach to supporting the Kickstart scheme.

2. Recommendations

It is recommended that the Joint Strategic Committee:

- 2.1. Note the approach proposed for the Councils to be ready to become a Kickstart gateway for partner organisations and / or businesses.

- 2.2. Confirm support for the Councils seeking to host a number of Kickstart placements over the duration of the scheme period.

3. Context

- 3.1. The Kickstart Scheme is a £2 billion fund to create hundreds of thousands of high quality work placements for young people. It was announced on the 8th July after the Chancellor announced the Kickstart Scheme as part of the Plan for Jobs.
- 3.2. The national scheme provides 6 month work placements (25 hours per week) for young people aged 16 - 24 yrs who are already on Universal Credit and are therefore at risk of long term unemployment.
- 3.3. Through the latest information provided by partner organisations, we know there are currently over 1,300 young people in this situation across Adur and Worthing. We also know the 16 - 24yrs age group have been one of the hardest hit as a result of the coronavirus pandemic.
- 3.4. The Kickstart scheme will run for 18 months. Placements can start anytime between November 2020 to the end of December 2021. If a placement begins in December 2021 the placement would run 6 months thereafter.
- 3.5. The placements cannot be used to fill vacancies, cause an existing employee to leave or replace redundancies. It will instead give young people superciliary roles, which provide opportunities to learn and develop. The job placements should support the participants to develop the skills and experience they need to find work after completing the scheme (e.g. support with CV and interview preparations).
- 3.6. The intention is for young people to either enter employment (with the host organisation or elsewhere) or go into further training at the end of the placement. Therefore, this scheme has the potential to assist with workforce planning for the Councils as well as partner organisations and businesses that sign up as an employer.

- 3.7. Kickstart is not an apprenticeship, but participants may move on to an apprenticeship at any time during, or after their job placement.
- 3.8. The Job Help website, powered by Job Centre Plus, is the key interface for young people who are eligible for this scheme, and would like to access these opportunities. A Job Centre work coach will support young people to enrol on the scheme and connect with employers.
- 3.9. To become part of the scheme, employers can apply at www.gov.uk/kickstart. Applications must be for a minimum of 30 work placements; if employers are unable to meet this then employers need to partner together to fulfil the quota. Once the application is accepted this will be sent to the local Job Centre for the recruitment phase to start. Employers are still expected to interview candidates and select the best candidate for the role.
- 3.10. This scheme supports our 'And Then' ambitions to ensure access to employment and skills support is available to help people find new jobs. This also directly delivers against the wider ambitions contained in Platforms for our Places, specifically our Good Work agenda, which focuses on combining our products and services to deliver effective interventions around employment and skills. This includes key employability skills for young people, including retraining and reskilling, therefore a robust alignment with the Kickstart scheme.

4. Issues for consideration

- 4.1. The recommendation is for the Councils to investigate finding at least 30 placements over the 18 month period, either internally or with partner organisations. If the placements can't be identified in-house then the Councils will explore acting as a Kickstart gateway for partner organisations and / or businesses.
- 4.2. Being a Kickstart gateway entails taking on the reporting responsibilities for the partner organisations and / or businesses and the allocation of funding for each trainee placement, this includes taking the responsibility of passporting the young person's salary costs. The status as a Kickstart gateway can be applied for at any time.

- 4.3. Each placement comes with £1,500 of funding to support the individual to get the most from the placement, as well as overall set up costs. If progress is made, the intention is to pool this funding and utilise it to employ a scheme coordinator who would provide support to the placements. This allows additional resources to assist to administer the scheme and ensure the young people receive a quality experience, meeting the overall aims of the programme.
- 4.4. In addition to the Councils approach, a number of other organisations have actively put themselves forward as a Kickstart gateway, all of which will serve the business community. For Adur and Worthing businesses, the route to being part of this scheme, and to be part of a larger cohort, will be through organisations such as Sussex Chamber of Commerce, Greater Brighton Metropolitan College and Chichester College Group. There are also sector specific groups available.
- 4.5. The Councils are actively signposting businesses to these Kickstart gateway organisations to ensure as many organisations are part of the scheme, therefore a greater chance of our young people establishing a local placement.
- 4.6. Given those who have already stepped forward to become an Kickstart gateway, the Councils best contribution would be through becoming a Kickstart gateway for our partner organisations (those we have developed a close working relationship with), such as Citizens' Advice, Guildcare etc. The Councils will actively signpost employers to other gateway organisations.
- 4.7. The balanced approach outlined in 4.6, enables the Councils to further understand aspects of the Kickstart scheme as it emerges, including the administrative and resource implications to deliver a robust experience. This includes the need to investigate the recruitment of a coordinator to administer the scheme.

5. Engagement and Communication

- 5.1. The Councils have been in active dialogue with Kickstart gateway organisations to ensure enough provision exists to cater for a range of employers wishing to access the scheme. Furthermore, sector specific organisations are also available if employers wish to choose this route.

- 5.2. The scheme has been discussed at a number of business forums, including the Worthing & Adur Chamber of Commerce and Adur & Worthing Business Partnership, and interested employers (that can't reach the minimum of 30 employees) have been actively encouraged to register their interest with Kickstart gateway organisations.
- 5.3. The Councils are analysing a combination of in-house and partner organisation placements. An in-house review is underway to establish the numbers of young people the Council, directly, could employ within the scheme period. Communication and materials about the scheme have been provided to internal colleagues to assess required roles and tasks.
- 5.4. For partner organisations, conversations have taken place with Guildcare, Worthing Homes and Community Works to gauge appetite and establish a possible working relationship as the Councils acting as the Kickstart gateway. Early dialogue has highlighted that none of these organisations are currently intending to act as a gateway themselves and that they will need to find an intermediary body to enable them to take on Kickstart placements.
- 5.5. Further conversations are scheduled with other key partners, such as Worthing Theatres & Museum and Citizens' Advice to assess whether the Councils could also act as a gateway for these organisations.
- 5.6. The Kickstart scheme has been discussed with the Good Work Network. A stakeholder group, led by the Councils, that brings together employment and skills specialists in the private, public and third sector to discuss, design and improve coordination of interventions for the benefit of the end user. This group is vital in ensuring the coordination of schemes such as Kickstart.

6. Financial Implications

- 6.1. The scheme is largely funded by central government, therefore there is minimal financial risk to the Councils, or partner organisations. For each placement the following costs would be provided:
 - 100% of the relevant National Minimum wage for 25 hours per week
 - Associated employer National Insurance contributions

- Employer minimum automatic enrolment contributions (3% contribution)

6.2. The employer also receives a one off payment of £1,500 per successful placement to assist with setup costs, support and training. If the Councils were to act as a Kickstart gateway, a further £300 of funding for each job placement is available to support with associated costs of administering the scheme.

6.3. Each young person that is potentially employed by the Council will be auto-enrolled into the Council’s pension fund. If they remain in the pension scheme, the Council will have to fund a proportion of the associated pension costs. The Council’s current employers pension contribution rate is 20.1% which exceeds the 3% pension funding allowed. Consequently, the Council will have to fund a small element of the costs associated with the employment of a Kickstart employee as follows:

Age	Minimum wage per hour £	Pension cost (20.1%) £	Government contribution (3%) £	Cost to the Council £	Cost per week (25 hour week) £	Cost of a 6 month placement £
Under 18	4.55	0.91	0.14	0.77	19.25	500.50
18 - 20	6.45	1.30	0.19	1.11	27.75	721.50
21 - 24	8.20	1.65	0.25	1.40	35.00	910.00

These costs will be funded from any residual Kickstart payment or funded from within the Council’s existing budgets.

6.4. The setup costs will only be provided when the young person/s has started their placement, is enrolled onto payroll, has been paid and is included within the monthly returns to HMRC. DWP will use information from HMRC to check that the young person/s is still employed, and the grant will be paid in arrears to the Councils. The Council would be reimbursed for salary costs in arrears. The salary costs for the placements will be issued in months 2, 4 and 6.

6.5. Depending on the level of demand, and assessing appropriate resourcing levels, the Councils may look to recruit a scheme coordinator to assist in the delivery of the scheme. The cost of this role

would be met through the £1,500 payment received for each Kickstart trainee role after funding other costs.

7. Legal Implications

- 7.1. Section 112 Local Government Act 1972 empowers the Councils to appoint such Officers as it thinks necessary for the proper discharge by the authority of such of their functions as falls to be discharged by them.
- 7.2. Job placements created with Kickstart funding must be new jobs and cannot replace existing or planned vacancies or cause existing employees to lose or reduce their employment. Redundancy of an existing postholder due to a Kickstart trainee placement would amount to an unfair dismissal.
- 7.3. A kickstart trainee would become a temporary fixed term employee for the duration of the placement, with an employment contract of at least 25 hours per week for 6 months. They would be entitled to the usual employment rights set out in the Employment Rights Act 1996 as amended, and their contract of employment would incorporate the Council's standard terms and conditions of employment.
- 7.4. Should the Council decide to act as a kickstart gateway, a contractual agreement between the Councils and the partner organisations would be required. However, it is anticipated that the employment contract would remain between the partner organisation and the young person.

Background Papers

- [Kickstart Scheme opens for employers - GOV.UK \(press release\)](#)
- [Kickstart Employer Guide - GOV.UK](#)

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Sustainability & Risk Assessment

1. Economic

- The Kickstart scheme is in direct response to the coronavirus pandemic and the requirement to support young people back into employment. Supporting this scheme means additional people will be brought back into employment, supporting the wider local economy.
- In addition to the young person/s benefits, there are additional advantages to our partner organisations and / or businesses as further job roles may provide greater resilience, allowing these organisations to survive and thrive.

2. Social

2.1 Social Value

- This scheme will directly support and help our 16 - 24 yrs age group, as they are the direct recipients of this initiative. This cohort is one of the key groups that have been affected by the pandemic; this scheme provides a real opportunity for people in this age group to step into the experience of the workplace, in readiness for more sustained job prospects.

2.2 Equality Issues

- As part of this programme there will be a focus on inclusive recruitment methods with those that benefit from this work and addressing inequalities

2.3 Community Safety Issues (Section 17)

- The scheme will actively promote safety and wellbeing of our young people.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

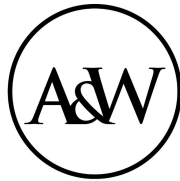
- Matter considered and no issues identified.

4. Governance

- The Councils participation in the Kickstart scheme, supports the ambitions contained in Platforms for our Places and And Then. The delivery will support a number of employment and skills initiatives, including the need to support youth employment.

- The Councils are willing to act as a Kickstart gateway, therefore having the ability to assist and work with partner organisations and / or businesses to establish these placements.
- There is a possible requirement for the Councils to act as an intermediary body, therefore this will carry the need to administer the scheme on behalf of partner organisations. The resourcing of the administration will be dependent on the level of demand.

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ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 October 2020
Agenda Item 7

Key Decision [No]

Ward(s) Affected:N/A

JOSC review of alternate weekly Refuse & Recycling collection service

Report by the Director for Digital, Sustainability & Resources

Executive Summary

1. Purpose

- 1.1 The Joint Strategic Committee (JSC) is asked to receive and note the findings and recommendations of the Joint Overview and Scrutiny Committee (JOSC) review on the alternate weekly refuse and recycling collection service. These recommendations follow on from the discussions of a Working Group set up by JOSC. A copy of the report from the Working Group is attached as Appendix 1 to this report.
- 1.2 The Working Group was generally pleased with the way that the new alternate weekly refuse and recycling service was introduced in September 2019 and was also pleased that the introduction of the new service had seen an increase in overall recycling and a reduction in general waste collected. However, the Working Group identified some recommendations which it considered would assist the Councils in increasing recycling rates and providing better information on recycling in general to the Adur and Worthing communities.

