

**Minutes of a meeting of the
Joint Strategic Committee
Adur District and Worthing Borough Councils**

Remote Meeting via Zoom

2 March 2021

Councillor Daniel Humphreys (Chairman)

Adur District Council:

Councillor Neil Parkin
Councillor Angus Dunn
Councillor Brian Boggis
Councillor Kevin Boram
Councillor Emma Evans
Councillor Carson Albury
Councillor David Simmons

Worthing Borough Council:

Councillor Kevin Jenkins
Councillor Edward Crouch
Councillor Heather Mercer
Councillor Elizabeth Sparkes
Councillor Val Turner

*Absent

JSC/122/20-21 Declarations of Interests

Councillor Val Turner declared an interest as a Trustee for South Downs Leisure.

JSC/123/20-21 Minutes

Resolved that the minutes from the Joint Strategic Committee meeting held on 9 February 2021, be approved as an accurate record and signed by the Chairman.

JSC/124/20-21 Public Question Time

There were no public questions received in advance of the meeting.

JSC/125/20-21 Items Raised under Urgency Provisions

There were no items raised under urgency provisions.

JSC/126/20-21 3rd Revenue Budget Monitoring Report (Q3)

Before the Committee was a report by the Director for Digital, Sustainability & Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 5.

The report updated the Joint Strategic Committee with the latest expenditure and income projections for each Council in the current financial year 2020/21, compared to the Revenue Budget approved by both Councils in February. Whilst the 'spend to date' would be the position as at 31st December 2020, the forecast position would reflect the latest information available to ensure an up-to-date forecast was presented.

The Coronavirus pandemic had had a significant impact on the financial performance of the Councils with the pressure of both additional expenditure and reduced revenue income. Those financial strains were reflected in the quarter 3 outturn projection for the 2020/21 financial year with net operational budget overspends predicted of £1,157,000 in Adur and £3,914,000 in Worthing. The government had recognised this pressure and provided funding to local authorities in the form of grants and the Income Guarantee Scheme. After allowance for the offsetting of this support funding it was currently estimated that the outturn position would be a net underspend of £223,000 in Adur and £13,000 in Worthing. A breakdown was set out in section 4.4 of the report.

Members expressed their support for the proposals.

Decision

The Joint Strategic Committee noted the report and projected outturn position for the Joint Committee, Adur District Council and Worthing Borough Council against the approved revenue budgets and proposed use of reserves.

Call In:

The call-in deadline for this decision will be 5.00pm on 12 March 2021.

JSC/127/20-21 3rd Quarter Capital Investment Programme & Projects Monitoring 2020/21

Before the Committee was a report by the Director for Digital, Sustainability & Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 6.

The report updated the Joint Strategic Committee on the progress made on the 2020/21 Capital Investment Programmes for Adur District Council, Worthing Borough Council. The programmes included schemes which supported the delivery of services by the Joint Services Committee.

A Member requested updates in relation to the Highdown, Pier and Brooklands projects. Officers confirmed that the works at Highdown were nearing completion and it was anticipated that the gardens would open in August 2021; sprinkler works were underway at the Pier and the operator was hoping to hit some of the summer season and there had been a small delay with the delivery of Brooklands due to staffing changes overseeing the project. However, it was anticipated that the Council would go out to tender later in the year and an update report be brought to the Committee at that time.

A Member sought an update on the situation with Broadwater Green and Officers agreed to provide a written response following the meeting.

The Committee acknowledged that a number of major projects were on track and thanked officers for all of their efforts.

The recommendations were proposed by Councillor Daniel Humphreys, seconded by Councillor Kevin Boram and unanimously supported.

Decision

The Joint Strategic Committee:

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

- i) noted the reprofiling of the Adur District Council capital schemes as advised in paragraphs 7.1.1 and Appendix 3.
- ii) approved the increase in the Disabled Facilities Grants Budget funded from additional Communities and Local Government Better Care Fund in line with anticipated grant allocations in 2020/21 as detailed in paragraph 7.2.3.
- iii) approved the virement of £65,000 to fund the revised tender costs for the refurbishment of Fort Haven Public Conveniences as detailed in paragraph 7.2.4.
- iv) approved the addition of the decarbonisation project management budget funded by Public Sector Decarbonisation Grant to the 2021/22 Capital Investment Programme as detailed in paragraph 7.2.5.

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

- i) noted the reprofiling of the Worthing Borough Council capital schemes as advised in paragraphs 7.2.1 and Appendix 4.
- ii) approved the increase in the Disabled Facilities Grants Budget funded from additional Communities and Local Government Better Care Fund in line with anticipated grant allocations in 2020/21 as detailed in paragraph 7.3.2.
- iii) approved the addition of the energy efficiency schemes funded by Public Sector Decarbonisation Grant to the 2021/22 Capital Investment Programme as detailed in paragraph 7.3.3.

Call In:

The call-in deadline for this decision will be 5.00pm on 12 March 2021.

JSC/128/20-21 Carbon Neutral 2030 - Worthing Heat Network

Before the Committee was a report by the Director for Communities, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 7.

The report set out the significant progress being made to deliver a flagship heat decarbonisation scheme in the heart of Worthing. Using technology well proven in Europe, the Worthing Heat Network would be one of the very first of its kind in the UK, cost effectively delivering against the Councils' 2030 carbon neutral target, in a large

scale scheme already well supported by BEIS, and strongly aligned to national government ambitions in the lead up to COP 26.