2. Recommendations

- 2.1 That the Committee note the report, findings and recommendations from the JOSC Working Group; and

2.2 That the Committee agrees to receive a report in December 2020 on the issues raised by the JOSC and consideration of the implications for each recommendation contained in the Scrutiny report at Appendix 1 in order for the Executive to provide a formal response to the JOSC.

3. Context

3.1 As part of its Work Programme, the JOSC agreed to undertake a review of the new alternate weekly refuse and recycling collection service.

3.2 Councillors Andy McGregor, Lavinia O'Connor, Jane Sim and Bob Smytherman were appointed to the Working Group. Councillor Andy McGregor was appointed as Chairman of the Working Group and Councillor Bob Smytherman as Vice-Chairman. The following Terms of reference and project objectives for the review were agreed:-

1. To review the introduction of the new alternate weekly refuse collection scheme when early data is available. This will include a review of data relating to fly tipping and the experience of local residents since the introduction of the new scheme.

2. To review the recycling strategy and what is being done to improve recycling rates to meet the recycling target.

3. To question the Executive Members for Environment (Adur) and Digital and Environmental Services (Worthing) and Senior Council Officers on the new alternate weekly collection scheme and the recycling strategy and plans to increase recycling.

4. To consider if there is a need for any recommendations to be put to the Joint Strategic Committee/relevant Executive Members to help with the introduction of the new refuse collection service and to improve recycling rates.

Outcomes expected - A better understanding of the introduction of the new alternate weekly refuse collection service and current recycling policies and to assess if any recommendations need to be made to improve the service and recycling rates.

3.3 The JOSC Working Group has concluded its work and reported the findings and recommendations to JOSC on 23 July 2020. The findings and recommendations from the Working Group are contained in Appendix 1 to this report and were agreed by JOSC.

3.4 JSC is now requested to consider the findings and recommendations from JOSC and its Working Group to provide the formal Executive response.

4. Issues for consideration

4.1 JOSC and the Working Group have identified a number of conclusions and recommendations which are intended to help increase recycling and provide better information on recycling.

5. Engagement and Communication

5.1 As part of its report, the JOSC Working Group engaged with Council Officers and the Executive Members for Environment (Adur) and Environment and Digital (Worthing).

6. Financial Implications

6.1 There are no direct financial implications relating to this report but if implemented, some of the recommendations from the Working Group will have financial implications for the Councils.

7. Legal Implications

7.1 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything to facilitate, or which is conducive or incidental to the discharge of any of their functions.

7.2 Section 1 of the Localism Act 2011 provides a Local Authority to do anything that individuals generally may do (subject to any current restrictions or limitations prescribed in existing legislation).

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.

Background Papers

Report to the Joint Overview and Scrutiny Committee 23 July 2020
Minutes of the Joint Overview and Scrutiny Committee 23 July 2020

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Sustainability & Risk Assessment

1. Economic

Matter considered and no issues identified.

2. Social

2.1 Social Value

An effective refuse and recycling collection service will have a high social value.

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

Recycling helps protect the environment. Recycling reduces the need for extracting (mining, quarrying and logging), refining and processing raw materials all of which create substantial air and water pollution. As recycling saves energy it also reduces greenhouse gas emissions, which helps to tackle climate change. The Council Strategic vision - 'Platforms for our Places: Going Further' contains a commitment for the Councils to reduce waste, increase reuse, recycling and composting.

4. Governance

Matter considered. The Working Group has considered issues and identified recommendations. These recommendations need to be considered by the Joint Strategic Committee in accordance with the Constitution.



ADUR & WORTHING
COUNCILS

Scrutiny review of the implementation of the Adur and Worthing alternate weekly waste collections service (AWC)

Report by the Joint Overview and Scrutiny Working Group

1.0 Summary

1.1 In September 2019 Adur and Worthing Councils introduced a new alternate weekly waste collection service for residents' refuse and recycling bins across Adur and Worthing.

1.2 The decision to proceed with this new service was taken by the Councils in late 2018 and was made on the basis of the following factors which both Councils needed to consider:-

- The legislative requirement for both Councils to improve their recycling rates 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 had reported a reduction in the amount of residual waste per household, as well as an increase in the proportion of waste that was being recycled; and
- 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.

1.3 This report from the Joint Overview and Scrutiny Committee Working Group has reviewed the introduction of the new waste collection service since September 2019 and analysed the data available on the new service delivery.

2.0 The new Alternate weekly waste collection service (AWC)

2.1 Extensive planning was undertaken for the introduction of the AWC from early 2019 and this involved an Officer Project Team led by the Head of Environmental Services. The Project Team ensured that the project was kept on track and implemented successfully from September 2019.

- 2.2 The change to an alternate weekly waste collection service has strived to change the frequency of as many of the 81,000 household properties in Adur and Worthing to alternate weekly collections which has in the main been achieved successfully, however, from the outset it was realised that there were some properties where an alternate weekly collection would not be feasible:-
- Properties where chutes are used. Some properties/flats had been built with refuse chutes which feed directly into bins situated in the bin store. If these chutes were to backup due to bins becoming full, this would create a significant fire hazard. Such properties remain on weekly collection of refuse.
 - Properties with limited storage capacity. E.g Flats that cannot accommodate any extra bins as their bin stores are too small and there are no other areas to store bins on site.
 - Properties with vehicle access issues (e.g the town centre) so a smaller size vehicle is needed for collection and therefore a higher frequency of collection is required.
- 2.3 The AWC has involved a route redesign for the collections and the new configuration has enabled the operation of the service in the most efficient and effective manner. This has also ensured that the vehicles operate to the most efficient route, thus avoiding unnecessary fuel costs.
- 2.4 A service redesign of the waste and recycling teams was also undertaken as part of the process in consultation with staff. Detailed communication about the new service was released prior to the introduction of the new service which was aimed at promoting waste reduction and more recycling. The campaign involved press releases and social media posts (text and video) and leaflet design. Half page advertisements about the service changes were published in all three 'Herald' newspapers in September 2019.
- 2.5 The main plank of the Communications plan involved the regular social media posts which gained traction with the public. The reach of Facebook posts for June to August 2019 was over 130,000 views, and from July 2019 there was a noticeable drop in negativity in the comments received from the posts.
- 2.6 To ensure full coverage the decision was taken to deliver to each residential household across Adur & Worthing - 81,000 in total, three different forms of communication to inform householders that the new service would be starting in September 2019. The communications were delivered in three separate stages between June and September 2019. This three pronged approach was designed to ensure maximum awareness levels of the new service prior to the switch.

3.0 Background to the JOSC Review

3.1 As part of the JOSC Work Programme, JOSC agreed to set up a Working Group to review the introduction of the new alternate weekly waste collection service and to consider how the Councils were reviewing ways to increase recycling rates. Councillors Andy McGregor, Lavinia O'Connor, Jane Sim and Bob Smytherman were appointed to the Working Group. The Working Group met in September and December 2019 and February and April 2020 to consider information and formulate its recommendations. Councillor Andy McGregor was appointed as Chairman of the Working Group and Councillor Bob Smytherman as its Vice-Chairman. These meetings included a visit to the West Sussex Viridor Materials Recycling Facility (MRF) in Ford.

3.2 The Working Group discussed and agreed the following Terms of Reference and project objectives for the review:-

1. To review the introduction of the new alternate weekly refuse collection scheme when early data is available. This will include a review of data relating to fly tipping and the experience of local residents since the introduction of the new scheme.

2. To review the recycling strategy and what is being done to improve recycling rates to meet the recycling target.

3. To question the Executive Members for Environment (Adur) and Digital and Environmental Services (Worthing) and Senior Council Officers on the new alternate weekly collection scheme and the recycling strategy and plans to increase recycling.

4. To consider if there is a need for any recommendations to be put to the Joint Strategic Committee/relevant Executive Members to help with the introduction of the new refuse collection service and to improve recycling rates.

Outcomes expected - A better understanding of the introduction of the new alternate weekly refuse collection service and current recycling policies and to assess if any recommendations need to be made to improve the service and recycling rates.

3.3 This report provides the detail of the discussions and findings from the Working Group and some recommendations which the Working Group considers will help assist the Councils improve recycling rates and the delivery of the new service.

4.0 Method of the review

4.1 From the start of the review, the Working Group wanted to ensure that it was briefed on the background to the introduction of the AWC and its implementation arrangements in September 2019. The Working Group met on 5 September and 10 December 2019 and 13 February and 15 April 2020. At the meeting in December 2019 the Working Group visited the MRF in Ford, West Sussex to assess what happens to the recyclable material collected and to find out more about recycling in West Sussex.

4.2 The Working Group has held evidence gathering meetings with the following witnesses:-

Mary D'Arcy, Former Director for Communities, Adur & Worthing Councils
Tony Patching, Waste & Cleansing Operations Manager, Adur & Worthing Councils

Mark Quartly, Assistant Operations Manager, Adur & Worthing Councils
Councillor Ed Crouch, Worthing Borough Council Executive Member for Digital & Environmental Services

5.0 Findings and Proposals

5.1 The Working Group has received good evidence from the witnesses on the introduction of the alternate weekly waste collection service. The evidence has highlighted that the implementation of the new service appears to have gone relatively well and there has been an increase in recycling and reduction in general waste being collected.

5.2 Evidence gathered from the witnesses

5.3 To begin the review, the Working Group received a presentation from Mary D'Arcy, former Director for Communities, Adur & Worthing Councils and Tony Patching, Waste & Cleansing Operations Manager, Adur & Worthing Councils on the background to the implementation of the new service and the extensive plans being put in place to ensure that the implementation was successful. The Working Group welcomed the work that was undertaken.

5.4 In December 2019 the Working Group visited the Materials Recycling Facility in Ford, West Sussex to see how the facility processed the recyclable materials after collection from households in West Sussex. This visit has also provided the Working Group members with more information on the type of materials recycled at the MRF, what happens to some of the recyclables afterwards and general information on recycling.

5.5 The Working Group has also been able to review some of the data on the new waste collection service since its introduction during the week commencing 16 September 2019. This data is referred to later in this report.

5.6 Finally, in April 2020, the Working Group consulted with the relevant Adur and Worthing Executive Members - the Adur Executive Member for the Environment, Councillor Emma Evans and the Worthing Executive Member for Digital & Environmental Services, Councillor Ed Crouch. The Working Group interviewed Councillor Crouch for his views on the introduction of AWC.

5.7 A summary of the issues raised during the February and April meetings is set out below. Data included has been updated and taken as at June 2020:-

- Since September 2019, refuse had reduced by 3,101 tonnes - 500 truck loads (This would have been a higher reduction, however, the Covid-19 Pandemic has shown an increase in household waste and during the peak of the Covid-19 Pandemic in March, April and May 2020 residual side waste was being collected which had an affect on the waste tonnages) Recycling tonnage was up by 1,105 tonnes - 200 lorry loads.
- Recycling rates for the year up to the end of May 2020 were 45.56% compared with 39.49% at the same period in 2019 which indicated that the service was expected to achieve the target increase set for the new service of around 5-7%, despite the effects of the Covid-19 Pandemic.
- There had been a few issues relating to collections from HMO properties but Officers had been working with Managing agents and residents to try and address any problems, the main issue was encouraging residents to recycle. Many sites had had a visit with doorstepping given personal advice and literature, also bags had been given out to carry and separate their recycling. The bin capacity had been increased and also improved signage had been added in a number of locations to assist in the containment of waste.
- Prior to Covid-19 Officers had undertaken 51 bin audits on individuals who said they couldn't see how they could cope but after a visit all of those people were fully informed on how they could manage.
- Since September 2018 when discussions started regarding the alternate weekly collections, 7,038 large recycling bins had been delivered and 3,860 large refuse bins had been delivered.

5.8 Councillor Ed Crouch, Worthing Borough Council's Executive Member for Digital & Environmental Services told the Working Group that he was pleased that the implementation of the new alternate weekly collection service had gone well but there were some hotspots relating to fly tipping (not directly the result of the introduction of the new service) and in some cases where the

crews had to be changed. It was, however, a process not an event - In the first three months there were some issues relating to whether or not areas should have remained on the weekly service in the town centres etc. There were also some teething issues where new crews were involved with new rounds. Most people were pleasantly surprised, however, by how well the service has worked in Worthing and there had been relatively few complaints.

5.9 Councillor Crouch also advised that where there are genuine concerns about bin capacity then bin audits are offered or a light touch enforcement approach taken by applying tags on the bins. If there are ongoing issues he suggested that the local ward Member should highlight these issues through the Executive Member and/or Head of Service. The decision would then need to be made to assess if there should be an enforcement approach taken and/or education approach to see if people are recycling correctly.

5.10 The Working Group had decided to include a review of fly tipping as part of the terms of reference for the review as they were concerned that there could potentially be an increase in fly tipping as a result of the introduction of the new service. Officers advised the Working Group that there had been a small increase in fly tipping but nothing of any significance and that it was not solely connected to the alternate weekly collections - There had been some incidents of 'rubble' being tipped in the Durrington area. Councillor Crouch echoed this view but was also questioned by the Working Group on concerns about the amount of time that it takes to report a fly tipping incident. It was agreed that it might be possible to remove the initial assessment part of the reporting process to speed up the overall process of reporting and he agreed to speak with the Head of Service to review this.

5.11 The Working Group was also keen to review the recycling strategy and ways to help the Councils increase recycling rates. As part of this the Working Group discussed ways to help inform residents about the value of recycling. It was suggested that the communities should be provided with more information on recycling via appropriate regular communications from the Councils and with information sent via the Council Tax information - This should provide advice on general recycling and information on the recycling symbols used on packaging and that there also needed to be some lobbying applied and pressure put on manufacturers to not use single use recyclable material.

5.12 As part of ways to increase recycling levels, the Working Group discussed the possibility of introducing food recycling in Adur and Worthing following the

Government's announcement that Councils should routinely collect food waste from households with the roll out of this to take place by 2023. When questioned on this issue Councillor Crouch considered that, in his view, the Councils would need to consider how food waste recycling could be introduced and the type of vehicles to be used. There was also a need to consider the 'pay back' period for introducing food waste recycling before the Councils could consider introducing such a scheme on a permanent basis. The Councils, however, would continue to monitor the results of food waste recycling trials elsewhere in West Sussex when considering if it was to be introduced in Adur & Worthing. Councillor Crouch suggested that if the trial schemes elsewhere worked well and evidence provided by those Councils who had introduced permanent food waste recycling suggested that the scheme was successful, then Adur & Worthing Councils could possibly consider introducing a similar scheme. (The Councils Strategic vision - Platforms for our Places - Going further Work included a commitment to reduce waste and increase recycling and as part of this the Councils were working with West Sussex County Council and partners to create the conditions to meet requirements required by the Government's Waste and Resources strategy by 2023 which included the potential for the collection of food waste being made mandatory and looking at trialling a new commercial food waste collection service by Summer 2021.)

6.0 Conclusions and recommendations

- 6.1 The Working Group would like to thank Officers and the Executive Members for their support and invaluable contributions into this short review. The Working Group is generally pleased with the way that the new alternate weekly waste collection service was introduced and with the work which went into planning for the introduction of the new service prior to September 2019. The Working Group is also pleased that the introduction of the new service has seen an increase in recycling and a reduction in general waste collected. The Working Group considers that the teething issues with the introduction of the new service as referred to earlier in this report are being addressed.
- 6.2 As part of the review the Working Group has reviewed current recycling policy and would like to see the Councils collecting more recycling in order to try and achieve the European recycling target of 50% as required by 2020 and meet the requirements of the Governments Waste and Resources Strategy by 2023. The Working Group would like to see some form of timeline identified for this as it did not find clear evidence of this during interviews.

- 6.3 The Working Group believes that recycling can be increased by providing more information to local residents on what can and can't be recycled. The Working Group also considers that the Government should put more pressure on manufacturers for them to reduce single use recyclable materials. Finally, the Working Group believes that the Councils should seek to introduce food waste recycling as soon as possible providing evidence from trial schemes in West Sussex and elsewhere demonstrate that this can make a difference to increase recycling and that such a scheme can be cost effective.
- 6.4 With regard to the reporting of fly tipping incidents, the Working Group considers that the reporting system should be changed to remove the initial assessment part of the reporting process in cases where sufficient information is available from the person reporting which will make the process quicker and more efficient.
- 6.5 The Working Group would, therefore, like to put the following recommendations to the Joint Strategic Committee for review and consideration. The Working Group considers that these will assist the Councils in increasing recycling rates and providing better information on recycling in general to the Adur and Worthing communities.

7.0 Recommendations

- 7.1 That the Working Group welcomes the introduction of the new alternate weekly waste collection service from September 2019 which has been introduced well with good planning measures put in place but the Working Group considers that, when the time is right, the Councils should undertake some form of consultation with local residents on the introduction of the new service to get appropriate views to help with future service development.**

Reason - To recognise that the Councils have put in place a well planned service that has been successfully implemented but also to ensure that the Councils continue to undertake appropriate engagement with local residents to ensure that their views are considered in the ongoing development of the service.

- 7.2 That the Councils should look to provide more communication to the communities of Adur and Worthing on what can and can't be recycled and provide further information on recycling in general to help better educate the public and seek to increase recycling levels.**

Reason - The Working Group considers that there is a need for more information on recycling to be provided to the communities to help increase recycling levels and reduce waste.

7.3 That the Councils seek to lobby the Government to encourage manufacturers to reduce single use packaging.

Reason - The Working Group considers that a reduction in single use plastic will help reduce energy use and carbon emissions.

7.4 That at the appropriate time the Councils seek to introduce food waste recycling, if the evidence from trials elsewhere in West Sussex demonstrates the value of this form of recycling, as a way to increase recycling levels and reduce further waste. The Councils should also be satisfied that it is cost effective.

Reason - The Working Group believes that food waste recycling is a good form of recycling which can help the Councils increase its recycling levels and help reduce overall waste but wants the Councils to ensure that such a scheme would be cost effective.

Local Government Act 1972

Background Papers:

None

Contact Officer:

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ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 October 2020
Agenda Item 8

Key Decision [Yes]

Wards Affected: Mash Barn
Eastbrook, Southlands, Hillside,
Peveler, St Mary's, Churchill
Southwick Green

Maximising space for homes in Adur

Report by the Director for Communities

Executive Summary

1. Purpose

1.1 To provide details of the small sites programme to Adur District Council Executive Members, which is planned to develop up to 56 new affordable homes on Council owned sites.

1.2 To allow members the opportunity to comment on or remove any schemes that they consider unsuitable for further consideration following the recent consultation exercise.

1.3 To seek approval for an increase to the capital programme of £15.934m funded from borrowing and external funding to enable the programme to progress.

2. Recommendations

2.1 The joint Strategic Committee is recommended to:

- i) Note the progress on the schemes and approve the approach being taken.
- ii) Note the list of included sites set out at section 4.6 of this report and to agree or amend this list of sites based on the feedback from the recent public consultation exercise.
- iii) Approve the business plan;
- iv) Recommend to Council to approve the proposed capital expenditure of £15.935 m from the development budget to deliver these projects funded by grant of £2.24m and prudential borrowing of £13.695m.
- v) Delegate authority to the Director for Communities to substitute or amend sites within the programme, should any of the sites be deemed unsuitable for development once through the initial due diligence and planning stage. Any substitution to be within the agreed budget and funding within this paper and to be agreed in consultation with the Adur District Council Executive Member for Customer Services and the Leader of Adur Council.
- vi) Approve the principle of the sale of sites to aid delivery of the programme and reduce potential rents should the need arise. Delegation to be given to the Director for Communities, in consultation with the Adur District Council Executive Member for Customer Services and the Leader of Adur Council, to agree sites for disposal.
- vii) Delegate authority to the Director for Communities, following a tender process, to award the building contracts and all associated contracts to enable delivery of the sites.

3. Context

- 3.1. As part of 'Platforms for Our Places - Going Further' adopted by Adur District Council (ADC) in December 2019, Members have committed to the ongoing focus on delivering new affordable homes across the District as part of the Housing Revenue Account (HRA) development programme. The small sites programme forms part of this and is expected to deliver 56 new rented Council owned homes.
- 3.2. It is well documented that across the Adur District and indeed across the South of England, there is a pressing and urgent need for more truly affordable accommodation. The Council currently has over 700 households on its housing register waiting for affordable rented accommodation and over 40 households in temporary accommodation who need suitable housing. The Council has responded proactively by identifying a number of opportunities to develop new homes on Council owned land.
- 3.3. One of the three key objectives in Adur and Worthing Councils' Housing Strategy 2020-2023, is 'Improving the levels of affordable housing supply'. The development strategy which demonstrates how this will be achieved has an objective to 'utilise the Council's land and housing stock for self delivery'. This proposal contributes to the delivery of this objective by providing affordable homes on Council owned land.
- 3.4. Following an initial report prepared by consultants Baily Garner in 2018, which reviewed 40 garage and other small site sites owned by Adur Homes, ten suitable sites were identified.
- 3.5. A budget of £235,000 was approved by Joint Scrutiny Committee on 14th January to allow initial design work and technical appraisals to proceed based on the sites that had been identified. This stage of the work has now been completed. This report sets out the development proposals, business plan and background information for approval.

4. Development proposals

- 4.1. Following procurement processes a consultant team has been appointed which includes architects and cost consultants. Due diligence work to check legal title and services information, and to produce site survey information has progressed. Based on this,

preliminary plans have been drawn up for the shortlisted sites. Some sites were found to not be viable due to constraints on development, and where possible substitutes were found. The result is that 10 sites were identified for development which are considered to be viable.