The scheme proposed to deliver a heat network that would enable heat decarbonisation at scale not just for 8 council-owned existing buildings (accommodating staff from both councils), but also for other public sector buildings (WSCC, MoJ, NHS, Police) along with major development sites including the Worthing Integrated Care Centre, Union Place and Teville Gate.

Adur & Worthing Councils, in leading the development of such scalable infrastructure, would provide a platform for cost effective decarbonisation of heat for multiple organisations, providing the leadership needed to help accelerate reductions in area-wide carbon emissions. Phase 1 of the network was expected to save 3,000 tonnes CO2 each year, supporting the shared challenge to become carbon neutral for the council and the area.

The report sought approval from Joint Strategic Committee to progress applications to the Heat Network Delivery Unit and the Heat Network Investment Programme in April 2021 for circa £4m, with further reports to JSC in September 2021 (approval to procure) and April 2022 (concessionaire contract award).

The feasibility of delivering a Worthing Heat Network was well progressed. The project had attracted £300,000 funding from the Government through the Department of Business Energy, and Industrial Strategy (BEIS), its Heat Network Delivery Unit (HNDU) and the Greater South East Energy Hub. Expert technical, commercial and economic support had been provided by BEIS who had recommended the project proceed to submit a funding bid to the Government's Heat Network Investment Programme (HNIP) for Commercialisation and Construction.

The proposed primary heat source was extraction of waste heat via a heat pump from the Worthing mains sewer. This zero carbon solution offered value for money when compared to individual building-level heat pump solutions, and would constitute one of the first innovations of its kind in England, though a successful project operated in Scotland and the technology was well used in Europe.

The report updated Members on work undertaken since December 2019. The proposed next steps for the Worthing Heat Network were set out at Section 6 . Members approval was sought to continue working with BEIS, consultants and stakeholders to finalise the draft Outline Business Case (OBC); submit a funding bid to the HNIP for Commercialisation and Construction; and if successful to undertake a procurement process for a private sector provider to deliver the Worthing Heat Network under a finance, design, build, operate and manage Concession Contract.

Members considered the project chart outlined in section 6.5 of the report and noted that reports would be brought back to update the Committee at key stages of the project. Consideration was also given to how the project would connect with the Worthing Integrated Care Centre (WICC) project and the capacity of the scheme to be extended.

The recommendations were proposed by Councillor Daniel Humphreys, seconded by Councillor Ed Crouch and unanimously supported.

Decision

The Joint Strategic Committee

- 1) Noted the good progress made to date with the feasibility work on the Worthing Heat Network and to approve the recommendations set out below to enable project development proceed to the next stage:-
- 2) Agreed to develop and submit a funding bid to the Heat Network Investment Programme (HNIP, BEIS) for finance to support the Commercialisation & Construction of the heat network, to be submitted on April 2nd 2021; and
- 3) Agreed to submit a further funding application to the Heat Network Delivery Unit (BEIS), late April 2021, for finance to develop the Full Business Case and prepare a technical specification to support the proposed procurement process should the HNIP bid be successful; and
- 4) Approved the allocation of £50,000 match funding by the Councils to support the HNIP bid from the Councils reserves as follows:
 - Adur District Council £4,760
 - Worthing Borough Council £45,230
- 5) Delegated authority to the Director of Digital, Sustainability and Resources to accept any grant funding to be received into the Council's budget for allocation to development of the heat network project; and to enter into any necessary consultancy contracts arising from the expenditure of the approved budget;
- 6) In anticipation of securing the HNIP Funding, authorised the Director of Digital, Sustainability and Resources to commence a two staged procurement exercise to establish the final delivery route, model and costs; and
- 7) Requested a further report back to Members on the conclusion of the procurement process, to approve the Final Business Case and final costs; seeking approval for the proposed approach to fund the connection fees and heat supply tariffs for council owned buildings.

Call In:

The call-in deadline for this decision will be 5.00pm on 12 March 2021.

** Councillors Crouch, Mercer, Sparkes and Turner left the meeting at 7.25pm in accordance with the Joint Committee Agreement.*

JSC/129/20-21 Adur District Council - Housing Revenue Account (HRA) Capital Programme 2021-2023

Before the Committee was a report by the Director for Communities, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 8.

The report informed members of the capital investment programme for two years combined - 2021/22 and 2022/23. It contained information about the planned investment in the housing stock which was owned by Adur District Council and managed under the name of Adur Homes. Approval was sought for the release of the budget in compliance with Financial Regulations.

The new investment allocated in the Housing Revenue Account for 2021/22 was £5,600,000 and for 2022/23 was £5,600,000.

A Member sought clarification regarding engagement and communications with Adur Homes residents, paragraph 6.1 in the report. Officers advised that work on improving tenant engagement was currently being undertaken. The Adur Homes Management Board was reconstituted recently and this was one of the first reports which had been through that process. Officers expected to see more engagement happening as the engagement infrastructure was developed.

The Committee expressed support for the plan, acknowledging that the Council was in a far better position to deal with contract management at this time.

The recommendations in the report were proposed by Councillor Carson Albury, seconded by Councillor Kevin Boram and supported by the Committee.

Decision:

The Joint Strategic Committee approved the revised Housing Capital Investment Programme for 2021/22 and 2022/23 and to release the budgets for 2021/22 and 2022/23.

Call In:

The call-in deadline for this decision will be 5.00pm on 12 March 2021.

The meeting was declared closed by the Chairman at 7.35 pm, it having commenced at 6.30 pm

Chairman