- 4.2. This short list included 3 sites in the Mash Barn Ward and following concerns expressed by local residents and ward members regarding pressures on car parking locally, and the ongoing storage requirement from local residents and charities, it is proposed that the part of the site at Shadwells Road would be retained for garage/storage use and a proportion of the garages to be demolished to provide additional car parking. This will form part of a broader review of the garages and will be funded from within the main housing investment programme.
- 4.3. In accordance with local housing needs, Adur Homes' Housing Management team have provided a brief for the required local housing mix. This mix focuses on family homes and with a requirement to include some homes which have been designed to accommodate a wheelchair user.
- 4.4. In line with the Council's sustainability objectives, new homes will be built to high sustainability standards and be well insulated with all electric heating using energy efficient heat pumps. Options for the inclusion of solar PV and solar hot water will also be considered.
- 4.5. Initial plans have been discussed with planning officers and adjusted to take account of their comments. Further engagement with planners will take place prior to planning application.
- 4.6. A summary of the sites and the number of new homes proposed for each is as follows:

Site Location	Current Use	Proposed new homes			Total
		1 bed	2 bed	3 bed	
Daniel Close	Garages		7	2	9
Gravelly Crescent	Garages		3	4	7
Gardner Road	Garages	3	4		7
Wilmot Road	Garages	1	5		6

Downsway	Garages		6	6	12
Sylvan Road	Garages	3	4		7
Leconfield Road	Council storage		2		2
60 Brighton Road	Permit holder car park		2		2
St Giles Close	Garages		4		4
Total new homes		7	37	12	56

- 4.7. It is acknowledged that some of these sites may not proceed as a result of further consultation and technical appraisal, and conversely further sites may be identified and substituted into the programme. Where this is done, sites will achieve similar outcomes and the aim will be to maintain the same number of units in the programme overall.
- 4.8. The garage courts have been identified for development as they are an ongoing maintenance issue, attract fly tipping and antisocial behaviour and due to their size cannot accommodate most modern vehicles. In some cases they are let to individuals with no connection to the local area and have become a convenient source of cheap storage. Many Councils such as Brighton and Lewes have embarked on similar re-development of garage sites to help aid the acute housing need in their respective areas.
- 4.9. A total of 295 garages would need to be demolished. 245 of these are currently let. It is estimated, based on the inspection of a sample of 75 garages, and the fact that many garage licensees live more than half a mile away, that at least 90% of these garages are being used for storage rather than car parking. A summary of the number of garages on each site is set out in the table below:

Garage Site Location	Number of garages	Lettings pattern		
		Let	Local lets	Charities
Daniel Close	76	61	21	1

Gravelly Crescent	52	44	27	2
Gardner Road	20	13	7	
Wilmot Road	46	37	23	
Downsway	22	20	16	
Sylvan Road	49	42	34	
St Giles Close	30	27	18	
Total	295	245	146	

4.10. Where there are known local parking stresses, officers are actively looking to provide more parking spaces over and above the number required by planning policy.

4.11. A strategy for obtaining vacant possession of the garages has been prepared and the key points of this are:

- Replacement garages for high priority garage users to be provided where possible - these will include those with disabilities and Adur Homes tenants in flats. The supply of these is limited, and this is exacerbated by the fact that a number of garages which are currently void need repair work for which no budget is currently allocated.
- Early notice given to garage licensees to allow them to make arrangements to vacate.

5. Business Plan

5.1. The financial appraisal of the sites has been carried out using a model produced by consultants Quod which has been developed with input from the Council's development and finance teams. Details of development costs, capital grant, and revenue income and costs have been input to establish whether the scheme meets the Council's financial benchmarks. This section sets out the assumptions, analysis and conclusion to this process.

- 5.2. An estimated construction cost for each site has been provided by cost consultants. In addition, an allowance has been made for on-costs to cover site surveys and design fees, together with a contingency on the construction costs. A breakdown of the anticipated capital costs is in the confidential Appendix.
- 5.3. The programme will require funding from Homes England and the rate available depends on whether the new homes are to be for affordable rent (up to 80% market rent) or social rent (Council rent levels). Appraisals have been modelled for both options and the only viable proposal, which allows borrowing to be repaid, is for affordable rent.
- 5.4. The total development cost of £15.934m would be funded from £2.24m grant from Homes England and Council borrowing of £13.694m
- 5.5. Market rent levels have been provided by an independent valuer. The proposed average weekly rents which allow the schemes to work and which are within the LHA allowance are as follows:

	1 bed	2 bed	3 bed
Open market rent	£208	£231	£254
LHA Shoreham	£184	£230	£276
LHA Lancing	144	184	223
Proposed Affordable rent	144	180	200
Affordable rent as % market rent	69%	78%	79%

- 5.6. All rents include service charges and a small adjustment between rent levels for flats and houses will be made.
- 5.7. Revenue costs include the cost of borrowing, and the cost of management and maintenance. The appraisal assumptions are based on the current PLB borrowing rate of 1.5% and standard assumptions on management and maintenance costs based on current costs.

- 5.8. The financial parameters used to establish whether the programme is viable are, Net Present Value (NPV) which needs to be a positive figure, and first year deficit/surplus which is the contribution made by the project to the HRA; this also needs to be positive. In addition, the appraisal needs to demonstrate how the loan can be repaid within the 50 year borrowing period.
- 5.9. Not all the individual sites achieve the financial benchmarks however overall the programme produces an NPV of £2.7m and the year 1 contribution to the HRA is £130,154. The appraisals demonstrate that the loan is repaid within the required 50 year period. The programme is therefore considered to be financially viable and to make a positive contribution to the HRA in the long term.

6. Engagement and communication

- 6.1. Seeking the views of local residents, ward members and other stakeholders is an important part of the process in delivery of the sites. In recognition of this fact the Council is undertaking an extensive consultation process to enable local residents the time to review and comment prior to any application being submitted.
- 6.2. Due to the requirement for social distancing, the consultation is being carried out online via a bespoke website that has been set up to provide information and take feedback. All residents in the consultation areas have been written to and alternative contact details provided for those who are unable to access the internet. This started in July 2020 and will be completed by mid October.
- 6.3. The Council have appointed consultants BECG to assist with the consultation process and they have coordinated work on the website and are producing an analysis of feedback received.
- 6.4. So far, consultations have been completed on 8 sites of the 10 originally identified. The last two sites at Gardner Road and Brighton Road will be out to consultation in October. The main concerns from residents are pressures on car parking, loss of storage, disruption and the impact of the proposed development on neighbours. There have also been some comments in support of the proposals to provide more affordable housing.

6.5. Plans will be reviewed in the light of the consultation and amended proposals will be posted on the consultation website in the autumn.

7. Timetable

7.1 The proposed timetable for delivery is:

- Planning applications – November- December 2020
- Planning approvals – March- April 2021
- Contractors selected – April- May 2021
- Garages vacated – May- June 2021
- Start on site – Summer 2021
- Completions – Winter 2021

8. Issues for consideration

8.1. The top six risks to the project which may affect cost and delivery are summarised in the table below:

Risk	Impact	Mitigation	RAG
Planning is refused	Planning refusal leads to a need to amend plans, or site/s not proceeding	Continue pre-application process with AWC and WSCC and ensure issues are addressed prior to applications	Amber
Technical issues arise such as utility capacities or unforeseen ground conditions	Cost increase and delays	Ensure survey and technical appraisals are thoroughly executed. Appointment of an Employers Agent to guide the process	Red
Vacant possession of garage sites not achieved	Delay to programme	Ongoing contact with garage owners, and provision for those in priority need	Amber

Cost increases	Budget exceeded scheme cannot progress	Cost estimates to be prepared at each stage.	Amber
Coronavirus	Delays and uncertainty due to a possible 'second wave'	Monitor position and likely impacts on construction	Red
A scheme becomes unviable	Budget exceeded scheme cannot progress	Substitute with a new scheme identified in the pipeline	Amber
Homes England Funding Not Achieved (new HE programme 2021-26)	Schemes become unviable	Continued engagement with Homes England, ensure homes are designed to HE standards	

8.3 At Appendix 1 there is an additional document which is exempt under the Local Government (Access to Information) Act 1985 as the information relates to the financial or business affairs of Adur District Council and contains legal advice. This information must be given due consideration and taken into account prior to members reaching a decision.

9. Financial implications

- 9.1 The Council has a current approved budget of £2,275,000 for the hidden homes work which was based on initial feasibility work (£275,000) and sufficient funding for a small pilot project (£2,000,000). Following the feasibility studies it is now recommended that a full programme budget be approved.
- 9.2 The majority of sites to be developed are old garage sites, and as such the HRA will lose the income associated with those garages currently let. This is the equivalent to an annual loss of income of £134,660 (based on 245 garages let at £10.57 per week at 2020/21 prices). However our garages are in very poor condition; some are at end of life; and many are too small to accommodate modern cars. They will need either replacement or significant repair work within the next 5 - 10 years. So whilst the HRA will lose income, it

will also lose the long-term maintenance liability associated with the need to replace or significantly refurbish these garages.

- 9.3 Inevitably there will be a cashflow issues for the HRA, as they will lose the garage rents ahead of completing the new units and generating rental additional income. This will be difficult to accommodate in the short term due to the current financial position within the HRA which is predicting deficits over the next few years as follows:

	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
Deficit as per approved 30 year plan	208	-65	-250	-252	-45
Impact of 2020/21 pay award	30	31	32	33	34
Revised deficit / surplus (-)	238	-34	-218	-219	-11

However, the Council has a reserve for Development and Acquisition of properties of £1.64m, it is recommended that the interim revenue impact due to the loss of garage rents is funded from this reserve. Overall approximately £137,000 will be required in 2021/22 with a further £70,000 needed in the following year. This will be approved as part of the development of the 2021/22 HRA budget.

- 9.3 The overall programme of work is expected to cost in the region of £16.6m. A breakdown of this figure is included in exempt appendix A.. The projects should attract government funding of £2.24m and so borrowing of £13.695m will be required to finance the overall programme.
- 9.4 At an affordable rental level (80% of market rent), the programme is expected to have a net initial loss of £64,840 for the HRA based on a 2% interest cost from the first year of occupation:

	£
Rental income - Affordable rent	542,080
Less:	
Borrowing costs (at 2.0% for 50 years)	-435,800
Maintenance and repairs	-30,980
Net income from properties	75,300
Loss of garage rents	-140,140

Net impact of programme in year 1 of occupation

-64,840

Although the financial return will improve in the time that the homes are held. Overall, the programme provides the Council with a positive Net Present Value of £2.7m and an Internal Rate of Return of 4.11% indicating that in the longer term, income exceeds the associated costs.

- 9.5 Currently it is estimated that the HRA will be in a position to accommodate an initial overall loss of £34k in 2022/23 when the first units are expected to become occupied. Whilst the expected revenue impact of the units exceeds this limit, the estimated capital cost currently includes a contingency of 15% and interest rates are currently slightly lower than the 2% included in the financial modelling.
- 9.6 Consequently, to ensure that the programme remains balanced and affordable, it is proposed to review the overall package of works post procurement to ensure that the final development programme remains affordable to the HRA whilst maximising the number of units delivered.

10. Legal Implications

- 10.1. Section 111 of the Local Government Act 1972 provides that the Council shall have the power to do anything (whether or not involving expenditure, borrowing, or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions.
- 10.2. 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.
- 10.3. Section 1 of The Local Government (Contracts) Act 1997 allows the Council to enter into a contract in relation to any of its functions.
- 10.4. Under the Public Contract Regulations 2015 where a public authority is to enter into a contract for the supply of goods and services 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.

- 10.5. In addition to paragraph 11.4 the Council must comply with its Contract Standing Orders in relation to the procurement of a preferred developer.

Background Papers

- Delivering our Housing Strategy – Housing Development next Steps Report to JSA 14th January 2020
<https://democracy.adur-worthing.gov.uk/ieDecisionDetails.aspx?ID=278>
- Platforms for Our Places - Going Further - Joint Strategic Committee December 2019

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Sustainability & Risk Assessment

1. Economic

This proposal assists the council in meeting its stated strategic goal of increasing the supply of affordable housing and enabling residents to live and work, at affordable prices in the district.

2. Social

2.1 Social Value

This proposal will provide decent and affordable accommodation for those on the ADC housing register. This will have a positive impact on those individuals who may either be homeless or in unsuitable accommodation for their needs.

2.2 Equality Issues

This proposal does not have a specific effect on any specific group with protected characteristics

2.3 Community Safety Issues (Section 17)

There are no specific impacts on crime and disorder.

2.4 Human Rights Issues

This proposal assists with the right to respect for a home life by providing a disadvantaged group of people (ie homeless households) with a decent affordable home.

3. Environmental

The accommodation provided will be built to modern current standards under the building regulations for example the latest standards of insulation and fire safety will also reduce fuel poverty for the residents

4. Governance

The proposals in this report are fully in line with the Councils' Housing Strategy and with its Platform for our Places strategic document.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 October 2020
Agenda Item 9

Key Decision : No

Ward(s) Affected: all Adur

Enabling Communities to Thrive in Their Homes - Draft Leasehold Management Policy

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1 To update members on the draft Leasehold Management Policy.
- 1.2 Seek approval to consult Adur Homes Leaseholders on the policy.

2. Recommendations

That members of the Joint Strategic Committee:

- 2.1 Approve the draft draft Leasehold Management Policy for consultation with Adur Homes Leaseholders and
- 2.2 Request that a further report on the outcome of that consultation and recommendations be presented at the meeting of the Committee in December 2020.

3. Context

- 3.1. This report presents the draft Leasehold Management Policy which sets out how Adur District Council will manage its leasehold properties and its relationship with council leaseholders.
- 3.2. The draft policy sets out the principal obligations the council has towards its leaseholders , both under the lease and under the wider legislation governing leaseholders and leasehold properties. It also sets out the Council's key objectives in meeting these obligations.
- 3.3. This is a high-level policy which will sit over and inform a suite of policies and procedures which are in the process of being reviewed or developed that cover the operational and day to day aspects of leasehold management, for example, consultation for major works or leaseholder alterations.
- 3.4. This policies and procedures include (but are not limited to) Major Works charges and payment options, Service Charge payment and arrears, and Leaseholder Engagement

4. Issues for consideration

- 4.1. The Council will carry out an Equality Impact Assessment on the draft policy before it is implemented. The outcome of the assessment will be included in the report presented after the consultation.
- 4.2. The Council is currently developing a Tenant and Leaseholder Engagement Strategy

5. Engagement and Communication

- 5.1. The report seeks agreement to engage and consult with leaseholders on the draft policy.
- 5.2. The report also recommends that the policy document is brought back to Committee in December for sign-off with any changes to reflect the outcome of consultation with leaseholders.

6. Financial Implications

- 6.1. There are no direct financial implications in the recommendations to this report.
- 6.2. The Council has a responsibility to ensure that the costs of administering leasehold properties, including any related repairs and services are recovered from leaseholders. This ensures that the ringfenced Adur Homes Housing Revenue Account neither subsidises leasehold costs nor benefits from excess charges.
- 6.3. Adopting a leasehold policy will help the Council in this aim and provide a clear basis for leaseholders with regard to their rights and responsibilities.

7. Legal Implications

- 7.1 The Council is required to comply with various legislative requirements in relation to its housing management function and when dealing with leasehold properties and leaseholders as set out in the proposed Leasehold Management Policy. Adopting a Leasehold Management Policy will help the Council comply with its legal obligations and engage with leaseholders.
- 7.2 The Council has adopted policies in place for consultation and engagement with leaseholders. These policies should be followed when carrying out any consultation.

Background Papers

- Leasehold Management Policy July 2020

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Sustainability & Risk Assessment

1. Economic

- As property owners, Leaseholders are key to building a thriving community. The viability of their asset is important either in providing homes or in the development of the community.

2. Social

2.1 Social Value

- This policy provides leaseholders and household information on the Council's commitment to their property and community, which in turn allows them to create both social and communal assets within the community.

2.2 Equality Issues

- An Equality Impact Assessment will be carried out before the policy is implemented.

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.

Engaging with leaseholders : Leasehold Management Policy

1.0 Introduction and Purpose

1.1 This policy sets out the basic principles of how the Council will manage its leasehold properties and comply with its obligations under the lease and its wider statutory obligations towards leaseholders.

1.2 It also outlines the high-level policies for key areas of leasehold management.

1.3 The purpose of the policy is to provide clarity to Council staff and to residents of the Council's responsibilities towards leaseholders and to show leaseholders what they may expect from the Council.

2.0 Definitions

In this document the following key terms are used :

Leaseholder . The owner of a flat or maisonette, who either bought their home from the Council under the Right to Buy, or who bought it on the open market from the Right to Buy purchaser or from a subsequent owner.

Lease. A lease gives the right to the leaseholder to use and occupy a property for a fixed period of time . Leases granted under the Right to Buy are for a term of 125 years from the first sale in the block. The lease sets out the rights and responsibilities of both the leaseholder and the landlord.

Freeholder. Adur District Council owns outright the building of which a flat or maisonette forms a part, including any grounds or communal areas and has granted the leases to the leaseholder.

Landlord .Adur District Council is the landlord as it has granted the leases . Its legal obligations towards leaseholders and the rights it is able to exercise are set out in the lease and by the relevant legislation.

Service Charges . The charge paid by the leaseholder as their share of the landlord's costs including overheads for carrying out communal repairs or providing services such as grounds maintenance and building cleaning . These services are set out in the lease.

The legal definition of a service charge is given by the Section 18 of Landlord & Tenant Act 1985 (as amended).

Major Works. Cyclical,periodic or capital works, such as external repairs and decorations, roof repair or renewal , or the installation of replacement windows. A legal consultation

process under the Landlord & Tenant Act 1985 is undertaken ahead of the works where the cost of the works to any leaseholder affected will be £250.00 or more

Long-term agreement . This is an agreement with a contractor that lasts more than 12 months to carry out repairs or provide services . Where any leaseholder may be charged more than £100/ year under such an agreement, a legal consultation process has to take place with leaseholders before entering into the agreement.

Examples of services which might be provided under a long term agreement include grounds maintenance , communal TV aerial service/maintenance , building cleaning etc

3.0 Context and background

3.1 Adur District Council manages approximately 520 leasehold properties. This is approximately 20 % of its housing stock.

3.2 The Council considers its leaseholders as important customers and recognises that it shares a common goal with leaseholders in aiming to maintain properties to a high standard To provide the best possible service to leaseholders the Council aims to provide a comprehensive and responsive leasehold management service in line with the lease, legislation, best practice and value for money.

3.3 The principal legislation governing the Council's relationship with leaseholders and which informs this policy includes :

Housing Act 1985 (as amended)

Gives secure tenants the Right to Buy

Prescribes the provisions that can be included in a Right to Buy lease

Gives the landlord powers to offer loans for the payment of service charges

Requires tenants who have bought their home under the Right to Buy and want to sell it within the first 10 years to give the Council first refusal to buy it back.

Landlord & Tenant Act 1985

Defines meaning of service charge

Gives leaseholders rights in relation to service charges and consultation about major works and qualifying long term agreements for work or services

Requires demands for payment of ground rent to be in a prescribed form

Requires a demand for payment of a service charge to be accompanied by a summary of leaseholder rights and obligations in a prescribed form

Landlord & Tenant Act 1987

Gives qualifying leaseholders the right of first refusal to buy the freehold

Leasehold Reform, Housing and Urban Development Act 1993

Gives qualifying leaseholders the right collectively to purchase the freehold of their building (enfranchisement)

Gives qualifying leaseholders the individual right to extend their lease

4.0 Policy Principles

4.1 The Council will carry out its obligations as landlord under the lease and will comply with all relevant legislation relating to leaseholders and will follow best practice in leasehold management.

4.1 Leaseholders have a clear obligation under the terms of their lease to pay their share of the Council's costs in carrying out repairs and providing services to their building so that the burden of those costs do not fall on tenants.

4.2 The Council has limited powers to waive service charges from leaseholders and these are in specific circumstances; additionally the Council has a general fiduciary duty to recover charges due to it. The Council's policy aim is therefore to provide leaseholders with a range of payment options and to signpost them towards sources of advice and support to assist them in paying their share of the costs of services, repairs and improvements.

4.3 The Council aims to provide the same standard of service and customer care to both tenants and leaseholders.

5.0 Primary policy approaches

5.1 Service Charges

5.1.1 Service charges will reflect the actual cost of delivering repairs and services, including overheads, and the Council will ensure these costs are supported by appropriate records and documentation.

5.1.2 Service charge schedules showing the actual costs for the previous financial year will be produced annually in a timely manner.

5.1.3 The management charge will regularly be reviewed to ensure it accurately reflects the Council's costs of calculating and collecting service charges and the management of leasehold properties and services to leaseholders.

5.1.4 The Council will offer a range of payment options to assist leaseholders. For major works charges the maximum repayment period will be based on the size of the charge. There will be an interest free period, but interest will apply where the repayment period exceeds this.

5.2 Major Works consultation

5.2.1 The Council will ensure it carries out statutory consultation where it is required under the Landlord & Tenant Act 1985 (as amended) in advance of carrying out major works. It will also carry out consultation where required in respect of any long-term agreements.

5.2.3 The Council will consider applying to the First-Tier Tribunal for a dispensation from some/all of the consultation requirements where it is appropriate, for example, for emergency repairs.

5.3 Leasehold Management

5.3.1 The Council will have procedures to deal with routine leasehold management processes, including subletting, alterations, the Right of First refusal for the Council to buy-back a property, applications to purchase the freehold (enfranchisement) or to extend the lease etc.

5.3.2 The Council will apply its housing management policies to leasehold properties where appropriate , for example, in relation to antisocial behaviour , or to access to carry out repairs or inspections.

6.0 Leaseholder engagement and communication

6.1 The Council is committed to involving its leaseholders in developing and improving the service , and listening to leaseholders' views and feedback and will promote engagement opportunities for leaseholders

6.2 The Council will provide information for leaseholders , including a leaseholders' handbook or set of factsheets. This and additional information will be available on the Council's website.

7.0 Performance measures and standards

7.1 The Council will monitor its performance in relation to the services it provides to leaseholders to help drive improvements in service charge collection rates and in customer satisfaction rates.

7.2 The Council will have a rolling programme of reviewing its leasehold policies and procedures reflecting customer feedback and changes in legislation or best practice.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 October 2020
Agenda Item 10

Key Decision [~~Yes~~/No]

Ward(s) Affected: Worthing ALL

Worthing CIL - revised draft Charging Schedule

Report by the Director for the Economy

Executive Summary

1. Purpose

- 1.1 Worthing Borough Council introduced a Community Infrastructure Levy (CIL) to allow funds to be raised from developers to pay for infrastructure that is needed to support growth. The Council adopted the Charging Schedule for CIL in February 2015 and implementation of the levy commenced in October 2015.
- 1.2 Given the time that has lapsed and the change in market conditions, a review of the CIL Charging Schedule was needed. Our consultants undertook a review of the current charging schedule and their recommendations form the revised CIL draft Charging Schedule. The draft Charging Schedule was consulted on for 8 weeks between June and August 2020.
- 1.3 This report provides an update on the revised CIL draft Charging Schedule (DCS) consultation and proposes that the document is now submitted for examination.

2. Recommendations

- 2.1 The Committee is recommended to:

- Note the progress made and the responses received from the public consultation on the revised CIL draft Charging Schedule;
- Note the modifications made to the draft Charging Schedule since the consultation;
- Agree to minor changes to the Schedule in consultation with the Cabinet Member for Regeneration, if required, prior to submission; and,
- Approve the submission of the formal revised draft CIL Charging Schedule for examination.

3. Context

- 3.1 The CIL Regulations 2010 (as amended), allow local planning authorities to set a CIL charge on some developments in order to contribute toward the cost of the infrastructure required to support the cumulative impact of growth and development in an area. Worthing Borough Council (WBC) adopted its CIL Charging Schedule in February 2015, with implementation of the levy commencing in October 2015.
- 3.2 The Charging Schedule must strike an appropriate balance between the desirability of funding infrastructure and the potential effects on the viability of development. It is generally considered that a review of a Charging Schedule should be considered within 5 years of implementation, to reflect changes to key government policy and guidance, as well as changing market conditions.
- 3.3 In view of the issues associated with the existing CIL Charging Schedule, your Officers commissioned consultants Dixon Searle Partnership (DSP) to undertake an initial review of the current CIL charging schedule in 2019. The final report was received in March 2020 outlining a number of recommendations for the Council to consider. The revised CIL draft Charging Schedule takes into account these recommendations. More information can be found in the Adur & Worthing Councils JSC - Worthing CIL - Infrastructure Investment Plan report; agenda item 12, 9 June 2020.
- 3.4 Approval was given by JSC in June 2020 to undertake a public consultation exercise on the revised CIL draft Charging Schedule (DCS). A wide range of bodies were consulted on including; persons who are resident or carrying on

business in Worthing, voluntary bodies, neighbouring authorities, and local developers.

- 3.5 It is worth noting that on 6th August 2020 (during the CIL consultation) the Government published its 'Planning for the future' White Paper, which includes plans to reform the developer contributions system by replacing both section 106 and the community infrastructure levy (CIL) with a new 'infrastructure levy'. However, there are no timelines yet as to when this new levy would be in place and there is still a requirement for the Council, as a CIL charging authority to keep the current system up-to-date. For this reason, although the potential changes are noted, there is no reason at this stage not to get a revised and up-to-date Charging Schedule in place.

4. Issues for consideration

- 4.1 The revised CIL draft Charging Schedule went out for consultation on Tuesday 30th June, and lasted for 8 weeks. The consultation lasted for 2 weeks longer than normal to give consultees a chance to respond, given the situation with COVID-19. Hard copies of the Charging Schedule were available in the principal office. The Statement of Consultation can be found in Appendix A.
- 4.2 A total of 7 representations were received during the consultation period, with a further 6 acknowledgements. A brief summary of the comments received are below. More information can be found in the Statement of Representations Reg 19(1)(b) in Appendix B. Whilst a number of the comments received were fairly minor the more significant representations are summarised in the following paragraphs.
- 4.3 Three representations related to the charge for flatted residential development of more than 10 units on PDL. The assessments undertaken by our Consultants (DSP) had concluded that the viability prospects for flatted development in the Borough to be generally challenging. However, our Consultants recommended a 'nominal charge' of £25/sqm for this type of development, which has been challenged by these respondents.
- 4.4 DSP and your Officers have considered these concerns but believe that it is important to get a level of CIL contribution from these forms of development. We agree there is a need to balance the impact on development viability with the need to raise funds for infrastructure which will make the development acceptable. A nominal charge (in isolation) such as this will enable some funding for infrastructure without causing developments to be unviable. This

position (a nominal charge) would be further strengthened should the Government proposed changes to the Affordable Housing threshold (from 10 dwellings to 40 or 50 dwellings) be enacted albeit a temporary measure as a response to the Covid crisis.

- 4.5 One representation makes a number of points relating to the effect of COVID on the viability evidence used to set CIL and the impact that CIL may have on the viability of some developments types in the Borough. The effects of the pandemic will be felt in many potential areas of influence on viability or deliverability, short term in particular. However, there could be a range of influences and effects, not necessarily all negative in their impact on viability or other matters. At the point of carrying out the assessment the impacts of COVID were not apparent. While there are unknowns, and potentially significantly so, it is possible to work only with available information at the point at which the study was carried out (remembering that the reporting date follows weeks / months of research and modelling). The government has also made changes to the CIL Regulations, in response to the COVID-19 pandemic, to ease the burden for developers. In summary, COVID-19, whilst it is taken into account, is not a reason not to progress towards Examination and adoption of a revised CIL Charging Schedule.
- 4.6 All representations received have been taken into consideration prior to the Charging Schedule being submitted for independent Examination. Only minor changes have been made to the Draft Charging Schedule as a result of the representations received during the consultation. A copy of the modified draft charging schedule for submission can be found in Appendix C.
- 4.7 CIL examinations usually take about 4-5 months from receipt of the submission to the final report being sent out, although naturally this can take a little longer sometimes if there are complications or the examiner needs further evidence for example. Any hearing date is usually held about 8-10 weeks following submission. If, following Examination, the Charging Schedule is approved (found sound) it would need to be adopted by Full Council to establish the updated CIL charges for liable developments in the Borough.

5. Engagement and Communication

- 5.1 A CIL workshop was held on 12th February 2020 for all Members and our consultants gave a presentation setting out some of their emerging thoughts on the current CIL Charging Schedule and options for the Council to consider.

5.2 The CIL consultation period, which was extended to 8 weeks to allow consultees a chance to respond to the consultation, given the difficulties experienced in recent months. The consultation conformed with the requirements of the Council's Statement of Community Involvement (SCI).

6. Financial Implications

6.1 The CIL funding gives the Council the opportunity to invest in much needed infrastructure which would not otherwise be delivered. A revised CIL Charging Schedule better reflects the viability challenges of development in the Borough, therefore allowing the Council to collect money to fund infrastructure projects without significantly harming the likelihood of development.

6.2 The Council employs an Officer to administer the scheme. This post is funded from the 5% administration share of the CIL generated.

7. Legal Implications

7.1 Legislation governing the development, administration and governance of CIL is contained within the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended). The Ministry of Housing, Communities and Local Government (MHCLG) has also provided CIL guidance that needs to be followed.

Background Papers

- Appendix A - Statement of consultation
- Appendix B - Statement of Representations Reg 19(1)(b)
- Appendix C - Modified Draft Charging Schedule for submission
- Adur & Worthing Councils JSC - Worthing CIL - Infrastructure Investment Plan; agenda item 12, 9 June 2020
- Worthing CIL Charging Schedule 2015

Officer Contact Details:-

David Attmore
Community Infrastructure Officer
david.attmore@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

- The efficient collection and distribution of money collected through CIL will help to ensure that infrastructure is delivered alongside development to meet the identified needs of new and existing residents, communities and businesses.

2. Social

2.1 Social Value

- A CIL charging schedule that reflects the current market conditions will ensure that money is collected from development which can be spent on projects that provide the greatest benefit to the community.

2.2 Equality Issues

- Issues relating to race, disability, gender and equality have been considered and it is not felt that CIL will have an adverse impact on any social group. In reality, by making communities more sustainable, CIL will facilitate economic growth and help to deliver improved services. The infrastructure and services that CIL can provide (such as community facilities and transport networks) could enhance liveability for all sectors of society, and could help to deliver new infrastructure that serves different needs within the community.

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

- The efficient charging, collection and distribution of money collected through CIL will help to ensure that infrastructure is delivered alongside development to meet the identified needs. This will help to contribute towards meeting many Council priorities.

Worthing Borough Council

COMMUNITY INFRASTRUCTURE LEVY (CIL)

REVISED DRAFT CHARGING SCHEDULE

STATEMENT OF CONSULTATION

Month 2020

Introduction



WORTHING BOROUGH
COUNCIL

This document provides a record of the consultation undertaken by Worthing Borough Council on the CIL revised Draft Charging Schedule.

This consultation statement documents which bodies and persons were invited to make representations and how those bodies and persons were invited to make such representations.

This document should be read in association with the following:

- Statement of Representations Procedure
- Statement of Representations (Regulation 19)
- Statement of Modifications

Consultation on the Draft Charging Schedule

Worthing Borough Council invited representations on its Community Infrastructure Levy revised Draft Charging Schedule for an eight week period between 30th June 2020 and 25th August 2020.

Consultation Process

The consultation undertaken on the revised Draft Charging Schedule (DCS) involved the following:

- The consultation documents and supporting evidence were made available to view on the Council's website. All website links went live at midnight on 30th June 2020. This included links from a number of pages including the Council's main consultations and engagement webpage. All documents were available here:
<https://www.adur-worthing.gov.uk/worthing-cil-review/>
- Hard copies of all relevant documents were available to view, on request, at the Council's Portland House Office
- An email (Appendix 2) was sent to all statutory Planning Policy consultees. In addition, the Council also contacted all those subscribers to the Planning Policy Newsletter circulation list and all other interested parties on the council's consultee database. This included a large number of developers, land-owners, local businesses and resident / interest groups. A list of all consultees contacted can be found in Appendix 4
- A reminder email (Appendix 3) was sent to all consultees who had not responded to consultation, on 11th August 2020, to remind consultees that there were two weeks left for responses

Representations

A total of 7 representations (and 6 additional acknowledgements) were received by the Council during the consultation. Full details of the responses received can be found within the Council's Regulation 19(1)(b) Statement.

Appendix 1: Draft Charging Schedule Deposit Points for Documents

Worthing Borough Council

Portland House,

44 Richmond Road,

Worthing,

West Sussex,

BN11 1HS

Appendix 2: DCS Covering Email

Figure 1: Covering email sent to consultees for DCS Consultation

David Attmore <david.attmore@adur-worthing.gov.uk> Tue, 30 Jun, 09:37

to bcc:

Dear Consultee,

Worthing Community Infrastructure Levy Draft Revised Charging Schedule Consultation

Worthing Borough Council has undertaken a review of its existing Community Infrastructure Levy (CIL) Charging Schedule, which was implemented in October 2015. The revised CIL draft Charging Schedule takes into account the findings of the recent CIL review, undertaken by our consultants, which uses up-to-date information and reflects changes to market conditions.

The revised CIL Charging Schedule and all available evidence has been published for consultation between Tuesday 30th June and Tuesday 25th August 2020.

Attached is a copy of the revised CIL draft charging schedule and the Statement of Representations Procedure. Copies of all the available information and evidence can be found on the Council's website: <https://www.adur-worthing.gov.uk/worthing-cil-review/>

If you have any questions relating to the consultation please do not hesitate to contact: david.attmore@adur-worthing.gov.uk or 01903 221493.

Please can any comments be returned to us by **5pm on Tuesday 25th August 2020**. We appreciate that we are working in difficult unprecedented circumstances; hence we have extended the consultation to last eight weeks.

Please note that you have received this email, either because you have previously commented on a policy document, or you are a statutory / general consultee that may have an interest in such information. However, if you would rather not receive these emails, or your contact details have changed, please let us know and we can update our records.

Kind regards,

--

David Attmore
Community Infrastructure Officer, Worthing Borough Council
Phone: 01903 221493
Email: david.attmore@adur-worthing.gov.uk
Website: www.adur-worthing.gov.uk
Address: Planning & Development, Portland House, 44 Richmond Road, Worthing, West Sussex, BN11 1HS

Appendix 3: DCS Reminder Covering Email

Figure 2: Covering reminder email sent to consultees for DCS Consultation

David Attmore <david.attmore@adur-worthing.gov.uk> Tue, 11 Aug, 12:41 ☆ ↶ ⋮
to ...

Dear consultee,

Worthing Community Infrastructure Levy Draft Revised Charging Schedule Consultation

I hope you are well and keeping safe.

We would be very grateful if you are able to provide a response to the CIL draft revised charging schedule consultation by **5pm on Tuesday 25th August**.

Copies of all the available information and evidence can be found on the Council's website:
<https://www.adur-worthing.gov.uk/worthing-cil-review/>

If you have any questions relating to the consultation please do not hesitate to contact: david.attmore@adur-worthing.gov.uk or 01903 221493.

We look forward to hearing from you.

Kind Regards,

—

David Attmore
Community Infrastructure Officer, Worthing Borough Council
Phone: 01903 221493
Email: david.attmore@adur-worthing.gov.uk
Website: www.adur-worthing.gov.uk
Address: Planning & Development, Portland House, 44 Richmond Road, Worthing, West Sussex, BN11 1HS

Appendix 4: Consultee List for DCS Consultation

Below is a list of all consultees sent the covering email during the DCS consultation. Note – this list does not include individuals / residents (including those that subscribe to the Planning Policy Newsletter).

General and Statutory Consultees		
Active Sussex	Friends of Homefield Park	Planning Potential
Adams Hendry Consulting Ltd	Friends of South Downs -	Planware Ltd
ADCS Ltd	South Downs Society	QED Property
Adenstar Developments Limited	Fusion Online Ltd	Quoin Estates & Developments Ltd
Adur District Council	GL Hearn	Rabbit Group
AJ Salter and son	Gladman Developments	Rapleys LLP
Allen Planning Ltd	Gleeson Strategy Land	Regulator of Social Housing
Alliance Environment & Planning Ltd	Goring By Sea Methodist Church	Reside
Angmering Parish Council	Goring Residents Association	Roffey Homes
Architectus Ltd	Guild Care	Roger Green Sound & Vision
Arcus Consultancy Services Ltd	H G Scadgell Ltd	Sapphire Primary Care Developments
Ardington Hotel	Hargreaves Residential Developments Ltd	Saville Jones Architects
Arun District Council	Harman Building And Carpentry	Scotia Gas Network (SGN)
B & S Ventures (Worthing) Limited	Heene Community Association	Sight Support Worthing
B&W Group Ltd	Heene Residents Association	Sirius Planning
Barton Willmore	Henry Adams	Sompting Parish Council
Batcheller Monkhouse	Heron Homes	South Broadwater Residents Association
Becket Resident's Association	High Salvington Resident's Association	South Downs Leisure
Betham Associates	Highways England	South Downs National Park Authority
Bloomfields Ltd	Historic England	South East Coast Ambulance Service NHS Foundation Trust
BNP Paribas	Hobbs Parker Property Consultants	South East Water
Boots The Chemist	Home Builders Federation	Southern Gas Network
Boyer Planning	Homes England	Southern Housing Group
BRE (Building Research Establishment)	Homewise	Southern Water
Brighton & Hove City Council	Horizon Design Limited	Sport England
British Telecom	Horsham District Council	SSA Planning Limited
Broadwater (Worthing) Community Association	Hyde Housing	Stagecoach (South)
BT Plc	Ian Watkins Estate Agents	Steeles of Worthing
C G Spratt & Son	Indigo Planning	Stiles Harold Williams Partnership LLP
Cable & Wireless	Jeremy Silverthorne Fine Jewellery Co	Stratus Environmental
Campaign For Real Ale Ltd	JLA Limited	Strutt & Parker
Cantium Developments	JW Stratton	Sussex Building Surveyors Ltd
Carter Jonas	Kember Loudon Williams LLP	Sussex Police
Catesby Property Group	Kingston Parish Council	Tarring Residents Association
CBRE	Kirkwells	Taylor Wimpey
Chapman Lily Planning Ltd	Lancing Parish Council	Tetlow King Planning
Charmandean Residents Association	Land & Brand New Homes LLP	

<p>Chichester District Council Chris Thomas Ltd Churches Together for Worthing Churchill Retirement Living Ltd CIC 2050 Group, Willmott Dixon City & Provincial Properties Plc Clapham Parish Council Clarion Housing Clifford Dann Coal Authority Coastal West Sussex Mind Community Works Compass Travel Country Land and Business Association CPRE Sussex Crawley Borough Council Crest Nicholson (South) Ltd David Wilson Homes South East DC Planning Limited Dean Lewis Estates Limited DHA Group DTZ UK East Sussex County Council East Worthing Community Association ECE Planning EDF Energy Education Department EE Environment Agency Federation of Small Businesses Ferring Conservation Group Ferring Parish Council Findon Parish Council Findon Valley Resident's Association First Plan Fonant Ltd</p>	<p>Leith Planning Ltd Lemo Lewis and Co Planning Mapeley Marine Management Organisation (MMO) Marks & Spencer Plc MB1 Property Solutions McLaren Clark Group Michael Cook Associates Ltd Michael Jones & Co LLP Mid Sussex District Council Mobile UK MONO Consultants Ltd Montagu Evans Mulberry Property Investment Management Ltd National Car Parks Ltd National Federation of Gypsy Liaison Groups National Grid National Gypsy Traveller federation Natural England Neighbourhood Planning .co.uk Network Rail NHS Coastal West Sussex Clinical Commissioning Group NHS England Property Services Northbrook College Oakley Residential Obsidian Strategic Offington Park Residents Association Osborne Overill Associates Patching Parish Council Paul and Company Persimmon Homes Plainview Planning Ltd</p>	<p>Thakeham Group Ltd The Guinness Trust The Police and Crime Commissioner for Sussex The Retirement Housing Consortium Three Town & Country Planning Solutions Transco Transition Town Worthing Travelodge Turley Associates UK Power Networks Vodafone and O2 W Sussex Hospitals NHS Foundation Trust WATG West Sussex County Council West Waddy ADP Wood E&I Solutions UK Ltd Worthing & Adur Chamber of Commerce Worthing Churches Worthing College Worthing Community Council Association Worthing Community Partnership Worthing Homes Worthing Islamic Cultural Centre Worthing MIND Worthing Society Worthing Town Centre Initiative Worthing United Football Club WYG Group Youth Council</p>
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Worthing Borough Council

COMMUNITY INFRASTRUCTURE LEVY (CIL)

REVISED DRAFT CHARGING SCHEDULE

REGULATION 19(1)(b) STATEMENT

Month 2020



WORTHING BOROUGH
COUNCIL

Summary

In line with Regulation 19(1)(b) of the Community Infrastructure Levy Regulations 2010 (as amended) this statement sets out details of the representations that were made during consultation on the revised Draft Charging Schedule (June to August 2020) and a summary of the main issues raised by the representations.

Background

Worthing Borough Council invited representations on its Community Infrastructure Levy (CIL) Draft Charging Schedule for an eight-week period from 30th June 2020 to 25th August 2020. Further information on the consultation process is set out in the Council's Statement of Consultation.

Statement of Representations

This statement confirms that representations were made to Worthing Borough Council in respect of the CIL Draft Charging Schedule. A total of seven (7) representations were received during the formal consultation period and in accordance with Regulation 17 of the Community Infrastructure Levy Regulations 2010 (as amended).

In addition, six more organisations acknowledged and thanked the Council for providing the opportunity to respond but confirmed that they had no comment to make.

Information relating to the respondents making representations is contained in Appendix A and a summary of the main issues raised by the representations is contained in Appendix B.

A broad overview of the seven representations received (summarised in Appendix B) is as follows:

- Two representations simply refer to the content of the revised Draft Charging Schedule
- One representation supports the proposed 'greenfield' residential rate
- One representation supports the proposed flatted residential development of more than 10 units on PDL rate
- One representation relates to areas with heritage assets at risk
- One representations suggests a £0 charge for flatted residential development of more than 10 units on PDL
- One representation makes a number of points relating to the effect of COVID on the viability evidence used to set CIL and the impact that CIL may have on the viability of some developments types in the Borough

Right to be heard

As set out in Appendix A, three respondents requested the right to be heard by the CIL Examiner.

Modifications to the Draft Charging Schedule

The Council has made some minor modifications to the Draft Charging Schedule after it was published in accordance with Regulation 16 of the Community Infrastructure Levy Regulations 2010 (as amended). The majority of these simply update the document to reflect the current stage but all amendments are outlined in the Modification Statement.

Appendix A

Details of respondents in relation to CIL Draft Charging Schedule Consultation

Ref	Respondent	Organisation	Representing	Date of Response	Request to be heard at Examination?
1	Jessica Riches	South Downs National Park		01/07/2020	No
2	Eleanor Millward	Goring Residents' Association		13/07/2020	No
3	Kevin Bown	Highways England		24/08/2020	No
4	Lucy Bird	St William Homes LLP		25/08/2020	Yes
5	Alan Byrne	Historic England		25/08/2020	No
6	Rebecca Hoad	ECE Planning	Roffey Homes	25/08/2020	Yes
7	George Burgess	WSP	St Clair Developments Ltd	25/08/2020	Yes

Responses received – acknowledgement but no comment

Ref	Respondent	Organisation	Date of Response
Ack 1.	Hannah Hyland	Environment Agency	11/08/2020
Ack 2.	Susan Belton	Worthing Society	13/08/2020
Ack 3.	Charlotte Mayall	Southern Water	18/08/2020
Ack 4.	Andrew Fleetwood	Lemo	24/08/2020
Ack 5.	Simon Harkins	SGN	25/08/2020
Ack 6.	Chay Took	Worthing and Adur Chamber of Commerce	25/08/2020

Appendix B

Summary of representations received on Worthing Borough Council's Draft Charging Schedule during consultation between the 30th June 2020 and the 25th August 2020

Ref	Respondent	Summary of Representations
1	Jessica Riches (South Downs National Park)	<ul style="list-style-type: none"> Clarification needed for 'net additional floorspace' in Charging Schedule – i.e. when the existing floorspace can meet the 'in-use' test
2	Eleanor Millward (Goring Residents' Association)	<ul style="list-style-type: none"> Support the proposed higher levy on Greenfield development - to the maximum amount you can charge
3	Kevin Bown (Highways England)	<ul style="list-style-type: none"> Charging Schedule should include an introduction to CIL explaining what it is and how it is set
4	Lucy Bird (St William Homes LLP)	<ul style="list-style-type: none"> Generally support the proposed CIL fee of £25 per sqm for flatted residential development, as it is a decrease from current rate However, they highlight the need to balance between CIL, planning benefits and other policy requirements to help minimise the impact upon development viability, so that a site can be bought forward They welcome further discussion with the Council
5	Alan Byrne (Historic England)	<ul style="list-style-type: none"> Believe that the rates proposed in areas where there are groups of heritage assets at risk are not set such as would be likely to discourage schemes being put forward for their re-use or associated heritage-led regeneration – in these areas there may be a case for lowering the rates charged Encourage the Council to introduce a CIL exceptional circumstances relief policy
6	Rebecca Hoad (ECE Planning – Roffey Homes)	<ul style="list-style-type: none"> Suggest a £0 charge for flatted developments on previously developed land (PDL) – believe that a CIL charge at any level would jeopardise the viability of flatted developments Suggest that the viability analysis shows that the inclusion of even a nominal CIL rate would negatively impact the viability of flatted development schemes and would result in negative viability negotiations Suggest that some key input assumptions within the 'base' viability analysis of flatted schemes do not reflect the realities of these schemes, these include: standard construction costs; site works (abnormal and infrastructure works costs); and net to gross adjustment. Adjusting the input assumptions to more realistic levels further worsens the viability

		<ul style="list-style-type: none"> • Note that no detailed appraisals and cash flows were made available, and summary appraisals were not provided for all typologies • Recommend that the Council should look to adopt a CIL exceptional circumstances relief policy
7	George Burgess (WSP – St Clair Developments Ltd)	<ul style="list-style-type: none"> • Concern that the CIL Viability Assessment (March 2020), has not tested the viability findings in a COVID-19 environment – believe it is essential that any increased CIL rates are properly scrutinised and take into account the impacts of COVID-19 • Support the proposed lower CIL rates for flatted developments of more than 10 dwellings on previously developed land (PDL) • However, in order to ensure sufficient housing is provided to meet local demand, suggest the Charging Schedule should go further and make the CIL charge zero • Believe the COVID-19 pandemic will have worsened the viability position for flatted developments of more than 10 dwellings and therefore the £25 per sqm rate could render major flatted residential developments completely unviable • Suggest that the financial burdens of development must be minimised as much as possible in the current economic climate to ensure that much needed housing is delivered • The currently adopted CIL rate within the town centre (Zone 1) for Class C3 developments is £100 per sqm and the proposed new rate (for developments of 10 dwellings (Class C3) or less in the ‘Built Up Area Boundary’) would therefore represent a 25% increase on this • The CIL Viability Assessment suggests a CIL rate of circa £100 to £125 per sqm • Suggest a significantly lower rate than £125 per sqm (or even nil) for developments of less than 10 dwellings in the ‘Built Up Area Boundary’ – to reflect the uncertainty in the development sector and financial stress that businesses are under • Suggest the introduction of a CIL exceptional circumstances relief policy, to enable key developments to come forward where they may otherwise be rendered unviable • Encourage amendments to CIL Instalment Policy to extend the times within which the CIL payment is required – given the current economic climate and major financial constraints of many developers • Suggest the revised Charging Schedule includes a provision to allow part or full CIL relief for mixed-use town centre developments which maintain retail uses at ground floor – as a way of attracting additional retail development within the town centre • Suggest that the revised Charging Schedule should not introduce any CIL charges for live/work developments, as no viability testing has been undertaken on such forms of development and a

		charge would kill the market for live work schemes and reduce further the provision of flexible space for start-up businesses
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Worthing Borough Council

Community Infrastructure Levy
Revised Draft Charging Schedule

MONTH 2020

DRAFT FOR SUBMISSION

MONTH 2020



WORTHING BOROUGH
C O U N C I L

Executive Summary Table

Name of charging authority	Worthing Borough Council
Rates at which CIL is to be chargeable	CIL will be charged in pounds sterling (£) per square metre, of net additional floorspace ¹ (gross internal area) <u>that meets the 'lawful in-use test'</u> , at differential rates according to the Table(s) of this schedule.
Charging Zones	The charging area to which CIL will be applied covers all areas of the Borough apart from land that is designated as being within the South Downs National Park – as identified in Appendix 1 of this Schedule.
How will the charge be calculated?	<p>The Borough Council will calculate the amount of CIL chargeable to a qualifying development utilising the formula set out in Schedule 1 of the CIL Regulations (as amended). The Council will calculate the 'chargeable amount' using the rates set out below multiplied by the gross internal area (GIA) of the new building(s), taking demolished floorspace into account. The GIA will be measured in accordance with the Royal Institute of Chartered Surveyors (RICS) Code of Measuring Practice and the rates will be indexed linked to the 'All-in Tender Price Index' published by RICS.</p> <p>More information can be found in the 'Worthing CIL - Process Guide' on the Council's website.</p>
BCIS Tender Price Index (at Date of Charging Schedule)	?
Date charging schedule was approved	?
Date on which the charging schedule took effect	?
<u>Consultation Stages</u>	<u>The Council's Draft Charging Schedule was published for consultation between 30th June and 25th August 2020. Comments received are summarised in the Statement of Representations. Consultation was undertaken in accordance with CIL Regulation 16.</u>
Further Information	<p>Further information and copies of the evidence base and Hearing documents are available to view, by appointment, at Portland House and on the Council's website: https://www.adur-worthing.gov.uk/worthing-cil-review/</p> <p>Contact:</p>

¹ 'The total gross internal area proposed (including change of use, basements and ancillary buildings) in square metres minus the gross internal area to be lost by change of use or demolition in square metres'

Introduction

The Draft Charging Schedule has been prepared in accordance with the CIL Regulations 2010 (as amended).

What is CIL?

CIL is a tariff which will allow funds to be raised from new building projects in Worthing. The money raised must be used to help fund a wide range of infrastructure to support development across the Council's area. CIL is intended to supplement rather than replace other funding streams. The levy is a fixed, non-negotiable charge relative to the size and type of the chargeable development (although there are some exemptions available). CIL is payable on 'development which creates new or additional floor space where the gross internal area is 100sq. m. or more, or where an additional dwelling is created'. The majority of development providing an addition of less than 100sq. m. will not pay. Exemptions and relief for certain developments may be available.

CIL is charged in £ per square metre and is levied on the gross internal area (GIA) of the liable development. The CIL charge depends on the size, type and location of the development proposed. Where buildings are demolished to make way for new buildings, the charge will be based on the floorspace of the new buildings less the floorspace of the demolished buildings. However, the applicant must demonstrate that the existing floorspace has been in continuous lawful use for at least six months in the last three years (prior to development being permitted), with evidence supplied to support the claim.

The Charging Authority must keep the rates up-to-date to reflect market conditions and any other criteria in a Charging Schedule. Hence, this revised Charging Schedule seeks to amend the rates which were set back in 2015. When setting the rates, the Council must show that there is an appropriate an appropriate balance between the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, and the potential effects of the CIL rates on the economic viability of development across its area.

CIL is now the principle mechanism for collecting infrastructure contributions from new development in the Borough. Despite this, there is still be a role to play for Planning Obligations (S106 agreements / unilateral undertakings) for affordable housing and for the provision of site specific infrastructure necessary for the development to take place.

The Council's Developer Contributions Supplementary Planning Document (SPD) sets out further information on CIL and provides a clear understanding of how the Council proposes to manage infrastructure contributions in the future (including the relationship between CIL and Planning Obligations). The Council has also published a 'CIL Process Guide' to clarify how and when CIL will be calculated, collected and spent.

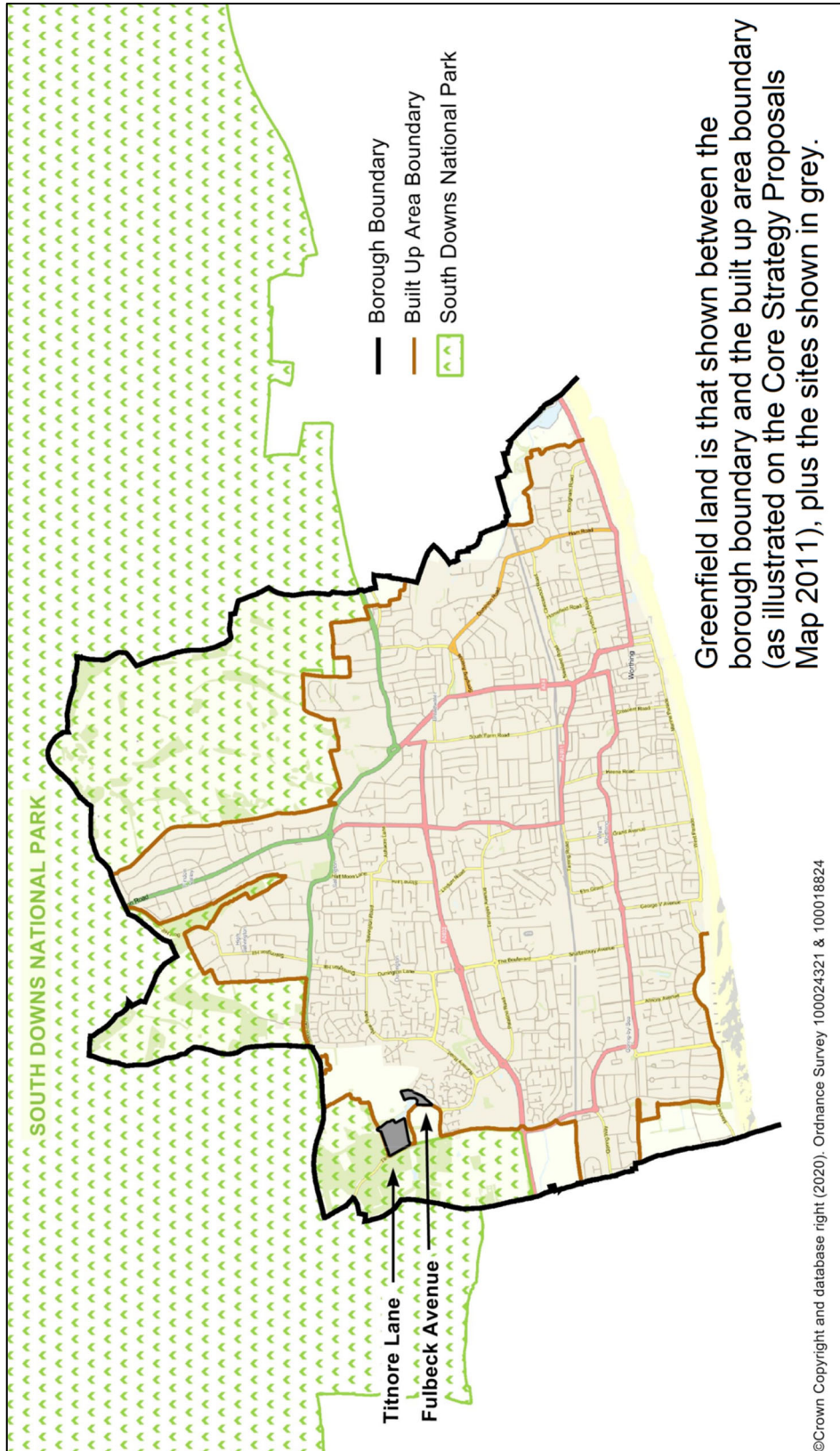
Table 1: CIL charge rates

Use	Development Type	Levy (£/m ²)
Residential Including retirement/sheltered housing	10 dwellings or less (all dwelling types)	£125
	More than 10 dwellings (excluding Flatted development)	£125
	Flatted development of more than 10 dwellings	£25
	Extra Care Housing	£0
	Greenfield housing development (greenfield land shown on map in Appendix 1)	£200
Retail	Foodstore/Supermarket/Retail Warehousing development (greater than 280 sq.m.)	£150
	Other forms of retail	£0
All other development		£0

Note: For mixed use schemes on PDL, of more than 10 dwellings, the flatted part of the development would be charged at £25/sq.m. and the housing part of the development would be charged at £125/sq.m.

The rates above will be index linked to the CIL Index published by RICS, in accordance with Schedule 1 of the CIL Regulations.

Appendix 1



Greenfield land is that shown between the borough boundary and the built up area boundary (as illustrated on the Core Strategy Proposals Map 2011), plus the sites shown in grey.

Note; An online version of the map can be found here;
<https://www.adur-worthing.gov.uk/maps/worthing-cil-map/>

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